What if we can?

2017 ANNUAL REPORT

Future **Questions**

Can we help societies thrive
in a world we do not control?

Can we anticipate the unforeseeable,
perceive the unexplainable,
and plan something unbelievable?

Can we design the unthinkable?

Can we think international
and still act local?

Nurture sustainable societies,
connect communities,
and seize opportunities?

Can we trace horizons,
hold true to our ambitions,
and hold ourselves accountable?

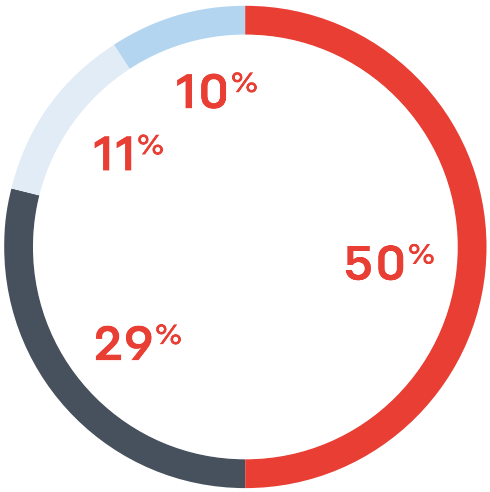
Can we design a place, where our friends,
families and neighbours, can thrive?

What if we can?

Financial Highlights

OUR GEOGRAPHIC SCALE, BREADTH OF EXPERTISE AND CLIENT-FOCUSED MINDSET RESULTED IN ONE OF THE MOST SUCCESSFUL YEARS IN WSP'S HISTORY.

NET REVENUES BY MARKET SEGMENT



TRANSPORTATION & INFRASTRUCTURE

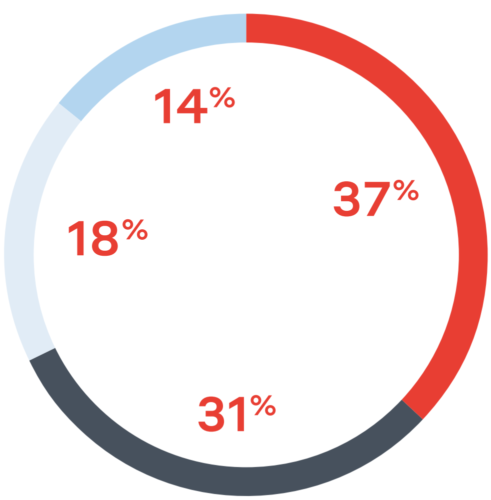
PROPERTY & BUILDINGS

ENVIRONMENT

INDUSTRY & ENERGY*

* Includes Industry, Resources, Power & Energy

NET REVENUES BY OPERATING SEGMENT



EUROPE, MIDDLE EAST, INDIA & AFRICA

AMERICAS

CANADA

ASIA PACIFIC

6.9B

REVENUES (CAD)

5.4B

NET REVENUES (CAD)*

6.2%

ORGANIC GROWTH IN NET REVENUES

555.2M

ADJUSTED EBITDA (CAD)*

10.4%

ADJUSTED EBITDA MARGIN*

79

DAYS SALES OUTSTANDING (DSO)*

296.1M

FREE CASH FLOW (CAD)*

* Non-IFRS measures

A word from our Chairman

FOLLOWING ANOTHER SUCCESSFUL YEAR ON MANY FRONTS, I AM AGAIN PROUD TO STAND AS WSP'S CHAIRMAN. THE BOARD IS TRULY INSPIRED BY WSP'S PEOPLE, BY THE PROJECTS THE COMPANY DELIVERS FOR ITS CLIENTS, AND THE WORLD-CLASS REPUTATION IT BUILDS UPON.

2017 At a Glance

Operational and financial growth were on the agenda for WSP in 2017, and these were achieved. The Board would like to express its appreciation to employees and Management for their contributions from around the globe.

Amongst the highlights, WSP was named Number 1 International Design Firm by *Engineering News-Record* for the second year running, which I believe speaks to strong underlying client relationships and the operational excellence the Company is determined to maintain and enhance.

“The Board is confident that WSP has the right leaders to build on its prominent position in the global market and following a successful year, we must not stand still, but continuously strive for further growth and improved performance.”

WSP’s new brand was officially launched in May, along with its associated Guiding Principles. It was very well received by all stakeholders and further underlined our recognised premier position in our markets. These Guiding Principles define our activities, behaviour and performance so that we may excel on behalf of our clients, shareholders and the wider communities in which we work.

Our 2015-2018 Strategic Plan progressed well during the year and we are on course to successfully complete this phase of our outlined growth. WSP partnered with ten companies and welcomed 5,000 new people through acquisitions during the year, many from our strategic transactions in Latin America and New Zealand. WSP’s total workforce worldwide is now approximately 42,000 talented people.

WSP’s performance continued to be supported by a strong balance sheet, which helped ensure good shareholder return.

Strategic Planning Review

During the year, our Company worked very hard to excel on the cornerstones of our 2015-2018 Strategic Plan: People, Clients, Operational Excellence and Expertise. Our measured performance on these cornerstones ensures that we continually challenge ourselves to outperform in our markets.

We will engage and support our CEO and Management as they develop the direction of the next phase in our exciting journey - our 2019-2021 Strategic Plan.

Opportunity and Risk

We are conscious that as we and our reputation grow, so do our opportunities and risks. Our global footprint of technical and management experience ensures that we are a credible prospect to work on many of the world’s largest projects in our markets. Whilst recognising and participating in these opportunities, we are also maturing our risk assessments and management to align with this growth.

In addition, WSP’s Compliance and Ethics programme interfaces with all our activities to ensure that we remain an industry leader, whilst paying equal attention to the effective implementation of the Code of Conduct and underlying ethics policies, and related training, communications and monitoring. Quarterly progress reports are made to the Board regarding the programme.

Board and Management Strengths

I would like to thank each of our Board members for their commitment and guidance during the year. Alexandre L’Heureux, Suzanne Rancourt and Pierre Fitzgibbon completed their first full year as Board members, and Louis-Philippe Carrière joined as a Board member and as Chair of the Audit Committee in 2017. We are benefitting from their varied experience and contribution to the organisation. I remain committed to ensuring we always have a well-diversified Board.

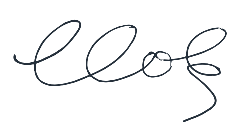
Senior management changes over the past two years to reinforce our leadership team, led by our CEO Alexandre L’Heureux, have been successful and transitions have been smooth. In May 2017, Steeve Robitaille was nominated Chief Legal Officer and Executive Vice President, Mergers and Acquisitions. Steeve works in tandem with the Board as Corporate Secretary, and experienced a seamless integration into WSP’s activities, helped by his previous association with the Company as a respected advisor.

Looking Ahead to 2018

The Board is confident that WSP has the right leaders to build on its prominent position in the global market and following a successful year, we must not stand still, but continuously strive for further growth and improved performance.

As custodians of our shareholders’ investments we, the Board, will continue to support and provide astute direction and guidance to our leaders as we move into 2018. We remain committed to providing excellent shareholder value, and achieving this with high standards of corporate governance practices in an ethical, sustainable and safe working environment.

On behalf of the Board of Directors, may I thank our loyal shareholders again for their trust and support.



CHRISTOPHER COLE
CHAIRMAN OF THE BOARD

A word from our President

2017 WAS ONE OF THE MOST PERFORMING YEARS IN WSP'S HISTORY: OUR ORGANIZATION WAS UNITED UNDER ONE NAME, ONE BRAND AND ONE VISION; WE WERE ON TARGET OR SURPASSED ALL FINANCIAL METRICS; WE COMPLETED OUR 100TH ACQUISITION SINCE OUR IPO, AND WE CONTINUED TO CONTRIBUTE TO THE IMPROVEMENT OF OUR SOCIETIES IN A WORLD WHICH IS RAPIDLY CHANGING.

WHAT IF WE CAN?

	2017	End of 2018 objectives
EMPLOYEES	42,000	45,000
NET REVENUES (CAD)	5.4B	6.0B
ADJUSTED EBITDA MARGIN (%)	10.4	11.0

During the past year, we continued to build on the four cornerstones of our 2015-2018 Strategic Plan: People, Clients, Operational Excellence and Expertise.

People

First and foremost, we are a people organization. We continue to make significant efforts to attract, develop, engage and retain the best professionals wherever they are located, in a world where economies are running high, unemployment rates are at their lowest, and where talented people are more mobile than ever before. We know that our people have a unique opportunity to influence the world we live in. WSP's **reputation** is built through the exceptional work of our people and their dedication to our clients and communities.

We now stand at approximately 42,000 employees. We believe the first thing a strong team needs is strong leadership. Consequently, we have made considerable efforts this past year to reinforce our Leadership Teams across all levels of the organization. 2017 also saw the establishment of the Leadership Forum, which leverages a global network of approximately 1,000 employees to improve organizational alignment, **collaboration** and workforce engagement. We also implemented the Global Project Management Academy, forging our commitment to training the next generation of project managers who will deliver the projects of the future.

WSP is also committed to Gender Balance globally. We do not see this as a phase but rather as a strategic adaptation to the world emerging. Having a balance of men and women across our teams and leadership is essential to WSP's success in the 21st century.

Lastly, our talented people are from different geographies, cultures and ethnicities; they practice across varied markets and sectors, possess wide-ranging expertise and interact with diverse clients from the public or private sector. As of May 2017, we are united under one brand and vision, anchored by our five Guiding Principles, reflective of our strong and forward-looking view. These Guiding Principles define what we do today to collectively shape tomorrow.

Clients

Market leadership can only be achieved through our ability to adapt to our clients' needs, innovate and remain agile in tomorrow's world.

> **"During the past year, we continued to build on the four cornerstones of our 2015-2018 Strategic Plan: People, Clients, Operational Excellence and Expertise."**

Employee mobility is a significant component of our client strategy. We are able to dispatch our talented professionals to where they need to be for a client, or to one of our regional offices to gain technical expertise to be applied back home on a specific project.

The conventional client relationship is shifting with the development of global clients, new contracting mechanisms, and the transfer of project risk, while projects are getting larger and more complex. Through our emphasis on **collaboration**, our **local dedication and international scale**, and our **future-focused** approach that **challenges the status quo**, we are no longer simply a service provider, but rather a trusted advisor and strategic partner to our clients.

The true health of any business resides in its capacity to grow organically. For 2018 and beyond, we will continue to drive this growth through our client-facing development strategies designed to improve our service offering in terms of range and breadth – putting our clients at the centre of everything we do.

Operational Excellence

Operational excellence is about being **empowered** to be agile and responsive, while constantly revisiting how we can strengthen the organization and operate better, by remaining **accountable** to our clients, our peers and our shareholders.

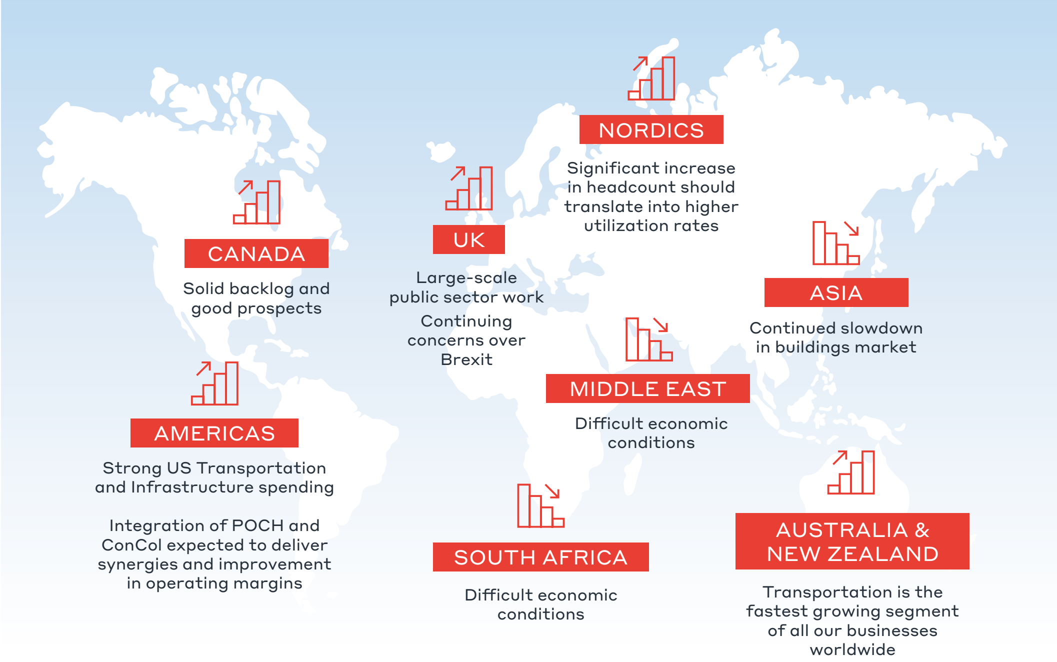
I am pleased to report that 2017 has been one of our strongest performing years in recent history. This is a testament to our skilled employees, the proven success of our pure-play operating model, and our unwavering determination to never choose between the quality of services we provide and the profitability generated on our projects. In addition, our scale has contributed to this strong performance, as we are able to provide our clients with the same personalized services as a specialist firm. At the same time, we can leverage our worldwide expertise through **collaboration** to export our know-how to where it is needed to deliver the most complex projects.

In 2017, we posted revenues and net revenues of $6,942.2 million and $5,356.6 million, up 8.8% and 9.4%, respectively, when compared to 2016. We are extremely pleased to have surpassed our 2017 outlook range of 1-4% for global organic growth in net revenues, which stood at 6.2% for the year.

Higher utilization rates and improved project delivery in our Canadian operations, as well as above average revenue growth in our Australian operations, accounted for the improvement in our adjusted EBITDA margin, which stood at 10.4% for 2017, compared to 10.2% in 2016, getting us closer to our objective of 11% for the end of 2018.

At the end of 2017, backlog stood at $6,361.6 million, representing 10.1 months of revenues, up 12.2% compared to the same period in 2016. Incorporating full twelve-month adjusted EBITDA for all acquisitions, net debt to adjusted EBITDA stood at 1.8 times, in line with our 2017 target range.

REPORTABLE OPERATING SEGMENT 2018 OUTLOOK



The metrics above, a strong balance sheet, along with the acquisitions made during the year, have well positioned WSP to pursue and achieve its 2015-2018 Strategic Plan objectives.

"Operational excellence is about being empowered to be agile and responsive, while constantly revisiting how we can strengthen the organization and operate better, by remaining accountable to our clients, our peers and our shareholders."

Expertise

This past year, we have won projects of varying sizes and complexities, giving us the opportunity to provide lasting solutions for the development and betterment of the communities where we operate. This growth has also been nurtured by our ability to seize various opportunities for our clients, as a result of our capacity to cross sell our expertise, translating into improved project delivery and higher margins. I believe this is further confirmation of the strategic role we play for our clients.

For the second consecutive year, WSP was named Number 1 International Design Firm by *Engineering News-Record*, which confirms that we have been and continue to be on the right path.

Since the onset of this strategic cycle, we have continually communicated our objective to be a top-tier player in every geography and sector in which we operate. This does not necessarily translate into being the biggest, but rather into where and how we can bring value to our clients.

M&A allows us to add expertise to our current platform with tactical precision. Over the past year, we have expanded the scope and breadth of our expertise portfolio with the completion of 10 strategic acquisitions, accounting for 5,000 new colleagues spread across new and familiar geographies such as: Australia, New Zealand, Latin America, Canada, Finland, Sweden, Switzerland, the United Kingdom and the United States. These acquisitions also strengthened the array of services we offer our clients by adding expertise in sectors such as water and asset management.

We are already benefitting from a majority of the associated synergies from these acquisitions, enabling us to provide our employees with more development opportunities, foster greater global **collaboration** and best practices, which in turn improves our service offering to our clients and our ability to respond to their needs wherever they are located.

2015-2018 Strategy

We are tracking favourably to get where we want to be by the end of 2018. I am confident that we will reach our strategic targets. Our determination to execute on our 2015-2018 Strategic Plan, combined with our strong drive, our desire to foster a culture of growth and our technical expertise, has enabled WSP to become one of the leading players in our industry.

I am extremely proud of the resiliency of our platform. Over five years ago, we were a Canadian firm with 99% of our revenues generated in Canada. Today, we are a true global player with an ideal mix of sectors and geographies. We now have the footprint to go where we want and to set up our business for future success.

Megatrends such as urbanization, demographic shifts, climate change and technology have required us to anticipate our clients' future needs, and offer them designs that bring value not only today, but also tomorrow. Our innovative market-leading ideas such as "New Mobility" and "Smart Cities", will help our clients navigate through multiple changes presently in motion with a wide range of possible outcomes.

We are currently in the process of assessing our next strategic cycle; this includes the identification of key trends, such as the shift to digital technologies and artificial intelligence, destined to impact the way we serve our clients and the way we operate as an industry. The Strategic Plan for 2019-2021 will be presented next year.

Exciting times lie ahead and we would not be in the position we are in today if not for our employees, clients, shareholders and our Board of Directors. Thank you for your continued dedication and support of WSP.

We are an exceptional company, with an extraordinary heritage, and a promising future.

ALEXANDRE L'HEUREUX
PRESIDENT AND CEO

Year in review

IN LINE WITH OUR 2015-2018 STRATEGIC PLAN, WE CONTINUED TO BUILD ON OUR TECHNICAL CAPABILITIES, OUR QUALITY OFFERING, AS WELL AS OUR ABILITY TO SEIZE OPPORTUNITIES.

MAY 10

Rebranded

WSP is united under one name, one brand and one vision across all geographies, cultures, specialties, sectors and backgrounds, anchored by its Guiding Principles and Manifesto.

MAY 10

Announced Executive Appointment

The appointment of Steeve Robitaille as Chief Legal Officer and Executive Vice President, Mergers and Acquisitions further enhanced our strong leadership team.

JANUARY 31

Acquired ProVAb

ProVAb Invest AB's expertise provided us with the possibility of becoming the market leader in water cleaning processes in the Stockholm region.

FEBRUARY 27

Ranked #1 by WA 100

For the third consecutive year, WSP was voted the best services engineer by the top 100 global architects in the annual supplement, *World Architecture 100*.

APRIL 13

Acquired YR&G

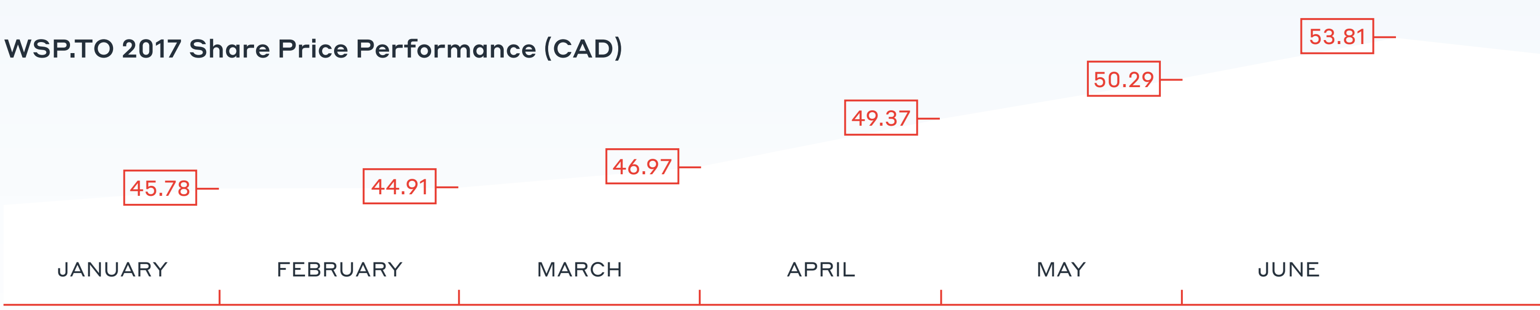
US-based Yarmuth Radoff Green LLC enabled us to broaden and deepen our expertise in both the design of high-performance buildings and the strategic analysis and advice we can provide to our clients.

MAY 31

Acquired Wirthensohn

Wirthensohn reinforced our capabilities in buildings and industry and brought local expertise to Switzerland, where we have ample opportunities for growth.

WSP.TO 2017 Share Price Performance (CAD)



JULY 15

Acquired POCH

POCH provided us with a leadership position in the Chilean market. It also strengthened our presence in Colombia, Peru and Mexico.

JULY 31

Acquired Willoughby

Willoughby Engineering strengthened our Chicago and Dallas building systems teams by deepening our local expertise, improving the diversity of markets served, and enhancing our local client relationships.

NOVEMBER 30

Acquired Trafix

Trafix Oy's expertise in traffic and transport planning and management in the Finnish market complemented WSP's know-how, allowing us to provide a more comprehensive offering to existing and new clients.

100

WSP COMPLETED ITS 100TH ACQUISITION SINCE THE IPO

DECEMBER 4

Acquired Opus

As well as enabling us to fulfil our strategic ambitions of enhancing our activities in the Australia/New Zealand region, the Opus acquisition strengthened our expertise in the water-related infrastructure sector and asset management and enhanced our presence in Canada and the UK.

JULY 17

Ranked #1 by ENR

For the second consecutive year, WSP was ranked at the top of *Engineering News-Record's* (ENR) list of the Top 225 International Design Firms.

WSP also ranked first in *ENR's* Top 20 Non-US Firms in International and Global Construction Management and Program Management.

AUGUST 31

Acquired LBG

US-based Leggette, Brashears and Graham, Inc. further strengthened our market share in the water and environment sectors, while expanding our engineering and consulting services to private, municipal and federal clients.

OCTOBER 31

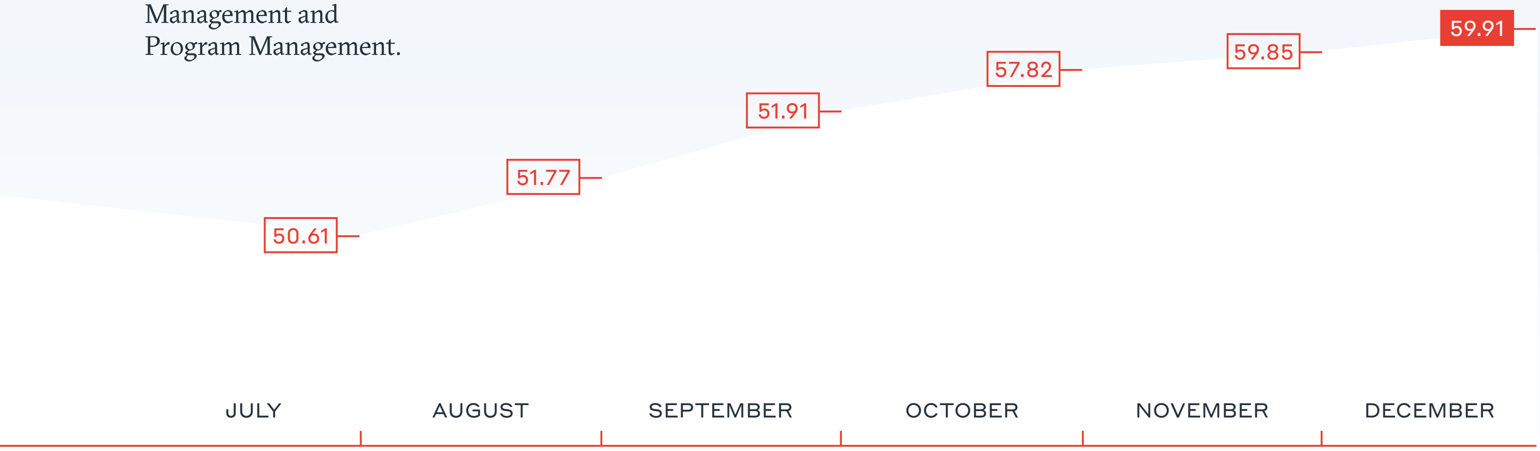
Acquired ConCol

Consultoría Colombiana S.A. provided us with a leadership position in the Colombian market in a wide array of services and sectors, while strengthening our presence in Chile, Peru and Mexico.

DECEMBER 31

Acquired ISS Proko

ISS Proko OY and its subsidiary bolstered WSP's presence in Finland by increasing our expertise in the building sector and expanding our national footprint.



Our impact worldwide

WE ARE PLEASED TO PRESENT A SELECTION OF HONOURS CONFERRED ON OUR PEOPLE, PROJECTS AND OPERATIONS AROUND THE GLOBE IN 2017.

Canada

Jennifer Verellen, Director of Rail Systems Engineering, named a Top 40 Under 40 Professional by the US-based magazine *Mass Transit*.

WSP was Structural Engineer for the George C. King Bridge, Calgary, honoured at the *Bridge Design & Engineering* magazine international Footbridge Awards.

WSP was honoured for its partnership with Waste Management Inc. in the "Business Development Support" category at the Quebec-based Envirolys gala.

