Agile. Empowered. Resilient.

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2019 GLOBAL SUSTAINABILITY REPORT

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Introduction from our CEO

I am pleased to introduce this Report, following the first year of our <u>2019-2021 Global Strategic Plan</u>, where our sustainability ambitions¹ guided us under our foundational pillars of Clients, People and Culture, Operational Excellence and Expertise.

I am writing this in challenging times. The COVID-19 pandemic is without a doubt the most difficult situation the majority of us have faced in our professional lives. Our top priority remains to ensure the safety of our people, our clients and the communities where we operate.

We are currently mobilizing our experts across the world to help our clients respond to the unique challenges posed by the pandemic. To do this, our business continuity plans have been put into action, allowing our people to access the technology necessary to continue to serve our clients and communities remotely without disruption. Ever agile, our teams have quickly embraced this digital approach to deliver projects and pursue new assignments to meet the needs of our clients and communities.

We are proud of our employees, who have shown great strength so far in the face of this pandemic, striving to deliver for our clients while in many cases facing a completely different reality in their personal lives. Our Global Leadership Team is committed to leading by example and empowered to guide our people so that we can come out of this pandemic in the most positive way possible.

Some of our ambitions under our 2019-2021 Global Strategic Plan may be impacted by the COVID-19 pandemic; it remains premature to reassess these ambitions at this time.



Alexandre L'Heureux PRESIDENT AND CHIEF EXECUTIVE OFFICER Despite the difficult times, we intend to continue to invest in our sustainability strategies, as they underpin our belief, purpose and role and create short-term and long-term value for our stakeholders.

ALEXANDRE L'HEUREUX

STRENGTHENING OUR SUSTAINABILITY FOCUS IN 2019

Prior to the crisis reaching global proportions, our business was in a favourable position as we reported solid financial and operational performance in 2019, as well as a strong balance sheet.

In addition, we strengthened our focus on Environmental, Social and Governance matters, for example by assigning Board-level responsibility for sustainability to the Chair of the Governance, Ethics and Compensation Committee and defining a Global Sustainability Sponsor role.

WSP became the first professional services firm in the Americas to sign a <u>sustainability-linked syndicated</u> credit facility, which was formalized in 2020. This amendment to our existing credit facility includes financing terms that reduce or increase the borrowing costs as sustainability targets are met or missed. The terms are tied to three sustainability performance targets: a reduction in market-based greenhouse gas (GHG) emissions across our global operations; an increase in Green Revenue (revenue from services having a positive impact on the environment); and an increase in the percentage of management positions held by women.

We also became a signatory to the United Nations Global Compact (UNGC) and began to examine our operations alongside the <u>Ten Principles</u> of the UNGC. We reaffirm our commitment to the UNGC, and our first "Communication on Progress" is incorporated in this Report.

OUR STRATEGIC PILLARS Clients

In 2019, the <u>Future Ready</u>[®] program was launched in the US, Norway and Finland. These markets will officially implement the program in 2020, bringing us closer to our 2021 ambition to have the program executed globally as a key element of our strategy.

Through this Report, you will find examples of projects where we offered our future-focused thinking to our clients and made an impact in our communities, as valued partners.

For 2019, we reported a three percent increase in net revenues from our Environment, Water, Power & Energy, Resources and Industry sectors, which represents progress towards our ambition to diversify and balance the revenues from our largest sectors, Transportation & Infrastructure and Property & Buildings.

The way we care for our clients is central to our strategy, and in 2019 we rolled out Net Promoter Score Surveys or similar initiatives in the majority of our regions, to listen to our clients and gauge any improvements we can make.

People and Culture

Providing an environment for our people to deliver on their full potential is at the core of our People and Culture strategy. We must put people first, or how can we expect them to give their best and remain trusted advisors for our clients?

The stronger our organization, and the more empowered our people, the better we can cope with adversity.

ALEXANDRE L'HEUREUX

We are pleased that for 2019 we saw a slight reduction in our global voluntary employee turnover figure. We are also grateful for the hard work put into improving employee wellness programs, including for mental health.

We remain committed to Diversity and Inclusion at WSP and in our wider industry, and are proud to showcase our involvement in a number of initiatives in this Report. Despite some regional movement, in 2019 we did not show the level of progress we were aiming for in increasing the number of women we have in management positions - our ambitious gender balance target from our 2019-2021 <u>Global Strategic Plan</u>. Although this is disappointing, we will continue to work hard to meet this target by the end of 2021.

