GENIVAR INC.

ANNUAL INFORMATION FORM

Year ended December 31, 2012

March 28, 2013

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FORWARD-LOOKING STATEMENTS

In addition to historical information, this annual information form (the "Annual Information Form") may contain certain forward-looking statements that are not based on historical facts. These statements relate to future events or future performance and reflect the expectations of management of the Company ("Management") regarding the growth, results of operations, performance and business prospects and opportunities of the Company or its industry. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential," "continue" or the negative of these terms or other comparable terminology. Such forward-looking statements reflect current beliefs of Management and are based on certain factors and assumptions as set forth in this Annual Information Form, including those in the "Global Engineering Services Industry Overview and Trends" section. While the Company considers these factors and assumptions to be reasonable based on information available as of March 28, 2013, a number of factors could cause events or results to differ materially from the results discussed in the forward-looking statements. In evaluating these statements, investors should specifically consider various factors, including the risks outlined under the "Risk Factors" section of this Annual Information Form, which may cause events or results to differ materially from the results discussed in any forward-looking statement. As such, there can be no assurance that actual results will be consistent with these forward-looking statements. The Company does not 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.

INTRODUCTORY INFORMATION

Unless otherwise indicated in this Annual Information Form, all dollar amounts are expressed in Canadian dollars and references to "$" are to Canadian dollars. The exchange rate used for the information in British pounds was £0.6409 for $1.00.

On January 1, 2011, GENIVAR Inc., a publicly traded corporation ("GENIVAR") was formed pursuant to a plan of arrangement under the *Canada Business Corporation Act* ("CBCA"), as a result of which GENIVAR Income Fund (the "Fund") combined with GENIVAR Inc., a private holding company, ("GENIVAR Inc.") and converted from an income trust structure to a new publicly traded corporation (the "Arrangement"). On August 1, 2012, GENIVAR completed the acquisition of WSP Group plc ("WSP"), a multi-disciplinary professional services consultancy based in London, United Kingdom ("U.K."), pursuant to a scheme of arrangement (the "Scheme") under Part 26 of the U.K. Companies Act 2006 (the "Transaction"). In this Annual Information Form, references to "GENIVAR" refers to GENIVAR Inc. the publicly traded corporation as a successor entity of the Fund and references to the "Company" refers to the combined entity following the Transaction. Where the context requires these terms also includes subsidiaries and associated companies.

Reference in this Annual Information Form to the "Board" refers to the board of directors of GENIVAR prior to the Transaction and, following the Transaction, refers to the board of directors of the Company. References to the "Shares" and to the "Shareholders" respectively refer to the common shares and to the shareholders of the Company.

The information in this Annual Information Form is stated as at December 31, 2012, unless otherwise indicated.

Market and Industry Data

A portion of the information contained in this Annual Information Form is based upon the Company's knowledge of the industry in which it operates and its estimates and assumptions relating to the industry based on that knowledge. The Company's knowledge of the industry has been developed through its experience and participation therein.

It is important to note that some of the market and industry data contained in this Annual Information Form is based on industry publications, market research, government sources and other publicly available information. While the Company believes this information to be reliable, such information has not been independently verified.

Non-IFRS Measures

The Company uses non-IFRS measures that are considered by companies as indicators of financial performance measures which are not recognized under IFRS and may differ from similar computations as reported by other similar entities and, accordingly, may not be comparable. It believes these measures provide useful supplemental information that may assist investors in assessing an investment in the Company's shares.

Non-IFRS measures used by the Company in this Annual Information Form are net revenues and EBITDA.

Net revenues

Net revenues are defined as revenues from professional consulting services less direct costs for subconsultants and other direct expenses that are recoverable directly from the clients. Net revenues is not an IFRS measure and does 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 year (as determined in accordance with IFRS) as an indicator of the Company's performance.

EBITDA.

EBITDA is defined as earnings before financial expenses, income tax expenses, 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 year (as determined in accordance with IFRS) as an indicator of the Company's performance, or an alternative to cash flows from operating, financing and investing activities as a measure of the liquidity and cash flows. The Company's method of calculating EBITDA may differ from the methods used by other issuers and, accordingly, the Company's EBITDA may not be comparable to similar measures used by other issuers.

CORPORATE STRUCTURE

Name, Address and Incorporation

Pursuant to the Arrangement, GENIVAR was amalgamated under the CBCA by articles of arrangement dated January 1, 2011.

The Company's principal and head office is located at 1600, René-Lévesque Blvd. West, 16th Floor, Montreal, Quebec, H3H 1P9.

Intercorporate Relationships

Following the Transaction, WSP Sverige AB (Sweden), a wholly-owned subsidiary of the Company, is the only operating subsidiary of the Company (i) whose total assets represented more than 10% of consolidated assets as at December 31, 2012, and (ii) whose revenues represented more than 10% of consolidated revenues for the year ended December 31, 2012.

In addition to its principal operating subsidiaries, the Company has a number of other subsidiaries that serve (i) specific markets, (ii) as holding companies, or (iii) other corporate purposes.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

The highlights relating to the development of the Company's business over the past three years are described below:

FISCAL YEAR ENDED DECEMBER 31, 2012

Financing

On June 27, 2012, GENIVAR issued 9,375,000 subscription receipts (the "Offering Subscription Receipts") from treasury at a price of $24.00 per Offering Subscription Receipt, on a bought-deal basis, for aggregate gross proceeds of $225,000,000, through a syndicate of underwriters (the "Underwriters") co-led by CIBC, BMO Capital Markets, National Bank Financial and Barclays Capital Canada (the "Offering"). In addition, it issued 8,210,610 subscription receipts (the "Placement Subscription Receipts") from treasury at a price of $24.00 per Placement Subscription Receipt by way of a private placement with Canada Pension Plan Investment Board ("CPPIB") and the Caisse de dépôt et placement du Québec (the "Caisse"), for aggregate gross proceeds of $197,054,640 (the "Concurrent Private Placement"). Pursuant to the Concurrent Private Placement, 4,105,305 Shares were issued to each of CPPIB and the Caisse which represented, in the aggregate, 16% of the issued and outstanding Shares immediately after the closing of the financing.

Acquisition of Businesses

During the fiscal year ended December 31, 2012, GENIVAR acquired four (4) engineering firms: Consultores Regionales Asociados-CRA S.A.S., Les Investissements R.J. Inc., operating under the corporate name of Rodrigue Julien Expert-Conseil, GRB Engineering Ltd. and WSP. For a description of the acquisition of WSP, see "Acquisition of WSP". Finally, PBK Architects Inc. and an American subsidiary of GENIVAR acquired Smith Carter Architects and Engineers Incorporated and Smith Carter (USA) LLC (collectively, "Smith Carter"), while PBK Architects Inc. solely acquired North 46 Architecture Inc. The aggregate consideration for these transactions was approximately $477,700,000. See "Table of Acquisitions".

Credit Facilities

On June 7, 2012, GENIVAR entered into new credit facilities with a syndicate of financial institutions totalling $400,000,000 (the "Credit Facilities"). Under the Credit Facilities, the Company may issue irrevocable letters of credit up to $40,000,000, which in effect decreases the available Credit Facilities. See "Business of the Company — Credit Facilities".

Board of Directors and Management Team

On March 23, 2012, Ali Ettehadieh notified the Board that he would not stand for re-election as a director at the 2012 annual meeting of the Shareholders (the "Meeting"). Mr. Ettehadieh's term expired effective upon the conclusion of the Meeting, at which time Marc Rivard was elected to the Board.

On August 7, 2012, following the closing of the Transaction (see "Acquisition of WSP" for a description of the Transaction), Christopher Cole, former Chief Executive of WSP, was appointed to the Board as Executive Chairman, while the current Chairman of the Board, Richard Bélanger became the Lead Independent Director. On the same date, in line with the Company's policy not to have more than two executive officers of the Company sitting on the Board, Marc Rivard resigned from his position as director, but retained the position of Chief Operating Officer, Canada and Caribbean.

Dividend Reinvestment Plan

On June 5, 2012, the Board approved a Dividend Reinvestment Plan ("DRIP"), which provides eligible Shareholders with the opportunity to reinvest cash dividends paid by the Company into additional Shares.

Fiscal Year ended December 31, 2011

Financing

On December 21, 2011, GENIVAR completed an equity private placement (the "Private Placement") of 6,500,000 Shares from treasury at a price of $24.57 per Share for aggregate gross proceeds of $159,705,000. Participants in the Private Placement were CPPIB and the Caisse, each of whom invested a gross amount of $79,852,500. Pursuant to the Private Placement, 3,250,000 Shares were issued to each of CPPIB and the Caisse which represented, in the aggregate, 19.92% of the issued and outstanding Shares immediately after the Private Placement.

Acquisition of Businesses

During the fiscal year ended December 31 2011, GENIVAR acquired six (6) engineering businesses: Delcom Engineering Ltd., Decibel Consultants Inc., Groupe OptiVert inc., JMH Environmental Solutions Ltd., Dakins Engineering Group Ltd. and ISACtion Inc. On October 2, 2011, GENIVAR acquired an interest in Quebec-based geomatics group and survey firms through the acquisition of all the preferred shares and 49.0% of the common shares of Groupe Giroux Inc. and Groupe Giroux arpenteurs-géomètres Inc. and all the shares of Giroux équipement d'arpentage Inc. and Entreprise Normand Juneau Inc (collectively, "Groupe Giroux"). Two (2) architectural firms, WHW Architects Incorporated and AE Consultants Ltd. were also acquired through PBK Architects Inc. GENIVAR also signed a strategic alliance with Le Groupe Arcop S.E.N.C., which, following changes to the regulations governing the practice of architecture in Quebec, is now operating under the name Arcop Architecture Inc.. The aggregate consideration for these transactions was approximately $27,759,000. See "Table of Acquisitions".

Credit Facilities

Following the completion of the Arrangement, GENIVAR entered into a first amended and restated credit agreement dated as of January 2, 2011, with the syndicate of Canadian chartered banks under its existing credit facilities, mostly to reflect that GENIVAR was the sole borrower.

Board of Directors and Management Team

Grant G. McCullagh was appointed to the Board on March 11, 2011, to fill the vacancy created by the resignation of Daniel Fournier on July 19, 2010.

On September 5, 2011, Marcel Boucher, Executive Vice President, Corporate Affairs ceased working full-time for GENIVAR, and effectively retired on February 29, 2012. Mr. Boucher was not replaced.

