

Our diverse service offering and global scale strategically position us to partner with our clients, proposing solutions that will stand the test of time.



Results of Operations	2016	2015
	For the period	For the period
in millions of Canadian dollars, except number of shares and per share data	from January 1 to December 31	from January 1 to December 31
REVENUES	\$6,379.6	\$6,064.0
Less: Subconsultants and direct costs	\$1,484.5	\$1,577.2
NET REVENUES*	\$4,895.1	\$4,486.8
Personnel costs	\$3,704.4	\$3,420.0
Occupancy costs	\$226.8	\$215.0
Other operational costs (1)	\$466.9	\$415.6
Share of earnings of associates	\$(2.0)	\$(5.3)
ADJUSTED EBITDA*	\$499.0	\$441.5
Acquisition and integration costs*	\$32.9	\$3.9
Amortization of intangible assets	\$81.1	\$75.8
Depreciation of property, plant and equipment	\$78.4	\$64.2
Financial expenses	\$38.9	\$35.0
Share of depreciation of associates	\$1.9	\$1.1
EARNINGS BEFORE INCOME TAXES	\$265.8	\$261.5
Income-tax expense	\$67.1	\$71.8
Share of tax of associates	\$—	\$1.1
NET EARNINGS	\$198.7	\$188.6
Attributable to:		
- Shareholders	\$199.1	\$188.8
- Non-controlling interests	\$(0.4)	\$(0.2)
BASIC NET EARNINGS PER SHARE	\$1.97	\$2.05
DILUTED NET EARNINGS PER SHARE	\$1.97	\$2.05
Basic weighted average number of shares	100,883,512	92,280,269
Diluted weighted average number of shares	100,919,789	92,324,972
* Non-IFRS measures are described in the 'Glossary' section of the 2016 Audited Management's Discussion and Analysis		
Other operational costs include operational foreign exchange gains/losses and interest income		

REVENUES (CAD)

6.4B

NET REVENUES (CAD)*

4.9B

ADJUSTED EBITDA (CAD)*

499.0M

ADJUSTED EBITDA MARGIN (%)*

10.2

INCREASE OVER 2015 (%)

+5.2

INCREASE OVER 2015 (%)*

+9.1

INCREASE OVER 2015 (%)*

+13.0

INCREASE OVER 2015 (%)*

+4.1

FINANCIAL HIGHLIGHTS

WSP AT A GLANCE

NET REVENUES BY MARKET SEGMENT (%)

49

TRANSPORTATION & INFRASTRUCTURE

31

PROPERTY & BUILDINGS

1

INDUSTRY & ENERGY*

9

ENVIRONMENT

NET REVENUES BY OPERATING SEGMENT (%)

37

EMEIA (EUROPE, MIDDLE EAST, INDIA & AFRICA)

30

AMERICAS (US AND LATIN AMERICA)

19

CANADA

14

APAC (ASIA PACIFIC)

^{*} Includes Industry, Resources and Power & Energy



OFFICES

As one of the world's leading professional services firms, WSP provides technical expertise and strategic advice to clients in the Property & Buildings, Transportation & Infrastructure, Environment, Industry, Resources (including Mining and Oil & Gas) and Power & Energy sectors. We also offer highly specialized services in project delivery and strategic consulting.

COUNTRIES

Our experts include engineers, advisors, technicians, scientists, architects, planners, surveyors and environmental specialists, as well as other design, program and construction management professionals. With approximately 36,000 talented people in 500 offices across 40 countries, we are uniquely positioned to deliver successful and sustainable projects, wherever our clients need us.

CHAIRMAN'S MESSAGE

In 2016, it has again been a privilege to be Chairman of WSP. During the year, we were very proud that the organisation was ranked the Number 1 International Design Firm for the first time in its history. The Group has performed well and the Board of Directors has overseen successful senior leadership changes whilst further supporting progress under the Corporation's Strategic Plan.

SUCCESSION MANAGEMENT

The Board is pleased with WSP's 2016 operational and financial results, which have been achieved during a time of change at the most senior levels of the Corporation. The transition of Alexandre L'Heureux, former Chief Financial Officer, to President and Chief Executive Officer, and former CEO Pierre Shoiry's appointment as Vice Chairman of the Board of Directors have been accomplished successfully.

Having been part of the WSP journey since 2010, Alexandre was able to step smoothly into his new role, supported by Pierre Shoiry's well-structured transition. He brings a wealth of experience and new ideas to the position, together with continuity in terms of executing on the Strategic Plan, having been instrumental in its development. I am pleased that Pierre remains engaged with WSP.

WSP also welcomed Bruno Roy to the position of Chief Financial Officer in October 2016. Bruno joins the Corporation from McKinsey & Company's Asian operations and we are pleased to benefit from his global experience in professional services and his proven financial leadership. In addition, Alexandre has reorganised and extended his Global Leadership Team to provide wider reach to support our worldwide activities.





"Long-term succession planning is an important part of any vibrantly growing organisation; we have always and will continue to attach great importance to this dynamic."

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STRATEGIC PLAN PROGRESS

We are pleased with WSP's 2016 progress in delivering its 2015-2018 Strategic Plan, which embraces four cornerstones: Our Employees, Our Clients, Our Operational Excellence and Our Expertise. The Strategic Plan provides a compass for our activities around the world.

The Corporation is now 36,000 people globally, working with clients every day to provide technical, design and management services to meet their needs on projects of different scale and complexity. For WSP, providing outstanding client care is a business imperative and differentiator.

We continue to grow both organically and by acquisition and both of these growth dynamics have continued to receive senior management's full attention, whilst we strive for improved operational performance. In 2016, we further consolidated the integration of Parsons Brinckerhoff globally and MMM Group in Canada. We also made the sizable acquisition of UK-based Mouchel Consulting, and completed seven smaller but strategic acquisitions, touching three of our operating regions.

In addition to our proven acquisition activities, organic growth is a vital platform to support progress and our senior executives have implemented further client-facing actions accordingly. Most importantly we are seeing many opportunities arising worldwide to cross-sell our range of professional services. Through their maturing procurement processes, major clients are seeking consultants that support their diverse, worldwide requirements and WSP is one of the few consultants that has the competencies, geography and leadership to meet these extensive demands.

OPPORTUNITY AND RISK

The Board and senior management are mindful that with global growth and complex projects come increased opportunity and risk. As mentioned, the ability of our organisation to connect across the world and offer our technical

excellence and experience to clients is providing increasing opportunities. Drawing upon the experience of our Board members and global executives, our risk management is constantly being reinforced to align with our growth.

COMPLIANCE AND ETHICS

The continued success of our Compliance and Ethics program is one of our top priorities, and WSP strives to implement industry-leading standards in the way it conducts all of its activities.

In 2016, the Corporation launched a new interactive worldwide e-training programme on the Code of Conduct, complemented by a new digital strategy for the Compliance and Ethics program. In 2017, we will continue to reinforce all these activities to ensure the Corporation maintains the highest standards.

BRAND STRENGTH

With a combined history spanning many generations, our organisation is composed of a wealth of experience and cultures from different brands and backgrounds. Following the

transformational acquisition of Parsons Brinckerhoff in 2014 and the subsequent progress made on integration, the time had come to proceed with an evaluation of the overall brand.

As a result of this review and engagement by the Corporation with many stakeholders, the Board supported the decision to adopt one name for our organisation, one brand, and one vision for our future. The name and brand chosen is WSP. In 2017, we look forward to establishing this change and benefiting from the increased visibility created.

BOARD COMPOSITION

In 2016, the Board welcomed Suzanne Rancourt and Pierre Fitzgibbon as new directors. They both bring broad business experience, including strong financial backgrounds, which gave rise to their nomination as members of the Audit Committee. During the year, George Pierson resigned from the Board in order to pursue his executive career. My thanks go to George for his significant contribution since we acquired Parsons Brinckerhoff in 2014.

The Board's gender balance objective continues to develop as planned and I will ensure the composition is aligned and represents the Corporation's requirements. I would like to thank all the Board members for their support and contribution over the last year.

LOOKING AHEAD TO 2017

We look forward to a year of sustained growth and performance where our operations continue to mature and integrate, whilst underpinning and benefiting from our rebranding. Whilst we look for the right opportunities to continue to diversify our organisation, we are supporting organic growth regionally and internationally. The Board will work closely with the new

"The ability of our organisation to connect across the world and offer our technical excellence and experience to clients is providing increasing opportunities."

leadership team to support the above expectations and our 2015-2018 Strategic Plan.

The Board recognises and appreciates the significant dedication, experience and hard work of our employees to support our absolute aim to be the leading consultant in our worldwide markets. With our increasingly integrated activities and overall adoption of our new brand, we look forward to a year where we further consolidate our position as the world's number one pure-play consultant.

On behalf of the Board of Directors, may I take this opportunity to thank our loyal shareholders for their trust and support. We will work hard with focused direction to continue to provide excellent value to shareholders.

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CHRISTOPHER COLE CHAIRMAN OF THE BOARD







CEO'S MESSAGE

2016 was a year of great accomplishments for WSP. We made the important decision to unite under one name, one brand and one vision. We reached all of our key financial targets and successfully delivered on multiple objectives from the four pillars of our 2015-2018 Strategic Plan: People, Clients, Operational Excellence and Expertise.

PEOPLE

Our employees are WSP's greatest asset and they are the reason our firm is where it is today. I would like to extend my appreciation to our professionals worldwide for their invaluable contributions, their continued dedication to deliver the best services to our clients and their flexibility and ingenuity, which enable our firm to stay ahead in our competitive industry. In 2016, we maintained our efforts to promote and celebrate our culture and values. We continued to build on the foundation of our technical capabilities, our quality offering and our ability to seize opportunities.

We established an expanded Global Leadership Team, which will drive performance and collaboration globally, while enhancing country-level empowerment and agility. We believe this will be a key differentiator, constitute a competitive advantage and help to structure our business for long-term growth, as we seek to become the leading professional services firm in our industry.

During 2016, we welcomed two key executives to our leadership team: Bruno Roy was appointed as Chief Financial Officer and Robert Ouellette joined as Chief Corporate Services Officer. Bruno brings an impressive track record of achievements in the professional services industry and finance, as well as a broad range of experience in mergers and acquisitions and strategic planning. Robert has





significant executive experience in professional services. Initiatives such as IT infrastructure, working environment and workplace strategy improvement will be part of Robert's priorities, as we increase our ability to leverage technical expertise by connecting our experts from across the globe.

CLIENTS

Market leadership can only be achieved through listening to our clients and providing exceptional client service. We see ourselves not only as a global company, but as one that is adept at providing local and personalized service. Clients associate WSP, our global brand, with this ideal. Tomorrow is here today, and it is critical that we adapt our business and services, design and advice according to our clients' needs and tomorrow's reality.

As WSP has grown, we have remained focused on our clients. During 2016, we completed a brand survey of 1,000 key clients. The feedback from the survey was enlightening: our clients trust us as a partner and appreciate our ability to adapt to their culture. We are recognized as responsive to their needs and they are eager to discover the full scope of services WSP has to offer.

As part of our rebranding exercise, a primary focus in 2017 will be to continue engaging with our clients to explain our story and our ambitions. We will continue to build on our advisory and technical capabilities and compete on the world's most exciting and complex projects – at the same time bringing high-quality service to our work in local communities.

OPERATIONAL EXCELLENCE

We believe sustainable growth can only be achieved by running a sound and efficient business. As we expand the scope of our expertise, the scale of

"We will continue to build on our advisory and technical capabilities and compete on the world's most exciting and complex projects."

our firm becomes an asset. We are now in a position where we can compete on virtually any project in any sector, as the partner of choice for leading construction firms and architects around the world.

We also believe our pure-play professional services model allows us to bring superior value to our clients and shareholders, while creating excellent development opportunities for our employees.

In 2016, we posted revenues of \$6,379.6 million and net revenues of \$4,895.1 million, up 5.2% and 9.1% respectively from 2015. Despite challenges encountered in certain regions, we are pleased to have achieved global organic growth in net revenues of 1% on a constant currency basis - in line with our 2016 outlook.

As we execute our Strategic Plan, we are also delivering improvements in our adjusted EBITDA margin, which was 10.2% in 2016, compared to 9.8% in 2015. Our emphasis on operational excellence, higher utilization rates, cost synergies and corporate cost control are all important drivers of this improvement.

Our backlog stood at \$5,668.8 million at the end of 2016, representing 10.1 months of revenues, an increase of 9% compared to 2015. At the end of the year, our net debt to adjusted EBITDA ratio stood at 1.7 times, allowing us to further

invest in our organic growth initiatives and acquisition strategy.

EXPERTISE

In 2016, we performed particularly well in the buildings and infrastructure sectors. In addition, WSP has further established its position as a leader in the rail sector, through our work on the California High-Speed Rail project in the US and recent project wins for HS2 (High Speed Two) in the UK and the Kuala Lumpur-Singapore High Speed Rail link.

As we continue to grow our business organically and leverage technical expertise acquired through acquisitions, WSP is transforming into a top player in each region and sector in which it operates. This translated into our number one ranking on the 2016 list of International Design firms of Engineering News-Record, an industry publication, as well as top-three rankings in transportation, power and buildings. The design and engineering services industry is still fragmented, which may result in significant opportunities. Our merger and acquisition strategy is proven and our approach very focused. We will only complete transactions we feel are absolutely right for our employees, clients and shareholders.

Eight new companies, representing a total of 2,500 experts, joined the WSP team during 2016. These acquisitions, namely PTS, PRD Konsult, DITEC, Schlumberger's industrial water business, CRC Engineering, Mouchel Consulting, Høyer Finseth and AWT Consulting, enabled us to expand our geographical presence in South America and the Nordics, while strengthening our expertise in the UK and Australia. I would like to extend a warm welcome to all of our new employees.

Growth in our core sectors of infrastructure and buildings remains a priority and we are committed to strengthening our expertise in environment, water and power. In terms of geography, we see expansion possibilities in the US, Latin America, Australia and Europe.

While the majority of acquisitions completed in 2016 were smaller transactions, they were meaningful for our regions and sectors. Finally, the strength of our balance sheet will enable us to pursue more transformational transactions if they are right for us.

STRATEGY 2015 - 2018

As we enter 2017, the outlook for our business is positive and we believe we have reached a unique point in time for WSP.

In Canada, we anticipate increased stability in 2017. There are notable opportunities, particularly in the infrastructure sector, which we are hopeful will translate into growth in 2018 and beyond. In the US, the UK and the Nordics, strong infrastructure trends should provide organic growth potential. In Australia, the project pipeline remains strong and we expect to continue to build on our strong 2016 performance. In Asia, China's economy is expected to be stable, despite growing at a slower rate than in previous years.

Going forward, we will remain focused on driving global organic growth and improving margins, leveraging our global know-how and winning work, while pursuing a long-term growth strategy focused on our technical expertise.

I remain passionate about the prospects for WSP and our industry and we are working relentlessly to prepare the business for the next phase of growth. We look forward to promoting the new brand and our service offering, as we continue to provide our clients with the exemplary level of service expected of a trusted and long-term partner.

Our focus on people, clients, operational excellence and expertise allowed us to meet or exceed all of our key 2016

financial targets, and strongly positions us to reach our previously stated 2018 ambitions of \$6 billion in net revenues, an adjusted EBITDA margin of 11% and a global team of 45,000 people around the world.

I would like to take this opportunity to thank our employees, clients, shareholders and the Board for their support in 2016.

ALEXANDRE L'HEUREUX PRESIDENT AND CHIEF EXECUTIVE OFFICER



Strategic Plan Update

2016	END OF 2018 OBJECTIVES	
36,000	45,000	
NET REVENUES (CAD) 4.9B	6.0B	
EBITDA MARGIN (%)	11.0	

JANUARY 8

Ranked Best Services Engineer

The top 100 global architects ranked WSP as best services engineer for the second year running in *World Architecture 100*

FEBRUARY 3

Acquired PTS Kiinteistötekniikka

Increased our expertise in project management and building specialist services in Finland MARCH 1

Acquired PRD Konsult

Increased our expertise in power and energy in Sweden

MARCH 15

Announced appointment of Alexandre L'Heureux as President & CEO

Pierre Shoiry to transition to Vice Chairman of the Board of Directors









2016 KEY EVENTS

Our firm is growing, driven by a clear vision and strategy based on excellence and technical expertise. Our innovation and diversity position us at the forefront of the global marketplace.



APRIL 15

Acquired DITEC

Increased our expertise in structural engineering in Mexico

JUNE 18 AUGUST 19 OCTOBER 12 DECEMBER 12 **Acquired CRC Acquired Mouchel** Ranked Number 1 **Engineering** Consulting by ENR The Engineering News-Increased our expertise in Increased our expertise in Record (ENR) rankings cogeneration (power and public transportation and placed WSP as the steam) in the US infrastructure, particularly in number 1 International highways and transportation Design firm systems, in the UK, Ireland and the Middle East

Acquired Høyer Finseth

Increased our expertise in project management and related advisory services in Norway

JULY 31

Acquired Schlumberger's **Industrial Water Business**

Increased our expertise in water consulting services in Chile, Peru, US, UK and Colombia

OCTOBER 3

Announced **Further Executive Appointments**

Bruno Roy to become our new CFO and Robert Ouellette appointed as **Chief Corporate Services** Officer (CCSO)

NOVEMBER 1

Ranked Number 1 by CTBUH

WSP ranked 1st in MEP and 4th in Structural Design in the Council on Tall Buildings and Urban Habitat (CTBUH)'s Top **Company Rankings**

DECEMBER 16

Acquired AWT Consulting **Engineers**

Increased our expertise in structural engineering in Australia

OUR DRIVING FORCE

EMPLOYEES BY MARKET SEGMENT (%)

Based on employees in technical roles

TRANSPORTATION & INFRASTRUCTURE

31
PROPERTY & BUILDINGS

13
ENVIRONMENT
10
INDUSTRY & ENERGY*

EMPLOYEES BY OPERATING SEGMENT (%)

EMEIA (EUROPE, MIDDLE EAST, INDIA & AFRICA)

21

AMERICAS (US AND LATIN AMERICA)

21

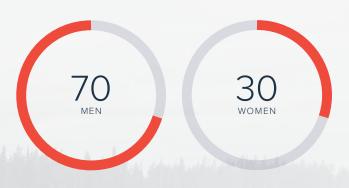
CANADA

16

APAC (ASIA PACIFIC)

OUR PEOPLE

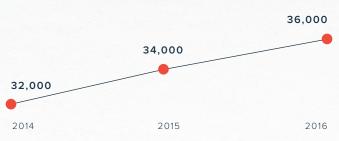
EMPLOYEES BY GENDER (%)



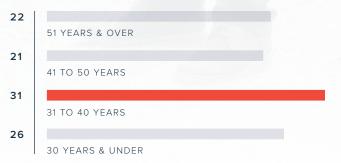
NUMBER OF EMPLOYEES WORLDWIDE

36,000

GROWTH IN NUMBER OF EMPLOYEES



TOTAL PERMANENT EMPLOYEES BY AGE CATEGORY (%)



TOTAL PERMANENT EMPLOYEES BY EMPLOYMENT CATEGORY (%)



INVESTING IN OUR PEOPLE

Valuing our people is one of the cornerstones of our global Strategic Plan. We aim to create an exciting and rewarding work environment that motivates employees daily and provides career development opportunities to attract and retain the finest talent.

In professional services, we rely 100 percent on our people for our collective success, and working in an ever-changing industry requires a unique approach to engage and retain our talent. As we welcome employees through acquisitions and organic growth, we continue to build a foundation for our future collective success.

TALENT INITIATIVES

As part of the company's global operations, our regions are empowered

to develop people strategies and tailor a local approach to talent management. The regions strive to create and support an environment where each employee has a strong sense of belonging.

2016 gave us the chance to further a number of regional initiatives, including programs for attracting, retaining, developing and recognizing our employees. These initiatives all contribute to the creation of a great place to work.



Tailoring our approach

Celebrating employees

Q UK

We have an awards program dedicated to our people engaged in outstanding projects and to recognizing the individual contributions of colleagues who are living our values.

Recruiting the best

AUSTRALIA

Our award-winning "2 steps ahead" campaign was the result of extensive internal research about the culture our people were seeking, and successfully reinforces our brand to potential recruits.

Helping our people progress

MIDDLE EAST

To improve the effectiveness of performance appraisals, we have developed a new approach involving ongoing feedback and check-in meetings, all supported by a new dynamic online tool.

People and projects

Q US

We have awards highlighting outstanding project delivery and technical excellence, and employee development programs focusing on recognizing and growing our talent.

Leadership and diversity

♀ CANADA

Eleven of our female professionals took part in the 100 Days Challenge, a personal development journey which promises to reveal their talent and propel their careers.

Reverse mentoring

♀ SWEDEN

This program capitalizes on our early career professionals' engagement and expertise in sustainability matters to transfer knowledge to more experienced colleagues - in a winning exchange that benefits the whole business.



Partnering with Engineers without Borders

JANELLE DE VRIES, GEOMATICS PROPOSAL OFFICE LEAD

Q CALGARY, ALBERTA, CANADA

WSP is partnering for a second year with Engineers Without Borders (EWB) Canada to support the following programs: Professional Fellowship, Engineering Change Labs and xChange.

"I have been lucky enough to travel to Zambia for six months with EWB to work with Rent to Own (RTO), an organization seeking to provide high-impact assets to micro-entrepreneurs in rural Zambia. It has been an incredibly rewarding experience so far; I am excited to be an ambassador for WSP and to be able to assist RTO in achieving its goals."



Innovating for our Communities

PATRIK HELIN, PROJECT MANAGER - MANAGEMENT CONSULTING

VALMAR, SMALAND, SWEDEN

"The 'Fantastic Ideas' marketing initiative is a great way to showcase some of the unique projects we get involved in here in Sweden. In our case, low rainfall had caused severe drinking water shortages on Öland, an island just off Kalmar. Our 'fantastic idea' was the design and project management of a new desalination plant on behalf of Öland's municipality, to convert seawater to drinking water – a first in Sweden. It has been very rewarding to work with colleagues from all over the country to pool our expertise and meet this challenge."



Engaging with Universities and Graduates

ANA GONZALEZ, SENIOR TRANSPORT PLANNER - DEVELOPMENT

PASINGSTOKE, HAMPSHIRE, UK

"I had the opportunity to join WSP's Taskforce program for early career professionals. This led to an interest in further initiatives – in my case supporting our graduate recruitment cycle, including the Development discipline's presence at our graduate assessment days. My other area of involvement is coordinating our discipline's University Engagement Strategy: raising the profile of our firm within universities with lectures, Industry Board involvement and network-building. I really enjoy motivating our early career professionals to embrace the opportunities we have available as part of this large, but connected, company."



WEAVING DIVERSITY AND INCLUSION INTO OUR CULTURE

Inclusion is critical in building a culture of innovation, engagement and performance and is a priority at WSP. We have implemented a Global Diversity and Inclusion Policy, aiming to foster an inclusive workplace around the globe. This enables us to fully leverage the creativity and skills of our people and ultimately deliver the best results for our clients and stakeholders.

Delve into our business and you will discover a number of initiatives to promote diversity and inclusion in our regions, while respecting local cultures. These activities include placing emphasis on diversity in our leadership, and focusing on gender balance for roles at all levels.

ALIGNING OUR ACTIVITIES

Our employees are empowered, accountable, client-focused, culturally diverse and forward-thinking.

A proud moment in 2016 was the two-day Leadership Team Meeting we held in Stockholm. Our 160 delegates from 18 countries were challenged on topics such as "Making our services stand out from the crowd," "Becoming the number 1 firm in our industry" and "Gender and diversity."

Our leaders left the conference inspired and with a clear vision for the future of our business in mind. Meeting in person, creating networks and taking ideas back to energize teams around the world – just some of the ways in which we endeavour to create an environment of sharing expertise and working together.

CONNECTING WITH OUR EXPERTS

Engineers, consultants, planners, environmental specialists, economists, to name but a few of the talented professionals we have on board. With our wide range of specialists, project opportunities are vast. With around 36,000 employees in 40 countries, we have numerous prospects for mobility, providing possibilities to work on exciting and extraordinary projects.

At WSP we pride ourselves on serving clients locally while accessing skills and talent globally. Technical excellence is in our DNA and at the heart of our business.

2016 saw some leaps forward in internally promoting our Practice Area Networks as a forum for employees to connect, supported by our Global Technical Expertise Matrix, designed to structure our technical capabilities. Our way of working together brings numerous benefits for clients and is a true differentiating factor.

THE FUTURE IS NOW

We are continuously seeking to enhance our workplace strategies. In 2016, we reviewed the progress we would like to make in providing an efficient and attractive work experience across all our global operations. The newly appointed Chief Corporate Services Officer and his global leaders will oversee human resources, information technology, real estate and procurement and work jointly at optimizing "the employee experience." This is testament to our commitment to our people to provide the freedom, agility and tools to partner with our clients for outstanding solutions and partnerships.

We look forward to the launch of our new brand, which represents a unique opportunity to position ourselves with existing and potential clients and unite our people across the world under one banner.



"When we are humble, we listen... and when we listen, we don't miss anything important."

- VINCENT TSE



MANAGING DIRECTOR, BUILDING MEP, CHINA REGION

PHONG KONG

With over 30 years of design experience in mechanical, electrical and plumbing (MEP) and Vertical Transportation Systems (VTS), Vincent's major focus is in central core optimization, floor efficiency, and sustainable and green design of tall buildings. Vincent has partnered with many renowned architects, structural engineers, building specialists and developers in the design of various tall buildings in Asia and in Europe. He has undertaken the design of more than 50 buildings of over 250 metres - 20 of which stand over 400 metres tall.

"I feel very fortunate to have had so many opportunities in different fields since I started working with our company, as well as having been able to work on some of the world's most iconic buildings, surrounded by inspirational team members. It has been very gratifying proposing solutions for clients through some challenging environments, such as around the 2008 financial crisis.

I have learned that to continue to be useful advisors for our clients, we need to always be ready to adapt and to know how to communicate effectively, allowing our customers to make their decisions. We can't stay in one place if we want to earn client satisfaction, especially in these very expensive, challenging tall building projects. We need to adapt to our clients' cultures, as well as be humble in our work."





SUCCEEDING TOGETHER

We challenge the status quo and learn from one another to leverage best practice. Our entrepreneurship, expertise and innovative approach are important sources of value creation for our fellow citizens and future generations.

Simon Kydd

DIRECTOR, HEAD OF HEALTHCARE

Q LONDON, UK

Simon is the head of healthcare services in the UK. He has spent the majority of his 18-year career in the healthcare sector, primarily in PPP projects within the UK. Simon's strategic role allows him to stay at the forefront of the challenges facing National Health Service estates and the design and construction teams that provide the solutions to overcome them.

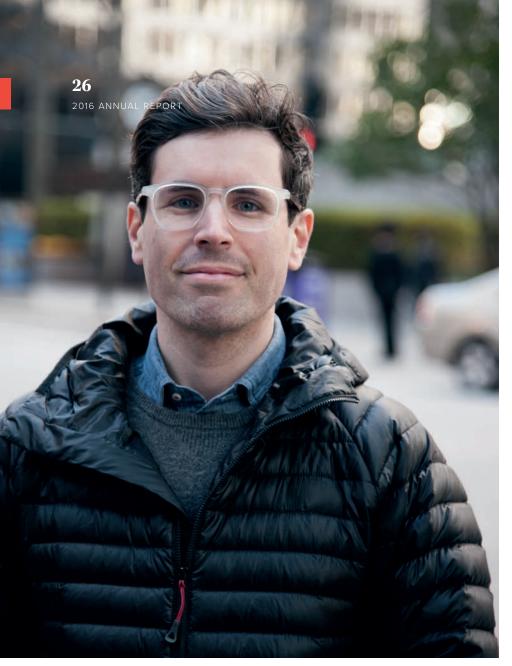
"I travel around to different offices across the UK, and find that meeting people face-to-face instills a sense of connection. People are more likely to share with others if they are not complete strangers. This helps when we are bidding for a project; we already have a network of experts in place, catering to a variety of services. We want to make sure we understand the market as much as we can before offering solutions to clients. We do the legwork to make sure we are bringing intelligent and refined propositions to the table.

Networking with colleagues allows us to share ideas and solutions that are also applicable to other places, as I find that clients face similar challenges everywhere in the world. Our solutions can apply everywhere, with a local flavour.

The best way to keep up-to-date with more recent technologies is by talking to colleagues, but also through networking at conferences. Keeping informed is crucial to our continued success as market leaders."

"Be a proactive team builder, not a reactive team member."

- SIMON KYDD



"When we talk about green buildings, even though we are doing something technical, we are actually making a philosophical statement."

- MARK BESSOUDO

Mark Bessoudo

MANAGER OF RESEARCH, SUSTAINABILITY & ENERGY

O TORONTO, ONTARIO, CANADA

Mark helps public and private sector clients integrate sustainability on multiple levels, including new and existing buildings, real estate portfolios, infrastructure, and community master plans. He also has extensive research experience on topics related to urban sustainability, building performance and health and wellness. In 2016, Mark was awarded the WSP Global Innovator Award for his thought-leadership on the role of philosophy in the engineering profession.

"My interest in green buildings and sustainability stemmed from philosophical beginnings rather than just the technical side. As engineers, it's easy to forget about the ethical implications of our work, but there is an important link between the technical and the philosophical.

For example, why are we transforming new and existing infrastructure to be more sustainable? It isn't just an effort to curb carbon emissions and increase energy efficiency; ultimately, we're trying to create a more humanistic and healthier world. Buildings are just one aspect of the overall solution.

I created www.platoforplumbers.com as a platform to discuss ideas and to interview people from inside and outside the company who specialize in topics at the intersection of technology, sustainability, and society. It is about getting the conversation started, to be visible in the market to let clients know that we offer these services, that we are not 'just' engineers. We are thought-leaders and have people who are thinking a few steps ahead not just about the industry, but society as a whole."

"We really use our worldwide connections in a best for project, best for client manner."

- KATE HUNT



Kate Hunt

TECHNICAL DIRECTOR, TUNNEL VENTILATION

QODALMING, SURREY, UK

Kate has substantial experience in the analysis and design of ventilation systems for road, rail, metro and cable tunnels, and deep knowledge of fire and life safety systems. Her expertise in tunnel ventilation and related mechanical & electrical systems and operations allows her to develop robust operating strategies and bring a holistic approach to our designs. Kate works on UK and international projects and leads our UK tunnel ventilation team.

"If you look at the 'vent' team, we tend to travel. Very early on, I was introduced to the idea that we are one global team, just located in different offices. That was an inspirational moment.

To be truly credible for clients, you have to have access to international experience, including knowledge of a variety of international standards. In my field, the challenges being faced the world over are similar, but there are different ways of responding to them depending on the climate, and local codes and regulations.

When we work together, we are working with people we know. It matters little whether we are talking about Sydney, Hong Kong or New York, what matters is that we produce great designs for our clients. We also have tight turn-around times for proposals and projects, so knowing who to turn to quickly for additional expertise is vital."

Herbert Els

SENIOR VICE PRESIDENT, BUILDING TECHNOLOGY SYSTEMS

♥ BOULDER, COLORADO, US

Herbert has nearly 17 years of experience in the design and implementation of a wide range of information technology systems. He has developed particular skills in helping his clients obtain systems which meet present needs while anticipating future requirements. As thought-leaders in the field, Herbert's goal is to push our "Build Smart" concept, which applies not only to our Buildings practice, but extends to all our market segments. He recently moved to Boulder, Colorado where we have started up our Innovation Center.

"The Innovation Center being created in Boulder is a hub for exploring NOW|NEW|NEXT ideas. The goal is to develop a more philosophical approach to the way we design, construct, and maintain buildings, recognizing that the focal point of the built environment should not be technology, but people.

As a company grows, it is easy to lose the nimbleness and camaraderie you often find in smaller firms. We feel that by having something like the Innovation Center, feelings of passion and 'belonging' will bloom - creating internal engagement, external recognition and ultimately a better story for our firm.

The biggest benefit I see at WSP is the tremendous amount of in-house knowledge and resources. We recently submitted a 'Smart City proposal,' and every single discipline was within our firm - we already had the best people available. Connecting people together is how we learn, and being connected is the expectation. It is essential to connect to remain competitive."

"I live by Einstein's idea that 'concern for man and his fate must always form the chief interest of all technical endeavours.'"

- HERBERT ELS





"Engineering as an art form can be carved using innovative tools to create future cities and safely sustain existing communities."

- SISSY NIKOLAOU

Sissy Nikolaou

PRINCIPAL, MULTI-HAZARDS AND GEOTECHNICAL ENGINEERING

NEW YORK, NY, US

In her youth, Sissy experienced the human devastation earthquakes cause when her family home was destroyed by a powerful tremor. It set the stage for her life's work as a geotechnical engineer. She specializes in global outreach, collaborating with fellow engineers on design solutions for projects exposed to natural hazards. Recognized for her earthquake engineering expertise, Sissy was recently inducted as an ASCE Fellow, and in 2016 was invited to the White House Earthquake Resilience Summit.

"I have always had a curiosity for things that are hard to predict, like earthquakes. That's the beauty and the challenge of what I do—finding innovative, workable solutions that protect populations from natural forces.

Resiliency is often considered to be something that helps a community 'bounce back.' At WSP, our goal is to 'bounce forward' and offer something better in our designs. I find often that it's less important to communicate my expertise than it is to listen to my fellow contributors and to hear from the local people in setting short- and long-term goals to prevent the next event from becoming a disaster.

When you have a firm like WSP backing you with more than 130 years of experience, you can approach a challenge with confidence, knowing colleagues around the world are ready to help. At WSP, I see professionals who are intelligent and proud of their product, but humble. They are team players who recognize the hard work of everyone involved."

MAKING SAFETY PERSONAL

The highest standards of Health and Safety are part of what makes us great. All our people have a part to play as we continue to make safety personal across all our activities.

During 2016 we continued to support a positive and high-performing safety culture and integrated our arrangements for managing Health and Safety (H&S) across several newly acquired businesses, as part of our global strategy.

The regional leadership teams of our businesses continue to promote reduction of the risks associated with our activities by encouraging compliance with our Expectations for Managing Health & Safety. Our Expectations are aligned with internationally applied standards for occupational health and safety management systems (OHSAS 18001).

2016 HIGHLIGHTS

 Our efforts resulted in a global lost time injury rate (LTIR)¹ of 0.07,

- below our target of 0.1 for the year, and a reduction from 0.11 in 2015;
- Our business leaders completed in excess of 400 safety tours, providing visible and tangible safety leadership;
- Our employees reported 635 "near miss" events and in excess of 3,400 safety observations, a testament to the success of our reporting practices in increasing awareness;
- We undertook 9,280 international business trips safely, with our employees guided by our partnership with International SOS;
- We continue to improve our internal and external H&S communications to increase awareness of the risks associated with our activities in support of our Zero Harm aims.

OUR 2017 ZERO HARM VISION

Our Zero Harm Vision is to effectively reduce or remove the risks in our activities by seeking new and innovative solutions through our four Zero Harm Pillars.

Everywhere we operate, we strive to achieve:

- Zero fatalities
- Zero permanently disabling injuries
- Zero injuries to members of the public
- Zero long-term harm to health

For 2017 and beyond we will continue to encourage and promote a positive and collaborative Health and Safety culture, involving not only our employees, but also our clients, partners and supply chain, such that we have a positive



"My commitment to health and safety in the workplace is rejuvenated with each new project, new employee and new day."

 TRISH PENNY, HEALTH, SAFETY AND ENVIRONMENT SPECIALIST - ENVIRONMENT

impact on safety performance across all our activities.

All employees are encouraged to make safety personal by contributing to removing the risks associated with our activities by reporting any accidents, incidents, unsafe acts or conditions, near misses and observations such that we ensure our working environment is as safe as possible.

Having reviewed the lessons learned from the adverse events reported during 2016, our focus in 2017 is to further reduce the risks associated with driving, overseas working, and people - plant - vehicle interfaces.

Lost Time Injury Rates (LTIR)¹

	LTIR 2016	LTIR 2015
CANADA	0.04	0.09
US	0.05	0.09
LATIN AMERICA	0.43	1.23
UK	0.02	0.02
MIDDLE EAST & INDIA	0.05	0.05
SOUTH AFRICA	0.00	0.16
CENTRAL EUROPE	0.30	0.00
NORDICS	0.12	0.03
AUSTRALIA & NEW ZEALAND	0.00	0.15
ASIA	0.13	0.08
GLOBAL	0.07	0.11

DELIVERING A SUSTAINABLE WORLD

At WSP, we want to play a key role in delivering a sustainable and resilient world. Our people contribute to making project outcomes more sustainable, supported by our specialized teams. These teams also support our client-facing activities and offerings, our sustainability agenda in our own operations and our thought-leadership in this field.

Over the year, we continued to focus on the principles of our "Future Ready" program in our global operations and believe this is the right approach for a more resilient future. We also introduced our new global Sustainability Policy, which addresses how we will approach market opportunities and do our part to lead by example.

SUSTAINABILITY REPORTING

GLOBAL REPORT

In 2016, we published our first combined (WSP and Parsons Brinckerhoff) sustainability report covering our global operations, in accordance with the Global Reporting Initiative (GRI) G4-Core Sustainability Reporting Guidelines.

Some primary goals for our 2017 report are to enhance our data collection processes, assess our readiness for external data verification and set greenhouse gas (GHG) emission reduction targets.

CLIMATE CHANGE AND OUR BUSINESS

We recognize that climate change poses risks as well as opportunities for our business. Responding to climate change and helping our clients develop and implement sustainable business models in the face of increasing economic pressure is one of the fundamentals of our business. By proactively identifying and managing these risks and

opportunities, we are positioning WSP to play a key role in transforming the built and natural environments, such that our clients can thrive in the low-carbon economy.

CARBON DISCLOSURE PROJECT (CDP) RESPONSE

CDP requests information on climate risks and GHG emissions from the world's largest companies on behalf of institutional investors.

In 2016, our response to the CDP Climate Change and Supply Chain questionnaires earned a 'B,' demonstrating that our company employs sound environmental management practices and procedures to address climate change. Our score surpassed the Industrials Sector Average and CDP Program Average, both of which were 'C' in 2016. Our overall score was elevated by strong performance in the Governance and Strategy, Risk and Opportunity Management and Emissions Management categories.

In addition to responding to the annual questionnaires, we are a CDP Accredited Service Provider for the Climate Change, Water and Cities programs.

Sustainability Policy

Our Objectives

WE WILL BE A BUSINESS LEADER IN FOUR KEY AREAS:

- We will use the growth of the sustainable economy as an opportunity to grow new markets and commercial opportunities.
- Our advice and designs will be future ready and will enable our clients to reduce environmental impacts over the life cycle of their assets.
- We will actively manage our own environmental and social impacts, improving the positive while reducing the negative.
- We will participate meaningfully in the communities in which we operate.

Our Approach

We will deliver these objectives by conducting our business in a manner that creates positive impacts on the environment and society, and by taking a proactive role in delivering the best solutions for all.

AS LEADERS IN SUSTAINABILITY CONSULTING, WE WILL:

 Harness the latest thinking and research developed by our industry experts to address the world's most significant challenges.

THROUGH OUR PROJECT DELIVERY, WE WILL:

- Actively seek out the most transformative, innovative projects to pioneer a more sustainable future.
- Provide forward thinking advice and unparalleled expertise to help our clients thrive in a changing world.

IN OUR OPERATIONS, WE WILL:

- Measure and manage our own environmental, social and governance practices and improve them over time.
- Share our progress with stakeholders by disclosing our sustainability performance annually.
- Foster healthy, safe and sustainable workplaces that support continuous learning and great careers.
- Act as positive members of the communities in which we work.



"We aim to give every person in WSP a clear, consistent view of what we believe their future world will look like. We then challenge them to work with clients to design both to today's codes and these future trends."

