
MEMORANDUM

À : TOWN OF CALEDON

DE : WSP CANADA INC. – LEGAL DEPARTMENT

OBJET : CONFLICT OF INTEREST INQUIRY

DATE : OCTOBER 22, 2021

We were informed that, at a recent townhall meeting hosted by WSP Canada Inc. (WSP) for the Town of Caledon (the Town), a member of the public accused WSP of improbity on the basis of its involvement with the review of the Town’s “Official Plan” and Golder Associates Ltd.’s (Golder) involvement with a company operating a quarry on the Town’s territory. This person publicly alleged, or at least inferred, that this situation creates an unacceptable conflict of interests. This allegation is apparently based solely on the bare fact that WSP’s ultimate parent company, WSP Global Inc., acquired the ultimate parent company of Golder in April 2021 (Acquisition). For clarity, the allegation is not based on any action of any employees, nor any other information.

First, it is important to mention that both WSP and Golder operate as independent companies, and as truly separate entities. Prior to the acquisition taking place, and continuing since then, both companies continue to preserve the integrity of every client’s project information. As such, WSP and Golder have notably:

- (i) maintained separated filing and IT systems, the information obtained or generated by each company being stored on distinct protected servers;
- (ii) kept their workspaces separated, and there is no colocation between WSP employees working on the review of the Town’s Official Plan review and any Golder employees; and
- (iii) operated with distinct and separate management reporting chain.

As a result, there has been no exchange of any information from WSP employees performing the review of the Town's Official Plan and Golder's employees working for the company operating the quarry. The objectivity of both Golder and WSP also could not have been compromised in the performance of their mandates, given the independent manner in which they each conduct business.

Additionally, there is no doubt that both WSP and Golder are fully committed to conducting their operations in a manner that avoids or mitigates any actual or potential organizational conflict of interest. As per their corporate internal policies and structure, we note that both companies:

- have computers used by employees that are password protected and that have automatic password protected screen savers;
- offer training on their respective Code of Conduct, which training is mandatory for all employees and tailored to directly address the strict rules and guidelines for organizational conflict of interest;
- have a centralized system in which all pursuits are listed and described, allowing employees to identify potential risk of conflict and avoiding/mitigating same upstream; and
- subscribe to a whistleblowing service operated by an external third-party provider, which service is available for all employees to anonymously report suspected violations of policy or law, if they feel uncomfortable discussing the matter with their supervisor, or believe that a reported issue was not handled or addressed properly.

An actual organizational conflict of interest is very unlikely to occur given the aforementioned measures and the strong corporate dedication of both WSP and Golder to ethical business conduct.

Finally, one cannot conclude that any engineering firm mandated to perform the review of a municipal authority's Official Plan is automatically conflicted when an affiliate company is also acting for a landowner acting on the municipal authority's territory. The Official Plan review relates to "high level" planning and mapping, and the engineering firm supporting the review will typically not be involved with landowners' specific requests or contestations regarding land use planning and development. Regardless of the mandate, it should be noted

that Golder does not offer land use planning services. Golder provides environmental and geotechnical engineering expertise to a wide variety of clients.

In light of all of the foregoing, and as per our assessment of the scope of work to be performed by WSP for the Town and by Golder for the company operating the quarry; we are of the view that there is no actual nor potential conflict of interest in this case. However, for mere appearance sake and provide reassurance, WSP has elected to take additional precautionary safeguard measures meant to eliminate any residual risk that a conflict of interest might be perceived. As such, WSP will ensure that all its employees involved in the review of the Town's Official Plan (and any ancillary or related mandates) will execute a specific undertaking of confidentiality which, at a minimum, shall contain attestations that:

- (i) his/her involvement in the mandate for the Town will forbid any involvement on projects undertaken by Golder for the company operating a quarry on the Town's territory;
- (ii) any project information and documentation will be treated as confidential, marked as confidential (to the extent possible), its distribution will not be permitted to Golder employees and will be stored on protected servers inaccessible to Golder employees;
- (iii) all conversations related to the Town's mandates will be treated as confidential and held behind closed doors, separate from and in the absence of Golder employees; and
- (iv) he/she will be forbidden to provide any information (in any form) to Golder employees relating to his/her work for the Town, and will be forbidden to receive any information from Golder employees (in any form) relating to the mandate undertaken for the company operating the quarry on the Town's territory.

We trust that all of the above will be deemed largely sufficient to reassure anyone that there is no conflict of interest, or that any perceived or potential conflict of interest has been properly mitigated.

WSP Canada inc.