Conversion from an Income Trust Structure to a Corporation Structure

Upon completion of the Arrangement, on January 1, 2011, unitholders of the Fund (the "Unitholders") received one share of GENIVAR, for each unit of the Fund (the "Units") held, for an aggregate of 18,103,589 Shares and the former shareholders of GENIVAR Inc. received an aggregate of 7,908,294 Shares. Prior to the Arrangement, the former shareholders of GENIVAR Inc. had a 33.35% indirect interest in the Fund and the former public Unitholders had a 66.65% interest in the Fund. Immediately after the Arrangement, the respective interest of the former shareholders of GENIVAR Inc. and the former public Unitholders were 30.40% and 69.60% respectively.

The Shares became listed upon completion of the Arrangement and started trading on the Toronto Stock Exchange on January 4, 2011, under the symbol "GNV".

Upon completion of the Arrangement, the business of the Fund, formerly carried on through its subsidiaries namely GENIVAR Limited Partnership, GENIVAR Consultants Limited Partnership and GENIVAR Ontario Inc., continued to be carried on by GENIVAR and all of the members of the board of trustees of the Fund (the "Board of Trustees") and the senior officers of GENIVAR GP Inc. ("GENIVAR GP") immediately prior to the closing of the Arrangement became directors and officers of GENIVAR.

FISCAL YEAR ENDED DECEMBER 31, 2010

Acquisition of Businesses

During the fiscal year ended December 31 2010, the Fund acquired nine (9) engineering or engineering-related businesses: V.B. Cook Co. Limited, The Thompson Rosemount Group Inc., Beaubien Glover Maskell Engineering North Inc., Bearden Engineering Consultants Ltd., Terrain Group Inc., Pryde Schropp McComb Inc., Tundra Engineering Associates Ltd., Aquapraxis Inc. and Hirschfield Williams Timmins Ltd. and one (1) architectural firm, ANO Architects Inc., through PBK Architects Inc., for an aggregate consideration of approximately $71,490,000. See "Table of Acquisitions".

For more details on how GENIVAR structured its acquisitions prior to the Arrangement, see "Interest of Management and Others in Material Transactions".

Credit Facilities

On November 2, 2010, GENIVAR Limited Partnership, GENIVAR Consultants Limited Partnership, and GENIVAR Ontario Inc., as borrowers, entered into a credit agreement with a syndicate of Canadian chartered banks, providing for a new three (3) year $225,000,000 committed revolving operating credit facilities. The new credit facilities also included a provision to increase the new facilities from $225,000,000 to $275,000,000 subject to certain conditions.

Board of Directors and Management Team

On July 1, 2010, Alexandre L'Heureux was appointed Chief Financial Officer ("CFO") of GENIVAR GP, and as such, was performing similar functions for GENIVAR Operating Trust (the "Trust") and the Fund, replacing Marcel Boucher who was appointed Executive Vice President, Corporate Affairs.

On July 19, 2010, Daniel Fournier, Chairman of the Fund, stepped down from the Board of Trustees, the board of trustees of the Trust and the board of directors of GENIVAR GP and Richard Bélanger was appointed Acting Chairman at the following board meeting of GENIVAR. Following a transition period, Richard Bélanger was confirmed in his role of Chairman of the Board.

CURRENT FISCAL YEAR

Governance

The Company is following closely the hearings of the Charbonneau Commission (the "Commission"), a public inquiry examining certain practices in the Quebec construction industry and a Special Committee of the Board was formed to review any internal or external allegation of illegal conduct, including any allegation made in the context of the Commission. Through its internal investigation, the Company has to date become aware of facts involving improper conduct or practices that occurred in the past which are more fully described under the heading "Update on the Charbonneau Commission and Internal Review" of the Management Discussion & Analysis for the year ended December 31, 2012 and under the heading "Legal Proceedings" of this Annual Information Form.

The Company does not tolerate any improper business practices and is committed to ethical business conduct in all that it does. Based upon the recommendations of the Special Committee, Management has already taken certain actions and will continue to do so, to avoid such conduct or improper business practices to occur in the future, including:

- appropriate measures concerning the employees involved in improper conduct, including with respect to an officer who is no longer with the Company;
- the nomination of a Chief Ethics Officer with a direct reporting line to the audit committee;
- the implementation of a competition compliance program;
- the reinforcement of its ongoing procedures and controls regarding treatment and approvals of invoices and payments and certifications regarding political contributions;
- the implementation of its Canadian enterprise risk management systems policy to the Company's global operations;

- the revision of the Company's Code of Conduct and Whistleblower Policy and their respective application to ensure compliance with best practices;
- the revision of anti-bribery and anti-corruption practices and implementation of a global policy in that respect; and
- the development of a document retention strategy and action plan.

The Company's business practices will continue to be analyzed and additional changes and control measures may also need to be implemented in the future.

ACQUISITION OF WSP

On August 1, 2012, GENIVAR completed the acquisition of WSP for £4.35 ($6.79) per ordinary share, equivalent to a total purchase price of £277,700,000 ($437,600,000 as at August 1, 2012) plus the assumption of WSP's net debt of £153,000,000 (C$238,700,000). The cash acquisition of all the issued and to be issued ordinary shares of WSP was effected by means of the Scheme in the U.K.. The Company's results for the fiscal year ended December 31, 2012 incorporate the operations of WSP subsequent to August 1, 2012. The Company has incurred $12,300,000 in acquisition-related and $4,500,000 in integration costs over the second and the last quarters of the year 2012.

WSP is a multi-disciplinary professional services consultancy employing 9,000 people. It specializes in Building, Transport & Infrastructure, Management & Industrial and Energy as well as Environment and provides a full range of services from planning to design, delivery and asset management.

With complementary geographic footprints, end-market exposures and service offerings and limited client overlap, the business fit between GENIVAR and WSP has provided revenue diversification as well as enhanced capabilities to better serve their global client base. Leveraging its increased access to global clients and international projects and a higher level of market recognition and penetration, the Company can now compete with the largest companies in its industry. In its combined form, the Company believes that it is now in a good position to capitalize on the global landscape and the various sectors in which it operates while sharing and presenting diversified skills and experience and delivering best practices, technically and commercially. The Company expects that this should help the Company to meet its clients' changing requirements and that it should also enhance its ability to bid on and deliver large international projects and to match the profiles of its growing list of global clients.

The consideration paid under the Transaction was funded through the following financing:

- The issuance of 9,375,000 Offering Subscription Receipts pursuant to the Offering;
- The issuance of 8,210,610 Placement Subscription Receipts pursuant to the Concurrent Private Placement; and
- New Credit Facilities with a syndicate of financial institutions totaling $400,000,000. See "Business of the Company — Credit Facilities".

Under the subscription receipt agreements entered into among the Company and the Underwriters, CPPIB and the Caisse on June 27, 2012 (the "Subscription Receipt Agreements"), the 9,375,000 Offering Subscription Receipts and the 8,210,610 Placement Subscription Receipts were automatically exchanged into Shares as a result of the completion of the Transaction on August 1, 2012.

On October 12, 2012, the Company filed a Business Acquisition Report in relation to the Transaction.

TABLE OF ACQUISITIONS

(for the last three fiscal years ended December 31)

Business	Number of employees	Specialization	Location
2012			
WSP	9,000	Multidisciplinary	Worldwide
North 46 Architecture Inc.[1]	8	Architecture	Prince Edward Island
Smith Carter, Architects and Engineers Incorporated and Smith Carter (USA) LLC[1]	190	Architecture	Manitoba USA
GRB Engineering Ltd.	80	Oil and Gas	Alberta
Les Investissements R.J. Inc.	10	Buildings	Quebec
Consultores Regionales Asociados-CRA S.A.S	340	Infrastructure Environment Energy Telecommunications	Colombia
2011			
AE Consultants Ltd.[1]	13	Architecture	Newfoundland and Labrador
Groupe Giroux	85	Land Surveying	Quebec
ISACtion Inc.	40	Instrumentation Control Automation Systems	Quebec
Le Groupe Arcop S.E.N.C.[2] /Arcop Design Inc.[1]	60	Architecture	Quebec Ontario
Dakins Engineering Group Ltd.	14	Instrumentation Control Automation Systems	Ontario
Groupe OptiVert inc.	40	Forest management	Quebec
JMH Environmental Solutions Ltd.	3	Oil and Gas	Alberta
WHW Architects Incorporated[1]	70	Architecture	Nova Scotia
Decibel Consultants Inc.	15	Acoustics	Quebec
Delcom Engineering Ltd.	15	Land Surveying	Prince Edward Island
2010			
Hirschfield Williams Timmins Ltd.	23	Mechanical Engineering	British Columbia
Aquapraxis Inc.	3	Urban hydrology Water Resource Management	Quebec
Tundra Engineering Associates Ltd.	150	Industrial Oil and Gas	Alberta
Pryde Schropp McComb Inc.	40	Aviation	Ontario Alberta
ANO Architects Inc.[1]	25	Architectural Design	Ontario
Terrain Group Inc.	150	Municipal Infrastructure Land Surveying Transportation Environment	Nova Scotia New Brunswick Alberta
Beaubien Glover Maskell Engineering North Inc.	24	Buildings Electrical Energy Efficiency	Alberta
Bearden Engineering Consultants Ltd.	23	Buildings Structure Architecture	Alberta
V.B. Cook Co. Limited	110	Industrial & Energy	Ontario
The Thompson Rosemount Group Inc.	100	Municipal Infrastructure Building Environment	Ontario

[1] Through PBK Architects Inc.
[2] Establishment of a strategic alliance

BUSINESS OF THE COMPANY

Overview

The Company

The Company, through its combination with WSP, is one of the world's leading professional services firms, working with governments, businesses, architects and planners and providing integrated solutions across many disciplines, from designing zero-carbon cities to project managing large-scale infrastructure projects. The Company provides services to transform the built environment and restore the natural environment, and its expertise ranges from environmental remediation to urban planning, from engineering iconic buildings to designing sustainable transport networks, and from developing the energy sources of the future to enabling new ways of extracting essential resources. Whether designing Europe's largest vertical city or setting the benchmark for decommissioning mines, the Company prides itself on its technical innovation and its appetite for excellence on each and every project, large or small.

The Company operates in different industries: Buildings, Infrastructure (including Transportation and Municipal Infrastructure), Industrial and Energy (including Mining, Oil and Gas) and Environment. It has approximately 15,000 employees, mainly engineers, technicians, scientists and architects, as well as various environmental experts, based in more than 300 offices, across 35 countries, on every continent. As such, the Company is well-positioned to offer highly specialized expertise in many fields and in many locations. It can also provide a completely integrated service bringing together knowledge and experience from across the Company, managed and delivered seamlessly.

The Company'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 or national clients. Such a business model translates into regional offices with a full service offering throughout every project execution phase. It 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 relationships with nationally recognized expertise.