Operational Excellence

Our Operational Excellence pillar is all about making our organization stronger and more resilient.

In terms of health and safety, in 2019 we achieved a Lost-Time Injury Rate below 0.1 in all regions and 0.06 globally. We continued to ensure that health and safety remained top of mind for employees through strong leadership, regular communications and training.

We believe we have a world-class Ethics and Compliance program, which is supported by a team of experienced Ethics and Compliance officers covering our regions. In our "Ethical Business Practices" section, we present our 2019 update, which includes numerous initiatives meant to support our employees and ensure we uphold the highest ethical standards while protecting WSP's reputation.

2019 also saw the establishment of an internal Sustainability Task Force, comprised of key regional and global leadership, to support the achievement of the GHG reduction targets in our 2019-2021 Global Strategic Plan. We are pleased that we made good progress, largely due to ambitious commitments from our regions. This is a metric which requires constant drive; as we continue to grow, we need to be mindful that our footprint does not grow commensurately.

Expertise

In 2019, we strengthened our existing capabilities and expanded into new geographic regions with eight acquisitions, adding approximately 2,000 colleagues to our organization. Since January 2019, we have notably added 1,470 employees to our Environment platform, which is our third-largest global sector in terms of net revenue.

Last year, we worked with our experts to enhance our collaboration platform, enabling our professionals to consistently bring our best expertise to bear across all our projects. Our new and improved Practice Area Networks platform was launched across the organization at the beginning of 2020, ensuring that our technical excellence is not limited by geographic location, mobility or time.

Read more on our pillars in this Report in the following sections: <u>Clients and Expertise; Operational</u> Excellence; and <u>People and Culture</u>.



AGILE. EMPOWERED. RESILIENT.

I am confident that under the guidance of our newly appointed Global Sustainability Sponsor, André-Martin Bouchard, we will continue to push forward with our sustainability priorities in the remaining months of 2020 and beyond. Despite the difficult times, we intend to continue to invest in our sustainability strategies, as they underpin our belief, purpose and role and create short-term and long-term value for our stakeholders.

Our agile business model, based on diverse markets and geographies, means that we are able to embrace challenges by drawing on our current strengths. Rarely has this been so true. Already in 2019, events such as the devastating bushfires in Australia meant we were adapting quickly in one of our regions. The COVID-19 pandemic has struck every region where we are present, requiring a global response.

And no sooner had we settled into this new "normal," we also began to look to the next step - how will we gradually adapt to a world where we can once again meet in person, at the office? What lasting impact will the crisis have?

We must continue to think the unthinkable. The stronger our organization, and the more empowered our people, the better we can cope with adversity.

Our success and ability to come out of this can only be reached through the diligence, passion and commitment of our leaders and employees. I thank you sincerely for your unwavering dedication to our clients, our communities and our organization.



Alexandre L'Heureux President and Chief Executive Officer

Performance Scorecard

The following table provides a status update on our principal sustainability-related ambitions.

2021 ¹ OBJECTIVE	STATUS	2019 PROGRESS
Clients and Expertise		
Execute our Future Ready® approach globally	On track	The Future Ready® program was officially launched in the US, Norway and Finland ²
Obtain a top quartile satisfaction rating by over 75% of our clients (in the Net Promoter Score Survey ("NPS")	On track	Prepared to launch our new global Practice Area Networks (PANs) ³ to foster collaboration and sharing of expertise Expanded our key account programs for our global private and public sector clients ("Diamond Clients"), with an emphasis on client management, engagement and opportunity identification Launched NPS surveys (or similar process) in several large regions, including Canada, Australia and the UK
Diversify our global portfolio by increasing our net revenues in target sectors (Environment, Water, Power & Energy, Resources and Industry) to between 30 and 50% of the total, to balance exposure to our Transportation & Infrastructure and Property & Buildings sectors	On track	Reported net revenues from these target sectors of 23% in 2019, compared to 20% in 2018 Welcomed 1,470 Environment-sector employees, through acquisitions closed or announced in 2019

1 Unless a different timescale is indicated. Some of our ambitions under our 2019-2021 Global Strategic Plan may be impacted by the COVID-19 pandemic; it remains premature to reassess these ambitions at this time.

2 The Future Ready program had already been launched in Australia, New Zealand, Canada, Sweden, the Middle East and the UK.