WSP's clients received three "Innovation in LEED" awards from the Canada Green Building Council (Greater Toronto Chapter).

Metro Vancouver's Evergreen Line Rapid Transit Project was honoured with a Canadian Consulting Engineer Award of Excellence (WSP provided a range of services).

977M

NET REVENUES (CAD)*

8,000

EMPLOYEES

* Non-IFRS measure

Americas

WSP received eight Engineering Excellence Awards from the American Council of Engineering Companies, including a Grand Award for the Elizabeth Rivers Tunnel Project.

The American Society of Civil Engineers awarded WSP its national 2017 Outstanding Employer Recognition Award for the firm's support of younger engineers.

WSP's Enginuity team from New York (Matthew Beller, Vincent T. Favale, Joseph Salvo and Brendan Tyler) won the worldwide 2017 Enginuity competition.

Amit Bhansali and Wyatt Wirges, mechanical engineers in Dallas, were named to *Consulting-Specifying Engineer* magazine's 40 under 40 list for 2017.

Gregory A. Kelly received the 2017 Foundation Award from the Beverly Willis Architectural Foundation for advancing the role of women in the building industry.

1,651M

NET REVENUES (CAD)*

9,500

EMPLOYEES

42,000
EMPLOYEES

550
OFFICES

40
COUNTRIES

Europe, Middle East, India & Africa

WSP was honoured as Engineering Consultant of the Year at the Building Awards 2017 (UK).

Rachel Skinner, WSP's UK Head of Development, was elected President of the Institution of Civil Engineers (ICE) for 2020 (UK).

Six Silver Arrow 2017 PMR.Africa Awards for Electrical, Mechanical, Structural and Civil Engineering (South Africa).

Successful multicultural company award (Helsinki Region Chamber of Commerce, Finland Chamber of Commerce and Ministry of Economic Affairs and Employment) (Finland).

WSP was honoured as Consultant of the Year at ITP's Construction Week UAE Awards (Middle East).

1,985M
NET REVENUES (CAD)*

16,500
EMPLOYEES

Asia Pacific

WSP in Australia and New Zealand was endorsed as a Great Place to Work® for 2017-2018.

WSP employees Ruqayyah Merchant and Kristoff Dippl were part of a team that won 1st Prize at the Melbourne Energy Institute's Energy Hack 2017.

WSP won the Consult Australia Award for Technical Innovation 2017: Sydney Metro City and Southwest Project (Transport for New South Wales).

Michael Sung, Technical Director, Building MEP (China Region) was appointed President of ASHRAE Hong Kong Chapter (July 1, 2017 to June 30, 2018).

Ji Wen-Jin, Senior Associate, Building MEP (China Region) was honoured at the Building/Electrical Branch of the Architectural Society of China's 2017 Annual Conference.

744M
NET REVENUES (CAD)*

8,000
EMPLOYEES

Our most **valuable asset**

OUR STRENGTH LIES IN THE DIVERSITY AND DEDICATION OF OUR TALENTED PROFESSIONALS AROUND THE WORLD, AND WE AIM TO SUPPORT EACH AND EVERY ONE OF THEM IN THEIR ROLE.

Robert Edlinger and Marie Tibblin, Stockholm, Sweden

"We take great pride in supporting fulfilling careers for our professionals, allowing them to reach their full potential and make a genuine difference."

A word with Fannie Jacques

VICE PRESIDENT
GLOBAL HUMAN RESOURCES

You joined WSP in 2016. What were the top strengths you saw in the company?

Our strength is deeply rooted in the expertise of our people and in the quality of service and advice we offer our clients. It is an exciting time to be part of WSP; we have the benefits of a small and fast-paced company, with the possibilities offered in large and international organizations. Our people's role is to collaborate and innovate to design, manage and engineer our communities to thrive. It is truly a noble role to play in society and we take great pride in supporting fulfilling careers for our professionals, allowing them to reach their full potential and make a genuine difference.

What opportunity does WSP's new brand provide for employees?

2017 has been a year of great development. A year where our employees can associate themselves with a common brand, be proud to be part of the firm and embrace the unique possibilities while representing WSP to our clients. Our Guiding Principles are a concrete way of explaining who we are and the work ethic we expect from everyone who is part of our firm. We support our employees as they aspire to follow our Guiding Principles in their everyday work.

How do you support the firm's leaders through the organization's growth?

Again this year, our regions and human resources professionals across the organization played a significant role in welcoming new employees onboard and also participated in the ongoing integration of our 5,000 new colleagues who recently joined the firm through acquisitions. We supported our leaders throughout this rapid growth with various initiatives designed to build a sense of community across the organization.

For example, this past year we supported our CEO with the launch of an exciting talent management initiative called the Leadership Forum. Together with the regions, we identified 1,000 people in our firm at different levels, from emerging talent to experienced professionals and senior leaders. Our primary objectives with the Leadership Forum are to get to know our people in view of gaining “proximity” and contributing to building succession. We believe this type of interaction is essential in developing the leaders of tomorrow, as our people are the foundation of WSP’s success.

We have also initiated a 360 Feedback program for all Leadership Forum participants, which will contribute to the evolution of our organization and to their professional development. We remain committed to the development of our people and believe that self-awareness remains a foundational step in developing great leaders.

What will be your main priorities in 2018?

We have a unique opportunity to build on the progress made in 2017 and contribute to enhancing employee experience globally, while keeping regional needs and realities top of mind. We intend to support our CEO in engaging our Leadership Forum participants in different key company initiatives to contribute to bringing the organization to the next level.

EMPLOYEES BY GENDER

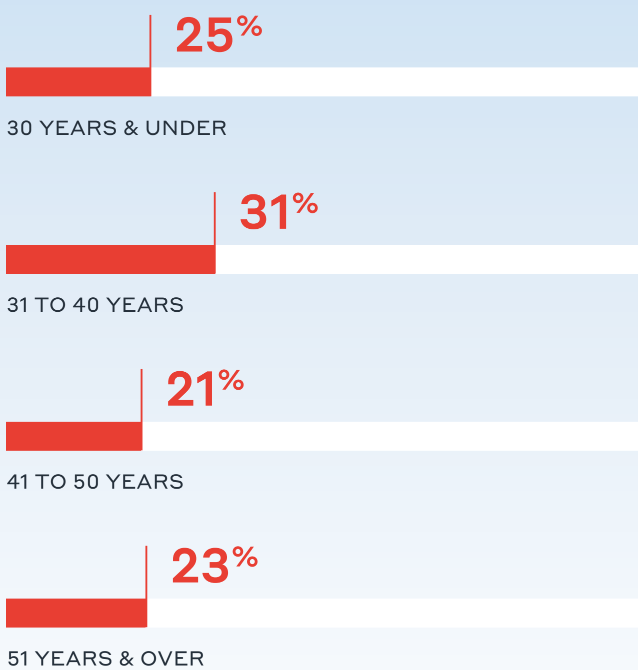
70%

MEN

30%

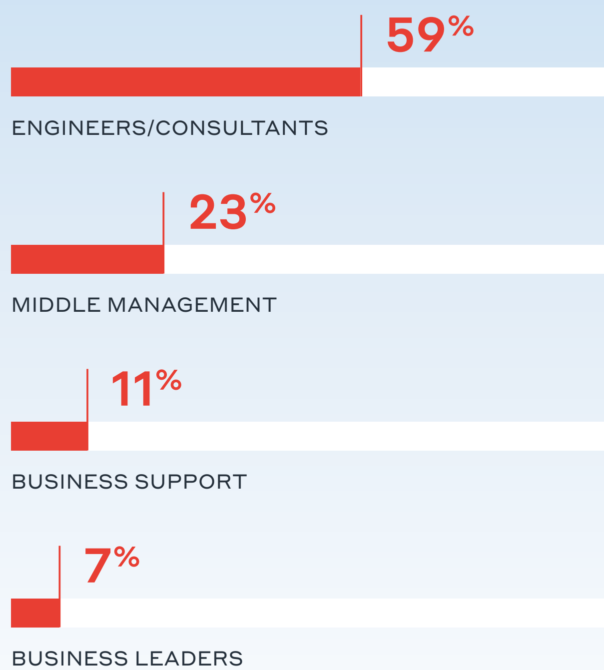
WOMEN

TOTAL PERMANENT EMPLOYEES BY AGE

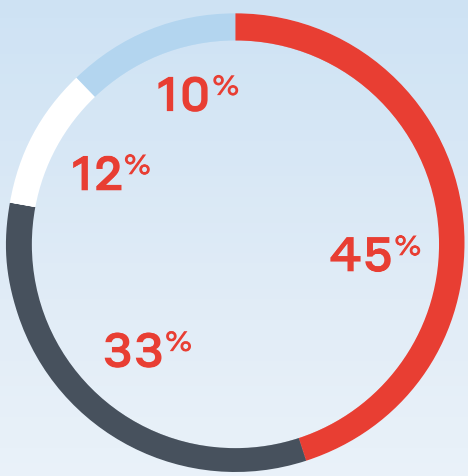


Data at December 31, 2017

TOTAL PERMANENT EMPLOYEES BY ROLE



EMPLOYEES BY MARKET SEGMENT*



TRANSPORTATION & INFRASTRUCTURE

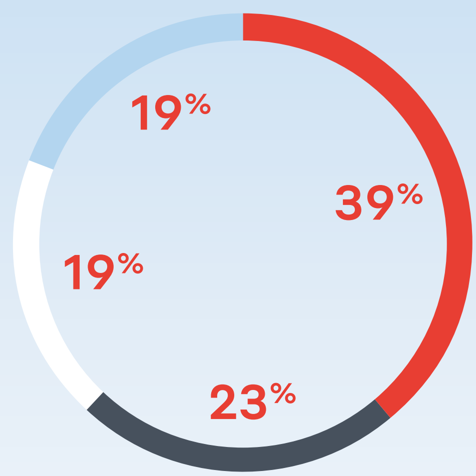
PROPERTY & BUILDINGS

INDUSTRY & ENERGY**

ENVIRONMENT

* Based on employees in technical roles
** Includes Industry, Resources, Power & Energy

EMPLOYEES BY OPERATING SEGMENT



EUROPE, MIDDLE EAST, INDIA & AFRICA

AMERICAS

CANADA

ASIA PACIFIC

Health & Safety first and foremost

IN 2017, IN LINE WITH THE CORPORATION'S EXPANSION, WE EXTENDED OUR ARRANGEMENTS FOR MANAGING HEALTH AND SAFETY ACROSS SEVERAL NEWLY ACQUIRED BUSINESSES. IN SUPPORT OF OUR ZERO HARM AIMS, WE ALSO CONTINUED TO IMPROVE OUR COMMUNICATIONS TO INCREASE AWARENESS OF THE RISKS ASSOCIATED WITH OUR ACTIVITIES.

Overview of Health and Safety Arrangements

WSP's Board of Directors provides leadership and oversight of health and safety, confirms policy and reviews performance for all regions and businesses.

Senior Management is responsible for health and safety performance and demonstrates clear leadership, supported by a strong team of regional safety professionals. One of the ways this is achieved is by requiring compliance with our "Expectations for Managing Health & Safety," which outline our minimum requirements for the effective management of health and safety. The Expectations are based on international best practices, including BS OHSAS 18001,

2017 IN NUMBERS

3,580
SAFETY OBSERVATIONS

67.7M
HOURS OF ACTIVITY

10,250
INTERNATIONAL BUSINESS TRIPS SAFELY UNDERTAKEN

20%
INCREASE IN REPORTING

0.07
GLOBAL LTIR[1]

0.1
TARGET MAXIMUM LTIR[1]

530
BUSINESS LEADER SAFETY TOURS

1,460
"NEAR MISS" EVENTS

[1] Lost time injury rate (LTIR) is the number of injuries with more than one day lost, per 100,000 hours worked.

LOST TIME INJURY RATES (LTIR)[1]

	LTIR 2017	LTIR 2016
UNITED KINGDOM	0.09	0.02
CENTRAL EUROPE (NON-UK)	0.16	0.30
NORDICS	0.04	0.12
MIDDLE EAST & INDIA	0.00	0.05
SOUTH AFRICA	0.00	0.00
ASIA	0.06	0.13
AUSTRALIA/NEW ZEALAND	0.07	0.00
CANADA	0.05	0.04
US/LATIN AMERICA	0.11	0.13
GLOBAL	0.07	0.08

and supported by our Zero Harm vision, our global Health and Safety Policy and associated arrangements.

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.

Our 2018 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

We will continue to encourage and promote a positive and collaborative health and safety culture, guided by our 2018-2020 Zero Harm Roadmap. This involves not only our employees, but also our clients, partners and supply chain, such that we have a positive impact on safety performance across all our activities.

Having reviewed the lessons learned from the adverse events reported during 2017, we will continue to raise awareness; our focus in 2018 is to further reduce the risks associated with driving, overseas working, and people - plant - vehicle interfaces.

"At WSP, we are empowered to shape our working environment to be as safe as possible, and each and every one of us has a part to play in reducing or removing the risks associated with the daily activities we perform. Through our global strategy, we support a positive and high-performing safety culture and are accountable to our employees, clients, and anyone who may be affected by our activities."

ANDY SHANNON
GLOBAL HEAD OF
HEALTH AND SAFETY

Contributing to sustainable change

AT WSP, WE KNOW WE HAVE AN OPPORTUNITY TO POSITIVELY IMPACT SUSTAINABILITY THROUGH THE WORK WE DO FOR OUR CLIENTS, AND WE ARE STRIVING TO LEAD BY EXAMPLE THROUGH OUR OWN ACTIVITIES. WE ALSO HAVE A STRONG COMMITMENT TO TRANSPARENT DISCLOSURE REGARDING THE ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACTS OF OUR ACTIVITIES.

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 important to 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.

Our "Future Ready" Program

Many of the projects we work on have long design lives – for example up to 120 years for railways and roads. "Future Ready," the flagship of our sustainability program, aims to give our own experts a consistent understanding of what we believe a future world will look like, and challenges them to offer designs ready for this future while meeting current design codes.

We continued to embed "Future Ready" offerings in our global

"We take our accountability for sustainable leadership very seriously, both in our own operations and the Future Ready advice we provide to our clients. We are committed to providing innovative solutions designed to lead the transition to a low-carbon, resilient, prosperous economy."

PAUL DOLLIN
CHIEF OPERATING OFFICER AND
EXECUTIVE SPONSOR FOR SUSTAINABILITY

operations in 2017, with strengthening of the program in the Middle East and the UK, and the preparation of the Canadian, Australian and Swedish launches in 2018. We saw sustained interest from clients in the objectives of "Future Ready" and are proud of the strength and uniqueness of this program. "Future Ready" is WSP's principal element to exemplify our Guiding Principle *We are future-focused and challenge the status quo*.

Communicating our Progress

WSP reports its impacts through two principal channels: our annual sustainability report, and our response to the CDP Climate Change and Supply Chain questionnaires. We are committed to reviewing best practices to support continuous improvement, and to focusing our reporting on what matters most to our investors, clients and employees. We believe our reporting commitments send a positive message of accountability to our stakeholders, aligned with WSP's new brand.

Annual Sustainability Report

We produce our sustainability report in accordance with the Global Reporting Initiative (GRI) Standards, the world's leading framework for high-quality and transparent disclosure. Our most recent sustainability report was published in July 2017, and we plan to publish our next report in June 2018. The report will be available in the Sustainability swection of our global website at wsp.com.

We look forward to detailing highlights from 2017 in the report, including the presentation of award-winning sustainable projects, "Future Ready" activities, our ongoing work to make a positive impact in our communities, and progress regarding the impact of our own operations.

Two of the primary goals for 2018 are to report progress against the Sustainability Policy we introduced in 2016, and to achieve external verification of our greenhouse gas (GHG) emissions data for a second year, which brings important third-party validation to our disclosure.

Our Sustainability Policy provides us with clarity and a framework for prioritizing our engagement with clients, and for governing corporate behaviour.

Response to CDP Questionnaires

CDP (formerly "Carbon Disclosure Project") requests information on climate risks and GHG emissions from the world's largest companies, on behalf of institutional investors. In 2017, WSP achieved an "A-" score on the CDP Climate Change Questionnaire. This compares to a "B" score in 2016, placing WSP among the top respondents and boosting WSP into the "Leadership" Scoring Level. This compares to the "C" score obtained by the overall Industry Activity Group Average (Construction & Engineering) and the CDP Program Average.

A company's score is made up of several factors, including the level of detail and the comprehensiveness of its responses, and its awareness of climate issues, management methods and progress on acting on climate change.

What we stand for

OUR TEAMS BRING GLOBAL EXPERTISE TO THEIR LOCAL COMMUNITIES, DARE TO CHALLENGE THE STATUS QUO, COLLABORATE WITH AND LEARN FROM OTHERS, AND ARE EMPOWERED TO TURN CHALLENGES INTO OPPORTUNITIES.

Our belief

For societies to thrive, we believe that we must all hold ourselves accountable for tomorrow.

Our role

We plan, design, manage and engineer our communities to thrive.

Our purpose

We exist to future proof our cities and environments.

Our guiding principles

We value our people and our reputation

We make extraordinary efforts to attract, develop, engage and retain the best professionals in our fields of expertise because this is what makes us great. We put the highest ethical standards at the centre of all we do. Professionalism is inherent in our offering. We are humble and act with moral and intellectual integrity, keep our word, treat everyone with respect, support our colleagues, and embrace diversity. We care about individuals and their progress and offer the most fulfilling career development for our professionals. We promote our young recruits because we believe fresh perspectives bring great ideas and new energy.

We are locally dedicated with international scale

Our strength is our ability to adapt to our client culture and local markets. We provide our clients with the same personalized services as a specialist firm while at the same time leveraging our worldwide expertise to undertake the most complex projects and assist our clients to realize their ambitions. We achieve this by remaining agile, with a common-sense approach, and by keeping our structure and business model simple and lean. Our focus on growth also allows us to better serve our clients by expanding our offering, expertise and geographical reach.

We are future-focused and challenge the status quo

We anticipate trends in order to propose innovative ideas for our clients to meet their business objectives. We ask questions, look at complex problems from different angles and find solutions that break paradigms. We are problem-solvers who evolve, improve, modernize and excel. We know our solutions will shape the communities of tomorrow and help societies thrive sustainably. We embrace change and have an uncompromising determination to achieve excellence.

We foster collaboration in everything we do

Our international agility is founded on our collaborative working environment. Our devotion to teamwork creates unique international networks of outstanding professionals who understand that great achievements come from collaboration. We embrace and support a high-performing culture, always strive to learn from others, and foster a stimulating work environment. We put the interest of our team ahead of our own and joining us is the best way to fully understand the collegiality that defines our firm.

We have an empowering culture and hold ourselves accountable

We are empowered to turn challenges into opportunities while being held accountable to standards beyond the norm. Our proactive leadership empowers us to be client-focused, agile and responsive, while at the same time being accountable to our clients, our peers and our shareholders. The profitability of our firm is essential to our future and this is why we manage our business responsibly as if it were our own.

We value our people and our reputation

"Everything has to do with people. The success of our professional reputation depends on people."

Eva Nilsson

DIRECTOR, INDUSTRY AND ENERGY

"When I joined WSP a few years ago, I was asked to establish a Global Industry Network," says Eva. "This seemed like an enormous task, however I quickly saw that here, things were different and it was possible. There is something special about how people value their work, as well as an openness and enjoyment of working together globally, and this is what this Guiding Principle is all about."

At WSP, we value our business-minded approach and are engaged in our work. "We have grown tremendously since I joined, and I still get that feeling of working in a small company, but with big connections," adds Eva.

"Last summer, I was on vacation when I received a telephone call from a client who was working on a major project, and he asked us to present something within a week. I reached out to the networks and we immediately teamed up to make things happen. Why? Because we believe in what we do and we like to do it together."

People, People, People

At WSP, we put the highest ethical standards at the centre of everything we do, and our clients benefit from this approach. We all have the same way of working and the same passion, no matter how big the project is or where it is located.

"When I say that we have close contact, it's real," says Eva. "We meet regularly, we know each other, and at the end of the day, this gives us a huge advantage. We perform better, and we add value because we really connect with one another."

Of course people come and go, but if you have a stable base, it's easier to integrate new colleagues. "I have colleagues who have been in the network since the beginning. It makes sharing lessons learned and best practices so much easier, to the benefit of all our clients and WSP."

Sharyn Gravelle

NATIONAL VICE PRESIDENT
TELECOM & TECHNOLOGY
BRAMPTON, ONTARIO, CANADA

Sharyn Gravelle has 30 years of experience in the Canadian telecommunications industry and has been leading WSP's National Telecom & Technology service line since joining WSP. She leads a multi-disciplinary team of around 200 experts based in ten offices spanning Canada. Her team is focused on delivering excellent service to clients in support of their technology infrastructure. She believes that this ensures continued growth within the business unit, which allows WSP to make a real investment in its employees. Sharyn's strong leadership and interpersonal skills are key strengths. Providing clarity of expectations and a level of autonomy to her team are motivating factors in achieving successful outcomes, as well as being essential to team engagement. Sharyn values each one of her people and leads according to the saying: "You can achieve anything you set your mind to achieve."

"All of our market segments are touched by technology, and it's fascinating to support our colleagues and clients in understanding its application and being ready for the future."

Dean McGrail

DIRECTOR OF PROPERTY AND BUILDINGS, MIDDLE EAST
CONSTRUCTION EXECUTIVE OF THE YEAR 2017,
CONSTRUCTION WEEK AWARDS

Leading over 600 people across 17 disciplines, Dean is clearly highly valued by his team. He is currently leading his team on some of the region's most prestigious projects, including several super-tall towers in excess of 300 metres and multiple projects associated with the Expo 2020 in Dubai. Dean's professional development has been significant in recent years and he is mentored by Chris Cole, Chairman of WSP. In turn, he mentors both junior and senior colleagues, passing on knowledge from different disciplines and his experience on projects. Dean is passionate about our business and improving performance, initiating innovative solutions and implementing best practice to improve the way our people work and add value on our projects. He brings a refreshing energy to our industry alongside knowledge and experience that have earned him respect from his clients, peers and those who work alongside him.

"I am passionate about what we do at WSP. I believe we have the best people and we are all driven by a desire to deliver quality on some of the world's most iconic projects."

Lois Medley

APPRENTICE IN RAIL (STATIONS: MECHANICAL, ELECTRICAL AND PUBLIC HEALTH TEAM)
LONDON, UNITED KINGDOM

In addition to her apprenticeship with WSP, Lois Medley is currently studying for a Level 3 BTEC (Business and Technology Education Council qualification) in Building Services Engineering. In her role, she is given the chance to learn how to use different software such as Amtech, Microstation and AutoCAD. Based in WSP's Devonshire Square office in London, Lois has had the opportunity to work on high-profile projects including Crossrail and Paddington Station. According to her manager, Vasileios Flegkas, Lois is an ambitious, motivated and goal-driven individual. She is passionate about engineering and utilizes every opportunity to engage with other young people and promote the benefits of apprenticeships in the Rail team.

"I'm more of a practical learner, so for me an apprenticeship is rewarding and provides just the right challenge. I learn something new every day and have had so many opportunities. I love working on real projects that benefit people's everyday lives."

Olivier Joyal

VICE PRESIDENT, ENVIRONMENT (QUEBEC)
MONTREAL, CANADA

Olivier Joyal was a 2017 participant in the prestigious Governor General's Canadian Leadership Conference (GGCLC). The conference convened some of the nation's brightest professionals on a quest to define the role of a leader in creating a better tomorrow for all Canadians. In trying to answer complex questions, the team realized that their role as leaders was to ultimately challenge the status quo. It was apparent that to positively influence the future of the nation, leaders need to work together to think outside of the box and develop trust. In his everyday role, Olivier's responsibility is to ensure that the Environment team remains aligned and focused on fulfilling WSP's goals, with corporate strategy in mind. The GGCLC has made Olivier even more passionate about his work; he is particularly supportive of the company-wide focus on innovation and communities.

"At WSP, we rely on people. Each of us has a role to play in fulfilling WSP's goals."

Manisha Patel

ASSISTANT VICE PRESIDENT OF ENVIRONMENTAL POLICY
ST. LOUIS, MISSOURI, UNITED STATES

Manisha advises WSP clients on how to accelerate environmental reviews and expedite permitting approvals on transportation and energy projects. Her guidance on navigating the environmental process helps state and local governments understand the regulations governing their projects. Drawing on her background as the deputy general counsel for the White House Council on Environmental Quality, Manisha develops training materials and workshops for state and local governments to help them better understand the National Environmental Policy Act. She leverages innovative approaches to implementation, such as public-private partnerships. Her overriding goal is to deliver projects efficiently and effectively while protecting natural resources.

"Our clients benefit from reliable and accurate advice on navigating the environmental process, and that kind of advice depends on adaptable and innovative thought leadership."