The Company is a fee-for-service professional consultants firm and it reports in five reportable operating segments, namely Canada, the United States ("U.S."), the U.K., Northern Europe and Rest of the World. The Company's revenues include fees from consulting services as well as other direct costs for subconsultants and other direct expenses that are recoverable directly from its clients.

At the time of its initial public offering on March 25, 2006, GENIVAR was generating 89.0% of its net revenues in the province of Quebec, 7.0% in the province of Ontario and 4.0% internationally. As at December 31, 2012, the net revenues of the Company, which include only five (5) months of WSP's net revenues, were divided as follows: Canada (including Colombia, Trinidad and Tobago and GENIVAR's operations in France) represented 56.6% of total net revenues, while the U.K. represented 10.5%, Northern Europe 18.4%, the United States 6.3%, and the rest of the world 8.2%.

Through its partners, the Company also provides, in Canada and some states of the U.S., architecture and landscape architecture services to some of its clients. Such architecture services are provided by PBK Architects Inc. and its wholly-owned subsidiaries (WHW Architects Incorporated, AE Consultants Ltd., Smith Carter and North 46 Architecture Inc.) and by Arcop Architecture Inc. In turn, the Company provides these partners with project management and engineering services.

Clients by Market Segment

The Company offers a variety of project services throughout all project execution phases, from the initial development and planning studies through to the design, construction, commissioning and maintenance phases. It has developed a multidisciplinary team approach whereby employees work closely with clients to develop optimized solutions on time and on budget. The Company operates in different market segments: Buildings, Infrastructure (including Transportation and Municipal Infrastructure), Industrial and Energy (including Mining, Oil and Gas) and Environment.

- **Buildings:** The Company provides comprehensive professional, environmental and delivery services on some of the most prestigious buildings across the globe. These cover a wide range of sectors, including commercial, healthcare, education, cultural centres, sports and leisure facilities and major urban regeneration schemes. The Company's broad range of services encompasses mechanical, electrical and structural engineering, planning and architectural design, building sciences, energy efficiency, food services, telecommunication solutions as well as other project services. The Company works on existing facilities as well as on new construction projects.

- **Infrastructure (including Transportation and Municipal Infrastructure):** The Company's expertise is utilized by governments around the world to create sustainable long-term transportation strategies and to advise on a national and regional level over the complete life cycle of a wide range of major projects. The Company has particular strengths in planning, analyzing, designing and managing projects in aviation, bridges, highways, intelligent traffic systems, marine, roads and rail. Municipal assignments relate to municipal rehabilitation and development, water distribution and treatment, wastewater collection and treatment, public utilities, storm water management, municipal road networks, lighting and various municipal facilities. Cities, municipalities, townships and real estate developers are among the major clients of this industry.

- **Industrial and Energy (including Mining, Oil and Gas):** The Company provides project and planning management and front-end management consulting services to private clients of various industries, including the strategic, technical and commercial support required for complex construction projects. It also provides specialist advice on industrial process engineering, to major clients in industries such as mining and mineral processing (underground and open pit), oil and gas, metallurgy, chemical and petrochemicals, pulp and paper, wood products, pharmaceuticals and biotechnology, food and beverage, power generation and general manufacturing. The Energy segment includes hydroelectric, wind, solar and thermal power generation, nuclear safety, cogeneration and related distribution and transmission systems. Clients in Energy include public suppliers of electricity, utilities and energy developers.

- **Environment:** The Company helps organizations around the world to manage risks, reduce costs and create competitive market opportunities related to their sustainability, climate change, environment and health and safety agendas. The Company's services include impact studies and environmental assessments, ecosystem studies, monitoring surveys and characterizations, management systems, permitting, compliance audits, geomatics and mapping, as well as economic and risk management. Clients in this industry include organizations from all of the other industries and typical projects include restoration of contaminated sites, waste management, habitat restoration and site rehabilitation.

Types of Contracts and Contract Management

Contracts are awarded through public calls for tenders, through invitation or by private agreement. The Company is generally remunerated through fee-for-service agreements based on hourly rates, a fixed-price negotiated fee or as a percentage of a project cost. Government work is mostly obtained through requests for qualifications and requests for proposals where the offer of services is prepared detailing qualitative factors such as firm experience and qualifications, technical personnel, methodology and approach. Cost of services is sometimes used as a criterion, with the weighted importance varying significantly from client to client. In addition, qualification-based criteria are often used to select engineering services firms, with fees being negotiated according to government decrees, industry standards or client fee schedules.

Contract size varies from small mandates to large multi-year assignments. The Company's resources and systems capabilities allow it to tackle projects of almost any size.

In-house project management is an important aspect of project delivery. Mandates are assigned to a project manager responsible for the technical delivery of the assignment, the contractual and administrative follow-up, quality control and client satisfaction. The Company has systems in place to manage performance with respect to budget and schedule on a continuous basis. Systems allow project managers to monitor personnel utilization on projects and track milestones and deliverables.

Project managers are key to operations; as such, the Company provides them with ongoing training and mentoring in the management of projects. The Company has developed an in-house project management training course in order to enhance the abilities of its project managers and improve their business skills. The Company's training extends from the preparation of proposals and offer of services to the subsequent contracts and professional commitments to be executed. Risk management is emphasized as well as contractual protections and professional liability concerns. Project managers manage the project process and deliverables from the commencement of projects to the closing phase, while managing resources, meeting project objectives and client expectations all within budget and schedule. The projects are also monitored through a combination of regional and functional responsibility. The project managers report to the regional and market segment leaders on a regular basis to follow-up on the project performance including cost of services, schedule and quality of services and client satisfaction. This review and follow-up is performed on a continuous basis throughout all phases of the assignment. Stipulated milestones and deliverables are the project manager's responsibility as well as control of work-in-progress, billing and follow-up of receivables, which are also monitored jointly by the Company's accounting department, the regional leader and the market segment leader.

Global Engineering Services Industry Overview and Trends

According to the report entitled *"Global Engineering Services"* published by IBISWorld in April 2012 (the "IBISWorld Report"), the global market for engineering services consists of the work performed by consultant engineering firms along with the in-house services undertaken by construction contractors, manufacturers, government agencies and utility owners. The global engineering services industry's performance is principally driven by the trends into construction, manufacturing and mining developments (particularly in the large industrial economies) and increasingly from work in the fields of technological development and the sustainable environment. Over the past decade, the global engineering services industry has expanded its operations by broadening across a wider range of multidisciplinary services, by the trend towards globalization and through the outsourcing of services by public authorities and major corporations.

The global engineering services industry comprises about 480,000 firms operating through approximately 505,000 establishments, with the concentration of engineering firms and employment in North America and Europe. The global engineering services industry has a fragmented structure containing many small-scale consulting firms that operate in narrow regional markets or in the provision of specialized services.

According to the IBISWorld Report, the global engineering services industry is one of the largest professional service industries, generating revenue of about $530 billion in 2012 (up 3.0% on the previous year), and employing 2,900,000 people. As of April 2012, the portion of the world's GDP represented by such industry totaled $318 billion, or 0.6% of the world's GDP, two-thirds of which represented payments to employees and the balance, the industry's operating profit.

The IBISWorld Report states that during the mid-2000s, the global engineering services industry derived substantial stimulus from the record levels of investment into infrastructure projects (notably work on energy, mining, transport and water infrastructure) and manufacturing capacity, but such industry's performance deteriorated during the late 2000s with the onset of recession in several of the largest developed economies and the subsequent decline in construction and industrial production. Despite the current improvement, according to the IBISWorld Report, the portion of the world's GDP represented by the global engineering services industry revenue was estimated to average subdued growth by 0.5% per annum over the last five years through 2012. This growth was well behind the pace of world GDP growth (4.2% per annum), but was commensurate with the weak growth in the value of global construction (0.5% per annum) and the subdued or negative GDP growth evident in the largest developed economies (U.S., Japan and the European Union).

According to the IBISWorld Report, trade outside of the players' respective national markets represent a significant share of the industry's activity (10.6% of revenue in 2012) and is mainly confined to relatively few large-scale consulting engineering firms that are capable of operating outside national boundaries. A feature of the global engineering services industry that has accompanied globalization has been the amalgamation of the larger players to achieve scale economies, broaden the market and strengthen the human and financial resources (consistent with a similar trend in other knowledge-based industries such as accounting, law, advertising and architecture).

The global engineering services industry has a low concentration of ownership, with the four largest companies accounting for about 6.0% of annual industry revenue.

Global Engineering Services Industry Key External Drivers

According to the IBISWorld Report, the key sensitivities affecting the performance of the global engineering services industry include:

- ***Level of Investment in Public Infrastructure*** - Increased public sector investment by government into infrastructure projects (including work on water supply services, highway transport infrastructure, military installations and environmental management) generates direct increased demand for engineering consulting services.

- ***Level of Investment in Capital Equipment*** –Increased business investment into capital equipment (such as power plant design and operation, production line design and procurement) generates direct increased demand for engineering consulting services across the manufacturing, resources, transport and energy markets.

- ***Level of Investment in Non-Residential Structures*** - Growth in private investment into fixed capital construction (such as oil and gas facilities, chemical plants, water storage facilities, etc.) generates direct increased demand for engineering consulting services.

- ***World GDP Growth & Inflation*** - Trends in global GDP growth underpin demand for engineering services in the delivery of the built environment to sustain population and economic development.

- ***Labor Availability*** - Industry growth is often constrained by short to medium term shortfalls in the availability of suitably qualified labor. Moreover, the long-term trend towards the outflow of skilled personnel from lower wage countries/regions, to higher paid regions such as North America and Europe, diminishes the pool of available labor in the lower wage countries.

Competition

The Company operates in highly competitive markets and it competes with a large number of regional, national and international companies. Certain of these competitors have greater financial and other resources than the Company. Others are smaller and more specialized, and concentrate their resources in particular areas of expertise. The extent of competition varies according to the particular market and geographic area. The degree and type of competition faced by the Company is also influenced by the type and scope of a particular project. Clients make competitive determinations based upon qualifications, experience, performance, reputation, technology, customer relationships and ability to provide the relevant services in a timely, safe and cost-efficient manner.

The Company's principal competitors are, amongst others: AECOM Technology Corporation, Arcadis N.V., WS Atkins plc, Stantec Inc., Tetra Tech Inc., Grontmij N.V., Sweco Group, Cardno Limited, AF Group ASA and Hyder Consulting.

The principal competitive factors in the services the Company's offers are: reputation, experience, breadth and quality of services, technical proficiency, local presence, service delivery and added value of services.

Capital Expenditures

The industry is not a capital intensive business. Capital expenditures include office furniture, facility improvements and information technology software and hardware since most of the Company's employees require computers and other hardware to carry out their work.