3 Launched in the first quarter of 2020.

2021 ¹ OBJECTIVE	STATUS	2019 PROGRESS
Diversify our service offerings by increasing net revenue from Strategic Advisory Services to between 40 and 55%	Improved	Increased Strategic Advisory Services revenues in 2019, largely due to growth in Environment as this sector is represented by a high proportion of advisory services
Increase the percentage of Green Revenue from our operations, i.e. revenue from services having a positive impact on the environment	On track	Developed a process to measure Green Revenue globally and prepared to incorporate a Green Revenue target as a financing term of our syndicated credit facility ⁴
Operational Excellence		
Achieve a Lost Time Injury Rate (LTIR) of <0.1 per 100,000 hours worked, in all regions	On track	Achieved an LTIR below 0.1 in all regions and 0.06 globally
Ensure 100% of our workforce completes ethics onboarding training (following hire) and annual refresher training	On track	Achieved completion rates for Code of Conduct training of approximately 98.1% for onboarding training and approximately 96.8% for annual refresher training
Reduce absolute scope 1, scope 2 (market-based) and scope 3 business travel GHG emissions across our global operations by 5% from 2018 to 2021	On track	Established a global Sustainability Task Force and prepared regional GHG emissions reduction plans to support our ambitious reduction goals Achieved a 12% year-over-year reduction in absolute scope 1, scope 2 (market-based) and scope 3 business travel GHG emissions
Reduce absolute scope 1, scope 2 (market-based) and scope 3 business travel GHG emissions across our global operations by 25% from 2018 to 2030	On track	
People and Culture		
Fill over 75% of Global Leadership positions (and those of their direct reports) by internal candidates	Requires improvement	Filled 59% of our vacant as well as new Global Leadership senior positions (and those of their direct reports) by internal candidates
Reduce our voluntary turnover rate below 12% globally (compared to 15% in 2018)	Improved	Observed a voluntary turnover rate of 14% at the end of 2019, an improvement of one percentage point in comparison to 2018
Fill over 30% of management positions (business leaders and middle management) by women (compared to 21% in 2018)	Requires improvement	Noted no change in the overall percentage of management positions held by women between 2018 and 2019 (remained at 21%)

4 This amendment to our existing credit facility was announced publicly on February 4, 2020.

Sustainability Highlights



GLOBAL RECOGNITION AND COMMITMENTS

Named <u>"Most Sustainable Company in</u> the Engineering Industry – 2019" by *World Finance* magazine

Achieved an <u>"A-" score</u> for our response to CDP's 2019 Climate Change questionnaire

Became a signatory to the United Nations Global Compact (UNGC)

Assigned Board-level responsibility for sustainability to the Chair of the Governance, Ethics and Compensation Committee

Shortlisted for the CR Reporting Awards in the <u>"Creativity in</u> <u>Communications" category</u> (2018 Sustainability Report)

SELECT REGIONAL RECOGNITIONS

<u>15 WSP projects</u> recognized for advancing sustainability by the Professional Green Building Council and the Hong Kong Green Building Council Sydney Water's <u>Lower South Creek</u> <u>Treatment Program</u> achieved an Infrastructure Sustainability Design "Excellent" rating from the Infrastructure Sustainability Council of Australia

Our Middle East business was named "Company of the Year: Championing Diversity & Inclusion" at the Women in Construction event hosted by the <u>Big 5</u> <u>conference in Dubai</u>

WSP was an "Electric Vehicle Fleet Champion finalist" at the <u>2019</u> EVWorld New Zealand Champions Awards

WSP was awarded "Company of the Year" at the inaugural Building Equality Awards, recognizing organizations and individuals who have made outstanding contributions in achieving LGBT+ inclusion (UK)

The Reconstruction of John C. Bartlett, Jr. County Park at Berkeley Island project was selected by *Engineering News-Record (New York)* as 2019 Regional Best Project (Small Project Category)

Value Chain

GLOBAL OPERATIONS



Employees¹

± 150,000

Active Projects worldwide²

TRANSFORMATIVE PROJECTS IN OUR SECTORS



Property & Buildings

Transportation &

Industry, Resources,

Power & Energy

Infrastructure

2019 VALUE DISTRIBUTED

Employees

5.2B (CAD)

Subconsultants

2.0B (CAD) including direct costs⁴

Shareholders

77.6M (CAD) in cash dividends paid

Taxes

79.8M (CAD) in income taxes paid

8.9B (CAD)

2019 Revenues

6.9B (CAD)

2019 Net Revenues³



Environment

1 As at March 31, 2020.

2 We worked on approximately 150,000 projects in 2019

3 Non IFRS measure. Net revenues are defined as revenues less direct costs for subconsultants and other direct expenses that are recoverable directly from clients. Additional details for non-IFRS measures can be found in WSP's MD&A, which is posted on WSP's website at www.wsp.com, and filed with SEDAR at www.sedar.com.