Thomas Chan

DIRECTOR, BUILDING MEP, CHINA REGION
PRESIDENT OF THE HONG KONG INSTITUTION OF ENGINEERS FOR THE 2017-18 SESSION

In the last 30 years of his inspirational career in building services, Thomas has specialized in healthcare facilities, and has led many hospital projects in Hong Kong, including the new Gleneagles Hong Kong Hospital, Tsuen Wan Adventist Hospital Redevelopment, Tseung Kwan O Hospital Ambulatory Block and the Kwong Wah Hospital Redevelopment. Thomas has a keen interest in hospital projects, especially the evolving standards of health and safety, and the rapidly improving medical and digitalization technologies. As well as being a valued WSP professional, Thomas Chan is currently President of the Hong Kong Institution of Engineers. Under his leadership, a series of initiatives have been launched to boost the standing and professionalism of engineers. These include strategies to attract and retain women in the profession, and programs to help the development of young engineers on both a technical and personal front.

"I am very keen to nurture the next generation of engineers, both at WSP and in my role at the Hong Kong Institution of Engineers."

We are locally dedicated with international scale

Dave McAlister

GLOBAL DIRECTOR
TRANSPORT AND INFRASTRUCTURE

Dave McAlister could talk for hours about being locally dedicated, and having international scale. For him, there is no doubt that this Guiding Principle is fundamental to the success of WSP, because global expertise means nothing without local dedication.

"Leveraging global experience in local markets, that is what WSP is all about," he says.

Our work in intelligent transportation is a great example of what this means. Autonomous and connected vehicles are for real, but they are just one element in the new mobility landscape. Government and transport agencies must have a multifaceted approach to plan for their communities.

Our experts from Australia, Canada, Sweden, the UK and the US have been working on different mandates to rethink transport across the world, and sharing global expertise has helped us win projects in local markets. In 2017, WSP also launched a groundbreaking guide entitled "New Mobility Now" to help in planning the future of transit.

Connecting People at High Speed

The Kuala Lumpur - Singapore High Speed Rail project is another example of our capacity to bring global expertise to a major project in our local markets.

"We brought teams from the Middle East, the US and the UK to work with colleagues in Asia. This is very important. You need to have the understanding, the perspective and the relationships to make sure global expertise is adapted to the local context," says Dave.

Our strength is our ability to adapt to our clients' cultures and local markets. Over the years, WSP has built global networks in its key sectors, and the objective is always to make sure the best experts can advise on the most inspiring projects.

This is good news for our clients, who are looking for world-class capabilities. WSP has a global perspective and we are able to apply what we learned from a project on the other side of the world to a local market. Having different perspectives helps in challenging the status quo.

"At WSP, helping our people locally and collaborating on international projects is part of the culture."

BART Extension to Warm Springs

SAN FRANCISCO, CALIFORNIA
UNITED STATES

The 8.6-kilometre extension of BART (Bay Area Rapid Transit) to a new station in Fremont, California makes it more convenient for commuters travelling to Oakland and San Francisco. WSP played a key role on the extension, providing design and construction-phase services that included civil, structural, rail systems and tunnel/geotechnical engineering, including the design of a 1.6-kilometre tunnel under Lake Elizabeth in Fremont Central Park. The Warm Springs/South Fremont station offers more than 2,000 parking spaces, and the estimated 6,000-7,000 riders using the extension every weekday take thousands of cars off the roads. The project was completed in March 2017, nearly USD 100 million below budget projections.

> "On the BART extension we had a solid local team that leveraged the firm's global expertise to make this project a success."

TONY MURPHY
PROJECT MANAGER

Chenab Bridge

KASHMIR REGION, INDIA

The Chenab Bridge will be one of the highest arch bridges and the longest-spanning railway bridge in the world. Our Finnish bridges team is the lead designer in this massive project, for our client Chenab Bridge Project Undertaking. As part of a Design-Build project, we are providing comprehensive design services, such as detailed design, wind engineering and seismic design of the huge arch bridge. BIM modelling has been utilized in preparing the workshop drawings. An important milestone was reached just at the end of 2017, when the contractor started the erection of a steel arch with a span of 467 metres. The erection of the arch is being carried out by cable crane from both sides to ultimately join in the middle, which is more than 300 metres above the Chenab River.

STEEL ARCH SPAN OF

467 metres


Artist impression of the HSR Terminus in Jurong East


Inspirations by MyHSR Corporation:
The station concept design for the Bandar Malaysia HSR terminus station

Kuala Lumpur-Singapore High-Speed Rail (HSR)

MALAYSIA AND SINGAPORE

The Kuala Lumpur-Singapore HSR project is a modern, high-speed rail link of 350 kilometres offering a 90-minute travel time between Kuala Lumpur and Singapore, which is planned to be in operation at the end of 2026. The link between these two major Southeast Asian capitals will include eight stations in total, with seven stations in Malaysia and one in Singapore. Three co-located Customs, Immigration & Quarantine (CIQ) facilities will also be established. WSP is leading the Joint Development Partner, which consists of a joint venture between WSP, Mott MacDonald and EY for their clients MyHSR Corporation of Malaysia and SG HSR Pte Ltd, a wholly owned subsidiary of the Land Transport Authority. The Joint Development Partner's role is to provide project management support, technical expertise in developing the technical and safety standards for the HSR system and operations, and the preparation of a PPP tender structure to procure the systems, trackwork, rolling stock and HSR operators for the project.

> "Bringing together the expertise of rail teams from all Joint Venture Partners across geographic regions has brought phenomenal strength to our combined service offering."
>
> **STEVE LANKESTER**
> PROJECT DIRECTOR FOR THE KUALA LUMPUR - SINGAPORE HSR JOINT DEVELOPMENT PARTNER

Revitalization of the Rotunda

WARSAW, POLAND

The revitalization of the Rotunda is another project demonstrating local dedication and global scale, as the international experience gained by our local design team members had a major impact on our offering. The ambition of our client (PKO Bank Polski SA, one of the leading financial groups in Central and Eastern Europe) is to preserve the legacy of the Rotunda, one of Warsaw's most recognizable symbols, while providing a sustainable public space to its inhabitants. The new design preserves the building's size and form and restores its original character of lightness and translucency. WSP first worked on the mechanical systems design, then our sustainability team led BREEAM and LEED certifications and energy modelling. In addition to banking space, the new Rotunda will offer public areas, including a café.

Gowin & Siuta

© René Strandbygaard, DSB

Trains of the Future

DENMARK

WSP's capacity to leverage our international scale to provide local advisory was a decisive factor when we signed an important and prestigious contract with Danish State Railways (DSB), in 2017. Today, Denmark is investing massively to upgrade its entire railway, electrifying most of the network and implementing the European standard signalling and safety system, ERTMS. The project with DSB involves technical and advisory services for the acquisition of future electric trains for the country. In turn, the local capability gained through this project is a stepping stone for similar rolling stock market entries in other regions.

> "Our international reputation and capacity have enabled us to rapidly expand our rolling stock, operations and maintenance and rail advisory business in the Nordics."

ULF LARSSON
DIRECTOR, RAIL ADVISORY

Robben Island Microgrid Project

WESTERN CAPE, SOUTH AFRICA

The principal objective of the National Department of Tourism of South Africa for this assignment was to take the first step in a phased approach to reduce Robben Island's reliance on the use of diesel generators as a power source. As Technical Advisor, WSP assessed various renewable technologies for use on this sensitive UNESCO World Heritage Site and the solution chosen took into account the marine conditions and rich local wildlife, as well as the wind and solar resources available. The client has stated that they intend to use the project as an example of how the private and public sectors can successfully collaborate to provide a cutting edge solution, on time and to budget.

> **"A highly successful outcome was achieved on this special project with support from different WSP disciplines across South Africa and the globe, including the Renewable Energy team from our UK business."**
>
> **ANDREW GALBRAITH**
> DIRECTOR, TRANSMISSION AND DISTRIBUTION

We are future-focused and challenge the status quo

"We can have a direct impact in our communities and for future generations as we challenge the status quo and innovate constantly."

André-Martin Bouchard

GLOBAL LEAD, ENVIRONMENT

"Since we work on thousands of projects around the world, we have the opportunity to have a direct positive impact on our built and natural environment, our communities and our economy. In fact, at WSP our teams really want to have a positive influence on the future."

André-Martin Bouchard has his eyes on the future and intends to improve conditions for future generations. For him, and everyone at WSP, standing still is not an option: "We work with our clients for their current needs, but our projects also have an impact on our communities for years to come."

André-Martin uses the example of WSP's work on large abandoned mining sites: "These sites often leave a scar on the landscape and are a major source of contamination. Our expertise can erase these effects through an effective remediation process. This is what we are doing in northern Canada where we will leave a healthier environment for future generations."

Anticipating Trends

At WSP, we ask questions, look at complex problems from different angles and find solutions that break paradigms. We know our solutions will shape the communities of tomorrow and help societies thrive sustainably. That's why we incorporate innovation in everything we do.

WSP is aware of major trends such as climate change and population pressures, and soil, water and air quality, and takes them into account in its projects. However, each client has a different vision of these trends and sometimes we have to advise them while adjusting our own stance.

When we say future-focused, we must not only think about the environment. "People matter just as much. That's why we have multidisciplinary teams that include human environment experts and that help us understand communities and improve our clients' projects," says André-Martin.

UK Rollout of Connected and Autonomous Vehicles

UNITED KINGDOM

WSP has been commissioned by Highways England to drive forward its Connected and Autonomous Vehicles (CAV) Programme. This programme forms part of Highways England's CAV strategy and is supported by their Innovation Designated Fund, where they are targeting a strengthening of the UK as a global centre for the fast-growing intelligent mobility market. As part of this contract, WSP is supported by an industry-leading supply chain; collectively they will provide a range of services including Programme Management, design of CAV technology solutions, vehicle-to-vehicle and vehicle-to-infrastructure communications, system architecture design, data and cyber security solutions, trials evaluation, road safety case development, and data analysis and modelling.

> "This appointment presents an excellent opportunity for WSP to play a major role in delivering this high-profile vision for the UK and be at the forefront of delivering leading-edge transport technology."
>
> **SHAFIQ GARDA**
> PROJECT DIRECTOR, INTELLIGENT TRANSPORT SERVICES

Bürgenstock Resort

LUCERNE, SWITZERLAND

As heating and cooling goes, it would be hard to find a more innovative solution than the system developed for the spectacular Bürgenstock Resort near Lucerne in Switzerland for our client Bürgenstock Hotels AG, Obbürgen. Towering 500 metres above Lake Lucerne, this historic hotel village was developed in the second part of the 19^{th} Century and is currently undergoing renovation to restore it to its former glory. Our heating and cooling solution involves pumping water via pressure pipes from a depth of 37 metres in the lake up to the Resort. Eighty percent of the water for the Resort's thermal needs and 100 percent for its cooling needs then circulate through a network of highly insulated pipes originating from an energy distribution centre. The heating and cooling provided by the energy distribution centre is almost CO_2 neutral.

Henry Okraglik

GLOBAL DIRECTOR – DIGITAL, ASIA-PACIFIC
MELBOURNE, AUSTRALIA

Henry is responsible for the overall strategic management of WSP's Digital practice, with teams in Australia, the US, the UK, the Philippines and Sweden. He is renowned in the industry as a disruptor and thought-leader in all things digital – particularly in terms of integrating the use of software to enhance engineering, infrastructure, buildings, sustainability, health and safety and environmental projects. Henry is a true problem-solver. He encourages our clients to embrace change digitally and be ready for the future. Henry has specialized in technology commercialization, and has occupied a number of leadership and executive roles over the last two decades. He has demonstrated an ability to deliver substantial financial returns for shareholders and stakeholders. His commitment to quality outcomes, smart solutions and business innovation is found in all aspects of his work.

> "The future requires all of us at WSP to understand the impact of new and changing technologies on our clients. We then apply our time, energy and intellect to finding appropriate solutions."

Amazon in the Regrade

SEATTLE, WASHINGTON
UNITED STATES

The Amazon Spheres, three geodesic domes incorporating botanic gardens at the company's new headquarters in Seattle's Denny Regrade neighbourhood, bring nature into a work and meeting space for Amazon employees. WSP provided Mechanical, Electrical and Plumbing engineering, as well as lighting design and built ecology services, for Amazon's new campus, including the Spheres. An innovative district energy system designed by WSP uses waste heat from a nearby data centre to provide heating for the campus. A custom lighting system combines LED sources and daylight sensors to provide enough light for plants inside the Spheres to thrive.

> **"This unusual project required significant innovation and creativity from our team. I'm immensely proud of what we achieved in service of Amazon and the architect, NBBJ."**
>
> **TOM MARSEILLE**
> SENIOR VICE PRESIDENT
> PRINCIPAL-IN-CHARGE

© Sean Airhart/NBBJ

China Resources Headquarters Tower

SHENZHEN BAY, CHINA

400
METRES TALL

67
STOREYS

60
ELEVATORS

Inspired by the shoot of the Spring Bamboo, a universal symbol for life and vitality, the 400-metre, 67-storey China Resources Headquarters Tower is one of China Resources' flagship projects and a new landmark in Shenzhen Bay. WSP worked with the US-based architect Kohn Pedersen Fox as the Mechanical, Electrical, Plumbing (MEP) and Vertical Transportation System (VTS) engineering consultant, which included tender and construction stage support. The unique shape of the building and strict statutory requirements prevented the positioning of plant equipment on the roof. To meet this challenge, WSP designed multiple space-efficient plant facilities to be located on the lower floors. The smoke extraction system was positioned on the roof, as required by local regulations. In total, 60 elevators travel within the core, with additional shuttle elevators serving the upper floors.

Parramatta Square

WESTERN SYDNEY, AUSTRALIA

The vision of this development is to create a vibrant mixed-use precinct that will transform Parramatta into Sydney's second Central Business District. This is a future-focused response to urbanization and rapid population growth, which will specifically address placemaking. As the centrepiece, sites 6 and 8 Parramatta Square will become the largest commercial tower in Australia, reaching 55 storeys high. Design of the scheme is innovative, notably from a sustainability perspective; the tower is billed to meet the highest Green Star and National Australian Built Environment Rating System Energy scores of any commercial space in the country. WSP has been engaged by Walker Corporation to deliver structural and building services; specialist disciplines, including sustainability; and integrated traffic planning.

McInnis Cement Plant

PORT-DANIEL–GASCONS, QUEBEC, CANADA

The McInnis Cement Plant has an estimated annual production capacity of over two million tons per year, and is one of the largest of its kind in North America. In meeting and exceeding the highest performance standards in the world, this major industrial complex challenges the status quo with a 25% reduction in greenhouse gas emissions compared to similar facilities, and 97% less emissions of SOx and NOx. Leveraging expertise from our different divisions and regional offices in a truly multidisciplinary approach, WSP was first mandated by McInnis Cement in the project definition phase. Services at this stage included engineering studies, environmental permitting, high-level planning and estimating, detailed engineering, procurement and project and construction management. WSP also acted as Owner's Representative during the implementation of the various McInnis Cement distribution terminals throughout North America.

> "As an economic driver for the Gaspé region of the province of Quebec, we were proud to assist our client in leading this complex project to success and shaping the communities of tomorrow."
>
> **ALI ASHRAF**
> PROJECT LEAD

We foster collaboration in everything we do

"It is through collaboration and knowledge sharing that we co-create world-class solutions that delight our clients."

Tom Smith

GLOBAL DIRECTOR
PROPERTY AND BUILDINGS

"I am constantly thinking how we can better collaborate to create compelling value propositions for our clients. We have so much knowledge in this firm, it's unbelievable." This is how Tom Smith lives one of WSP's Guiding Principles – collaboration - on a daily basis.

Our devotion to teamwork creates unique international networks of outstanding professionals, who understand that great achievements and excellent client care come from collaboration.

"We are working with planners to build tomorrow's future-ready cities and we need to ensure we collaborate to integrate best practices in placemaking, mobility, sustainability and technology. Without this collaboration, our value is limited and our solutions for cities are not what society needs," says Tom. For him, collaboration and knowledge sharing are key to co-creating and delivering the best outcomes for our built environment.

At the end of the day, we all look for projects where the thought-process and execution have been flawless. For this to happen, collaboration at local, regional and global levels between our experts across all sectors is essential.

"For example, major airport redevelopment projects demand experts from all our end markets - Transport and Infrastructure, Property and Buildings, Environment and Power - to address the complex challenges these projects provide around stakeholder engagement, resilience, operations and funding. We couldn't make it work if collaboration wasn't such a fundamental part of our DNA," says Tom.

Our clients expect us to capitalize and leverage our global expertise, capability and geographical footprint. We are committed to making this happen through our many practice area networks and sharing culture. WSP has the capacity to oversee and manage complex projects and large global programs and this is all down to the quality of our people and their passion for collaboration and knowledge sharing.

Väsjön Urban Development Project

STOCKHOLM, SWEDEN

As General Consultant for its client the municipality of Sollentuna, WSP is working on an exciting sustainable neighbourhood in Väsjön, Stockholm. The development involves the construction of approximately 4,400 new homes, schools, parks, squares, a skiing centre, open waterways, and public transport by cable-car between Väsjön square and Häggvik train station. Close working with internal and external teams is essential for the planning, design and implementation of this large-scale project. We have created virtual models of Väsjön to simplify collaboration between operators in the process, as well as to facilitate communication with the public. Calling on experts from seven different offices in Sweden, WSP is responsible for design documentation from the early program phase to construction.

4,400

NEW HOMES

777

HECTARES OF NATURAL RESERVES

12 km

OF EXERCISE TRACK

Toronto-York Spadina Subway Extension

TORONTO, CANADA

WSP is a member of the Spadina Link Project Managers consortium which provided Project Management services for the Toronto-York Spadina Subway Extension for its client the Toronto Transit Commission (TTC). The extension opened in December 2017 and is the first TTC subway network located outside the limits of the City of Toronto. It extends the Spadina subway line by 8.6 kilometres, adding six stations. Another project demonstrating our strengths in collaborative working, we also provided services in design management, permitting and approvals, public relations and subject matter expertise for electrical, structural and mechanical aspects, as well as surveying.

> "Being immersed with such a dedicated team really made this project a success. I now use the extension daily, and I am in awe of the sheer numbers already using it. I can see it has made a positive impact on the lives of those who use it."

JAMES VARNAVA
MANAGER, PROGRAM MANAGEMENT SERVICES, RAIL AND TRANSIT DIVISION

Yas Bay Arena

ABU DHABI, UAE

Our client MIRAL's vision is for the Yas Bay Arena to act as a catalyst in revitalizing the UAE events market. WSP is the Design and Supervision Lead Consultant, and our experts are co-located on Yas Island with MIRAL. Our UAE team is also working with Mechanical, Electrical and Public Health specialists from the UK to bring further expertise to the project. The Arena will have a total capacity of 18,000 visitors and in addition to entertainment and sports events, it will host conferences and exhibitions. It is located in what will be the most iconic waterfront destination in the region, in an area of 1.3 square kilometres. The destination will offer a broad array of entertainment options in addition to the Arena, including first-class restaurants and hotels.

Kristin Borander (left) and Beate Aske Løtveit (right)

Education and Management of School Projects

NORWAY

WSP's specialists in education and the project management of schools Kristin Borander and Beate Aske Løtveit have been working together for nearly ten years. During this time, they have developed a unique model for school projects that not only creates future-oriented educational facilities in flexible and efficient building structures, but also ensures a high level of functionality and cost-effectiveness, both in terms of investment and operation. The highly successful model is contributing to business success, with WSP's engagement on a significant percentage of new school projects.

"Flexibility is everything. It's not just about the size of the rooms, it's also about ensuring the functionality is future-proofed – for example making sure rapid advances in IT technology in the classroom can be accommodated."

KRISTIN BORANDER
PROJECT MANAGER, EDUCATIONAL FACILITIES

"Teaching methods in schools are changing fast; children today have to be more active in their own learning and work together to achieve their aims. The traditional school model is no longer relevant and has evolved towards more flexible environments."

BEATE ASKE LØTVEIT
SCHOOL DEVELOPER AND EDUCATIONALIST

We have an empowering culture and hold ourselves accountable

"We are a people business. We empower our people to deliver the very best service they can for clients and we encourage them to hold themselves accountable."

Guy Templeton

PRESIDENT AND CEO
AUSTRALIA AND NEW ZEALAND

Driven by the betterment of society, Guy Templeton believes that empowerment and accountability go hand in hand. This Guiding Principle is the cornerstone of his approach to shaping a high-performing workforce.

He says, "One of the reasons I love working at WSP is that I am empowered to run the Australian and New Zealand businesses in a way that makes sense locally, while leveraging the depth and reach of our global firm. This autonomy enables us to have an agile business and it makes us easy to work with. For example, decisions on large bids, joint ventures and alliances are made locally, which keeps us highly responsive to our clients and partners."

In terms of what accountability looks like in real life, Guy cites the Sydney Metro as a great example. He says, "As Australia's biggest public transport project, the Sydney Metro will increase the capacity of the city's rail network by 60%. We're helping to revolutionize the way people travel and at the same time respond to population growth and drive economic prosperity. As community-minded people who work, live and play in Sydney, we have a duty to ourselves to ensure that we deliver on this project.

"Looking at the big picture, we are ultimately accountable to the societies we support. We are responsible for providing solutions to our clients that perform as intended, are sustainable and make our cities more liveable. That's part of the accountability we have as a firm and as professionals. We are answerable to ourselves, our clients and our shareholders."

People Power

"If in doubt, make a decision," is one of the adages Guy lives by. He says, "We empower our talented people to make the best decisions for our clients. We respect their professionalism and trust them to do the right thing. That's the essence of accountability – it's an unbroken chain of trust, transparency and honesty that runs through the fabric of the firm."

Empowering the next generation of leaders is also a priority. Guy adds, "This is something we work hard at. It comes down to giving our young professionals the flexibility and opportunities they need to shine. We're humble enough to realize that some of the best ideas come from the youngest minds in our business. We empower them to speak up and challenge the status quo."

Kaikōura Earthquake Emergency Response and Recovery

KAIKŌURA, NEW ZEALAND

Kaikōura is a town situated on the eastern coast of the South Island in New Zealand. In November 2016, a 7.8 magnitude earthquake struck Kaikōura, resulting in road and rail links being destroyed and emergency services and communities being cut off. In an urgent, highly pressurized situation, our Highway Network, Geotechnical and Bridge Teams were deployed within hours - undertaking reconnaissance from land and air to assist in the extensive emergency coordination works to provide access to isolated communities. Our Structural Engineers also began to carry out building triage assessments. We coordinated closely with agencies including our clients NZ Transport Agency and KiwiRail; Civil Defence; affected councils; the NZ army and multiple contractors. In the weeks that followed, our role shifted from an emergency response to a recovery phase including route management, prioritizing resources and providing the Transport Agency and others with professional and timely advice.

"It was fantastic to see the people of Kaikōura responding to having the road open and being reconnected to the rest of New Zealand, seeing tourists again and just lifting the spirit of the community."