The Company's major costs are related to employees since it is important to ensure a stimulating work environment, enjoyable working conditions and ongoing training. The Company also invests regularly in its business, including the acquisition of technology, hardware and software as it recognizes the need to maintain up-to-date technology and systems to ensure the efficient and effective sharing of information and knowledge across its network.

The Company does not develop any significant proprietary software or technology. The Company licenses various designs and other engineering software widely available in the marketplace. The Company's practice is to renew or upgrade its hardware on a rolling basis over a 3-year cycle.

Employees

As of December 31, 2012, the Company had approximately 15,000 employees, including managers, professionals, technicians and technologists and support staff. Some of the employees of WSP are unionized. As of December 31, 2012, employees in Sweden and Finland, amounting to approximately 19% of the Company's total employees, were covered by collective bargaining agreements, renewable on an annual basis. The Company believes that it has good relations with its employees, having developed a culture focused on flexibility and growth. Over the last years, the Company has emphasized attention toward its resources by continually benchmarking and maintaining competitive compensation packages, strengthening its internal communication tools, emphasizing teamwork, creating career advancement opportunities throughout its geographical network and providing professional development support.

The Company is a knowledge-based organization and is always seeking talented and skilled professionals in all its practice areas. Since the supply of qualified candidates is sometimes limited, the Company uses various recruitment strategies to address staffing need. Examples of recruitment strategies included the employee referral bonus program, website job postings, career fairs, student programs, and opportunities to transfer to other office locations.

Occupational Health and Safety

The Company considers Occupational Health and Safety ("OHS") to be a fundamental principle driving the way it conducts its activities. It aims to safeguard its staff and all those stakeholders with which it interacts and to ensure that it meets or exceeds the minimum standards for health and safety management that apply in those countries where it operates. The Company's approach to project health and safety management is to promote collaboration, effective communication and coordination aimed at enabling projects to be delivered safely and without risk to health. To achieve this goal, the Company has put the following measures in place: (i) ensuring that employees are aware of and comply with legislations related to OHS practices; (ii) properly disseminating information about OHS among supervisors and employees, including those of affiliated companies; and (iii) clearly stating what responsibilities and obligations are expected of its supervisors and employees.

The Company sets overall direction in OHS matters for managers and personnel and ensures that they are adequately trained through appropriate policies, directives, methods and procedures. The expected results are risk reduction and the implementation of preventive measures to mitigate work accidents and professional injuries.

Finally, to ensure that all costs related to recovery from injuries are properly controlled, the Company applies a structured process for managing professional injuries.

Sustainable Development

The Company is committed to sustainability by doing business in a manner in which the needs of the present are met, while contributing to an environmentally, socially, and economically sustainable future. This commitment is at the heart of how it operates and delivers solutions to its clients and is vital to its long-term success in achieving its vision.

With this in mind, the Company has a corporate Sustainable Development policy, which promotes the development of internal sustainable practices and supports the Company's clients in respecting their social and environmental obligations.

Facilities

As of December 31, 2012, the Company operates from over 300 offices worldwide. Its corporate headquarters is located in Montreal, Quebec, Canada. The Company leases substantially all of its offices.

Insurance

The Company carries professional errors and omissions liability insurance, subject to deductibles, limits and exclusions which are customary to the Company's industry. The Company also carries a general and an umbrella liability policy. The Company takes a proactive approach to risk management, encouraging ongoing project director training and problem resolution approaches to potential conflict.

Credit Facilities

On June 7, 2012, GENIVAR entered into the Credit Facilities totaling $400,000,000. The Credit Facilities were made available (i) to finance a portion of the consideration payable on the closing date in respect of the Transaction; (ii) to repay any outstanding amounts due under the existing credit agreement of GENIVAR; (iii) to refinance all or part of the existing indebtedness of WSP; (iv) to finance the costs of the Transaction; (v) to finance future business acquisitions; and, (vi) for general corporate purposes, including to finance working capital and capital expenditure requirements.

Under the Credit Facilities, the Company may issue irrevocable letters of credit up to $40,000,000, which in effect decreases the available Credit Facilities. As at December 31, 2012, the Company had issued, in the normal course of business, irrevocable letters of credit totaling $3,600,000 for its own commitments, thus decreasing the available Credit Facilities.

The Credit Facilities have a four-year term and mature in June 2016. After the maturity date, the term can be extended for an additional year, subject to the approval of the lenders.

The Credit Facilities are secured by a first ranking hypothec over the universality of the movable assets of the Company and some of its subsidiaries. The Credit Facilities bear interest at Canadian prime rate, U.S.-based rate and London Interbank Offered Rate (LIBOR) plus an applicable margin up to 2.5% that will vary depending on the type of advances and the Company's ratios, as defined in the agreement. The Company shall pay a commitment fee on the available Credit Facilities.

Under the Credit Facilities, the Company 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 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 Facilities. All covenants were met as at December 31, 2012.

At the closing date of the Transaction, WSP had a committed syndicated facility amounting to $238,200,000 (£152,500,000) and some additional minor facilities with local relationship banks in the countries it operates in. During the third quarter of 2012, the Credit Facilities were used to pay WSP’s main credit facility. This facility was closed shortly after the Transaction. As at December 31, 2012, the Company had available Credit Facilities coming from acquisitions amounting to $8,800,000, of which $1,400,000 were unused at year end. As at December 31, 2012, the Company had unused Credit Facilities of $185,100,000.

RISK FACTORS

The results of operations, business prospects and the financial position of the Company are subject to a number of risks and uncertainties and are affected by a number of factors outside of its control which could have a material adverse effect on the Company's business, financial conditions or future prospects. This may cause a decline in the price of the shares and the Company’s ability to declare dividends on the shares could be adversely affected.

Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business operations.

Risks Related to the Transaction

Possible Failure to Realize Anticipated Benefits of the Transaction

Management believes that the Transaction will provide certain benefits to the Company. Achieving the benefits of the Transaction depends in part on successfully consolidating functions, integrating and leveraging operations, procedures and personnel in a timely and efficient manner, as well as the Company's ability to share knowledge and realize revenues, synergies and other growth opportunities from combining the WSP businesses and operations with those of GENIVAR. The integration of WSP's business with GENIVAR’s operations, which includes the combination of systems and personnel of the two companies, is currently in progress. The 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 this process. The Company has incurred $12,300,000 in acquisition-related and $4,500,000 in integration costs over the second and the last quarters of the year 2012 in connection with the integration of WSP's business with GENIVAR's operations. The integration process may result in the disruption of ongoing business, customer and employee relationships that may adversely affect the Company's ability to achieve the anticipated benefits of the Transaction, including the ability to realize the anticipated synergies from combining the two entities. A variety of factors may also adversely affect the ability of the anticipated benefits of the Transaction to materialize or to occur within the time periods anticipated by the Company. In addition, the overall integration of the two companies may result in unanticipated operational problems, costs, expenses, liabilities, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) and, consequently, the failure to realize, in whole or in part, the anticipated benefits of the Transaction.

With the acquisition of WSP, the Company has more than doubled in size with operations in 35 countries. The Company must effectively communicate and manage its culture, values, standards and policies throughout the larger organization, which poses challenges and requires time for the members of Management and employees involved. Cultural differences among various countries in which the Company now operates may also present barriers to the success of the integration plan. The Company may not be able to achieve its strategic objectives if it does not overcome the challenges associated with its new size and cultural diversity.

Potential Undisclosed Liabilities Associated with the Transaction

In connection with the Transaction, there may be liabilities that the Company failed to discover at this stage or was unable to quantify in the due diligence conducted prior to closing of the Transaction and which could have a material adverse effect on the Company’s business, financial condition or future prospects.

Risks Related to the Business

Non-Compliance with Laws or Regulations

The Company faces risks relating to non-compliance with laws, corruption within its operations, anti-competitive acts, illegal political contributions, bribery and ethics-related issues and their potential negative impact on the Company's results. Although the Company has adopted control measures to mitigate these risks, these control measures are in the process of being standardized across the entire organization and may not be sufficiently effective to protect the Company from the consequences of such acts committed by its officers, employees, agents and/or partners, corruption within its operations and ethics-related issues. Accordingly, fraud may occur and remain undetected, resulting in a loss of assets and/or misstatement in the Company'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 Company’s officers, employees or agents could subject the Company to fines and penalties, criminal, civil and administrative legal sanctions and suspension from contracting, resulting in reduced revenues and profits.

As part of its global business dealings with different governmental bodies, entities and agencies in countries such as Canada and the U.S. and in the European Union, including the U.K. and Sweden, the Company and its affiliates 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, such as the Federal Acquisition Regulation in the U.S., the Public Contracts Regulations in the U.K., and the Law on Public Procurement in Sweden. These rules provide for verification processes and disclosure requirements, among others matters. If the Company fails to comply with these laws and regulations or if the Company, its officers, employees or agents commit legal violations or misconduct specified in any of these rules, the Company 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, in addition to other penalties and sanctions that could be incurred by the Company. The disqualification of the Company from public contracts in any jurisdiction in which it has operations or carries out business activities could impact its ability to bid for public contracts in that and other jurisdictions.

On December 7, 2012, the Quebec National Assembly adopted Bill no 1: the Integrity in Public Contracts Act (the "Quebec Integrity Act"), which applies initially to public contracts for which the bidding process is ongoing as of January 15, 2013 and to specific contracts with the City of Montreal. The Quebec Integrity Act establishes a process to verify if an enterprise wishing to enter into a contract with a Quebec public body satisfies the required integrity conditions. Thus, enterprises that wish to enter into such contracts or subcontracts must henceforth be authorized to do so by the Autorité des marchés financiers (the "AMF"). The AMF must refuse to grant an authorization in certain circumstances, including where an enterprise, its majority shareholders or one of its directors or officers has been convicted for non-compliance with certain laws in the preceding five years. In other circumstances, the AMF has a discretion to refuse to grant or revoke such authorization if, in its opinion, Quebec public confidence will be undermined on account of a lack of integrity on the part of the enterprise concerned, any of its shareholders, partners, directors or officers or another enterprise that controls it. The Company is expecting to file shortly an application with the AMF to obtain an authorization pursuant to the Quebec Integrity Act. A conviction of the Company for non-compliance with certain offences specified in the Quebec Integrity Act could render the Company ineligible to contract with Quebec public bodies, including municipalities, in the future and could also subject the Company to fines and penalties, criminal, civil and administrative legal actions and damage to its reputation.

Risk of Future Legal Proceedings

The Company 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 GENIVAR and lawsuits related to allegations raised at the Commission. Defending lawsuits of this nature or arising out of any of the services provided by the Company 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 Company may not be fully insured and which could harm its reputation.