4 Direct costs are defined as costs incurred to deliver consulting services and that are recoverable directly from clients.

Our Global Sustainability Sponsor: An Interview

Like many other companies, WSP is facing unprecedented challenges across the globe at this time. Can you comment on this context for your sustainability reporting?

While we are pleased to report on our 2019 sustainability performance, we cannot ignore what is going on in 2020. We see the COVID-19 pandemic as the ultimate example of why sustainability is key to our organization and embedded in WSP's strategy; it affects our employees, has deep impacts on our communities and it is creating a huge economic challenge. We believe that organizations with strong sustainability programs and cultures in place, such as WSP, will be able to navigate through the crisis much more efficiently than others.

In this Report, we discuss our ambitious sustainability goals while recognizing the impact the crisis will have on our business this year and beyond, as well as the challenges we will need to overcome.

How does the Global Sustainability Sponsor role complement your operational position at WSP?

I am privileged to have led WSP's Environment business since 2013 and the Resources sector since the beginning of 2019. We are proud of our talented professionals and have a clear vision to bring these business lines to a position of global leadership. Stepping into the Global Sustainability Sponsor role provides an excellent opportunity to leverage my passion



André-Martin Bouchard

GLOBAL DIRECTOR, ENVIRONMENT & RESOURCES GLOBAL SUSTAINABILITY SPONSOR We see the COVID-19 pandemic as the ultimate example of why sustainability is key to our organization and embedded in WSP's strategy; it affects our employees, has deep impacts on our communities and it is creating a huge economic challenge.

ANDRÉ-MARTIN BOUCHARD

for sustainability alongside my existing role at WSP, where I regularly interact with WSP's Global Leadership Team, Board of Directors, clients and employees, to strengthen links between project work and corporate sustainability.

For WSP, sustainability is both an opportunity and a responsibility, as we draw upon our expertise to keep improving the organization. The work we have completed so far in sustainability has favourably positioned WSP as a leading organization in our industry, and I will continue on this path, particularly as we work towards further incorporating the United Nations Global Compact (UNGC) principles into our business.

What were the highlights of WSP's sustainability program in 2019?

2019 was a busy and successful year. We created a global Sustainability Task Force, composed of representatives from all our operating regions and global corporate experts, to tackle some of the most pressing items on our sustainability agenda.

We are happy to report significant progress against our GHG emission reduction objectives. We have also secured a sustainability-linked credit facility with our banking syndicate, which was a first for a professional services firm in the Americas at the time of <u>announcement</u>. This means that achieving ambitious targets around GHG reduction, our Green Revenue and the percentage of women we have in leadership roles will enable us to reduce the cost of credit. Conversely, if we fail to maintain these metrics at the levels they were at the time of entering into the sustainability-linked credit facility, our borrowing costs will be higher.

We also conducted an internal gap analysis against TCFD disclosure items, with a view to improved alignment with the recommendations.

Finally, we were pleased that our efforts were recognized as we were named "Most Sustainable Company in the Engineering Industry – 2019" by *World Finance* magazine. You mentioned the new Sustainability Task Force. What progress has the group made so far?

We believe good progress has been made in the first year of the Task Force. Our operating regions are fully empowered to design and implement their own plans for GHG reductions, and all regions now have a plan in place. Last year, our US and Swedish businesses joined the UK in setting goals to become carbon neutral. We constantly learn from and leverage the best of our regional initiatives, to enhance our sustainability ambitions across the globe. Although we recognize there are still efforts to make on reduction of emissions, in the future we will be able to count on the Task Force to support with the progression of other sustainability-linked ambitions.¹

The crisis will have a significant global impact on carbon emissions for 2020. What has been the impact on WSP?

In the last two months, we have had a genuine preview of a low-carbon world. Although current low levels of global activity cannot be maintained, it brings a unique perspective, and will inform WSP's continued contribution to <u>future thinking</u>. Our Future Ready[®] program provides the ideal basis for this thought leadership. Reduction in office space use and business travel will have a significant positive impact on WSP's GHG emissions in the short term. However, to continue driving emissions reductions, we will need to consider new ways of working in the future. For example, we must examine whether the agility we are showing to deliver for our clients remotely during the crisis should translate into an increase in remote work, a decrease in office space needs, and reduced travel, over the medium or long term.