- DAVID SYMONS



Future Ready

DAVID SYMONS, UK DIRECTOR OF SUSTAINABILITY

Q LONDON, UK

"Future Ready is our global client-facing program to help our clients get ready for the future. Future Ready recognizes that many of our projects have long design lives and that over this time we'll see major changes in resource prices, climate change, societies and technologies. With Future Ready, we give our people a good understanding of these trends and challenge them to work with clients to design both to this future as well as to current design codes. During 2016 we've integrated Future Ready thinking into many projects, producing designs with greater flexibility, increased resilience, lower total cost of ownership and longer lives. Future Ready helps our clients get ready for the long-term and makes good business sense, whatever the project."



CANADA

SELECTED AWARDS

Roundabout Network Project, Mont-Tremblant, QC (partnership with MTMDET)

Road Safety Award - Excellence in Transportation Awards, AQTR (Association québécoise des transports)

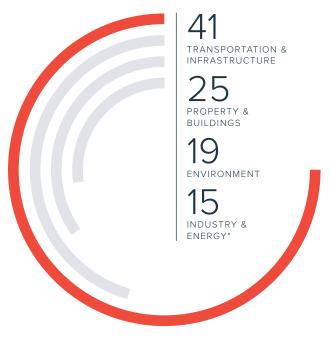
Feasibility Study for the Expansion of Bike Share Toronto, ON

Heart & Stroke Foundation's Healthy Communities Award - Excellence in Planning Awards, Ontario Professional Planners Institute (OPPI)

Spring Park Sewer Separation, Charlottetown, PEI (partnership with City of Charlottetown)

Environment Award, Engineers PEI

NET REVENUES BY MARKET SEGMENT (%)



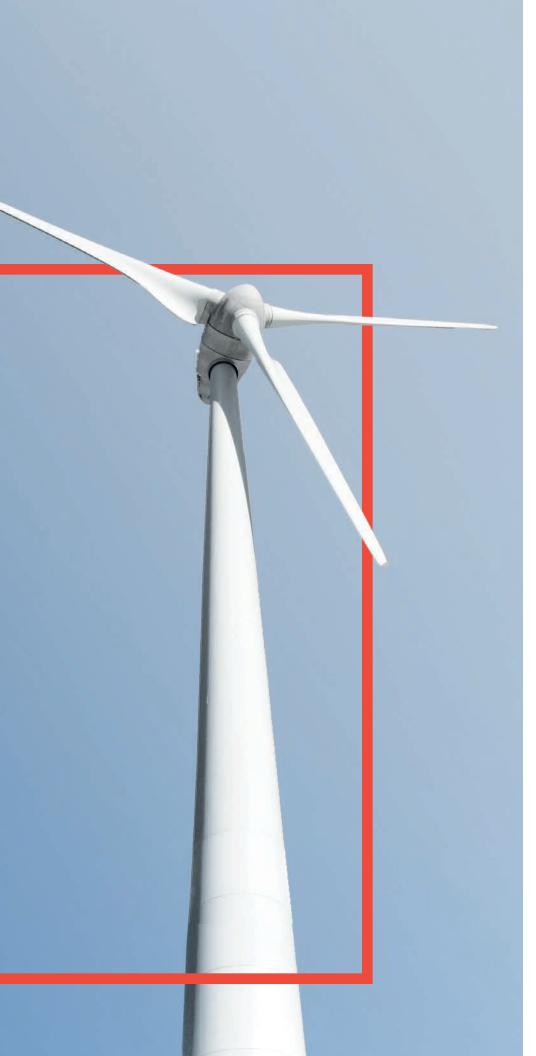
* Includes Industry, Resources and Power & Energy

NUMBER OF EMPLOYEES

7,500

NET REVENUES (CAD)

952.0M



Saint-Philemon Wind Farm

SAINT-PHILEMON, QC

The Saint-Philemon wind farm was the first project of this scale to be directly connected to the provincial power distribution network. In addition to carrying out comprehensive engineering activities, we were mandated to manage construction for this project. Mindful of the environmental constraints, particularly due to the presence of a protected bird species, our team ensured that the positioning of the wind turbines preserved their natural habitat.

CLIENT

Capstone Infrastructure Corporation

EXPERTISE

Commissioning and Start-up Management, Conceptual Design, Construction Supervision, Detailed Engineering, Owner's Engineer, Planning and Development, Quality Assurance, Quality Surveillance and Inspection "We knew we needed to have experienced people who know how to push the boundaries of innovation, who can deal with complex projects. WSP responded phenomenally in achieving this incredible task."

ANDREW MOSKER
 PRESIDENT AND CEO, NATIONAL MUSIC CENTRE





Studio Bell, home of the National Music Centre

Q CALGARY, AB

The National Music Centre houses five floors of exhibition space with diverse education programs, a collection of musical instruments and sound equipment to allow for creation of new work and live music performances. We were able to build a high performing and aesthetically striking facade on a historical building, whilst ensuring LEED green building certification. Sustainable features include heat recovery on ventilation air, use of high-recycled content materials, occupancy and daylighting sensors and low-flow plumbing fixtures.

CLIENT

National Music Centre

ARCHITECT

Allied Works Architecture and Kasian Architecture Interior Design

EXPERTISE

Commissioning and Start-up Management, Commissioning, Operation and Maintenance, Facade Engineering, Green Building Design

AWARDS

Top Projects, Commercial Design Winner, *Alberta Construction Magazine*, 2016

Top Projects, Institutional (Over \$50 M) Winner, *Alberta Construction Magazine*, 2016

Progressive Architecture Award, *Architect* magazine, 2014

2016 ANNUAL REPORT



0^{1}

Union Station Revitalization

OTORONTO, ON

Union Station is the primary multimodal transportation hub in Toronto, serving nearly 250,000 passengers daily. The redevelopment involves expansion of the concourse, improvement in services offered and the creation of a viable retail space within considerable spatial limitations and heritage conservation constraints. One of the major project features was the "dig-down" of the existing basement of the historical building by an additional 3-4 metres to accommodate the new concourse and facilitate linkage with the adjoining Toronto Transit Commission station.

CLIENT

City of Toronto C/O NORR

ARCHITECT

NORR

PARTNER

Construction Management/General Contractor: Carillion Canada

EXPERTISE

Advisory, Design, Air Quality and Climate Change, Environmental Management, Geotechnical Services and Material Testing

02

Ron Joyce Children's Health Centre

PHAMILTON, ON

Part of the McMaster Children's Hospital, the Ron Joyce Children's Health Centre offers the breadth and combination of services for children, youth and their families dealing with lifelong cognitive, behavioural, or physical issues. Delivering the majority of engineering services in-house, we were able to effectively coordinate the approaches of our various disciplines, helping to meet or exceed the requirements of the client.

CLIENT

PCL Partnerships

OWNER

Ontario Infrastructure Projects Corporation / Hamilton Health Sciences

ARCHITECT

Stantec Architecture Ltd.

EXPERTISE

Mechanical, Electrical and Plumbing, Lighting Design, Security Consulting, Structural Engineering, Transport Planning, Green Building Design, Construction Supervision, Detailed Engineering, Infrastructure and Facility Design, Paving and Drainage, Water Management









O1 Edam East and Vawn Heavy Oil Thermal Project

NORTHEAST SASKATCHEWAN, SK

Edam East and Vawn are heavy oil thermal central processing facilities, well pads and flowlines in Saskatchewan. Previous work for the client led to this engineering, procurement and templated design mandate. Through our abilities to template and introduce controlled and authorized change between designs, our experts created efficiencies, helped reduce cost and most importantly, improved the project schedule.

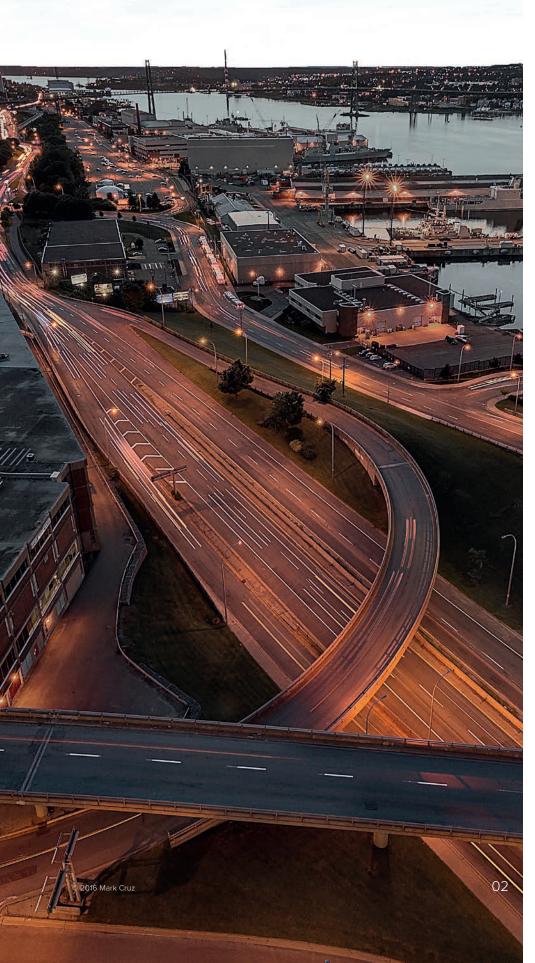
CLIENT

Husky Energy

EXPERTISE

Oil Projects and SAGD, Engineering, Procurement, Construction Management (EPCM)





Cogswell II Expansion

PHALIFAX, NS

The Cogswell Interchange, originally developed in the 1960s, and the freeway along Halifax's historic waterfront area, were recently identified as underutilized. We completed a survey defining the boundary between the existing public road network and private land holdings downtown, which will be used in a major redesign of the interchange. The initiative will dramatically reshape and revitalize the area, with a high-quality, mixed-use redevelopment that will connect downtown to northern neighbourhoods and enhance access to the waterfront area.

CLIENT

Halifax Regional Municipality

EXPERTISE

Geomatics, Visual Simulations and Mapping, Design and Construction Management







O'

Port Darlington WPCP Phase II Expansion

PBOWMANVILLE, ON

The Phase II Expansion of the Port Darlington Water Pollution Control Plant (WPCP) increased the plant's average flow capacity by almost 50 percent. The works were executed with excellent quality and complied with all environmental regulations applicable to this project.

CLIENT

Region of Durham

EXPERTISE

Project Management, Preliminary Design, Detailed Design, Computational Fluid Dynamic Modelling, Permitting Process, Construction Management and Supervision, SCADA Integration 02

Evergreen Advanced Light Rail Transit (ALRT)

VANCOUVER, BC

The Evergreen Line is an 11-kilometre-long extension to the existing SkyTrain system in Metro Vancouver, providing a direct connection without transfer onto the Millennium Line. With the grand opening of the extension in 2016, the SkyTrain network became the longest automated rapid transit network in the world. The project scope included the design of a two-kilometre tunnel, six new stations, procurement of vehicles and a vehicle storage facility.

CLIENT

TransLink

ARCHITECT

DIALOG, Perkins+Will

EXPERTISE

Civil Design, Alignment Design,
Road Reconstruction Design, Station
Location Configuration Review,
Selection of Preferred Alignment/
Configuration, Structures Preliminary
Design, Technical Advisory Services,
Survey Control, Base Mapping, Traffic
Management Planning, Elevated
Guideway Structural Design, Landscape
Design, Station Civil Design, Station
Mechanical Design, Construction Site
Services

AMERICAS

SELECTED AWARDS

Pearl Harbor Memorial Bridge, New Haven, CT, US

Grand Prize, America's Transportation Awards, American Association of State Highway and Transportation Officials, AAA and the U.S. Chamber of Commerce

Marblehead Pipeline Replacement Project, MA, US

Environmental Public Works Project of the Year, American Public Works Association

O'Hare Runway 10-28L (O'Hare Modernization Program), Chicago, IL, US

2016 Project of the Year, Construction Management Association of America

NET REVENUES BY MARKET SEGMENT (%)



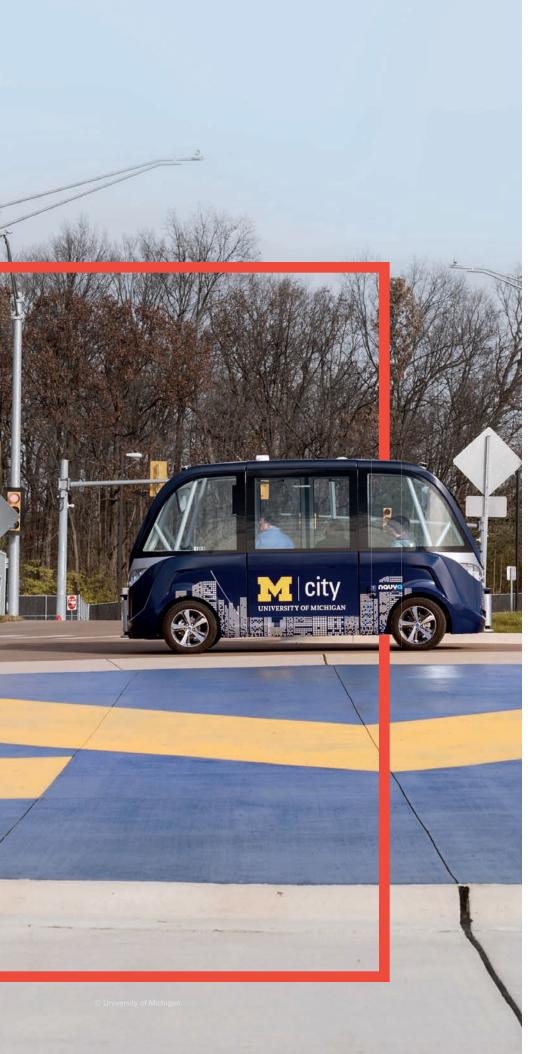
 * Includes Industry, Resources and Power & Energy

NUMBER OF EMPLOYEES

7,800

NET REVENUES (CAD)

1,478.3M



Mcity

ANN ARBOR, MI, US

Mcity is an urban-suburban environment that simulates realworld road conditions for testing connected and automated vehicle technologies. The site includes about six hectares of roads and infrastructure, enabling testing of technology that allows vehicles to communicate with each other and with the surrounding infrastructure. We are responsible for developing and deploying the roadside infrastructure being tested at Mcity, including identification of site locations and radio coverage evaluation, as well as support for backhaul communications connections, and vehicle-to-infrastructure messages.

CLIENT

Mobility Transformation Center, University of Michigan

EXPERTISE

Telecommunications Engineering

"The Second Avenue Subway is serving more riders every week and its benefits are already evident on the Upper East Side and throughout Manhattan."

 GREGORY A. KELLY, PRESIDENT AND CEO, US AND LATIN AMERICA, WSP

Second Avenue Subway

NEW YORK, NY, US

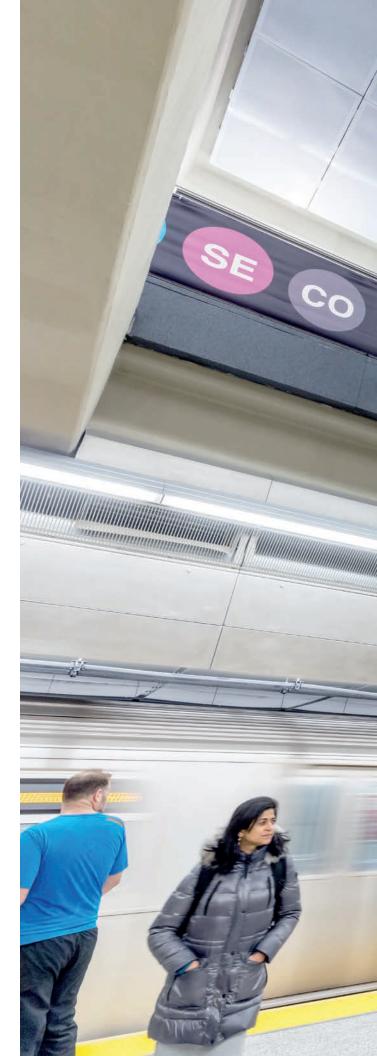
The Second Avenue Subway, from 63rd to 96th streets on Manhattan's East Side, opened on New Year's Day 2017. We served as consultant construction manager, overseeing construction that involved a tunnel boring machine as well as cut-and-cover and drill-and-blast excavation. "Soil freezing" was used to stabilize poor ground conditions along the alignment of the tunnel, and extensive efforts were made to lessen the impact of construction on the surrounding neighbourhood.

CLIENT

Metropolitan Transportation Authority

EXPERTISE

Construction Management





Sogamoso-Norte-Tequendama 500 kV Transmission Line

♀ COLOMBIA

We performed the environmental assessment and design of 386 kilometres of a 500 kV transmission line from Sogamoso to Bogotá to Soacha, over terrain that ranges from sea level to 3,200 metres above sea level. The project, considered one of the most important energy infrastructure projects in Colombia, will improve connections to the national grid and reduce the risk of power shortages in the region.

CLIENT

Grupo Energía de Bogotá

EXPERTISE

Environmental Assessment and Design

02

Panama Canal Expansion

PANAMA

The opening of a third set of locks at the Panama Canal on June 26, 2016, allowed the canal to accommodate the huge post-Panamax vessels that now dominate maritime trade. From 2002 to 2007, in association with Montgomery Watson, we served as program advisory consultant to the Panama Canal Authority in developing a framework for a master plan that would guide the project through design and construction.

CLIENT

Panama Canal Authority

EXPERTISE

Strategic Advisory and Planning













Arthur Ashe Stadium

QUEENS, NY, US

Arthur Ashe Stadium, originally engineered by our buildings group, is the world's largest tennis stadium. Our structures team designed an independent retractable "umbrella" above it which aesthetically blends with the original structure. The 22,000-square-metre roof is supported by 5,000 tons of structural steel, resting on 1,700 beams independent of the stadium. The new roof opens and closes in just seven minutes – making rain delays a thing of the past at the US Open.

CLIENT

United States Tennis Association

ARCHITECT

ROSSETTI

EXPERTISE

Structural Engineering

02

National Museum of African American History and Culture

♥ WASHINGTON, DC, US

The new museum, which traces the African-American experience, is also a showcase of sustainable design. We contributed design services for the building services and sustainable features including a rooftop photovoltaic array; occupancy sensors and daylight harvesting; LED and fluorescent lighting: chilled beams; demand-controlled ventilation; and a rainwater and groundwater reuse system. The building was designed to perform more than 30 percent better than the ASHRAE standard, and is on track to achieve LEED Gold certification.

CLIENT

Smithsonian Institution

ARCHITECT

Freelon Adjaye Bond/SmithGroupJJR

EXPERTISE

Mechanical, Electrical, Plumbing and Fire Protection Engineering, Building Commissioning, Built Ecology, Enclosure Consulting



Cincinnati Bell Connector Streetcar

OCINCINNATI, OH, US

The Cincinnati Bell Connector, which opened on September 9, 2016, provides convenient, affordable public transit between the city's central riverfront and historic Findlay Market. The 5.8-kilometre loop connects to the Government Square transit hub and serves the city's downtown and Overthe-Rhine neighbourhoods. We played key roles in planning and design, responding to significant changes in the scope and funding of the project, which restored streetcar service to downtown Cincinnati for the first time since 1951.

CLIENT

City of Cincinnati

EXPERTISE

Planning, Design, Construction Support

AWARDS

National Honor Award, 2017 Engineering Excellence Awards, American Council of Engineering Companies







MPLX LP Butane Storage Cavern

♥ ROBINSON, IL, US

This 1.4-million-barrel storage cavern, which is being constructed in shale at a depth of 213 metres, demonstrates our expertise in underground energy storage. On several occasions it was necessary to adapt our designs to geological conditions that we actually encountered. Three shafts were drilled for construction access and ventilation, establishing a new record for simultaneous drilling of multiple shafts at a single location. The project is within budget and several months ahead of schedule.

CLIENT

MPLX LP

EXPERTISE

Engineering, Procurement and Construction Management (EPCM)

Westbound

ONORFOLK AND PORTSMOUTH, VA. US

The Westbound Midtown Tunnel opened a second lane to traffic on August 26, 2016, following the opening of one lane in June. The new tunnel has doubled capacity across the Elizabeth River and alleviated severe congestion in the existing Midtown Tunnel. We served as lead designer of a design-build joint venture for the tunnel, which was opened several months early and is the first deep-water concrete immersed tunnel in the US.

CLIENT

SKW Constructors

EXPERTISE

Design

AWARDS

2016 Grand Award, American Council of Engineering Companies of Virginia

Bedrock Midtown Tunnel Groundwater in situ Remediation

YORK, PA, US

We successfully treated dissolved chlorinated solvents in fractured bedrock groundwater at the site of a former electronics manufacturing facility using an in situ combined remedy of engineered biogeochemical reduction and bioremediation. This first-of-itskind technology replaces traditional groundwater cleanup technologies, such as pump and treat, at sites where historic mitigation alternatives were limited to plume management. We have promising initial results at two additional sites in Missouri and Arkansas.

CLIENT

Emerson

EXPERTISE

Environmental Management, Ground Risk and Remediation, Land and Site Remediation

AWARDS

2016 Technology Merit Award, Environmental Business Journal







EMEIA

SELECTED AWARDS

Alder Hey Children's Health Park, Liverpool, UK

Prime Minister's Better Public Building Award, British Construction Industry Awards

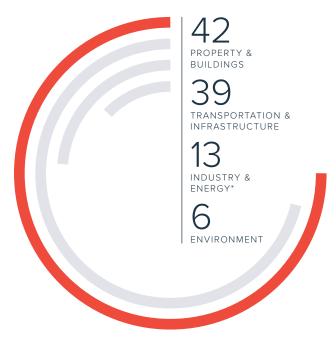
Finnevik Bridge, Espoo, Finland

Bridge of the Year 2016, Finnish Association of Civil Engineers RIL

Mall of the South, Johannesburg, South Africa

Best Mall 2016, SAPOA (South African Property Owners Association)

NET REVENUES BY MARKET SEGMENT (%)



 * Includes Industry, Resources and Power & Energy

NUMBER OF EMPLOYEES

15,000

NET REVENUES (CAD)

1,785.0M



Cosmo Mall Pedestrian Bridge

♥ JOHANNESBURG, SOUTH AFRICA

The Cosmo Mall Pedestrian Bridge provides a safe and user-friendly pedestrian and cycle crossing between the Cosmo City integrated housing development on the western side of Malibongwe Drive and the new Cosmo Mall Shopping Centre on the eastern side. The combined capabilities of our multidisciplinary team allowed us to meet client expectations with an unconventional, yet highly functional curved pathway bridge design, where the "forked" supports symbolize the iconic African thorn tree, the acacia.

CLIENT

XTLS Investments 43 (Bentel Group)

ARCHITECT

Rob Bray

EXPERTISE

Civil, Structural and Traffic (Nonmotorized Transport) Engineering and Engineering Management Services (Project Management)

AWARDS

2016 Annual CESA Engineering Excellence Awards (mention)

"Engaged from the outset of the project, WSP's multidisciplinary team met the challenge of developing an economically viable and iconic design, whilst working within a range of unprecedented constraints."

PETER ROGERS
 PARTNER, LIPTON ROGERS





22 Bishopsgate

Q LONDON, UK

This new landmark tower will be the second tallest in London after The Shard, accommodate around 12,000 people working for up to 100 companies and include a free public viewing gallery at the top. A simple, elegant building using the majority of the existing foundations is planned, while providing 20 percent more floor area than the previous scheme. We were chosen as having the proven capacity to deliver an extremely efficient tower with high targets for sustainability, comfort and occupant well-being.

CLIENT

Lipton Rogers Developments, Multiplex

ARCHITECT

PLP Architecture

EXPERTISE

Our UK and Polish teams are providing the following services:

Acoustics, Noise and Vibration, Building Information Modelling, Conceptual Design, Fire Engineering, Geotechnical Services and Material Testing, Mechanical, Electrical and Plumbing, Project/Program Controls, Security Consulting, Structural Engineering, Sustainability Assessment and Climate Change Adaptation

AWARDS

2016 Bentley "Be Inspired" Award for Innovation in Structures

Queen Alia International Airport

• AMMAN, JORDAN

Completed in 2016, Queen Alia
International Airport's new terminal
increased the airport's capacity
from 3.5 to 12 million passengers
per year. The terminal was designed
by Foster + Partners and we were
appointed in late 2007 as the
Independent Engineer, providing
expert technical advice on both
airport design and constructionrelated matters and ensuring
that the completed terminal met
client requirements and was
consistent with the terms of the
PPP Concession Agreement.

CLIENT

Government of the Hashemite Kingdom of Jordan; Airport International Group, IFC and IDB

ARCHITECT

Foster + Partners

PARTNER

Consolidated Consultants

EXPERTISE

Construction Supervision, Executive Advisory, Owner's Engineer, Project/ Program Management, Quality Surveillance and Inspection, Technical and Economic Advice









Gotthard Base Tunnel

PART OF THE NEW RAILWAY LINK THROUGH THE ALPS (NRLA) GÖSCHENEN - AIROLO, SWITZERLAND

The Gotthard Base Tunnel, also called the "Project of the Century," was inaugurated on June 1, 2016. It is the world's longest (57 kilometres) and deepest (2.3 kilometres) railway tunnel and the first flat, low-level route through the Alps. To meet the rigorous requirements and challenging conditions, our rail experts were chosen by the construction consortium to lead the approval procedure for the special catenary system, as well as to carry out the design.

CLIENT

AlpTransit Gotthard AG (ATG)

EXPERTISE

Rail Engineering



City Line

STOCKHOLM, SWEDEN

Currently Stockholm's largest construction project, development of the City Line involves the drilling and safe blasting of a 6-kilometre rail tunnel and the construction of two new stations. Our engineers were able to combine their extensive experience of infrastructure projects with expertise in the latest Building Information Modelling (BIM) tools. We have been responsible for some of the most complicated contracts on the City Line, completing them on time and on budget without any major disruptions to the service.

CLIENT

Swedish Transport Administration

EXPERTISE

Feasibility Study, Preliminary and Detailed Design, Rock Mechanics, Geotechnical, Geohydrology, Water and Sewerage, Cost Estimates, Landscape, Architecture, Traffic, Environmental Impact Assessment, Virtual Reality





Airbus Group's Headquarters

♥ TOULOUSE, FRANCE

This project involved the construction of Airbus Group's global headquarters and the creation of a campus to bring together all management support teams at the same location. The project's main challenge was to design and develop a symbolic project that was financially optimized thanks to an ambitious comprehensive planning process. The organizational process established, in addition to our experience with these types of major project, helped us meet this project's challenges.

CLIENT

Airbus Group

ARCHITECT

Calvo Tran Van

EXPERTISE

Technical Implementation Skills, Earthwork, Roads and Utilities, Civil Engineering, Structure, Electrical Engineering, Thermal Engineering, Plumbing, Security, Studies on Land Servicing, Infrastructure Construction Management, Fire Safety System

Kruunuvuorensilta Bridge

• HELSINKI, FINLAND

Kruunuvuorensilta Bridge will connect the Laajasalo district east of the city to downtown Helsinki. Spanning over 1.2 kilometres and 135 metres high, the bridge will be one of the most visible landmarks in Helsinki. The lanes dedicated to pedestrians, cyclists and trams will offer alternative commuting, promoting a healthier lifestyle. Based on our winning proposal for an international bridge design competition, our deep knowledge of bridge design allowed us to propose a cost-effective solution with high structural efficiency.

CLIENT

City of Helsinki

ARCHITECT

Knight Architects UK

EXPERTISE

Bridge Design, Infrastructure, Transport, Lighting, Environment and Geotechnical Construction







Northern Estate Programme

Q LONDON, UK

The UK Parliament's Northern **Estate Programme encompasses** the refurbishment and development of a number of historic buildings, which currently accommodate office space for the House of Commons. Around 15,300 m² of office space will be refurbished during the programme, which will run until the early 2020s. Having worked on and gained extensive knowledge of the parliamentary estate for years, our role will be to manage the development of design solutions, procure providers, and manage delivery through construction to re-occupation.

CLIENT

House of Commons

PARTNER

Gleeds

EXPERTISE

Programme Management, Cost and Value Management, Project and Construction Management, Business Case and Benefit Realisation, Programme and Project Controls, Procurement Advice



mBank Office

Q LODZ, POLAND

mBank office is an A+ Class building with six storeys above ground and one under ground, located in the city centre of Lodz. The main objectives of the client are to create a building that provides user comfort and costefficiencies, positively influences the local community and is ready for the future. It was also crucial to demonstrate to mBank (the longstanding tenant) that sustainable solutions will assure operational efficiency in the longer term, which we were able to achieve through energy modelling and thermal comfort analysis.

CLIENT

Ghelamco Poland

ARCHITECT

Szymon Kachniarz (Architect), Krzysztof Gryczynski, (Project Director), AHR Architects

EXPERTISE

Design, Building Information Modelling (BIM), Detailed Design, Green Building Design, Sustainability Assessment and Climate Change Adaptation





Queen Silvia's Children's Hospital Revitalization

Q GOTHENBURG, SWEDEN

Queen Silvia's Children's Hospital has been in its current building for over 40 years, so this new development is required to update the facilities. Use of Building Information Modelling (BIM) has been essential in keeping track of 450 systems - including security, lighting, X-ray equipment, electricity and ventilation - and the complex logistics involved. Having delivered some of the world's most technologically advanced healthcare facilities, our experts were proud to be chosen to bring their know-how to one of the world's best children's hospitals.

CLIENT

Västfastigheter

EXPERTISE

Electrical Engineering, Mechanical Engineering, Surveying, Civil Engineering, Building Science, Security Design, IT Design







Follo Line

OSLO, NORWAY

Currently the largest infrastructure project in the country, the Follo Line is designed to meet demand for increased rail capacity south of Oslo. As one of the first railway tunnels in Norway to be excavated by tunnel boring machine, the creation of national and international alliances is key. At least 60-70 nationalities are represented on the construction team. Among other services, we have provided expertise within EHS, quality and environmental advisory.

CLIENT

Bane Nor

PARTNERS

Follobanen Prosjekt Service (FPS), a joint-venture with Amberg, Multiconsult, Dr. Ing Aas Jakobsen, NGI, and WSP Norway

EXPERTISE

Construction Management, Technical Management, Quality, Environment and Health and Safety (EHS), Environment, Strategic Planning 02

Network Rail Multifunctional design framework

Q LONDON, UK

Under our long-standing Network Rail Multi-functional design framework we have been selected to collaborate with other suppliers to support the UK delivery of the European Rail Traffic Management Systems (ERTMS) - the digital equivalent of the traditional signalling system. This win is testament to our engineering experience, expertise and capability to deliver advanced technology on rail networks.

CLIENT

Network Rail

EXPERTISE

Industrial Compliance and Validation, Infrastructure and Facility Design, Inspection and Repair, Investor Advisory, Rail Engineering, Rail Planning, Resiliency Planning, Resource Optimization, Risk Assessment, System Assurance, Train Control Systems, Cybersecurity, Interoperability Compliance



M1 Smart Motorway

• M1 MOTORWAY BETWEEN J28 (MANSFIELD) AND J35A (SHEFFIELD), UK

As one of the first schemes to use the new UK All Lane Running (ALR) standard, we led risk identification and mitigation for a number of issues including low-light CCTV, **Side Fire Radar vehicle detection** and Remote Control Temporary Traffic Management (RCTTM) signs. Other project features include mitigation of potentially significant air quality exceedances through speed control, and award-winning use of BIM. We established excellent team relationships with our partners from the outset, working towards common objectives on the fasttrack delivery of the scheme.

CLIENT

Highways England

PARTNER

Costain, Highways England's delivery partner

EXPERTISE

Air Quality and Climate Change,
Building Information Modelling,
Construction Supervision, Detailed
Design, Ecology Services, Environmental
Impact Assessment and Planning,
Environmental Management,
Geotechnical Services and Material
Testing, Intelligent Transportation
Systems, Paving and Drainage,
Project/Program Controls, Project
Delivery/Procurement Advisory,
Quality Surveillance and Inspection,
Rock Mechanics and Geotechnical,
Stakeholder Facilitation and
Management, Structural Engineering

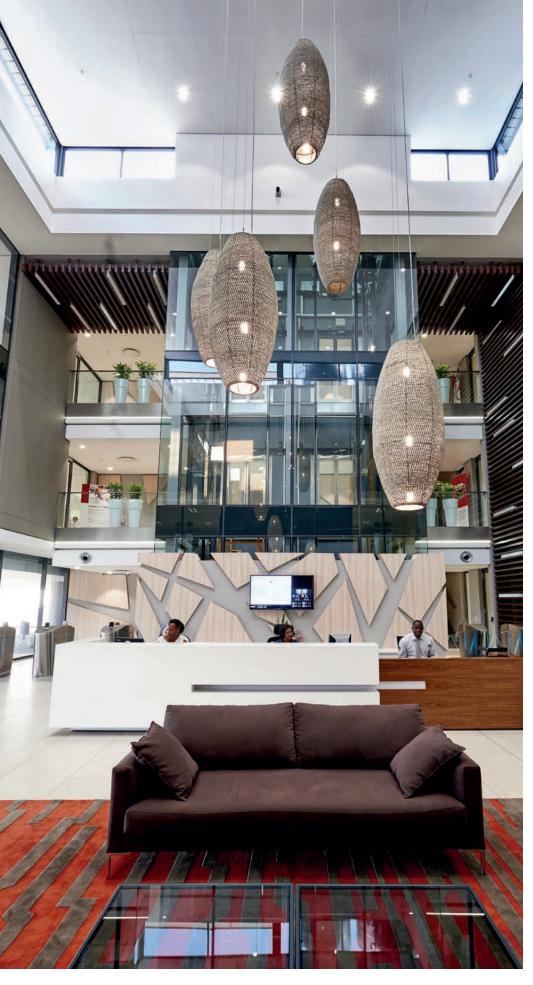
AWARDS

Association of Project Safety, 2016: National Project and National BIM Project of the Year

Commended in the Large Project category at the 2016 Midlands Institution of Civil Engineering Awards







Head Office for Novartis

MIDRAND, SOUTH AFRICA

Novartis' new head office on the Waterfall Estate achieved LEED Gold certification in 2016 for its extraordinary sustainable features. The building incorporates a stateof-the-art air-conditioning and ventilation system, a partial ice storage system, a hot water storage system, heat recovery chillers, hot water under-floor heating in the foyer, a smart BMS, and photovoltaic arrays on the roof. The design team was faced with many challenges in reducing the building's energy demand within tight time constraints; the successful outcome has led to further project work for our team.

CLIENT

Attacq

ARCHITECT

Empowered Spaces Architects

EXPERTISE

Heating, Ventilation and Air Conditioning (HVAC) and Building Management System (BMS)

AWARDS

Construction World Best Project Awards 2016: AfriSam Innovation Award for Sustainable Architecture (Special Mention)

APAC

SELECTED AWARDS

North Strathfield Rail Underpass (joint venture with Jacobs), NSW, Australia

Sydney Awards 2016 – Australian Engineering Excellence Awards, Project Infrastructure

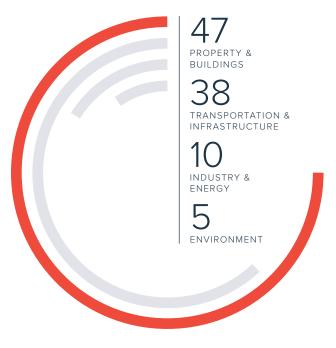
Logan Water Infrastructure Alliance – Alfred Street Pump Station Upgrade, Queensland, Australia

Excellence Awards 2016 – Institute of Public Works Engineering Australia, Projects \$5 million to \$10 million

Tencent Seafront Headquarters, Shenzhen, China

MIPIM Asia Awards – Gold Award for Best Chinese Futura Mega Project

NET REVENUES BY MARKET SEGMENT (%)



* Includes Industry, Resources and Power & Energy

NUMBER OF EMPLOYEES

5,700

NET REVENUES (CAD)

679.8M



China City Cluster Strategic Integrated Transport Planning, Policy and Guidelines Study

CHINA

WSP has a strong track record in developing sustainable transport strategies for the Chinese **Government and World Bank funded** demonstration projects. We were delighted to be selected for such an important study amidst strong international competition. This study will provide the blueprint for the next 35 years of major transport infrastructure investment in China. The current influence area of the study is across 23 City Clusters or Mega Regions with a total of 770 million people, of which 450 million are currently urban residents.

CLIENT

National Ministry of Transport, PRC, Global Environmental Facility/World Bank

EXPERTISE

Transport Planning

"Queen's Wharf is a transformation project for Brisbane that will change the urbanism of the city. The new world-class integrated resort development will put Brisbane on the map as a leading tourism, leisure and entertainment destination."

WAYNE BRETHERTON
 DIRECTOR OF PROPERTY & BUILDINGS,
 AUSTRALIA-NEW ZEALAND, WSP





Queen's Wharf Brisbane Integrated Resort

PBRISBANE, QLD, AUSTRALIA

The Queen's Wharf Brisbane Integrated Resort is a high-quality, mixed-use destination aimed at providing tourism, leisure and entertainment facilities. It will connect the defining parts of Brisbane city – the Botanic Gardens, the Queen Street Mall, the Cultural Precinct, South Bank, the Parliamentary Precinct and the **Brisbane River. The development** will become an internationally recognized precinct with worldclass sustainable urban design and architecture that establishes a clear identity that is uniquely "Brisbane" and "Queensland."

CLIENT

Destination Brisbane Consortium

ARCHITECT

Cottee Parker Architects

EXPERTISE

Structural, Infrastructure Services, Central Energy Planning, Mechanical, Electrical, Hydraulic, Fire Protection, Fire Engineering, Technology Systems (ICT, Security, AV), Pedestrian Flow Analysis and Public Safety Lighting

○ | Waterview Connection

Q AUCKLAND, NEW ZEALAND

The Waterview Connection is New Zealand's biggest and most complex road project. It reduces travel time from the city to Auckland airport, provides improved safety for cyclists and pedestrians, and features additional recreational spaces for the community. The Alliance had a sharp focus on technical excellence and efficiency, and within the first 12 months the team achieved AUD 45 million (CAD 45 million) in cost and program savings for design and construction of temporary and permanent works.

CLIENT

NZ Transport Agency

PARTNER

Well-Connected Alliance comprises NZ Transport Agency, Fletcher Construction, McConnell Dowell Constructors, Obayashi Corporation, WSP | Parsons Brinckerhoff, Beca Infrastructure, and Tonkin & Taylor

EXPERTISE

Alliance partner responsible for design, construction phase support, operations and maintenance

AWARDS

2016 GEM Award for Teaming Up – Winner

2016 GEM Award for Connecting with the Community – Winner



02

South Island Line East

OHONG KONG

South Island Line is a seven-kilometre-long medium-capacity railway connecting the current Mass Transit Railway network from Admiralty Station to the Southern District of Hong Kong, via four new stations. WSP's involvement in this project was extensive and included design of the 3.3-kilometre Nam Fung Tunnel, trackside auxiliaries and stations including the two-level, 40-metre-deep cavern station at Lei Tung.