Ability to Maintain Profitability and Manage Growth

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

The Company's growth strategy depends, in part, on its ability to:

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

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

Organic Business Growth

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

International Operations

Due to its new global operations strategy, the Company is currently and will be increasingly subject to a variety of risks, including (a) greater risk of uncollectible accounts and longer collection cycles; (b) cultural, logistical and communications challenges; (c) changes in labour conditions; (d) general social economic and political conditions in the foreign markets; (e) international hostilities and terrorism; (f) risks related to complying with a wide variety of local, national, and international laws, together with potential adverse changes in laws and regulatory practices; (g) the difficulties and costs of staffing and managing global operations; (h) fluctuations in exchange rates; (i) multiple and possibly overlapping tax structures; (j) exchange controls and other funding restrictions and (k) political and economic instability. In addition, the Company faces competition in other countries from companies that may have more experience with operating in such countries or with global operations generally.

Possible Acquisitions and Integrations

The Company intends to continue making acquisitions from time to time as part of its strategy to grow its business. Acquisitions, if they occur, will increase the size of its operations and may increase the amount of indebtedness that the Company has to service. There is no assurance that the Company will be able to identify suitable acquisition targets and acquire operations on satisfactory terms, or at all. Further, the successful integration and management of acquired businesses involve numerous risks that could adversely affect the Company's growth and profitability, including: (i) the risk that the Company may not be able to obtain the necessary capital to finance its working capital, capital expenditures, acquisitions, growth strategy and general corporate or other purposes by way of debt financing; (ii) the risk that the Company may not be able to successfully manage the acquired operations and that the integration may place significant demands on the Company's Management, diverting their attention from existing operations; (iii) the risk that its operational, financial and management systems may be incompatible with or inadequate to effectively integrate and manage acquired systems; (iv) the risk that acquisitions may require substantial financial resources that otherwise could be used in the development of other aspects of the Company's business; (v) the risk that major clients of the acquired firms may not be retained following the acquisition of such firms; and (vi) the risk that acquisitions may result in liabilities and contingencies, which could be significant to the Company's operations. The successful integration of an acquired business is also subject to the risk that personnel and professionals from the acquired business and the Company's existing business may not be able to work together successfully, which could affect its operations. In particular, the Company 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 Company's business. Moreover, the successful integration of an acquired business is subject to the willingness of such company to operate in accordance with the Company's values and culture. Newly acquired businesses may be resistant to change and remain attached to past values and culture which may compromise the Company's integration plans. There is no assurance that the Company will be able to successfully integrate its past and future acquisitions.

Reduction of Backlog

The Company cannot guarantee that the revenues projected in the 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 cancellations or scope adjustments may occur, from time to time, with respect to contracts reflected in the backlog. Backlog reduction may adversely affect the revenues that the Company 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 Company actually receives. Most contracts for services with clients are terminable by clients at short notice. If a reduction in the backlog occurs, it could incur costs resulting from reductions in staff that would have the effect of reducing its net earnings.

Joint Venture Partners

As part of its business strategy, the Company may enter into certain contracts through joint ventures or strategic alliances. The success of the Company's joint ventures and strategic alliances depends on the satisfactory performance of its partners of their obligations. Differences in views among the joint venture participants may result in delayed decisions or disputes. The failure of the joint venture partners to perform their obligations could impose additional financial and performance obligations on the Company that could result in increased costs and pose a risk to the Company's reputation.

Economic Environment

For several years, the global capital and credit markets and the global economy have experienced significant uncertainty, characterized by the bankruptcy, failure, collapse or sale of various financial institutions, the European sovereign debt crisis and a considerable level of intervention from governments around the world. These conditions may adversely affect the demand for the Company's services, which may negatively affect its business and results of operations. In addition, interest rate fluctuations, financial market volatility or credit market disruptions may limit the Company's access to capital and may also negatively affect its customers' ability to obtain credit to finance their businesses on acceptable terms. If the operating and financial performance of the Company's customers deteriorates or if they are unable to make scheduled payments or obtain credit, its customers may not be able to pay. Any inability of customers to pay the Company for its services may adversely affect its backlog, earnings and cash flows. As the contraction of the global capital and credit markets spreads throughout the broader economy, the U.S., Europe and other major markets around the world are experiencing very weak or negative economic growth. 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 Company's services by public and private entities.

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

Revenues from Contracts with Government Agencies

The demand for the Company's services is related to the level of governments’ funding that is allocated for rebuilding, improving, and expanding infrastructure systems. The Company 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 governments’ 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 its business, prospects, financial condition and results of operations.

The success and further development of the Company's business depends, in part, on the continued funding of these government programs and on the Company'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, so the Company cannot be assured of its continued work under these contracts in the future. In addition, government agencies can terminate these contracts at their convenience or render the Company ineligible to contract with such government agencies in the future. The Company 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 Company 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 Company's revenues if those costs that have been recognized exceed contractual entitlement to recover such costs.

Fixed-Price Negotiated Fee Contracts

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

The Company 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 has already been recorded. In general, the

Company 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 Company's revenues may be reduced in future periods.

Dependence on Clients

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

Reliance on Suppliers and Subcontractors

The Company engages with a large number of third party suppliers and subcontractors. The profitable completion of some contracts depends to a large degree on the satisfactory performance of the subcontractors that complete different elements of work. If these subcontractors do not perform to accepted standards, the Company may be required to hire different subcontractors 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 Company's business, prospects, financial condition and results of operations.

Assumption of Risk by the Company

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

Reliance on Key Professionals and Management

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

Availability and Retention of Qualified Professional Staff

The Company'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 and resulted in continued upward pressure on professional compensation packages. There can be no assurance that the Company will be able to attract, hire and retain sufficient qualified resources necessary to continue to maintain and grow its business. The inability to attract, hire and retain sufficient numbers of qualified professional staff could limit its ability to sustain and increase revenues.

Collective Bargaining and Labour Disputes

As of December 31, 2012, employees in Sweden and Finland, amounting to approximately 19% of the Company’s total employees, were covered by collective bargaining agreements, renewable on an annual basis. The Company has in the past experienced labor disputes with its employees. The outcome of any future negotiations relating to union representation or collective bargaining agreements may not be favorable to the Company. The Company may sign collective bargaining agreements that increase its operating expenses and lower its net income as a result of higher wages or benefit expenses. In addition, negotiations with unions, including work actions, could divert Management attention and disrupt operations.

Reputational Risk

The Company 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 abides to the highest ethical standards to remain competitive. The failure of the Company to meet its clients’ expectations in the course of a project, including the possibility of a catastrophic failure or incident affecting such a project, could have a negative impact on how it is perceived in the market.

Further, the Company's failure to comply with applicable laws, regulations or generally recognized and accepted guidelines on corporate, environmental, social and governance responsibilities, or acts of misconducts, illegal political contributions, non-compliance with laws or regulations, anti-competitive or criminal acts committed by its officers, employees, agents and/or partners, corruption within its operations and ethics-related issues could negatively impact the Company's reputation and influence its ability to obtain future projects.

Insurance Limits

The Company 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 Company's assets or operations.

Environmental, Health and Safety Risks and Hazards

The Company's Environmental, Health and Safety systems are aimed at reducing risks to people, the environment, and its business; however, 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 Company's property or the property of others. Alternatively, the Company 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 Company cannot fully protect against all these risks, nor are all these risks insurable. The Company 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 Company risks incurring additional costs on projects that have sustained environmental, health, and safety hazards because they may require additional time to complete or because employee time may be lost due to injury.

Extreme Weather Conditions and the Impact of Natural or Other Disasters

The Company's field activities are generally performed outdoors and involve 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 Company'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 Company's services may require the Company to incur additional non-compensable costs, including overtime work, that are necessary to meet clients' schedules. Due to various factors, a delay in the commencement or completion of a project may also result in penalties or sanctions under contracts or even the cancellation of contracts.

Interruption to Systems and Network Infrastructure

The Company heavily relies on computer information, communications technology, and related systems in order to operate properly. If the Company is unable to continually 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 Company's operation systems could be interrupted or delayed. In addition, the Company'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. Any of these or other events could cause system interruptions, delays, and loss of critical data and could delay or prevent operations.

Risks Related to the Industry

Competition in the Industry

The Company 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 it provides. Some of its 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 it competes. In addition, some of its competitors have substantially more financial resources and/or financial flexibility and marketing resources than the Company. These competitive forces could have a material adverse effect on the Company's business, its financial condition and results of operations by reducing its current market share in the market segments in which the Company operates.

Reduction in the Scope of Regulations

A portion of the Company's professional services business is generated directly or indirectly as a result of laws and regulations. Changes in such regulations could affect the Company's business more significantly than they would affect other professional services firms. Accordingly, a reduction in 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 Company due to environmental concerns or significant environmental litigation impacting key clients could materially affect the Company's financial condition and results of operations.

Risks Related to Indebtedness

Increased Indebtedness

As of December 31, 2012, $212,700,000 was drawn on the Company's credit facilities entered into in June 2012. Such degree of leverage could require the Company 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 Company'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 Company's borrowings are at variable rates of interest and expose the Company to the risk of increased interest rates;
- it may limit the Company's ability to adjust to changing market conditions and place the Company at a competitive disadvantage compared to its competitors that have less debt;
- the Company may not be able to pay dividends on its common shares; and
- the Company may be vulnerable in a downturn in general economic conditions.

Under the terms of the new credit facilities, the Company is permitted to incur additional debt in certain circumstances. However, doing so could increase the risks described above. The new credit facilities contain certain financial covenants requiring the Company, on a consolidated basis, to meet specified debt to EBITDA and interest coverage ratios. The new credit facilities also contain covenants restricting the Company's ability to incur liens on its assets, incur additional debt or effect acquisitions or dispositions or fundamental changes in its business. These covenants limit the Company's discretion in the operation of its business.

If the Company is unable to obtain capital on acceptable terms in order to fund its growth strategy, the Company 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 Company's operational and financial flexibility. The extent to which the Company 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 Company 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 Company 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.

Risks Related to Financial Results

Variability of Financial Results

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

- Fluctuations in the spending patterns of the Company's government and commercial clients;
- The number and significance of projects executed during a quarter;
- Unanticipated changes in contract performance, particularly with contracts that have funding limits;
- The timing of resolving change orders, requests for equitable adjustments, and other contract adjustments;
- Delays incurred in connection with a project;
- Weather conditions that delay work at project sites;
- Staff levels, holiday periods and utilization rates;
- Changes in prices of services offered by competitors; and
- General economic and political conditions.

Foreign Currency Exposure

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. A significant portion of the Company's earnings and net assets is denominated in multiple foreign currencies, including Pound sterling, Euro, Swedish krona and U.S. dollar. Accordingly, fluctuations in exchange rates between the Canadian dollar and such currencies may have an adverse effect on the Company'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 Company’s functional currency. In situations where revenues and costs are transacted in different currencies, the Company sometimes enters into foreign exchange contracts in order to limit its exposure to fluctuating foreign currencies. Although the Company does not currently have exchange rate risk policy that would materially affect its results of operations, it is still subject to foreign currency risk.