What are the main priorities for WSP's sustainability initiatives in 2020?

It goes without saying that 2020 will be the "year of the pandemic", and the

challenges the situation has brought to our people and operations will persist for many months. Our sustainabilitylinked global ambitions and our commitment to the UNGC will help us focus on what matters. Social responsibility will become ever more important, so we can expect enhanced efforts to be made for our people, communities and wider stakeholder groups.

Being able to draw upon outstanding internal expertise, the full empowerment of our regions to deliver on their sustainability ambitions, and our continued focus on reporting and accountability should enable us to remain strong in our sustainability strategy. As we progress with the management of the crisis, we will look through our sustainability lens and see it as an accelerator of some of our ongoing initiatives, to keep on building a safe, compassionate and more resilient organization.

Some of our ambitions under our 2019-2021 Global Strategic Plan may be impacted by the COVID-19 pandemic; it remains premature to reassess these ambitions at this time.

Global Sustainability Policy

Our <u>Global Sustainability Policy</u> defines our objectives and approach to embedding sustainability in our services and advice to clients, in our operations, and in the communities in which we operate. It covers all of our operating entities, and employees at all levels are responsible for complying with the Policy.

The Policy was last updated in 2020. The objectives outline our aim to be a leader across our four strategic pillars:



CLIENTS

We will prepare our clients for the future by understanding trends related to society, climate change, technology and resources and reflecting them in our designs and advice.



EXPERTISE

We will provide expert consulting services in sustainability, energy, climate change and environment to help clients improve sustainability performance, reduce costs, create brand value and manage risk across their organizations.



OPERATIONAL EXCELLENCE

We will actively manage and improve our own environmental, social and governance performance, setting an example as a global firm and strengthening our organization for our stakeholders and for society at large.



PEOPLE AND CULTURE

We will provide an environment for our people to deliver to their full potential, as well as participate meaningfully in their communities. In preparing this annual sustainability report, we have identified environmental, social and governance issues that are material to our business. Guided by our Global Sustainability Policy, we manage these material issues using specific policies; programs and training; tools and communications; goals and targets; and discrete roles and responsibilities. These management processes for the material issues identified are described throughout this Report.

Climate Change Risks and Opportunities

We recognize that climate change poses both risks and opportunities for our business and clients. Preparing for and responding to the physical and transition risks and opportunities that climate change presents and helping our clients develop and implement sustainable and resilient business models in the face of increasing economic pressure are important aspects of our service offerings.

Climate risks and opportunities are relevant whether we are designing low-carbon solutions for the built environment, providing expertise in clean and renewable energy, or advising clients on resource management solutions, including carbon cap and trade schemes and water footprint measurement. A key risk exists in failing to respond to rapidly emerging market demands for these services, which could impact our ability to generate revenue and affect our reputation. We manage this risk by enhancing our own organizational sustainability and resilience and cultivating diverse expertise, including through our <u>Future Ready®</u> program, where one of our key considerations is future climates. We also stay abreast of changing requirements and advise our clients on emerging chronic and acute trends and issues.

Our expertise can also directly impact our daily operations and business continuity, as it helps us navigate and mitigate the physical risks from climate change and extreme weather due to operational and project disruptions.

WSP continues to support the recommendations outlined by the Task Force on Climate-Related Financial Disclosures (TCFD), which were published in 2017. These recommendations are designed to advance understanding of climate change and business by investors.

WSP already discloses much of the information recommended by the TCFD through this Report, as well as in our annual CDP Climate Change response. In early 2020, we completed an internal gap analysis to identify and prioritize recommendations for improved alignment with the TCFD recommendations to enhance transparency, performance, and reporting on climate-related risks and opportunities most relevant to WSP. The findings from the gap analysis informed the development of our Climate Resilience Action Roadmap, which is designed to guide our current and future climate mitigation, adaptation and resilience efforts. This is an internal document which is currently under review.

WSP analyzes climate-related risks and opportunities across several time horizons and future climate scenarios including short term (less than 2 years), medium term (2-5 years), and long term (5-15 years). These <u>tables</u> outline a selection of representative climate-related risks and opportunities we disclosed in our 2019 CDP Climate Change response. For further details, please consult our complete <u>response</u>.