FRANCES NEESON
ENGINEERING GEOLOGIST

Image courtesy of The NCTIR Alliance

Manacar Tower

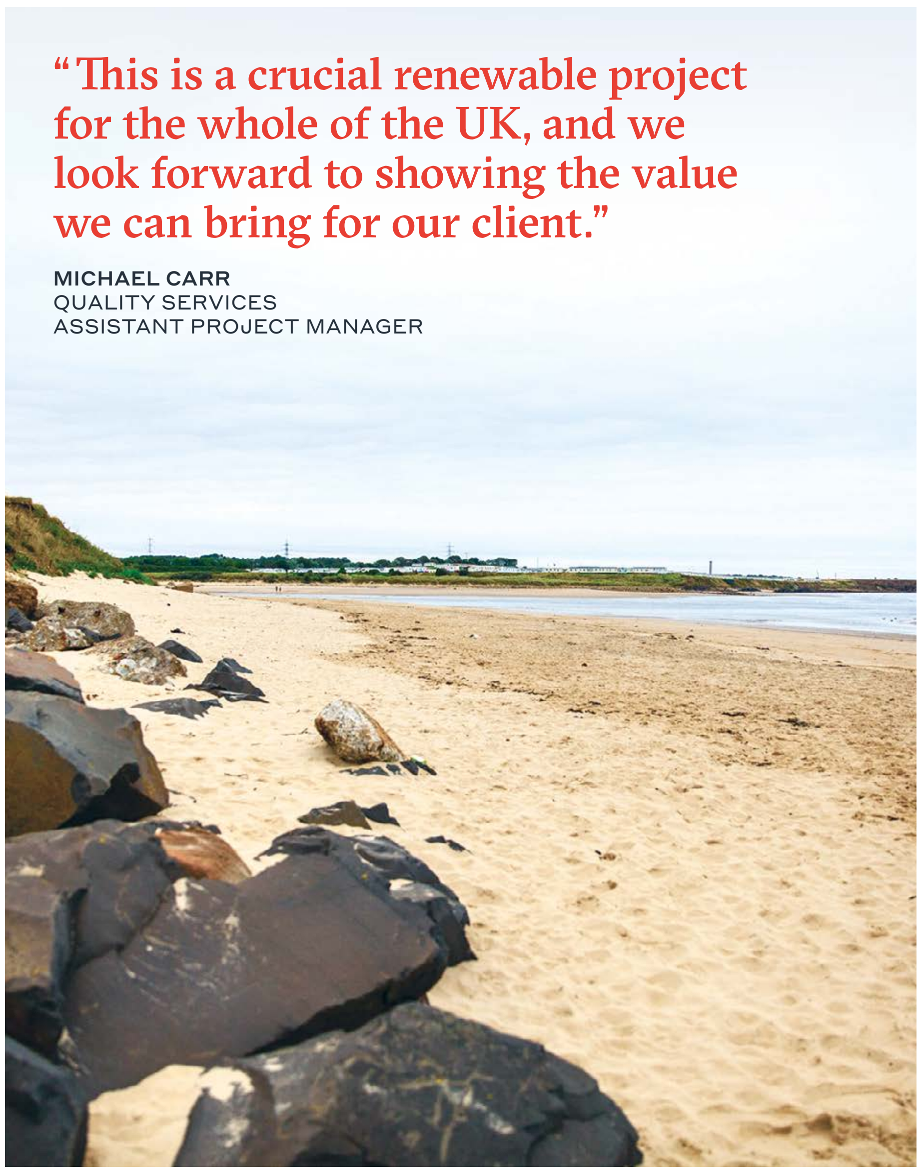
MEXICO CITY, MEXICO

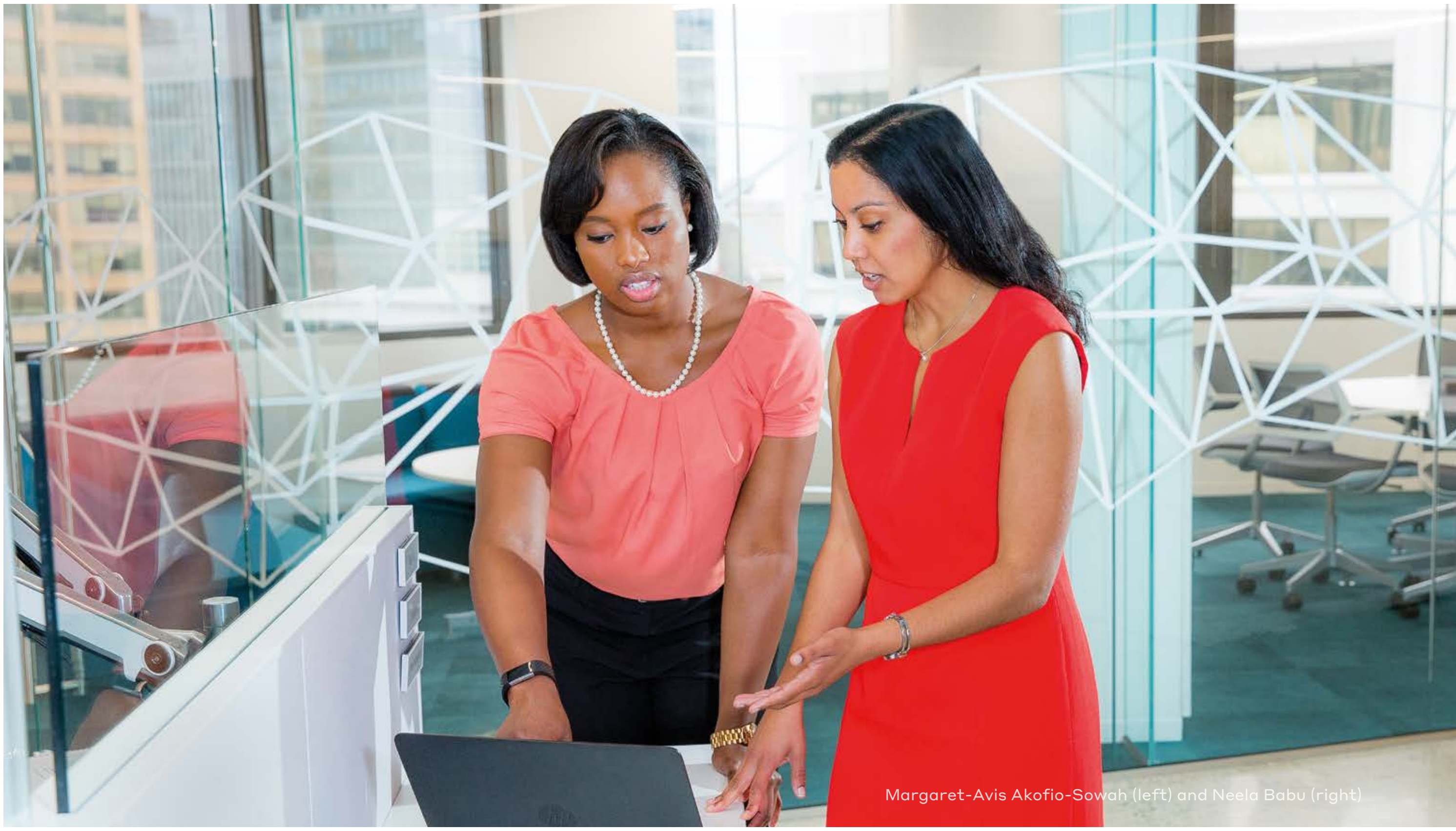
Manacar Tower, an eye-catching and symbolic landmark in the Mexican horizon is a mixed-use 32-storey skyscraper including offices and a mall located at the crossing between the Río Churubusco and Insurgentes Avenues in Mexico City, Mexico. WSP provided engineering, monitoring and structural drawing services for the construction document phase. We have an excellent relationship with our client, Pulso Inmobiliario, and have worked on previous projects together. The building was constructed following the most stringent seismic regulations and was delivered in April 2017.

UK-Norway Subsea Interconnector

National Grid North Sea Link Limited and Statnett are working together to construct the world's longest Subsea Interconnector. WSP has been appointed by National Grid North Sea Link Limited to provide cable manufacturing quality and inspection services. When constructed, the subsea interconnector will consist of approximately 720 kilometres of High Voltage Direct Current (HVDC) cable. With a planned capacity of 1,400 MW, the interconnector will generate enough electricity to power nearly three quarters of a million homes - helping both countries meet their domestic energy demand. The interconnector, scheduled to begin operating in 2021, will link Kvilldal in Norway and Blyth in the UK.

> "This is a crucial renewable project for the whole of the UK, and we look forward to showing the value we can bring for our client."
>
> MICHAEL CARR
> QUALITY SERVICES
> ASSISTANT PROJECT MANAGER





Margaret-Avis Akofio-Sowah (left) and Neela Babu (right)

Neela Babu and Margaret-Avis Akofio-Sowah

CONSULTANTS, ASSET MANAGEMENT AND BUSINESS ADVISORY
WASHINGTON, D.C., UNITED STATES

Neela and Margaret, consultants in WSP's US Advisory Services practice, help transportation clients develop asset management strategies to ensure that critical infrastructure assets are maintained in good condition over their life cycle. Neela and Margaret, who have doctorates in engineering disciplines, help clients understand their current approach to asset management, develop business process maps and conduct condition assessments. They write asset management policies and plans, train client staff, coordinate inventories and advise clients on investment prioritization and strategic management of physical assets.

"I love that I work for a firm that values questioning the status quo and generating daring, groundbreaking solutions for the future."

MARGARET-AVIS AKOFIO-SOWAH

"We understand the hurdles and pressure points our clients face in implementing improved asset management practices, and we draw on the expertise of subject matter experts all over the world."

NEELA BABU

WSP's distinctive approach to asset management combines management consulting capabilities with engineering expertise and a specific focus on the transportation industry.

Paint Hangar for Wide-Body Aircraft

BLAGNAC, FRANCE

10

YEARS WORKING WITH THE CLIENT

13,200

SQUARE METRES OF TOTAL FLOOR AREA

We value our relationship with clients and partners, and believe that innovation is key to the success of any project. Our work with STTS (Société Toulousaine de Traitement de Surface) in the design of paint hangars for wide-body aircraft is a prime example. STTS first hired WSP 10 years ago to create a design that optimized paint hangar operating costs. We ran multiple airflow models to determine the best design, taking into consideration technical challenges. For example, the velocity in the painting areas must be less than 0.8 m/s to avoid clouds of paint between the gun and the surface to be painted, and more than 0.3 m/s to comply with the requirements of the French health authorities. Over the years, WSP and STTS improved induction air diffusion systems to further reduce the treated airflow rates. The work of our employees has become a reference in paint hangars, thus increasing WSP's global activities in this field.

Martin County Everglades Restoration Project

FLORIDA, UNITED STATES

The largest environmental construction project in Florida's history will make a major impact on restoring the natural habitats of the Everglades while improving the quality of water in the region. The C-44 Reservoir/Stormwater Treatment Area, set for completion in the summer of 2018, is a project covering nearly 4,000 hectares in South Florida. For the current phase,

"Being part of a project of this scale means being empowered to think out-of-the-box to make a profound positive impact on the environment."

CAMILLE DOMINGUEZ
PROJECT MANAGER

WSP is serving as construction manager on behalf of the South Florida Water Management District (SFWMD). WSP supports the SFWMD by ensuring the stormwater treatment area is constructed according to the design documents so that it meets established water quality goals.

Management's Discussion & Analysis

FOR THE YEAR ENDED DECEMBER 31, 2017

01 Management's Discussion and Analysis

The following management's discussion and analysis ("MD&A") of consolidated financial position and consolidated results of operations dated March 14, 2018, 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, 2017. The Corporation's audited consolidated financial statements for the year ended December 31, 2017, 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.

This MD&A focuses on the Corporation's 2017 full year results, as well as on its fourth quarter results, covering the period from October 1, 2017 to December 31, 2017. 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; EBITDA; adjusted EBITDA; adjusted EBITDA margin; adjusted EBITDA before Global Corporate costs; adjusted EBITDA margin before Global Corporate costs; adjusted net earnings; adjusted net earnings per share; adjusted net earnings excluding amortization of intangible assets related to acquisitions; adjusted net earnings 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. Reconciliations to IFRS measures can be found in sections 8 and 9 of this MD&A.

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.

03 Corporate Overview

As one of the world's leading professional services firms, WSP provides technical expertise and strategic advice to clients in the transportation & infrastructure, property & buildings, environment, industry, resources (including mining and oil & gas) and power & energy sectors. We also offer highly specialized services in project delivery and advisory services. 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 42,000 talented people in 550 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.

Transportation & Infrastructure

The Corporation's experts analyze, plan, design and manage projects for rail transit, aviation, highway, maritime and urban infrastructure. Public and private clients, construction contractors, 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. As we deliver comprehensive, innovative and cost-effective solutions on-time and within budget, we take great pride in solving our clients' toughest problems. We offer a full range of services locally with extensive global experience to successfully deliver projects and help clients overcome challenges and respond to emerging areas of new mobility, resiliency and funding the infrastructure gap.

Property & Buildings

The Corporation is a world-leading provider of technical and management consultancy services with an unrivaled 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, facade engineering and green building design.

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 work with and advise 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, automotive and chemicals. Our experts 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. Our 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, our 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 modeling, 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 and program delivery and advisory 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.

Advisory

The Corporation offers front-end business and management consulting services that help clients make informed decisions taking into consideration changing economic conditions, evolving government priorities and emerging technologies. To stay competitive and effectively manage and develop their infrastructure and property assets, public and private sector organizations are looking to gain access to more refined data and "lessons learned" from experts who help drive client success around the globe. 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.

04

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 2017 vs Q4 2016	YTD 2017 vs YTD 2016
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	○	○
	DSO*	●	●
	Net Debt to adjusted EBITDA*	●	●

* Non-IFRS measures are described in the "Glossary" section. Reconciliations to IFRS measures can be found in sections 8 and 9.

** Organic growth 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 consolidated and operating segment business performance.

○ Favourable ● Stable 🔴 Unfavourable

05

Q4 and Fiscal 2017 Financial Results Highlights

The Corporation is very pleased with the results achieved in Q4 and fiscal 2017. Record net revenues, adjusted EBITDA, free cash flow and backlog, along with a strong balance sheet, have positioned it well to meet its 2015-2018 strategic plan objectives.

The fourth quarter of 2017, and by extension fiscal 2017, were shaped by two major developments which significantly impacted the Corporation's financial results.

On the net revenues front, Federal Emergency Management Agency ("FEMA") disaster assessment inspection related services surpassed forecasts and propelled net revenues and organic growth in net revenues significantly beyond Management's expectations. From a net earnings perspective, the signature of the US Tax Cuts and Jobs Act in December 2017 resulted in a $16.0 million non-cash income tax expense to be recorded the fourth quarter of 2017. Effective 2018 onward, this US tax reform enactment will positively impact the Corporation's effective income tax rate and income taxes payable.

Q4 2017

- Revenues and net revenues of $1,954.3 million and $1,478.6 million, up 8.7% and 11.4%, respectively, compared to Q4 2016.
- Consolidated organic growth in net revenues of 8.1% for the quarter; adjusted for FEMA-related net revenues in excess of expectations, consolidated organic growth in net revenues would have stood at 1.6%, ahead of Management's expectations.
- Adjusted EBITDA of $140.0 million, up $4.7 million or 3.5%, despite four less billable days compared to Q4 2016.
- Adjusted EBITDA margin at 9.5%, compared to 10.2% in Q4 2016. Four less billable days compared to Q4 2016 had a significant negative impact.
- Adjusted net earnings and adjusted net earnings per share of $39.4 million, or $0.38 per share for the quarter, were negatively impacted by multiple non-cash expenses, notably the aforementioned US tax reform enactment, as well as

four less billable days, when compared to Q4 2016.

— Net earnings attributable to shareholders of $30.3 million, or $0.29 per share for the quarter, were negatively impacted by the same factors as for the adjusted net earnings metrics noted above.

— Quarterly dividend declared of $0.375 per share, with a 49.7% Dividend Reinvestment Plan ("DRIP") participation.

Fiscal 2017

— Revenues and net revenues of $6,942.2 million and $5,356.6 million, up 8.8% and 9.4%, respectively, compared to 2016.

— Consolidated organic growth in net revenues of 6.2% for the fiscal year; adjusted for FEMA-related net revenues in excess of expectations, organic growth in net revenues would have stood at 4.4%, ahead of Management's 2017 outlook.

— Adjusted EBITDA of $555.2 million, up $56.2 million or 11.3%, compared to 2016.

— Adjusted EBITDA margin at 10.4%, compared to 10.2% in 2016.

— Adjusted net earnings of $233.9 million or $2.28 per share, up 4.6% and 2.7%, respectively, compared to 2016. Excluding the non-cash income tax expense resulting from US tax reform enacted in Q4 2017, adjusted net earnings would have stood at $249.9 million or $2.44 per share, up 11.7% and 10.0%, respectively, compared to 2016.

— Net earnings attributable to shareholders of $213.3 million, or $2.08 per share, up 7.1% and 5.6%, respectively, compared to 2016. Adjusted for negative impact of enacted US tax reform, aforementioned net earnings metrics would have stood at $229.3 million, or $2.24 per share, up 15.2%, and 13.7%, respectively.

— Backlog at $6,361.6 million, representing 10.1 months of revenues, up $397.7 million, or 6.7% compared to Q3 2017 and up $692.8 million, or 12.2% compared to Q4 2016.

— Healthy DSO stood at 79 days, stable when compared to 2016.

— Cash flow from operating activities stood at $395.4 million, compared to $386.8 million in 2016.

— Strong free cash flow of $296.1 million, representing 138.8% of net earnings.

— Incorporating a full twelve-month adjusted EBITDA for all acquisitions, net debt to adjusted EBITDA ratio stood at 1.8x, in line with our target range.

— Full year dividend declared of $1.50 per share, or $153.8 million with a cash payout of $70.4 million, or 45.8%.

06

Q4 2017 Highlights

— On October 31, 2017, WSP expanded its reach in Latin America by acquiring Consultoría Colombiana S.A.("ConCol"), a 1,000-employee professional services firm based in Colombia, with offices in Peru, Chile, Panama and Mexico. ConCol is a multidisciplinary pure play consulting firm with a recognized expertise in power, transport, oil & gas, environment, as well as in project management.

— On December 4, 2017, WSP closed the acquisition of Opus International Consultants Limited (NZSE:OIC)("Opus"). The purchase price totaling NZ$263.2 million (C$239.5 million), was financed using available cash and credit facilities. Opus is a multi-disciplinary infrastructure (transportation and water), buildings and asset development management consultancy firm with approximately 3,000 engineers, designers, planners, researchers and advisers across New Zealand, Australia, Canada and the United Kingdom.

— On December 31, 2017, WSP acquired ISS Proko Oy and its wholly-owned subsidiary ISS Suunnittelupalvelut Oy (collectively ("ISS Proko"), from ISS Palvelut Oy, a wholly-owned subsidiary of ISS A/S (ISS:Copenhagen), one of the world's leading facility services companies. Based in Finland, ISS Proko will bolster WSP's presence in the country, increase its expertise in the building sector, expand its national footprint, and provide the Corporation a unique opportunity to become a top 3 player in specific segments of the Finnish building sector.

07

2017 Review

The Corporation generated revenues and net revenues of $6,942.2 million and $5,356.6 million in 2017, up 8.8% and 9.4%, respectively, compared to 2016. Consolidated organic growth in net revenues, spanning across all reportable operating segments, stood at 6.2%.

Consolidated organic growth in net revenues was significantly higher than Management's expectations mainly due to Q4 FEMA-related revenues generated by our US operations, in excess of our expectations. Adjusted for these FEMA-related revenues, the Corporation would have reported consolidated organic growth in net revenues of 4.4% for the year.

Adjusted EBITDA and adjusted EBITDA margin stood at $555.2 million and 10.4%, both metrics higher compared to 2016. Improvement in adjusted EBITDA margin was led by the Corporation's Canadian and Australian operations.

The Corporation's consolidated backlog grew from $5,668.8 million as at December 31, 2016, to $6,361.6 million as at December 31, 2017, increasing organically 5.3% year-over-year. From a replenishment perspective, the Corporation's book-to-burn ratio stood at 1.1x for 2017, in line with Management's expectations.

Strategic acquisitions made during the year, notably Opus, in New Zealand, POCH, in Chile, and ConCol, in Colombia, strengthened WSP's presence in key geographical locations. Other acquisitions made across the globe during the year provided complimentary technical expertise. All in, acquisitions made in 2016 and 2017 contributed slightly over $250.0 million, or 5.4% to the Corporation's 2017 consolidated net revenues.

While the signature of the US Tax Cuts and Jobs Act in December of 2017 will have a positive impact on the Corporation's consolidated effective income tax rate and cash income taxes in 2018 and onwards, it negatively impacted the Corporation's fiscal 2017 net earnings by $16.0 million. Notwithstanding this non-cash $16.0 million adjustment, net earnings attributable to shareholders for the year stood at $213.3 million, or $2.08 per share, still up 7.1% and 5.6%, respectively, compared to 2016. Excluding the aforementioned negative impact of the US tax reform, net earnings attributable to shareholders would have stood at $229.3 million or $2.24 per share for the year.

Cash flow wise, 2017 provided solid results. Funds from operations amounted to $433.2 million in 2017 compared to $389.6 million in 2016, and increase of 11.2%. and free cash flow came in at $296.1 million, or 138.8% of net earnings.

From a balance sheet perspective, the Corporation remains on solid ground. All business acquisitions made throughout the year were financed with cash on hand and/or existing credit facility, and the Corporation's net debt to adjusted EBITDA ratio, when incorporating a full twelve-month adjusted EBITDA for all acquisitions, stood at 1.8x at the end of 2017, in line with the Corporation's 1.5x to 2.0x target range.

Operational Review

The Corporation's Canadian operations posted organic growth in net revenues of 2.1% and organic growth in backlog of 10.9% for the fiscal year, both ahead of Management's expectations. Adjusted EBITDA margin before Global Corporate costs of 12.3%, compared to 9.6% in 2016, due to higher utilization rates achieved and improved project delivery, was reflective of Management's execution of the operational restructuring plan initiated in the latter half of 2016.

Significant project wins, notably an engineering, architectural and design management services contract pertaining to the rehabilitation of Canada's Parliament Hill's Centre Block, several contracts with Ontario's Ministry of Transportation and WSP's portion of the 4Transit joint-venture Metrolinx contract for Regional Express Rail Program (Toronto) helped propel Canada's backlog to over a billion dollars.

The Corporation's Americas operating segment experienced organic growth in net revenues of 10.4% for the year, mainly due to Q4 FEMA-related revenues generated by our US operations, in excess of our expectations. Adjusted for these FEMA-related revenues, the Americas' operating segment would have reported organic growth in net revenues of 4.6%, in line with Management's expectations for the year.

The Americas operating segment's adjusted EBITDA and adjusted EBITDA margin, both before Global Corporate costs, of $220.2 million and 13.3%, respectively, were once again the highest amongst the Corporation's reportable operating segments and in line with expectations.

Our Latin American operations delivered results in line with Management's expectations and the integrations of POCH and ConCol, acquired in the latter half of 2017, are progressing according to plan.

Subsequent to year-end, WSP's Latin American team was selected by the Giant Magellan Telescope Organization Corporation ("GMTO") to provide services related to the development of the Giant Magellan Telescope, the first of the next generation of giant ground-based telescopes. As construction manager, WSP will work on behalf of GMTO to oversee all aspects of the construction, including budget, schedule, cost estimation, change control and site acceptance.

Our EMEIA operating segment delivered organic growth in net revenues of 4.6%, in line with Management's expectations. However, adjusted EBITDA margin before Global Corporate costs of 9.9%, was slightly below Management's expectations.

Our Nordics operations had a very strong year, delivering organic growth in net revenues of approximately 12% in 2017. Our Swedish operations led the way for the region, increasing staff and adding backlog across most market segments. The significant organic growth in net revenues led to increased headcount that, in turn, led to slightly lower utilization rates, which negatively impacted the region's adjusted EBITDA margin before Global Corporate costs.

The UK operations posted solid organic growth in net revenues slightly above 4% for the year, due mainly to the strong performance from the transportation & infrastructure market sector. Adjusted EBITDA margin before Global Corporate costs was negatively impacted due to project delivery timing, stemming mainly from the private sector building market segment. Subsequent to fiscal 2017, WSP UK was appointed to lead the development of two new stations as part of the High Speed 2 ("HS2") rail network, highlighting our worldwide expertise in this field and adding to backlog.

In both the Middle East and South Africa, most performance metrics were down compared to 2016, however in line with Management's expectations for the year.

Organic growth in net revenues from our APAC operating segment stood at 7.1%, ahead of Management's expectations. Our Australian operations delivered an outstanding year experiencing significant organic growth in net revenues across most segments, while our Asian operations continued to suffer from a slowdown in China's property & buildings segment.

On December 4, 2017, the Corporation completed the acquisition of Opus, a multi-disciplinary infrastructure, buildings and asset development management consultancy firm with approximately 3,000 engineers, designers, planners, researchers and advisers based mainly in New Zealand. The operational integration of Opus is progressing according to plan and cost synergies are expected to materialize by the end of 2018.

The Corporation is very pleased with the results achieved and acquisitions made during the year. The Corporation attained all of its 2017 outlook financial targets and remains confident it will be able to meet its 2015-2018 strategic plan key objectives.

08 Financial Review

8.1 Results Compared to 2017 Outlook

The 2017 target ranges, presented in the table below and in the Outlook section of the 2016 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, changes in effective income tax rates in countries where the Corporation operates and other transactions occurring after February 28, 2017, the date of publication.

Excluding events occurring subsequent to February 28, 2017, the date of publication of the 2017 outlook, the Corporation met or exceeded all of its 2017 outlook targets.