Accounts Receivable

As is common in the professional services industry, the Company carries a high level of accounts receivable on its balance sheet. This value is spread amongst numerous contracts and clients. While the Company 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.

Underfunded Defined Benefits Obligations

The Company 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 Company. 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 Company's benefit plan obligations may increase or decrease depending on, among other things, changes in life expectancy, interest rates and asset performance. If the Company is required to contribute a significant amount to cover deficit under underfunded benefit plans, the Company's cash flows may be materially and adversely affected.

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

Impairment of Goodwill

Because the Company has grown in part through acquisitions, goodwill and intangible assets represent a substantial portion of its assets. As of December 31, 2012, the Company had $697.8 million of goodwill, representing 38.5% of its total assets of $1,812,000,000. Under IFRS, the Company is required to test goodwill carried in its consolidated statements of financial position for possible impairment on an annual basis based upon a fair value approach.

The Company has chosen to perform its annual impairment reviews of goodwill at the end of its fiscal year. The Company 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 Cash-generating unit ("CGU") below its book value, which would mean the value of the acquired assets has fallen below what the Company 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 Company 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 Company's financial condition and results of operations for the period in which the charge is taken.

Risks Related to the Common Shares

Potential Dilution

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

Payment of Dividends

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

DESCRIPTION OF CAPITAL STRUCTURE

The authorized share capital of the Company consists of an unlimited number of Shares, and an unlimited number of preferred shares.

Shares

Holders of Shares are entitled to one vote per Share at meetings of Shareholders, to receive dividends if, as, and when declared by the Board and to receive pro rata the remaining property and assets of the Company upon its dissolution or winding-up, subject to the rights of shares having priority over the Shares.

Preferred Shares

The preferred shares of the Company may, at any time, and from time to time, be issued in one or more series. Subject to the CBCA, the Board may fix, before the issue thereof, the number of, the consideration per preferred share, the designation of, the rights, privileges, restrictions and conditions attaching to the preferred shares of each series which rights, privileges, restrictions and conditions may include, without limitation, any voting rights, any right to receive dividends, the whole to be subject to the issue of a certificate of amendment setting forth the designation, rights, privileges, restrictions and conditions attaching to the preferred shares of the series in question. The preferred shares of each series shall, with respect to the payment of dividends and the distribution of assets of the Company in the event of its liquidation, dissolution or winding-up, or other distribution of assets among the Shareholders for the purpose of winding up the affairs of the Company, rank on a parity with the preferred shares of every other series and be entitled to preference over the shares and any other shares ranking junior to the preferred shares.

DIVIDENDS AND DISTRIBUTIONS

Dividend Policy

The Company aims to declare and pay cash dividends on a quarterly basis. On March 12, 2013, the Company declared a dividend of $0.375 per share to be payable on or about April 15, 2013 to Shareholders of record at the close of business on March 31, 2013. For the year ended December 31, 2012, the total amount of dividends declared by the Company was $1.50 per Share.

The Board has determined that the current level of quarterly dividend is appropriate based on the Company's current earnings and financial requirements for the Company's operations. The dividend is currently expected to remain at this level subject to the Board's ongoing assessment of the Company'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. The actual amount of each quarterly dividend, as well as each declaration date, record date and payment date is subject to the discretion of the Board. See "Risk Factors — Risks Related to the Common Shares — Payment of Dividends".

On June 5, 2012, the Board approved the DRIP, which provides eligible Shareholders with the opportunity to reinvest cash dividends paid by the Company into additional Shares.

Distributions and Dividends

During the fiscal year 2010, the Fund declared monthly cash distributions of $0.125 per Unit. It also paid a special distribution of $0.55 per Unit in January 2011.

During the fiscal years 2011 and 2012, GENIVAR declared quarterly cash dividends of $0.375 per Share. On June 5, 2012, the Board approved the DRIP, which provides eligible Shareholders with the opportunity to reinvest cash dividends paid by the Company on the Shares into additional Shares. CPPIB and the Caisse have committed to participate in the DRIP in respect to dividends for which the record date is on or prior to July 1, 2013.

MARKET FOR SECURITIES

The Shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol "GNV". Shares are also included in the S&P/TSX Composite Index.

Trading Price and Volume

The following table shows the monthly range of high and low prices per Share, the total monthly volumes and the average daily volumes of Shares traded on the TSX for the fiscal year ended on December 31, 2012.

2012 Month	($)	($)	Total Monthly Volume	Average Daily Volume
January	28.37	25.73	910,108	43,338
February	27.81	26.27	1,104,469	55,223
March	28.49	25.91	1,458,664	66,303
April	26.78	24.02	795,543	39,777
May	26.69	23.04	692,340	31,470
June	25.09	22.14	1,320,564	62,884
July	22.72	20.86	1,366,748	65,083
August	22.77	19.94	3,402,632	154,665
September	23.51	22.25	4,310,541	226,871
October	23.03	21.00	2,279,281	103,604
November	22.47	19.55	2,943,828	133,810
December	21.00	18.73	2,240,680	117,931

Transfer Agent and Registrar

The transfer agent and registrar for the Shares is Canadian Stock Transfer Company Inc. as administrative agent for CIBC Mellon Trust Company, at its principal offices in Montreal, Toronto, Vancouver, Calgary and Halifax.

DIRECTORS AND OFFICERS

The articles of the Company provide for the Board to consist of a minimum of three (3) and a maximum of ten (10) directors. As at March 28, 2013, the Board is comprised of seven (7) members as set out in the following table.

The following table lists the names and place of residence of the current directors of the Company, together with their principal occupation. Several directors and officers previously served as trustees under the trust structure of the Fund. The term of service presented is inclusive of their time served under the former trust structure.

Name and Place of Residence	Position with the Company	Principal Occupation	Director since[1]
Pierre Shoiry Quebec (Canada)	President and Chief Executive Officer ("CEO") Director	President and CEO of the Company	May 16, 2006
Christopher Cole London (U.K.)	Executive Chairman	Executive Chairman of the Company	August 7, 2012
Richard Bélanger[3,5] Quebec (Canada)	Lead Independent Director	President of Groupe Toryvel Inc.	May 17, 2007
Grant G. McCullagh[4] Chicago, IL (U.S.)	Director	Chairman and CEO of Global Integrated Business Solutions, LLC	March 11, 2011
Pierre Seccareccia[2,5] Quebec (Canada)	Director	Corporate Director (Boralex Inc., GLV Inc., Medicago Inc. and New Millennium Iron Corp., and Groupe Ivanhoé Cambridge Inc.)	May 16, 2006
Pierre Simard[4,5] Quebec (Canada)	Director	President of Champlain Financial Company (Canada)	May 17, 2007
Lawrence Smith, Q.C.[6] Alberta (Canada)	Director	Partner, Bennett Jones LLP	May 17, 2007

1 As indicated above, certain directors served as trustees of the Fund prior to the completion of the Arrangement on January 1, 2011.

2 Chairman of the audit committee of the Board (the "Audit Committee").

3 On August 7, 2012, Mr. Bélanger stepped down as Chairman of the Board and became Lead Independent Director.

4 Member of the governance and compensation committee (the "Governance and Compensation Committee").

5 Member of the Audit Committee.

6 Chairman of the Governance and Compensation Committee.

During the past five (5) years, unless otherwise indicated, each of the above-named directors has held the same or a similar position with the Company or the Fund, with the exception of Christopher Cole who, prior to August 7, 2012, was Chief Executive of WSP.

The following table lists the names and place of residence of the executive officers of the Company who are not also directors of the Company, their position within the Company as of March 28, 2013, the date on which they became executive officers and their previously held positions for the last five years:

Name and Place of Residence	Position with the Company	Since	Previously held Position (last five (5) years)
Alexandre L'Heureux Quebec (Canada)	Chief Financial Officer	July 1, 2010	Chief Financial Officer at Celtic Pharma & Celtic Therapeutics
Rikard Appelgren Löddeköpinge (Sweden)	Managing Director, Europe	December 17, 2012	Managing Director, Europe of WSP
Paul Dollin Bristol (U.K.)	Managing Director, U.K., Middle East, South Africa, and India	December 17, 2012	Managing Director , U.K., Middle East, South Africa, and India of WSP, Engineering Consultant of Atkins Global and Director of two (2) of its subsidiaries
Marc Rivard Ontario (Canada)	Chief Operating Officer, Canada, Caribbean	January 14, 2010	Chief Operating Officer and Vice President, Canadian operations of GENIVAR
Louis-Martin Richer Quebec (Canada)	Chief Risk and Ethics Officer	May 7, 2011	Chief Risk Officer and Chief Legal Officer of GENIVAR
Tony Veilleux Quebec (Canada)	Vice President, Finance and Treasury	March 14, 2011	Corporate Controller of GENIVAR
Jason Urry London (U.K.)	Corporate Financial Controller	December 17, 2012	Corporate Financial Controller of WSP

As at March 27, 2013, the directors and the above executive officers of the Company, as a group, held, either directly or indirectly, or exercised control over 902,165 Shares, namely 1.75% of the Shares.

Governance of the Company

Directors and Executive Officers

A majority of the directors are residents of Canada and "independent", within the meaning of *National Instrument 58-101 - Disclosure of Corporate Governance Practices*, of the Company. The term of office of each of the directors of the Company will expire at each annual meeting of the Shareholders, unless a director otherwise resigns or is removed or disqualified.

Composition of the Audit Committee

The Audit Committee is comprised of three members, Pierre Seccareccia (Chairman), Richard Bélanger and Pierre Simard, each of whom is "independent" and "financially literate" within the meaning of *National Instrument 58-101- Disclosure of Corporate Governance Practices*. The Audit Committee is in charge, among other things, to assist the directors in fulfilling their responsibilities of oversight and supervision of financial reporting and control, and of the external and internal auditors. In addition, the Audit Committee is responsible of oversight and supervision of management information systems internal control, risk management and compliance with legal requirements.

Relevant Education and Experience of the Audit Committee Members

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

(i) ***Pierre Seccareccia*** has extensive experience in financial consulting and management. A Partner of the Coopers & Lybrand accounting firm from 1976 to 1998, he acted as Managing Partner for its Montreal south shore office from 1987 to 1989, for its Montreal central office from 1992 to 1996, and for its offices in the Province of Quebec from 1996 to 1998. Following the merger in 1998 of Coopers & Lybrand with Price Waterhouse, he acted as Managing Partner for the Montreal office of PricewaterhouseCoopers LLP from 1998 to 2001. Since 2003, he is a full-time director for various public and private entities. Mr. Seccareccia is currently a director of Boralex Inc., GLV Inc., Medicago Inc. and New Millennium Iron Corp. He is also a director of Groupe Ivanhoé Cambridge Inc., a real estate subsidiary of la Caisse de dépôt et placement du Québec. Mr. Seccareccia is a Fellow of the *Ordre des comptables professionnels agréés du Québec*, a member of the Institute of Corporate Directors (Canada) and of the National Association of Corporate Directors (U.S.). He is a graduate from HEC Montreal (1969).