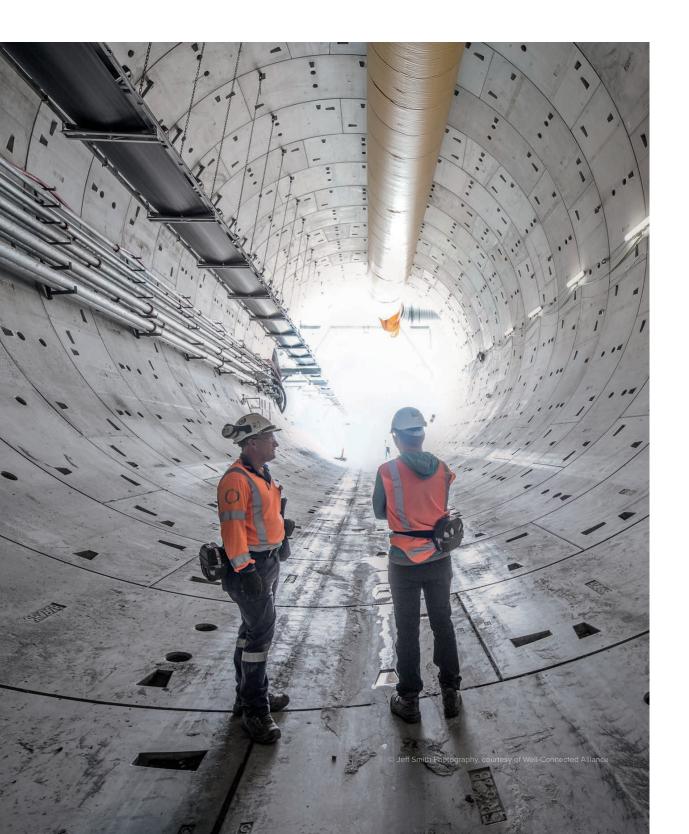
CLIENT

 $MTR\ Corporation\ Ltd.$

EXPERTISE

Rail Systems, Civil, Structural, Mechanical, Electrical and Plumbing, Tunnel Engineering







The Parisian Macao

OCTAI STRIP, MACAU

The Parisian Macao adds over 3,000 hotel rooms and suites to the Cotai Strip and features an Eiffel Tower replica and shopping mall, as well as a massive casino floor. The peer review services we provided in the detailed design stage led to a request for our team to carry out the construction documentation preparation and construction administration consultancy services. We went on to successfully complete over 6,000 design drawings for tender within two months.

CLIENT

Venetian Cotai Limited

ARCHITECT

Gensler (prior to detailed design)

Aedas (from construction documentation preparation stage, and Executive Architect)

EXPERTISE

Mechanical, Electrical, Plumbing; Vertical Transportation Design Consultancy





Caulfield to Dandenong Level Crossing Removal

MELBOURNE, VIC, AUSTRALIA

The Level Crossing Removal Authority will oversee the removal of 50 dangerous and congested level crossings across Melbourne. We are working on the Caulfield to Dandenong section which comprises a unique "rail-over" solution, placing an elevated rail above the existing corridor. Designing the line this way eliminates the issue of major barriers currently separating communities. The project will deliver 9 kilometres of new rail, 5 new stations, over 12 kilometres of pedestrian and cycle paths and 225,000 m² of linear park. Upon completion, capacity on the train lines will increase by 42 percent, allowing an additional 11,000 passengers in the morning peak.

CLIENT

Level Crossing Removal Authority

ARCHITECT

Cox Architecture and Aspect Studios

PARTNER

Lendlease, CPB Contractors and Aurecon together with Metro Trains Melbourne

EXPERTISE

Alliance partner responsible for the design and construction-phase support (including Track and Track Form, Overhead Line, Signalling, Combined Services Route, Structure, Stations, Landscape Architecture, Drainage and Overland Flow, Geotechnical, Roads, Bus Interchanges and Car Parks)





Ng Teng Fong General Hospital and Jurong Community Hospital

♀ JURONG, SINGAPORE

Together, Ng Teng Fong General Hospital and Jurong Community Hospital have approximately 1,100 beds and constitute Singapore's first medical campus providing integrated healthcare services: an acute care general hospital, a community hospital and an outpatient clinic. With our expertise in healthcare, we were able to provide solutions to maximize efficiency. We worked closely with the hospitals to design a sophisticated bed management system to minimize transfer times for patients, and the innovative fan-shaped wards provide a window for every patient to enhance healing, infection control, ventilation and privacy.

CLIENT

Ministry of Health, Singapore /Jurong Health Services

ARCHITECT

CPG Consultants Ptd Ltd. / HOK

EXPERTISE

Mechanical and Electrical, Infection Control Provisions Design, Communication and Security System Design, Testing and Commissioning

AWARDS

BCA (Building and Construction Authority) Green Mark Platinum Award 2013







Sydney Metro City Railway System & Southwest Design for Kuala

SYDNEY, NSW, AUSTRALIA

Sydney Metro City & Southwest involves a major harbour crossing and will deliver 30 kilometres of rapid transit rail by extending the North West Rail Link. The extension will provide a faster and more reliable service – increasing train numbers by 60 percent during peak periods and catering for an extra 100,000 customers per hour. The team is working together to resolve complex issues, including tunnelling methodologies, station depths and arrangements, interfaces and interchanges with the existing transport network.

CLIENT

Transport for NSW

EXPERTISE

Technical Advisory Services

02

Railway System Design for Kuala Lumpur Light Rail Transit Line 3

♥ KUALA LUMPUR, MALAYSIA

Light Rail Transit 3 (LRT3) is the third LRT system in the Greater Kuala Lumpur/Klang Valley region and will serve an estimated population of two million in the Western Corridor by 2020. It is estimated that LRT3 will benefit 500,000 commuters. The new line will have 26 stations, including five interchange stations with existing and future public transport systems. Total transit time will be approximately 58 minutes.

OWNER

Prasarana Malaysia Berhad

CLIENT

MRCB George Kent Sdn Bhd (Project Delivery Partner)

EXPERTISE

Project Management of Railway Systems for the Planning, Design, Tendering, Manufacturing, Construction, Installation, Testing and Commissioning



Board of Directors

Christopher Cole

Professional non executive director Director since 2012 Independent Chairman of the Board of Directors

Pierre Shoiry

Vice Chairman
Director since 2006
Non-independent

Richard Bélanger

President, Groupe Toryvel Inc. Director since 2007 Lead independent director Chair of the Audit Committee Member of the Governance, Ethics and Compensation Committee

Alexandre L'Heureux

President and Chief Executive Officer, WSP Global Inc. Director since 2016 Non-independent

Birgit Nørgaard

Professional non executive director Director since 2013 Independent Chair of the Governance, Ethics and Compensation Committee

Josée Perreault

Senior vice-president, Can-Am Spyder, BRP Director since 2014 Independent Member of the Governance, Ethics and Compensation Committee

Pierre Fitzgibbon

Managing Partner, Walter Capital Partners Director since 2016 Independent Member of the Audit Committee

Suzanne Rancourt

Professional non executive director Director since 2016 Independent Member of the Audit Committee

Global Leadership Team

Alexandre L'Heureux

President and Chief Executive Officer

Bruno Roy

Chief Financial Officer

Paul Dollin

Chief Operating Officer

Robert Ouellette

Chief Corporate Services Officer

Hugo Blasutta

President and Chief Executive Officer, Canada

Gregory A. Kelly

President and Chief Executive Officer, US and Latin America

Magnus Meyer

Managing Director, Nordics

Mark W. Naysmith

Managing Director, UK

Guy Templeton

President and Chief Executive Officer, Australia and New Zealand

David Tsui

Managing Director, Asia

David Ackert

President, Global Energy and Resources

Dave McAlister

Global Director, Transport and Infrastructure

Tom Smith

Global Director, Property and Buildings

Corporate Information

WSP Global Inc.

1600 René-Lévesque Boulevard West 16th Floor Montreal, Quebec H3H 1P9 Canada + 1 514-340-0046

Stock Exchange Listings

WSP Global Inc. is listed on the Toronto Stock Exchange (TSX) under the symbol WSP.

Common Shares Outstanding

At February 28, 2017, there were 101,858,881 common shares outstanding.

Dividend Policy

The Corporation declared, for 2016 and 2015, dividends

of \$1.50 per share. The Board of Directors has determined that the current level of quarterly dividend is appropriate based on the Corporation's current earnings and financial requirements for the Corporation's operations. The dividend is currently expected to remain at this level subject to the Board's ongoing assessment of the Corporation's future requirements, financial performance, liquidity, outlook and other factors

that the Board may deem relevant. The payment of each quarterly dividend will remain subject to declaration of that dividend by the Board.

Independent Auditors

PricewaterhouseCoopers LLP, Chartered Professional Accountants

Shareholder Information

Annual Meeting of Shareholders

The annual meeting will be held at 10:00 am, Eastern Time (EDT), on May 10, 2017 at:

Le Crystal Hotel

1100 de la Montagne Street Montreal, Quebec H3G 0A1 Canada

E-delivery of Shareholder Documents

We invite you to sign up for electronic delivery of information. The benefits of e-delivery include access to important corporate documents in a convenient, timely and environmentally friendly way that also reduces printing and mailing costs.

Registered Shareholders

Registered shareholders may access the Corporation's documents at www.wsp-pb.com or by registering online at www.canstockta.com.

If you **do not** want to receive an annual report or quarterly reports you may do one of the following:

- Telephone 1-800-387-0825
- Visit CST's website at www. canstockta.com, download and complete the e-delivery form and mail to CST Trust Company

Beneficial Shareholders

For shareholders who hold their shares with an investment dealer or financial institution, access www.investordelivery. com or contact your investment advisor to enroll for the electronic delivery service.

If you need help with the following:

- Additional financial or statistical information
- Industry and corporate developments
- Latest news releases and investor presentations

contact Investor Relations:

Isabelle Adjahi

Vice President, Investor Relations and Corporate Communications WSP Global Inc. + 1 514-340-0046 #5648

+ 1 514-340-0046 #5648 isabelle.adjahi@wspgroup.com

If you need help with the following:

- Dividend Reinvestment Plan
- Change of address and e-delivery of shareholder documents
- Dividend payments or direct deposit of dividends
- Transfer or loss of share certificates and estate settlements

contact the transfer agent and registrar:

CST Trust Company

2001 Robert-Bourassa Blvd Suite 1600 Montreal, Quebec H3A 2A6 Canada +1 416-682-3860 or 1-800-387-0825 inquiries@canstockta.com www.canstockta.com

Filings

The Corporation files all mandatory information with Canadian securities commissions. This information is available on the SEDAR website at www.sedar.com or on the Corporation's website at www.wsp-pb.com.

Certifications

Certifications by the Corporation's Chief Executive Officer and Chief Financial Officer concerning the quality of the Corporation's public disclosure pursuant to Canadian regulatory requirements are filed in Canada on the SEDAR website at www.sedar.com.

Corporate Governance Practices

The Corporation's governance practices are set out in its Management Proxy Circular, which is filed with Canadian securities authorities and is available on the SEDAR website at www.sedar.com, and on the Corporation's website at www.wsp-pb.com.

Whistleblowing Service

WSP is committed to promoting ethical and honest behaviour and ensuring that WSP co-workers feel safe and secure in their work environment. In support of this commitment, WSP operates an anonymous Whistleblowing Service through an independent third party, Expolink, to facilitate reporting by co-workers of potential misconduct in the workplace. The confidential email address for this service is wsp@expolink. co.uk. Further details of the service and international free phone numbers are available on the Corporation's website at www.wsp-pb.com.

Pour obtenir une version française du rapport annuel, veuillez communiquer avec le service des relations avec les investisseurs.

This Annual Report contains "forward-looking" statements that reflect our expectations regarding our future growth, results of operations, performance, business prospects and opportunities. Forward-looking statements are subject to a number of risks and uncertainties. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, but not limited to, those set forth elsewhere in this Annual Report and listed under the heading "Risk Factors" in the Management's Discussion and Analysis for the year ended December 31, 2016. The discussion of the Corporation's financial position and results of operations contained in this Annual Report should be read in conjunction with the financial statements for the year ended December 31, 2016.



FISCAL 2016 MD&A AND CONSOLIDATED FINANCIAL STATEMENTS WSP GLOBAL INC.

PARTNERS FOR TOMORROW'S SOLUTIONS

MANAGEMENT'S DISCUSSION & ANALYSIS

AUDITED FOR THE YEAR ENDED DECEMBER 31, 2016

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Management's discussion and analysis

The following management's discussion and analysis ("MD&A") of consolidated financial position and consolidated results of operations dated February 28, 2017, is intended to assist readers in understanding WSP Global Inc. (the "Corporation" or "WSP") and its business environment, strategies, performance and risk factors. This MD&A should be read together with the audited consolidated financial statements and accompanying notes of the Corporation for the year ended December 31, 2016. The Corporation's audited consolidated financial statements for the year ended December 31, 2016, have been prepared in compliance with International Financial Reporting Standards ("IFRS") as defined in the Handbook of the Canadian Institute of Chartered Professional Accountants and adopted by the International Accounting Standards Board ("IASB"). All amounts shown in this MD&A are expressed in Canadian dollars, unless otherwise indicated. All quarterly information disclosed in this MD&A is based on unaudited figures.

This MD&A focuses on the Corporation's 2016 full year results, as well as on its fourth quarter results, covering the period from September 25, 2016, to December 31, 2016. The Corporation's second and third quarters are always comprised of 13 weeks of operations. However, the number of weeks of operations in the first and fourth quarters will vary as the Corporation has a statutory December 31 year-end.

In this MD&A, references to the "Corporation", "we", "us", "our" and "WSP" or "WSP Global" refer to WSP Global Inc. Depending on the context, this term may also include subsidiaries and associated companies.

02

Non-IFRS measures

The Corporation reports its financial results in accordance with IFRS. However, in this MD&A, the following non-IFRS measures are used by the Corporation: net revenues; adjusted EBITDA; adjusted EBITDA margin; adjusted EBITDA before Global Corporate costs; adjusted EBITDA margin before Global Corporate costs; adjusted net earnings (loss); adjusted net earnings (loss) per share; adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions; adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions per share; acquisition and integration costs; backlog; funds from operations; funds from operations per share; free cash flow; free cash flow per share; days sales outstanding ("DSO") and net debt to adjusted EBITDA. These measures are defined at the end of this MD&A, in the "Glossary" section.

Management of the Corporation ("Management") believes that these non-IFRS measures provide useful information to investors regarding the Corporation's financial condition and results of operations as they provide key metrics of its performance. These non-IFRS measures are not recognized under IFRS, do not have any standardized meaning prescribed under IFRS and may differ from similar computations as reported by other issuers, and accordingly may not be comparable. These measures should not be viewed as a substitute for the related financial information prepared in accordance with IFRS.

Corporate overview

As one of the world's leading professional services firms, WSP provides technical expertise and strategic advice to clients in the Property & Buildings, Transportation & Infrastructure, Environment, Industry, Resources (including Mining and Oil & Gas) and Power & Energy sectors. We also offer highly specialized services in project delivery and strategic consulting. Our experts include engineers, advisors, technicians, scientists, architects, planners, surveyors and environmental specialists, as well as other design, program and construction management professionals. With approximately 36,000 talented people in 500 offices across 40 countries, we are uniquely positioned to deliver successful and sustainable projects, wherever our clients need us.

The Corporation's business model is centered on maintaining a leadership position in each of its end markets and the regions in which it operates by establishing a strong commitment to and recognizing the needs of surrounding communities, and local and national clients. Such a business model translates into regional offices with a full service offering throughout every project execution phase. The Corporation has the breadth of capability and the depth of expertise to transform clients' visions into realities that are sustainable in every sense - commercially, technically, socially and environmentally.

Functionally, market segment leaders work together with regional leaders to develop and coordinate markets served, combining local knowledge and relationships with nationally recognized expertise.

The Corporation offers a variety of project services throughout all project execution phases, from the initial development and planning studies through to the project/program management, design, construction management, commissioning and maintenance phases.

The Corporation has developed a multidisciplinary team approach whereby employees work closely with clients to develop optimized solutions on time and on budget. The market segments in which the Corporation operates are described below.

Property & Buildings

The Corporation is a world-leading provider of technical and management consultancy services with an unrivalled track record in delivering buildings of the highest quality. We are involved in every stage of a project's life-cycle, from the earliest planning stages through design and construction, to asset management and refurbishment. Our technical experts offer truly multidisciplinary services including structural and mechanical, electrical, and plumbing (MEP) engineering, supplemented by a wide range of specialist services such as fire engineering, lighting design, vertical transportation, acoustics, intelligent building systems, audiovisual systems, information technology, façade engineering and green building design.

Transportation & Infrastructure

The Corporation's experts plan, analyze, design and manage projects for rail, transit, aviation, bridges, tunnels, highways, ports, roads and urban infrastructure. Public and private clients, and partners from around the world seek our expertise to create mid and long-term transport and infrastructure strategies, and to provide guidance and support throughout the life-cycle of a wide range of projects. We are one of the world's largest providers of infrastructure services, with a proven track record of delivery within budget and on time. We offer a full range of services locally with extensive global experience to successfully deliver projects.

Environment

The Corporation has specialists working with and advising businesses and governments in all key areas of the environment sector. These experts deliver a broad range of services covering air, land, water and health. They advise and work with clients on a range of environmental matters from risk management, permitting authorizations and regulatory compliance to handling and disposal of hazardous materials, land remediation, environmental and social impact assessment, and employee health and safety. Our reputation has been built on helping clients worldwide mitigate risk, manage and reduce impacts, and maximize opportunities related to health and safety, sustainability, climate change, energy and the environment.

Industry

The Corporation works in almost every industrial sector including food and beverages, pharmaceutical and biotechnology and chemicals. Our specialists offer a unique blend of skills with a deep understanding of industrial and energy processes, and the engineering expertise required to plan, design, build and operate a new plant, or to automate equipment in an existing industrial facility. Experts offer a full range of consulting and engineering services within multiple disciplines that span all stages of a project - from strategic studies, concept design and productivity analysis to serving as an owner's engineer at each stage of an engineering, procurement, and construction management (EPCM) contract.

Resources (including mining, oil and gas)

The Corporation has the scale and expertise to support all our worldwide resource clients. In mining, experts work with clients throughout the project life-cycle - from conceptual and feasibility studies to addressing social acceptance issues; and from detailed engineering and complete EPCM to site closure and rehabilitation. Our expertise includes resource and reserve modelling, metallurgical testing, geotechnical and mine design and detailed engineering for mining infrastructure. In oil and gas, we help clients with some of their most demanding technical and logistical challenges. Our experts advise on how to plan, design and support the development of pipelines and gas networks, as well as how to ensure the integrity of critical assets and obtain permits and consent.

Power & Energy

The Corporation offers its energy sector clients complete solutions for all aspects of their projects, whether they are large-scale energy plants, smaller on-site facilities or retrofitting and efficiency programs - helping to reduce energy demand and deliver schemes to create a sustainable future. Our experts can advise and work on every stage of a project, from pre-feasibility to design, operation and maintenance and decommissioning. They offer long-term operational management support services from the first feasibility studies, providing advice on aspects ranging from technical, financial and environmental issues to engineering design and energy simulations during the construction phase.

In addition to these sectors, the Corporation offers highly specialized project delivery and strategic services:

Project and Program Delivery

The Corporation's seasoned professionals assess and understand clients' goals, as well as technical, environmental and commercial issues, thus leveraging their extensive experience in global project and program delivery. This holistic approach allows them to plan and implement projects efficiently, with a focus on cost, schedule, quality and safety. The Corporation's fully integrated service offerings are tailored to support clients' best interests throughout the planning, implementation and commissioning stages of their work. We mobilize the right team to execute projects of any size and complexity with optimal efficiency and cost-effectiveness. Our comprehensive experience enables us to plan and manage projects using best-in-class project management processes, techniques, and tools.

Strategic Consulting

The Corporation offers strategic consulting services that help clients make informed decisions taking into consideration changing economic conditions, evolving government priorities and emerging technologies. To stay competitive and manage their infrastructure and property assets in the most efficient way, clients need to use insightful data and "lessons learned" from experts who support clients around the world. The Corporation not only provides local expertise, but also offers international benchmarks and best practice solutions based on our extensive experience. Our team blends the technical skills of our global network with results-oriented business acumen.

Performance metrics

The Corporation uses a number of segmental and consolidated financial metrics to assess its performance. The table below summarizes our most relevant key performance metrics by category. The calculated results and the discussion of each indicator follow in the subsequent sections.

Category	Performance Metric	Q4 2016 vs Q4 2015	YTD 2016 vs YTD 2015
Growth:	Net Revenues*	♦	♦
	Organic growth**	♦	•
	Backlog*	♦	♦
Profitability:	Adjusted EBITDA*	♦	♦
	Adjusted EBITDA margin*	♦	♦
	Adjusted net earnings*	♦	♦
	Funds from operations*	♦	♦
	Free cash flow*	♦	♦
Liquidity:	Cash flows from operating activities – a measure of cash generated from our day-to-day business operations.	♦	♦
	DSO*	•	*
	Net Debt to adjusted EBITDA* - a measure of financial leverage	•	*

Non-IFRS measures are described in the "Glossary" section. Reconciliations to IFRS measures can be found in sections 7.2, 7.3, 7.9, 7.10, 7.11 and 8.4.

♦ Favourable
♦ Stable
• Unfavourable

Is a measure of net revenues growth in local currencies. The Corporation believes it is helpful to adjust net revenues to exclude the impact of net revenues related to acquisitions and foreign currency fluctuations in order to facilitate comparable period operating segment business performance.

Q4 and fiscal 2016 financial results highlights

Strong financial performance for the quarter. Consolidated organic growth in net revenues solid at 4.5% for Q4 2016 and 1.0% for the year, in line with our previously published 2016 outlook.

Q4 2016

- Revenues and net revenues of \$1,798.4 million and \$1,327.7 million, up 8.3% and 6.4%, respectively, compared to Q4 2015. Robust global organic growth in net revenues of 4.5%, on a constant currency basis, and in line with expectations.
- Adjusted EBITDA of \$135.3 million, up \$11.3 million or 9.1% compared to Q4 2015.
- Adjusted EBITDA margin at 10.2%, compared to 9.9% in Q4 2015.
- Adjusted net earnings of \$68.8 million, or \$0.68 per share, up 112.3% and 106.1%, respectively, compared to Q4 2015.
- Adjusted net earnings excluding amortization of intangible assets related to acquisitions of \$81.7 million, or \$0.81 per share, up 88.2% and 84.1%, respectively, compared to Q4 2015.
- Net earnings attributable to shareholders of \$56.0 million, or \$0.55 per share, up 281.0% and 266.7%, respectively, compared to O4 2015.
- Backlog at \$5,668.8 million, representing 10.1 months of revenues, up \$297.6 million or 5.5% compared to Q3 2016.
- Quarterly dividend declared of \$0.375 per share, with a 56.2% Dividend Reinvestment Plan ("DRIP") participation.
- WSP acquired Hoyer Finseth in Norway and AWT Consulting in Australia, which increased our expertise in structural engineering.

Fiscal 2016

- Revenues and net revenues of \$6,379.6 million and \$4,895.1 million, up 5.2% and 9.1%, respectively, compared to 2015. Global organic growth in net revenues of 1.0%, on a constant currency basis, and in line with our previously published 2016 outlook.
- Adjusted EBITDA of \$499.0 million, up \$57.5 million or 13.0% compared to 2015.
- Adjusted EBITDA margin at 10.2%, compared to 9.8% in 2015.
- Adjusted net earnings of \$223.7 million, or \$2.22 per share, up 29.5% and 18.7%, respectively, compared to 2015.
- Adjusted net earnings excluding amortization of intangible assets related to acquisitions of \$271.0 million, or \$2.69 per share, up 25.1% and 14.5%, respectively, compared to 2015.
- Net earnings attributable to shareholders of \$199.1 million, or \$1.97 per share, up 5.5% and down 3.9%, respectively, compared to 2015. The decrease in net earnings attributable to shareholders per share was mainly due to a significant gain realized on the sales of associates in 2015.
- $\quad \text{Backlog at $5,668.8 million, representing 10.1 months of revenues, up $469.1 million or 9.0\% compared to 2015.}\\$
- DSO stood at 77 days, stable compared to 2015; the 10-day improvement compared to Q3 2016 was in line with expectations.
- Funds from operations of \$389.6 million, or \$3.86 per share, up 21.3% and 10.9%, respectively, compared to 2015.
- Free cash flow of \$244.9 million, or \$2.43 per share, up 24.3% and 14.1%, respectively, compared to 2015.
- Incorporating full 12-month adjusted EBITDA for all acquisitions, net debt to adjusted EBITDA ratio stands at 1.7x, stable compared to 2015 and in line with our target range.

2016 Review

The Corporation generated revenues and net revenues of \$6,379.6 million and \$4,895.1 million in 2016, up 5.2% and 9.1%, respectively, compared to 2015. Consolidated organic growth in net revenues, on a constant currency basis, stood at 1.0% for the year, and all reportable operating segments, other than Canada, posted organic growth in net revenues.

The Corporation's adjusted EBITDA of \$499.0 million and adjusted EBITDA margin of 10.2% for the year were also both higher than in 2015. Focus on operational excellence, higher utilization rates, cost synergies and corporate cost containment measures were all important components driving these key performance metrics.

The Corporation's net revenues and adjusted EBITDA metrics were both in line with expectations as per its previously disclosed 2016 outlook.

The Corporation's consolidated backlog grew 9.0% from \$5,199.7 million as at December 31, 2015, to \$5,668.8 million as at December 31, 2016. On a constant currency basis, backlog increased organically 0.7% year over year.

Acquisitions completed in 2016 and 2015 contributed approximately \$330 million, or 7.6%, on a constant currency basis, to the Corporation's 2016 net revenues. WSP strengthened its global presence, notably in the United Kingdom, with the acquisition of Mouchel Limited ("Mouchel") in the fourth quarter of the year. Other acquisitions, increasing our footprint mostly in the Nordic and Latin American regions, provided complementary technical expertise.

All of the Corporation's 2016 business acquisitions were financed through cash generated from operations and/or the existing credit facility. Cash flows from operating activities amounted to \$386.8 million in 2016 compared to \$203.8 million in 2015, an increase of 89.8%. The Corporation's net debt to adjusted EBITDA ratio stood at 1.7x at the end of 2016, well within its pre-established target range. During 2016, the Corporation also extended the maturity date of the revolving component of its existing credit facility by one year to December 31, 2020, under better terms.

During the year, the Corporation's senior management structure underwent a transition. On March 15, 2016, as part of the Corporation's succession plan, Mr. Pierre Shoiry transitioned from his position as President and Chief Executive Officer ("CEO") of the Corporation to the role of Vice Chairman of the Board of Directors of WSP ("the Board"). In this new role, Mr. Shoiry provides ongoing support to the Board and works with the Corporation's management team in respect to acquisition activities and other strategic opportunities. Alexandre L'Heureux, WSP's Chief Financial Officer ("CFO") at the time, was announced as the Corporation's future President and CEO, pending the nomination of his successor. On October 31, 2016, Mr. L'Heureux was officially appointed President and CEO of WSP in connection with the appointment of Mr. Bruno Roy as CFO of WSP. Mr. Roy joined WSP from a well-known global management consulting firm where he was a Senior Partner and Co-Leader of the Private Equity Service Line in the APAC region. In Q4 2016, the Corporation also announced the appointment of Mr. Robert Ouellette to the newly created position of Chief Corporate Services Officer and promoted Mr. David Langlois, formerly Vice-President Finance and Treasury, to the position of Chief Accounting and Treasury Officer.

Operational Review

WSP's Canadian operating segment posted negative organic growth in net revenues of 9.4% in 2016, steeper than originally foreseen at the beginning of the calendar year. While the lingering effects from the downturn in the oil & gas sector were anticipated to negatively impact our Canadian operations for most of 2017, a tepid economic recovery and a slower than anticipated roll out of the federal government's infrastructure stimulus plan compounded the situation. As such, the Corporation proceeded with a rightsizing of its workforce and a consolidation of its real estate footprint.

This effort was driven by Mr. Hugo Blasutta, previously CEO of MMM Group ("MMM"), who was named President and CEO of WSP Canada on June 21, 2016. Mr. Blasutta brings more than 35 years' experience in the consulting engineering industry, both in Canada and internationally. His extensive experience at the executive level, including strategic planning, business development and operations, made him the ideal candidate to lead WSP's Canadian operations.

The Americas operating segment experienced strong organic growth in net revenues of 4.2% for the year, stemming mainly from the Corporation's US operations. Adjusted EBITDA and adjusted EBITDA margin before Global Corporate costs for 2016 stood at \$201.4 million and 13.6%, respectively, and were the strongest amongst the Corporation's reportable operating segments.

The US transportation & infrastructure market segment was the key driver of performance, in line with the continuing roll out of government funded infrastructure projects. Major projects wins from this market segment during the year included the Pensacola Bay Bridge in Florida, a USD\$28 million project and the SR 202 South Mountain Freeway P3 design/build in Arizona, a USD\$20 million contract. The property & buildings market segment also experienced solid organic growth in net revenues stemming from both the public and private sectors.

The EMEIA operating segment delivered organic growth in net revenues of 2.6% for 2016, in line with the Corporation's expectations.

Public-sector funded projects in both the UK and Sweden provided the backdrop for the organic growth in net revenues experienced by the EMEIA segment. The acquisition of Mouchel Limited ("Mouchel") in the fourth quarter of 2016, which added approximately 2,000 employees, located mostly in the UK, provided additional expertise to meet market needs for the region.

In the Middle East, anticipated lower government spending adversely impacted most of the region's performance metrics for the entire year. In South Africa, the renewal of a major utilities project, at lower rates, impacted the latter half of 2016 negatively.

The Corporation's APAC operating segment posted organic growth in net revenues of 3.7% for the year.

The Corporation's Australian operations performed well, in what has been one of their best years in recent history, experiencing organic growth in net revenues of approximately 7%. The transportation & infrastructure and property & buildings market segments were the catalysts for the region, while the resources segment remained challenging.

Organic growth in net revenues from our Asian operations was flat for the year. The property & buildings market segment continued to be very challenging, specifically in mainland China, as an air of cautiousness prevails, resulting in major projects being delayed or postponed. Cost containment measures were deployed in the region to compensate for the flat organic growth in net revenues.

The Corporation's geographically diverse revenue streams, combined with its flexible variable cost structure, along with business acquisition related integration cost synergies and corporate cost containment efforts, enabled it to attain all of its key 2016 outlook financial targets.

Financial review

7.1 Results compared to 2016 outook

The 2016 target ranges, presented in the table below and in the Outlook section of the 2015 Annual MD&A, were prepared assuming no fluctuations in foreign exchange rates in which the Corporation operated during the course of the year. In addition, no consideration was given to any dispositions, mergers, business acquisitions and other transactions occurring after March 17, 2016, the date of publication. The Corporation met or exceeded all of its key 2016 outlook targets.

Measure	2016 Target range	Result
Net revenues*	Between \$4,600 million and \$5,100 million	♦
Adjusted EBITDA*	Between \$465 million and \$515 million	♦
Seasonality and adjusted EBITDA* fluctuations	Between 16% to 33%, the first quarter being the lowest and the third quarter being the highest	♦
Tax rate	26% to 28%	•
DSO*	80 to 85 days	•
Amortization of intangible assets related to acquisitions	\$75 million to \$80 million	•
Capital expenditures	\$115 million to \$125 million	•
Net Debt to adjusted EBITDA*	1.5x to 2.0x	♦
Acquisition and integration costs*	Between \$15 million and \$25 million	•

^{*}Non-IFRS measures are described in the 'Glossary' section.

♦ Target range met ◆ Target range exceeded

♦ Target range not met

7.2 Results of operations

	Q	4	YTD		
	2016	2015	2016	2015	
(in millions of dollars, except number of shares and per share data)	For the period from September 25 to December 31	For the period from September 27 to December 31	For the period from January 1 to December 31	For the period from January 1 to December 31	
Revenues	\$1,798.4	\$1,660.1	\$6,379.6	\$6,064.0	
Less: Subconsultants and direct costs	\$470.7	\$411.9	\$1,484.5	\$1,577.2	
Net revenues*	\$1,327.7	\$1,248.2	\$4,895.1	\$4,486.8	
Personnel costs	\$987.4	\$935.6	\$3,704.4	\$3,420.0	
Occupancy costs	\$55.9	\$56.9	\$226.8	\$215.0	
Other operational $costs^{(1)}$	\$148.9	\$132.2	\$466.9	\$415.6	
Share of earnings of associates	\$0.2	\$(0.5)	\$(2.0)	\$(5.3)	
Adjusted EBITDA*	\$135.3	\$124.0	\$499.0	\$441.5	
Acquisition and integration costs*	\$15.1	\$30.3	\$32.9	\$3.9	
Amortization of intangible assets	\$20.4	\$21.4	\$81.1	\$75.8	
Depreciation of property, plant and equipment	\$23.7	\$19.6	\$78.4	\$64.2	
Financial expenses	\$9.7	\$2.2	\$38.9	\$35.0	
Share of depreciation of associates	\$0.8	\$0.1	\$1.9	\$1.1	
Earnings before income taxes	\$65.6	\$50.4	\$265.8	\$261.5	
Income-tax expense	\$10.0	\$36.0	\$67.1	\$71.8	
Share of tax of associates	\$(0.4)	-	-	\$1.1	
Net earnings	\$56.0	\$14.4	\$198.7	\$188.6	
Attributable to:					
- Shareholders	\$56.0	\$14.7	\$199.1	\$188.8	
 Non-controlling interests 	-	\$(0.3)	\$(0.4)	\$(0.2)	
Basic net earnings per share	\$0.55	\$0.15	\$1.97	\$2.05	
Diluted net earnings per share	\$0.55	\$0.15	\$1.97	\$2.05	
Basic weighted average number of shares	101,257,040	99,109,839	100,883,512	92,280,269	
Diluted weighted average number of shares	101,309,305	99,192,114	100,919,789	92,324,972	

^{*} Non-IFRS measures are described in the 'Glossary' section.

In sections 7.2 through 7.6, we review the year-over-year changes to operating results between 2016 and 2015, describing the factors affecting net revenues, backlog, expenses, adjusted EBITDA, adjusted EBITDA margin, adjusted EBITDA before Global Corporate costs and adjusted EBITDA margin before Global Corporate costs. Financial expenses, income taxes, net earnings (loss), adjusted net earnings (loss), adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions, funds from operations and free cash flow are also reviewed, on a consolidated level, in sections 7.7 through 7.11.

 $^{(1) \}quad \hbox{Other operational costs include operational foreign exchange gains/losses and interest income.}$

7.3 Net revenues

The Corporation's financial performance and results should be measured and analyzed in relation to fee-based revenues, or net revenues, since direct recoverable costs can vary significantly from contract to contract and are not indicative of the professional consulting services business.

The Corporation's reportable segments are: Canada, Americas (US and Latin America), EMEIA (Europe, Middle East, India and Africa) and APAC (Asia Pacific, comprising mainly Asia and Australia). The following table provides a summary of the year-over-year changes in net revenues and number of employees, both by segment and in total.

Q4

(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net revenues* 2016	\$244.9	\$399.4	\$499.8	\$183.6	\$1,327.7
Net revenues* 2015	\$248.5	\$371.9	\$468.5	\$159.3	\$1,248.2
Net change %	(1.4)%	7.4%	6.7%	15.3%	6.4%
Organic Growth (Contraction)**	(5.5)%	5.9%	5.6%	14.0%	4.5%
Acquisition Growth**	4.1%	1.4%	11.2%	-	5.3%
Foreign Currency Impact***	-	0.1%	(10.1)%	1.3%	(3.4)%
Net change %	(1.4)%	7.4%	6.7%	15.3%	6.4%

Non-IFRS measures are described in the 'Glossary' section.

YTD

(in millions of dollars, except number of employees and percentages)	Canada	Americas	EMEIA	APAC	Total
Net revenues* 2016	\$952.0	\$1,478.3	\$1,785.0	\$679.8	\$4,895.1
Net revenues* 2015	\$805.5	\$1,356.5	\$1,683.6	\$641.2	\$4,486.8
Net change %	18.2%	9.0%	6.0%	6.0%	9.1%
Organic Growth (Contraction)**	(9.4)%	4.2%	2.6%	3.7%	1.0%
Acquisition Growth**	27.6%	1.1%	5.8%	-%	7.6%
Foreign Currency Impact***	-%	3.7%	(2.4)%	2.3%	0.5%
Net change %	18.2%	9.0%	6.0%	6.0%	9.1%
Approximate number of employees - 2016	7,500	7,800	15,000	5,700	36,000
Approximate number of employees - 2015	8,300	7,600	12,600	5,500	34,000
Net change %	(9.6)%	2.6%	19.0%	3.6%	5.9%

 $^{^{\}ast}$ $\,\,$ Non-IFRS measures are described in the 'Glossary' section.

^{**} Organic growth and acquisition growth are calculated based on local currencies.

^{***} Foreign currency impact represents the foreign exchange component to convert total net revenues in local currencies into Canadian equivalent amount, net of organic growth and acquisition growth.

Organic growth and acquisition growth are calculated based on local currencies.

^{***} Foreign currency impact represents the foreign exchange component to convert total net revenues in local currencies into Canadian equivalent amount, net of organic growth and acquisition growth.

The Corporation ended the fourth quarter of 2016 with net revenues of \$1,327.7 million, an increase of \$79.5 million, or 6.4% compared to Q4 2015. On a year-to-date basis, net revenues increased by \$408.3 million or 9.1%.

The increase in net revenues, for both the quarter and year-to-date, was driven mainly by acquisition growth. Consolidated organic growth in net revenues stood at 4.5% for the quarter and 1.0% on a year-to-date basis, in line with our expectations. Foreign exchange had a consolidated negative impact for the quarter, mainly due to the sharp depreciation of the British pound. On a year-to-date basis, foreign exchange impact was flat.

7.3.1 CANADA

Net revenues from our Canadian operations were \$244.9 million in Q4 2016, slightly negative when compared to Q4 2015. The anticipated negative organic growth in net revenues was due to the lingering effects from the downturn in the oil & gas sector, a tepid economic recovery and a slower than anticipated roll out of the federal government's infrastructure stimulus plan. The transportation & infrastructure and property & buildings market segments accounted for approximately 66% of net revenues for the quarter.

For the twelve months ended December 31, 2016, net revenues from our Canada operating segment were \$952.0 million, an increase of \$146.5 million or 18.2%, compared to the same period in 2015. The increase in net revenues was driven mainly by acquisition growth; the negative organic growth in net revenues was attributable to the same factors as for the quarter. The transportation & infrastructure and property & buildings market segments accounted for approximately 66% of net revenues for the period.

7.3.2 AMERICAS

Net revenues from our Americas operating segment were \$399.4 million in Q4 2016, an increase of \$27.5 million, or 7.4% compared to Q4 2015, stemming mainly from our US operations. Organic growth in net revenues, on a constant currency basis, was 5.9% and in line with our expectations. The transportation & infrastructure and property & buildings market segments accounted for approximately 88% of net revenues for the quarter.

For the twelve months ended December 31, 2016, net revenues from our Americas operating segment were \$1,478.3 million, an increase of \$121.8 million, or 9.0% compared to the same period in 2015, due mainly to a strong performance from our US operations. Organic growth in net revenues, on a constant currency basis, was 4.2% and in line with our expectations. The transportation & infrastructure and property & buildings market segments accounted for approximately 89% of net revenues for the period.

7.3.3 EMEIA

Net revenues from our EMEIA operating segment were \$499.8 million in Q4 2016, an increase of \$31.3 million or 6.7% compared to Q4 2015. Acquisitions accounted for 11.2% of the total growth. Organic growth in net revenues stood at 5.6% on a constant currency basis, in line with our expectations. Foreign exchange, due mainly to the depreciation of the British pound, had a significant negative impact. The transportation & infrastructure and property & buildings market segments accounted for approximately 74% of net revenues for the quarter.

For the twelve months ended December 31, 2016, net revenues from our EMEIA operating segment were \$1,785.0 million, an increase of \$101.4 million, or 6.0% compared to the same period in 2015. Acquisition growth accounted for 5.8% of total growth. Organic growth in net revenues stood at 2.6% on a constant currency basis, and was in line with our expectations. The transportation & infrastructure and property & buildings market segments accounted for approximately 81% of net revenues for the period.

