

# AECOM

## Program Management + Water Event

Hosted by RBC Capital Markets

FEMA Portfolio  
United States

AECOM has established the leading role on several of FEMA's most significant contracts, highlighted by our selection in January for the Atlantic zone of PA-TAC and our existing Consolidated Resource Center and Flood Mapping contracts.

Delivering a better world

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# Disclosures

## Forward-Looking Statements

All statements in this communication other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws, including any statements of the plans, strategies and objectives for future operations, profitability, strategic value creation, risk profile and investment strategies, and any statements regarding future economic conditions or performance, and the expected financial and operational results of AECOM. Although we believe that the expectations reflected in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Important factors that could cause our actual results, performance and achievements, or industry results to differ materially from estimates or projections contained in our forward-looking statements include, but are not limited to, the following: our business is cyclical and vulnerable to economic downturns and client spending reductions; potential government shutdowns or other funding circumstances that may cause governmental agencies to modify, curtail or terminate our contracts; losses under fixed-price contracts; limited control over operations that run through our joint venture entities; liability for misconduct by our employees or consultants; failure to comply with laws or regulations applicable to our business; maintaining adequate surety and financial capacity; potential high leverage and inability to service our debt and guarantees; ability to continue payment of dividends; exposure to political and economic risks in different countries, including tariffs, geopolitical events, and conflicts; currency exchange rate and interest fluctuations; retaining and recruiting key technical and management personnel; legal claims; inadequate insurance coverage; environmental law compliance and adequate nuclear indemnification; unexpected adjustments and cancellations related to our backlog; partners and third parties who may fail to satisfy their legal obligations; managing pension costs; AECOM Capital real estate development projects; cybersecurity issues, IT outages and data privacy; risks associated with the benefits and costs of the sale of our Management Services and self-perform at-risk civil infrastructure, power construction and oil and gas businesses, including the risk that any purchase adjustments from those transactions could be unfavorable and result in any future proceeds owed to us as part of the transactions could be lower than we expect; as well as other additional risks and factors that could cause actual results to differ materially from our forward-looking statements set forth in our reports filed with the Securities and Exchange Commission. Any forward-looking statements are made as of the date hereof. We do not intend, and undertake no obligation, to update any forward-looking statement.

## Non-GAAP Financial Information

This presentation contains financial information calculated other than in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company believes that non-GAAP financial measures such as adjusted EPS, adjusted EBITDA, adjusted net/operating income, segment adjusted operating margin, adjusted tax rate, net service revenue and free cash flow provide a meaningful perspective on its business results as the Company utilizes this information to evaluate and manage the business. We use adjusted operating income, adjusted net income, adjusted EBITDA and adjusted EPS to exclude the impact of certain items, such as amortization expense and taxes to aid investors in better understanding our core performance results. We use free cash flow to present the cash generated from operations after capital expenditures to maintain our business. We present net service revenue (NSR) to exclude pass-through subcontractor costs from revenue to provide investors with a better understanding of our operational performance. We present segment adjusted operating margin to reflect segment operating performance of our Americas and International segments, excluding AECOM Capital. We present adjusted tax rate to reflect the tax rate on adjusted earnings. We also use constant-currency growth rates where appropriate, which are calculated by conforming the current period results to the comparable period exchange rates.