Measure	2017 Target range	Result
Net revenues*	Between $5,000 million and $5,300 million	●
Adjusted EBITDA*	Between $510 million and $560 million	●
Seasonality and adjusted EBITDA* fluctuations	Between 20% to 30%, the first quarter being the lowest and the third quarter being the highest	●
Tax rate	27% to 29%	●
DSO*	80 to 85 days	○
Amortization of intangible assets related to acquisitions	$65 million to $75 million	○
Capital expenditures	$120 million to $130 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 exceeded ● Target range met

8.2 Results of Operations

	Q4		YTD	
	2017	**2016**	**2017**	**2016**
(in millions of dollars, except number of shares and per share data)	For the period from October 1 to December 31	For the period from September 25 to December 31	For the period from January 1 to December 31	For the period from January 1 to December 31
Revenues	$1,954.3	$1,798.4	$6,942.2	$6,379.6
Less: Subconsultants and direct costs	$475.7	$470.7	$1,585.6	$1,484.5
Net revenues*	**$1,478.6**	**$1,327.7**	**$5,356.6**	**$4,895.1**
Personnel costs	$1,154.3	$987.4	$4,112.9	$3,704.4
Occupancy costs	$56.3	$55.9	$227.8	$226.8
Other operational costs (1)	$128.4	$148.9	$462.5	$466.9
Share of earnings of associates	$(0.4)	$0.2	$(1.8)	$(2.0)
Adjusted EBITDA*	**$140.0**	**$135.3**	**$555.2**	**$499.0**
Acquisition and integration costs*	$12.3	$15.1	$28.4	$32.9
EBITDA*	**$127.7**	**$120.2**	**$526.8**	**$466.1**
Amortization of intangible assets	$27.9	$20.4	$89.2	$81.1
Depreciation of property, plant and equipment	$22.3	$23.7	$79.6	$78.4
Financial expenses	$14.5	$9.7	$41.1	$38.9
Share of depreciation of associates	$0.5	$0.8	$1.4	$1.9
Earnings before income taxes	$62.5	$65.6	$315.5	$265.8
Income-tax expense	$32.2	$10.0	$102.1	$67.1
Share of tax of associates	$-	$(0.4)	$0.1	$-
Net earnings	**$30.3**	**$56.0**	**$213.3**	**$198.7**
Attributable to:				
- Shareholders	$30.3	$56.0	$213.3	$199.1
- Non-controlling interests	$-	$-	$-	$(0.4)
Basic net earnings per share	**$0.29**	**$0.55**	**$2.08**	**$1.97**
Diluted net earnings per share	**$0.29**	**$0.55**	**$2.08**	**$1.97**
Basic weighted average number of shares	103,084,862	101,257,040	102,448,943	100,883,512
Diluted weighted average number of shares	103,267,305	101,309,305	102,576,410	100,919,789

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

(1) Other operational costs include operational foreign exchange gains/losses and interest income

In sections 8.3 through 8.6, we review the year-over-year changes to operating results between 2017 and 2016, 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, adjusted net earnings, adjusted net earnings excluding amortization of intangible assets related to acquisitions, funds from operations and free cash flow are also reviewed, on a consolidated level, in sections 8.7 through 8.11.

8.3 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 Asia, Australia and New Zealand). The following tables provide a summary of the year-over-year changes in net revenues and number of employees, both by reportable segment and in total.

Q4

(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net revenues* 2017	$250.2	$493.1	$530.8	$204.5	$1,478.6
Net revenues* 2016	$244.9	$400.4	$499.8	$182.6	$1,327.7
Net change %	2.2 %	23.2 %	6.2 %	12.0 %	11.4 %
Organic Growth**	0.2 %	23.3 %	2.3 %	2.2 %	8.1 %
Acquisition Growth**	2.0 %	5.4 %	3.8 %	13.5 %	5.3 %
Foreign Currency Impact***	- %	(5.5) %	0.1 %	(3.7) %	(2.0) %
Net change %	2.2 %	23.2 %	6.2 %	12.0 %	11.4 %

* 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

YTD

(in millions of dollars, except number of employees and percentages)	Canada	Americas	EMEIA	APAC	Total
Net revenues* 2017	$977.4	$1,650.5	$1,984.7	$744.0	$5,356.6
Net revenues* 2016	$952.0	$1,482.4	$1,785.0	$675.7	$4,895.1
Net change %	2.7 %	11.3 %	11.2 %	10.1 %	9.4 %
Organic Growth**	2.1 %	10.4 %	4.6 %	7.1 %	6.2 %
Acquisition Growth**	0.6 %	3.4 %	10.6 %	4.0 %	5.4 %
Foreign Currency Impact***	- %	(2.5) %	(4.0) %	(1.0) %	(2.2) %
Net change %	2.7 %	11.3 %	11.2 %	10.1 %	9.4 %
Approximate number of employees - 2017	8,000	9,500	16,500	8,000	42,000
Approximate number of employees - 2016	7,500	7,800	15,000	5,700	36,000
Net change %	6.7 %	21.8 %	10.0 %	40.4 %	16.7 %

* 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

The Corporation ended the fourth quarter of 2017 with net revenues of $1,478.6 million, an increase of $150.9 million, or 11.4% compared to Q4 2016. On a year-to-date basis, net revenues increased by $461.5 million, or 9.4%.

The increase in net revenues, for the quarter and year-to-date periods, was driven by both organic and acquisition growth. Consolidated organic growth in net revenues stood at 8.1% and 6.2%, and consolidated acquisition growth stood at 5.3% and 5.4%, for the quarter and year-to-date periods, respectively. Foreign exchange, on a consolidated basis, had a negative impact for both the quarter and year-to-date periods, in line with fluctuations in world currencies.

8.3.1 Canada

Net revenues from our Canadian operations were $250.2 million in Q4 2017, an increase of $5.3 million, or 2.2% compared to the same period in 2016, primarily due to acquisition growth.

For the twelve-month period ended December 31, 2017, net revenues from our Canadian operating segment were $977.4 million, an increase of $25.4 million, or 2.7% compared to the same period in 2016, attributable mainly to increased activity in the transportation sector. The transportation & infrastructure and property & buildings market segments accounted for approximately 66% of the net revenues.

8.3.2 Americas

Net revenues from our Americas operating segment were $493.1 million in Q4 2017, an increase of $92.7 million, or 23.2% compared to the same period in 2016, stemming mainly from our US operations. Organic growth in net revenues, on a constant currency basis, at 23.3%, was mostly due to FEMA-related revenues in excess of expectations. Foreign exchange had a negative impact due mainly to the appreciation of the Canadian dollar against the US dollar (Q4 2017 vs Q4 2016). The transportation & infrastructure and property & buildings market segments accounted for approximately 64% of the net revenues, while environment accounted for 34% of the net revenues as a result of the aforementioned FEMA-related revenues, in excess of expectations.

For the twelve-month period ended December 31, 2017, net revenues from our Americas operating segment were $1,650.5 million, an increase of $168.1 million, or 11.3% compared to the same period in 2017, mainly due to continued strong performance from our US operations. Organic growth in net revenues, on a constant currency basis, was 10.4% and mainly due to Q4 FEMA-related revenues in excess of expectations. Foreign exchange impact was slightly negative. The transportation & infrastructure and property & buildings market segments accounted for approximately 81% of the net revenues.

8.3.3 EMEIA

Net revenues from our EMEIA operating segment were $530.8 million in Q4 2017, an increase of $31.0 million, or 6.2% compared to Q4 2016. Acquisition growth and organic growth in net revenues, on a constant currency basis, stood at 3.8% and 2.3%, respectively, both in line with our expectations.

For the twelve-month period ended December 31, 2017, net revenues from our EMEIA operating segment were $1,984.7 million, an increase of $199.7 million, or 11.2% compared to the same period in 2016. Acquisition growth and organic growth in net revenues, on a constant currency basis, stood at 10.6% and 4.6%respectively, both in line with our expectations. Foreign exchange had a negative impact due to the appreciation of the Canadian dollar versus most European currencies. The transportation & infrastructure and property & buildings market segments accounted for approximately 82% of the net revenues.

8.3.4 APAC

Net revenues from our APAC operating segment were $204.5 million in Q4 2017, an increase of $21.9 million, or 12.0% when compared to the same period in 2016. Acquisition growth and organic growth in net revenues, both on a constant currency basis, stood at 13.5% and 2.2%, respectively. The acquisition growth stemmed mainly from the Corporation's acquisition of Opus in Q4 2017, whose majority of net revenues were derived from its New Zealand operations. Our Australian operations delivered strong organic growth in net revenues, propelled by solid gains in most market segments. Our Asian operations continued to suffer from a slowdown in China's buildings sector, partially negating the strong performance from our Australian operations. Foreign exchange had a negative impact.

For the twelve-month period ended December 31, 2017, net revenues from our APAC operating segment were$744.0 million, an increase of $68.3 million, or 10.1% compared to the same period in 2016, stemming mainly from organic growth in net revenues from our Australian operations. Foreign exchange had a minor negative impact. The transportation & infrastructure and property & buildings market segments accounted for approximately 87% of the net revenues.

8.4 Backlog

Q4 2017

(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	$1,064.6	$2,120.7	$1,966.1	$1,210.2	$6,361.6
Soft backlog	$334.0	$1,327.9	$67.2	$141.8	$1,870.9

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

Q3 2017

(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	$1,010.3	$2,114.8	$1,881.3	$957.5	$5,963.9
Soft backlog	$376.9	$1,472.2	$180.0	$147.9	$2,177.0

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

Q4 2016

(in millions of dollars)	Canada	Americas	EMEIA	APAC	Total
Backlog*	$914.5	$1,858.8	$1,971.5	$924.0	$5,668.8
Soft backlog	$509.0	$1,122.3	$238.8	$158.0	$2,028.1

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

As at December 31, 2017, backlog stood at $6,361.6 million, representing 10.1 months of revenues, an increase of $397.7 million, or 6.7%, when compared to Q3 2017 and an increase of $692.8 million, or 12.2%, when compared to Q4 2016. On a constant currency basis, the Corporation's backlog organic growth was flat compared to Q3 2017 and grew 5.3% compared to Q4 2016. The timing of contract awards can have a significant impact on this metric.

In addition, the Corporation had a "soft backlog" of $1,870.9 million at the end of Q4 2017. 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.

8.5 Expenses

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

	Q4		YTD	
	2017	2016	2017	2016
(percentage of net revenues)	For the period from October 1 to December 31	For the period from September 25 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	78.0 %	74.4 %	76.8 %	75.7 %
Occupancy costs	3.8 %	4.2 %	4.2 %	4.6 %
Other operational costs (1)	8.7 %	11.2 %	8.6 %	9.5 %
Share of earnings in associates	- %	- %	- %	- %
Adjusted EBITDA*	**9.5** %	**10.2** %	**10.4** %	**10.2** %
Acquisition and integration costs*	0.8 %	1.1 %	0.5 %	0.7 %
Amortization of intangible assets	1.9 %	1.5 %	1.7 %	1.7 %
Depreciation of property, plant and equipment	1.5 %	1.8 %	1.5 %	1.6 %
Financial expenses	1.0 %	0.7 %	0.8 %	0.8 %
Share of depreciation of associates	- %	0.1 %	- %	- %
Income tax expenses	2.2 %	0.8 %	1.9 %	1.4 %
Net earnings	**2.1** %	**4.2** %	**4.0** %	**4.0** %

* Non-IFRS measures are described in the 'Glossary' section
(1) Other operational costs include operation exchange loss or gain and interest income

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, for the quarter, as a percentage of net revenues, were higher mainly due to having four less billable days in Q4 2017 compared to Q4 2016 as well as to lower US based FEMA operating margin related work. For the year, personnel costs, as a percentage of net revenues, were higher due to lower utilization rates in Sweden (due to the significant organic growth) and to lower US based FEMA operating margin related work.

The decrease in occupancy costs, as a percentage of net revenues, for both the quarter and the year-to-date period, compared to 2016, was mainly due to real estate consolidation resulting from past and present acquisition-related business integrations. Continuous optimization of the Corporation's real estate footprint pertaining to ongoing operations also impacted this metric positively.

The decrease in other operational costs, as a percentage of net revenues, for both the quarter and the year-to-date period, compared to 2016, was mainly due to continuous cost containment efforts and acquisition related synergies.

Acquisition and integration costs are items of financial performance which the Corporation believes should be excluded in understanding the underlying operational financial performance achieved, as they can vary significantly when comparing periods. The Corporation incurred acquisition and integration costs of $28.4 million for the twelve-month period ended December 31, 2017. These costs pertained mainly to real-estate consolidation costs related to the MMM Group Limited ("MMM") acquisition (Q4 2015), as well as to the ongoing integration of Mouchel Limited ("Mouchel"), acquired in Q4 2016. Acquisition and integration costs pertaining to the acquisition of Opus in Q4 2017 amounted to approximately $6.1 million.

Finally, the Corporation also incurs expenses such as amortization of intangible assets and depreciation of property and equipment. Timing of business acquisitions and capital expenditures during the year impact quarterly comparison of these elements. For the twelve-month period ending December 31, 2017, these expenses remained stable when compared to the same twelve-month period in 2016.

8.6 Adjusted EBITDA by Segment

Q4 2017

(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net Revenues*	$250.2	$493.1	$530.8	$204.5	$1,478.6
Adjusted EBITDA*					$140.0
Global Corporate costs					$16.0
Adjusted EBITDA before Global Corporate costs*	$34.8	$47.7	$51.8	$21.7	$156.0
Adjusted EBITDA Margin before Global Corporate costs*	13.9 %	9.7 %	9.8 %	10.6 %	10.6 %

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

Q4 2016

(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net Revenues*	$244.9	$400.4	$499.8	$182.6	$1,327.7
Adjusted EBITDA*					$135.3
Global Corporate costs					$11.8
Adjusted EBITDA before Global Corporate costs*	$23.4	$39.9	$61.5	$22.3	$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

YTD 2017

(in millions of dollars, except percentages)	Canada	Americas	EMEIA	APAC	Total
Net Revenues*	$977.4	$1,650.5	$1,984.7	$744.0	$5,356.6
Adjusted EBITDA*					$555.2
Global Corporate costs					$59.0
Adjusted EBITDA before Global Corporate costs*	$120.6	$220.2	$197.0	$76.4	$614.2
Adjusted EBITDA Margin before Global Corporate costs*	12.3 %	13.3 %	9.9 %	10.3 %	11.5 %

* 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	$1,482.4	$1,785.0	$675.7	$4,895.1
Adjusted EBITDA*					$499.0
Global Corporate costs					$50.5
Adjusted EBITDA before Global Corporate costs*	$91.3	$201.9	$190.3	$66.0	$549.5
Adjusted EBITDA Margin before Global Corporate costs*	9.6 %	13.6 %	10.7 %	9.8 %	11.2 %

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

The increase in consolidated adjusted EBITDA before Global Corporate costs, in dollars, for both the quarter and year-to-date periods, compared to 2016, was mainly due to organic growth in net revenues, across all operating segments, and acquisition growth.

The decrease in consolidated adjusted EBITDA margin before Global Corporate costs, for the quarter, was mainly due to the impact of having four less billable days in Q4 2017 compared to Q4 2016.

The increase in consolidated adjusted EBITDA margin before Global Corporate costs, for the twelve-month period ending December 31, 2017, was mainly due to the strong performances from our Canadian and Australian operations.

The increase 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, compared to 2016, were anticipated, however, slightly ahead of Management's expectations. Organic growth in net revenues and the right-sizing of the segment's operations, initiated in Q2 2016, were the catalysts which led to the strong performance for both periods.

The increase in adjusted EBITDA before Global Corporate costs for our Americas region, for both the quarter and year-to-date periods, compared to 2016, was mainly due to organic growth in net revenues.

The decrease in adjusted EBITDA margin before Global Corporate costs for our Americas region, for both the quarter and year-to-date periods, compared to 2016, was mainly due to a significant increase in lower adjusted EBITDA margin generating FEMA-related net revenues, compounded by a slowdown experienced in the US private sector building market segment in Q4 2017.

The decrease in adjusted EBITDA before Global Corporate costs for our EMEIA region, for the quarter, compared to 2016, was mainly due to having less billable hours compared to Q4 2016, impacting our Nordics region the most, given their time and material centric net revenues model. Delays in project starts from Q4 2017 to 2018 related to the UK private sector building market segment, as well as anticipated lower net revenues from our Middle East and South African regions, also had a negative impact.

The decrease in adjusted EBITDA margin before Global Corporate costs for our EMEIA region, for the quarter, compared to 2016, was mainly due to lower utilization rates experienced by our Swedish operations, as a result of significant organic growth, delays in project starts from Q4 2017 to 2018 related to the UK private sector building market segment, and anticipated lower margin work stemming from our Middle East and South African regions.

The increase in adjusted EBITDA for our EMEIA region for 2017, compared to 2016, was mainly due to organic and acquisition growth in net revenues. The decrease in adjusted EBITDA margin before Global Corporate costs for our EMEIA region for 2017, compared to 2016, was attributable to the same factors as for the quarter, excluding the billable hours differential component.

The decrease in adjusted EBITDA before Global Corporate costs in Q4 2017 for the APAC region, was mainly due to having four less billable days compared to Q4 2016. The increase in adjusted EBITDA before Global Corporate costs for 2017, compared to 2016, was due to both organic and acquisition growth in net revenues.

The decrease in adjusted EBITDA margin before Global Corporate costs in Q4 2017 for the APAC region, compared to Q4 2016, was mainly due to the anticipated low December operating margins generated by the acquired Opus operations; project execution timing also had an impact.

The increase in adjusted EBITDA margin before Global Corporate costs for 2017, compared to 2016, was mainly due to project wins and higher utilization rates attained by our Australian operations.

Global Corporate costs for the quarter and year-to-date periods, although higher when compared to the same periods in 2016, were in line with the Corporation's 2017 Global Corporate costs outlook run rate.

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.

8.7 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, gains or losses on disposal of available-for-sale assets and unrealized foreign exchange gains or losses pertaining to financial instruments. 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, for the quarter, were higher compared to Q4 2016, mainly due to exchange losses pertaining to assets and liabilities in foreign currencies. For the year, financial expenses were stable when compared to 2016.

8.8 Income Taxes

In Q4 2017, an income tax expense of $32.2 million was recorded on earnings before income taxes of $62.5 million, representing an effective income tax rate of 51.5%. When compared to the Canadian statutory rate of 26.8%, the higher effective income tax rate was mainly due to US tax reform enacted in Q4 2017, as the Corporation had to reduce the value of its US based deferred tax assets and liabilities in line with the reduction of the US federal corporate income tax rate from 35.0% to 21.0%, effective January 1, 2018. Excluding this US tax reform related non-cash impact of $16.0 million, the Corporation's effective income tax rate for the quarter would have been 25.9%, lower than anticipated, mainly due to favourable adjustments related to prior years.

In Q4 2016, an income tax expense of $10.0 million was recorded on earnings before income taxes of $66.0 million, representing an effective income tax rate of 15.2%. When compared to the Canadian statutory rate of 26.9%, the lower effective income tax rate was mostly due to the impact of foreign tax rate differences and favourable adjustments related to prior years.

For the twelve-month period ended December 31, 2017, an income tax expense of $102.1 million was recorded on earnings before income taxes of $315.4 million, representing an effective income tax rate of 32.4%. When compared to the Canadian statutory rate of 26.8%, the higher effective income tax rate was mostly attributable to the same factors as specified for the quarter. Excluding the aforementioned US tax reform related non-cash impact, the Corporation's effective income tax rate for 2017 would have been 27.3%, in line with previously disclosed 2017 outlook. The reduction in the US corporate income tax rate will reduce the Corporation's consolidated effective income tax rate in 2018 and future years (see section 19 "Outlook").

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 income tax rate of 25.2%.

8.9 Net Earnings and Net Earnings Per Share

In Q4 2017, the Corporation's net earnings attributable to shareholders were $30.3 million, or $0.29 per share on a diluted basis, compared to $56.0 million, or $0.55 per share on a diluted basis, for the same period in 2016. The decreases in net earnings attributable to shareholders and in net earnings attributable to shareholders per share, were mainly due to having four less billable days in Q4 2017, compared to Q4 2016, and to US tax reform enactment which resulted in the recording of a significant non-cash income tax expense in the quarter.

For the twelve-month period ended December 31, 2017, the Corporation's net earnings attributable to shareholders were $213.3 million, or $2.08 per share on a diluted basis, compared to $199.1 million, or $1.97 per share on a diluted basis, for the same period in 2016. The increases in net earnings attributable to shareholders and in net earnings attributable to shareholders per share, were mainly due to organic growth in net revenues and improvement in adjusted EBITDA margin. The recording of a significant non-cash income tax expense in Q4 2017, due to US tax reform enactment, had a negative impact on these metrics.

Net earnings 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 earnings per share, adjusted net earnings 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 8.10 and 8.11.

8.10 Reconciliation of Net Earnings, Adjusted Net Earnings And Adjusted Net Earnings Excluding Amortization of Intangible Assets Related to Acquisitions

	Q4		YTD	
	2017	**2016**	**2017**	**2016**
(in millions of dollars, except number of shares and per share data)	For the period from October 1 to December 31	For the period from September 25 to December 31	For the period from January 1 to December 31	For the period from January 1 to December 31
Net earnings attributable to shareholders	**$30.3**	**$56.0**	**$213.3**	**$199.1**
Acquisition and integration costs*	$12.3	$15.1	$28.4	$32.9
Income taxes related to acquisition and integration costs	$(3.2)	$(2.3)	$(7.8)	$(8.3)
Adjusted net earnings*	**$39.4**	**$68.8**	**$233.9**	**$223.7**
Adjusted net earnings per share*	**$0.38**	**$0.68**	**$2.28**	**$2.22**
Amortization of intangible assets related to acquisitions	$18.8	$15.2	$63.6	$63.2
Income taxes related to amortization of intangible assets related to acquisitions	$(4.9)	$(2.3)	$(17.4)	$(15.9)
Adjusted net earnings excluding amortization of intangible assets related to acquisitions *	**$53.3**	**$81.7**	**$280.1**	**$271.0**
Adjusted net earnings excluding amortization of intangible assets related to acquisitions per share*	**$0.52**	**$0.81**	**$2.73**	**$2.69**
Basic weighted average number of shares	103,084,862	101,257,040	102,448,943	100,883,512

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

Adjusted net earnings stood at $39.4 million, or $0.38 per share in Q4 2017, compared to $68.8 million, or $0.68 per share in Q4 2016. The decrease in these metrics was mainly due to having four less billable days in Q4 2017 compared to Q4 2016 and to the recording of a significant non-cash income tax expense due to US tax reform enactment.

For the twelve-month period ended December 31, 2017, adjusted net earnings stood at $233.9 million, or $2.28 per share, compared to $223.7 million, or $2.22 per share compared to the same period in 2016. The increase in adjusted net earnings and in adjusted net earnings per share was mainly due to growth in net revenues and improvement in adjusted EBITDA margins. US tax reform non-cash adjustment recorded in Q4 2017 had a negative impact.

Adjusted net earnings excluding amortization of intangible assets related to acquisitions, stood at $53.3 million, or $0.52 per share in Q4 2017 and $280.1 million, or $2.73 per share for the twelve-month period ended December 31, 2017, compared to $81.7 million, or $0.81 per share and $271.0 million, or $2.69 per share, respectively, for the comparable periods in 2016.

The decreases for the quarter and the increases for the year-to-date period, for adjusted net earnings excluding amortization of intangible assets related to acquisitions and adjusted net earnings excluding amortization of intangible assets related to acquisitions per share, were attributable to the same factors as for the adjusted net earnings and adjusted net earnings per share metrics.

8.11 Funds From Operations and Free Cash Flow

	Q4		YTD	
	2017	2016	2017	2016
(in millions of dollars, except per share data and number of shares)	For the period from October 1 to December 31	For the period from September 25 to December 31	For the period from January 1 to December 31	For the period from January 1 to December 31
Cash flows from operating activities	$330.4	$303.9	$395.4	$386.8
Excluding:				
Change in non-cash working capital items	$219.0	$190.6	$(37.8)	$(2.8)
Funds from operations*	**$111.4**	**$113.3**	**$433.2**	**$389.6**
Funds from operations per share*	**$1.08**	**$1.12**	**$4.23**	**$3.86**
Including:				
Change in non-cash working capital items	$219.0	$190.6	$(37.8)	$(2.8)
Less:				
Net capital expenditures	$31.8	$50.1	$99.3	$141.9
Free cash flow*	**$298.6**	**$253.8**	**$296.1**	**$244.9**
Free cash flow per share*	**$2.90**	**$2.51**	**$2.89**	**$2.43**
Basic weighted average number of shares	103,084,862	101,257,040	102,448,943	100,883,512

* Non-IFRS measures are described in the “Glossary” section

8.11.1 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.

In Q4 2017, the Corporation generated funds from operations of $111.4 million, or $1.08 per share, stable when compared to $113.3 million or $1.12 per share in Q4 2016.

For the twelve-month period ended December 31, 2017, the Corporation generated funds from operations of$433.2 million, or $4.23 per share, compared to $389.6 million, or $3.86 per share, for the same period in 2016. The increase in funds from operations was mainly due to higher net earnings stemming from organic and acquisition growth in net revenues, as well as from adjusted EBITDA margin improvement.

8.11.2 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.

The Corporation generated free cash flow of $298.6 million, or $2.90 per share in Q4 2017, compared to $253.8 million, or $2.51 per share in Q4 2016. The increase in free cash flow was due to positive variation in non-cash working capital items as well as to lower net capital expenditures incurred in 2017, compared to 2016.