7.3.4 APAC

Net revenues from our APAC operating segment were \$183.6 million in Q4 2016, an increase of \$24.3 million or 15.3% when compared to Q4 2015. Organic growth in net revenues stood at 14.0% on a constant currency basis. Our Australian operations delivered strong organic growth mainly due to solid results posted by our transportation & infrastructure and property & buildings market segments. Our Asian operations delivered modest gains, mainly in the transportation sector. The transportation & infrastructure and property & buildings market segments accounted for approximately 81% of net revenues for the quarter.

For the twelve months ended December 31, 2016, net revenues from our APAC operating segment were \$679.8 million, an increase of \$38.6 million or 6.0% when compared to the same period in 2015. Organic growth in net revenues, on a constant currency basis, was 3.7%, stemming mainly from our Australian operations. The transportation & infrastructure and property & buildings market segments accounted for approximately 85% of net revenues for the period.

7.4 Backlog

Q4 2016

(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	\$914.5	\$1,858.3	\$1,971.5	\$924.5	\$5,668.8
Soft backlog	\$509.0	\$1,120.6	\$238.8	\$159.7	\$2,028.1

 $[\]ensuremath{^{*}}$ Non-IFRS measures are described in the 'Glossary' section.

Q3 2016

(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	\$950.4	\$1,889.9	\$1,570.1	\$960.8	\$5,371.2
Soft backlog	\$481.9	\$954.8	\$330.5	\$158.1	\$1,925.3

 $[\]ensuremath{^{*}}$ Non-IFRS measures are described in the 'Glossary' section.

Q4 2015

(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	\$957.3	\$1,920.6	\$1,441.4	\$880.4	\$5,199.7
Soft backlog	\$420.4	\$1,249.2	\$471.1	\$126.1	\$2,266.8

^{*} Non-IFRS measures are described in the 'Glossary' section.

As at December 31, 2016, backlog stood at \$5,668.8 million, representing 10.1 months of revenues, an increase of \$297.6 million, or 5.5% compared to Q3 2016 and an increase of \$469.1 million or 9.0% compared to Q4 2015. On a constant currency basis, backlog organic growth was flat when compared to both to Q3 2016 and Q4 2015.

In addition, the Corporation had a "soft backlog" of \$2,028.1 million at the end of Q4 2016. The soft backlog relates to contracts for which the client has formally notified us of an award, where the value of work to be carried out may not have been specified or for which funding may not yet have been designated.

Due to the size of certain contracts and the time periods required to complete them, large fluctuations may arise when comparing this metric on a quarterly basis. Management believes that backlog should be viewed on a year-over-year basis, particularly when assessing organic growth at constant currency rates.

7.5 Expenses

The following table summarizes operating results expressed as a percentage of net revenues.

	Q	4	YTD		
	2016	2015	2016	2015	
(percentage of net revenues)	For the period from September 25 to December 31	For the period from September 27 to December 31	For the period from January 1 to December 31	For the period from January 1 to December 31	
Net revenues*	100.0%	100.0%	100.0%	100.0%	
Personnel costs	74.4%	75.0%	75.7%	76.2%	
Occupancy costs	4.2%	4.6%	4.6%	4.8%	
Other operational costs ⁽¹⁾	11.2%	10.5%	9.5%	9.3%	
Share of earnings in associates	-%	-%	-%	(0.1)%	
Adjusted EBITDA*	10.2%	9.9%	10.2%	9.8%	
Acquisition and integration costs*	1.1%	2.4%	0.7%	0.1%	
Amortization of intangible assets	1.5%	1.7%	1.7%	1.7%	
Depreciation of property, plant and equipment	1.8%	1.6%	1.6%	1.4%	
Financial expenses	0.7%	0.2%	0.8%	0.8%	
Share of depreciation of associates	0.1%	-%	-%	-%	
Income tax expenses	0.8%	2.9%	1.4%	1.6%	
Net earnings	4.2%	1.1%	4.0%	4.2%	

^{*} Non-IFRS measures are described in the 'Glossary' section.

Expenses consist of three major components: personnel costs, occupancy costs and other operational costs. Personnel costs include payroll costs for all employees related to the delivery of consulting services and projects, as well as administrative and corporate staff. Occupancy costs include rental and other related costs for the Corporation's office space occupied worldwide. Other operational costs include fixed costs such as, but not limited to, non-recoverable client services costs, technology costs, professional insurance costs, operational exchange gain or loss on foreign currencies and interest income.

Personnel costs as a percentage of net revenues, for both the quarter and year-to-date, were lower due mainly to higher utilization rates achieved on a global basis.

The decrease in occupancy costs, as a percentage of net revenues, for both the quarter and year-to-date 2016 compared to 2015, was mainly due to real estate consolidation resulting from the continuing integration of past acquisitions and the restructuring of our Canadian operations.

Other operational costs for the fourth quarter of 2016, as a percentage of net revenues, were higher than the comparable period in 2015, mainly due to timing pertaining to the incurring of expenses. On a year-to-date basis, other operational costs, as a percentage of net revenues, were comparable.

Acquisition and integration costs are items of financial performance which the Corporation believes should be excluded in understanding the underlying operational financial performance achieved by the Corporation, as they can vary significantly when comparing periods.

 $^{(1) \}quad \hbox{Other operational costs include operation exchange loss or gain and interest income.}$

The Corporation incurred acquisition and integration costs of \$15.1 million in Q4 2016 and \$32.9 million for the year-to-date period ended December 31, 2016. In 2015, the Corporation incurred acquisition and integration costs of \$72.3 million, partially offset by a gain of \$68.4 million related to the disposals of two equity investments in associates.

Finally, the Corporation also incurs expenses such as amortization of intangible assets and depreciation of property, plant and equipment. For both the quarter and year-to-date, these expenses remained stable when compared to the same periods in 2015.

7.6 Adjusted EBITDA by segment

Q4 2016

(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net Revenues*	\$244.9	\$399.4	\$499.8	\$183.6	\$1,327.7
Adjusted EBITDA*					\$135.3
Global Corporate costs					\$11.8
Adjusted EBITDA before Global Corporate costs*	\$23.4	\$39.8	\$61.5	\$22.4	\$147.1
Adjusted EBITDA Margin before Global Corporate costs*	9.6%	10.0%	12.3%	12.2%	11.1%

^{*} Non-IFRS measures are described in the 'Glossary' section.

Q4 2015

			•		
(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net Revenues*	\$248.5	\$371.9	\$468.5	\$159.3	\$1,248.2
Adjusted EBITDA*					\$124.0
Global Corporate costs					\$18.3
Adjusted EBITDA before Global Corporate costs*	\$27.1	\$65.4	\$41.3	\$8.5	\$142.3
Adjusted EBITDA Margin before Global Corporate costs*	10.9%	17.6%	8.8%	5.3%	11.4%

 $[\]ensuremath{^{\circ}}$ Non-IFRS measures are described in the 'Glossary' section.

YTD 2016

(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net Revenues*	\$952.0	\$1,478.3	\$1,785.0	\$679.8	\$4,895.1
Adjusted EBITDA*					\$499.0
Global Corporate costs					\$50.5
Adjusted EBITDA before Global Corporate costs*	\$91.3	\$201.4	\$190.3	\$66.5	\$549.5
Adjusted EBITDA Margin before Global Corporate costs*	9.6%	13.6%	10.7%	9.8%	11.2%

 $[\]ensuremath{^{*}}$ Non-IFRS measures are described in the 'Glossary' section.

YTD 2015

(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net Revenues*	\$805.5	\$1,356.5	\$1,683.6	\$641.2	\$4,486.8
Adjusted EBITDA*					\$441.5
Global Corporate costs					\$87.4
Adjusted EBITDA before Global Corporate costs*	\$93.3	\$211.8	\$174.8	\$49.0	\$528.9
Adjusted EBITDA Margin before Global Corporate costs*	11.6%	15.6%	10.4%	7.6%	11.8%

^{*} Non-IFRS measures are described in the 'Glossary' section.

The increase in total adjusted EBITDA, in dollars, for both the quarter and year-to-date, was due to acquisitions and organic growth experienced by most of our reportable operating segments. Total adjusted EBITDA was, however, negatively impacted by provisions recorded by our Canadian and Latin American operations.

The decreases in adjusted EBITDA before Global Corporate costs and adjusted EBITDA margin before Global Corporate costs for our Canadian operating segment, for both the quarter and year-to-date periods were mainly due to the contraction experienced in the resources (mainly oil & gas in western Canada) and transportation & infrastructure market segments, partially offset by acquisitions. In addition, both metrics were negatively impacted by provisions of \$6.4 million in Q4 2016 and \$13.3 million on a year-to-date basis, recorded for costs related to workforce rightsizing and real estate footprint consolidation.

Adjusted EBITDA before Global Corporate costs and adjusted EBITDA margin before Global Corporate costs for our Americas operating segment were both lower compared to the same periods in 2015. For the quarter, the decrease in both these metrics was mainly due to specific client trade receivables and claims related provisions taken by our Latin American operations in 2016, combined with the recognition of US R&D tax credits (relating to prior years) and profit recognition timing related to a significant US project in 2015.

For the year-to-date comparative periods, the decrease in both these metrics was mainly due to specific client trade receivables and claims related provisions taken by our Latin American operations in 2016, combined with the recognition of US R&D tax credits (relating to prior years) in 2015.

Adjusted EBITDA before Global Corporate costs and adjusted EBITDA margin before Global Corporate costs for the EMEIA operating segment, for both the quarter and year-to-date period, were in line with our expectations. The increase in both metrics, for both periods, was mainly due to non-recoverable client service costs incurred for a specific project in the Middle East region in Q4 2015.

The increases in adjusted EBITDA before Global Corporate costs and in adjusted EBITDA margin before Global Corporate costs for the APAC operating segment, for both the quarter and year-to-date period, were mainly due to project wins and higher utilization rates experienced by our Australian operations in 2016 combined with the negative impact pertaining to the winding down of a major contract in the resources sector in Q4 2015. Our Asian operations delivered results in line with our expectations, with cost synergies offsetting lower contract margins.

Global Corporate costs were lower for the quarter and year-to-date periods compared to the prior year, mainly due to higher provisions recorded in 2015 related to corporate litigation and the Corporation's long-term incentive plans (based on target achievement probability levels). The Q4 2016 Global Corporate costs of \$11.8 million were in line with the anticipated run-rate (\$10.0 million to \$13.0 million range).

Numerous factors such as seasonality, project mix, pricing, competitive environments, project execution, cost increases, foreign exchange and employee productivity may have an impact on adjusted EBITDA margin before Global Corporate costs. As such, adjusted EBITDA margin before Global Corporate costs should be viewed as a year-over-year performance metric, as opposed to a quarter-over-quarter metric.

7.7 Financial expenses

The Corporation's financial expenses relate mainly to interest expenses incurred on credit facilities, net finance expenses on pension obligations, exchange gains or losses pertaining to assets and liabilities in foreign currencies and gains or losses on disposal of available-for-sale assets. The Corporation uses its credit facilities to manage its working capital, capital expenditures and to finance business acquisitions.

Financial expenses expressed as a percentage of net revenues were higher for the quarter compared to 2015, mainly due to a foreign exchange loss pertaining to liabilities in foreign currencies incurred in Q4 2016, compared to a foreign exchange gain pertaining to liabilities in foreign currencies incurred in Q4 2015. On a year-to-date basis, financial expenses, expressed as a percentage of net revenues, were comparable to 2015.

7.8 Income taxes

For Q4 2016, an income tax expense of \$10.0 million was recorded on earnings before income taxes of \$66.0 million, representing an effective tax rate of 15.2%. When compared to the combined Canadian statutory tax rate of 26.9%, the low effective tax rate mostly reflects the impact of foreign tax rate differences and a favorable adjustment related to prior years.

In Q4 2015, the Corporation recorded an income tax expense of \$36.0 million, representing an effective tax rate of 71.4%. When compared to the Canadian statutory tax rate of 26.9%, the effective tax rate reflected the unfavorable impacts of various non-deductible expenses, unrecognized tax benefits related to certain subsidiaries and other tax adjustments.

For the twelve-month period ended December 31, 2016, an income tax expense of \$67.1 million was recorded on earnings before income taxes of \$265.8 million, representing an effective tax rate of 25.2%. When compared to the combined Canadian statutory tax rate of 26.9%, the effective tax rate reflects the favorable impact of foreign tax rate differences, partly offset by the unfavorable impacts related to non-deductible expenses and net unrecognized tax benefits.

For the twelve-month period ended December 31, 2015, an income tax expense of \$71.8 million was recorded on earnings before income taxes of \$260.4 million, representing an effective tax rate of 27.6%. When compared to the combined Canadian statutory tax rate of 26.9%, the effective tax rate reflects the favorable impacts of foreign tax rate differences and the non-taxable gain of \$68.4 million related to the sale of the Corporation's equity investments in two associates, offset by the unfavorable impacts related to unrecognized tax benefits, prior year adjustments and various non-deductible expenses.

7.9 Net earnings (loss) and net earnings (loss) per share

For Q4 2016, the Corporation's net earnings attributable to shareholders were \$56.0 million, or \$0.55 per share on a diluted basis, compared to \$14.7 million or \$0.15 per share on a diluted basis for Q4 2015. The increases in net earnings attributable to shareholders and in net earnings attributable to shareholders per share, were due, in part, to growth in net revenues and improvement in adjusted EBITDA margins. Income tax expense, impacted by unfavourable adjustments, negatively impacted Q4 2015.

For the twelve-month period ended December 31, 2016, the Corporation's net earnings attributable to shareholders were \$199.1 million, or \$1.97 per share on a diluted basis, compared to \$188.8 million or \$2.05 per share on a diluted basis in 2015. The increase in net earnings attributable to shareholders was due mainly to growth in net revenues and improvement in adjusted EBITDA margins. An increase in acquisition and integration costs compared to the prior year negatively impacted this metric in 2016. In 2015, acquisition and integration costs of \$72.3 million were partially offset by gains on the sales of equity interests in associates totaling \$68.4 million. The decrease in net earnings attributable to shareholders per share on a diluted basis was mainly due to the increase in acquisition and integration costs in 2016 compared to the prior year, as explained above.

Net earnings (loss) per share is a commonly used metric to measure a corporation's performance. However, Management believes that in the context of highly acquisitive companies or consolidating industries such as in engineering and construction, adjusted net (loss) earnings per share, adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions per share (due to the application of various accounting policies in relation to the allocation of purchase price to goodwill and intangible assets), funds from operations per share and free cash flow per share, are more effective measures to assess performance against its peer group. These measures are reviewed in sections 7.10 and 7.11.

7.10 Reconciliation of net earnings (loss), adjusted net earnings (loss) and adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions

	Q	4	YTD		
	2016 2015		2016	2015	
(in millions of dollars, except number of shares and per share data)	For the period from September 25 to December 31	For the period from September 27 to December 31	For the period from January 1 to December 31	For the period from January 1 to December 31	
Net earnings (loss) attributable to shareholders	\$56.0	\$14.7	\$199.1	\$188.8	
Acquisition and integration costs*	\$15.1	\$30.3	\$32.9	\$3.9	
Income taxes related to acquisition and integration costs	\$(2.3)	\$(12.6)	\$(8.3)	\$(19.9)	
Adjusted net (loss) earnings*	\$68.8	\$32.4	\$223.7	\$172.8	
Adjusted net earnings (loss) per share*	\$0.68	\$0.33	\$2.22	\$1.87	
Amortization of intangible assets related to acquisitions	\$15.2	\$17.0	\$63.2	\$60.6	
Income taxes related to amortization of intangible assets related to acquisitions	\$(2.3)	\$(6.0)	\$(15.9)	\$(16.7)	
Adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions *	\$81.7	\$43.4	\$271.0	\$216.7	
Adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions per share*	\$0.81	\$0.44	\$2.69	\$2.35	
Basic weighted average number of shares	101,257,040	99,109,839	100,883,512	92,280,269	

^{*} Non-IFRS measures are described in the 'Glossary' section.

Adjusted net earnings attributable to shareholders stood at \$68.8 million, or \$0.68 per share in Q4 2016, compared to \$32.4 million, or \$0.33 per share in Q4 2015. The increase was due, in part, to higher earnings, derived from both acquisition and organic growth in net revenues as well as from adjusted EBITDA margin improvement. Income tax expense, impacted by unfavourable adjustments, negatively impacted Q4 2015.

For the twelve-month period ended December 31, 2016, adjusted net earnings attributable to shareholders stood at \$223.7 million, or \$2.22 per share, compared to \$172.8 million, or \$1.87 per share for the same period in 2015. The increase was due to higher earnings, derived mainly from acquisition growth in net revenues and adjusted EBITDA margin improvement.

Adjusted net earnings attributable to shareholders, excluding amortization of intangible assets related to acquisitions per share, stood at \$81.7 million in Q4 2016, or \$0.81 per share compared to \$43.4 million, or \$0.44 per share in Q4 2015. The increase was due to higher earnings, derived mainly from acquisition growth in net revenues and adjusted EBITDA margin improvement. Income tax expense, impacted by unfavourable adjustments, negatively impacted Q4 2015.

For the twelve-month period ended December 31, 2016, adjusted net earnings attributable to shareholders, excluding amortization of intangible assets related to acquisitions per share, stood at \$271.0 million, or \$2.69 per share, compared to \$216.7 million, or \$2.35 per share for 2015. The increase was due to higher earnings, derived mainly from acquisition growth in net revenues and adjusted EBITDA margin improvement.

7.11 Funds from operations and cash flow

	Q	4	YTD		
	2016 2015		2016	2015	
	For the period from September 25 to December 31	For the period from September 27 to December 31	For the period from January 1 to December 31	For the period from January 1 to December 31	
(in millions of dollars, except per share data and number of shares)					
Cash flows from operating activities	\$303.9	\$218.0	\$386.8	\$203.8	
EXCLUDING:					
Change in non-cash working capital items	\$190.6	\$139.4	\$(2.8)	\$(117.3)	
Funds from operations*	\$113.3	\$78.6	\$389.6	\$321.1	
Funds from operations per share*	\$1.12	\$0.79	\$3.86	\$3.48	
INCLUDING:					
Change in non-cash working capital items	\$190.6	\$139.4	\$(2.8)	\$(117.3)	
Cash generated from sale of equity investments	-	-	-	\$93.3	
LESS:					
Net capital expenditures	\$50.1	\$33.8	\$141.9	\$100.1	
Free cash flow*	\$253.8	\$184.2	\$244.9	\$197.0	
Free cash flow per share*	\$2.51	\$1.86	\$2.43	\$2.13	
Basic weighted average number of shares	101,257,040	99,109,839	100,883,512	92,280,269	

 $[\]ensuremath{^{*}}$ Non-IFRS measures are described in the "Glossary" section.

7.11.1 FUNDS FROM OPERATIONS

Funds from operations is a measure used by the Corporation to provide Management and investors with a proxy of cash generated from operating activities before changes in non-cash working capital items.

For the fourth quarter of 2016, the Corporation generated funds from operations of \$113.3 million, or \$1.12 per share, compared to \$78.6 million or \$0.79 per share, for Q4 2015. The increase in funds from operations was mainly due to an increase in cash flows from operating activities as a result of higher adjusted net earnings, stemming from acquisitions and organic growth in net revenues, as well as from adjusted EBITDA margin improvement.

For the twelve months ended December 31, 2016, the Corporation generated funds of \$389.6 million or \$3.86 per share, compared to \$321.1 million or \$3.48 per share for the same period in 2015. The increase in funds from operations was attributable to the same factors as for the quarter.

7.11.2 FREE CASH FLOW

Free cash flow is an indication of the Corporation's continuing capacity to generate discretionary cash from operations and other activities. It represents cash flows for the period available for the suppliers of capital, which are the Corporation's creditors and shareholders.

For the fourth quarter of 2016, the Corporation's free cash flow was \$253.8 million, or \$2.51 per share, compared to \$184.2 million, or \$1.86 per share for Q4 2015. The increase in free cash flow was mainly due to a positive variation in non-cash working capital items, reduced by an increase in net capital expenditures.

For the twelve months ended December 31, 2016, the Corporation's free cash flow was \$244.9 million, or \$2.43 per share, compared to \$197.0 million or \$2.13 per share for the same period in 2015. The increase in free cash flow was mainly due to a positive variation in non-cash working capital items, partly reduced by an increase in net capital expenditures.

The free cash flow metric should be reviewed year-over-year as opposed to quarter-over-quarter as the timing of investments in capital expenditure initiatives and management of working capital can have an impact in the shorter term.

08 Liquidity

	Q	4	YTD		
	2016 2015		2016	2015	
(in millions of dollars)	For the period from September 25 to December 31	For the period from September 27 to December 31	For the period from January 1 to December 31	For the period from January 1 to December 31	
Cash flows generated from (used in) operating activities	\$303.9	\$218.0	\$386.8	\$203.8	
Cash flows generated from (used in) financing activities	\$(41.7)	\$185.2	\$(26.5)	\$243.8	
Cash flows from (used in) investing activities	\$(192.0)	\$(416.9)	\$(309.1)	\$(436.2)	
Effect of exchange rate change on cash	\$(15.7)	\$1.0	\$(22.9)	\$14.5	
Net change in cash position	\$54.5	\$(12.7)	\$28.3	\$25.9	
Dividends paid	\$16.3	\$17.6	\$68.0	\$67.0	
Net capital expenditures	\$50.1	\$33.8	\$141.9	\$100.1	

8.1 Operating activities

Cash generated from operating activities in Q4 2016 was \$303.9 million, compared to \$218.0 million for Q4 2015. The increase in cash generated from operating activities was mainly due to higher net earnings and a positive variation in non-cash working capital items.

For the twelve-month period ended December 31, 2016, cash generated from operating activities was \$386.8 million, compared to \$203.8 million for the same period in 2015. The increase in cash generated from operations was mainly due to a positive variation in non-cash working capital items.

8.2 Financing activities

For the fourth quarter of 2016, cash used for financing activities was \$41.7 million, compared to cash generated from financing activities of \$185.2 million in Q4 2015. During the quarter, the Corporation repaid \$11.7 million of the credit facility, repaid \$13.7 million in miscellaneous liabilities, including interest, and paid dividends to shareholders of \$16.3 million. In Q4 2015, the Corporation drew \$279.6 million from the credit facility, repaid miscellaneous liabilities, including interest and finance costs of \$76.8 million and paid dividends totaling \$17.6 million to shareholders.

For the twelve-month period ended December 31, 2016, cash used for financing activities was \$26.5 million compared to cash generated of \$243.8 million for the same period in 2015. During the twelve-month period, the Corporation drew \$81.4 million from the credit facility and repaid \$38.6 million in miscellaneous liabilities, including interest and finance costs. For the same period in 2015, the Corporation issued common shares, thus raising \$331.1 million, drew \$90.7 million from the credit facility and repaid \$109.3 million in miscellaneous liabilities, including interest and finance costs. On a year-to-date basis, the Corporation paid dividends to shareholders and to a non-controlling interest totaling \$69.3 million and \$68.7 million in 2016 and 2015, respectively.

8.3 Investing activities

For the fourth quarter of 2016, cash used for investing activities was \$192.0 million, compared to \$416.9 million in Q4 2015. The Corporation made business acquisitions costing \$143.1 million and acquired \$50.6 million in equipment and intangible assets during the quarter, compared to \$382.4 million and \$36.4 million for acquisitions and equipment and intangible assets, respectively, for Q4 2015.

For the twelve-month period ended December 31, 2016, cash used for investing activities was \$309.1 million, compared to \$436.2 million for the same period in 2015. In 2016, the Corporation made business acquisitions for \$166.9 million and acquired equipment and intangible assets for \$144.4 million, compared to \$439.0 million and \$104.7 million, respectively, in 2015. In 2015, the Corporation also received dividends from associates in the amount of \$11.5 million and disposed of two equity investments in associates for proceeds of \$93.3 million.

8.4 Net debt

	2016	2015
(in millions of dollars)	As at December 31	As at December 31
Financial liabilities (1)	\$1,082.1	\$1,012.9
Less: Cash	\$(230.8)	\$(204.1)
Net debt*	\$851.3	\$808.8
Trailing twelve months adjusted EBITDA	\$499.0	\$441.5

^{*} Non-IFRS measures are described in the 'Glossary' section.

As at December 31, 2016, the Corporation's statement of financial position remained strong and showed a good mix of debt and equity. The Corporation had a net debt position of \$851.3 million and a trailing twelve months net debt to adjusted EBITDA ratio of 1.7x. Incorporating full 12-month adjusted EBITDA for all acquisitions, the ratio was also at 1.7x.

8.5 Dividends

On November 7, 2016, the Corporation declared a quarterly dividend of \$0.375 per common share to holders of common shares on record as of December 31, 2016, which was paid on January 16, 2017. As at December 31, 2016, 101,371,137 shares were issued and outstanding, compared to 99,255,857 as at December 31, 2015. During the fourth quarter of 2016, part of the third quarter dividend paid was reinvested into 532,455 common shares under the DRIP. The aggregate dividends declared in the fourth quarter of 2016 were \$38.0 million, compared to \$37.8 million for the third quarter of 2016. Holders of 56,929,507 shares, representing approximately 56.2% of all outstanding shares as at December 31, 2016, elected to participate in the DRIP. As a result, from the total dividends paid on January 16, 2017, \$21.3 million was reinvested in shares of the Corporation. The net cash outflow, on January 16, 2017, was \$16.7 million for the fourth quarter dividend payment.

The Board has determined that the current level of quarterly dividend is appropriate based on the Corporation's current earnings and financial requirements for the Corporation's operations. The dividend is currently expected to remain at this level subject to the Board's ongoing assessment of the Corporation's future requirements, financial performance, liquidity, and other factors that the Board may deem relevant. The actual amount of any dividend, as well as each declaration date, record date and payment date is subject to the discretion of the Board. Some information in this section constitutes forward-looking information. Please refer to the "Forward-Looking Statements" section of this MD&A.

⁽¹⁾ Financial liabilities consist of long-term debt and other financial liabilities, including current portions.

8.6 Stock options

As at December 31, 2016, 691,086 stock options were outstanding at exercise prices ranging from \$35.12 to \$43.17.

8.7 Capital resources

	2016	2015
(in millions of dollars)	As at December 31	As at December 31
Cash	\$230.8	\$204.1
Available syndicated credit facility	\$495.8	\$736.0
Other credit facilities	\$19.4	\$9.4
Available short-term capital resources	\$746.0	\$949.5

The Corporation believes that its cash flows from operating activities, combined with its available short-term capital resources, will enable it to support its growth strategy, its working capital requirements and planned capital expenditures and provide its shareholders with a return on their investment.

8.8 Credit facility

The Corporation has in place, as at December 31, 2016, a credit facility with a syndication of financial institutions providing for a maximum amount of US\$1,300.0 million. The credit facility is available (i) for general corporate purposes, working capital and capital expenditure requirements of the Corporation, and (ii) for financing future business acquisitions. Under this credit facility, the Corporation is required, among other conditions, to respect certain covenants on a consolidated basis. The main covenants are in regard to its consolidated net debt to consolidated adjusted EBITDA and the fixed charge coverage ratios. Management reviews compliance with these covenants on a quarterly basis in conjunction with filing requirements under its credit facility. All covenants were met as at December 31, 2016.

09 Eight quarter summary

		2016					20	15	
	Total	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(in millions of dollars)	Trailing twelve months	For the period from September 25 to December 31	For the period from June 26 to September 24	For the period from March 27 to June 25	For the period from January 1 to March 26	For the period from September 27 to December 31	For the period from June 28 to September 26	For the period from March 29 to June 27	For the period from January 1 to March 28
RESULTS OF OPERATIONS									
Revenues	\$6,379.6	\$1,798.4	\$1,552.5	\$1,545.7	\$1,483.0	\$1,660.1	\$1,503.0	\$1,497.2	\$1,403.7
Net revenues*	\$4,895.1	\$1,327.7	\$1,189.8	\$1,215.5	\$1,162.1	\$1,248.2	\$1,124.9	\$1,088.9	\$1,024.8
Adjusted EBITDA*	\$499.0	\$135.3	\$147.2	\$125.0	\$91.5	\$124.0	\$126.2	\$106.0	\$85.3
Net earnings (loss) attributable to shareholders	\$199.1	\$56.0	\$63.3	\$52.2	\$27.6	\$14.7	\$50.4	\$95.4	\$28.3
Basic net earnings (loss) per share		\$0.55	\$0.63	\$0.52	\$0.28	\$0.15	\$0.55	\$1.07	\$0.32
Diluted net earnings (loss) per share		\$0.55	\$0.63	\$0.52	\$0.28	\$0.15	\$0.55	\$1.07	\$0.32
Backlog*		\$5,668.8	\$5,371.2	\$5,667.4	\$5,529.7	\$5,199.7	\$4,891.6	\$4,562.0	\$4,674.4
DIVIDENDS									
Dividends declared	\$150.8	\$38.0	\$37.8	\$37.6	\$37.4	\$37.2	\$36.9	\$33.6	\$33.5
Dividends declared, per share	\$1.50	\$0.375	\$0.375	\$0.375	\$0.375	\$0.375	\$0.375	\$0.375	\$0.375

^{*} Non-IFRS measures are described in the "Glossary" section.

In each of the last eight quarters, the Corporation declared dividends of 0.375 per share. In the third quarter of 2015, the Corporation issued common shares to finance business combinations, thus increasing the Corporation's number of outstanding shares and therefore the aggregate dividends declared.

Analysis of selected annual information

	2016	2015	2014
In thousands of dollars, except per share/unit data			
Revenues	6,379.6	6,064.0	\$2,902.4
Net revenues*	4,895.1	4,486.8	\$2,349.9
Net earnings attributable to shareholders	199.1	188.8	\$62.8
Net earnins per share attributable to shareholders			
Basic	\$1.97	\$2.05	\$0.98
Diluted	\$1.97	\$2.05	\$0.98
Total assets	6,128.7	6,167.1	\$4,913.8
Financial liabilities (1)	\$1,082.1	\$1,012.9	\$845.4
Dividends declared to shareholders	150.8	\$141.2	\$102.5

^{*} Non-IFRS measures are described in the "Glossary" section.

Revenues and net revenues increased through organic growth, and acquisitions completed in 2014, 2015 and 2016. All acquisitions had a direct impact not only on revenues but also on total assets since assets acquired, intangible assets and goodwill are recorded after each acquisition. The incurrence of acquisition and integration costs in all three years impacted net earnings attributable to shareholders. Excluding these costs, net earnings attributable to shareholders from 2014 to 2016 would have increased in line with the increase experienced in revenues and net revenues.

Financial liabilities increased from 2014 to 2016 as the Corporation financed its acquisitions, in part, with its credit facility.

In 2014, 2015 and 2016, the Corporation declared and paid quarterly dividends totaling \$1.50 per common share annually to their shareholders.

⁽¹⁾ Financial liabilities consist of long-term debt and other financial liabilities, including current portions.

Governance

11.1 Internal control over financial reporting

The Corporation's CEO and CFO are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and have caused them to be designed under their supervision to provide reasonable assurance that:

- Material information related to the Corporation is made known to them by others, particularly during the period in which the annual filings are being prepared; and
- Information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation filings is recorded, processed, summarized and reported within the time periods specified in securities legislation.

The CEO and CFO have evaluated or caused to be evaluated under their supervision, the effectiveness of the Corporation's DC&P and based on the evaluation, the CEO and CFO have concluded that the design and operation of the Corporation's DC&P were effective as as December 31, 2016.

The CEO and CFO have also designed internal controls over financial reporting ("ICFR") or have caused ICFR to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Based on their evaluation carried out to assess the effectiveness of the Company's ICFR, the CEO and CFO have concluded that ICFR were designed and operated effectively as at December 31, 2016 using the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 COSO Framework).

Due to the inherent limitations of DC&P and ICFR, Management does not expect that DC&P and ICFR can prevent or detect all errors or intentional misstatements resulting from fraudulent activities.

The CEO and the CFO have limited the scope of their design of DC&P and ICFR to exclude controls, policies and procedures of the Schlumberger industrial water consultancy business and Mouchel business acquisitions which were acquired on June 17, 2016 and October 12, 2016, respectively, as permitted by the Canadian Securities Administrators' National Instrument 52-109 for 365 days following an acquisition.

There were no changes in the Corporation's ICFR that occurred during the period beginning on September 25, 2016 and ended December 31, 2016, that have materially affected, or are reasonably likely to materially affect, the Corporation's ICFR. Controls will continue to be periodically analyzed in order to sustain a continuous improvement.

11.2 Responsibilities of the board of directors

The Board has oversight responsibilities for reported information. Accordingly, the Audit Committee and the Board of WSP have reviewed and approved the audited consolidated financial statements for the years ended December 31, 2016, and 2015, and this MD&A, before their publication.

Contingencies

The Corporation is currently facing legal proceedings for work carried out in the normal course of its business. The Corporation takes out a professional liability insurance policy in order to manage the risks related to such proceedings. Based on advice and information provided by its legal advisors and on its experience in the settlement of similar proceedings, Management believes that the Corporation has accounted for sufficient provisions in that regard and that the final settlement should not exceed the insurance coverage significantly or should not have a material effect on the financial position or operating results of the Corporation.

As a government contractor, the Corporation may be subject to laws and regulations that are more restrictive than those applicable to non-government contractors. Government scrutiny of contractors' compliance with those laws and regulations through audits and investigations is inherent in government contracting, and, from time to time, Management receives inquiries and similar demands related to the Corporation's ongoing business with government entities. Since 2012, the Corporation has been the object of investigations and search warrants initiated by the Unité Permanente Anticorruption (UPAC) and the Competition Bureau in several regions within the Province of Québec. Some of the investigations conducted by the Competition Bureau have been referred for consideration to the Public Prosecution Service of Canada. On February 11, 2013, the Corporation announced that it was in possession of information confirming that inappropriate conduct in the Province of Québec in the financing of political parties and the awarding of municipal contracts had occurred in the past. As of February 28, 2017, the Corporation had received letters of demand from a few cities requesting the Corporation to participate in the voluntary reimbursement program established pursuant to Bill 26, An Act to ensure mainly the recovery of amounts improperly paid as a result of fraud or fraudulent tactics in connection with public contracts, enacted in April 2015. The Corporation had indicated as early as March 2016 that it was participating in the voluntary reimbursement program. Due to the implementation of the voluntary reimbursement program by the Ouébec government in November 2015, public bodies are prevented, until the voluntary reimbursement program is closed, from presenting their own civil claims for reimbursement of amounts improperly paid unless they receive prior authorization from the Minister of Justice. To date, no charges have been brought against the Corporation nor has the Corporation received any claims for fines, penalties or other monetary compensation in relation to the investigations initiated by the UPAC and the Competition Bureau. The Corporation is taking steps to address these contingencies but cannot predict at this time the final outcome, potential losses or amounts that may have to be reimbursed to any governmental authorities, if any, with respect to any investigation by such governmental authorities in respect of these facts, including the possibility that their scope may be broadened which could have an impact on its future results of operations.

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Significant accounting policies

The Corporation's significant accounting policies are described in notes 2 and 3 of the audited consolidated financial statements for the year ended December 31, 2016.

The preparation of the financial statements requires Management to make estimates and judgments that affect the reported amounts of assets and liabilities and equity and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgments are continually evaluated and are based on historical trends and other factors, including expectations of future events that are likely to materialize under reasonable circumstances. The following discussion sets forth Management's:

- Most critical estimates and assumptions in determining the value of assets and liabilities; and
- Most critical judgments in applying accounting policies.

Critical accounting estimates and assumptions

The Corporation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

COST AND ANTICIPATED PROFITS IN EXCESS OF BILLINGS

The Corporation values its costs and anticipated profits in excess of billings based on the time and materials charged into each project. Costs and anticipated profits in excess of billings for each project are reviewed on a monthly basis to determine whether the amount is a true reflection of the amount that will be invoiced on the project. Where the review determines that the value of costs and anticipated profits in excess of billings exceed the amount that can be invoiced, adjustments are made to the costs and anticipated profits in excess of billings. The valuation of costs and anticipated profits in excess of billings involves estimates of the volume of work required to complete the project. Changes in the estimation of work required to complete the projects could lead to the undervaluation or overvaluation of costs and anticipated profits in excess of billings.

OTHER IDENTIFIABLE INTANGIBLE ASSETS AND GOODWILL

Identifiable intangible assets and goodwill, excluding software and non-competition agreements, represented \$3,076.9 million of total assets on the consolidated statement of financial position as at December 31, 2016 (\$3,108.4 million as at December 31, 2015). These assets arise out of business combinations and the Corporation applies the acquisition method of accounting to these transactions. In measuring the fair value of the assets acquired and the liabilities assumed and estimating their useful lives, Management used significant estimates and assumptions regarding cash flow projections, economic risk and weighted cost of capital.

These estimates and assumptions determine the amount allocated to other identifiable intangible assets and goodwill, as well as the amortization period for identifiable intangible assets with finite lives. If results differ from estimates, the Corporation may increase amortization or impairment charges.

CLAIMS PROVISIONS

In the normal course of business the Corporation faces legal proceedings for work carried out on projects. The Corporation has professional liability insurance in order to manage risks related to such proceedings. Management estimates the claims provisions, based on advice and information provided by its legal advisors and on its own past experience in the settlement of similar proceedings. Final settlements could have an effect on the financial position or operating results of the Corporation.

RETIREMENT BENEFIT OBLIGATIONS

The present value of obligations is calculated on an actuarial basis which depends on a number of assumptions relating to the future. These key assumptions are assessed regularly according to market conditions and data available to Management.

CURRENT INCOME TAXES

The Corporation is subject to income tax laws and regulations in several jurisdictions. An estimate is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Corporation recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due in the future. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Critical judgements in applying the corporation's accounting policies

DEFERRED TAX ASSETS

The assessment of the probability of future taxable income in which deferred tax assets can be utilized is based on the Corporation's most recent approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Corporation operates are also carefully taken into consideration. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by Management based on the specific facts and circumstances.

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Future accounting standards

The following standards have been issued, but were not yet effective as at December 31, 2016:

IFRS 15 - REVENUE FROM CONTRACTS WITH CUSTOMERS

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers" to specify how and when to recognize revenue as well as requiring the provision of more informative and relevant disclosures. IFRS 15 supersedes IAS 18, "Revenue", IAS 11, "Construction Contracts", and other revenue recognition related interpretations. The standard will be effective January 1, 2018, for the Corporation with earlier adoption permitted.

IFRS 9 - FINANCIAL INSTRUMENTS

In July 2014, the IASB amended IFRS 9, "Financial Instruments" to bring together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39, "Financial Instruments: Recognition and Measurement". The standard supersedes all previous versions of IFRS 9 and will be effective on January 1, 2018, for the Corporation with earlier application permitted.

IFRS 16 - LEASES

In January 2016, the IASB issued IFRS 16, "Leases", which will replace IAS 17, "Leases". The new standard requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use-asset" for virtually all lease contracts, and record on it on the statement of financial position, except with respect to lease contracts that meet limited exception criteria. As the Corporation has significant contractual obligations in the form of operating leases under IAS 17, there will be a material increase to both assets and liabilities upon the adoption of IFRS 16, and material changes to the timing of recognition of expenses associated with lease arrangements. The new standard will be effective January 1, 2019, for the Corporation with limited early adoption permitted.

The Corporation has not yet quantified the effect of these Standards nor does it intend at this time to early adopt these Standards until the mandatory effective dates.

Financial instruments

Foreign currency risk

The Corporation operates internationally which significantly increases its exposure to the currency risk arising from its operating activities denominated in US dollars, Sterling pounds, Swedish kronas and Euros and to its net assets in foreign operations. These risks are partially offset by purchases and operating expenses incurred in the same currencies. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates, and where a change in exchange rates would have a direct impact on net earnings of the Corporation.