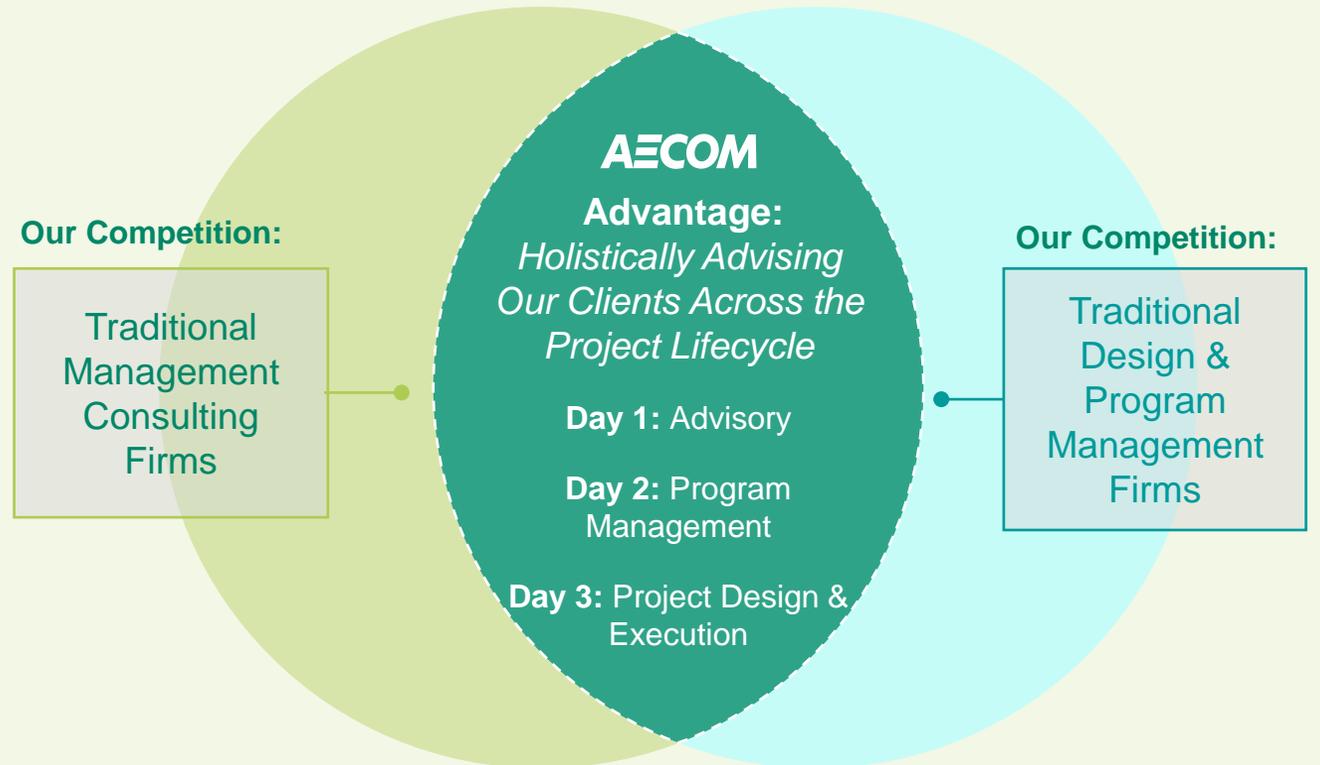
Our non-GAAP disclosure has limitations as an analytical tool, should not be viewed as a substitute for financial information determined in accordance with GAAP, and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP, nor is it necessarily comparable to non-GAAP performance measures that may be presented by other companies. A reconciliation of these non-GAAP measures is found in the Regulation G Information tables at the back of this presentation. The Company is unable to reconcile its non-GAAP financial guidance and long-term financial targets due to uncertainties in these non-operating items as well as other adjustments to net income. The Company is unable to provide a reconciliation of its guidance for NSR to GAAP revenue because it is unable to predict with reasonable certainty its pass-through revenue.

# AECOM's Value Proposition

*We are the world's leading infrastructure consulting firm*

- World-class **program management, advisory** and **technical** capabilities
- Expanding **competitive advantage - record design backlog**
- Record investments in high-returning **organic growth** with 90% of our revenue from four key geographies
- Positioned for **multi-decade secular growth** drivers
- **Higher margin and lower risk consulting** model
- Strong **balance sheet and consistently strong free cash flow conversion**
- **Returns-driven** capital allocation policy underpinned by high-returning **organic growth** investments and a commitment to **return capital to shareholders**

## AECOM's Competitive Advantage:



*As projects increase in size and complexity, our Day 1, 2 and 3 capabilities are a competitive advantage*

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# Drew Jeter

Chief Executive of AECOM's Program Management global business line

# Why Program Management?

\$16B

Total revenue of ENR's top 50 program managers

9%

AECOM's market share within ENR's top 50 program managers, creating a substantial growth opportunity

50%

AECOM's aspiration to deliver 50% of our work programmatically

10x

Investment in mega projects over the past decade

Source: CFMA.