For the twelve-month period ended December 31, 2017, the Corporation's free cash flow was $296.1 million, or $2.89 per share compared to $244.9 million, or $2.43 per share for the same period in 2016. The increase in free cash flow was mainly due to higher net earnings stemming from organic and acquisition growth in net revenues and adjusted EBITDA margin improvement, as well as to lower net capital expenditures incurred in 2017, compared to 2016.

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Liquidity

	Q4		YTD	
	2017	**2016**	**2017**	**2016**
(in millions of dollars)	For the period from October 1 to December 31	For the period from September 25 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	$330.4	$303.9	$395.4	$386.8
Cash flows generated from (used in) financing activities	$(76.3)	$(41.7)	$(52.6)	$(26.5)
Cash flows from (used in) investing activities	$(260.3)	$(192.0)	$(394.5)	$(309.1)
Effect of exchange rate change on cash	$5.0	$(15.7)	$(0.2)	$(22.9)
Net change in cash position	**$(1.2)**	**$54.5**	**$(51.9)**	**$28.3**
Dividends paid	**$18.2**	**$16.3**	**$70.4**	**$68.0**
Net capital expenditures	**$31.8**	**$50.1**	**$99.3**	**$141.9**

9.1 Operationg Activities

Cash generated from operating activities in Q4 2017 was $330.4 million, compared to $303.9 million in Q4 2016. The increase in cash generated from operating activities was mainly a positive variation in change in non-cash working capital items.

Cash generated from operating activities for the twelve-month period ended December 31, 2017 was $395.4 million, compared to $386.8 million for the same period in 2016. The increase in cash generated from operating activities was mainly due to higher net earnings.

9.2 Financing Activities

For the fourth quarter of 2017, cash used in financing activities was $76.3 million, compared to $41.7 million in Q4 2016. During the quarter, the Corporation repaid $33.4 million pertaining to its credit facility, issued shares for $0.3 million, repaid $25.0 million in miscellaneous liabilities, including interest and paid dividends to shareholders of $18.2 million. In Q4 2016, the Corporation repaid $11.7 million pertaining to its credit facility, repaid miscellaneous liabilities, including interest and finance costs of $13.7 million and paid dividends to shareholders totaling $16.3 million.

For the twelve-month period ended December 31, 2017, cash used in financing activities was $52.6 million, compared to $26.5 million for the same period in 2016. During the twelve-month period ended December 31, 2017, the Corporation drew $66.8 million from its credit facility, issued shares for $2.6 million, repaid $51.6 million in miscellaneous liabilities, including interest and paid dividends to shareholders of $70.4 million. For the same period in 2016, the Corporation drew $81.4 million from the credit facility, repaid miscellaneous liabilities, including interest and finance costs of $38.6 million and paid dividends to shareholders and a non-controlling interest totaling $69.3 million.

9.3 Investing Activities

For the fourth quarter of 2017, cash used in investing activities was $260.3 million, compared to $192.0 million in Q4 2016. The Corporation disbursed cash pertaining to past and present year/s business acquisitions of $227.8 million and acquired $34.4 million in equipment and intangible assets in Q4 2017, compared to $143.1 million and $50.6, respectively, for the same period in 2016.

For the twelve-month period ended December 31 2017, cash used in investing activities was $394.5 million, compared to $309.1 million for the same period in 2016. During the twelve-month period ended December 31, 2017, the Corporation disbursed cash pertaining to past and present year/s business acquisitions of $291.9 million and acquired $104.1 million in equipment and intangible assets, compared to $166.9 million and $144.4 million, respectively, for the same period in 2016.

9.4 Net Debt

	2017	2016
(in millions of dollars)	As at December 31	As at December 31
Financial liabilities (1)	$1,229.9	$1,082.1
Less: Cash	$(185.1)	$(230.8)
Net debt*	$1,044.8	$851.3
Trailing twelve months adjusted EBITDA*	$555.2	$499.0

* Non-IFRS measures are described in the 'Glossary' section
(1) Financial liabilities consist of long-term debt and other financial liabilities, including current portions.

As at December 31, 2017, 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 $1,044.8 million and a trailing twelve- month net debt to adjusted EBITDA ratio of 1.9x. Incorporating a full twelve-month adjusted EBITDA for all acquisitions, the ratio stand at 1.8x.

9.5 Dividends

On October 16, 2017, the Corporation declared a quarterly dividend of $0.375 per common share to holders of common shares on record as of December 31, 2017, which was paid on January 15, 2018. As at December 31, 2017, 103,160,592 shares were issued and outstanding, compared to 101,371,137 as at December 31, 2016.

During the fourth quarter of 2017, part of the third quarter dividend paid was reinvested into 399,010 common shares under the DRIP. The aggregate dividends declared in the fourth quarter of 2017 were $38.7 million, compared to $38.5 million for the third quarter of 2017. Holders of 51,268,010 shares, representing 49.7% of all outstanding shares as at December 31, 2017, elected to participate in the DRIP. As a result, from the total dividends paid on January 15, 2018, $19.2 million was reinvested in shares of the Corporation. The net cash outflow, on January 15, 2018, was $19.5 million for the fourth quarter dividend payment.

The board of directors of the Corporation (the "Board") has determined that the current level of quarterly dividend is appropriate based on the Corporation's current earnings and operational financial requirements. 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.

9.6 Stock Options

As at March 14, 2018, 729,328 stock options were outstanding at exercise prices ranging from $35.12 to $59.75.

9.7 Capital Resources

	2017	2016
(in millions of dollars)	As at December 31	As at December 31
Cash	$185.1	$230.8
Available syndicated credit facility	$584.7	$495.8
Other credit facilities	$80.2	$19.4
Available short-term capital resources	**$850.0**	**$746.0**

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.

9.8 Credit Facility

The Corporation has in place, as at December 31, 2017, a credit facility with a syndication of financial institutions providing for a maximum amount of US$1,400.0 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, 2017.

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Eight Quarter Summary

		2017				2016			
	Total	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
(in millions of dollars, except per share data)	Trailing twelve months	For the period from October 1 to December 31	For the period from July 2 to September 30	For the period from April 2 to July 1	For the period from January 1 to April 1	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
Results of operations									
Revenues	$6,942.2	$1,954.3	$1,636.8	$1,717.2	$1,633.9	$1,798.4	$1,552.5	$1,545.7	$1,483.0
Net revenues*	$5,356.6	$1,478.6	$1,286.2	$1,315.9	$1,275.9	$1,327.7	$1,189.8	$1,215.5	$1,162.1
Adjusted EBITDA*	$555.2	$140.0	$160.4	$140.3	$114.5	$135.3	$147.2	$125.0	$91.5
Net earnings (loss) attributable to shareholders	$213.3	$30.3	$72.6	$62.8	$47.6	$56.0	$63.3	$52.2	$27.6
Basic net earnings (loss) per share		$0.29	$0.71	$0.61	$0.47	$0.55	$0.63	$0.52	$0.28
Diluted net earnings (loss) per share		$0.29	$0.71	$0.61	$0.47	$0.55	$0.63	$0.52	$0.28
Backlog*		$6,361.6	$5,963.9	$5,864.6	$5,985.3	$5,668.8	$5,371.2	$5,667.4	$5,529.7
Dividends									
Dividends declared	$153.8	$38.7	$38.5	$38.4	$38.2	$38.0	$37.8	$37.6	$37.4
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.

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Analysis of Selected Annuel Information

(In thousands of dollars, except per share/unit data)	2017	2016	2015
Revenues	$6,942.2	$6,379.6	$6,064.0
Net revenues*	$5,356.6	$4,895.1	$4,486.8
Net earnings attributable to shareholders	$213.3	$199.1	$188.8
Net earnings per share attributable to shareholders			
Basic	$2.08	$1.97	$2.05
Diluted	$2.08	$1.97	$2.05
Total assets	$6,523.6	$6,128.7	$6,167.1
Financial liabilities (1)	$1,229.9	$1,082.1	$1,012.9
Dividends declared to shareholders	$153.8	$150.8	$141.2

* Non-IFRS measures are described in the "Glossary" section.
(1) Financial liabilities consist of long-term debt and other financial liabilities, including current portions.

Revenues and net revenues increased through organic growth and acquisitions completed in 2015, 2016 and 2017. All acquisitions had a direct impact not only on revenues but also on total assets since assets acquired, including intangible assets and goodwill, are recorded after each acquisition.

The incurrence of acquisition and integration costs in all three years, as well as the timing in the issuance of capital, directly related to acquisitions, impacted net earnings per share attributable to shareholders.

Financial liabilities increased from 2015 to 2017 as the Corporation financed its acquisitions, in part, with its credit facility.

In 2015, 2016 and 2017, the Corporation declared and paid quarterly dividends totaling $1.50 per common share annually to its shareholders.

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Governance

12.1 Internal Control Over Financial Reporting

The Corporation's Chief Executive Officer ("CEO") and Chief Financial Officer ("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 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 at December 31, 2017.

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, 2017 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 POCH, ConCol and Opus business acquisitions which were completed on July 15, 2017, October 31, 2017 and December 4, 2017, 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 October 1, 2017 and ended on December 31, 2017, 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.

12.2 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, 2017, and 2016, and this MD&A, before their publication.

13 Significant Accounting Policies

The Corporation's significant accounting policies are described in notes 2 and 3 of its audited consolidated financial statements for the year ended December 31, 2017.

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.

Identifiable intangible assets and goodwill

Identifiable intangible assets and goodwill, excluding software and non-competition agreements, represented$3,267.0 million of total assets on the consolidated statement of financial position as at December 31, 2017 ($3,076.9 million as at December 31, 2016). 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 average 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.

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.

14 Future Accounting Standards

The following standards have been issued, but were not yet effective as at December 31, 2017:

IFRS 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9, "Financial Instruments" concerning classification and measurement, impairment and hedge accounting, to supersede IAS 39, "Financial Instruments: Recognition and Measurement". IFRS 9 will be effective for years beginning on or after January 1, 2018 with early adoption permitted. The Corporation has analyzed the impact of the adoption of IFRS 9 on the Corporation's consolidated statement of financial position and consolidated statements of earnings and comprehensive income and cash flows. The impact is not expected to be significant.

IFRS 15 – Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers". IFRS 15 replaces all previous revenue recognition standards, including IAS 18, "Revenue". In September 2015, the IASB deferred the effective date of IFRS 15 from January 1, 2017 to annual periods beginning on or after January 1, 2018, with early adoption permitted. The Corporation has analyzed the impact of the adoption of IFRS 15 on the Corporation's consolidated statement of financial position and consolidated statements of earnings and comprehensive income. No impact is expected from the adoption of this standard.

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.

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

The following accounting interpretations by the International Financial Reporting Interpretation Committee ("IFRIC") will be effective January 1, 2018, and January 1, 2019, respectively.

IFRIC 22 – Foreign Currency Transactions and Advance Consideration (effective January 1, 2018)

In December 2016, the IASB issued IFRIC 22 which provides an interpretation on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 1. The interpretation applies where an entity pays or receives consideration in advance for foreign currency-denominated contracts. The date of the transaction determines the exchange rate to be used on initial recognition of the related asset, expense or income. This interpretation provides guidance for when a single payment or receipt is made, as well as for situations where multiple payments or receipts are made and aims to reduce diversity in practice. No significant impact is expected from the adoption of this accounting interpretation.

IFRIC 23 – Uncertainty Over Income Tax Treatments (effective January 1, 2019)

In June 2017, the IFRS Interpretations Committee issued IFRIC 23 which clarifies how the recognition and measurement requirements of IAS 12, Income Taxes, are applied where there is uncertainty over income tax treatments.

The Corporation is currently assessing the impact of the adoption of this accounting interpretation on its financial statements.

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.

15 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, 2017, 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.

16 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 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.

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, 2017.

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, the CFO and the members of the global leadership team. Total compensation to key management personnel in 2017 was $23.5 million.

17 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.

18 Contractual Obligations

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

In millions of dollars	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
Long-term debts*	$287.8	$28.9	$941.1	$ -	$ -	$ -	$1,257.8
Other non-current financial liabilities*	$45.8	$18.2	$9.0	$ -	$ -	$ -	$73.0

* Including current portion.

In millions of dollars	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
Operating lease commitments	$187.0	$168.7	$152.6	$132.0	$260.5	$242.0	$1,142.8

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

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

19 Outlook

This outlook is provided on March 14, 2018, as part of the 2017 MD&A in relation to the year ended December 31, 2017 financial results to assist analysts and shareholders in formalizing their respective views on 2018.

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 2018 as at March 14, 2018:

	2018 Target Range
Net revenues*	Between $5,700 million and $5,900 million
Adjusted EBITDA*	Between $610 million and $660 million
Seasonality and adjusted EBITDA* fluctuations	Q1: 18% to 21% Q2: 25% to 28% Q3: 26% to 29% Q4: 24% to 27%
Tax rate	23% to 25%
DSO*	80 to 85 days
Amortization of intangible assets related to acquisitions	Between $60 million and $70 million
Capital expenditures	Between $115 million and $125 million
Net debt to adjusted EBITDA*	1.5x to 2.0x
Acquisition and integration costs*	Between $40 million and 50 million (1)

* Non-IFRS measures are described in the "Glossary" section.
(1) Due mainly to personnel and real estate integration costs related to the acquisition of Opus completed in Q4 2017, and to real estate integration costs pertaining to the Mouchel acquisition completed in Q4 2016.

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 2018 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 2018 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, 2017, in the countries in which the Corporation currently operates and assumed no change in the tax law applicable to such countries. In the 2018 forecast, the Corporation has not considered any dispositions, mergers, business combinations and other transactions that may occur after the publication of the March 14, 2018 MD&A. The Corporation cautions that the assumptions used to prepare the 2018 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.

FEMA-related revenues generated in fiscal 2017, specifically in Q4 2017, significantly impacted the organic growth in net revenues metric reported by the Corporation in 2017. FEMA-related revenues, due to their nature, cannot be predicted with any measure of accuracy. As such, taking into consideration FEMA-related net revenues generated in 2017, in excess of Management's expectations and not anticipated to reoccur in 2018, the Corporation foresees 2018 consolidated organic growth in net revenues, spanning across all reportable operating segments, on a constant currency basis, in the 1% to 4% range.

Global Corporate costs for 2018 are expected to range between $75 and $80 million. The increase in Global Group costs over 2017 is mainly due to higher anticipated costs associated with the expansion of Corporation's existing key employee retention programs, mainly the LTIP programs, in line with its peer group.

As well, the Corporation has budgeted for a series of group initiatives expected to improve regional operating margins, increasing the Global Corporate 2018 cost pool.

Reportable Operating Segment Outlook

Canada

We expect our Canadian operations to build on their strong 2017 results, and improve operating margins across most market segments. With backlog over a billion dollars at the end 2017 and good prospects for 2018, the Corporation anticipates steady organic growth in net revenues in the low to mid single digit range, throughout the year.

Americas

The Corporation anticipates a solid 2018 for the Americas reporting segment. Infrastructure spending in the US is anticipated to remain strong and the integrations of POCH and ConCol are expected to deliver synergies that should lead to improvement in operating margins. On the organic growth in net revenues front, we anticipate it to be in the mid to high single digits throughout the first three quarters of the year, followed by significant negative organic growth in net revenues in Q4 2018, due to the substantial FEMA net revenues recognized in Q4 2017, for which we cannot anticipate will reoccur year-over-year.

The Corporation anticipates organic growth in net revenues for the Americas operating segment in the low single digits in 2018.

EMEIA

The Nordics region is once again expected to deliver solid results in 2018. Organic growth in net revenues is anticipated to range in mid to high single digits; operating margins improvement is also anticipated as the significant increase in headcount experienced in 2017 should translate into higher utilization rates in 2018.

The UK's growth prospects for 2018 will be driven by large public sector work. Although Brexit concerns continue to linger, the Corporation anticipates modest organic growth in net revenues, in the low single digits, with the bulk of it concentrated in the second and third quarters of 2018.

The Corporation's prospects for the Middle East and South African operations remain muted for 2018. Both regions are anticipated to deliver negative organic growth in net revenues as we foresee difficult economic conditions in those geographies persisting in 2018. These two regions represented less that 6.0% of the Corporation's 2017 net revenues.

On a consolidated basis, our EMEIA reportable operating segment is anticipated to post organic growth in net revenues in the low single digits.

APAC

The Corporation anticipates another solid year for its Australian operations with organic growth in net revenues expected in the mid to high single digits, with the infrastructure market segment at the forefront of the growth prospects for 2018.

In Asia, a continuing slowdown in the buildings market is anticipated to lead to negative organic growth in net revenues for the year. Cost containment efforts will be deployed to limit operating margin deterioration, and other action plans have been put in place to remediate the situation going forward.

The integration of Opus, acquired in Q4 2017, is proceeding well. Although their contribution will deliver mostly net revenues acquisition growth for the year, we anticipate the correlated adjusted EBITDA, as well as cost synergies, to provide a solid boost to the Corporation's net earnings in 2018.

On a consolidated basis, we anticipated the APAC region to deliver organic growth in net revenues in the low single digits for 2018.

20 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 March 14, 2018, 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 2017 MD&A: “Global Operations”; “Non-Compliance with Laws or Regulations”; “Systems, Network Infrastructure and Data Failure, Interruption and Breach”; “Changes to Backlog”; “Revenues from Contracts with Government Agencies”; “Environmental, Health and Safety Risks and Hazards”; “Controls and Disclosure”; “Risk of Future Legal Proceedings”; “Acquisition Integration and Management”; “Challenges Associated with Size”; “Risks Associated with Professional Services Contracts”; “Joint Arrangements” “Economic Environment”; “Reliance on Suppliers and Subcontractors”; “Dependence on Clients”; “Availability and Retention of Qualified Professional Staff”; “Adequate Utilization of Workforce”; “Work Stoppage and Labour Disputes”; “Insurance Limits”; “Extreme Weather Conditions and the Impact of Natural or Other Disasters”; “Reputational Risk”; “Competition in the Industry”; “Changes to Regulations”; “Increased Awareness of Environmental Factors”; “Deterioration of Financial Position or Net Cash Position”; “Working Capital Requirements”;

“Accounts Receivable”; “Increased Indebtedness”; “Impairment of Goodwill”; “Foreign Currency Exposure”; “Income Taxes”; “Underfunded Defined Benefits Obligations” 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 March 14, 2018, 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 contract 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.

21 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

Global Operations

Our business is dependent on the continued success and growth of the operations of each of our regions. 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 each of our regional 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 certain jurisdictions;
- international hostilities and terrorism; and
- cultural, logistical and communications challenges.

Non-Compliance with Laws or Regulations

The Corporation faces risks relating to non-compliance with laws, including anti-corruption, trade restrictions, securities regulation, antitrust, data privacy and labour relations laws, as well as 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 control measures and policies to mitigate these risks, 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 are 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 imposed on 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.

Systems, Network Infrastructure and Data Failure, Interruption and Breach

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. The Corporation also faces the threat of unauthorized system access, computer hackers, malicious code and organized cyber-attacks. The Corporation devotes significant resources to the security of its computer systems by investing in and improving its threat protection, detection and mitigation policies, procedures and controls. However, given the highly evolving nature of cyber or other security threats or disruptions and their increased frequency, the measures it takes to protect against all information infrastructure risks may prove in some circumstances to be inadequate to prevent the improper disclosure, loss, theft, misappropriation of, unauthorized access to, or destruction of information, or service interruptions. Anyone who circumvents security measures could misappropriate proprietary or confidential information relating to our business or personal employee information or cause interruptions or malfunctions in system operations. As the cybersecurity landscape evolves, 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.

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 of 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.

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. Government agencies can typically 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.

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.

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 expenses of the Corporation.

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. The Corporation issues reports and opinions to clients based on its professional engineering expertise, as well as its other professional credentials in compliance with applicable laws, regulations and professional standards. The Corporation could be liable to third parties who use or rely upon such reports or opinions even if the Corporation is not contractually bound to those third parties. 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.

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. The successful integration of an acquired business is 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.

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, employee and other 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. In particular, major clients of the acquired businesses may not be retained following the acquisition of such businesses.

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. 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.

In addition, the overall integration may result in unanticipated operational problems, including the Corporation's own operational, financial and management systems which may be incompatible with or inadequate to effectively integrate and manage the acquired businesses.

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 and contingencies 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.

Challenges Associated with Size

In recent years, the Corporation has significantly increased in size and now has approximately 42,000 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.

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, inability of clients to fulfill their obligations on a timely basis, 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 be managed ineffectively or should it subsequently fail to meet the scheduled completion date for any other reason. Projects that are not completed on schedule further reduce profitability: staff must continue to work on them longer than anticipated; this may prevent them from pursuing and working on new projects. Projects that are over budget or not on schedule may also lead to client dissatisfaction. 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 certain circumstances, the Corporation may be limited in its ability to negotiate certain contractual terms and conditions. This may happen in government contracts or in very large projects in which the Corporation plays a smaller role. These types of contracts could potentially expose the Corporation to significant additional risks or costs that could adversely affect the profitability of the Corporation's projects.

In addition, the Corporation partners with construction delivery partners on engineering, procurement and construction (EPC) projects. In such cases, the Corporation assumes all design, procurement 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.

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 canceling 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.

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.

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.

Work Stoppage and Labour Disputes

As of December 31, 2017, 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. A lengthy strike or other work stoppages, caused by unionized or non-unionized employees, in connection with any of the Corporation's projects could have a material adverse effect on the Corporation.

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.

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.

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. The Corporation has already made specific disclosures about investigations, allegations and findings of inappropriate conduct with respect to some of its activities, directors, officers and employees. 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.

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. In addition, in the midst of rapid technological development, the Corporation must continue to anticipate changes in its clients' needs and to do so, must adapt its services so that it maintains and improves its competitive advantage. If the Corporation does not continue to innovate and leverage technology advancements, its ability to retain existing clients and attract new clients may be adversely affected. 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.

Changes to 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 credit worthy 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, 2017, $1,094.0 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 interest rates 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, 2017.

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, 2017, the Corporation had $2,979.0 million of goodwill, representing 45.7% of its total assets of $6,523.6 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; the Corporation uses 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.

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.

Income 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 income 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.

22 Additional Information

Additional information regarding the Corporation is available on our Website at www.wsp.com and on SEDAR at www.sedar.com. The Annual Information Form of the Corporation for the year ended December 31, 2017, will be available on these websites by the end of March 2018.

The common shares of the Corporation are traded on the Toronto Stock Exchange under the symbol "WSP". As at December 31, 2017, the Corporation had 103,160,592 common shares outstanding. As at March 14, 2018, the Corporation had 103,488,952 common shares outstanding following the share issuance realized under the DRIP after the payment of the fourth quarter dividend in January 2018.

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.

EBITDA

EBITDA is defined as earnings before financial expenses, income tax expenses and depreciation and amortization. EBITDA is not an IFRS measure and does not have a standardized definition within IFRS. Investors are cautioned that 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 EBITDA may differ from the methods used by other issuers and, accordingly, the Corporation's EBITDA may not be comparable to similar measures used by other issuers.

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 reportable operating segment to another.

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 and Adjusted Net Earnings Per Share

Adjusted net earnings is defined as net earnings attributable to shareholders excluding acquisition and integration costs and the income tax effects related to these costs. Adjusted net earnings 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. The Corporation believes these costs should be excluded in understanding the underlying operational financial performance achieved by the Corporation.

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

Adjusted Net Earnings Excluding Amortization of Intangible Assets Related to Acquisitions and Adjusted Net Earnings Excluding Amortization of Intangible Assets Related to Acquisitions Per Share

Adjusted net earnings excluding amortization of intangible assets related to acquisitions (net of income taxes) is defined as adjusted net earnings 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 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 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 (net of sales taxes) and costs and anticipated profits in excess of billings into cash, net of billings in excess of costs and anticipated profits. 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

FOR THE YEAR ENDED DECEMBER 31, 2017

March 14, 2018

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 statements of financial position as at December 31, 2017 and 2016 and the consolidated statements of earnings, comprehensive income, changes of 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 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP[1]

[1] CPA AUDITOR, CA, PUBLIC ACCOUNTANCY PERMIT NO. A119427

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"PwC" refers to PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., an Ontario limited liability partnership.