The Corporation uses some financial instruments to manage the exposure to fluctuations of foreign currency exchange rates. It does not hold or use any derivative instruments for trading purposes. Foreign exchange translation gains and losses on net investments and the effective portions of gains and losses on instruments hedging the net investments are recorded in the consolidated statement of comprehensive income.

In order to reduce the risk related to fluctuation in foreign currency exchange rates, the Corporation designated long term debt denominated in US dollars and Sterling pounds as the hedging instrument of net investments in US dollars and Sterling pounds.

Credit risk

The Corporation's credit risk is principally attributable to its trade receivables. The amounts presented in the balance sheet are net of an allowance for doubtful accounts, estimated by the Corporation's Management and based, in part, on the age of the specific receivable balance and the current and expected collection trends. Generally, the Corporation does not require collateral or other security from customers for trade accounts receivable; however, credit is extended following an evaluation of creditworthiness. In addition, the Corporation performs ongoing credit reviews of all its customers and establishes an allowance for doubtful accounts when the likelihood of collecting the account has significantly diminished. The Corporation believes that the credit risk of accounts receivable is limited. During the year ended December 31, 2016, bad debts accounted for were adequate.

The Corporation mitigates its credit risk by providing services to diverse clients in various industries, countries and sectors of the economy.

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Related party transactions

The Corporation has control over its subsidiaries and they are consolidated in the consolidated financial statements. Some agreements are in place with structured entities; these entities provide different services, mainly in the architecture industry. These management agreements provide the Corporation with control over the management and operations of these entities. The Corporation also receives a management fee and has an obligation regarding their liabilities and losses. Based on these facts and circumstances, Management has concluded that these entities are controlled by the Corporation and, therefore, consolidated them in the financial statements.

Transactions among subsidiaries and structured entities are entered into in the normal course of business and on an arm's length basis. All intercompany balances and operations are eliminated.

The Corporation conducts certain activities in joint arrangements which qualify as joint operations. These joint operations are accounted for using the proportionate consolidation method, which results in the Corporation recording its pro rata share of the assets, liabilities, revenues, costs and cash flows of each of these joint operations.

Transactions with subsidiaries, structured entities, associates and joint arrangements are further described in the Corporation's audited consolidated financial statements for the year ended December 31, 2016.

Key management personnel have the authority and the responsibility to plan, direct and control the activities of the Corporation. They include members of the Board of Directors, the President and CEO, CFO and the members of the global leadership team. Total compensation to key management personnel in 2016 was \$23.1 million.

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Off-balance sheet agreements

The Corporation does not engage in the practice of off-balance sheet financing, except for the use of certain operating leases for office space, computer equipment, vehicles and letters of credit. In accordance with IFRS, neither the lease liability nor the underlying asset is carried on the balance sheet as the terms of the leases do not meet the criteria for capitalization.

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Operating lease commitments

Contractual obligations

The following tables provide a summary of the Corporation's long-term contractual obligations (including interest):

\$182.5

In millions of dollars	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
Long-term debts*	\$138.9	\$284.2	\$ -	\$719.5	\$ -	\$ -	\$1,142.6
Other non-current financial liabilities*	\$18.1	\$8.9	\$5.5	\$ -	\$ -	\$ -	\$32.5
* Including current portion.							
In millions of dollars	1 year	2 vears	3 years	4 vears	5 years	More than 5 years	Total

The Corporation is committed under the terms of contractual obligations with various expiration dates, primarily for the rental of office space and computer equipment.

\$125.2

\$108.8

\$176.4

\$203.0

\$949.6

\$153.7

The Corporation generates cash flows from its operations and has available credit facilities to meet all of its contractual obligations in the future.

Outlook

This outlook is provided to assist analysts and shareholders in formalizing their respective views on 2017. The reader is cautioned that using this information for other purposes may be inappropriate. These measures are subject to change. The information set out in this section constitutes forward-looking information. Please refer to the "Forward-Looking Statements" section of this MD&A.

The following table summarizes our expected ranges for various measures for the coming year as at February 28, 2017:

	2017 Target range
Net revenues*	Between \$5,000 million and \$5,300 million
Adjusted EBITDA*	Between \$510 million and \$560 million
	Q1: 20% to 22%
Seasonality and adjusted EBITDA* fluctuations	Q2: 24% to 26%
	Q3: 28% to 30%
	Q4: 24% to 26%
Tax rate	27% to 29%
DSO*	80 to 85 days
Amortization of intangible assets related to acquisitions	Between \$65 million and \$75 million
Capital expenditures	Between \$120 million and \$130 million
Net debt to adjusted EBITDA*	1.5x to 2.0x
Acquisition and integration costs*	Between \$15 million and \$25 million ⁽¹⁾

^{*} Non-IFRS measures are described in the "Glossary" section.

The target ranges presented in the preceding table have been prepared assuming there will be no fluctuations in foreign exchange rate in markets in which the Corporation operates. In the 2017 forecast, the Corporation has considered numerous economic and market assumptions regarding the competition, political environment and economic performance of each region where it operates. In preparing its 2017 forecast, the Corporation also assumed that economic factors and market competition in regions where it operates will remain stable.

The forecast has been prepared using tax rates enacted as of December 31, 2016, in the countries in which the Corporation currently operates and assumed no change in the tax law applicable to such countries. In the 2017 forecast, the Corporation has not considered any dispositions, mergers, business combinations and other transactions that may occur after the publication of this MD&A. The Corporation cautions that the assumptions used to prepare the 2017 forecast could be incorrect or inaccurate. Accordingly, the Corporation's actual results could differ materially from the Corporation's expectations as set out in this MD&A.

For the year, we foresee consolidated organic growth in net revenues, on a constant currency basis, in the 1% to 4% range. Organic growth in net revenues is anticipated for all reportable operating segments, with the exception of Canada. Due to the timing of statutory holidays, the first half of 2017, specifically the first quarter, will benefit from one additional week of operations compared to 2016 with the opposite impact for the second half of the year, specifically the fourth quarter of 2017. As such, we anticipate consolidated organic growth in net revenues to be slightly skewed, favoring H1 2017.

⁽¹⁾ Due mainly to personnel and real estate integration costs related to the acquisition of Mouchel completed in Q4 2016, and to real estate integration costs pertaining to the MMM acquisition completed in Q4 2015.

Global Corporate costs for 2017 are expected to range between \$53 and \$58 million, an increase over 2016, due, in part, to the creation of a CEO Global Initiatives fund. The fund's main purpose will be to increase interactions between operating segments in order to generate additional revenue via cross-selling between business services and to invest in talent, recruitment and training. Higher costs associated with the Corporation's LTIPs, based on the Corporation's performance levels and employee retention programs, is the other major component contributing to the anticipated increase in these costs.

Reportable Operating Segment Outlook

CANADA

As a result of a sluggish economy and a changing Canadian economic landscape, the Corporation proceeded with a restructuring of its Canadian operations in 2016. The Corporation's flexible variable cost business model enabled it to rightsize its workforce and reduce its real estate footprint.

The focus for the Corporation's Canadian operations for the immediate to mid-term future will be towards improving adjusted EBITDA margin before Global Corporate costs via better project delivery and management, and increasing utilization rates. The Corporation believes this approach will enable it to be in a much stronger position once the Canadian market fully recovers.

Expected organic growth in net revenues in the second half of the year is anticipated to offset foreseen contraction in the first two quarters of 2017, resulting in full year slightly negative to flat organic growth in net revenues for the region.

AMERICAS

Based on our backlog at the end of 2016 and strong US transportation & infrastructure pipeline, we anticipate organic growth in net revenues throughout 2017, for the reportable operating segment as a whole, in the mid-single digit range.

EMEIA

Our Nordics region is expected to deliver solid results in 2017. Our Swedish, Norwegian and Finnish operations should continue to gain market share and we anticipate organic growth in the mid-to-high single digits for the region as a whole.

The UK's economy is set to continue to expand at a moderate pace in 2017, mostly driven by continuing growth in our core sectors - transportation & infrastructure and property & buildings. Despite the political uncertainty related to "Brexit", government initiatives are anticipated to continue to provide positive momentum for the year; as such, we are anticipating organic growth in net revenues in the mid-single digits for the year.

Difficult economic conditions are expected to persist in the Middle East and South African regions, leading the Corporation to anticipate negative organic growth in net revenues for both regions in 2017. These two regions represented less than 7% of the Corporation's net revenues in 2016.

On a consolidated basis, our EMEIA reportable segment is anticipated to post consolidated organic growth in net revenues in the mid-single digit range.

APAC

Our Australian operations are expected to continue to build on their strong performance of 2016 as the pipeline remains strong, specifically in the transportation, buildings and environment markets. The Corporation anticipates organic growth in net revenues in the mid-to-high single digit range for the region in 2017.

In Asia, a continuing slowdown in the buildings market has led to developers to adopt a more cautious stance on new investments, resulting in major projects being delayed or postponed. Singapore and Malaysia are expected to deliver solid results as major infrastructure projects are anticipated to materialize in 2017. We anticipate minor organic growth in net revenues in the flat-to-low single digit range for our Asian operations.

APAC, as a whole, is anticipated to deliver organic growth in net revenues in the mid-single digit range for the year.

Forward-looking statements

In addition to disclosure of historical information, the Corporation makes or provides statements or information in this MD&A that are not based on historical facts and which are considered to be forward-looking information or forward-looking statements under Canadian securities laws. These statements relate to future events or future performance, including future-oriented financial information, and reflect the expectations of Management regarding the growth, results of operations, performance and business prospects and opportunities of the Corporation or its industry.

This MD&A contains forward-looking statements, including the Outlook in section 19. Forward-looking statements can typically be identified by terminology such as "may," "will," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "forecast", "project", "intend", "target", "potential", "continue" or the negative of these terms or terminology of a similar nature. Such forward-looking statements reflect current beliefs of Management and are based on certain factors and assumptions as set forth in this MD&A, which by their nature are subject to inherent risks and uncertainties. While the Corporation considers these factors and assumptions to be reasonable based on information available as of February 28, 2017, actual events or results could differ materially from the results, predictions, forecasts, conclusions or projections expressed or implied in the forward-looking statements.

In evaluating these forward-looking statements, investors should specifically consider various factors, including but not limited to the following risk factors discussed in greater detail in section 21 of the 2016 MD&A: "Ability to Maintain Profitability"; "Organic Business Growth"; "Acquisition Integration and Management"; "Future Acquisitions and Integrations"; "Challenges Associated with Size"; "Global Operations"; "Changes to Backlog"; "Joint Arrangements"; "Economic Environment"; "Revenues from Contracts with Government Agencies"; "Risks Associated with Professional Services Contracts"; "Reliance on Suppliers and Subcontractors"; "Dependence on Clients"; "Major Project Delivery"; "Qualification Work"; "Reliance on Management and Key Professionals"; "Availability and Retention of Qualified Professional Staff"; "Adequate Utilization of Workforce"; "Collective Bargaining and Labour Disputes"; "Insurance Limits"; "Environmental, Health and Safety Risks and Hazards"; "Extreme Weather Conditions and the Impact of Natural or Other Disasters"; "Interruption to Systems or Network Infrastructure"; "Reputational Risk"; "Non-Compliance with Laws or Regulations"; "Risk of Future Legal Proceedings"; "Controls and Disclosure"; "Corporate Structure"; "Competition in the Industry"; "Scope of Regulations"; "Increased Awareness of Environmental Factors"; "Deterioration of Financial Position or Net Cash Position"; "Working Capital Requirements"; "Accounts Receivable"; "Increased Indebtedness"; "Impairment of Goodwill"; "Variability of Financial Results"; "Foreign Currency Exposure"; "Taxes"; "Underfunded Defined Benefits Obligations"; "Potential Dilution"; "Payment of Dividends" as well as other risks detailed from time to time in reports filed by the Corporation with securities regulators, which may cause events or results to differ materially from the results expressed or implied in any forward-looking statement.

Forward-looking statements made by the Corporation are based on a number of assumptions believed by the Corporation to be reasonable as at February 28, 2017, including assumptions about general economic and political conditions; the state of the global economy and the economies of the regions in which the Corporation operates; the state of and access to global and local capital and credit markets; interest rates; working capital requirements; the collection of accounts receivable; the Corporation obtaining new contract awards; the type of contracts entered into by the Corporation; the anticipated margins under new contracts awards; the utilization of the Corporation's workforce; the ability of the Corporation to attract new clients; the ability of the Corporation to retain current clients; changes in contract performance; project delivery; the Corporation's competitors; the ability of the Corporation to successfully integrate acquired businesses; the acquisition and integration of businesses in the future; the Corporation's ability to manage growth; external factors affecting the global operations of the Corporation; the state of the Corporation's backlog; the joint arrangements into which the Corporation has or will enter; capital investments made by the public and private sectors; relationships with suppliers and subcontractors; relationships with management; key professionals and other employees of the Corporation; the maintenance of sufficient insurance; the management of environmental and health and safety risk; the sufficiency of the Corporation's current and planned information systems, communications technology and other technology; compliance with laws and regulations; future legal proceedings; the sufficiency of internal and disclosure controls; the regulatory environment; impairment of goodwill; foreign currency fluctuation; the tax legislation and regulations to which the Corporation is subject and the state of the

Corporation's benefit plans. Other assumptions are set out throughout this MD&A (particularly, in the section entitled Outlook). If these assumptions prove to be inaccurate, the Corporation's actual results could differ materially from those expressed or implied in such forward-looking statements.

Actual results and events may be significantly different from what we currently expect because of the risks associated with our business, industry and global economy and of the assumptions made in relation to these risks. As such, there can be no assurance that actual results will be consistent with forward-looking statements. The Corporation does not necessarily update or revise forward-looking information even if new information becomes available, unless legislation requires us to do so. Readers should not place undue reliance on forward-looking statements.

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Risk factors

The Corporation's results of operations, business prospects, financial position and achievement of its strategic plan are subject to a number of risks and uncertainties and are affected by a number of factors which could have a material adverse effect on the Corporation's business, financial condition or future prospects. These risks should be considered when evaluating an investment in the Corporation and may, among other things, cause a decline in the price of the shares or adversely affect the Corporation's ability to declare dividends on the shares.

This section describes the risks we consider as the most material to our business. This is not, however, a comprehensive list of the potential risks we currently or could eventually face. Risks and uncertainties not presently known to the Corporation or that the Corporation currently considers as not material could become material in the future or impair its business operations.

Risks Related to the Business

ABILITY TO MAINTAIN PROFITABILITY

There can be no assurance that the Corporation's business and strategy will enable it to sustain profitability in future periods. The Corporation's future operating results will depend on a number of factors, including its ability to:

- continuously obtain new contract awards with competitive contract margins;
- utilize its workforce efficiently;
- successfully cross-sell additional services to existing clients and attract new clients;
- successfully integrate acquired businesses with existing operations;
- consolidate its position in all markets, and identify and acquire suitable acquisition candidates in order to continue its expansion; and
- offer a full range of professional services.

There can be no assurance that the Corporation will be successful in achieving its strategic plan or that its strategic plan will enable it to maintain its historical revenue growth rates or to sustain profitability. Due to economic or market conditions, the Corporation may be unable to obtain the necessary capital to finance its strategic plan.

ORGANIC BUSINESS GROWTH

Due to industry competition and economic factors, the Corporation may not be able to increase the size of its operations organically. As competition increases in the Corporation's markets, it may not be able to secure major projects, penetrate robust markets and attract additional qualified staff. Organic growth is also achieved by meeting client expectations through effective quality project delivery and by expanding services provided to existing clients. If the Corporation is unable to effectively compete for projects, expand services to existing clients and attract employees, it will have difficulty increasing its market share and achieving its growth objectives.

ACQUISITION INTEGRATION AND MANAGEMENT

Management believes that growth through acquisitions can provide certain benefits to the Corporation. Achieving the benefits of acquisitions depends in part on successfully consolidating functions, integrating and leveraging operations, procedures and personnel in a timely and efficient manner, as well as the Corporation's ability to share knowledge and realize revenues, synergies and other growth opportunities from combining acquired businesses and operations with those of WSP. Failure by the Corporation to effectively integrate acquisitions could lead to a failure to realize anticipated benefits of one or more acquisitions. The integration of any acquired business into WSP includes the combination of systems and personnel. Integration requires the dedication of substantial management effort, time and resources, which may divert Management's focus and resources from other strategic opportunities and from operational matters during the process. The acquisition integration process may also result in the disruption of ongoing business, customer and employee relationships that may adversely affect the Corporation's ability to achieve the anticipated benefits of a given acquisition, including the ability to realize the anticipated synergies from combining the acquired business into WSP. A variety of factors may also adversely affect the anticipated benefits of an acquisition or prevent these from materializing or occurring within the time periods anticipated by the Corporation. Cultural differences among various countries in which the Corporation has acquired businesses may also present barriers to the success of the integration plan of the acquisitions concluded by the Corporation. In addition, the overall integration may result in unanticipated operational problems, costs, expenses, liabilities, customer loss or business disruption (including, without limitation, difficulties in maintaining relationships with employees, clients or suppliers) and, consequently, the failure to realize, in whole or in part, the anticipated benefits of an acquisition. There is no assurance that the Corporation will be able to successfully integrate past acquisitions. Each year, the Corporation incurs acquisition-related and integration costs which may be material.

In connection with acquisitions made by the Corporation, there may also be liabilities that the Corporation failed to discover or was unable to quantify in the due diligence conducted prior to closing of an acquisition and which could have a material adverse effect on the Corporation's business, financial condition or future prospects.

FUTURE ACQUISITIONS AND INTEGRATIONS

The Corporation intends to continue making acquisitions from time to time as part of its strategy to grow its business. Acquisitions, if they occur, will increase the size of the Corporation's operations and may increase the amount of indebtedness that the Corporation has to service. There is no assurance that the Corporation will be able to identify suitable acquisition targets and acquire operations on satisfactory terms, or at all. Furthermore, the successful integration and management of acquired businesses involve numerous risks that could adversely affect the Corporation's growth and profitability, including the risk that:

- the Corporation may not be able to obtain the necessary capital to finance its working capital, capital expenditures, acquisitions, growth strategy and general corporate or other purposes by way of debt financing;
- the Corporation may not be able to successfully manage the acquired businesses and that the integration may place significant demands on Management, diverting their attention from existing operations;
- the Corporation's operational, financial and management systems may be incompatible with or inadequate to effectively integrate and manage the acquired businesses;
- acquisitions may require substantial financial resources that otherwise could be used in the development of other aspects of the Corporation's business;
- major clients of the acquired businesses may not be retained following the acquisition of such businesses; and
- acquisitions may result in liabilities and contingencies, which could be significant to the Corporation's operations.

The successful integration of an acquired business is also subject to the risk that personnel and professionals from the acquired business and the Corporation may not be able to work together successfully, which could affect the Corporation's operations. In particular, the Corporation may seek to require as a condition of its acquisitions that key personnel and professionals enter into employment agreements for specified post-acquisition periods and/or non-competition undertakings, however there are risks that such commitments will not be fulfilled or that the personnel and professionals subject to same or other personnel and professionals will not be successfully integrated as productive contributors to the Corporation's business. Moreover, the successful integration of an acquired business is subject to the willingness of such acquired business to operate in accordance with the Corporation's values and culture. Newly acquired businesses may be resistant to change and remain attached to past values and culture which may compromise the Corporation's integration plans. There is no assurance that the Corporation will be able to successfully integrate any future acquisitions.

CHALLENGES ASSOCIATED WITH SIZE

In recent years, the Corporation has significantly increased in size and now has approximately 36,000 employees in 40 countries and expects to continue to pursue its growth strategy. The Corporation must effectively communicate and manage its culture, values, standards, internal controls and policies throughout the larger organization. To effectively communicate and manage culture, values, standards and internal controls throughout a large global organization is both challenging and time consuming for Management and the employees involved The Corporation may not be able to achieve its strategic objectives if it does not overcome the challenges associated with managing cultural diversity and the particularities of local markets. Cultural differences in various countries may also present barriers to introducing new ideas or aligning WSP's vision and strategy throughout the organization. If the Corporation cannot overcome these obstacles, it may not be able to achieve its growth and profitability objectives.

GLOBAL OPERATIONS

A significant portion of the Corporation's revenues are attributable to projects in markets outside of the Corporation's traditional market of Canada. Our business is dependent on the continued success and growth of our international operations, and Management expects international operations to continue to account for a significant portion of the Corporation's total revenues. Due to its global operations, the Corporation is currently and will be increasingly subject to, a variety of risks, including:

- general social, economic and political conditions or instability in foreign markets and globally, including recessions, political changes or disruptions and other economic crises in one or more markets in which the Corporation operates;
- risks related to complying with a wide variety of local, national, and international laws, together with potential adverse or significant changes in laws and regulatory framework and practices;
- difficulty or expense in enforcing contractual rights due to a lack of a developed legal system or other factors in certain jurisdictions,
- the difficulties and costs of staffing and managing global operations and changes in labour conditions;
- difficulties, delays and expense that may be experienced or incurred in connection with the movement of personnel through the customs and immigration authorities of various jurisdictions;
- a greater risk of uncollectible accounts and longer collection cycles;
- fluctuations in exchange rates;
- multiple and possibly overlapping tax structures;
- exchange controls and other funding restrictions and limitations on the Corporation's ability to repatriate cash, funds or capital invested or held in jurisdictions outside Canada;
- international hostilities and terrorism; and
- cultural, logistical and communications challenges.

In addition, the Corporation faces competition in other countries from companies that may have more experience operating in such countries or with global operations generally.

CHANGES TO BACKLOG

The Corporation cannot guarantee that the revenues projected in its backlog will be realized or, if realized, will result in profits. Projects may remain in the backlog for an extended period of time. In addition, project delays, suspensions, terminations, cancellations, reductions in scope or other adjustments do occur from time to time in the Corporation's industry due to considerations beyond our control and may have a material impact on the value of reported backlog with a corresponding adverse impact on future revenues and profitability. Backlog reduction may adversely affect the revenues that the Corporation will actually receive from contracts reflected in the backlog. Future project cancellations and scope adjustments could further reduce the dollar amount of the backlog and the revenues that the Corporation actually receives.

In addition, most of the Corporation's contracts contain "termination for convenience" or termination upon short notice provisions, which permit the client to terminate or cancel the contract at its convenience upon providing the Corporation with notice a specified period of time before the termination date or paying the Company equitable compensation or both, depending on the specific contract terms. In the event a significant number of the Corporation's clients were to avail themselves of such "termination for convenience" provisions, or if one or more significant contracts were terminated for convenience, the Corporation's reported backlog would be adversely affected with a corresponding adverse impact on expected future revenues and profitability.

If a significant backlog adjustment occurs, the Corporation could incur costs resulting from reductions in staff that would have the effect of reducing its net earnings.

JOINT ARRANGEMENTS

As part of its business strategy, the Corporation may enter into certain contracts through joint arrangements such as joint ventures, partnerships or other strategic alliances. The success of the Corporation's joint arrangements depends on the satisfactory performance by its partners of their respective obligations. Differences in views among the partners to a joint arrangement may result in delayed decisions, disputes or failure to meet a joint arrangement's obligations. The failure or unwillingness of any partner in a joint arrangement to perform its obligations could impose additional financial and performance obligations on the Corporation that could result in increased costs and adversely affect the Corporation's reputation. If these circumstances occur, the Company may be required to pay financial penalties or liquidated damages, provide additional services, or make additional investments to ensure adequate performance and delivery of the contracted services. Under agreements with joint and several (or solidary) liabilities, the Corporation could be liable for both its obligations and those of its partners.

In certain cases, the Corporation may have limited control over the actions or decisions of the joint arrangement. These joint arrangements may not be subject to the same requirements regarding internal controls and internal control over financial reporting that the Corporation follows; this could have an adverse impact on the Corporation's business and results of operations.

The failure by a joint arrangement partner to comply with applicable laws, rules or regulations, or client requirements, could negatively impact the Corporation's business and, in the case of government contracts, could result in fines, penalties, suspension or even debarment being imposed on the Corporation, which could have an adverse impact on the Corporation's reputation, business, financial condition and results of operations.

ECONOMIC ENVIRONMENT

Global and local capital and credit markets and global and local economies may experience significant uncertainty, characterized by the bankruptcy, failure, collapse or sale of one or more sectors, including financial institutions, and a considerable level of intervention from governments and international organizations around the world. Economic conditions in any of the markets in which the Corporation operates, may be weak and may remain weak or become weaker in the future. Although economic growth may be rebounding in some regions of the world, many markets remain fragile and could again enter periods of negative economic growth. In addition, many governments used, or continue to use, significant levels of fiscal stimulus in an attempt to avoid recessions and now have significant and growing debts and deficits that may require actions such as spending cuts and higher taxes. These conditions may impact demand for the Corporation's services by public and private entities. Demand for the Corporation's services may also be vulnerable to reductions in private industry spending resulting from sudden economic downturns or changes in commodity prices such as oil, natural gas or metals, which may result in clients delaying, curtailing or cancelling proposed and existing projects. Any of these conditions may adversely affect the demand for the Corporation's services, which may negatively affect its business, financial condition and results of operations.

In addition, interest rate fluctuations, financial market volatility or credit market disruptions may limit the Corporation's access to capital and may also negatively affect the ability of the Corporation's customers to obtain credit to finance their businesses on acceptable terms. If the operating and financial performance of the Corporation's customers deteriorates or if they are unable to make scheduled payments or obtain credit, the Corporation's customers may not be able to pay the Corporation. Any inability of customers to pay the Corporation for its services may adversely affect its backlog, earnings and cash flows.

Lastly, rising inflation, interest rates and construction costs could reduce the demand for the Corporation's services in the markets in which it operates or may operate in the future. The Corporation also bears the risk of rising inflation in connection with fixed-price negotiated fee contracts. Due to the fact that a significant portion of the Corporation's revenues are earned from cost-reimbursable type contracts, the effects of inflation on the Corporation's financial condition and results of operations over the past few years have been generally minor. Nonetheless, if the Corporation expands its business into markets or geographic areas in which fixed-price negotiated fee work is more prevalent, inflation may have a larger impact on the Corporation's results of operations.

REVENUES FROM CONTRACTS WITH GOVERNMENT AGENCIES

The demand for the Corporation's services is affected by the level of government funding that is allocated for rebuilding, improving, and expanding infrastructure systems. The Corporation derives a significant amount of its revenues from governments or government-funded projects and expects to continue to do so in the future. Significant changes in the level of government funding (whether from traditional funding constraints), the long-term impacts of the recent economic crisis (including future budgetary constraints and concerns regarding deficits), changing political priorities, changes in governments or delays in projects caused by election processes, may adversely affect the Corporation's business, prospects, financial condition and results of operations.

The success and further development of the Corporation's business depends, in part, on the continued funding of these government programs and on the Corporation's ability to participate in these programs. However, governments may not have available resources to fund these programs or may not fund these programs even if they have available financial resources. Some of these government contracts are subject to renewal or extensions annually, and thus the Corporation cannot be assured of its continued work under these contracts in the future. In addition, government agencies can terminate these contracts at their convenience or render the Corporation ineligible to contract with such government agencies in the future. The Corporation may incur costs in connection with the termination of these contracts and suffer a loss of business. In certain markets, contracts with government agencies are sometimes subject to substantial regulation and audit of the actual costs incurred. These audits can result in a determination that a rule or regulation has been violated or that adjustments are necessary to the amount of contract costs the Corporation believes are reimbursable by the agencies and the amount of overhead costs allocated to the agencies. Consequently, there may be a downward adjustment to the Corporation's revenues if those costs that have been recognized exceed contractual entitlement to recover such costs.

RISKS ASSOCIATED WITH PROFESSIONAL SERVICES CONTRACTS

A portion of the Corporation's revenues comes from fixed-price negotiated fee contracts. Under such contracts, the Corporation agrees to perform either all or a specified portion of work under the contract for a fixed amount of fees. Fixed-price negotiated fee contracts expose the Corporation to a number of risks not inherent in hourly basis contracts, including underestimation of fees, ambiguities in specifications, unforeseen difficulties, problems with new technologies, delays beyond its control and economic or other changes that may occur during the contract period and losses. Increasing use of fixed-price negotiated fee contracts and/or increasing size of such contracts would increase the Corporation's exposure to these risks.

The Corporation typically has pending claims submitted to clients under some of its contracts for payment of work performed beyond the initial contractual requirements for which revenues have already been recorded. In general, the Corporation cannot guarantee that such claims will be approved by its clients in whole, in part, or at all. If these claims are not approved, the Corporation's revenues may be reduced in future periods. In certain instances, the Corporation may provide a guarantee to a client that it will complete a project by a certain date. As such, the Corporation may incur additional costs should the project subsequently fails to meet the scheduled completion date. A project's revenues could also be reduced should the Corporation be required to pay liquidated damages in connection with contractual penalty provisions. Such damages can be substantial and can accrue on a daily basis.

In addition, the Corporation sometimes partners with construction delivery partners on engineering, procurement and construction (EPC) projects. In such cases, the Corporation assumes all design, procurement and construction risks, except for any risks that are contractually assumed by the client. Losses under EPC projects could adversely affect the Corporation's business, operating results and financial condition.

RELIANCE ON SUPPLIERS AND SUBCONTRACTORS

The Corporation engages with a large number of third party suppliers and subcontractors. The profitable completion of some contracts depends to a large extent on the satisfactory performance of the subcontractors that complete different elements of work. If these subcontractors do not perform to acceptable standards, the Corporation may be required to hire other subcontractors in order to complete the tasks, which may add additional costs to a contract, may impact profitability on a specific job and in certain circumstances lead to significant losses. The failure of any such third party supplier or subcontractor to deliver on their contractual commitments could have an adverse effect on the Corporation's business, prospects, financial condition and results of operations.

DEPENDENCE ON CLIENTS

Professional services as provided by the Corporation are subject to fluctuations resulting from different factors relating to the Corporation's clients, including economic conditions. Although the Corporation's revenues do not materially depend on any specific client, contracts for services are terminable by the clients on short notice and there can be no assurance that the Corporation will be able to retain its relationships with its largest clients.

MAJOR PROJECT DELIVERY

As it grows, the Corporation is presented with the opportunity to work on larger and more complex projects. Some clients are demanding alternative project delivery methods, such as bundled services for EPC projects, design-builds, and public-private partnerships. If the Corporation fails to respond to these market demands, clients may award these projects to our competitors which could mean lost revenue. Failure to effectively manage these more complex or larger projects could result in cost overruns, unexpected liabilities and decreased profitability.

QUALIFICATION WORK

In order to adapt to the current trends affecting the manner in which projects are performed in the sectors in which the Corporation operates, the Corporation may participate in upfront qualification work, for example in the context of a request for qualifications, in order to participate in consortiums formed to bid on large projects. The Corporation may not recover its costs in connection with such work. The time invested in participating in consortiums for large projects and the related qualification work may ultimately not result in the Corporation obtaining contracts on which it can generate appropriate profit margins.

RELIANCE ON MANAGEMENT AND KEY PROFESSIONALS

The Corporation's operations are dependent on the abilities, experience and efforts of its Management and key professionals and employees, many of whom have significant reputations and contacts in the industry in which the Corporation operates. Should any members of Management or key professionals or employees be unable or unwilling to continue their relationship with the Corporation, the Corporation's business, prospects, financial condition and results of operations could be materially adversely impacted.

AVAILABILITY AND RETENTION OF QUALIFIED PROFESSIONAL STAFF

The Corporation's success depends in part on its continued ability to attract and retain qualified and skilled engineers and other professional staff in particular locations. Over the years, a significant shortage of engineers has developed in some markets which resulted in continued upward pressure on professional compensation packages. There can be no assurance that the Corporation will be able to attract, hire and retain sufficient qualified engineers and other professional staff necessary to continue to maintain and grow its business. The inability to attract, hire and retain sufficient numbers of qualified engineers and other professional staff could limit the Corporation's ability to sustain and increase revenues.

ADEQUATE UTILIZATION OF WORKFORCE

The cost of providing its services, including the extent to which the Corporation utilizes its workforce, affects its profitability. The rate at which the Corporation utilizes its workforce is affected by a number of factors, including:

- its ability to transition employees from completed projects to new assignments and to hire and assimilate new employees;
- its ability to forecast demand for its services and thereby maintain an appropriate headcount in each of its geographies;
- its ability to manage attrition;
- its need to devote time and resources to training, business development, professional development, and other non-chargeable activities; and
- its ability to match the skill sets of its employees to the needs of the marketplace.

If the Corporation over-utilizes its workforce, its employees may become disengaged, which could impact employee attrition. If the Corporation under-utilizes its workforce, its profit margin and profitability could suffer.

COLLECTIVE BARGAINING AND LABOUR DISPUTES

As of December 31, 2016, employees in Sweden and Finland, representing approximately 11% of the Corporation's total employees and the vast majority of the Corporation's unionized employees, were covered by collective bargaining agreements, renewable on an annual basis. Although the Corporation believes that it has good relations with its employees, the Corporation has in the past experienced labour disputes with its employees. The outcome of any future negotiations relating to union representation or collective bargaining agreements may not be favorable to the Corporation. The Corporation may sign collective bargaining agreements that increase its operating expenses and lower its net income as a result of higher wages or benefit expenses. In addition, negotiations with unions, including work actions, could divert Management attention and disrupt operations.

INSURANCE LIMITS

The Corporation believes that its professional errors and omissions insurance, commercial general liability and director and officer liability insurance coverage addresses all material insurable risks, provides coverage that is similar to that which would be maintained by a prudent operator of a similar business and is subject to deductibles, limits and exclusions which are customary or reasonable given the cost of procuring insurance and current operating conditions. However, there can be no assurance that such insurance will continue to be offered on economically feasible terms, that all events that could give rise to a loss or liability are insurable, or that the amounts of insurance will at all times be sufficient to cover each and every loss or claim that may occur involving the Corporation's assets or operations.

ENVIRONMENTAL, HEALTH AND SAFETY RISKS AND HAZARDS

The Corporation's Environmental, Health and Safety systems are aimed at reducing risks to people, the environment, and its business; however, many employees are subject to environmental, health, and safety risks in the course of their employment. A number of these risks could result in personal injury, loss of life, or environmental and other damage to the Corporation's property or the property of others. Alternatively, the Corporation could be exposed to civil and/or statutory liability to employees arising from injuries or deaths because of inadequate health and safety policies and practices. The Corporation cannot fully protect against all these risks, nor are all these risks insurable. The Corporation may become liable for damages arising from these events against which it cannot insure or against which it may elect not to insure because of high premium costs or other reasons. Furthermore, the Corporation risks incurring additional costs on projects that have sustained environmental, health, and safety hazards because they may require additional time to complete or because employee time may be lost due to injury.

EXTREME WEATHER CONDITIONS AND THE IMPACT OF NATURAL OR OTHER DISASTERS

The Corporation's field activities are generally performed outdoors and include professional surveying, resident engineering services, field data surveys and collection, archeology, geotechnical investigations and exploratory drilling, construction oversight and inspection, plant start-up and testing and plant operations. Extreme weather conditions or natural or other disasters, such as earthquakes, fires, floods, epidemics or pandemics and similar events, may cause postponements in the initiation and/or completion of the Corporation's field activities and may hinder the ability of its employees to arrive at work, which may result in delays or loss of revenues that otherwise would be recognized while certain costs continue to be incurred. Extreme weather conditions or disasters may also delay or eliminate the start and/or completion of various phases of work relating to other services that commence concurrent with or subsequent to field activities. Any delay in the completion of the Corporation's services may require the Corporation to incur additional non-compensable costs, including overtime work, that are necessary to meet clients' schedules. Due to various factors, a delay in the commencement or completion of a project may also result in penalties or sanctions under contracts or even the cancellation of contracts.

INTERRUPTION TO SYSTEMS OR NETWORK INFRASTRUCTURE

The Corporation heavily relies on information systems, communications technology, design software, business applications and other technology applications and systems, including global and regional networks, complex server infrastructure and operating systems, in order to operate properly and ensure service delivery and revenues.

If the Corporation is unable to continually maintain, scale and add software and hardware, effectively upgrade its systems and network infrastructure, maintain key information technology personnel, and take other steps to improve the efficiency of and protect its systems, the Corporation's operation systems could be interrupted or delayed. In addition, the Corporation's computer and communications systems and operations could be damaged or interrupted by natural disasters, telecommunications failures, acts of war or terrorism, computer viruses, physical or electronic security breaches, or similar events or disruptions. In addition, the Corporation faces the threat of unauthorized system access, computer hackers, malicious code and organized cyber-attacks. Although the Corporation devotes significant resources to the security of its computer systems, it may still be vulnerable to threats. Anyone who circumvents security measures could misappropriate proprietary or confidential information or personal employee information or cause interruptions or malfunctions in system operations. As a result, the Corporation may be required to expend significant resources to protect against the threat of system disruptions and security breaches, or to alleviate problems caused by disruptions and breaches. Any of these or other events could cause system interruptions, delays, and loss of critical data, could delay or prevent operations and could result in legal proceedings against the Corporation and also prejudice to the Corporation's clients, employees and reputation.

REPUTATIONAL RISK

To remain competitive, the Corporation depends to a large extent on its relationships with its clients and its reputation for high-quality professional services and as a professional services firm that complies with the highest ethical standards. The failure of the Corporation to meet its clients' expectations in the course of a project, including the possibility of a catastrophic failure or incident affecting such a project, could have a negative impact on how it is perceived in the market. Further, the Corporation's failure to comply with applicable laws, regulations or generally recognized and accepted guidelines on corporate, environmental, social and governance responsibilities, or commitment of any acts of misconduct or corruption, illegal political contributions, non-compliance with laws or regulations, anti-competitive or criminal acts by its officers, employees, agents and/or partners or other ethics-related acts or omissions could negatively impact the Corporation's reputation and adversely affect its ability to obtain future projects.

NON-COMPLIANCE WITH LAWS OR REGULATIONS

The Corporation faces risks relating to non-compliance with laws, corruption within its operations, anti-competitive acts, illegal political contributions, bribery and ethics-related issues and their potential negative impact on the Corporation's results. Although the Corporation has adopted control measures and implemented policies to mitigate these risks and ensure compliance with laws and regulations, these control measures and policies have inherent limitations, including human error, and could be intentionally circumvented or become inadequate as conditions change. Our control measures may not be sufficiently effective to protect the Corporation from the consequences of such acts committed by its officers, employees, agents and/or partners, corruption in connection with its operations and ethics-related issues. Accordingly, fraud and bribery and other reckless or criminal acts may occur and remain undetected, resulting in a loss of assets and/or misstatement in the Corporation's financial statements and related public disclosure. Moreover, misconduct, illegal political contributions, non-compliance with previously enacted or proposed laws or regulations, anti-competitive or criminal acts by the Corporation's officers, employees, former employees or agents could subject the Corporation to fines and penalties, criminal, civil and administrative legal sanctions and suspension from its ability to bid, enter into or perform public or private contracts, resulting in reduced revenues and profits and potential negative impact on the Corporation's reputation and the market price of the Corporation's shares. The institution of formal charges with respect to any such circumstances by appropriate governmental authorities may have to be immediately accounted for in the results of the Corporation and may have a material adverse impact on the assets, liabilities, revenues and goodwill of the Corporation.