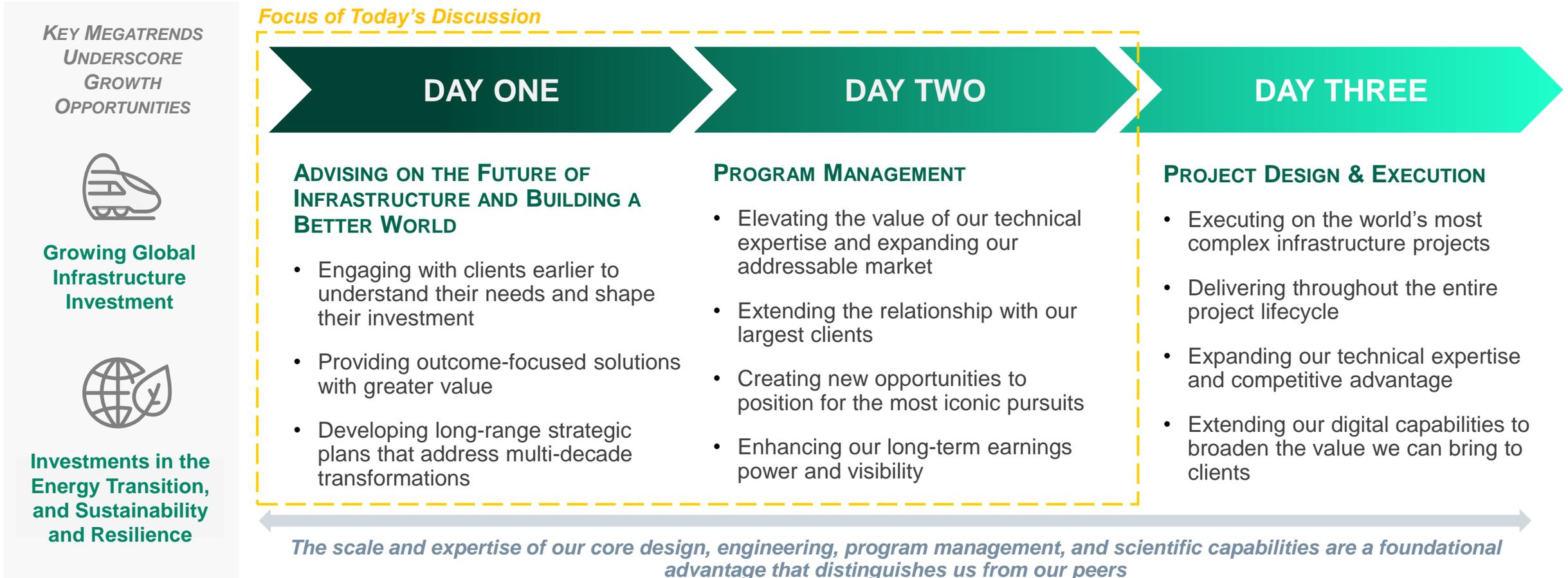
## Program Management Elevates the Value of AECOM's 52,000 Industry-Leading Technical Experts by...