(ii) ***Richard Bélanger*** has more than 27 years of experience in business development, financing and business management. Since 1993, he has served as President of Toryvel Group Inc., an investment firm of which he is the co-owner and has been President of Stetson Timberlands Inc. from 1988 to 2010. Since January 2012, he is President and co-owner of Quebec City Executive Terminal Inc., an Esso Aviation dealership and fixed-base operator (FBO). Mr. Bélanger also serves as Chairman of the audit committee, a member of the risk management committee and director on the board of the Laurentian Bank of Canada and he sits on the board of directors and the audit committee of Stella-Jones Inc. He has been President, Chief Executive Officer and Chairman of the audit committee (founder) of Theseus Capital Inc., from January 2005 to May 2008. From May 2003 to July 2004, he was Senior Vice-President for eastern operations and corporate development of Canfor Corporation. From 1996 to 2003, he was the President and Chief Executive Officer of Daaquam Lumber Inc. and Chairman of the board and Chief Executive Officer of Produits Forestiers Anticosti Inc., two companies which he co-owned. From 1991 to 1996, he was the President and Managing Director of Gérard Crête et Fils Inc. He was also Co-Chairman of the Canadian Lumber Trade Alliance (2001-2004), Co-Chairman of the International Trade Committee (1999-2004), Chairman of the Quebec Forest Industry Council (1997-1998) and Chairman of Forintek Canada Corporation (2001-2003). Mr. Bélanger is a Fellow of *Ordre des comptables professionnels agréés du Québec* and holds a Bachelor's degree in accounting and administrative science from Laval University.

(iii) ***Pierre Simard*** has more than 20 years of experience in the financial and banking industry. Mr. Simard is Managing Member and President of Champlain Financial Corporation (Canada) Inc. and Managing Director of Champlain Capital Management LLC, a merchant banking firm, which he co-founded in 2001. Prior to 2001, Mr. Simard worked as an investment banker with Lazard Frères & Co. LLC and Donaldson Lufkin & Jenrette Inc. where he arranged mergers and acquisitions and debt and equity financing. He also worked for Canadian Imperial Bank of Commerce and for Lancaster Financial Corp., a private investment banking firm in Toronto. Mr. Simard holds a Bachelor degree from Laval University in Chemical Engineering, has a graduate degree in Management from l'Université Catholique de Louvain (Belgium), and holds an M.B.A. from Johnson Graduate School of Management at Cornell University.

Pre-approval Policies and Procedures

The Audit Committee has the authority to pre-approve all non-audit services to be provided by the external auditor to the Company and any other subsidiary thereof. To this effect, the Audit Committee may adopt specific policies and procedures that may include the delegation by the Audit Committee to one or more independent members of the authority to pre-approve such non-audit services, provided that such pre-approval be reported to the Audit Committee at its next regularly scheduled meeting.

External Auditor Service Fee

For the two fiscal years ended December 31, 2012 and December 31, 2011, the following fees were billed to GENIVAR by its external auditor:

	Fiscal Year ended December 31, 2012	Fiscal Year ended December 31, 2011
Audit Fees[(1)]	$1,609,390	$691,175
Audit-Related Fees	$283,132	$300,541
Tax Fees[(2)]	$202,844	$28,394
All Other Fees[(3)]	$463,000	$23,119
Total Fees Paid	**$2,558,366**[(4)]	**$1,043,229**

(1) "Audit Fees" include fees necessary to perform the annual audit of the consolidated financial statements.
(2) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax advice and tax planning.
(3) "Other Fees" include fees for products and services provided by the auditor other than those included above.
(4) The increase in Total Fees Paid for the year ended December 31, 2012 is mainly due to fees incurred in connection with the financing and the completion of the Transaction.

Governance and Compensation Committee

The Governance and Compensation Committee is comprised of three members, Lawrence Smith (Chairman), Grant G. McCullagh and Pierre Simard, each of whom is "independent", within the meaning of *National Instrument 58-101 – Disclosure of Corporate Governance Practices*. The Governance and Compensation Committee assists and where appropriate makes recommendations to the directors in relation with the development and implementation of the corporate governance guidelines of the Company, the identification of individuals qualified to become members of the Board and the determination of the directors' remuneration for Board and committee service. The Governance and Compensation Committee also reviews the process to assess the effectiveness of the Board and its committees, including their respective chairman, the compensation of the CEO and other named executive officers ("NEOs") of the Company, the Company's health and safety policies and practices and the corporate goals and objectives relevant to the CEO's and NEOs' performance. Finally, the Governance and Compensation Committee is responsible for the annual compensation discussion and analysis to be included in the Company’s management information circular and the Company's management incentive plan and overall compensation philosophy and strategy.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, none of the Company's directors or executive officers:

(a) is, as at the date of this Annual Information Form, or has been, within 10 years before the date of this Annual Information Form, a director, CEO or CFO of any company (including the Company) that,

i) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, CEO or CFO; or

ii) was subject to an order that was issued after the director or executive officer ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as a director, CEO or CFO,

(b) and no shareholder holding a sufficient number of securities to affect materially the control of the Company, is, as at the date of this Annual Information Form, or has been within 10 years before the date of this Annual Information Form, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) and no shareholder holding a sufficient number of securities to affect materially the control of the Company has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

For the purposes of the paragraphs above, "order" means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Penalties or Sanctions

No director or executive officer of the Company or Shareholder holding sufficient securities of the Company to affect materially the control of the Company has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

CONFLICTS OF INTEREST

No director or officer of the Company has any existing or potential conflicts of interest with the Company or any of its subsidiaries.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set out below or described elsewhere in this Annual Information Form, none of the directors of the Company, or any associate or affiliate of the Company has or has had any material interest, direct or indirect, in any transaction within the past three years or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries, except for the following transactions.

In the context of the acquisitions that were completed by the Fund in the past, the vendors of the acquired businesses generally became shareholders of GENIVAR Inc. This provided assurances to GENIVAR that vendors of acquired businesses would remain with GENIVAR after the acquisition and that their interests were aligned with the business of GENIVAR. In this regard, the acquisition method used by GENIVAR was typically as follows: first, GENIVAR Inc. purchased all of the outstanding shares of a target company; second and immediately after the first step, all of the assets and liabilities of the target company were transferred to GENIVAR for a consideration identical to the one paid by GENIVAR Inc. for all of the shares of the target company. However, in certain instances it was determined that an acquisition might be completed more effectively directly by GENIVAR.

As previously noted, the Arrangement involved the combination of the Fund and GENIVAR Inc. Immediately prior to the Arrangement, certain executive officers of GENIVAR were also shareholders of GENIVAR Inc. and owned in the aggregate 12,545 Units, representing 0.7% of the issued and outstanding Units. As a result of the Arrangement, these executive officers, as former shareholders of GENIVAR Inc., received, as a group, 2,446,927 shares in exchange for their Units and their common shares of GENIVAR Inc., representing approximately 9.4% of the issued and outstanding Shares at the time of completion of the Arrangement. Additional information regarding the Arrangement may be found in the management information circular dated April 15, 2010, filed on SEDAR at www.sedar.com.

LEGAL PROCEEDINGS

Except as set forth below, the Company is currently facing legal proceedings for work carried out in the normal course of its business. The Company takes out a professional liability insurance policy in order to manage the risks related to such proceedings. Based on advice and information provided by its legal advisors and on its experience in the settlement of similar proceedings, Management believes that the Company 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 Company.

As a government contractor, the Company 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, we receive inquiries and similar demands related to our on-going business with government entities. In November 2012, the Unité Permanente Anti-Corruption executed search warrants in the Company's offices located in the City of Laval in the province of Quebec in relation to certain contracts awarded in the City of Laval. On February 11, 2013, the Company announced that it was in possession of information confirming that inappropriate conduct in the province of Quebec in the financing of political parties and the awarding of municipal contracts had occurred in the past. On or about February 28, 2013, the Competition Bureau executed search warrants at the Company's offices located in Gatineau and Quebec City. The above facts are described under the heading "Update on the Charbonneau Commission and Internal Review" of the Management Discussion & Analysis for the year ended December 31, 2012. More recently, allegations were made at the Charbonneau Commission to the effect that certain inappropriate conduct in the financing of political parties and the awarding of municipal contracts had occurred in the cities of Châteauguay, Boisbriand and Longueuil in the province of Quebec. As of the date hereof, no charges have been brought against the Company in respect of any of these facts. The Company cannot predict at this time the final outcome with respect to any investigation by government authorities in respect of these facts.

MATERIAL CONTRACTS

Except for those contracts entered into in the ordinary course of business, the following material contracts of the Company were either entered into during the year ended December 31, 2012 or were still in effect as of December 31, 2012:

i. the Scheme entered into in connection with the Transaction;

ii. the underwriting agreement among the Company and the Underwriters entered into in connection with the Offering;

iii. the subscription agreements between the Company and CPPIB and the Caisse entered into in connection with the Concurrent Private Placement;

iv. the registration rights agreements between the Company and CPPIB and the Caisse entered into in connection with the Concurrent Private Placement, as amended on June 7, 2012;

v. the Subscription Receipt Agreements; and

vi. the credit agreement dated June 7, 2012 entered into between the Company and a syndicate of financial institutions.

INTEREST OF EXPERTS

PricewaterhouseCoopers LLP, chartered accountants, Montreal, Quebec are the auditors of the Company and have advised that they are independent with respect to the Company within the meaning of the *Rules of Professional Conduct of the Ordre des comptables professionnels agréés du Québec*.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including, without limitation, directors' and officers' remuneration and indebtedness, principal Shareholders of the Company and securities authorized for issuance under equity compensation plans will be contained in our management information circular, prepared in connection with the upcoming Company's annual meeting of Shareholders to be held on May 23, 2013.

Additional financial information is provided in the audited Consolidated Financial Statements and Management's Discussion and Analysis of the Company for the year ended December 31, 2012.