CLIMATE ACTION

Beyond managing the impact of our own operations and projects, WSP has taken action to address the urgency of climate change within our industry. Recent examples include:

 WSP's UK business joined the Society for the Environment (SocEnv), the Association for Consultancy and Engineering (ACE), the Institute of **Environmental Management** and Assessment (IEMA) and the Environmental Industries Commission (EIC), along with AECOM, in founding "Pledge to Net Zero." The initiative is the first environmental services industry commitment in the UK requiring science-based tar gets from its signatories to tackle GHG emissions within their organizations.

- WSP's Singapore and UK businesses signed the <u>Engineers</u> <u>Declare a Climate and Biodiversity</u> <u>Emergency statements</u>, which seek to advocate for quicker transformation to sustainable practices in the built environment industry.
- WSP is proud to be a signatory and supporter of "Advancing Net Zero", a program organized by the Hong Kong Green Building Council (HKGBC) and the World Green Building Council (WorldGBC) with a purpose to inspire actions from the building and construction industry to take more ambitious steps towards achieving the goal for all buildings to operate at net zero by 2050.
- Together with the American Society of Civil Engineers (ASCE), the ASCE Foundation, The Resilience Shift (a global initiative to accelerate resilience among engineering sectors funded by Lloyds Register Foundation of London) and the Global Covenant of Mayors for Climate & Energy,

WSP's USA business helped launch the new International Coalition for Sustainable Infrastructure. The purpose of the coalition is to address the urgent need to accelerate planning, design, construction and operation of sustainable and resilient infrastructure. Two key differentiators of this new and growing network of organizations will be its action-orientation (i.e. not just studies, technology transfer and events) and its objective to bring more engineers into leadership and facilitation roles (as individuals as well as organizations) on the issues of infrastructure sustainability, resilience and climate change impact mitigation.

 Within the framework of the Swedish government initiative <u>Fossil Free Sweden</u>, our sector has united around a common roadmap, with the goal of achieving a carbon-neutral sector by 2045. WSP was on the steering group for the development of the roadmap, together with a handful of other key players. Supported by the roadmap, the WSP team is working on two projects of great importance for achieving the goals of a climate-neutral sector: a model for commissioning projects, products and services and a collaborative framework for monitoring total GHG emissions at a national level.

Precautionary Principle

The Rio Declaration (1992) defines the precautionary principle as follows: "In order to protect the environment, the precautionary approach shall be widely applied {...}. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation."

Since we are a professional services firm, the work that we undertake for clients has a focus on both understanding risk and mitigating that risk. We implement the Precautionary Principle in the following ways:

- Our experts assess project risks and present clients with recommendations that protect the environment and prioritize health and safety (see an <u>example</u> from Australia).
- We provide clients with a full array of solutions that seek to prevent environmental degradation and restore the natural environment (see the Environment services we offer).
- Within our own business, we are also proactive in managing climate change and other environmental impacts, striving to reduce our own greenhouse gas emissions in alignment with the latest climate science. In addition, we support clients in reducing their GHG emissions and adapting to the impacts of climate change through resilient design (see an <u>example</u> from the United States).

Future Ready[®] Program



We know our future world will be very different from today's in many ways. We also know that current standards and codes do not always account for the future we are anticipating. This is why we believe so much in <u>Future</u> <u>Ready</u>[®], our global approach to thinking beyond the conventional so that we can design and deliver projects that are ready for the challenges our world will face in the future.

Through the Future Ready® program, we see the future more clearly by conducting research on key trends related to climate change, society, technology and resources. We empower our teams to work with clients to identify and advise on relevant trends, seeking potential solutions that can be incorporated into project delivery.

As we move to execute our Future Ready® approach globally by 2021, this thinking will be applied to projects in all sectors, going beyond the solutions traditionally delivered by our Sustainability and Environment teams. By designing for the long-term, and by sharing our approach and insights, we progressively help cities, communities and clients get ready for the future. Future Ready® delivers peace of mind for our clients, lower life-cycle costs and resilience.

Examples of Future Trends



SOCIETY

Global urbanization Aging population Social isolation



TECHNOLOGY

Automated vehicles Mobility as a service Data security Ť)

RESOURCES

Net zero GHG Water availability Circular economy



CLIMATE

Heat waves Heavier cloudbursts Sea level rise

FUTURE READY® RESEARCH PROCESS

2019 Future Ready® Highlights

- Future Ready[®] was a major theme integrated in our <u>2019-2021 Global</u> Strategic Plan.
- Senior leadership participated in a Future Ready[®] workshop during our Global Leadership Conference held in Edinburgh, Scotland.
- The Future Ready® program was officially launched in the US, Norway and Finland, bringing us closer to our 2021 ambition to have the program executed globally. Prior to 2019, the program had already been launched in Australia, New Zealand, Canada, Sweden, the Middle East and the UK.