- Aligning AECOM's technical experts **as an extension of the client**
- **Creating captive demand** for AECOM's world-class technical expertise through a **higher value delivery vehicle**
- Positioning our best resources on the highest-returning opportunities created by the **10x growth in highly complex \$1+ billion projects and programs** over the past decade
- **Serving as an extension of our clients' in-house capabilities** and delivering outcome-oriented solutions
- **Expanding our addressable market opportunity** with multiple ways to deliver Professional Services to our clients

*Extending our competitive advantage and expanding our long-term earnings power*

# We Are a Complete Consulting Firm Ideally Suited for the Opportunities Ahead

*As the size and scope of our clients' biggest challenges increase, AECOM brings unrivaled global expertise to support our clients through the lifecycle of their capital investments.*



# Program Management: Enhancing the Value of Our Technical Expertise

*We are targeting Program Management and Advisory to represent 50% of revenue over the long term, allowing us to expand our addressable market, extend our competitive advantage and enhance our long-term earnings power*

## Our Clients' Challenge:

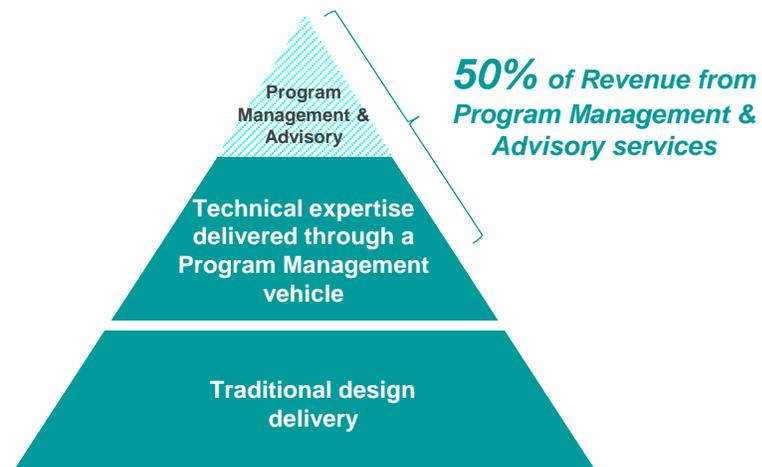
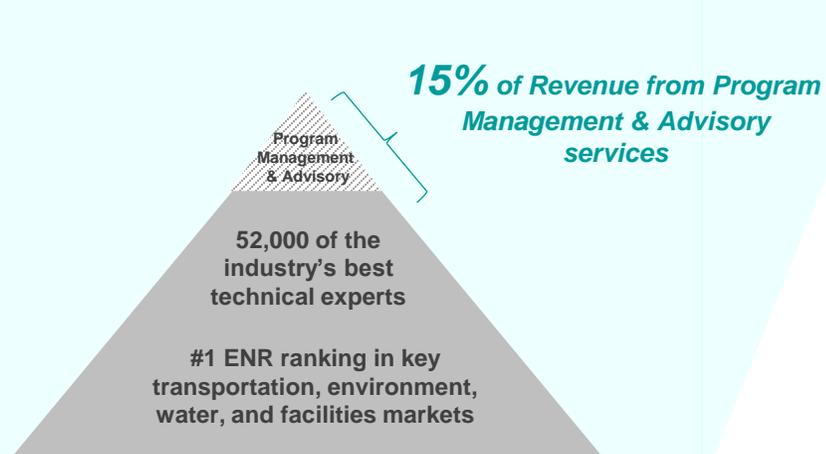
The volume of mega projects is increasing, which raises complexity and risk for our clients and is ideally suited for Advisory services and Program Management delivery

## AECOM's Opportunity:

Capitalizing on our world-class Program Management and Advisory services to elevate the value of our technical expertise and best position ourselves to address our clients' biggest and most complex challenges

AECOM Today

AECOM Future State



## Enabled by AECOM's:

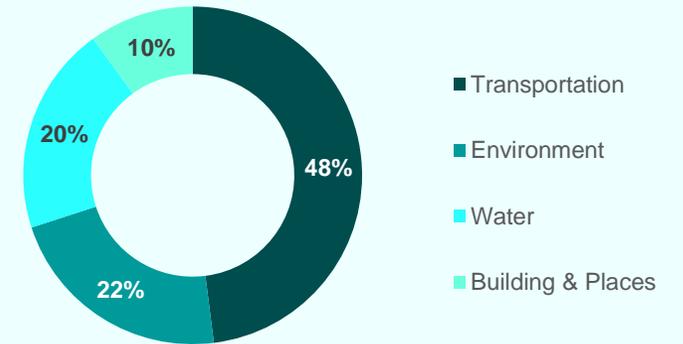
- ✓ Culture of collaboration
- ✓ Global scale and capabilities
- ✓ Prioritizing our technical resources to Program Management opportunities
- ✓ Unrivaled technical expertise