As part of its global business dealings with different governmental bodies, entities and agencies in each of the countries in which the Corporation operates, WSP must also comply with multiple and complex public procurement laws and regulations aimed at ensuring that public sector bodies award contracts in a transparent, competitive, efficient and non-discriminatory way in these jurisdictions. These rules can also provide for verification processes and disclosure requirements, among others matters. In addition, WSP may be required to obtain authorizations or certifications in order to enter into contracts with governmental bodies, entities and agencies in certain jurisdictions, which authorizations or certifications may be revoked in a variety of circumstances, including at the discretion

of a governmental authority or if the Corporation or its affiliates or directors or officers is convicted of an offense. If the Corporation fails to comply with these laws and regulations or the terms of these authorizations or certifications or if the Corporation, its directors, officers, employees or agents commit legal violations or misconduct specified in any of these rules, the Corporation could be subject to, mandatory or discretionary exclusion or suspension, on a permanent or temporary basis, from contracting with these governmental bodies, entities and agencies or within certain jurisdictions, in addition to fines, penalties and other sanctions that could be incurred by the Corporation. Upon conviction of an offense the Corporation could be debarred from participating in procurements with governmental bodies, entities and agencies for extended periods of time and suffer significant damage to its reputation. The disqualification of the Corporation from public contracts, the conviction of the Corporation with respect to certain offenses or the institution of formal charges with respect to such offenses in any jurisdiction in which it has operations or carries out business activities, could impact its ability to bid, enter into or perform public contracts or subcontracts in that and other jurisdictions.

The Corporation is also subject in certain jurisdictions in which the Corporation operates, to legislation that grants governmental authorities exceptional measures for the reimbursement and recovery of amounts improperly obtained as a result of fraud or fraudulent tactics in the course of the tendering, awarding or management of public contracts. In connection with a reimbursement or settlement under such legislation a number of conditions may be imposed on the Corporation and the Corporation may be required to undergo certain changes to its business practices which could impose additional costs on the Corporation and adversely affect its ability to pursue business opportunities.

RISK OF FUTURE LEGAL PROCEEDINGS

The Corporation is threatened from time to time with, or named as a defendant in, or may become subject to various legal proceedings in the ordinary course of conducting its business, including lawsuits based upon professional errors and omissions, lawsuits related to the general contracting business historically carried on by its predecessors and lawsuits related to employees' or former employees' failure to comply with laws and regulations. Defending lawsuits of this nature or arising out of any of the services provided by the Corporation could require substantial amounts of its Management's attention, necessitate financial resources to defend such claims or result in significant attorney fees, damage awards and the imposition of significant fines or penalties for which the Corporation may not be fully insured and which could harm its reputation thereby affecting its ability to obtain future projects and retain qualified employees. In addition, the institution of proceedings against the Corporation may have to be immediately accounted for in the results of the Corporation and may have a material adverse impact on the assets, liabilities, revenues and/or goodwill of the Corporation.

CONTROLS AND DISCLOSURE

Inherent limitations to the Corporation's internal or disclosure controls could result in a material misstatement of financial information. The Corporation maintains accounting systems and internal controls over its financial reporting and disclosure controls and procedures. There are inherent limitations to any control framework, as controls can be circumvented by acts of individuals, intentional or not, by collusion of two or more individuals, by management override of controls, by lapses in judgment and breakdowns resulting from human error. There are no systems or controls that can provide absolute assurance that all fraud, errors, circumvention of controls or omission of disclosure can and will be prevented or detected. Such fraud, errors, circumvention of controls or omission of disclosure could result in a material misstatement of financial information. Also, projections of any evaluation of the effectiveness of controls to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. Inadequate controls could also result in fraud and inappropriate decision-making based on non-current internal financial information. Inadequate internal or disclosure controls may also have a material adverse impact on the assets, liabilities, revenues and/or goodwill of the Corporation.

CORPORATE STRUCTURE

WSP is a holding Corporation and a substantial portion of its assets are the equity interests in its subsidiaries. As a result, the Corporation is subject to the risks attributable to the Corporation's subsidiaries. Moreover, because WSP conducts substantially all of its business through its subsidiaries, which generate substantially all of WSP's revenues, WSP's cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of its subsidiaries and the distribution of those earnings to WSP. The ability of these entities to pay dividends and other distributions will depend on their operating results and may potentially be constrained by various contractual restrictions. In the event of a bankruptcy liquidation of any of its subsidiaries, holders of indebtedness and trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to WSP.

Risks Related to the Industry

COMPETITION IN THE INDUSTRY

The Corporation operates in highly competitive markets and has numerous competitors for all of the services it offers. Size and characteristics of competitors vary widely with the type of service they provide. Some of the Corporation's competitors have longer operating histories, greater name recognition, larger customer bases and have achieved substantially more market penetration in certain of the areas in which the Corporation competes. In addition, some of the Corporation's competitors have substantially more financial resources and/or financial flexibility and marketing resources than the Corporation. These competitive forces could have a material adverse effect on the Corporation's business, its financial condition and results of operations by reducing its current market share in the market segments in which the Corporation operates.

SCOPE OF REGULATIONS

A portion of the Corporation's professional services business is generated directly or indirectly as a result of laws and regulations. Changes in such regulations could affect the Corporation's business more significantly than they would affect other professional services firms. Accordingly, changes to the number or scope of these laws and regulations could significantly reduce the size of its market segment in such market.

INCREASED AWARENESS OF ENVIRONMENTAL FACTORS

As part of increasing awareness of global climate change, some experts have suggested that companies involved in industries that may impact the environment through their projects may be subject to litigation from governments, shareholders or environmental activists. The cancellation of major projects contracted by the Corporation due to environmental concerns or significant environmental litigation impacting key clients could materially affect the Corporation's financial condition and results of operations.

Risks related to the Corporation's liquidity, capital resources and financial position

DETERIORATION OF FINANCIAL POSITION OR NET CASH POSITION

A deterioration or weakening of the Corporation's financial position, including its net cash position, would have a material adverse effect on its business and results of operations. The Corporation relies both on its cash position as well as on the credit and capital markets to provide a portion of its capital requirements and it is, in certain instances, required to obtain bank guarantees as a means to secure its various contractual obligations. Significant instability or disruptions of the capital markets, including the credit markets, or a deterioration in or weakening of its financial position, including its net cash position, due to internal or external factors, could restrict or prohibit the Corporation's access to, or significantly increase the cost of one or more of these financing sources, including credit facilities, the issuance of long-term debt, or the availability of letters of credit to guarantee its contractual and project obligations.

There can be no assurance that the Corporation will maintain an adequate net cash position and generate sufficient cash flow from operations in a sufficient amount to enable itself to fund its operations and liquidity needs, service its debt and/or maintain its ability to obtain and secure bank guarantees.

A draw on letters of credit or bank guarantees by one or more third parties could, among other things, significantly reduce the Corporation's cash position and have a material adverse effect on its business and results of operations.

WORKING CAPITAL REQUIREMENTS

The Corporation may have significant working capital requirements, which if unfunded could negatively impact its business, financial condition and cash flows. In some cases, the Corporation may require significant amounts of working capital to finance the performance of engineering and other work on certain projects before it receives payment from clients. In some cases, the Corporation is contractually obligated to its clients to fund working capital on projects. Increases in working capital requirements could negatively impact the Corporation's business, financial condition and cash flows.

Additionally, the Corporation could temporarily experience a liquidity shortfall if it is unable to access its cash balances and short-term investments to meet its working capital requirements. The Corporation's cash balances and short-term investments are in accounts held by banks and financial institutions, and some of the Corporation's deposits exceed available insurance. There is a risk that such banks and financial institutions may, in the future, go into bankruptcy or forced receivership, or be seized by governments, which may cause the Corporation to experience a temporary liquidity shortfall or fail to recover its deposits in excess of available insurance.

Further significant deterioration of the current global economic and credit market environment could challenge the Corporation's efforts to maintain a diversified asset allocation with creditworthy financial institutions.

In addition, the Corporation may invest some of its cash in longer-term investment opportunities, including the acquisition of other entities or operations, the reduction of certain liabilities such as unfunded pension liabilities and/or repurchases of the Corporation's outstanding shares. To the extent the Corporation uses cash for such other purposes, the amount of cash available for the working capital needs described above would be reduced.

ACCOUNTS RECEIVABLE

As is common in the professional services industry, the Corporation carries a high level of accounts receivable on its balance sheet. This value is spread amongst numerous contracts and clients. While the Corporation performs regular reviews of accounts receivable to identify clients with overdue payments and resolve issues causing any delays, there can be no assurance that outstanding accounts receivable will be paid on a timely basis or at all. The non-payment of accounts receivable may have an adverse impact on the Corporation's financial condition and profitability.

INCREASED INDEBTEDNESS

As of December 31, 2016, \$1,042.7 million was drawn on the Corporation's credit facility. Such degree of leverage could require the Corporation to dedicate an important part of its cash flow to making interest and capital payments on its indebtedness, which could have other important consequences for investors, including the following:

- it may limit the Corporation's ability to make investments that are important to its growth and strategies while meeting its other
 cash needs or obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and
 general corporate or other purposes;
- certain of the Corporation's borrowings are at variable rates of interest and expose the Corporation to the risk of increased interest rates;
- it may limit the Corporation's ability to adjust to changing market conditions and place the Corporation at a competitive disadvantage compared to its competitors that have less debt;
- the Corporation may not be able to pay dividends on its shares; and
- the Corporation may be vulnerable in a downturn in general economic conditions.

Under the terms of the credit facility, the Corporation is permitted to incur additional debt in certain circumstances. However, doing so could increase the risks described above. Under the Credit Facility, WSP is required, among other conditions, to respect certain covenants on a consolidated basis. The main covenants are in regard to its consolidated funded debt to consolidated earnings before adjusted EBITDA and the interest coverage ratios, which are non-IFRS measures. Management reviews compliance with these covenants on a quarterly basis in conjunction with filing requirements under its credit facility. All covenants have been met as at December 31, 2016.

If the Corporation is unable to obtain capital on acceptable terms in order to fund its growth strategy, the Corporation may be required to reduce the scope of its anticipated expansion, which may negatively affect its business strategy, future competitiveness and results of operations. Using internally generated cash or taking on debt to complete acquisitions could substantially limit the Corporation's operational and financial flexibility. The extent to which the Corporation will be able or willing to use its shares for acquisitions will depend on the market value of its shares from time to time and the willingness of potential sellers to accept its shares as full or partial consideration. The Corporation may also be required to incur additional debt if it acquires another business, which could increase its debt repayment obligations and have a negative impact on future liquidity and profitability.

In addition, the Corporation may also be required to raise additional capital in the public market to support its strategy in the future. The availability of future financing will depend on prevailing market conditions, and the acceptability of financing terms offered. There can be no assurance that future financing will be available, or available on acceptable terms, in an amount sufficient to fund its needs, especially during periods of economic downturn.

IMPAIRMENT OF GOODWILL

Because the Corporation has grown in part through acquisitions, goodwill and intangible assets represent a substantial portion of the Corporation's assets. As of December 31, 2016, the Corporation had \$2,783.6 million of goodwill, representing 45.4% of its total assets of \$6,128.7 million. Under IFRS, the Corporation is required to test goodwill carried in its consolidated statements of financial position for possible impairment on an annual basis based upon a fair value approach. The Corporation has chosen to perform its annual impairment review of goodwill on the first day of the Corporation's fourth quarter of its fiscal year. The Corporation is also required to test goodwill for impairment between annual tests if events occur or circumstances change that would more likely than not reduce the fair value of a CGU below its book value, which would mean the value of the acquired assets has fallen below what the Corporation generally paid for them. These events or circumstances could include a significant change in the business climate, including a significant sustained decline in a CGU's market value, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of its business, potential government actions toward its facilities, and other factors. If the recoverable amount of a CGU is less than its carrying value, the Corporation could be required to record an impairment charge. The amount of any impairment could be significant and could have a material adverse impact on the Corporation's financial condition and results of operations for the period in which the charge is taken.

VARIABILITY OF FINANCIAL RESULTS

The Corporation's ability to maintain and increase its revenues is affected not only by its ability to implement its business strategy, but also by a number of other factors, including:

- fluctuations in the spending patterns of the Corporation's government and commercial clients;
- the number and significance of projects executed during a quarter;
- unanticipated changes in contract performance, particularly with contracts that have funding limits;
- the timing of resolving change orders, requests for equitable adjustments, and other contract adjustments;
- delays incurred in connection with a project;
- weather conditions that delay work at project sites;
- employee levels, holiday periods and utilization rates;
- changes in prices of services offered by competitors; and
- general economic and political conditions.

FOREIGN CURRENCY EXPOSURE

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. A significant portion of the Corporation's earnings and net assets is denominated in multiple foreign currencies, including US dollar, Sterling pound, Euro, Swedish krona and Chinese Renminbi. Accordingly, fluctuations in exchange rates between the Canadian dollar and such currencies may have an adverse effect on the Corporation's results and financial condition. Future events that may significantly increase or decrease the risk of future movement in the exchange rates for these currencies cannot be predicted.

Future payments or distributions payable in a foreign currency carry the risk that the foreign currency will depreciate in value before the foreign currency payment is received and is exchanged into the Corporation's functional currency. In situations where revenues and costs are transacted in different currencies, the Corporation sometimes enters into foreign exchange contracts in order to limit its exposure to fluctuating foreign currencies. Although the Corporation does not currently have an exchange rate risk policy that would materially affect its results of operations, it is still subject to foreign currency risk.

TAXES

The Corporation is subject to income taxes in various foreign jurisdictions. The tax legislation, regulation and interpretation that apply to our operations are continually changing. In addition, future tax benefits and liabilities are dependent on factors that are inherently uncertain and subject to change, including future earnings, future tax rates, and anticipated business mix in the various jurisdictions in which we operate. Significant judgment is required in determining required provision for income taxes and Management uses accounting and fiscal principles to determine income tax positions that it believes are likely to be sustained by applicable tax authorities. However, there is no assurance that our tax benefits or tax liability will not materially differ from our estimates or expectations. In the ordinary course of business, there are many transactions and calculations where the ultimate tax determination is uncertain. The Corporation is regularly under audit by tax authorities. It is these tax authorities that will make the final determination of the actual amounts of taxes payable or receivable, of any future tax benefits or liabilities and of income tax expense that we may ultimately recognize. Although Management believes that tax estimates and tax positions are reasonable, they could be materially affected by many factors including the final outcome of tax audits and related litigation, the introduction of new tax accounting standards, legislation, regulations, and related interpretations, the Corporation's global mix of earnings, the realizability of deferred tax assets and changes in uncertain tax positions. Any of the above factors could have a material adverse effect on our net income or cash flows by affecting our operations and profitability, the availability of tax credits, the cost of the services we provide, and the availability of deductions for operating losses as we grow our business. An increase or decrease in the Corporation's effective tax rate could have a material adverse impact on its financial condition and results of operations.

UNDERFUNDED DEFINED BENEFITS OBLIGATIONS

The Corporation may be required to contribute additional cash to meet any underfunded benefit obligations associated with retirement and post-retirement employee benefit plans managed by the Corporation. Such contributions are generally determined by calculating the projected benefit obligations of a plan, minus the fair value of such plan assets. In the future, the Corporation's benefit plan obligations may increase or decrease depending on, among other things, changes in life expectancy, interest rates and asset performance. If the Corporation is required to contribute a significant amount to cover deficit under underfunded benefit plans, the Corporation's cash flows may be materially and adversely affected.

Changing economic conditions and demographics may result in significant increases in the Corporation's funding obligations thereby reducing the availability of such funds for other corporate purposes, which could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Risks Related to the Shares

POTENTIAL DILUTION

The Corporation's articles permit the issuance of an unlimited number of shares and an unlimited number of preferred shares, issuable in series. In order to successfully complete targeted acquisitions or to fund its other activities, the Corporation may issue additional equity securities that could dilute share ownership.

PAYMENT OF DIVIDENDS

Any decisions to pay dividends on the shares is, subject to the discretion of the Board, based on, among other things, the Corporation's earnings, financial requirements for the Corporation's operations, the satisfaction of applicable solvency tests for the declaration and payment of dividends and other conditions existing from time to time, including the completion of a material acquisition by the Corporation. As a result, no assurance can be given as to whether the Corporation will declare and pay dividends in the future, or the frequency or amount of any such dividend.

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Additional information

Additional information regarding the Corporation is available on our Website at www.wsp-pb.com and on SEDAR at www.sedar.com. The Annual Information Form for the year ended December 31, 2016, will be available on these websites at the end of March 2017.

The common shares of the Corporation are traded on the Toronto Stock Exchange under the symbol "WSP". As at December 31, 2016, the Corporation had 101,371,137 common shares outstanding. As at February 28, 2017, the Corporation had 101,858,881 common shares outstanding following the share issuance realized under the DRIP after the payment of the fourth quarter dividend in January 2017.

The Corporation has no other shares outstanding.

23 Glossary

Net revenues

Net revenues are defined as revenues less direct costs for subconsultants and other direct expenses that are recoverable directly from the clients. Net revenues are not an IFRS measure and do not have a standardized definition within IFRS. Therefore, net revenues may not be comparable to similar measures presented by other issuers. Investors are advised that net revenues should not be construed as an alternative to revenues for the period (as determined in accordance with IFRS) as an indicator of the Corporation's performance.

Adjusted EBITDA

Adjusted EBITDA is defined as earnings before financial expenses, income tax expenses, depreciation and amortization and acquisition and integration costs. Adjusted EBITDA is not an IFRS measure and does not have a standardized definition within IFRS. Investors are cautioned that adjusted EBITDA should not be considered an alternative to net earnings for the period (as determined in accordance with IFRS) as an indicator of the Corporation's performance, or an alternative to cash flows from operating, financing and investing activities as a measure of the liquidity and cash flows. The Corporation's method of calculating adjusted EBITDA may differ from the methods used by other issuers and, accordingly, the Corporation's adjusted EBITDA may not be comparable to similar measures used by other issuers.

Adjusted EBITDA margin

Adjusted EBITDA margin is defined as adjusted EBITDA expressed as a percentage of net revenues. Adjusted EBITDA margin is not an IFRS measure.

Adjusted EBITDA before Global Corporate costs

Adjusted EBITDA before Global Corporate costs is defined as adjusted EBITDA excluding Global Corporate costs. Global Corporate costs are expenses and salaries related to centralized functions, such as global finance, human resources and technology teams, which are not allocated to operating segments. This measure is not an IFRS measure. It provides Management with comparability from one region to the other.

Adjusted EBITDA margin before Global Corporate costs

Adjusted EBITDA margin before Global Corporate costs is defined as adjusted EBITDA before Global Corporate costs expressed as a percentage of net revenues. Adjusted EBITDA margin before Global Corporate costs is not an IFRS measure. It provides Management with comparability from one region to the other.

Adjusted net earnings (loss) and adjusted net earnings(loss) per share

Adjusted net earnings (loss) is defined as net earnings (loss) attributable to shareholders excluding acquisition and integration costs and the income tax effects related to these costs. Adjusted net earnings (loss) is not an IFRS measure. It provides a comparative measure of the Corporation's performance in a context of significant business combinations in which the Corporation may incur significant acquisition and integration costs which the Corporation believes should be excluded in understanding the underlying operational financial performance achieved by the Corporation.

Adjusted net earnings (loss) per share is calculated using the basic weighted average number of shares.

Adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions and adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions per share

Adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions (net of income taxes) is defined as adjusted net earnings (loss) attributable to shareholders excluding the amortization of backlogs, customer relationships, non-competition agreements and trade names accounted for in business combinations and the income tax effects related to this amortization. Adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions (net of income taxes) is not an IFRS measure. It provides a comparative measure of the Corporation's performance in a context of significant business combinations.

Adjusted net earnings (loss) excluding amortization of intangible assets related to acquisitions (net of income taxes) per share is calculated using the basic weighted average number of shares.

Acquisition and integration costs

Acquisition and integration costs pertain to transaction and integration costs related to business acquisitions (up to 24 months from the date of acquisition) as well as any gains or losses made on disposals of non-core assets. In 2015, acquisition and integration costs included gains made on the disposal of equity investments in associates. Acquisition and integration costs is not an IFRS measure. Acquisition and integration costs are items of financial performance which the Corporation believes should be excluded in understanding the underlying operational financial performance achieved by the Corporation.

Backlog

Backlog is not an IFRS measure. It represents future revenues stemming from existing signed contracts to be completed. The Corporation's method of calculating backlog may differ from the methods used by other issuers and, accordingly, may not be comparable to similar measures used by other issuers.

Funds from operations and funds from operations per share

Funds from operations is not an IFRS measure. It provides Management and investors with a proxy for the amount of cash generated from (used in) operating activities before changes in non-cash working capital items.

Funds from operations per share is calculated using the basic weighted average number of shares.

Free cash flow and free cash flow per share

Free cash flow is not an IFRS measure. It provides a consistent and comparable measurement of discretionary cash generated by and available to the Corporation. Free cash flow is defined as cash flows from operating activities as reported in accordance with IFRS, plus discretionary cash generated by the Corporation from other activities (if any), less net capital expenditures.

Free cash flow per share is calculated using the basic weighted average number of shares.

Days Sales Outstanding ("DSO")

DSO is not an IFRS measure. It represents the average number of days to convert our trade receivables and costs and anticipated profits in excess of billings into cash, net of sales taxes. The Corporation's method of calculating DSO may differ from the methods used by other issuers and, accordingly, may not be comparable to similar measures used by other issuers.

Net Debt to adjusted EBITDA

Net Debt to adjusted EBITDA is not an IFRS measure. It is a measure of our level of financial leverage net of our cash and is calculated on our trailing twelve month adjusted EBITDA. Net debt is defined as financial liabilities, consisting of long term debt and other financial liabilities, including current portions, net of cash.

CONSOLIDATED FINANCIAL STATEMENTS

February 28, 2017

Management responsibility for financial reporting

The accompanying consolidated financial statements of WSP Global Inc. and all the information in this annual report are the responsibility of management and are approved by the Board of Directors of WSP Global Inc.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standard Board. The significant accounting policies used are described in Note 2 to the consolidated financial statements. Certain amounts in the financial statements are based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the annual report and has ensured that it is consistent with that in the consolidated financial statements.

WSP Global Inc. maintains systems of internal accounting and administrative controls which are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that WSP Global Inc.'s assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board of Directors carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board of Directors, and its three members are independent directors.

The Audit Committee meets periodically with management, as well as with the external auditors, to discuss internal controls, accounting, auditing and financial reporting issues, to ensure that each party is properly discharging its responsibilities, and to review the consolidated financial statements, the management's discussion and analysis and the external auditors' report. The Audit Committee reports its findings to the Board of Directors for consideration when the latter approves the consolidated financial statements for issuance to the shareholders. The Audit Committee also considers, for review by the Board of Directors and approval by the shareholders, the engagement or reappointment of the external auditors.

The consolidated financial statements have been audited, on behalf of the shareholders, by PricewaterhouseCoopers LLP, the external auditors, in accordance with IFRS. The external auditors have full and free access to the Audit Committee and may meet with or without the presence of management.

ALEXANDRE L'HEUREUX

President and Chief Executive Officer, CPA, CA, CFA

BRUNO ROY

Chief Financial Officer

Montreal, Quebec, Canada

February 28, 2017

Independent Auditor's Report

To the Shareholders of WSP Global Inc.

We have audited the accompanying consolidated financial statements of WSP Global Inc., which comprise the consolidated statement of financial position as at December 31, 2016 and 2015 and the consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the years then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of WSP Global Inc. as at December 31, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Pricewaterhouse Coopers LLP

 $1\ \mathrm{CPA}$ auditor, CA, public accountancy permit no. A119427

1250 René-Lévesque Boulevard West, Suite 2500, Montréal, Québec, Canada H3B 4Y1 T: +1 514 205 5000, F: +1 514 876 1502

 $\hbox{``PwC''} \ refers to \ Price waterhouse Coopers \ LLP, an \ Ontario \ limited \ liability \ partnership.$

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS)

	2016	2015
ASSETS	\$	\$
Current assets		
Cash (note 6)	230.8	204.1
Restricted cash	5.1	4.7
Trade, prepaid and other receivables (note 7)	1,414.5	1,530.2
Income taxes receivable	31.5	24.5
Costs and anticipated profits in excess of billings	824.0	829.0
	2,505.9	2,592.5
Non-current assets	44.0	400.0
Other assets (note 8)	111.9	108.6
Deferred income tax assets (note 21)	78.9	55.6
Property, plant and equipment (note 9)	292.7	269.5
Intangible assets (note 10)	355.7	406.6
Goodwill (note 11)	2,783.6	2,734.3
Total assets	6,128.7	6,167.1
LIABILITIES AND EQUITY		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 13)	1,267.7	1,256.0
Billings in excess of costs and anticipated profits	483.4	549.2
Income taxes payable	38.5	48.7
Dividends payable to shareholders (note 22)	38.0	37.2
Current portion of long-term debts (note 14)	135.9	142.6
Other current financial liabilities (note 15)	18.1	18.7
	1,981.6	2,052.4
Non-current liabilities		
Long-term debts (note 14)	914.2	846.8
Other non-current financial liabilities (note 15)	13.9	4.8
Provisions (note 13)	74.4	72.8
Retirement benefit obligations (note 16)	218.1	208.7
Deferred income tax liabilities (note 21)	66.0	69.9
Total liabilities	3,268.2	3,255.4
EQUITY		
Equity attributable to shareholders		
Share capital (note 17)	2,491.6	2,409.7
Contributed surplus (note 17)	203.3	201.7
Accumulated other comprehensive income	132.8	313.2
Retained earnings (deficit)	31.9	(8.2)
	2,859.6	2,916.4
Non-controlling interest	0.9	(4.7)
Total equity	2,860.5	2,911.7
Total liabilities and equity	6,128.7	6,167.1
Commitments and contingencies (note 26)	5,125.7	0,107.1

The accompanying notes are an integral part of these consolidated financial statements.

Approved by the Board of Directors (signed) Alexandre L'Heureux, Director

(signed) Richard Bélanger, Director

CONSOLIDATED STATEMENTS OF EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015
(IN MILLIONS OF CANADIAN DOLLARS, EXCEPT THE NUMBER OF SHARES AND PER SHARE DATA)

	2016	2015
	\$	\$
Revenues	6,379.6	6,064.0
Personnel costs	3,704.4	3,420.0
Subconsultants and direct costs	1,484.5	1,577.2
Occupancy costs	226.8	215.0
Other operational costs	470.6	418.2
Acquisition and integration costs (note 19)	32.9	3.9
Depreciation of property, plant and equipment	78.4	64.2
Amortization of intangible assets	81.1	75.8
Exchange loss (gain)	(2.0)	(0.8)
Share of income of associates and joint venture (net of tax)	(0.1)	(3.1)
Total net operational costs	6,076.6	5,770.4
Net finance expenses (note 20)	37.2	33.2
Earnings before income taxes	265.8	260.4
Income-tax expense (note 21)	67.1	71.8
Net earnings for the period	198.7	188.6
NET EARNINGS (LOSS) ATTRIBUTABLE TO:		
Shareholders	199.1	188.8
Non-controlling interests	(0.4)	(0.2)
	198.7	188.6
Basic net earnings per share attributable to shareholders	1.97	2.05
Diluted net earnings per share attributable to shareholders	1.97	2.05
Basic weighted average number of shares	100,883,512	92,280,269
Diluted weighted average number of shares	100,919,789	92,324,972

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS)

	2016	2015
	\$	\$
COMPREHENSIVE INCOME (LOSS)		
Net earnings for the period	198.7	188.6
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		
Items that may be reclassified subsequently to net earnings		
Currency translation adjustments	(160.7)	339.0
$Fair value \ re-evaluations-available-for-sale \ assets \ (net \ of \ tax \ expense/(recovery) \ of \ \$0.3 \ ((\$1.6) \ in \ 2015)) \ (note \ 8)$	0.7	(4.1)
Translation adjustments on financial instruments designated as net investment hedge (net of a tax expense/(recovery) of $\$2.1$ (($\$13.2$) in 2015))	13.5	(84.8)
Items that will not be reclassified to net earnings		
$\underline{\text{Actuarial gain/(loss) on pension schemes (net of a tax expense/(recovery) of (\$7.4) (\$10.2 \text{ in } 2015)) (notes 16 \text{ and } 21)}\\$	(33.9)	34.1
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	18.3	472.8
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:		
Shareholders	18.7	471.8
Non-controlling interests	(0.4)	1.0
	18.3	472.8

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS)

		Attributa	ble to Shar	eholders			
	Share capial \$	Contributed surplus	Retained earnings (deficit)	Accumulated other comprehensive income	Total \$	Non- controlling interests \$	Total equity \$
Balance - January 1, 2015	1,976.6	200.0	(55.0)	30.2	2,151.8	(2.8)	2,149.0
Common shares issued under the DRIP (note 17)	70.2	-	-	-	70.2	-	70.2
Common shares issued via private placements (note 17)	138.0	-	-	-	138.0	-	138.0
Common shares issued via public offerings (note 17)	195.3	-	-	-	195.3	-	195.3
Common shares issued in business acquisition (note 17)	29.6	-	-	-	29.6	-	29.6
Stock-based compensation expense (note 12)	-	1.7	-	-	1.7	-	1.7
Comprehensive income (loss)							
Net earnings for the period	-	-	188.8	-	188.8	(0.2)	188.6
Actuarial gain/(loss) on pension schemes (net of tax)	-	-	-	34.1	34.1	-	34.1
Currency translation adjustments	-	-	-	337.8	337.8	1.2	339.0
Fair value re-evaluations – available- for-sale assets (net of tax)	-	-	-	(4.1)	(4.1)	-	(4.1)
Net investment hedge (net of tax)	-	-	-	(84.8	(84.8)	-	(84.8)
Total comprehensive income (loss)			188.8	283.0	471.8	1.0	472.8
Declared dividends to shareholders (note 22)	-	-	(141.2)	-	(141.2)	(1.7)	(142.9)
Purchase of non-controlling interest	-	-	(0.8)	-	(0.8)	(1.2)	(2.0)
Balance - December 31, 2015	2,409.7	201.7	(8.2)	313.2	2,916.4	(4.7)	2,911.7

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS)

	Attributable to Shareholders						
	Share capial \$	Contributed surplus	Retained earnings (deficit)	Accumulated other comprehensive income	Total \$	Non- controlling interests \$	Total equity \$
Balance - January 1, 2016	2,409.7	201.7	(8.2)	313.2	2,916.4	(4.7)	2,911.7
Common shares issued under the DRIP (note 17)	81.9	-	-	-	81.9	-	81.9
Stock-based compensation expense (note 12)	-	1.6	-	-	1.6	-	1.6
Comprehensive income (loss)							
Net earnings for the period	-	-	199.1	-	199.1	(0.4)	198.7
Actuarial gain/(loss) on pension schemes (net of tax)	-	-	-	(33.9)	(33.9)	-	(33.9)
Currency translation adjustments	-	-	-	(160.7)	(160.7)	-	(160.7)
Fair value re-evaluations – available- for-sale assets (net of tax)	-	-	-	0.7	0.7	-	0.7
Net investment hedge (net of tax)	-	-	-	13.5	13.5	-	13.5
Total comprehensive income (loss)	-	-	199.1	(180.4)	18.7	(0.4)	18.3
Declared dividends to shareholders (note 22)	-	-	(150.8)	-	(150.8)	(1.3)	(152.1)
Purchase of non-controlling interest	-	-	(8.2)	-	(8.2)	7.3	(0.9)
Balance - December 31, 2016	2,491.6	203.3	31.9	132.8	2,859.6	0.9	2,860.5

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS)

	2016	2015
	\$	\$
Cash flows generated from (used in) operating activities		
Net earnings for the period	198.7	188.6
Adjustments (note 23a))	133.2	59.7
Income tax expense (note 21)	67.1	71.8
Income taxes paid	(46.6)	(32.2)
Net finance expenses (note 20)	37.2	33.2
Change in non-cash working capital items (note 23b))	(2.8)	(117.3)
Net cash generated from (used in) operating activities	386.8	203.8
Cash flows generated from (used in) financing activities	(60.0)	(67.0)
Dividends paid to shareholders	(68.0)	(67.0)
Net variation in long-term debts	81.4	90.7
Repayment of other financial liabilities	(2.5)	(77.6)
Finance expenses paid and financing costs	(36.1)	(31.7)
Issuance of common shares, net of issuance costs (note 17)	-	331.1
Dividends paid to a non-controlling interest	(1.3)	(1.7)
Net cash generated from (used in) financing activities	(26.5)	243.8
Cash flows generated from (used in) investing activities		
Business acquisitions (note 4)	(166.9)	(439.0)
Net proceeds from disposal of equity investment in associates	` -	93.3
Additions to property, plant and equipment	(108.8)	(88.1)
Proceeds from disposal of property, plant and equipment	2.5	4.6
Additions to intangible assets	(35.6)	(16.6)
Other investments	` -	(1.9)
Dividends received from associates	-	11.5
Investment increase in associates and joint ventures	(0.3)	_
Net cash generated from (used in) investing activities	(309.1)	(436.2)
Effect of exchange rate change on cash	(22.9)	14.5
Net change in cash	28.3	25.9
Cash net of bank overdraft - Beginning of year	202.2	176.3
Cash net of bank overdraft (note 6) - End of year	230.5	202.2

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FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS, EXCEPT THE NUMBER OF SHARES AND PER SHARE DATA AND UNLESS OTHERWISE STATED)

01

Business description

WSP Global Inc. (the "Corporation" or "WSP") is a professional services firm which provides technical expertise and strategic advice to clients in the property & buildings, transportation & infrastructure, environment, industry, resources (including mining and oil and gas) and power & energy sectors. The Corporation also offers highly specialized services in project delivery and strategic consulting. The address of its main registered office is 1600, René-Lévesque Boulevard West, Montreal, Quebec.

The common shares of the Corporation are listed under the trading symbol "WSP" on the Toronto Stock Exchange ("TSX").

02

Summary of significant accounting policies

Basis of preparation

These consolidated financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS") and IFRS Interpretation Committee Interpretations ('IFRC IC') as defined in Part I of the Handbook of the Chartered Professional Accountants of Canada and adopted by the International Accounting Standards Board. These financial statements were prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and financial liabilities at fair value through the consolidated statement of earnings and the consolidated statement of comprehensive income.

These financial statements were approved by the Corporation's Board of Directors on February 28, 2017.

Consolidation, joint arrangements and associates

These consolidated financial statements include the accounts of the Corporation and its subsidiaries for the years ended December 31, 2016, and 2015.

Non-controlling interests represent equity interests in subsidiaries owned by outside parties. The share of net assets of subsidiaries, attributable to non-controlling interests, is disclosed as a component of equity. Their share of net earnings and comprehensive income is recognized directly in equity. Changes in the parent Corporation's ownership interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

All intercompany transactions and balances have been eliminated.

SUBSIDIARIES

Subsidiaries are all entities (including structured entities) over which the Corporation has control. The Corporation controls an entity when the Corporation is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealized gains/losses on transactions between group companies are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the group's accounting policies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS, EXCEPT THE NUMBER OF SHARES AND PER SHARE DATA AND UNLESS OTHERWISE STATED)

JOINT ARRANGEMENTS

Joint arrangements are classified as either joint operations or joint ventures. The determination of whether an arrangement is a joint operation or joint venture is based on the rights and obligations arising from the contractual obligations between the parties to the arrangement. Joint arrangements that provide the Corporation with the rights to the individual assets and obligations arising from the arrangement are classified as joint operations and joint arrangements that provide the Corporation with rights to the net assets of the arrangement are classified as joint ventures.

The interests in joint arrangements that are classified as joint operations are accounted for by the Corporation recording its pro rata share of the assets, liabilities, revenues, costs and cash flows using the most recent financial statements of these joint arrangements available.

The interests in joint arrangements that are classified as joint ventures are accounted for using the equity method and disclosed as an investment in the statements of financial position.

ASSOCIATES

Associates are all entities over which the Corporation has significant influence but not control. Investments in associates are accounted for using the equity method. Under this method, the investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss and of other comprehensive income after the date of acquisition.

Foreign currency

The consolidated financial statements are presented in Canadian dollars, which is WSP's functional currency.

Items included in the financial statements of each of the Corporation's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities not denominated in the functional currency of an entity are recognized in the consolidated statements of earnings, except when deferred in other comprehensive income as qualifying for net investment hedges. Foreign exchange gains and losses that relate to borrowings are disclosed within finance expenses. All other foreign exchange gains and losses are disclosed within exchange loss (gain).

Assets and liabilities of entities with functional currencies other than the Canadian dollar are translated at the period-end rates of exchange, and the results of their operations are translated at average rates of exchange for the period. The resulting changes are recognized in accumulated other comprehensive income in equity as currency translation adjustments.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing the performance of the operating segments and has been identified as the global leadership team ("GLT"). The Corporation manages through four reportable operating segments, which are the following: Canada, Americas (USA and Latin America), EMEIA (Europe, Middle East, India and Africa) and APAC (Asia Pacific – comprising mainly Asia and Australia).

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Corporation's activities. Revenue is shown net of value-added tax and after eliminating sales within the group.

The Corporation recognizes revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Corporation's activities as described below. The Corporation bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS, EXCEPT THE NUMBER OF SHARES AND PER SHARE DATA AND UNLESS OTHERWISE STATED)

Revenues and profits from cost-plus contracts with ceilings and from fixed-price contracts are accounted for using the percentage-of-completion method, which is calculated on the ratio of contract costs incurred to total anticipated costs.

Revenues and profits from cost-plus contracts without stated ceilings and from short-term projects are recognized when costs are incurred and are calculated based on billing rates for the services performed.

Certain costs incurred by the Corporation for subconsultants and other expenses that are recoverable directly from clients are billed to them and therefore are included in revenues. The value of goods and services purchased by the Corporation, when acting as a purchasing agent for a client, is not recorded as revenues.

The effect of revisions to estimate revenues and costs is recorded when the amounts are known and can be reasonably estimated. These revisions can occur at any time and could be significant. Where total contract costs exceed total contract revenues, the expected loss is recognized as an expense immediately via a provision for losses to completion, irrespective of the stage of completion and based on a best estimate of forecast results including, where appropriate, rights to additional income or compensation, where they are probable and can be determined reliably.

Personnel costs

Personnel costs include all payroll costs relating to the delivery of consulting services and projects and administrative salaries, such as finance, information technologies, human resources and communications.

Subconsultants and direct costs

Subconsultants and direct costs include subconsultant costs and other direct costs incurred to deliver consulting services and that are recoverable directly from the clients.

Other operational costs

Other operational costs include but are not limited to fixed costs, such as non-recoverable client services costs, technology costs, professional services costs and insurance.

Acquisition and integration costs

Acquisition and integration costs are items of financial performance which the Corporation believes should be separately identified on the face of the consolidated statement of earnings to assist in understanding its operating financial performance.

Acquisition and integration costs include the following:

- Transaction costs related to business acquisitions (successful or not)
- Costs of integrating newly acquired businesses (up to 24 months from date of acquisition)
- Gains/(losses) on disposal of equity investments in associates

The above are examples; however, from time to time, it may be appropriate to disclose other items under this caption in order to highlight the operating financial performance of the Corporation.

Financial assets and financial liabilities

Financial assets and financial liabilities are initially recognized at fair value, and their subsequent measurements are dependent on their classification, as described below. The classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Corporation's designation of such instruments.

LOANS AND RECEIVABLES

Trade and other receivables and costs and anticipated profits in excess of billings are classified as loans and receivables. Financial assets classified as loans and receivables are accounted for at amortized cost using the effective interest rate method less any impairment loss.

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AVAILABLE FOR SALE FINANCIAL ASSETS

Financial assets available for sale are non-derivatives, are carried at their fair value and recorded in non-current assets, unless it is anticipated that they will be sold within twelve months of the statement of financial position date. Realized gains or losses arising from changes in the fair value of available for sale assets are included in the consolidated statement of earnings in the period in which they are realized. Unrealized gains and losses are recorded in other comprehensive income.

OTHER LIABILITIES

Accounts payable and accrued liabilities, dividends payable to shareholders, long-term debts, and other financial liabilities are classified as other liabilities and are recorded at amortized cost using the effective interest rate method.

DEFERRED FINANCING FEES

Deferred financing fees are capitalized and amortized over the life of the credit facilities agreement.