SCHEDULE A

GENIVAR INC.
(the "**Company**")

AUDIT COMMITTEE CHARTER

I. Role

The role of the audit committee of the Company (the "**Audit Committee**") is to assist the board of directors (the "**Board**") in its oversight and supervision of:

A. the integrity of the financial reporting of the Company;

B. the Company's internal controls and, where applicable, disclosure controls;

C. the independence, qualifications and performance of the external auditor and the performance of the internal auditor; and

D. the Company's compliance with applicable legal and regulatory requirements.

II. Composition

1. The Audit Committee must be constituted, in accordance with National Instrument 52-110 – *Audit Committees*, as it may be amended or replaced from time to time ("**NI 52-110**").

2. All members of the Audit Committee must (except to the extent permitted by NI 52-110) be independent (as defined by NI 52-110), and free from any relationship that, in the view of the Board, could be reasonably expected to interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

3. No members of the Audit Committee shall receive, other than for service on the Board or the Audit Committee or other committees of the Board, any consulting, advisory, or other compensatory fee from the Company or any of its related parties or subsidiaries.

4. All members of the Audit Committee must (except to the extent permitted by NI 52-110) be financially literate (which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements).

5. Any member of the Audit Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Audit Committee on ceasing to be a director. The Board may fill vacancies on the Audit Committee by election from among the Board. If and whenever a vacancy shall exist on the Audit Committee, the remaining members may exercise all powers of the Audit Committee so long as a quorum remains.

III. Duties and Responsibilities

The Audit Committee shall perform the functions customarily performed by audit committees and any other functions assigned by the Board. In particular, the Audit Committee shall have the following duties and responsibilities:

Oversight and supervision of financial reporting and control

1. On a periodic basis, the Audit Committee shall review and discuss with Management and the external auditor on the following:

(a) major issues regarding: (i) accounting principles and financial statement presentations, including any significant changes in the selection or application of accounting principles, (ii) the adequacy of the Company's internal controls, and (iii) any special audit steps adopted in light of identified material control deficiencies, if any;

(b) analyses prepared by or on behalf of Management setting forth significant financial reporting issues and judgments made in connection with the preparation of financial statements including analyses of the effects of alternative generally accepted accounting principles methods on the financial statements when such alternatives have been selected in the current reporting period; and

(c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures (if any), on the financial statements of the Company.

2. The Audit Committee shall ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and periodically assess the adequacy of such procedures. In addition, the Audit Committee shall review and discuss with Management and the external auditor, report and, where appropriate, provide recommendations to the Board on the Company's annual and interim financial statements, the related Management Discussion and Analysis (the "MD&A"), Annual Information Form, earnings press releases, financial information and earnings guidance provided to analysts and rating agencies and the integrity of their financial reporting.

   The Audit Committee shall be directly responsible for resolving any disagreement between Management and the external auditor regarding financial reporting.

3. The Audit Committee shall review and discuss any report from the external auditor on:

(a) all critical accounting policies and practices used by the Company;

(b) all material alternative treatments of financial information within IFRS that have been discussed with Management, including the ramifications of the use of such alternate treatments and disclosures and the treatment preferred by the external auditor; and

(c) other material written communications between the external auditor and management.

4. The Audit Committee shall review any litigation, claim or other contingency and any regulatory or accounting initiatives that could have a material effect upon the financial position or operating results of the Company and the appropriateness of the disclosure thereof in the documents reviewed by the Audit Committee.

Oversight and supervision of external auditor

1. The external auditor shall report directly to the Audit Committee. The Audit Committee shall recommend to the Board: (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, and (ii) the compensation of such external auditor.

2. The Audit Committee shall be directly responsible for overseeing the work of the external auditor when preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.

3. The Audit Committee shall pre-approve all non-audit services to be provided by the external auditor to the Company and any consolidated subsidiary thereof. To this effect, the Audit Committee may adopt specific policies and procedures that may include the delegation by the Audit Committee to one or more independent members of the authority to pre-approve such non-audit services, provided that such pre-approval be reported to the Audit Committee at its next regularly scheduled meeting.

4. The Audit Committee shall at least annually, consider, assess and report to the Board on:

   (a) the independence of the external auditor, including whether the external auditor's performance of non-audit services is compatible with the external auditor's independence; and

   (b) obtain from the external auditor a written statement delineating: (i) all relationships between the external auditor and the Company, and (ii) any other relationships that may adversely affect the independence of the external auditor.

5. The Audit Committee shall at least annually, obtain and review a report by the external auditor describing:

   (a) the external auditor's internal quality-control procedures; and

   (b) any material issues raised by the most recent internal quality-control review, or peer review of the external auditor firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditor firm, and any steps taken to deal with any such issues.

6. The Audit Committee shall review audit process with the external auditor.

7. Where applicable, the Audit Committee shall review and discuss with the President and CEO and the CFO of the Company the process for the certifications to be provided in the Company's public disclosure documents.

8. The Audit Committee shall meet periodically with the external auditor in the absence of Management and the internal auditor.

Oversight and supervision of internal auditor

1. The Audit Committee shall review and discuss with the internal auditor, report and, where appropriate, provide recommendations to the Board on the following:

   (a) the appointment and mandate of the internal auditor, including its responsibilities, budget and staffing;

   (b) the scope and performance of the internal auditor, including a review of the annual internal audit plan, and whether there are any restrictions or limitations on the internal auditor; and

   (c) obtain periodic reports from the internal auditor regarding internal audit findings, including with respect to the Company's internal controls and the Company's progress in remedying any material control deficiencies.

2. The Audit Committee shall meet periodically with the internal auditor in the absence of Management and the external auditor.

Oversight and supervision of management information systems internal control

1. The Audit Committee shall review and discuss with Management, the external auditor and internal auditor, report and, when appropriate, provide recommendations to the Board on the following:

   (a) the Company's internal control system; and

   (b) where applicable, periodically assess compliance with the policies and practices of the Company relating to business ethics.

2. The Audit Committee shall review the process relative to the periodic certifications by the CEO and the CFO of the Company in respect of financial disclosures, the existence of any significant deficiencies in the design or operation of internal controls which could adversely affect the ability to record, process, summarize and report financial data and any significant changes in internal controls or changes to the environment in which the internal controls operate, including corrections of material deficiencies and weaknesses.

3. The Audit Committee may establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls or auditing matters, including procedures for confidential, anonymous submission by employees regarding questionable accounting or auditing matters.

4. The Audit Committee shall review control weaknesses identified by the external auditors, together with Management's response thereto.

5. The Audit Committee shall meet periodically with Management in the absence of the external auditor and the internal auditor.

Oversight and supervision of risk management

1. The Audit Committee shall review, report and, where appropriate, provide recommendations to the Board on the following:

   (a) the Company's processes for identifying, assessing and managing risk; and

   (b) the Company's major financial risk exposures and the steps taken to monitor and control such exposures.

2. The Audit Committee may delegate certain specific tasks and the review of certain questions regarding risk management to one or more Board members or officers of the Company provided that such Board member(s) or officer(s) shall report back to the Audit Committee.

Oversight and supervision of compliance with legal requirements

1. The Audit Committee shall review and discuss with Management, the external auditor and internal auditor, report and, when appropriate provide recommendations to the Board on the adequacy of the Company's process for complying with laws and regulations.

2. The Audit Committee may receive, on a periodic basis, reports from the Company with respect to legal and regulatory issues.

IV. Evaluation of the Audit Committee and Report to the Board

1. The Board may evaluate and review, on an annual basis, the performance of the Audit Committee.

2. The Audit Committee shall review and discuss with the corporate governance, nominating and compensation committee of the Board, on an annual basis, the adequacy of the Audit Committee mandate.

3. The Audit Committee shall report to the Board periodically on the Audit Committee's activities.

V. Outside Advisors

The Audit Committee shall have the authority to engage and set the compensation of outside counsel and other outside advisors as it deems appropriate to assist the Audit Committee in the performance of its functions.

VI. Procedures for Meetings

The Audit Committee shall fix its own procedure. The Audit Committee shall meet separately in executive session, at each regularly scheduled meeting, which shall occur not less than four times annually, and in the absence of Management, the internal auditors or the external auditor.

The minutes of the Audit Committee meetings shall accurately record the significant discussions of and decisions made by the Audit Committee, including all recommendations to be made by the Audit Committee to the Board and shall be distributed to the Audit Committee members for approval.

Meetings of the Audit Committee shall be held from time to time and at such place as any member of the Audit Committee shall determine. Each of the President and CEO and the CFO, and the external auditor shall be entitled to request that the Chairman of the Audit Committee (the "Chairman") call a meeting.

The Audit Committee may meet by telephone conference call or by any other means permitted by law or the Company's by-laws.

The Audit Committee may ask members of Management and employees of the Company (including, for greater certainty, its affiliates and subsidiaries) or others (including, the external auditor) to attend meetings and provide such information as the Audit Committee requests. Members of the Audit Committee shall have full access to information of the Company (including, for greater certainty, its affiliates, subsidiaries and their respective operations) and shall be permitted to discuss such information and any other matters relating to the results of operations and financial position of the Company with Management, employees, the external auditor and others as they consider appropriate.

The Audit Committee or its Chairman should meet at least once per year with Management and the external auditor in separate sessions to discuss any matters that the Audit Committee or either of these groups desires to discuss privately.

VII. Quorum and Voting

Unless otherwise determined from time to time by resolution of the Board, two members of the Audit Committee, one of which shall be the Chairman, shall constitute a quorum for the transaction of business at a meeting. For any meeting(s) at which the regular Chairman is absent, the Chairman shall be replaced by another member of the Audit Committee who shall be named by the other members among themselves. At a meeting, any question shall be decided by a majority of the votes cast by members of the Audit Committee, except where only two members are present, in which case any question shall be decided unanimously.

VIII. Secretary

Unless otherwise determined by resolution of the Board, the corporate secretary of the Company shall be the secretary of the Audit Committee.

IX. Resignation and Vacancies

An Audit Committee member may resign from the Audit Committee without resigning from the Board, but an Audit Committee member shall tender his or her resignation from the Audit Committee upon ceasing to be a member of the Board. Vacancies at any time occurring shall be filled by resolution of the Board.

X. Records

The Audit Committee shall keep such records as it may deem necessary of its proceedings and shall report regularly its activities and recommendations to the Board as appropriate.

XI. Limitations On Audit Committee's Duties

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or the members of the Audit Committee. Even though the Audit Committee has a specific mandate, it does not have the obligation to act as auditors or to perform audits, or to determine that the Company's financial statements are complete and accurate.

Members of the Audit Committee are entitled to rely, absent knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, and (iii) representations made by Management as to the non-audit services provided to the Company by the external auditors. The Audit Committee's oversight responsibilities are not established to provide an independent basis to determine that (i) Management has maintained appropriate accounting and financial reporting principles or appropriate internal controls and procedures, or (ii) the Company's financial statements have been prepared in accordance with IFRS and, if applicable, audited in accordance with generally accepted auditing standards.