Consolidated Statements of Financial Position
As at December 31, 2017, and 2016 (in millions of Canadian dollars)

	2017	2016
Assets	$	$
Current assets		
Cash (note 6)	185.1	230.8
Restricted cash	6.8	5.1
Trade, prepaid and other receivables (note 7)	1,554.7	1,414.5
Income taxes receivable	18.0	31.5
Costs and anticipated profits in excess of billings	905.0	824.0
	2,669.6	2,505.9
Non-current assets		
Other assets (note 8)	113.0	111.9
Deferred income tax assets (note 21)	91.4	78.9
Property and equipment (note 9)	315.4	292.7
Intangible assets (note 10)	355.2	355.7
Goodwill (note 11)	2,979.0	2,783.6
Total assets	**6,523.6**	**6,128.7**
Liabilities and equity		
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 13)	1,361.9	1,213.5
Billings in excess of costs and anticipated profits	483.8	483.4
Income taxes payable	47.9	38.5
Dividends payable to shareholders (note 22)	38.7	38.0
Current portion of long-term debts (note 14)	276.3	135.9
Other current financial liabilities (note 15)	45.8	18.1
	2,254.4	1,927.4
Non-current liabilities		
Long-term debts (note 14)	882.4	914.2
Other non-current financial liabilities (note 15)	25.4	13.9
Provisions (note 13)	121.2	128.6
Retirement benefit obligations (note 16)	206.7	218.1
Deferred income tax liabilities (note 21)	74.5	66.0
Total liabilities	3,564.6	3,268.2
Equity		
Equity attributable to shareholders		
Share capital (note 17)	2,577.4	2,491.6
Contributed surplus	204.2	203.3
Accumulated other comprehensive income	86.0	132.8
Retained earnings	91.4	31.9
	2,959.0	2,859.6
Non-controlling interest	-	0.9
Total equity	2,959.0	2,860.5
Total liabilities and equity	6,523.6	6,128.7
Commitments and contingencies (note 26)		

Approved by the Board of Directors
(signed) Alexandre L'Heureux, Director (signed) Louis-Philippe Carrière, Director

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

Consolidated Statements of Earnings
For the years ended December 31, 2017, and 2016
(in millions of Canadian dollars, except the number of shares and per share data)

	2017	2016
	$	$
Revenues	**6,942.2**	**6,379.6**
Personnel costs	4,112.9	3,704.4
Subconsultants and direct costs	1,585.6	1,484.5
Occupancy costs	227.8	226.8
Other operational costs	473.6	470.6
Acquisition and integration costs (note 19)	28.4	32.9
Depreciation of property and equipment	79.6	78.4
Amortization of intangible assets	89.2	81.1
Exchange loss (gain)	(6.9)	(2.0)
Share of income of associates and joint ventures (net of tax)	(0.3)	(0.1)
Total net operational costs	**6,589.9**	**6,076.6**
Net finance expenses (note 20)	36.9	37.2
Earnings before income taxes	**315.4**	**265.8**
Income-tax expense (note 21)	102.1	67.1
Net earnings for the period	**213.3**	**198.7**
Net earnings attributable to:		
Shareholders	213.3	199.1
Non-controlling interests	-	(0.4)
	213.3	198.7
Basic net earnings per share attributable to shareholders	2.08	1.97
Diluted net earnings per share attributable to shareholders	2.08	1.97
Basic weighted average number of shares	102,448,943	100,883,512
Diluted weighted average number of shares	102,576,410	100,919,789

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

Consolidated Statements of Comprehensive Income
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars)

	2017	2016
	$	$
Comprehensive income		
Net earnings for the period	213.3	198.7
Other comprehensive income, net of tax		
Items that may be reclassified subsequently to net earnings		
Currency translation adjustments (net of tax expense/(recovery) of ($5.0) (($2.0) in 2016))	(73.9)	(160.7)
Fair value re-evaluations – available-for-sale assets (net of tax expense/(recovery) of $2.1 ($0.3 in 2016))	5.7	0.7
Translation adjustments on financial instruments designated as net investment hedge (net of tax expense/(recovery) of $4.0 ($2.1 in 2016))	25.6	13.5
Items that will not be reclassified to net earnings		
Actuarial gain/(loss) on pension schemes (net of tax expense/(recovery) of ($3.4) (($7.4) in 2016)) (note 16)	(4.2)	(33.9)
Total comprehensive income for the period	**166.5**	**18.3**
Comprehensive income attributable to:		
Shareholders	166.5	18.7
Non-controlling interests	-	(0.4)
	166.5	**18.3**

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

Consolidated Statements of Changes in Equity
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars)

	Attributable to Shareholders						
	Share capital $	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	-	1.6	-	-	1.6	-	1.6
Comprehensive income							
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	-	-	**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**

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

Consolidated Statements of Changes in Equity
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars)

	Attributable to Shareholders						
	Share capital $	Contributed surplus $	Retained earnings (deficit) $	Accumulated other comprehensive income $	Total $	Non-controlling interests $	Total equity $
Balance - January 1, 2017	2,491.6	203.3	31.9	132.8	2,859.6	0.9	2,860.5
Common shares issued under the DRIP (note 17)	82.7	-	-	-	82.7	-	82.7
Exercise of stock options (notes 12 and 17)	3.1	(0.5)	-	-	2.6	-	2.6
Stock-based compensation expense (note 12)	-	1.4	-	-	1.4	-	1.4
Comprehensive income							
Net earnings for the period	-	-	213.3	-	213.3	-	213.3
Actuarial gain/(loss) on pension schemes (net of tax)	-	-	-	(4.2)	(4.2)	-	(4.2)
Currency translation adjustments	-	-	-	(73.9)	(73.9)	-	(73.9)
Fair value re-evaluations – available-for-sale assets (net of tax)	-	-	-	5.7	5.7	-	5.7
Net investment hedge (net of tax)	-	-	-	25.6	25.6	-	25.6
Total comprehensive income	-	-	**213.3**	**(46.8)**	**166.5**	-	**166.5**
Declared dividends to shareholders (note 22)	-	-	(153.8)	-	(153.8)	-	(153.8)
Disposal of subsidiary	-	-	-	-	-	(0.9)	(0.9)
Balance - December 31, 2017	**2,577.4**	**204.2**	**91.4**	**86.0**	**2,959.0**	-	**2,959.0**

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

Consolidated Statements of Cash Flows
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars)

	2017	2016
	$	$
Cash flows generated from (used in) operating activities		
Net earnings for the period	213.3	198.7
Adjustments (note 23a))	139.7	133.2
Income tax expenses (note 21)	102.1	67.1
Income taxes paid	(58.8)	(46.6)
Net finance expenses (note 20)	36.9	37.2
Change in non-cash working capital items (note 23b))	(37.8)	(2.8)
Net cash generated from (used in) operating activities	**395.4**	**386.8**
Cash flows generated from (used in) financing activities		
Dividends paid to shareholders	(70.4)	(68.0)
Net variation in long-term debts (note 23 d))	66.8	81.4
Repayment of other financial liabilities	(15.1)	(2.5)
Finance expenses paid and financing costs	(36.5)	(36.1)
Issuance of common shares, net of issuance costs	2.6	-
Dividends paid to a non-controlling interest	-	(1.3)
Net cash generated from (used in) financing activities	**(52.6)**	**(26.5)**
Cash flows generated from (used in) investing activities		
Business acquisitions (note 4)	(291.9)	(166.9)
Additions to property and equipment	(79.7)	(108.8)
Proceeds from disposal of property and equipment	4.8	2.5
Additions to intangible assets	(24.4)	(35.6)
Other	(3.3)	(0.3)
Net cash generated from (used in) investing activities	**(394.5)**	**(309.1)**
Effect of exchange rate change on cash	(0.2)	(22.9)
Net change in cash	(51.9)	28.3
Cash, net of bank overdraft – Beginning of period	230.5	202.2
Cash, net of bank overdraft (note 6) - End of period	**178.6**	**230.5**

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

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (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 consulting firm which provides technical expertise and strategic advice to clients in the transportation & infrastructure, property & buildings, environment, industry, resources (including mining and oil and gas) and power & energy sectors. The Corporation also offers highly specialized services in project and program delivery and advisory services. 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 March 14, 2018.

Consolisation, Joint Arrangements and Associates

These consolidated financial statements include the accounts of the Corporation and its subsidiaries for the years ended December 31, 2017, and 2016.

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.

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.

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 and cash are disclosed within finance expenses.

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 Asia, Australia and New Zealand).

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.

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

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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)

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.

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.

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.

Gains and losses accumulated in equity are transferred to the consolidated statements of earnings if a foreign operation is sold.

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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 and Equipment

Property 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

The gain or loss arising on the disposal or retirement of an item of property 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	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

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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.

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 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. 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 (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 losses 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 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 and penalties may be due. This assessment, based on judgment, 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.

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.

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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.

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 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9, "Financial Instruments" concerning classification and measurement, impairment and hedge accounting, to supersede IAS 39, "Financial Instruments: Recognition and Measurement". IFRS 9 will be effective for years beginning on or after January 1, 2018 with early adoption permitted. The Corporation has analyzed the impact of the adoption of IFRS 9 on the Corporation's consolidated statement of financial position, consolidated statements of earnings and comprehensive income and consolidated statement of cash flows. No significant impact is expected from the adoption of this standard.

IFRS 15 – Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers". IFRS 15 replaces all previous revenue recognition standards, including IAS 18, "Revenue". In September 2015, the IASB deferred the effective date of IFRS 15 from January 1, 2017 to annual periods beginning on or after January 1, 2018, with early adoption permitted. The Corporation has analyzed the impact of the adoption of IFRS 15 on the Corporation's consolidated statement of financial position and consolidated statements of earnings and comprehensive income. No impact is expected from the adoption of this standard.

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.

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

The following accounting interpretations by the International Financial Reporting Interpretation Committee ("IFRIC") will be effective January 1, 2018, and January 1, 2019, respectively.

IFRIC 22 – Foreign Currency Transactions and Advance Consideration (effective January 1, 2018)

In December 2016, the IASB issued IFRIC 22 which provides an interpretation on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 1. The interpretation applies where an entity pays or receives consideration in advance for foreign currency-denominated contracts. The date of the transaction determines the exchange rate to be used on initial recognition of the related asset, expense or income. This interpretation provides guidance for when a single payment or receipt is made, as well as for situations where multiple payments or receipts are made and aims to reduce diversity in practice. No significant impact is expected from the adoption of this accounting interpretation.

IFRIC 23 – Uncertainty Over Income Tax Treatments (effective January 1, 2019)

In June 2017, the IFRS Interpretations Committee issued IFRIC 23 which clarifies how the recognition and measurement requirements of IAS 12, Income Taxes, are applied where there is uncertainty over income tax treatments. The Corporation is currently assessing the impact of the adoption of this accounting interpretation on its financial statements.

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.

03 Critical Accounting Estimates and Judgements

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.

Identifiable Intangible Assets and Goodwill

Identifiable intangible assets and goodwill, excluding software and non-competition agreements, represented $3,267.0 of total assets on the consolidated statement of financial position as at December 31, 2017 ($3,076.9 as at December 31, 2016). 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 average 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.

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 Corporations'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.

For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

2017 Transactions

a) Opus International Consultants Limited ("Opus")

On December 4, 2017, WSP closed the acquisition of Opus. Opus is a multi-disciplinary infrastructure (transportation and water), buildings and asset development management consultancy firm with approximately 3,000 engineers, designers, planners, researchers and advisers across New Zealand, Australia, Canada and the United Kingdom.

Given the size of the transaction and proximity to the end of fiscal year, the Corporation has not yet completed its fair value assessment of the assets acquired, the liabilities assumed and goodwill. Consequently, the fair value adjustments related to this acquisition are included in goodwill in the preliminary fair value assessment of assets acquired and liabilities assumed. The table below presents Management's preliminary assessment of said 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.

Recognized amounts of identifiable assets acquired and liabilities assumed	Preliminary
CURRENT ASSETS	
Cash	22.4
Trade, prepaid and other receivables	73.3
Costs and anticipated profits in excess of billings	33.2
Property and equipment	22.4
Computer Software	1.5
Intangible assets	34.5
Deferred income tax assets	-
Other non-current assets	0.9
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	(55.3)
Billings in excess of costs and anticipated profits	(18.2)
Long-term debt	(52.8)
Other non-current liabilities	
Deferred income tax liabilities	(0.8)
Retirement benefit obligations	(1.7)
Fair value of identifiable assets and liabilities assumed	**59.4**
Goodwill	180.1
Total purchase consideration	**239.5**
Cash acquired	(22.4)
Consideration payable	(1.8)
Cash disbursements	**215.3**

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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 $66.6.

The acquired business contributed revenues of $37.0 and a net loss of $7.4 from December 4, 2017 to December 31, 2017. If the acquisitions of OPUS had occurred on January 1, 2017, the Corporation's revenues and net earnings for 2017 would have increased by $321.0 and $21.5 respectively.

b) Other acquisitions in 2017

In 2017, the Corporation concluded a number of other acquisitions, notably, POCH ("POCH"), a 730-employee professional services firm in Chile, acquired in the second quarter of 2017 and Consultoría Colombiana S.A. ("ConCol"), a 1,000 professional services firm based in Colombia, acquired in the fourth quarter of 2017.

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.

	Preliminary
Recognized amounts of identifiable assets acquired and liabilities assumed	
CURRENT ASSETS	
Cash	8.8
Trade, prepaid and other receivables	42.9
Costs and anticipated profits in excess of billings	26.2
Property and equipment	7.8
Computer Software	2.0
Deferred income tax assets	8.1
Other non-current assets	1.7
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	(43.3)
Billings in excess of costs and anticipated profits	(9.9)
Long-term debt	(21.1)
Other non-current liabilities	(0.8)
Deferred income tax liabilities	(5.4)
Fair value of identifiable assets and liabilities assumed	**17.0**
Goodwill	101.5
Total purchase consideration	**118.5**
Cash acquired	(8.8)
Consideration payable	(35.3)
Cash disbursements	**74.4**

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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 $36.8.

The acquired businesses acquired, comprising mainly of POCH and ConCol, contributed revenues of $26.8 and a net loss of $1.2 from their dates of acquisition to December 31, 2017. If these acquisitions had occurred on January 1, 2017, the Corporation's revenues and net earnings for 2017 would have increased by $70.6 and decreased by $5.4, respectively.

2016 Transactions

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.

In 2017, 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 2016 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.

	Preliminary	Adjustments	Final
Recognized amounts of identifiable assets acquired and liabilities assumed			
CURRENT ASSETS			
Cash	5.5	2.5	8.0
Trade, prepaid and other receivables	45.3	5.5	50.8
Costs and anticipated profits in excess of billings	31.7	(4.5)	27.2
Property and equipment	3.6	1.3	4.9
Computer Software	0.8	3.8	4.6
Intangible assets	1.4	30.1	31.5
Deferred income tax assets	0.1	6.9	7.0
Other non-current assets	0.8	-	0.8
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	(83.6)	(0.6)	(84.2)
Billings in excess of costs and anticipated profits	-	(3.8)	(3.8)
Deferred income tax liabilities	-	(6.0)	(6.0)
Fair value of identifiable assets and liabilities assumed	**5.6**	**35.2**	**40.8**
Goodwill	166.7	(30.4)	136.3
Total purchase consideration	**172.3**	**4.8**	**177.1**
Cash acquired	(5.5)	(2.5)	(8.0)
Consideration payable	(7.5)	(0.1)	(7.6)
Cash disbursements	**159.3**	**2.2**	**161.5**

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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 $36.9.

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

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.

	2017	
Name	**Interest**	**Country**
Pacific Complete / Woolgoolga to Ballina	40%	Australia
Melbourne Metro	33%	Australia
PB/HOK Joint Venture	50%	USA
Lower South Creek	50%	Australia
Toowoomba Second Range Crossing	50%	Australia
Sydney Rapid Transit	50%	Australia
Atlanta Aviation	41%	USA
Kier WSP	50%	England
Inland Rail Design JV	65%	Australia
Gateway Trans Hudson Partnership	38%	USA

	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

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.

Notes to Consolidated Financial Statements
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06
Cash

	2017	2016
	$	$
Cash	185.1	230.8
Less: Bank overdraft	(6.5)	(0.3)
Cash net of bank overdraft	178.6	230.5

07
Trade, Prepaid and Other Receivables

	2017	2016
	$	$
Trade receivables	1,391.4	1,233.7
Allowance for doubtful accounts	(84.5)	(84.2)
Net trade receivables	1,306.9	1,149.5
Amounts due from joint ventures and associates undertaking	19.4	17.6
Other receivables	116.8	142.9
Prepaid expenses	111.6	104.5
	1,554.7	1,414.5

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

	2017	2016
	$	$
Current	541.3	423.7
Past due 0-30 days	365.0	292.0
Past due 31-60 days	159.6	155.7
Past due 61-90 days	59.8	82.0
Past due 91-180 days	109.7	102.1
Past due over 180 days	156.0	178.2
Balance – End of period	1,391.4	1,233.7

Notes to Consolidated Financial Statements
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Allowance for Doubtful Accounts

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

	2017	2016
	$	$
Balance – Beginning of period	84.2	64.3
Adjustments of allowance	2.3	22.8
Exchange differences	(2.0)	(2.9)
Balance – End of period	84.5	84.2

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.

08

Other Assets

	2017	2016
	$	$
Deferred financing fees	1.2	3.5
Investments	14.2	6.4
Financial assets available for sale*	97.6	102.0
	113.0	111.9

* 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 $97.1 ($96.7 in 2016), determined by the market price of the funds at the reporting date.

Notes to Consolidated Financial Statements
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09

Property and Equipment

	Freehold land and buildings	Leasehold improvement	Furniture and equipment	Computer equipment	Total
	$	$	$	$	$
Balance as at January 1, 2016					
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
Additions	-	19.7	22.0	38.0	79.7
Additions through business acquisitions (note 4)	2.8	0.2	20.7	7.8	31.5
Disposals	(5.0)	-	(0.4)	(0.2)	(5.6)
Depreciation for the year	(1.1)	(21.2)	(25.5)	(31.8)	(79.6)
Exchange differences	0.3	(0.1)	(3.7)	0.2	(3.3)
	(3.0)	(1.4)	13.1	14.0	22.7
Balance as at December 31, 2017	22.7	115.0	97.7	80.0	315.4
Balance as at December 31, 2017					
Cost	28.3	205.5	221.1	207.0	661.9
Accumulated depreciation	(5.6)	(90.5)	(123.4)	(127.0)	(346.5)
Net value	22.7	115.0	97.7	80.0	315.4

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

10
Intangible Assets

	Software	Contract backogs	Customer relationships	Non-competition agreements	Trade names	Total
	$	$	$	$	$	$
Balance as at January 1, 2016						
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)	-	-	(0.1)	-	(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
Additions	23.6	-	-	-	0.8	24.4
Additions through business acquisitions (note 4)	7.3	5.9	58.7	-	-	71.9
Disposals	(0.1)	-	-	-	-	(0.1)
Amortization for the year	(25.6)	(30.5)	(27.8)	(0.4)	(4.9)	(89.2)
Exchange differences	(0.1)	(4.6)	(3.3)	-	0.5	(7.5)
	5.1	(29.2)	27.6	(0.4)	(3.6)	(0.5)
Balance as at December 31, 2017	67.1	78.5	147.4	-	62.2	355.2
Balance as at December 31, 2017						
Cost	160.4	160.5	275.1	2.5	81.3	679.8
Accumulated amortization	(93.3)	(82.0)	(127.7)	(2.5)	(19.1)	(324.6)
Net value	67.1	78.5	147.4	-	62.2	355.2

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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 $48.4 as at December 31, 2017 ($47.2 in 2016)

The Corporation performed its annual impairment test for the WSP trade name as at October 1, 2017 and September 25, 2016 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 $96.3 ($52.9 in 2016), all of which are subject to amortization.

11

Goodwill

	2017	2016
	$	$
Balance – Beginning of period	2,783.6	2,734.3
Goodwill resulting from business acquisitions	251.2	164.6
Foreign exchange differences	(55.8)	(115.3)
Balance – End of period	2,979.0	2,783.6

Goodwill amounting to $2,979.0 ($2,783.6 as at December 31, 2016) is allocated to the Corporation's CGUs. The carrying value of goodwill by CGU is identified in the table below:

	2017	2016
	$	$
Goodwill allocated to CGU		
Canada	891.2	891.2
Americas	1,068.3	1,069.0
UK	312.6	332.7
Nordics	306.8	275.6
Australia & New Zealand	263.8	80.3
Asia	68.5	73.4
Other	67.8	61.4
	2,979.0	2,783.6

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Impairment Test of Goodwill

The Corporation performed its annual impairment test for goodwill as at October 1, 2017 and September 25, 2016 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 2017 and 2016 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.

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 after-tax 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, and October 1, 2017. 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 7.50% and 13.25%, at October 1, 2017 (7.75% and 13.75% at September 25, 2016).

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, and October 1, 2017.

Costs to Sell

The costs to sell for each CGU have been estimated at approximately 0.75% (2017 and 2016) 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 October 1, 2017, no reasonably possible change in any of the key assumptions used in determining their FVLCS would have caused the carrying values of the Corporation's CGUs to materially exceed their respective recoverable amounts (FVLCS).

12 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".

RSUs

The RSUs are settled in cash and vest after 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, evenly over three years. 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.

The 2017 payout for RSUs amounted to $0.5 (nil in 2016). The Corporation recorded an expense of $2.5 during the year ($1.5 in 2016) related to the RSUs in Personnel Costs. As at December 31, 2017, 118,630 RSUs were outstanding (79,669 in 2016) and the cumulative obligation as at December 31, 2017, stood at $3.5 ($1.5 in 2016).

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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 three 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.

During the year, 30,684 options were exercised at a price of $35.45 and 42,285 options were exercised at a price of $37.75.

As at December 31, 2017, 657,829 stock options were outstanding (691,086 in 2016) of which 471,350 stock options had vested, at exercise prices ranging from $35.12 to $49.28.

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, 2017 and December 31, 2016:

	2017	2016
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%
Fair value – weighted average of options issued	$9.50-$10.50	$7.50-$8.50

During the year, the Corporation recorded a stock based compensation expense of $1.4 ($1.6 in 2016) in Personnel Costs.

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PSUs

The PSUs are settled in cash and vest if certain Corporation performance targets are met and payable yearly, starting in 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.

The 2017 payout for PSUs amounted to $8.4. The Corporation recorded an expense of $8.8 during the year ($8.9 in 2016) related to the PSUs in Personnel Costs. As at December 31, 2017, there were 663,721 PSUs outstanding (616,830 in 2016) and the cumulative obligation stood at $17.7 ($17.3 in 2016).

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, 2017, there are 68,227 DSUs outstanding (25,756 in 2016). The Corporation recorded an expense of $3.2 (1.3 in 2016) related to DSUs in Personnel Costs, and paid out an amount of $0.2 during the year, leaving the cumulative obligation at $4.1 at December 31, 2017 ($1.1 in 2016).

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Accounts Payable and Accrued Liabilities

	2017	2016
	$	$
Trade payables	518.5	307.3
Employee benefits payable	472.5	361.5
Sale taxes	65.9	59.7
Amounts due to joint venture and associated undertakings	3.1	0.9
Accrued expenses and other payables	203.0	386.3
Provisions	220.1	226.4
	1,483.1	1,342.1
Less: Non-current provisions	121.2	128.6
Accounts payable and accrued liabilities	1,361.9	1,213.5

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

	Claims provisions	Property provisions	Other provisions	Total
	$	$	$	$
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	58.6	11.3	97.7
Paid or otherwise settled	(37.1)	0.6	(7.1)	(43.6)
Exchange differences	(5.9)	(2.5)	(1.1)	(9.5)
Balance as at December 31, 2016	123.2	82.9	20.3	226.4
Business acquisitions	(0.3)	5.9	7.7	13.3
Additional provision	7.5	14.1	-	21.6
Paid or otherwise settled	(9.3)	(11.2)	(14.2)	(34.7)
Exchange differences	(2.5)	(4.0)	-	(6.5)
Balance as at December 31, 2017	118.6	87.7	13.8	220.1

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Long-Term Debts

	2017	2016
	$	$
Credit facility	1,094.0	1,042.7
Other debts	64.7	7.4
	1,158.7	1,050.1
Less: Current portion	276.3	135.9
	882.4	**914.2**

For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

Credit Facility

WSP has in place a US$1,400.0 million credit facility with a syndicate of financial institutions (the "Lenders") comprised of:

— a senior unsecured revolving credit facility to a maximum amount of US$1,200.0 million (the "Revolving Credit Facility"), maturing on December 31, 2020; and

— a senior unsecured non-revolving term credit facility which consists of a principal amount of US$200.0 million (the "Term Facility"), maturing on October 31, 2018.

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, 2017.

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. In 2017, the Corporation entered into bilateral facilities totaling $206.7 to issue letter of credits.The Corporation issued, in the normal course of business, irrevocable letters of credit totaling $242.6 as at December 31, 2017 ($228.8 in 2016) for its own commitments, thus decreasing such available credit facility and bilateral facilities.

As at December 31, 2017, the Corporation had available other operating lines of credit amounting to $145.6 ($20.2 in 2016), of which $80.2 ($19.4 in 2016) were unused at year-end.

Credit facility allocation by borrowed currency:

	2017	Base currency	2016	Base currency
	$		$	
US dollar	1,046.8	832.6	1,032.6	768.1
Sterling pound	10.6	6.2	5.3	3.2
Swedish Krona	2.8	18.2	4.8	32.5
Canadian dollar	33.8	-	-	-
	1,094.0		1,042.7	

The installments due on long-term debts over each of the next three years amount to $276.3 in 2018, $27.7 in 2019 and $854.7 in 2020.