# Assessing the Opportunity by Geography and Market Sector

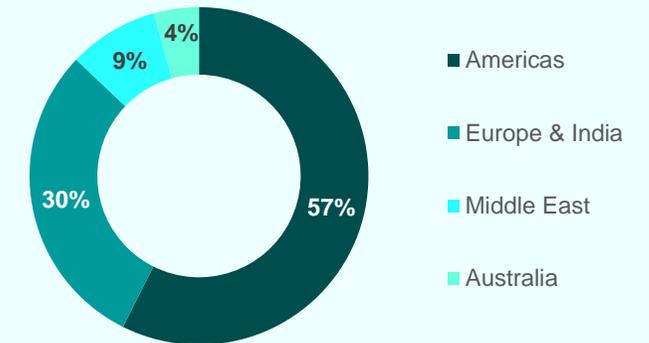
*Our pipeline is concentrated in our largest and most profitable geographies where key funding initiatives are accelerating, resulting in an expanding opportunity set across our largest market sectors*

- 90% of AECOM's profitability is concentrated in our four largest markets, where the largest and most ambitious funding initiatives are driving record levels of activity.
- In addition, project size and complexity are increasing, creating an increasingly apparent opportunity to deliver programmatic solutions for our clients.
- The Transportation and Water markets account for two thirds of our Program Management pipeline, reflecting the large and more complex nature of our projects.
- AECOM's technical leadership across all markets serves as the foundation for our competitive advantage.

Program Management Pipeline By Sector



Program Management Pipeline By Region



# Program Management: Delivering on Our Vision

## Day 1

### Advisory

Engaging earlier and longer with our clients through our advisory services

## Day 2

### Program Management

Leveraging our leading Program Management capabilities to gain market share and expand our addressable market

## Day 3

### Project Design & Execution

Extending our technical advantage to deliver more for our clients

## Case Study: California High-Speed Rail (CAHSR)



**Developed an outcome-focused offering:** brought our best global, regional and local teams that evolved based on the project's scope and supported the client's priorities and challenges



**Created an integrated and collaborative approach:** leveraged our global delivery, Program Management expertise in delivering complex, first-of-a-kind high-speed rail programs, and procurement capabilities



**Provided an enhanced client experience:** supported by advanced digital tools that consolidate program data in real-time, providing the structure and insights to see the program to successful completion

## Delivering on Our Vision:

90%+

Win rate on our largest pursuits since the beginning of FY'22

2.4x

Doubled the size of our Program Management business in the last three years

~40%

Program Management Backlog Growth (FY'23 vs. FY'22)

*Through our technical expertise and global collaboration, we beat traditional Program Management firms and scored substantially better by the client on our technical proposal, which was key to our success on CAHSR*

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# Dr. Beverley Stinson

Global Water Chief Executive

# AECOM: The Leading Global Water Consultancy

## Leader in All Key Water Markets

AECOM is ranked in the top three in all of the critical water market sectors by ENR

#1

Environmental Engineering  
Environmental Science  
Chemical Remediation

#2

Transmission Lines & Aqueducts  
Wastewater Treatment Plants  
Hazardous Waste

#3

Water Treatment & Desalination  
Water Supply

18B+

Gallons of water treated per day by AECOM designed facilities

## Attractive Client Base

Strong relationships and experience with leading public and private sector clients provides for sizable growth opportunities, supported by strong funding