DETERMINATION OF FAIR VALUE

The fair value of a financial instrument is the amount of consideration that would be agreed to be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Subsequent to initial recognition, the fair values of financial instruments that are quoted in active markets are based on bid prices for financial assets held and offer prices for financial liabilities. When independent prices are not available, fair values are determined by using valuation techniques that refer to observable market inputs and minimizing the use of unobservable inputs.

OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Corporation designates certain derivatives as either:

- (a) hedges of the fair value of recognized assets and liabilities or a firm commitment (fair value hedge);
- (b) hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge); or
- (c) hedges of a net investment in a foreign operation (net investment hedge).

The Corporation documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Corporation also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

FAIR VALUE HEDGE

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the consolidated statements of earnings together with any changes in the fair value of the hedged asset or liability that are attributable to the hedge risk.

CASH FLOW HEDGE

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the consolidated statements of earnings.

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Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the consolidated statements of earnings. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the consolidated statements of earnings.

NET INVESTMENT HEDGE

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized in the consolidated statements of earnings.

Cash

Cash consists of cash on hand and balances with banks. For the purposes of the cash flow statement, cash is net of bank overdraft.

Trade receivables

Trade receivables are amounts due from customers for the rendering of services in the ordinary course of business. Trade receivables are classified as current assets if payment is due within one year or less. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost, less impairment.

Investments

Investment held in a jointly controlled entity is accounted for using the equity method. Investments in securities are accounted for at fair value with unrealized gains or losses recognized in other comprehensive income. Investments in associates are accounted for using the equity method.

Property, plant and equipment

Property, plant and equipment are recorded at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated statement of earnings during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the methods described below to allocate their cost to their residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation methods are reviewed at each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

The following table summarizes the depreciation methods, rates and periods used:

	Methods	Rates and periods
Buildings	Declining balance	1% to 4%
Leasehold improvements	Straight-line	Lease term
Furniture and equipment	Declining balance	10% to 33%
Computer equipment	Straight-line/Declining balance	3 to 8 years

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The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated statements of earnings within other operational costs.

Intangible assets

SOFTWARE AND NON-COMPETITION AGREEMENTS

Software and non-competition agreements acquired separately from a business acquisition are carried at cost less accumulated amortization and accumulated impairment losses.

INTANGIBLE ASSETS ACQUIRED IN BUSINESS ACQUISITIONS

Intangible assets acquired in business combinations consist of software, customer relationships, contract backlogs and trade names. They are recognized separately from goodwill and are initially recognized at their fair value at the acquisition date. They are carried at cost less accumulated amortization and accumulated impairment losses.

AMORTIZATION

Software, contract backlogs, customer relationships, certain trade names and non-competition agreements are considered intangible assets with finite useful lives. Based on the strength, long history and expected future use, certain trade names are indefinite-lived intangible assets. The useful life of intangible assets that are not being amortized is reviewed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment. If not, the change in the assessment from indefinite to finite will be accounted for as a change in accounting estimates.

Intangible assets are amortized as follows:

	Methods	Periods	
Software	Straight-line Straight-line	3 to 7 years	
Contract backlogs	Straight-line	1 to 9 years	
Customer relationships	Straight-line	2 to 14 years	
Trade names	Straight-line	3 to 8 years	
Non-competition agreements	Straight-line	3 to 5 years	

Impairment of long-lived assets

Long-lived assets with finite useful lives are reviewed for impairment when events or circumstances indicate that the carrying amount may not be recoverable. Indefinite-lived assets are not subject to amortization but are tested for impairment on an annual basis on the first day of the Corporation's fourth quarter, or more frequently if events or circumstances indicate that the carrying value may not be recoverable. Impairment exists when the recoverable amount of an asset is less than its carrying value. The recoverable amount is the higher of the asset's fair value less costs to sell ("FVLCS") and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating unit or "CGU"). The amount of impairment loss, if any, is the excess of the carrying value over its recoverable amount. Assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

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Goodwill

Goodwill represents the excess of the consideration transferred for the acquired businesses over the estimated fair value at the acquisition date of net identifiable assets acquired. Goodwill is not subject to amortization and is carried at cost less accumulated impairment loss but is tested for impairment on an annual basis or more frequently if events or circumstances indicate that it might be impaired.

For the purpose of impairment testing, goodwill is allocated to each CGU expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually on the first day of the Corporation's fourth quarter, or more frequently if events or circumstances indicate that the carrying value may not be recoverable. If the higher of the recoverable amount of the CGU's fair value less costs to sell (FVLCS), or its value in use is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill cannot be reversed in a subsequent period.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade payables are classified as current liabilities if payment is due within one year or less. Trade payables are recognized initially at fair value and subsequently measured at amortized cost.

Provisions

Provisions represent liabilities of the Corporation for which the amount or timing is uncertain. Provisions are recognized when the Corporation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of the expected expenditures to settle the obligation using a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Long-term incentive plans ("LTIPs")

The Corporation has in place LTIPs for key management personnel under which restricted share units, stock options, cash-settled performance share units ("PSUs"), cash-settled deferred share units ("DSUs") and cash-settled restricted share units ("RSUs") have been and can be issued. Restricted share units, stock options, PSUs and RSUs vest over time in accordance with the terms of the grant. DSUs vest when granted. The instruments pertaining to the LTIPs are calculated at fair value, by applying a pricing model at the end of each reporting period and recorded in non-current liabilities (for restricted cash units, PSUs, DSUs and RSUs) and in equity (for options) over the vesting period.

Income taxes

Income tax is recognized in the consolidated statements of earnings except to the extent that it relates to a business combination, or items recognized in other comprehensive income or directly in equity.

Current tax expense is the expected tax payable or receivable on taxable income or loss for the period, calculated using tax rates and laws that were enacted or substantively enacted for the reporting period.

The Corporation follows the liability method when accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the expected future tax consequences attributable to temporary differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases. This approach also requires the recording of deferred income tax assets related to operating loss and tax credit carry forwards. Deferred income tax assets and liabilities are measured using enacted or substantively enacted income tax rates applicable when temporary differences and carry forwards are expected to be recovered or settled. Deferred income taxes are not recognized for the initial recognition of goodwill, the initial

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recognition of assets or liabilities that affects neither accounting nor taxable profit or loss, and temporary differences related to investments in subsidiaries and joint ventures where the Corporation controls the reversal of the temporary difference and reversal is not expected in the foreseeable future.

Deferred income tax assets for unused tax loss carry forwards and deductible temporary differences are only recognized when it is probable that there will be future taxable profits against which the assets can be utilized. Deferred tax assets are reviewed at each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are disclosed as non-current. They are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and they relate to income taxes levied by the same taxation authority on either the same taxable entity or different entities where there is an intention to settle the balance on a net basis.

As tax legislation is complex and subject to interpretation, in determining current and deferred income taxes the Corporation takes into account the impact of uncertain tax positions and whether additional taxes, interest or penalties may be due. This assessment, based on judgement, requires estimates and assumptions considering facts and circumstances existing as at the reporting period. Estimates are reviewed each reporting period and updated, based on new information available. Interest and penalties are recorded as a component of income tax expenses.

Governmental assistance and investment tax credits (ITCs)

Governmental assistance and ITCs are recorded when there is reasonable assurance that the Corporation will comply with all the relevant conditions and that the governmental assistance or ITCs will be received. Governmental assistance and ITCs are subject to examination and approval by regulating authorities, and, therefore, the amounts granted may differ from those recorded. Governmental assistance and ITCs determined to be earned by the Corporation are recorded as a reduction of the operating expenses incurred.

Leases

Leases are classified as either operating or finance, based on the substance of the transaction at inception of the lease. The Corporation leases certain office premises and equipment in which a significant portion of the risks and rewards of ownership are retained by the lessor. These are classified as operating leases. Payments made under these leases (net of any incentives received from the lessor) are charged to the consolidated statements of earnings on a straight-line basis over the period of the lease.

Finance leases which transfer to the Corporation substantially all the risks and benefits of ownership of the asset are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Finance expenses are charged to the statements of earnings over the period of the agreement. Obligations under finance leases are included in other financial liabilities net of finance costs allocated to future periods. Capitalized leased assets are depreciated over the estimated life of the asset or the lease term.

Pension schemes

The Corporation maintains a number of defined contribution schemes and contributions are charged to the consolidated statements of earnings in the year in which they are due. In addition, the Corporation operates defined benefit schemes which require contributions to be made to separately administered funds. The cost of providing benefits under defined benefit schemes is determined separately for each scheme using the projected unit credit actuarial valuation method. Current and past service costs together with curtailment and settlement costs are charged to operational costs. Interest costs which are based on a notional charge based on scheme liabilities during the year, less expected returns on scheme assets, are charged to net finance expenses. Actuarial gains and losses are fully recognized in equity through the consolidated statements of comprehensive income as they arise. The consolidated statements of financial position reflect the schemes' surplus or deficit at the consolidated statement of financial position date.

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Share capital

Issuance costs directly attributable to the issuance of shares are recognized as a deduction from equity, net of income tax effects.

Dividends

Dividends on common shares are recognized in the Corporation's consolidated financial statements in the period in which the dividends are declared.

Earnings per share

Basic earnings per share are determined using the weighted average number of shares outstanding during the year.

Diluted earnings per share are determined using the weighted average number of shares outstanding during the period, plus the effects of dilutive potential shares outstanding during the period. The calculation of diluted earnings per share is made using the treasury stock method.

Future accounting standard changes

The following standards have been issued but are not yet effective:

IFRS 15 - REVENUE FROM CONTRACTS WITH CUSTOMERS

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers" to specify how and when to recognize revenue as well as requiring the provision of more informative and relevant disclosures. IFRS 15 supersedes IAS 18, "Revenue", IAS 11, "Construction Contracts", and other revenue recognition related interpretations. The standard will be effective January 1, 2018, for the Corporation with earlier adoption permitted.

IFRS 9 - FINANCIAL INSTRUMENTS

In July 2014, the IASB amended IFRS 9, "Financial Instruments" to bring together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39, "Financial Instruments: Recognition and Measurement". The standard supersedes all previous versions of IFRS 9 and will be effective on January 1, 2018, for the Corporation with earlier application permitted.

IFRS 16 - LEASES

In January 2016, the IASB issued IFRS 16, "Leases", which will replace IAS 17, "Leases". The new standard requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use-asset" for virtually all lease contracts, and record it on the statement of financial position, except with respect to lease contracts that meet limited exception criteria. As the Corporation has significant contractual obligations in the form of operating leases (note 26) under IAS 17, there will be a material increase to both assets and liabilities upon the adoption of IFRS 16, and material changes to the timing of recognition of expenses associated with lease arrangements. The new standard will be effective January 1, 2019, for the Corporation with limited early adoption permitted.

The Corporation has not yet quantified the effect of these Standards nor does it intend at this time to early adopt these Standards until the mandatory effective dates.

There are no other IFRS (or IFRIC) interpretations that are not yet effective that would be expected to have a material impact on the Corporation.

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03

Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical trends and other factors, including expectations of future events that are likely to materialize under reasonable circumstances.

Critical accounting estimates and assumptions

The Corporation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

COSTS AND ANTICIPATED PROFITS IN EXCESS OF BILLINGS

The Corporation values its costs and anticipated profits in excess of billings based on the time and materials charged into each project. Costs and anticipated profits in excess of billings for each project are reviewed on a monthly basis to determine whether the amount is a true reflection of the amount that will be invoiced on the project. Where the review determines that the value of costs and anticipated profits in excess of billings exceed the amount that can be invoiced, adjustments are made to the costs and anticipated profits in excess of billings. The valuation of costs and anticipated profits in excess of billings involves estimates of the volume of work required to complete the project. Changes in the estimation of work required to complete the projects could lead to the undervaluation or overvaluation of costs and anticipated profits in excess of billings.

OTHER IDENTIFIABLE INTANGIBLE ASSETS AND GOODWILL

Identifiable intangible assets and goodwill, excluding software and non-competition agreements, represented \$3,076.9 of total assets on the consolidated statement of financial position as at December 31, 2016 (\$3,108.4 as at December 31, 2015). These assets arise out of business combinations and the Corporation applies the acquisition method of accounting to these transactions. In measuring the fair value of the assets acquired and the liabilities assumed and estimating their useful lives, Management used significant estimates and assumptions regarding cash flow projections, economic risk and weighted cost of capital.

These estimates and assumptions determine the amount allocated to other identifiable intangible assets and goodwill, as well as the amortization period for identifiable intangible assets with finite lives. If results differ from estimates, the Corporation may be required to increase amortization or impairment charges.

CLAIMS PROVISIONS

In the normal course of business the Corporation faces legal proceedings for work carried out on projects. The Corporation has professional liability insurance in order to manage risks related to such proceedings. Management estimates the claims provisions, based on advice and information provided by its legal advisors and on its own past experience in the settlement of similar proceedings. Claims provisions include litigation costs and also take into account indemnities. Final settlements could have an effect on the financial position or operating results of the Corporation.

RETIREMENT BENEFIT OBLIGATIONS

The present value of obligations is calculated on an actuarial basis which depends on a number of assumptions relating to the future. These key assumptions are assessed regularly according to market conditions and data available to Management. Additional details are given in note 16.

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CURRENT INCOME TAXES

The Corporation is subject to income tax laws and regulations in several jurisdictions. An estimate is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Corporation recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due in the future. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Critical judgments in applying the Corporation's accounting policies

DEFERRED TAX ASSETS

The assessment of the probability of future taxable income in which deferred tax assets can be utilized is based on the Corporation's most recent approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Corporation operates are also carefully taken into consideration. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by Management based on the specific facts and circumstances.

04

Business acquisitions

Acquisitions are accounted for using the acquisition method, and the operating results are included in the consolidated financial statements from the date of acquisition. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Corporation will report provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, and additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

The measurement period is the period from the date of acquisition to the date the Corporation obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

2016 Transactions

A) ACQUISITIONS MADE IN 2016

In 2016, the Corporation concluded a number of acquisitions, notably the industrial water consultancy business of Schlumberger ("Schlumberger") in the second quarter of 2016 and Mouchel Consulting ("Mouchel"), the engineering consulting services business of Mouchel Limited, held by the Kier Group plc, in the fourth quarter of 2016.

The table below presents Management's preliminary assessment of the fair values of the assets acquired and the liabilities assumed. The final assessment of the fair values will be finalized after the values of the assets and liabilities have been definitely determined. Accordingly, the following values are subject to change and such changes may be material. These acquisitions were not individually material, therefore the Corporation has chosen to disclose the required information in aggregate.

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	Preliminary
Recognized amounts of identifiable assets acquired and liabilities assumed	
CURRENT ASSETS	
Cash	5.5
Trade, prepaid and other receivables	45.3
Costs and anticipated profits in excess of billings	31.7
Property and equipment	3.6
Computer Software	0.8
Intangible assets	1.4
Deferred income tax assets	0.1
Other non-current assets	0.8
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	(83.6)
Fair value of identifiable assets and liabilities assumed	5.6
Goodwill	166.7
Total purchase consideration	172.3
Cash acquired	(5.5)
Consideration receivable (payable)	(7.5)
Cash disbursements	159.3

Goodwill is attributable to the workforce of the acquired business and the synergies expected to arise with the Corporation after the acquisition. None of the goodwill recognized is expected to be deductible for income tax purposes.

The trade receivables acquired had a fair value and gross contractual amount of approximately \$36.9.

The acquired businesses contributed revenues of approximately \$68.0 and net earnings of nil from their dates of acquisition to December 31,2016. If the acquisitions had occurred on January 1,2016, the Corporation's revenues and net earnings for 2016 would have increased by approximately \$227.0 and \$1.7 respectively.

2015 Transactions

A) ACQUISITION OF MMM GROUP LIMITED. ("MMM")

On October 15, 2015, the Corporation completed the acquisition of MMM, one of the largest privately-owned engineering consulting companies in Canada with approximately 2,000 employees.

The acquisition price of \$425.0 was paid primarily in cash and by the issuance of shares to MMM employees for an aggregate amount of approximately \$22.1 at a price of \$42.25 per share.

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In 2016, the Corporation finalized the assessment of the fair values of the assets acquired and liabilities assumed related to this acquisition.

The final determination of the fair values required some adjustments to the preliminary assessments as shown below. The Corporation has not restated the 2015 consolidated statement of financial position's comparative figures as the adjustments were deemed not material. The Corporation also determined that the net impact on the net earnings as a result of these adjustments was not material for the periods subsequent to the acquisition date, and as such, they were accounted for in the current year's consolidated statement of earnings.

The table below presents Management's final assessment of the fair values of the assets acquired and the liabilities assumed.

	Preliminary	Adjustments	Final
Recognized amounts of identifiable assets acquired and liabilities assumed			
CURRENT ASSETS			
Cash	14.1	-	14.1
Trade, prepaid and other receivables	91.1	(2.5)	88.6
Costs and anticipated profits in excess of billings	32.2	3.2	35.4
Property and equipment	20.3	-	20.3
Computer Software	1.6	-	1.6
Intangible assets	34.1	(0.2)	33.9
Other non-current assets	3.2	-	3.2
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	(67.4)	(1.4)	(68.8)
Billings in excess of costs and anticipated profits	(24.2)	-	(24.2
Long-term debt	(1.0)	0.2	(0.8)
Other non-current liabilities	(0.9)	0.4	(0.5)
Deferred income tax liabilities	(14.6)	0.9	(13.7)
Fair value of identifiable assets and liabilities assumed	88.5	0.6	89.1
Goodwill	336.5	(0.6)	335.9
Total purchase consideration	425.0	-	425.0
Cash acquired	(14.1)	-	(14.1)
Share capital issued	(22.1)	-	(22.1)
Cash disbursements	388.8	-	388.8

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Goodwill is attributable to the workforce of the acquired business and the synergies expected to arise with the Corporation after the acquisition. None of the goodwill recognized is expected to be deductible for income tax purposes.

The trade receivables acquired had a fair value and gross contractual amount of approximately \$82.8.

The acquired business contributed revenues of \$73.8 and net earnings of \$3.4 from October 15, 2015, to December 31, 2015. If the acquisition of MMM had occurred on January 1, 2015, the Corporation's revenues and net earnings for 2015 would have increased by \$262.0 and \$13.1, respectively.

B) OTHER ACQUISITIONS MADE IN 2015

In 2015, the Corporation concluded a number of other acquisitions, notably SPL Consultants Limited ("SPL") in the second quarter of 2015 and Faveo Group ("Faveo") and Caravel Investments Ltd., including its whole owned subsidiary, Levelton Consultants, (collectively "Levelton") in the third quarter of 2015.

In 2016, the Corporation finalized the assessment of the fair values of the assets acquired and liabilities assumed related to these acquisitions.

The final determination of the fair values required some adjustments to the preliminary assessments as shown below. The Corporation has not restated the 2015 consolidated statement of financial position's comparative figures as the adjustments were deemed not material. The Corporation also determined that the net impact on the net earnings as a result of these adjustments was not material for the periods subsequent to the acquisition date, and as such, they were accounted for in the current year's consolidated statement of earnings.

The table below presents Management's final assessment of the fair values of the assets acquired and the liabilities assumed. These acquisitions were not individually material, therefore the Corporation has chosen to disclose the required information in aggregate.

FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS, EXCEPT THE NUMBER OF SHARES AND PER SHARE DATA AND UNLESS OTHERWISE STATED)

	Preliminary	Adjustments	Final
Recognized amounts of identifiable assets acquired and liabilities assumed			
CURRENT ASSETS			
Cash	10.8	-	10.8
Trade, prepaid and other receivables	34.2	-	34.2
Costs and anticipated profits in excess of billings	5.2	-	5.2
Property and equipment	4.0	-	4.0
Computer Software	0.3	-	0.3
Intangible assets	2.9	-	2.9
Deferred income tax assets	0.9	-	0.9
Other non-current assets	0.4	-	0.4
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	(24.0)	1.5	(22.5)
Billings in excess of costs and anticipated profits	(2.9)	-	(2.9)
Long-term debt	(4.4)	-	(4.4)
Other non-current liabilities	(1.3)	-	(1.3)
Retirement benefit obligations	(1.8)	-	(1.8)
Deferred income tax liabilities	(1.3)	-	(1.3)
Fair value of identifiable assets and liabilities assumed	23.0	1.5	24.5
Goodwill	76.6	(1.5)	75.1
Total purchase consideration	99.6	-	99.6
Cash acquired	(10.8)	-	(10.8)
Share capital issued	(7.5)	-	(7.5)
Consideration receivable (payable)	(3.9)	3.9	- -
Cash disbursements	77.4	3.9	81.3

Goodwill is attributable to the workforce of the acquired business and the synergies expected to arise with the Corporation after the acquisition. None of the goodwill recognized is expected to be deductible for income tax purposes.

The receivables acquired had a fair value and gross contractual amount of approximately \$34.0.

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05

Joint arrangements

The Corporation holds interests in various joint arrangements. The lists below present the most significant joint arrangements that have been identified and classified as joint operations.

	201	2016		
NAME	Interest	Country		
PB / HOK Joint venture	50%	USA		
General Engineering Consultants	33%	USA		
PB-P Joint venture	60%	USA		
MapLAX, A Joint Venture	51%	USA		
Transit Modernization Partners	70%	USA		
Parsons Brinckerhoff Quade & Douglas & Parsons Brinckerhoff Transportation Group JV	50%	USA		
HDR - PB A Joint venture	45%	USA		
KierWSP	50%	England		
Pacific Complete - W2B	40%	Australia		
KAWSP	40%	Qatar		
	201	5		
NAME	Interest	Country		
Consortium ARCOP - FGM - JV	50%	Canada		
Garrison Energy Center	35%	USA		
PB Americas, Inc./Rummel, Klepper & Kahl, Llp.	47%	USA		
Maryland Transit Partners	27%	USA		
Parsons Brinckerhoff Quade & Douglas And Parsons Trans-portation Group, JV	50%	USA		
General Engineering Consultants	33%	USA		
FTS-MK/ALLTECH (OOCEA)	40%	USA		
MapLAX, A Joint Venture	51%	USA		
KierWSP	50%	England		
KAWSP	40%	Qatar		

There are no significant contingent liabilities relating to the Corporation's interest in the above identified joint operations, and no contingent liabilities of the venture itself.

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06

Cash

	2016	2015
	\$	\$
Cash	230.8	204.1
Less: Bank overdraft (note 15)	(0.3)	(1.9)
Cash net of bank overdraft	230.5	202.2

07

Trade, prepaid and other receivables

	2016	2015
	\$	\$
Trade receivables	1,233.7	1,289.7
Allowance for doubtful accounts	(84.2)	(64.3)
Net trade receivables	1,149.5	1,225.4
Amounts due from joint ventures and associates undertaking	17.6	20.7
Other receivables	142.9	164.9
Prepaid expenses	104.5	119.2
	1,414.5	1,530.2

The aging of gross trade receivables past due was as follows:

	2016	2015
	\$	\$
Current	423.7	460.5
Past due 0-30 days	292.0	322.6
Past due 31-60 days	155.7	180.2
Past due 61-90 days	82.0	86.0
Past due 91-180 days	102.1	104.8
Past due over 180 days	178.2	135.6
Balance – End of year	1,233.7	1,289.7

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Allowance for doubtful accounts

The changes in the allowance for doubtful accounts were as follows:

	2016	2015
	\$	\$
Balance - Beginning of year	64.3	45.3
Adjustments of allowance	22.8	13.1
Exchange differences	(2.9)	5.9
Balance – End of year	84.2	64.3

The Corporation is exposed to credit risk with respect to its trade receivables and maintains provisions for potential credit losses. Potential for such losses is mitigated because customer creditworthiness is evaluated before credit is extended and no single customer represents more than 10.0% of revenues.

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Other assets

	2016	2015
	\$	\$
Deferred financing fees	3.5	4.9
Investments	6.4	6.3
Financial assets available for sale*	102.0	97.4
	111.9	108.6

^{*} Included in Financial assets available for sale are investments in a multitude of mutual funds, based on employees' investment elections, with respect of the deferred compensation obligations of the Corporation as disclosed in note 16. The fair value of these investments is \$96.7 (\$94.3 in 2015), determined by the market price of the funds at the reporting date.

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09

Property, plant and equipment

	Land and	Leasehold	Furniture and	Computer	Total
	buildings	improvements	equipment	equipment	equity
	\$	\$	\$	\$	\$
Balance - January 1, 2015					
Cost	35.8	80.3	99.7	77.7	293.5
Accumulated depreciation	(4.0)	(14.9)	(37.0)	(35.2)	(91.1)
Net value	31.8	65.4	62.7	42.5	202.4
Additions	0.4	25.6	31.8	30.3	88.1
Additions through business acquisitions (note 4)	-	13.4	7.2	3.7	24.3
Disposals	-	(1.3)	(1.7)	(1.4)	(4.4)
Depreciation for the year	(1.1)	(15.4)	(25.4)	(22.3)	(64.2)
Exchange differences	1.8	11.1	5.4	5.0	23.3
	1.1	33.4	17.3	15.3	67.1
Balance as at December 31, 2015	32.9	98.8	80.0	57.8	269.5
Balance as at December 31, 2015					
Cost	36.6	130.0	145.3	115.2	427.1
Accumulated depreciation	(3.7)	(31.2)	(65.3)	(57.4)	(157.6)
Net value	32.9	98.8	80.0	57.8	269.5
Additions	0.9	36.8	33.4	37.7	108.8
Additions through business acquisitions (note 4)	0.2	1.8	1.1	0.5	3.6
Disposals	-	(0.6)	(1.2)	-	(1.8)
Depreciation for the year	(1.2)	(22.2)	(27.3)	(27.7)	(78.4)
Exchange differences	(7.1)	1.8	(1.4)	(2.3)	(9.0)
	(7.2)	17.6	4.6	8.2	23.2
Balance as at December 31, 2016	25.7	116.4	84.6	66.0	292.7
Balance as at December 31, 2016					
Cost	32.9	169.5	172.8	149.4	524.6
Accumulated depreciation	(7.2)	(53.1)	(88.2)	(83.4)	(231.9)
Net value	25.7	116.4	84.6	66.0	292.7

FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS, EXCEPT THE NUMBER OF SHARES AND PER SHARE DATA AND UNLESS OTHERWISE STATED)

10 Intangible assets

				Non		
		Contract	Customer	competition	Trade	
	Software	backlogs	relationships	agreements	name	Total
	\$	\$	\$	\$	\$	\$
Balance as at January 1, 2015	·	·	·	<u> </u>	•	
Cost	56.9	139.0	232.9	2.6	81.0	512.4
Accumulated amortization	(32.7)	(22.1)	(75.5)	(1.1)	(2.2)	(133.6)
Net value	24.2	116.9	157.4	1.5	78.8	378.8
Additions	18.2	-	-	0.4	-	18.6
Additions through business acquisitions (note 4)	1.9	33.9	1.7	0.3	1.1	38.9
Disposals	(0.2)	-	-	-	-	(0.2)
Amortization for the year	(13.3)	(28.8)	(26.8)	(1.0)	(5.9)	(75.8)
Exchange differences	0.5	18.8	16.8	-	10.2	46.3
	7.1	23.9	(8.3)	(0.3)	5.4	27.8
Balance as at December 31, 2015	31.3	140.8	149.1	1.2	84.2	406.6
Balance as at December 31, 2015						
Cost	78.6	171.3	242.4	2.6	92.9	587.8
Accumulated amortization	(47.3)	(30.5)	(93.3)	(1.4)	(8.7)	(181.2)
Net value	31.3	140.8	149.1	1.2	84.2	406.6
Additions	50.7	-	-	-	0.2	50.9
Additions through business acquisitions (note 4)	0.8	1.2	-	-	-	2.0
Disposals	(1.3)	-	-	(O.1)	-	(1.4)
Amortization for the year	(17.9)	(30.5)	(25.7)	(0.7)	(6.3)	(81.1)
Exchange differences	(1.6)	(3.8)	(3.6)	-	(12.3)	(21.3)
	30.7	(33.1)	(29.3)	(0.8)	(18.4)	(50.9)
Balance as at December 31, 2016	62.0	107.7	119.8	0.4	65.8	355.7
Balance as at December 31, 2016						
Cost	119.1	167.1	237.7	2.5	80.4	606.8
Accumulated amortization	(57.1)	(59.4)	(117.9)	(2.1)	(14.6)	(251.1)
Net value	62.0	107.7	119.8	0.4	65.8	355.7

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The carrying amount of intangible assets assessed as having an indefinite useful life, which consists of the WSP trade name, is \$47.2 as at December 31, 2016 (\$58.3 in 2015).

The Corporation performed its annual impairment test for the WSP trade name as at September 25, 2016 and September 27, 2015 in accordance with its policy described in note 2. As a result, no impairment for the WSP trade name was recorded.

During the year, the Corporation acquired intangible assets amounting to \$52.9 (\$57.5 in 2015), all of which are subject to amortization.

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Goodwill

	2016	2015
	\$	\$
Balance - Beginning of period	2,734.3	2,067.7
Goodwill resulting from business acquisitions	164.6	413.1
Exchange differences	(115.3)	253.5
Balance - End of period	2,783.6	2,734.3

Goodwill amounting to \$2,783.6 (\$2,734.3 as at December 31, 2015) is allocated to the Corporation's CGUs. The carrying value of goodwill by CGU is identified in the table below:

	2016	2015
Goodwill allocated to CGU	\$	\$
Canada	891.2	891.8
Americas	1,069.0	1,091.0
UK	346.8	264.1
Nordics	275.6	279.4
Australia & New Zealand	80.3	82.2
Asia	73.4	75.6
Other	47.3	50.2
	2,783.6	2,734.3

Impairment test of goodwill

The Corporation performed its annual impairment test for goodwill as at September 25, 2016 and September 27, 2015 in accordance with its policy described in note 2. The key assumptions used to determine the fair value for the different CGUs for the most recently completed impairment calculations for 2016 and 2015 are discussed below. The Corporation has not identified any indicators of impairment at any other date and as such has not completed an additional impairment calculation. The fair value of each CGU exceeded its carrying value. As a result, no goodwill impairment was recorded.

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Valuation technique

FAIR VALUE LESS COSTS TO SELL ("FVLCS")

The fair value of the CGUs has been determined based on the FVLCS. Fair Value Measurement is defined in IFRS 13 as a market-based measurement rather than an entity-specific measurement.

Therefore, the fair value of the CGU must be measured using the assumptions that market participants would use rather than those related specifically to the Corporation. In determining the FVLCS of the CGUs, an income approach using the discounted cash flow methodology was utilized. In addition, the market approach was employed in assessing the reasonableness of the conclusions reached.

INCOME APPROACH

The discounted cash flow ("DCF") technique provides the best assessment of what each CGU could be exchanged for in an arm's length transaction as fair value is represented by the present value of expected future cash flows of the business together with the residual value of the business at the end of the forecast period. The DCF was applied on an enterprise-value basis, where the aftertax cash flows prior to interest expense are discounted using a weighted-average cost of capital ("WACC"). This approach requires assumptions regarding revenue growth rates, adjusted EBITDA and adjusted EBITDA margins, level of working capital, capital expenditures, tax rates and discount rates.

MARKET APPROACH

It is assumed under the market approach that the value of a Corporation reflects the price at which comparable companies in the same industry are purchased under similar circumstances. A comparison of a CGU to similar companies in the same industry whose financial information is publicly available may provide a reasonable basis to estimate fair value. Fair value under this approach is calculated based on an adjusted EBITDA multiple compared to the average median multiple based on publicly available information for comparable companies and transaction prices.

Key assumptions used in determining the FVLCS

CASH FLOW PROJECTIONS

The cash flow projections, covering a five-year period ("projection period"), were based on financial projections approved by management using assumptions that reflect the Corporation's most likely planned course of action, given management's judgment of the most probable set of economic conditions, adjusted to reflect the perspective of the expectations of a market participant. Adjusted EBITDA is based on actual and estimated values in the first year of the projection period, budgeted values in the second year of the projection period, and these are increased over the projection period using an approximate growth rate for anticipated efficiency improvements. The growth rate applied to the cash flow projections for the Corporation's CGUs ranged from 2.0% to 5.0% at September 25, 2016. The Corporation also considered past experience, economic trends as well as industry and market trends in assessing reasonableness of financial projections used.

DISCOUNT RATE

The discount rate (WACC) reflects the current market assessment of the risk specific to comparable companies. The discount rate was based on the weighted-average cost of equity and cost of debt for comparable companies within the industry. The discount rate represents the after tax weighted average cost of capital ("WACC"). Determining the WACC requires analyzing the cost of equity and debt separately, and takes into account a risk premium that is based on the applicable CGU. The post-tax WACC applied to the Corporation's CGUs ranged between 7.75% and 13.75%, at September 25, 2016.

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TERMINAL GROWTH RATE

Growth rates used to extrapolate the Corporation's projection were determined using published industry growth rates in combination with inflation assumptions and the input of each CGU's management group based on historical trend analysis and future expectations of growth. The terminal growth rate applied to the cash flow projections for the Corporation's CGUs was 3.0% at September 25, 2016.

COSTS TO SELL

The costs to sell for each CGU have been estimated at approximately 0.75% of the CGU's enterprise value. The costs to sell reflect the incremental costs, excluding finance costs and income taxes, which would be directly attributable to the disposal of the CGU, including legal and direct incremental costs incurred in preparing the CGU for sale.

SENSITIVITY TO CHANGES IN ASSUMPTIONS

As at September 25, 2016, the FVLCS of our Canadian CGU, in which most of our oil and gas activities are included, exceeded its carrying amount by approximately \$50.0, thus no impairment charge was necessary. With all other variables held constant, a decrease in the terminal growth rate of 12.0%; a decrease in the 5 year revenues cumulative average growth rate ("CAGR") of 38.7%; a rise in the discount rate of 2.7% or an increase in working capital requirement of 15.5% would reduce the excess of \$50.0 to nil.

The Corporation applied the income approach and used the following key assumptions in determining FVLCS of its Canadian CGU:

	2016	2015
Terminal growth rate	3.00%	3.00%
5 year revenues CAGR	15.00%	20.00%
Discount rate	9.25%	8.50%
Working capital requirement	19.30%	17.70%

With regards to the Corporation's other CGUs, no reasonably possible change in any of the key assumptions used in determining their FVLCS would have caused the carrying values of those CGUs to materially exceed their respective recoverable amounts (FVLCS) as at September 25, 2016.

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Long-Term Incentive Plans ("LTIPs")

In 2011, the Corporation adopted a long term incentive plan (the "LTI Plan") for certain employees under which restricted share units or stock options could be issued. The total number of shares reserved and available for grant and issuance pursuant to the LTI Plan is limited to 2,080,950 shares. In 2014, the Corporation also adopted a Performance Share Unit Plan pursuant to which cash-settled performance share units ("PSUs") could be issued, In 2015 the Corporation adopted a Deferred Share Unit Plan pursuant to which cash-settled deferred share units ("DSUs") could be issued and in 2016 the Corporation adopted a Restricted Share Unit Plan pursuant to which cash-settled restricted share units ("RSUs") could be issued. The LTI Plan, the Performance Share Unit Plan, the Deferred Share Unit Plan and the Restricted Share Unit Plan are collectively referred to as the "LTIPs".

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RSUs

The RSUs are settled in cash and vest over a period of three years. The measurement of the compensation expense and corresponding liability for these awards is based on the fair value of the award, and is recorded as an expense, or recovery, over the vesting period of the award. At the end of each financial reporting period, changes in the Corporation's payment obligation due to changes in the market value of the common shares on the TSX, or change in the number of units based on the expected Corporation's performance, are recorded as an expense or recovery. As at December 31, 2016, 79,669 RSUs were outstanding (nil in 2015). The Corporation recorded an expense of \$1.5 during the year (nil in 2015) related to the RSUs in Personnel Costs. The accrual at December 31, 2016, stood at \$1.5.

Stock options

Options granted under the stock option plan, to officers and employees, may be exercised during a period not exceeding ten years from the date of grant. Options vest 3 years after the date of grant. Any unexercised options will expire at the earlier of one month after the date a beneficiary ceases to be an employee or the expiration date of the stock options granted. As at December 31, 2016, 671,086 stock options were outstanding (534,995 in 2015) at exercise prices ranging from \$35.45 to 43.17. No options had vested as at December 31, 2016.

On March 31, 2014 the Board of Directors granted a single award of 20,000 stock options to an officer of the Corporation to purchase common shares of the Corporation. These stock options vest in three equal installments over a period of two years, with the first installment vesting on the date of the grant, the second on the first anniversary of the date of the grant and the third on the second anniversary of the date of the grant at an exercise price of \$35.12. These stock options may be exercised during a period not exceeding ten years from the date of the grant. As at December 31, 2016, all of the stock options had vested (13,333 in 2015). No stock options were exercised as at December 31, 2016.

The Corporation recorded a stock based compensation expense of \$1.6 during the year (\$1.2 in 2015) in Personnel Costs and the contributed surplus component of equity attributable to shareholders at December 31, 2016 stood at \$3.3.

The fair value of stock options at the grant date was measured using the Black-Scholes option pricing model. The historical share price of the Corporation's common shares is used to estimate expected volatility, and government bond rates are used to estimate the risk-free interest rate. The following table illustrates the inputs used in the measurement of the fair values of the stock options at the grant date granted during the period ended December 31, 2016 and December 31, 2015:

	2016	2015
Expected stock price volatility	20%-35%	20%-35%
Dividend	3.25%-3.75%	3.25%-3.75%
Risk-free interest rate	1.75%-2.25%	1.75%-2.25%
Expected option life	3-5 years	3-5 years
Fair value – weighted average of options issued	\$7.50-\$8.50	\$7.50-\$8.50

PSUs

The PSUs are settled in cash and vest if certain Corporation performance targets are met and payable at the earliest on March 25, 2017. The measurement of the compensation expense and corresponding liability for these awards is based on the fair value of the award, and is recorded as an expense or recovery over the vesting period of the award. At the end of each financial reporting period, changes in the Corporation's payment obligation due to changes in the market value of the common shares on the TSX, or change in the number of units based on the expected Corporation's performance, are recorded as an expense or recovery. As at December 31, 2016, there were 616,830 PSUs outstanding (408,680 in 2015). The Corporation recorded an expense of \$8.9 during the year (\$7.2 in 2015) related to the PSUs in Personnel Costs, and the cumulative obligation stood at \$17.3.

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DSUs

The DSUs are settled in cash and vest as issued. The measurement of the expense and corresponding liability for these awards is based the market value of the Corporation's common shares. At the end of each financial reporting period, changes in the Corporation's payment obligation due to changes in the market value of the common shares on the TSX, or change in the number of units, are recorded as an expense or recovery. As at December 31, 2016, there are 25,756 DSUs outstanding (nil in 2015). The Corporation recorded an expense of \$1.3 (nil in 2015) related to DSUs in Personnel Costs, and paid out an amount of \$0.2 during the year, leaving the cumulative obligation at \$1.1 at December 31, 2016.

Restricted share units

Restricted share units can be settled in cash or shares and vest over a period of three years. The measurement of the compensation expense and corresponding liability for these awards is based on the fair value of the award, and is recorded as an expense, or recovery, over the vesting period of the award. At the end of each financial reporting period, changes in the Corporation's payment obligation due to changes in the market value of the common shares on the TSX, or change in the number of units based on the expected Corporation's performance, are recorded as an expense or recovery. As at December 31, 2016, no restricted share units were outstanding (177,473 in 2015). The Corporation recorded a recovery of \$0.7 during the year (expense of \$7.1 in 2015), related to restricted share units in Personnel Costs, and paid out an amount of \$7.0 in April 2016. The accrual at December 31, 2016, stood at nil.