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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Other Financial Liabilities

	2017	2016
	$	$
Bank overdraft (note 6)	6.5	0.3
Loan Payable	-	3.5
Notes payable	50.1	11.7
Obligations under finance leases	14.6	16.5
	71.2	32.0
Less: Current portion	45.8	18.1
	25.4	13.9

The installments due on financial liabilities are as follows: $45.8 in 2018, $17.7 in 2019 and $7.7 in 2020 and beyond.

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Pensions Schemes

Pension costs included in personnel costs consist of the following:

	2017	2016
	$	$
Defined benefit pension schemes	6.6	3.5
Defined contribution pension schemes	81.2	77.4
	87.8	80.9

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 US, 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.

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

Assumptions

	2017	2016
UNITED KINGDOM		
Rate of increase in pension payments	2.05% to 2.20%	1.85% to 3.65%
Discount rate	2.55%	2.65%
Inflation assumption	2.20% to 3.20%	2.25% to 3.25%
Life expectancy at age 65 (for member currently aged 65)		
– Men	87.9	88.0
– Women	89.7	90.4
SWEDEN		
Discount rate	2.60%	2.85%
Inflation assumption	1.90%	1.50%
Life expectancy at age 65 (for member currently aged 65)		
– Men	87.0	87.0
– Women	89.0	89.0
UNITED STATES		
Discount rate	2.70% to 3.00%	2.75% to 3.40%

The major categories of plan assets pertaining to the UK defined benefits pension schemes are as follows:

	2017		2016	
	Fair value $	%	Fair value $	%
Equities	79.6	41	68.4	39
Bonds	96.9	50	93.4	53
Other	16.7	9	15.4	8

As at December 31, 2017 approximately 41% (39% in 2016) 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.

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

Amounts recognized in the statements of financial position are as follows:

	2017	2016
	$	$
Fair value of plan assets (United Kingdom)	193.2	177.2
Present value of funded obligations (United Kingdom)	(231.4)	(235.4)
Deficit (United Kingdom)	(38.2)	(58.2)
Present value of unfunded obligations (Sweden)	(47.8)	(39.5)
Present value of unfunded obligations (United States)	(119.0)	(120.4)
Present value of unfunded obligations from acquisition (note 4)	(1.7)	-
Pension liability	(206.7)	(218.1)

Amounts recognized in the consolidated statements of earnings are as follows:

	2017	2016
	$	$
Current service costs	6.6	3.5

	2017	2016
	$	$
Interest expenses	9.7	12.1
Expected return on plan assets	(4.7)	(6.5)
Net finance expenses on pension obligations	5.0	5.6

Changes in the present value of the defined benefit obligation are as follows:

	2017	2016
	$	$
Present value of obligation – Beginning balance	395.3	394.2
Defined Benefit plan from acquisition	1.7	-
Current service costs	6.6	3.5
Contributions from scheme members	0.3	0.3
Benefits paid	(28.5)	(18.1)
Interest expenses	9.7	12.1
Actuarial (gain)/loss (assumptions)	3.5	53.4
Actuarial (gain)/loss (experience)	12.1	5.6
Foreign exchange differences	(0.8)	(55.7)
Present value of obligation – Ending balance	399.9	395.3

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

Changes in the fair value of plan assets are as follows:

	2017	2016
	$	$
Fair value of plan assets – Beginning balance	177.2	185.5
Expected return on plan assets	4.7	6.5
Contributions from scheme members	0.3	0.3
Contributions from employer	11.2	12.1
Benefits paid	(12.6)	(7.3)
Actuarial gain/(loss) (experience)	8.0	17.7
Foreign exchange differences	4.4	(37.6)
Fair value of plan assets – Ending balance	193.2	177.2

Net retirement obligations deficit summary:

	2017	2016
	$	$
Present value of scheme assets	193.2	177.2
Fair value of scheme liabilities	(399.9)	(395.3)
Deficit	(206.7)	(218.1)

Cumulative actuarial (losses)/gains recognized in equity are as follows:

	2017	2016
	$	$
Beginning balance	(10.0)	31.3
Net actuarial (loss)/gain recognized in the year	(7.6)	(41.3)
Balance – End of year	(17.6)	(10.0)

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 $3.1
Mortality	+/- 1 year	Decrease/increase $12.5

The combined employee and employer contributions expected to be paid in 2018, pertaining to the Corporation's defined benefit pension schemes are expected to be approximately $11.0.

For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

17 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 shares	
	Number	$
Balance as at January 1, 2016	99,255,857	2,409.7
Shares issued under the DRIP	2,115,280	81.9
Balance as at December 31, 2016	101,371,137	2,491.6
Shares issued under the DRIP (note 22)	1,716,486	82.7
Shares issued upon exercise of stock options*	72,969	3.1
Balance as at December 31, 2017	103,160,592	2,577.4

* The carrying value of the common shares includes $0.5, which corresponds to a reduction in contributed surplus representing the value of accumulated compensation costs associated with the stock options exercised during the period.

As at December 31, 2017, no preferred shares were issued.

18 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.

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

	2017	2016
	$	$
Long-term debts	1,158.7	1,050.1
Loan payable (note 15)	-	3.5
Shareholders' equity	2,959.0	2,859.6
Non-controlling interest	-	0.9
	4,117.7	3,914.1
Less: Cash net of bank overdraft	(178.6)	(230.5)
	3,939.1	3,683.6

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 organically and 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 loans and negotiate new credit facilities.

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Acquisition and Integration Costs

	2017	2016
	$	$
Business acquisition related costs	6.3	3.1
Business integration related costs	22.1	29.8
	28.4	32.9

Included in Acquisition and integration costs are personnel costs of $6.2 and $7.8 for 2017 and 2016, 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.

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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Net Finance Expenses

	2017	2016
	$	$
Interest related to credit facilities	33.8	26.2
Net finance expenses on pension obligations	5.0	5.6
Exchange loss/(gain) on assets/liabilities in foreign currencies	3.5	4.8
Other interest and bank charges	6.5	7.3
Loss/(gain) on sale of assets available for sale	(7.7)	(5.0)
Interest income	(4.2)	(1.7)
	36.9	37.2

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Income Taxes

The components of income tax expense for 2017 and 2016 were as follows:

	2017	2016
	$	$
Current tax		
Current tax on earnings for the year	97.0	71.9
Adjustments in respect of prior years	7.9	15.2
Total current tax	104.9	87.1
Deferred tax		
Origination and reversal of temporary differences	(10.0)	(3.9)
Impact of change in tax rates	16.0	0.2
Adjustments in respect of prior years	(8.8)	(16.3)
Total deferred tax	(2.8)	(20.0)
Total income tax expense	102.1	67.1

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

The reconciliation of the difference between the income tax expense using the combined Canadian federal and provincial statutory tax rate of 26.8% (26.9% in 2016) and the actual effective tax rate is as follows:

	2017		2016	
	$	%	$	%
Earnings before income tax expense	315.4	-	265.8	-
Expected income tax expense at the combined Canadian federal and provincial statutory rate	84.5	26.8	71.5	26.9
Changes resulting from:				
Foreign tax rate differences	(3.2)	(1.0)	(10.3)	(3.8)
Non-deductible expenses/(non-taxable income), net	5.1	1.6	5.1	1.9
Unrecognized tax benefits, net	0.9	0.3	3.6	1.4
Adjustments in respect of prior years	(0.9)	(0.3)	(1.1)	(0.4)
Effect of change in tax rates	16.0	5.1	0.2	(0.1)
Other items	(0.3)	(0.1)	(1.9)	(0.7)
	102.1	32.4	67.1	25.2

On December 22, 2017, President Trump signed the Tax Cuts and Jobs Act into legislation reducing the US federal corporate income tax rate from 35% to 21%. As a result, the Corporation incurred a charge to other comprehensive income of $0.4M and an income tax expense of $16.0M, due to a remeasurement of deferred tax assets and liabilities.

In 2017, 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 the recognition of our remaining Australian operations deferred tax assets following continued improved earnings in 2017.

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.

As at December 31, 2017, and 2016, the significant components of deferred income tax assets and liabilities were as follows:

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2017							
	As at January 1	Credited (charged) to statement of earnings	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	109.2	(11.5)	-	-	7.1	(2.7)	102.1
Tax loss carry forwards	25.9	(5.0)	-	-	1.5	0.2	22.6
Pension Plan	65.1	(18.7)	(0.3)	-	0.3	(2.5)	43.9
Deferred issuance-related costs	5.9	(2.6)	-	-	-	-	3.3
Property and equipment	4.5	1.7	-	-	7.6	0.5	14.3
Other temporary differences	33.9	(11.8)	0.1	-	4.6	(1.5)	25.3
	244.5	(47.9)	(0.2)	-	21.1	(6.0)	211.5
Deferred income tax liabilities							
Costs and anticipated profits in excess of billings	(80.3)	(10.1)	-	-	(0.3)	(1.5)	(92.2)
Holdbacks	(18.2)	5.8	-	-	-	0.8	(11.6)
Property and equipment	(29.3)	17.9	-	-	(0.9)	1.0	(11.3)
Intangible assets and goodwill	(91.5)	36.9	-	-	(16.7)	3.2	(68.1)
Other temporary differences	(12.3)	0.2	0.9	-	(0.4)	0.2	(11.4)
	(231.6)	50.7	0.9	-	(18.3)	3.7	(194.6)
Total	**12.9**	**2.8**	**0.7**	**-**	**2.8**	**(2.3)**	**16.9**

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

2016

	As at January 1	Credited (charged) to statement of earnings	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 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 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**

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

The deferred income taxes are presented as follows on the consolidated statements of financial position:

	2017	2016
	$	$
Deferred income tax assets	91.4	78.9
Deferred income tax (liabilities)	(74.5)	(66.0)
Net Deferred income tax assets/(liabilities)	16.9	12.9

As at December 31, 2017, the Corporation recognized deferred income tax assets of $22.6 ($25.9 as at December 31, 2016) 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, 2017, the Corporation had $29.5 ($35.1 as at December 31, 2016) of unrecognized deferred income tax assets related to $113.3 ($129.6 as at December 31, 2016) of tax loss carry forwards, of which $42.1 ($49.5 as at December 31, 2016) expire between 2018 and 2037 with the remainder having no expiry, and $5.5 ($12.1 as at December 31, 2016) of gross temporary differences with no expiry. The Corporation considers the recovery of those unrecognizedW deferred income tax assets as not probable.

A deferred income tax liability relating to taxable temporary differences amounting to $198.0 as at December 31, 2017 ($121.0 as at December 31, 2016), 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 corporate or withholding taxes.

22 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, 2017 was $38.7 or $0.375 per share.

The total amount of dividends declared by the Corporation for the year ended December 31, 2017 was $153.8 ($150.8 in 2016).

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.

In 2017, $82.7 was reinvested in 1,716,486 common shares under the DRIP (note 17).

On January 15, 2018, on the payment of the fourth quarter dividend, $19.2 was reinvested in 328,360 additional shares under the DRIP.

Notes to Consolidated Financial Statements
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Statements of Cash Flows

a) Adjustments

	2017	2016
	$	$
Depreciation and amortization	168.8	159.5
Share of income per statements of earnings of associates and joint-ventures (net of tax)	(0.3)	(0.1)
Defined benefit pension schemes expense	6.6	(3.5)
Cash contribution to defined benefit pension schemes	(11.2)	(12.1)
Foreign exchange and non-cash movements	0.7	4.2
Others	(24.9)	(14.8)
	139.7	133.2

b) Change in Non-Cash Working Capital Items

	2017	2016
	$	$
Decrease (increase) in:		
Trade, prepaid and other receivables	(59.4)	93.1
Costs and anticipated profits in excess of billings	(48.2)	(16.4)
Increase (decrease) in:		
Accounts payable and accrued liabilities	86.4	(43.9)
Billings in excess of costs and anticipated profits	(16.6)	(35.6)
	(37.8)	(2.8)

c) Transactions Not Affecting Cash

	2017	2016
	$	$
Additions to intangible assets and prepaids through the assumption of a finance lease and financial liabilities	-	15.3

Notes to Consolidated Financial Statements
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d) Transactions Arising from Cash Flows - Long-Term Debts

			2017
			$
	Increase of debt	Repayment of debt	Total
Term facility	-	(124.7)	(124.7)
Revolving facility	9,885.1	(9,679.5)	205.6
Other long-term debt	-	(14.1)	(14.1)
	9,885.1	(9,818.3)	66.8

			2016
			$
	Increase of debt	Repayment of debt	Total
Term facility	-	(131.7)	(131.7)
Revolving facility	5,708.8	(5,492.6)	216.2
Other long-term debt	-	(3.1)	(3.1)
	5,708.8	(5,627.4)	81.4

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

24 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	
		2017	2016
WSP Canada Inc.	Canada	100%	100%
WSP Canada Group Limited	Canada	100%	100%
Parsons Brinckerhoff Holdings Inc.	USA	100%	100%
WSP Colombia S.A.S.	Colombia	100%	100%
WSP Consulting Chile LTDA	Chile	100%	100%
WSP UK Limited	England	100%	100%
Parsons Brinckerhoff Limited (UK)	England	100%	100%
WSP CEL Limited	England	100%	100%
WSP Sverige AB	Sweden	100%	100%
WSP Deutschland AG	Germany	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	74%	74%
WSP Group Africa	South Africa	74%	74%
WSP Asia (Holdings) Limited	Hong Kong	100%	100%
WSP Hong Kong Limited	Hong Kong	100%	100%
WSP (Asia) Ltd.	Hong Kong	100%	100%
WSP Consultancy Pte Ltd.	Singapore	100%	100%
WSP Australia Pty Ltd.	Australia	100%	100%
WSP New Zealand Ltd.	New Zealand	100%	100%

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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 global leadership team ("GLT"). The compensation paid or payable to key management is shown below:

	2017	2016
	$	$
Short-term employee benefits	14.7	14.8
Share-based awards	8.8	8.3
	23.5	23.1

25 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, 2017, and 2016, 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, 2017, and 2016.

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 $2,533.3 as at December 31, 2017, and $2,364.8 as at December 31, 2016.

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

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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, 2017, and 2016, 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.

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, the Corporation entered into cross currency swaps for a nominal amount of US$395.6 million to hedge a portion of its US denominated debt at a US/CAD rate of 1.2816 and a nominal amount of US$32.9 million to hedge a portion of its US denominated debt at a GBP/US rate of 1.3320. The fair market value loss amounted to US$7.9 million and was recorded in the statement of earnings. All cross currency swap agreements expire in the first quarter of 2018.

The Corporation also entered into foreign currency forward contracts and options strategies mainly to hedge the variability in the expected foreign currency exchange rate of certain currencies against the Canadian dollar. The net fair market value gain of these forward contracts and options amounted to US$0.3 million and was recorded in the consolidated statement of earnings.

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 2016) 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:

	2017			
	US Dollar	Sterling Pound	Swedish Krona	Australian Dollar
Net earnings	5.3	1.5	2.4	2.1
Other comprehensive income	4.6	1.7	1.1	5.8

	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

For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

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 100 base point spread ("BPS") fluctuation in interest rates would not have a material impact on the Corporation's consolidated net earnings.

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 headroom 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, 2017, and 2016. The amounts disclosed are contractual undiscounted cash flows.

	2017				
	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	1,483.1	1,483.1	1,361.9	121.2	-
Dividends payable to shareholders	38.7	38.7	38.7	-	-
Long-term debts, including current portion	1,158.7	1,257.8	287.8	28.9	941.1
Financial liabilities, including current portion	71.2	73.0	45.8	18.2	9.0
	2,751.7	2,852.6	1,734.2	168.3	950.1

	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

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

As at December 31, 2017, the Corporation had unused credit facilities of $584.7 ($495.8 in 2016), net of outstanding letters of credit of $81.6 ($209.0 in 2016), and cash net of bank overdraft of $178.6 ($230.5 in 2016).

26 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, 2017 ($194.2 for the year ended December 31, 2016).

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	$	$
No later than 1 year	187.0	182.5
Later than 1 year and no later than 5 years	713.8	564.1
Later than 5 years	242.0	203.0
	1,142.8	949.6

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 and the awarding of municipal contracts had occurred in the past. 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. During the course of 2017, the Corporation, in connection with 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 and to which the Corporation indicated its participation in March 2016, came to a settlement with the Québec government and satisfied its obligations under such settlement. The Corporation is taking steps to address any other contingencies relating with the above 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.

27 Segment Information

a) Major Customers

As at December 31, 2017, and 2016, 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 Asia, Australia and New Zealand).

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 the underlying financial performance of the reportable segments. Global Corporate costs are expenses and salaries related to centralized functions, such as global finance, legal, 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.

The revenues reported to the GLT are measured in a similar manner as in the consolidated statements of earnings and exclude intersegmental revenues.

The tables below present the Corporation's operations based on reportable operating segments.

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

	2017				
	Canada	Americas	EMEIA	APAC	Total
Revenues	1,180.4	2,528.5	2,373.5	859.8	6,942.2
Less: Subconsultants and direct costs	(203.0)	(878.0)	(388.8)	(115.8)	(1,585.6)
Net revenues	977.4	1,650.5	1,984.7	744.0	5,356.6
Adjusted EBITDA before Global Corporate costs	120.6	220.2	197.0	76.4	614.2
Global corporate costs					(59.0)
Acquisition and integration costs					(28.4)
Financial expenses					(41.1)
Depreciation and amortization					(168.8)
Share of taxation and amortization of associates					(1.5)
Earnings before income tax					315.4

	2016				
	Canada	Americas	EMEIA	APAC	Total
Revenues	1,145.5	2,306.6	2,147.0	780.5	6,379.6
Less: Subconsultants and direct costs	(193.5)	(824.2)	(362.0)	(104.8)	(1,484.5)
Net revenues	952.0	1,482.4	1,785.0	675.7	4,895.1
Adjusted EBITDA before Global Corporate costs	91.3	201.9	190.3	66.0	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

Notes to Consolidated Financial Statements
For the years ended December 31, 2017, and 2016 (in millions of Canadian dollars, except the number of shares and per share data and unless otherwise stated)

c) Geographic Information

The following revenues have been allocated to geographic regions based on the country of operation of the Corporation.

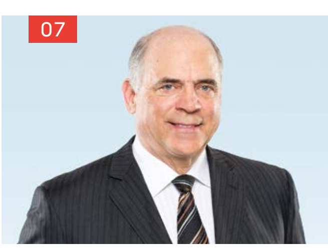
	2017	2016
	$	$
United States	2,456.2	2,261.3
Canada	1,180.4	1,145.5
United Kingdom	1,004.2	856.8
Sweden	680.7	617.3
Others	1,620.7	1,498.7
	6,942.2	6,379.6

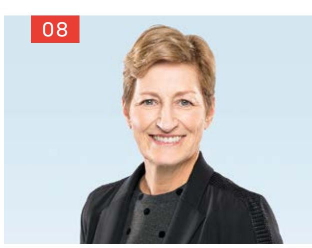
The Property and equipment, goodwill and intangible assets are allocated in the following countries:

	2017	2016
	$	$
United States	1,221.4	1,324.1
Canada	1,032.0	1,058.7
United Kingdom	346.9	345.6
Others	1,049.3	703.6
	3,649.6	3,432.0

Corporate Governance

Board of Directors





01
Christopher Cole
Professional Non-Executive Director
Director since 2012
Independent
Chairman of the Board of Directors

02
Pierre Shoiry
Vice Chairman of the Board of Directors
Director since 2006
Non-independent

03
Alexandre L'Heureux
President and Chief Executive Officer, WSP Global Inc.
Director since 2016
Non-independent

04
Louis-Philippe Carrière
Senior Advisor, Saputo Inc.
Director since 2017
Independent
Chair of the Audit Committee

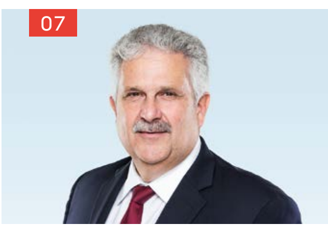
05
Birgit Nørgaard
Professional Non-Executive Director
Director since 2013
Independent
Chair of the Governance, Ethics and Compensation Committee

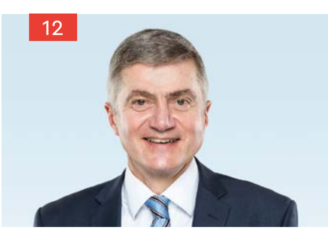
06
Josée Perreault
Senior Vice-President, BRP Inc.
Director since 2014
Independent
Member of the Governance, Ethics and Compensation Committee

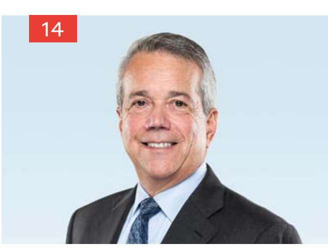
07
Pierre Fitzgibbon
Managing Partner, Walter Capital Partners
Director since 2016
Independent
Member of the Audit Committee
Member of the Governance, Ethics and Compensation Committee

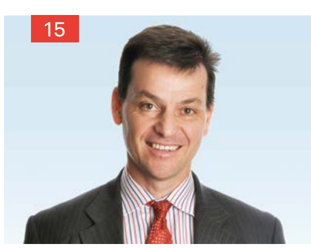
08
Suzanne Rancourt
Professional Non-Executive Director
Director since 2016
Independent
Member of the Audit Committee

Global Leadership Team









01
Alexandre L'Heureux
President and Chief Executive Officer

02
Bruno Roy
Chief Financial Officer

03
Paul Dollin
Chief Operating Officer

04
Robert Ouellette
Chief Corporate Services Officer

05
Steeve Robitaille
Chief Legal Officer and Executive Vice President, Mergers and Acquisitions

06
Isabelle Adjahi
Senior Vice President, Investor Relations and Communications

07
Hugo Blasutta
President and Chief Executive Officer, Canada

08
Gregory A. Kelly
President and Chief Executive Officer, US

09
Mark Naysmith
Managing Director, UK

10
Magnus Meyer
Managing Director, Nordics

11
Greg Kane
Managing Director, Middle East

12
Guy Templeton
President and Chief Executive Officer, Australia and New Zealand

13
David Tsui
Managing Director, Asia

14
Dave McAlister
Global Director, Transport and Infrastructure

15
Tom Smith
Global Director, Property and Buildings

Shareholder Information

Annual Meeting of Shareholders

The annual meeting will be held at 10:00 am, Eastern Time (EDT), on May 10, 2018 at:

Fairmont The Queen Elizabeth

900 Réne-Lévesque Blvd. W.,
Montreal, Quebec
H3B 4A5

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 enroll for the electronic delivery service by visiting https://ca.astfinancial.com/edelivery.

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.

Request for Corporate Documents

Registered Shareholders

If you do not want to receive an annual report, you may do one of the following:

— Telephone 1-800-387-0825

— Send an email to inquiries@astfinancial.com

If you want to receive quarterly reports, you may do one of the following:

— Telephone 1-800-387-0825

— Visit AST's website at https://ca.astfinancial.com/financialstatements and input code 8548a

Beneficial Shareholders

If you want to receive an annual report and/or quarterly reports, you may do one of the following:

— Telephone 1-800-387-0825

— Send an email to inquiries@astfinancial.com

— Visit AST's website at https://ca.astfinancial.com/financialstatements and input code 8548a

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 at WSP Global Inc.:

Isabelle Adjahi
Senior Vice President,
Investor Relations and
Corporate Communications
+1 438-843-7548

isabelle.adjahi@wsp.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:

AST Trust Company (Canada)

2001 Robert-Bourassa Blvd
Suite 1600
Montreal, Quebec
H3A 2A6
Canada

+1 416-682-3860 or 1-800-387-0825

inquiries@astfinancial.com

www.astfinancial.com

Filings

The Corporation files all mandatory information with Canadian securities commissions. This information is available on the SEDAR website at www.sedar.com and on the Corporation's website at www.wsp.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.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 of potential misconduct. The email address for this confidential 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.com.

Corporate Information

WSP Global Inc.

1600 René-Lévesque Boulevard W.
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 March 14, 2018, there were 103,488,952 common shares outstanding.

Dividend Policy

The Corporation declared, for 2017 and 2016, 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

WSP is one of the world's leading engineering professional services consulting firms. We bring together approximately 42,000 talented people, based in 550 offices, across 40 countries. We are technical experts who design comprehensive and sustainable solutions and engineer projects that will help societies grow for lifetimes to come.

FEATURED ON THE COVER

Mikaela Tarnawski and Jens Penttilä, Stockholm, Sweden

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, 2017. 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, 2017.

wsp.com

Can we trace horizons,
hold true to our ambitions,
and hold ourselves accountable?

What if we can?

wsp.com/annual-report