FEMA

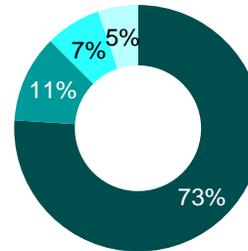


## Unparalleled Technical Expertise

Benefitting from our deep industry-leading expertise and scale to deliver the most challenging water projects in the world

Water & Environment Professionals

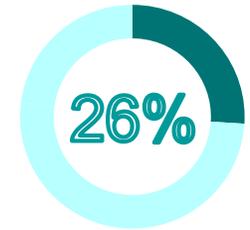
~12,500



Percentage of Water and Environment Employees

## Growth Opportunity

We expect to continue to lead and outgrow the water market



% of FY'23 Water Design NSR

6-9%

AECOM Long-Term Expected Water Organic NSR Growth

# Positioned for Accelerating Growth in the Water Market

Key growth accelerants that will position AECOM to continue outgrowing the water market

## Secular drivers underpinning decades of expected growth:

-  **Climate Change**
-  **Sustainability & Resilience**
-  **Energy Transition**
-  **Disaster Response & Mitigation**
-  **Public Health**
-  **Digital Transformation**

## Current client challenges create tremendous growth opportunities:

- 1 Unprecedented investment & funding**
  - Nearly \$13 trillion is estimated to be employed in the water sector over the next decade
- 2 Water and energy infrastructure demands, create more complex and integrated projects**
  - Energy transition spending is expected to double to more than \$2 trillion annually by 2030
- 3 Advancing our clients' digital transformations**
  - We are well suited to capitalize on the approximately \$5 billion market opportunity for digital consulting every year
- 4 Programmatic solutions needed at the federal, state and local level**
  - Water investment is accelerating globally, such as in the UK under AMP8, to address aging asset management and upgrades

Sources: Global Data and company estimates, Global Water Intelligence, and United Nations.

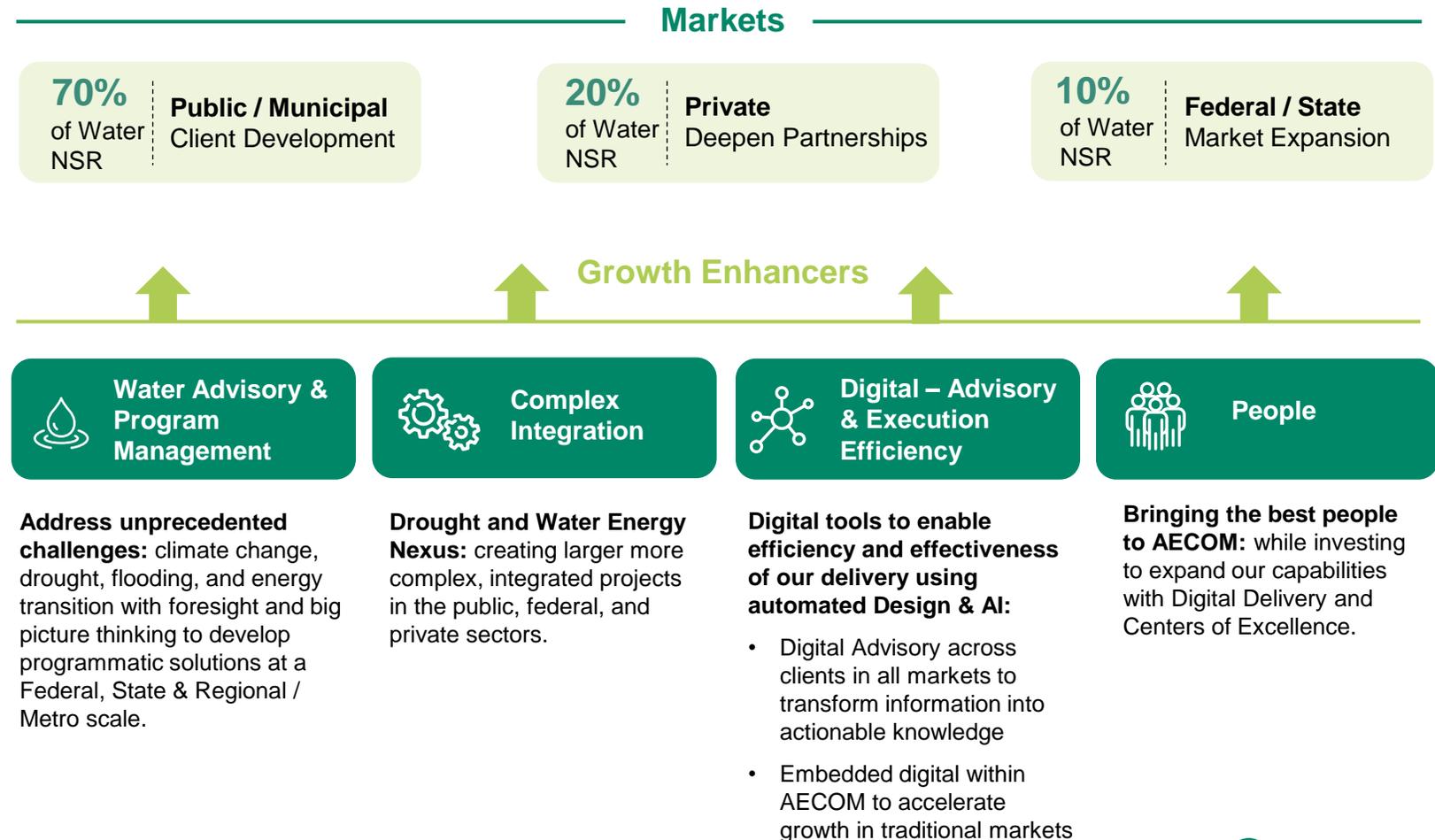
# AECOM's Target: Double its Water Business over the next 5 years

