

# The Addressable Market for PFAS Consulting Services



IDENTIFY. RESOLVE.

Delivering a better world

## **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 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, including the risk that any purchase adjustments from those transactions could be unfavorable

#### **Non-GAAP Financial Information**

This press release 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, ret 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 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 performanceresults. 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 adjusted operating margin to reflect segment operating performance of our Americæ 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 release. The Company is unable to reconcile certain of 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.



# Who We Are

## We are the world's trusted infrastructure consulting firm.

Across the globe, we partner with our clients in the public and private sectors to solve their most complex challenges and pioneer innovative solutions.

#### FORTUNE



Featured on Fortune's "World's Most Admired Companies" 10 vears in a row



Recognized with the **Equality 100 Award** by the Human Rights Foundation's **Corporate Equality** 

Ranked as a **Military** Friendly Employer 18 years in a row



Named **TIME** magazine's Best Companies for **Future Leaders** 



Named by Ethisphere one of 2024 World's Most Ethical Companies for the eighth year



**RoSPA President's** Award winners have achieved a very high level of performance. demonstrating well developed occupational health and safety management systems



Water

Transportation

**General Building** 

Environmental Science

Environmental Engineering

52k

of the industry's best technical experts

Share of profit from

our 4 key geographies

**Environmental Firm** 

**Green Design Firm** 

Plants

Education

Water Transmission Lines and Aqueducts Water Treatment and Desalination

**Marine and Ports** 

**Sewer and Waste** 

#2

**Clean Air** Wastewater Treatment Compliance

> **Site Assessment** and Compliance

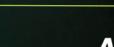
**Green Contractor** 

**10**YR

Fortune's World's Most **Admired Companies** 



AECOM



## **Regulations Are Increasing to Address Growing PFAS Concerns**

### **Regulatory Drivers in the Market**

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- Manufacturing bans
- Product bans
- Replacement chemistry

## CONTROLS

TREATMENT

- Product reporting
- Use restrictions
- Regulatory limits: water, effluents, biosolids
- Site characterization
- Multimedia treatment
- Destructive technologies

#### **Clients Acting Now To Meet Stringent Regulations**

Actions taking in response and *in advance* of regulations:

- Source identification, characterization
- Forensic PFAS evaluation
- Catchment analysis
- Drinking water mitigation design and implementation
  - Active treatment
  - Blending
  - Alternative sourcing
- Wastewater pretreatment
- Disposal/ incineration of biosolids
- Stormwater management

Regulatory actions are expanding across geography and becoming increasingly stringent



## **Global PFAS Market Demand Is Substantial and Accelerating**



With our global reach and holistic offering, we are ideally positioned to capitalize on accelerating demand

Note figures are from AECOM's estimates.



## **Resolving PFAS Requires Substantial Resources**



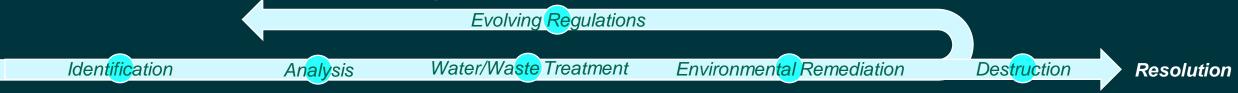
#### Rate increases

- Possible in large jurisdictions
- Restrictive in small, underserved communities Government funding
- USEPA estimates cost will be \$1.54B/year
- AWWA estimates cost \$2.5 to 3.2B/year
- IIJA \$9B distributed through states

Multi-district Litigation funding:

 Several industrial private clients challenged by multibillions in litigation liability

#### **PFAS Create Complex, Multi-Year Challenges:**



Continuous regulatory changes are further compounding the complexity of the PFAS challenge and accelerating demand



# Already Delivering on the Largest Key U.S. Federal Environmental Contracts

#### **Delivering Some of the Largest Federal Environmental Programs:**

Large Federal Agency	Preparing programmatic PFAS Compliance and Reporting Policy for a large Federal Agency	
U.S. Army	Winning a \$464 million multiple award contract with the U.S. Army Environmental Command investigating and remediating PFAS; contracting via every Corps of Engineers District to support large and complex U.S. Air Force projects	
U.S. Navy CLEAN Program	Leading both the Pacific and Atlantic regions of the U.S. Navy's CLEAN program executing PFAS solutions	
Army National Guard	Leading \$100 million in nationwide PFAS investigation and remedial actions for Army National Guard	
NASA	Designing and implementing NASA's PFAS investigation and remediation efforts for all facilities across the U.S.	





We have ~\$2 billion of environmental consulting opportunity through these contracts over the next 5+ years



# We Are Ideally Suited to Capitalize on A Substantial Market Opportunity

### **AECOM Brings Leading Capabilities**

~20 Countries with PFAS Work

600+ PFAS Project Sites for 300+ Unique Clients

**Global Acumen:** Anchored in the U.S., Australia and EU/UK, extending into Latin America, Asia and Middle East

PFAS Academy: Accredited global program builds and attracts top talent



#### **Award-winning Innovation**

Investing in wastewater and biosolids solutions, nature-based solutions, destruction treatment

### **Future PFAS Market Opportunity**



AECOM PFAS YoY Backlog Growth in Q2'24



AECOM's PFAS Revenue Growth Opportunity Over the Next Several Years



AECOM's PFAS-Specific Net Service Revenue Opportunity Over the Next 10 Years

The PFAS market is expected to be a significant growth accelerator for AECOM over the next several years





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# **AECOM** Delivering a better world