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Accounts payable and accrued liabilities

	2016	2015
	\$	\$
Trade payables	307.3	346.6
Employee benefits payable	361.5	338.3
Sale taxes	59.7	55.1
Amounts due to joint venture and associated undertakings	0.9	2.4
Accrued expenses and other payables	440.6	415.0
Provisions	172.1	171.4
	1,342.1	1,328.8
Less: Non-current provisions	74.4	72.8
Accounts payable and accrued liabilities	1,267.7	1,256.0

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	Claims	Property	Other	
	provisions	provisions	provisions	Total
	\$	\$	\$	\$
Balance as at December 31, 2014	102.3	16.2	34.1	152.6
Business acquisitions	4.5	9.1	-	13.6
Additional provision	12.1	5.4	0.2	17.7
Paid or otherwise settled	(5.9)	(1.9)	(25.3)	(33.1)
Exchange differences	13.9	2.7	4.0	20.6
Balance as at December 31, 2015	126.9	31.5	13.0	171.4
Business acquisitions	11.5	(5.3)	4.2	10.4
Additional provision	27.8	5.0	11.3	44.1
Paid or otherwise settled	(37.1)	0.6	(7.1)	(43.6)
Exchange differences	(5.9)	(3.2)	(1.1)	(10.2)
Balance as at December 31, 2016	123.2	28.6	20.3	172.1

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Long-term debts

	2016	2015
	\$	\$
Credit facility	1,042.7	978.9
Other long-term debts	7.4	10.5
	1,050.1	989.4
Less: Current portion	135.9	142.6
	914.2	846.8

Credit facility

WSP has in place a US\$1,300.0 million credit facility with a syndicate of financial institutions (the "Lenders") comprised of:

- a senior unsecured revolving credit facility in the maximum amount of US\$1,000.0 million (the "Revolving Credit Facility"), maturing on December 31, 2020; and
- a senior unsecured non-revolving term credit facility which consisted of three tranches in principal amounts of US\$100.0 million, US\$100.0 million and US\$200.0 million (collectively, the "Term Facility"), maturing on October 31, 2016, October 31, 2017, and October 31, 2018, respectively. The first tranche of US\$100.0 million was repaid in October 2016.

The credit facility bears interest at Canadian prime rate, US-based rate, Bankers' acceptances rate and LIBOR plus an applicable margin up to 2.5% that will vary depending on the type of advances and the Corporation's ratios, as defined in the agreement with the Lenders. The Corporation pays a commitment fee on the available unused credit facility.

Under this credit facility, the Corporation is required, among other conditions, to respect certain covenants on a consolidated basis. The main covenants are in regard to its consolidated net debt to consolidated adjusted EBITDA and the interest coverage ratios, which are non-IFRS measures. Management reviews compliance with these covenants on a quarterly basis in conjunction with filing requirements under its credit facility. All covenants have been met as at December 31, 2016.

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Under the credit facility, the Corporation may issue irrevocable letters of credit up to US\$250.0, decreasing the amount available on such credit facility. The Corporation issued, in the normal course of business, irrevocable letters of credit totaling \$209.0 as at December 31, 2016 (\$223.8 in 2015) for its own commitments, thus decreasing such available credit facility.

As at December 31, 2016, the Corporation had available other operating lines of credit amounting to \$20.2 (\$14.6 in 2015), of which \$19.4 (\$9.5 in 2015) were unused at year-end.

Credit facility allocation by borrowed currency:

		Base		Base
	2016	currency	2015	currency
	\$		\$	
US dollar	1,032.6	768.1	796.9	575.5
Sterling pound	5.3	3.2	31.3	15.3
Swedish Krona	4.8	32.5		
Emirati Dirham	-	-	1.8	4.8
Canadian dollar	-	-	148.9	148.9
	1,042.7		978.9	

The installments due on long-term debts over each of the next four years amount to \$135.9 in 2017, \$274.7 in 2018 and \$639.5 in 2020.

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Other financial liabilities

	2016	2015
	\$	\$
Bank overdraft (note 6)	0.3	1.9
Loan Payable	3.5	3.9
Notes payable	11.7	14.3
Obligations under finance leases	16.5	3.4
	32.0	23.5
Less: Current portion	18.1	18.7
	13.9	4.8

The installments due on financial liabilities over each the next three years amount to \$18.1 in 2017, \$8.5 in 2018 and \$5.4 in 2019.

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Pensions schemes

Pension costs included in personnel costs consist of the following:

	2016	2015
	\$	\$
Defined benefit pension schemes	3.5	9.2
Defined contribution pension schemes	77.4	69.9
	80.9	79.1

The Corporation operated both defined contribution and defined benefit pension schemes. Defined contributions are charged to the consolidated statements of earnings as they are incurred.

In Canada, the Corporation has defined contribution retirement savings plans for its employees. Pursuant to these plans, the Corporation pays a contribution equivalent to the employee contribution up to a maximum varying from 3% to 5% of the employee's salary. An employee acquires the whole employer contributions after two years of continuous service or if he loses his job due to a layoff resulting from a lack of work.

In the United Kingdom, there are five separate defined benefit schemes, all of which are closed to new members. The assets of the schemes are held separately from those of the Corporation in independently administered funds.

In Sweden, a proportion of the multi-employer Government-run defined benefit plan is carried on the Corporation's consolidated statement of financial position. Future service accrual under this arrangement ceased in 2008 where the employees became fully included in the Government plan's arrangements. The multi-employer Government plan retains substantial other assets to meet the balance of pension liabilities. As the directors are unable to identify the underlying assets and liabilities of this element of the scheme, it is treated as a defined contribution scheme for the purposes of IAS 19 "Employee Benefits."

In the USA, as a result of the acquisition of Parsons Brinckerhoff in 2014, the Corporation maintains a deferred compensation plan accounted for under IAS 19 where an element of employee's compensation is deferred and invested in available-for-sale assets (as disclosed in note 8) in a trust, the assets of which are for the ultimate benefit of the employees but are available to the Corporation's creditors in the event of insolvency.

For funded and unfunded defined benefit plans, any deficit of the fair value of plan assets over the present value of the defined benefit obligation is recognized as a liability in the consolidated statement of financial position. Actuarial gains and losses are recognized in full as they arise in the consolidated statement of comprehensive income. These reflect changes in actuarial assumptions, and differences between actuarial assumptions and what has actually occurred.

The actuarial cost charged to the consolidated statements of earnings in respect of defined benefit plans consists of current service costs, net interest on defined benefit liability (asset), past service costs and costs of curtailments.

The liabilities of the Corporation arising from defined benefit obligations and their related current service cost are determined using the projected unit credit method. Valuations are performed annually. Actuarial advice is provided by both external consultants and actuaries. The actuarial assumptions used to calculate the benefit obligations vary according to the economic conditions of the country in which the plan is located and are set out below. To develop the expected long-term rate of return on assets assumption, the Corporation considered the current level of expected returns on risk-free investments (primarily UK government bonds) and the historical level of risk premium associated with the other asset classes in which the portfolio is invested. The expected return for each asset class was then applied to the schemes' asset allocations to develop the overall expected long-term rate of return on assets for the combined portfolios.

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Assumptions

	2016	2015
UNITED KINGDOM		
Rate of increase in pensionable salaries	-	-
Rate of increase in pensions in payment	1.85% to 3.65%	1.75% to 3.05%
Discount rate	2.65%	3.95%
Inflation assumption	2.25% to 3.25%	2.10% to 3.10%
Life expectancy at age 65 (for member currently aged 65)		
- Men	88.0	87.9
- Women	90.4	90.2
SWEDEN		
Rate of increase in pensionable salaries	-	-
Rate of increase in pensions in payment	-	-
Discount rate	2.85%	3.25%
Inflation assumption	1.50%	1.50%
Life expectancy at age 65 (for member currently aged 65)		
- Men	87.0	86.9
- Women	89.0	89.5
UNITED STATES		
Discount rate	2.75% to 3.40%	2.80% to 3.55%

The major categories of plan assets pertaining to the UK defined benefits pension schemes are as follows:

	December 31, 2016		December 31, 2015	
	Fair value \$	%	Fair value \$	%
Equities	68.4	39	75.4	41
Bonds	93.4	53	86.8	47
Other	15.4	8	23.3	12

As at December 31, 2016 approximately 39% (41% in 2015) of the plan assets are directly invested in publicly traded securities. As well, the plan invests in pooled funds which are not publicly traded but have underlying securities which are publicly traded.

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	2016	2015
	\$	\$
Fair value of plan assets (United Kingdom)	177.2	185.5
Present value of funded obligations (United Kingdom)	(235.4)	(232.0)
Deficit (United Kingdom)	(58.2)	(46.5)
	(00.2)	(10.0)
Present value of unfunded obligations (Sweden)	(39.5)	(40.2)
	,	,
Present value of unfunded obligations (United States)	(120.4)	(120.2)
	,	, ,
Present value of unfunded obligations (Norway)	_	(1.8)
Pension liability	(218.1)	(208.7)
Amounts recognized in the consolidated statements of earnings are as follows:		
	2016	2015
	2010	2013
	\$	\$
Current service costs	3.5	9.2
	2016	2015
	\$	\$
Interest expenses	12.1	12.9
Expected return on plan assets	(6.5)	(6.0)
Net finance expenses on pension obligations	5.6	6.9
Changes in the present value of the defined benefit obligation are as follows:		
	2016	2015
	2010	2013
	\$	\$
Present value of obligation - Beginning balance	394.2	383.4
Defined Benefit plan from acquisition	-	1.8
Current service costs	3.5	9.2
Contributions from scheme members	0.3	0.4
Benefits paid	(18.1)	(20.0)
Interest expenses	12.1	12.9
Actuarial (gain)/loss (assumptions)	53.4	(40.2)
Actuarial (gain)/loss (experience)	5.6	(6.8)
Foreign exchange differences	(55.7)	53.5
Present value of obligation – End of year	395.3	394.2

31.3

(41.3)

(10.0)

(13.0)

44.3

31.3

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Changes in the fair value of plan assets are as follows:

Beginning balance

Balance - End of year

Net actuarial (loss)/gain recognized in the year

Changes in the fair value of plan assets are as follows:		
	2016	2015
	\$	\$
Fair value of plan assets - Beginning balance	185.5	154.8
Expected return on plan assets	6.5	6.0
Contributions from scheme members	0.3	0.4
Contributions from employer	12.1	13.0
Benefits paid	(7.3)	(6.7)
Actuarial gain/(loss) (experience)	17.7	(2.7)
Foreign exchange differences	(37.6)	20.7
Fair value of plan assets - End of year	177.2	185.5
Analysis of the movement in net deficit		
	2016	2015
	\$	\$
Beginning balance	208.7	228.6
Defined Benefit plan from acquisition		1.8
Current service costs	3.5	9.2
Net interest expenses	5.6	6.9
Benefits paid	(10.8)	(13.3)
Contributions	(12.1)	(13.0)
Net actuarial loss/(gain) recognized in the period	41.3	(44.3)
Foreign exchange movements	(18.1)	32.8
End of year	218.1	208.7
	2016	2015
	\$	\$
Present value of scheme assets	177.2	185.5
Fair value of scheme liabilities	(395.3)	(394.2)
Deficit	(218.1)	(208.7)
Cumulative actuarial (losses)/gains recognized in equity are as follows:		
	2016	2015
	\$	\$
n · · · 1 I	24.2	(40.0)

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The Corporation's defined benefit plans expose it to interest risk, inflations risk, longevity risk, currency risk and market investment risk. Sensitivity analysis of the overall pension deficit to changes in principal assumptions is shown below:

Assumption	Change	Impact on deficit	
Discount rate	+/- 0.1%	Decrease/increase \$5.5	
Inflation rate	+/- 0.1%	Decrease/increase \$3.0	
Mortality	+/- 1 year	Decrease/increase \$11.2	

The combined employee and employer contributions expected to be paid in 2017, pertaining to the Corporation's defined benefit pension schemes are expected to be approximately \$14.0.

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Share capital

AUTHORIZED

An unlimited number of common shares without par value, voting and participating.

An unlimited number of preferred shares without par value, participating, issuable in series.

ISSUED AND PAID

	Common shar	Common shares	
	Number	\$	
Balance as at January 1, 2015	88,588,720	1,976.6	
Shares issued to business acquisitions (1)	718,207	29.6	
Shares issued related to pubic bought deals and private placements $^{\left(2\right) }$	8,165,668	333.3	
Shares issued under the DRIP	1,783,262	70.2	
Balance as at December 31, 2015	99,255,857	2,409.7	
Shares issued under the DRIP (note 22)	2,115,280	81.9	
Balance as at December 31, 2016	101,371,137	2,491.6	

As at December 31, 2016, no preferred shares were issued.

Also on September 16, 2015, the Canada Pension Plan Investment Board ("CPPIB and the "Caisse purchased, on a private placement basis, an aggregate of 2,958,580 common shares at a price of \$42,25 per common share. The CPPIB and the Caisse were each granted with an option to purchase additional common shares of WSP representing up to 15% of the number of common shares subscribed by them on closing subject to the Over-Allotment Option being exercised by the Underwriters. The CPPIB and the Caisse both exercised their Over-Allotment option, in its entirety. In total, 3,402,368 common shares were issued to the CPPIB and the Caisse for gross proceeds of approximately \$144.0.

 $Total \ Issuance-related \ costs \ of \ these \ transactions \ of \$13.9 \ less \ a \ tax \ recovery \ of \$2.2, \ are \ accounted \ for \ against \ the \ gross \ proceeds.$

⁽¹⁾ In connection with acquisitions of SPL completed on April 1, 2015, Levelton completed on July 1, 2015 and MMM completed on September 15, 2015.

⁽²⁾ On September 16, 2015, WSP entered into an agreement with Underwriters which purchased, on a bought deal basis by way of a short form prospectus, 4,142,000 common shares of WSP from treasury at a price of \$42.25 per common share. In addition, the Underwriters were granted an Over-Allotment option, which was exercised in its entirety. In total, 4,763,300 common shares were issued for gross proceeds of approximately \$201.0.

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Capital management

The Corporation's primary objectives when managing capital structure are as follows:

- maintain financial flexibility in order to meet financial obligations, to provide dividends, to execute growth plan and to continue growth through business acquisitions;
- manage the Corporation's activities in a responsible way in order to provide an adequate return for its shareholders; and
- comply with financial covenants required under the credit facility.

For capital management, the Corporation has defined its capital as the combination of long-term debts, loan payable, shareholders' equity and non controlling interest, net of cash (net of bank overdraft). The non recourse debts are excluded.

	2016	2015
	\$	\$
Long-term debts	914.2	989.4
Loan payable (note 15)	3.5	3.9
Shareholders' equity	2,859.6	2,916.4
Non-controlling interest	0.9	(4.7)
	3,778.2	3,905.0
Less: Cash net of bank overdraft	(230.5)	(202.2)
	3,547.7	3,702.8

The Corporation's financing strategy is to maintain a flexible structure consistent with the objectives stated above, to respond adequately to changes in economic conditions and to allow growth through business acquisitions. The Corporation monitors its capital structure using the consolidated net debt to consolidated adjusted EBITDA ratio. This ratio is used to determine what would be the maximum debt level.

In order to maintain and adjust its capital structure, the Corporation may issue new shares in the market, contract bank advances and negotiate new credit facilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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Acquisition and integration costs

	2016	2015
	\$	\$
Business acquisition related costs	3.1	4.3
Business integration related costs	29.8	68.0
Loss / (Gain) on sale of equity interest in associate/s	-	(68.4)
	32.9	3.9

 $Included in Acquisition \ and \ integration \ costs \ are \ personnel \ costs \ of \$7.8 \ and \$38.4 \ for \ 2016 \ and \ 2015, \ respectively.$

 $Business\ integration\ related\ costs\ pertain\ to\ costs\ incurred\ for\ the\ integration\ of\ acquired\ businesses\ for\ a\ period\ of\ up\ to\ 24\ months\ from\ the\ date\ of\ acquisition.$

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Net finance expenses

	2016	2015
	\$	\$
Interest related to credit facilities	26.2	30.5
Net finance expenses on pension obligations	5.6	6.9
Exchange loss / (gain) on assets/liabilities in foreign currencies	4.8	(1.8)
Other interest and bank charges	7.3	5.5
Loss/(gain) on sale of assets available for sale	(5.0)	(6.1)
Interest income	(1.7)	(1.8)
	37.2	33.2

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Income taxes

The components of income tax expense (recovery) for 2016 and 2015 were as follows:

	2016	2015
	\$	\$
Current tax		
Current tax on earnings for the year	71.9	33.5
Adjustments in respect of prior years	15.2	10.6
Total current tax	87.1	44.1
Deferred tax		
Origination and reversal of temporary differences	(3.9)	34.3
Impact of change in tax rates	0.2	1.3
Adjustments in respect of prior years	(16.3)	(7.9)
Total deferred tax	(20.0)	27.7
Total income tax expenses	67.1	71.8

The reconciliation of the difference between the income tax expenses using the combined Canadian federal and provincial statutory tax rate of 26.9% and the actual effective tax rate is as follows:

	2016		201	5
	\$	%	\$	%
Earnings before income tax expense	265.8	-	260.4	-
Expected income tax expense at the combined Canadian federal and provincial statutory rate	71.5	26.9	70.1	26.9
Changes resulting from:				
Foreign tax rate differences	(10.3)	(3.8)	(7.7)	(3.0)
Non-deductible expenses/(non-taxable income), net	5.1	1.9	(5.2)	(2.0)
Unrecognized tax benefits, net	3.6	1.4	8.6	3.3
Adjustments in respect of prior years	(1.1)	(0.4)	2.7	1.1
Effect of change in tax rates	0.2	(O.1)	1.3	0.5
Other items	(1.9)	(0.7)	2.0	0.8
	67.1	25.2	71.8	27.6

FOR THE YEARS ENDED DECEMBER 31, 2016, AND 2015 (IN MILLIONS OF CANADIAN DOLLARS, EXCEPT THE NUMBER OF SHARES AND PER SHARE DATA AND UNLESS OTHERWISE STATED)

In 2016, unrecognized tax benefits, net, represented the impact of unrecognized current and prior years tax benefits related mostly to foreign subsidiaries where recovery is not considered probable, partly offset by recognized deferred tax assets for our Australian operations following improved earnings in 2016.

In 2015, the favorable impact of non-deductible expenses/(non-taxable income), net, was mostly due to a non-taxable gain of \$68.4 related to the sale of the Corporation's equity investments in two associates (note 19), partly offset by various non-deductible expenses. Also in 2015, unrecognized tax benefits, net, represented unrecorded tax benefits for various foreign subsidiaries where recovery was not considered probable.

As at December 31, 2016, and 2015, the significant components of deferred income tax assets and liabilities were as follows:

				2016			
_	As at January 1 \$	Credited (charged) to statement of earnings improvements	Credited (charged) to other comprehensive income	Charged directly to equity \$	Business acquisitions	Exchange differences \$	As at December 31
Deferred income tax assets							
Deductible provisions upon settlement	113.5	(4.1)	-	-	3.1	(3.3)	109.2
Tax loss carry forwards	30.9	(1.6)	(0.6)	-	-	(2.8)	25.9
Pension Plan	50.4	12.2	5.7	-	-	(3.2)	65.1
Deferred issuance-related costs	9.0	(3.2)	-	0.1	-	-	5.9
Property, plant and equipment	8.3	(2.6)	-	-	0.1	(1.3)	4.5
Other temporary differences	5.2	30.7	-	-	(2.2)	0.2	33.9
	217.3	31.4	5.1	0.1	1.0	(10.4)	244.5
Deferred income tax liabilities Costs and anticipated profits in excess of billings	(70.9)	(14.3)	-	-	-	4.9	(80.3)
Holdbacks	(26.4)	7.4	_	_	_	0.8	(18.2)
Property, plant and equipment	(4.1)	(25.0)	-	_	_	(0.2)	(29.3)
Intangible assets and goodwill	(108.7)	12.4	_	_	-	4.8	(91.5)
Other temporary differences	(21.5)	8.1	0.5	-	-	0.6	(12.3)
	(231.6)	(11.4)	0.5	-	-	10.9	(231.6)
Total	(14.3)	20.0	5.6	0.1	1.0	0.5	12.9

Included in total deferred income tax assets of \$244.5 as at December 31, 2016 is an amount of \$75.4 expected to be recovered in the next twelve months.

Included in total deferred income tax liabilities of \$231.6 as at December 31, 2016 is an amount of \$105.8 expected to be settled in the next twelve months.

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	2015						
	As at January 1 \$	Credited (charged) to statement of earnings improvements	Credited (charged) to other compre- hensive income	Charged directly to equity \$	Business acquisitions	Exchange differences \$	As at December 31 \$
Deferred income tax assets							
Deductible provisions upon settlement	112.5	(17.4)	-	-	1.0	17.4	113.5
Tax loss carry forwards	24.9	3.2	1.1	-	-	1.7	30.9
Pension Plan	57.9	(7.9)	(10.2)	-	0.8	9.8	50.4
Deferred issuance-related costs	8.9	(2.1)	-	2.2	-	-	9.0
Property, plant and equipment	7.3	-	-	-	-	1.0	8.3
Other temporary differences	5.3	(4.2)	-	-	3.3	0.8	5.2
	216.8	(28.4)	(9.1)	2.2	5.1	30.7	217.3
Deferred income tax liabilities							
Costs and anticipated profits in excess of billings	(50.1)	(11.4)	-	-	(4.9)	(4.5)	(70.9)
Holdbacks	(14.1)	(7.2)	-	-	(2.1)	(3.0)	(26.4)
Property, plant and equipment	(2.8)	1.4	-	-	(2.7)	-	(4.1)
Intangible assets and goodwill	(99.0)	15.2	-	-	(9.4)	(15.5)	(108.7)
Other temporary differences	(14.0)	2.7	(4.4)	-	(1.0)	(4.8)	(21.5)
	(180.0)	0.7	(4.4)	-	(20.1)	(27.8)	(231.6)
Total	36.8	(27.7)	(13.5)	2.2	(15.0)	2.9	(14.3)

Included in total deferred income tax assets of \$217.3, as at December 31, 2015, is an amount of \$62.8 expected to recovered in the next twelve months.

Included in total deferred income tax liabilities of \$231.6, as at December 31, 2015, is an amount of \$111.8 expected to settled in the next twelve months.

The deferred income taxes are presented as follows on the consolidated statements of financial position:

	2016	2015
	\$	\$
Deferred income tax assets	78.9	55.6
Deferred income tax (liabilities)	(66.0)	(69.9)
Net Deferred income tax assets/(liabilities)	12.9	(14.3)

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As at December 31, 2016, the Corporation recognized deferred income tax assets of \$25.9 (\$30.9 as at December 31, 2015) related to certain subsidiaries tax losses of the current and prior years. The deferred income tax assets are recognized, as the Corporation believes it is probable that taxable profits will be available in the future against which the tax loss carry forwards can be utilized.

As at December 31, 2016, the Corporation had \$35.1 of unrecognized deferred income tax assets related to \$129.6 of tax loss carry forwards, of which \$49.5 expire between 2017 and 2036 with the remainder having no expiry, and \$12.1 of gross temporary differences with no expiry. The Corporation considers the recovery of those unrecognized deferred income tax assets as not probable.

A deferred income tax liability relating to taxable temporary differences amounting to \$121.0 as at December 31, 2016 (\$72.0 as at December 31, 2015), associated with the undistributed earnings of subsidiaries, has not been recognized, as the Corporation controls the timing of the reversal of these temporary differences and does not expect they will reverse in the foreseeable future. Upon distribution of these earnings in the form of dividends or otherwise, the Corporation may be subject to corporation or withholding taxes.

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Dividends

The Corporation aims to declare and pay cash dividends on a quarterly basis to shareholders. The total amount of dividends declared by the Corporation for the fourth quarter ended December 31, 2016 was \$38.0 or \$0.375 per share.

The total amount of dividends declared by the Corporation for the year ended December 31, 2016 was \$150.8 (\$141.2 in 2015).

DIVIDEND REINVESTMENT PLAN (DRIP)

Under the DRIP, the holders of common shares may elect to have cash dividends reinvested into additional common shares. The shares to be delivered can be purchased on the open market or issued from treasury at the discretion of Management. The shares issued from treasury can be issued at a discount of up to 5.0% of the applicable average market price.

During the year, \$81.9 was reinvested in 2,115,280 common shares under the DRIP (note 17).

On January 16, 2017, on the payment of the fourth quarter dividend, \$21.3 was reinvested in 487,744 additional shares under the DRIP.

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Statements of cash flows

a) Adjustments

	2016	2015
	\$	\$
Depreciation and amortization	159.5	140.0
Loss/(Gain) on disposal of equity investments in associates and joint ventures	-	(68.4)
Share of income per statements of earnings of associates and JVs (net of tax)	(0.1)	(3.1)
Defined benefit pension schemes expense	(3.5)	9.2
Cash contribution to defined benefit pension schemes	(12.1)	(13.0)
Foreign exchange and non-cash movements	4.2	(0.4)
Others	(14.8)	(4.6)
	133.2	59.7

b) Change in non-cash working capital items

	2016	2015
	\$	\$
Decrease (increase) in:		
Trade, prepaid and other receivables	93.1	(15.2)
Costs and anticipated profits in excess of billings	(16.4)	(118.2)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(43.9)	(60.1)
Billings in excess of costs and anticipated profits	(35.6)	76.2
	(2.8)	(117.3)

c) Transactions not affecting cash

	2016	2015
	\$	\$
Additions to intangible assets and prepaids through the assumption of a finance lease and financial liabilties	15.3	2.0

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Related party transactions

Controlled entities

The Corporation controls and consolidates an entity when the Corporation is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The table below list the Corporation's most significant subsidiaries.

Entity	Country of incorporation	Interest		
		2016	2015	
WSP Canada Inc.	Canada	100%	100%	
Parsons Brinckerhoff Holdings Inc.	USA	100%	100%	
WSP USA Corp	USA	100%	100%	
WSP Colombia S.A.S.	Colombia	100%	100%	
WSP UK Limited.	United Kingdom	100%	100%	
Parsons Brinckerhoff Limited (UK)	United Kingdom	100%	100%	
WSP Sverige AB	Sweden	100%	100%	
WSP France SAS	France	100%	100%	
WSP Middle East Ltd	Jersey	100%	100%	
Parsons Brinckerhoff International LLC	Qatar	100%	100%	
Parsons Brinckerhoff Africa (Pty) Limited	South Africa	100%	100%	
WSP Asia Limited	Hong Kong	100%	100%	
WSP Hong Kong Limited	Hong Kong	100%	100%	
Shanghai WSP Consulting Ltd	Shanghai	100%	100%	
Parsons Brinckerhoff (Asia) Ltd	Hong Kong	100%	100%	
Parsons Brinckerhoff International Pty Ltd	Australia	100%	100%	
WSP Asia Pacific Pty Ltd	Australia	100%	100%	
WSP Australia Holdings Pty Ltd	Australia	100%	100%	
PB Australia Pty Limited	Australia	100%	100%	

Key management compensation*

Key management includes the members of the Board, the President and Chief Executive Officer, the Chief Financial Officer and the members of the GLT. The compensation paid or payable to key management is shown below:

	2016	2015
	\$	\$
Short-term employee benefits	14.8	9.4
Share-based payments	8.3	10.7
	23.1	20.1

^{*:}Members of key management may have employment agreements with clauses for payment in case of termination without cause and payment in case of termination of employment following a change in control. All such employment agreements are for an indeterminate term and include confidentiality covenants which apply indefinitely. Please refer to WSP Global Inc.'s 2016 Management Information Circular for details applicable to the Corporation's five most highly compensated individuals, all of whom are a part of key management.

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Financial instruments

Fair value

Cash, trade and other receivables, costs and anticipated profits in excess of billings, accounts payable, dividends payable to shareholders, bank overdrafts, long-term debts, other non-current liabilities, and obligations under finance leases are financial instruments whose fair values approximate their carrying values due to their short-term maturity, variable interest rates or current market rates for instruments with fixed rates.

The fair value hierarchy under which the Corporation's financial instruments are valued is as follows:

- Level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 includes inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly or indirectly;
- Level 3 includes inputs for the assets or liability that are not based on observable market data.

As at December 31, 2016, and 2015, available for sale assets' fair values are valued under Level 1. Foreign currency risk based financial instruments' fair values, notably foreign currency forward contracts and cross currency swap agreements, are valued under Level 2.

Financial risk management

The Corporation is exposed to credit risk, foreign currency risk, interest rate risk and liquidity risk. The following analyses provide a measurement of those risks as at December 31, 2016, and 2015.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Financial instruments which potentially subject the Corporation to significant credit risk consist principally of cash, trade and other receivables, and costs and anticipated profits in excess of billings. The Corporation's maximum amount of credit risk exposure is limited to the carrying amount of these financial instruments, which is \$2,364.8 as at December 31, 2016, and \$2,444.0 as at December 31, 2015.

The Corporation's cash is held with leading financial institutions. Therefore, the Corporation considers the risk of non-performance on these instruments to be minimal.

The Corporation's credit risk is principally attributable to its trade receivables and costs and anticipated profits in excess of billings. The amounts disclosed in the consolidated statements of financial position are net of an allowance for doubtful accounts, estimated by the Corporation's Management and based, in part, on the age of the specific receivable balance and the current and expected collection trends. Generally, the Corporation does not require collateral or other security from customers for trade accounts receivable; however, credit is extended following an evaluation of creditworthiness. In addition, the Corporation performs ongoing credit reviews of all its customers and establishes an allowance for doubtful accounts when the likelihood of collecting the account has significantly diminished. The Corporation believes that the credit risk of trade accounts receivable is limited. During the year ended December 31, 2016, and 2015, bad debts accounted for were not significant.

The Corporation mitigates its credit risk by providing services to diverse clients in various market segments, countries and sectors of the economy.

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Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Corporation operates internationally and is exposed to currency risks arising from its operating activities denominated in US dollars, Sterling pound, Swedish krona, Australian dollars, Euros and other currencies as well as to its net assets in foreign operations. These risks are partially offset by purchases and operating expenses incurred in these currencies.

The Corporation has investments in foreign operations, whose net assets are exposed to foreign currency risk. This risk is partly offset through borrowings denominated in the relevant foreign currency. The exchange gains or losses on the net equity investment of these operations are reflected in the accumulated other comprehensive income (loss) account in shareholders' equity, as part of the currency translation adjustment.

During the fourth quarter of 2016, the Corporation entered into cross currency swap agreements for a nominal amount of US\$357.3 to hedge a portion of its US denominated debt at a US/CAD rate of 1.3294 and a nominal amount of US\$111.4 to hedge a portion of its Sterling pound denominated debt at a US/GBP rate of 0.8115. The total fair market value gain amounted to US\$2.5 (net of tax of US\$1.7) and has been recorded in the statement of earnings. All cross currency swap agreements expire in the first quarter of 2017.

As well, the Corporation entered into foreign currency forward contracts for a nominal amount of US\$24.0 million to hedge the variability in the expected foreign currency exchange rate between the US dollar and the Canadian dollar at a US-CAD rate of 1.3500. The fair market gain/loss amounted to US\$0.2 (net of tax of nil) and was recorded in the statement of earnings. The foreign currency forward currency contracts come to maturity in 2017.

Taking into account the amounts denominated in foreign currencies and presuming that all of the other variables remain unchanged, a fluctuation in exchange rates would have an impact on the Corporation's net earnings. Management believes that a 10% change (10% in 2015) in exchange rates could be reasonably possible.

The table below summarizes the impacts of a 10% weakening or strengthening in the exchange rates on the net earnings and statement of other comprehensive income:

		2016			
	US Dollar	Sterling Pound	Swedish Krona	Australian Dollar	
Net earnings	4.0	2.4	0.7	2.4	
Other comprehensive income	0.9	1.3	11.4	0.2	

		2015			
	US Dollar	Sterling Pound	Swedish Krona	Australian Dollar	
Net earnings	12.1	1.8	3.0	0.7	
Other comprehensive income	12.9	9.2	2.5	3.1	

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's exposure to the risk of changes in market interest rates relates primarily to its bank advances, notes payable and certain long-term debts with floating interest rates. This risk is partially offset by cash held at variable rates.

A 1% fluctuation in interest rates would not have a material impact on the Corporation's net earnings.

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Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulties in meeting its obligations as they fall due.

A centralized treasury function ensures that the Corporation maintains funding flexibility by assessing future cash flow expectations and by maintaining sufficient headroom on its committed borrowing facilities. Borrowing limits, cash restrictions and compliance with debt covenants are also taken into account.

The Corporation watches for liquidity risks arising from financial instruments on an ongoing basis. Management monitors the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient sheadroom on its undrawn committed borrowing facilities at all times. WSP has access to committed lines of credit with banks (note 14).

The tables below present the contractual maturities of financial liabilities as at December 31, 2016, and 2015. The amounts disclosed are contractual undiscounted cash flows.

	2016				
	Carrying amount	Contractual cash flows	Less than a year	Between 1 and 2 years	More than 2 years
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities, including non-current portion of provisions	1,342.1	1,342.1	1,267.7	74.4	-
Dividends payable to shareholders	38.0	38.0	38.0	-	-
Long-term debts, including current portion	1,050.1	1,142.6	138.9	284.2	719.5
Financial liabilities, including current portion	32.0	32.5	18.1	8.9	5.5
	2,462.2	2,555.2	1,462.7	367.5	725.0

	2015				
_	Carrying amount	Contractual cash flows	Less than a year	Between 1 and 2 years	More than 2 years
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities, including non-current portion of provisions	1,328.8	1,328.8	1,256.0	72.8	-
Dividends payable to shareholders	37.2	37.2	37.2	-	-
Long-term debts, including current portion	989.4	1,009.3	142.6	142.6	724.1
Financial liabilities, including current portion	23.5	23.8	18.7	4.5	0.6
	2,378.9	2,399.1	1,454.5	219.9	724.7

As at December 31, 2016, the Corporation had unused credit facilities of \$495.8 (\$736.0 in 2015), net of outstanding letters of credit of \$209.0 (\$223.8 in 2015), and cash net of bank overdraft of \$230.5 (\$202.2 in 2015).

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Commitments and contingencies

Leases

The Corporation leases various office premises and equipment under non-cancellable operating lease agreements. The lease terms vary from six months to ten years, and the majority of lease agreements can be renewed at market rates.

The lease expenditure included in the consolidated statements of earnings amounted to \$194.2 for the year ended December 31, 2016 (\$184.3 for the year ended December 31, 2015).

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	\$	\$
No later than 1 year	182.5	180.9
Later than 1 year and no later than 5 years	564.1	418.6
Later than 5 years	203.0	280.3
	949.6	879.8

Contingencies

The Corporation is currently facing legal proceedings for work carried out in the normal course of its business. The Corporation takes out a professional liability insurance policy in order to manage the risks related to such proceedings. Based on advice and information provided by its legal advisers and on its experience in the settlement of similar proceedings, Management believes that the Corporation has accounted for sufficient provisions in that regard and that the final settlement should not exceed the insurance coverage significantly or should not have a material effect on the financial position or operating results of the Corporation.

As a government contractor, the Corporation may be subject to laws and regulations that are more restrictive than those applicable to non-government contractors. Government scrutiny of contractors' compliance with those laws and regulations through audits and investigations is inherent in government contracting, and, from time to time, Management receives inquiries and similar demands related to the Corporation's ongoing business with government entities. Since 2012, the Corporation has been the object of investigations and search warrants initiated by the Unité Permanente Anticorruption (UPAC) and the Competition Bureau in several regions within the Province of Québec. Some of the investigations conducted by the Competition Bureau have been referred for consideration to the Public Prosecution Service of Canada. On February 11, 2013, the Corporation announced that it was in possession of information confirming that inappropriate conduct in the Province of Québec in the financing of political parties

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and the awarding of municipal contracts had occurred in the past. As of February 28, 2017, the Corporation had received letters of demand from a few cities requesting the Corporation to participate in the voluntary reimbursement program established pursuant to Bill 26, An Act to ensure mainly the recovery of amounts improperly paid as a result of fraud or fraudulent tactics in connection with public contracts, enacted in April 2015. The Corporation had indicated as early as March 2016 that it was participating in the voluntary reimbursement program. Due to the implementation of the voluntary reimbursement program by the Québec government in November 2015, public bodies are prevented, until the voluntary reimbursement program is closed, from presenting their own civil claims for reimbursement of amounts improperly paid unless they receive prior authorization from the Minister of Justice. To date, no charges have been brought against the Corporation nor has the Corporation received any claims for fines, penalties or other monetary compensation in relation to the investigations initiated by the UPAC and the Competition Bureau. The Corporation is taking steps to address these contingencies but cannot predict at this time the final outcome, potential losses or amounts that may have to be reimbursed to any governmental authorities, if any, with respect to any investigation by such governmental authorities in respect of these facts, including the possibility that their scope may be broadened which could have an impact on its future results of operations.

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Segment information

(a) Major customers

As at December 31, 2016, and 2015, no individual customer represented more than 10% of the Corporation's consolidated revenues or in trade receivables.

(b) Segmented information

The Corporation manages through four reportable operating segments, which are the following: Canada, Americas (USA and Latin America), EMEIA (Europe, Middle East, India and Africa) and APAC (Asia-Pacific, comprising mainly Asia and Australia).

The GLT assesses the performance of the operating segments based on revenues, net revenues and adjusted EBITDA before Global Corporate costs. Adjusted EBITDA before Global Corporate costs excludes items such as business acquisition transaction and integration expenses, and Global Corporate costs, which the Corporation believes should not be considered when assessing its underlying financial performance. Global Corporate costs are expenses and salaries related to centralized functions, like global finance, human resources and technology teams, which are not allocated to segments. This measure also excludes the effects of financial expenses, depreciation, amortization and income taxes.

Sales between segments are carried out at arm's length and are eliminated upon consolidation. Intersegmental revenues represented approximately 1% of total revenues in 2016 (approximately 1.5% in 2015).

The revenues reported to the GLT are measured in a similar manner as in the consolidated statements of earnings and exclude intersegmental revenues.

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The tables below present the Corporation's operations based on reportable operating segments.

	2016				
	Canada	Americas	EMEIA	APAC	Total
Revenues	1,145.5	2,302.1	2,147.0	785.0	6,379.6
Less: Subconsultants and direct costs	(193.5)	(823.8)	(362.0)	(105.2)	(1,484.5)
Net revenues	952.0	1,478.3	1,785.0	679.8	4,895.1
Adjusted EBITDA before Global Corporate costs	91.3	201.4	190.3	66.5	549.5
Global corporate costs					(50.5)
Acquisition and integration costs					(32.9)
Financial expenses					(38.9)
Depreciation and amortization					(159.5)
Share of taxation and amortization of associates					(1.9)
Earnings before income tax					265.8

	2015				
	Canada	Americas	EMEIA	APAC	Total
Revenues	976.0	2,260.6	2,082.6	744.8	6,064.0
Less: Subconsultants and direct costs	(170.5)	(904.1)	(399.0)	(103.6)	(1,577.2)
Net revenues	805.5	1,356.5	1,683.6	641.2	4,486.8
Adjusted EBITDA before Global Corporate costs	93.3	211.8	174.8	49.0	528.9
Global corporate costs					(87.4)
Acquisition and integration costs					(3.9)
Financial expenses					(35.0)
Depreciation and amortization					(140.0)
Share of taxation and amortization of associates					(2.2)
Earnings before income tax					260.4

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(c) Geographic information

The following revenues have been allocated to geographic regions based on the country of operation of the Corporation.

	2016	2015
	\$	\$
United States	2,261.3	2,216.0
Canada	1,145.5	976.0
United Kingdom	856.8	895.5
Sweden	617.3	515.0
Others	1,498.7	1,461.5
	6,379.6	6,064.0

The property, plant and equipment, goodwill and intangible assets are allocated in the following countries:

	2016	2015
	\$	\$
United States	1,324.1	1,365.7
Canada	1,058.7	1,071.8
Sweden	254.7	271.2
United Kingdom	345.6	246.2
Others	448.9	455.5
	3,432.0	3,410.4