*AECOM is investing in organic growth initiatives to differentiate itself through programmatic delivery, accelerate growth, and outperform the market*

## Key Growth Enablers

- ✓ **Think and Act Globally strategy** – leveraging our global scale and culture of collaboration
- ✓ **Leadership** – attracting and developing the best leadership in our industry
- ✓ **Focus** – prioritizing time and capital to our most critical, highest-value pursuits
- ✓ **Talent** – creating a brand and career development framework that attracts and enables the industry's strongest teams
- ✓ **Investing** – re-investing to extend our capabilities on our highest-returning growth opportunities
- ✓ **Technical Excellence** – enhancing digital and our technical expertise

## Growth Initiatives



# Program Management + Water Technical Expertise in Action

*AECOM has an outcome-focused approach that understands the clients' needs and ensures their success*

## ***Building brand loyalty through a differentiated customer experience:***



World-Class Technical Offering



Bring the Best Global Leaders to Each and Every Project



Engage Earlier Through Our Advisory Services to Provide Greater Value



Understand the Needs of Our Clients



An Outcome-Focused Approach



Programmatic Solutions to Holistically Address Our Clients' Largest Challenges



## **Pure Water Southern California Program**

- We are employing the latest in water recycling and reuse technologies to create a high-quality, climate-resilient water supply for up to 15 million people.
- We provided a comprehensive approach that would grow and ensure the longevity of the workforce to maintain successful water transfer between agencies.
- By collaborating across our world-class Water and Program Management practices, we provided an unrivaled technical solution for this client.

## **FEMA Public Assistance Program – Consolidated Resource Centers**



- AECOM has established itself as the leader across FEMA's critical missions of preparedness, mitigation, response, and recovery.
- We understood the needs of FEMA and aligned with their future strategy, which coupled with our world-class technical teams and a digital tool that created transparency into the operations of the program.
- As a result, we were able to accelerate the processing of FEMA's grants that are focused on replacing and repairing public infrastructure after catastrophic disasters.

***AECOM creates competitive advantage from cross-market collaboration across Program Management and Water***

**AECOM** Delivering a  
better world