We See The Future More Clearly

Through the Future Ready® research program, our experts undertake targeted research that examines the interrelationships, synergies and conflicts between trends and their potential solutions. We seek to advance the state of practice and to better understand how we can respond to future trends through project delivery today. The future-focused holistic thinking, global network and targeted research that Future Ready® provides complements and enhances our expertise, to ensure that our project solutions have truly considered an ever-changing future. Our experts have written articles and white papers that bring to life how we are seeing the future more clearly.



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FUTURE READY® BUILDINGS

Our world is evolving faster than ever before. How do we prepare our buildings for these changes now and into the future? What could our future buildings look like?

CAN WE TRANSITION TO A ZERO-EMISSIONS FUTURE IN PUBLIC TRANSPORTATION?

Harnessing our global expertise, WSP prepared a white paper as a blueprint designed to help prepare transit providers for the many challenges ahead, and to highlight areas where expert guidance can help pave the road to smooth transition to future-ready public transit.







FUTURE READY® LANDSCAPES

Future Ready[®] Landscapes was launched in 2019 to support locallyfocused neighbourhoods and redefine urban spaces. Future Ready[®] Landscapes brings wildlife back to cities, while providing lower cost solutions that are super-flexible to adapt to future uses. Future landscapes can also help improve mental health by providing havens of inclusive and mindful space.

<u>Please visit our Insights</u> for more examples.

We Design For The Future Today

We aim to embed Future Ready® throughout our project delivery process. In 2019:

- We developed a series of Future Ready[®] toolkits designed to help employees apply Future Ready[®] thinking throughout our project life-cycle.
- We started rolling out an internal Future Ready[®] e-Learning course. By the end of May 2020, approximately 8,840 employees in the UK, Canada, US, Sweden, Norway, Finland, India and the Middle East had completed the course. The Future Ready[®] course is now part of our onboarding process in these countries. By the end of 2020, we plan to launch the course in Central Europe, Latin America and the Caribbean, Denmark, Asia, Australia and New Zealand.
- Our UK Recruitment and Future Ready[®] teams launched an interactive Future Cities Quiz that allows users to design their own future city.

PROJECT IMPACTS

Many of the projects delivered by our professionals help our clients manage their own sustainability impacts. Case studies throughout this report highlight how we are applying Future Ready® thinking in practice to projects we deliver.

In 2019, we made progress on several global initiatives to further measure our impact:

- We implemented a method to measure our Green Revenue, which has been incorporated into the terms of our <u>sustainability-linked</u> <u>syndicated credit facility</u>, announced in early 2020.
- We quantified the proportion of revenue derived from our services that apply a Future Ready[®] approach in two major regions, in order to communicate this information to our investors and other stakeholders.
- We designed a tool which will allow us to measure more accurately the impact of our project work on sustainability, with a particular focus on Future Ready[®], as measured by the SDGs. A pilot for the tool was launched in 2020.

We intend to report further on these methods in future reports.

Los Angeles' Zero Emission Bus Fleet

Los Angeles, California, USA

In a joint venture with STV Inc., WSP is developing a Zero Emission Master Plan for Los Angeles County Metropolitan Transportation Authority (Metro) to transition its entire bus fleet from compressed natural gas to zero emission technology by 2030.

Through an analysis of Metro's network of 165 rapid transit bus routes and 12 maintenance facilities, the 29-month master plan will provide a year-by-year schedule to help Metro convert to a Zero Emission Bus (ZEB) fleet by 2030. Once complete, the master plan will provide recommendations for the procurement of a new bus fleet, as well as identify necessary modifications at facilities to support the fleet for future en route charging. The master plan will also address a major challenge related to the battery-charging capabilities for each ZEB. Given that current technology only allows electric buses to travel a maximum of approximately 240 kilometres per charge instead of the standard 560-kilometre range, we are looking into several options to mitigate this challenge, including the need for layovers or the purchase of additional buses.

Metro's ambitious schedule will see the procurement and delivery of about 240-250 zero emission buses (ZEB) per year to achieve its goal. Upon completion, Metro will be one of the largest transit agencies in the world committing to operate a ZEB fleet.



11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

Diversity and Inclusion

WSP aims to foster a stimulating and safe work environment where our people can flourish personally and professionally, regardless of their position, background or gender.

Diversity is not only defined by gender or ethnic origin, but also incorporates personality, perspective, education, lifestyle, sexual orientation, work experience, tenure and status and geographic origin among its key references. We are committed to building an inclusive culture that respects and maximizes the contribution of our employees for the benefit of our clients, shareholders and wider communities.

Regional Diversity Committees (or equivalent forums) are established in most of WSP's principal operating regions.

The overall intent stated in our Global Diversity and Inclusion policy is to:

- Ensure fair and equal treatment of employees;
- Embed a culture of diversity and inclusion globally;
- Provide employees with the best opportunities to fulfill their potential;
- Respect and protect human rights of employees and contractors.

This supports our aim to provide a professional and fair working environment in which all individuals are treated with dignity and respect, free from any discrimination, bullying, physical and psychological harassment, including sexual harassment.



Diversity

recognizes the benefits that people from varying backgrounds and with different experiences bring.

Gender Balance

within a diverse workforce, recognizes fair representation and treatment of women employees and leaders, where typically underrepresented.

Inclusion

means that people will be treated with respect and dignity in line with WSP's Guiding Principles, irrespective of their background.



2019 Key Diversity and Inclusion Highlights

A small selection of our efforts to promote diversity and inclusion across our regions is shown below.

GLOBAL INITIATIVE

International Women's Day (IWD)

In March 2019, IWD was celebrated at our headquarters and across several regions, including Australia and New Zealand, Canada, the US and India. The IWD global campaign theme for 2019 was *#BalanceforBetter* and marked a call to action to raise awareness about promoting gender balance. The day also recognized WSP's very own successful women who possess knowledge, skill and competency in their respective fields, leading the way for us all. This call for gender parity was a collective day of global celebration!

REGIONAL INITIATIVES AND HIGHLIGHTS

- We were honoured with the "Glass <u>Hammer Award</u>" at the American Road and Transportation Builders Association National Convention Foundation Awards, recognizing our innovative programs that have been successful in promoting women to management positions.
- We established a Gender Balance Steering Group in the Middle East, which identifies and addresses barriers to women and underrepresented groups in our business, industry and beyond.
- We <u>partnered</u> with "Out for Australia", a key outcome of our Visibility and Inclusion in the Built Environment (VIBE) network to help our business develop an inclusive environment to enable our LGBT+ employees reach their full potential and feel comfortable at work.
- We joined "Disability Confident" in the UK, a government scheme designed to encourage employers

to recruit and retain persons with disabilities or those who have health conditions and were accredited at Disability Confident Employer (Level 2). We are currently working towards Level 3.

- Our Canadian environmental experts held a bilingual, interactive workshop with representatives from First Nations communities and professionals from Environment Canada and Indigenous Services Canada in Quebec. The topic was Environmental Site Characterization, and participants gained some valuable insights about client-centric service.
- Nearly 1,000 employees
 participated in workshops led by
 the US Inclusion and Diversity
 Council called "Cultivating a Sense
 of Belonging." The workshops
 emphasized the importance of
 recognizing our unconscious
 biases and taking action to
 promote an inclusive work
 environment where everyone feels
 a sense of belonging.

As one of the world's leading professional services firms, WSP provides engineering and design services to clients in the Transportation & Infrastructure, Property & Buildings, Environment, Power & Energy, Resources and Industry sectors, as well as offering strategic advisory services. WSP's global experts include engineers, advisors, technicians, scientists, architects, planners, surveyors and environmental specialists, as well as other design, program and construction management professionals. Our talented people are well positioned to deliver successful and sustainable projects, wherever our clients need us.

wsp.com/sustainability

WE WELCOME AND ENCOURAGE YOUR FEEDBACK ON OUR SUSTAINABILITY REPORT:

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WSP's prior Global Sustainability Report was published in June 2019.

Certain information regarding WSP contained in this Sustainability Report may constitute forwardlooking statements. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although WSP believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forwardlooking statements. WSP's forward-looking statements are expressly qualified in their entirety by this cautionary statement. The complete version of the cautionary note regarding forward-looking statements as well as a description of the relevant assumptions and risk factors likely to affect WSP's actual or projected results are included in WSP's Management's Discussion and Analysis for year ended December 31, 2019 and for the first quarter of 2020 ended March 28, 2020, both of which are available on SEDAR at www.sedar.com. The forward-looking statements contained in this Sustainability Report are made as of the date hereof and WSP does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise unless expressly required by applicable securities laws.



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