Environment and Infrastructure Solutions
October 2018

Robin Watson – Chief Executive, Wood
Ann Massey – CEO, E&IS
Joe Sczurko – S&D President, E&IS
Wood’s differentiated capability...

on a global scale...

...across a broad range of industrial markets

that is technology enabled...

...with full service capability across the asset life cycle.
E&IS: A key strategic driver of the AFW acquisition

- Additional capability & broader end market exposure
- Asset light, people consultancy
- Low volatility/high predictability
- Balanced across opex and capex spending
- Short term: NAM growth
- Long term: International expansion
Strong and experienced management team

**Ann Massey | CEO E&IS**

- BS Geology, Tennessee Technological University
- MBA, Tennessee Technological University
- 35 years progressive experience in E&I industry as Project/Program Manager, Client Account Manager, Senior P&L Manager, CEO/President of MACTEC (acquired firm), S&D President
- Registered Professional Geologist

**Joe Sczurko | President Strategy & Development E&IS**

- Sc.B. Civil Engineering, Brown University
- M.S. Environmental Engineering, Carnegie Mellon University
- MBA University of Southern Maine
- 32 years progressive experience in E&I industry as Project/Program Manager, Client Account Manager, Senior P&L Manager, and S&D President
- Registered Professional Engineer
Supporting customers through a facility’s life cycle
E&IS : who we are and what we do

- Professional consultancy of engineers, scientists and project managers
- Broad offering - plan, design and engineer infrastructure and tackle complex environmental challenges
- Reduce environmental liabilities and maximise efficiency across the life cycle of customer’s assets
- Flexible delivery model - predominantly “time-and-materials”

Our services:
- Engineering/consultancy: 75%
- Project management/support: 25%

Our delivery model:
- Reimbursable: 35%
- Fixed price: 65%
E&IS at a glance

Revenue* by **Service Line**
- Facility Operations: 35%
- Environmental Remediation: 18%
- Public Infrastructure: 15%
- Geotechnical & Materials: 8%
- Environmental Sciences: 8%
- Permitting & Compliance Services: 7%
- Facility Operations: 6%

Revenue* by **Sector**
- Government: 32%
- Industrial: 25%
- Transport: 20%
- Power/energy: 17%
- Water: 14%
- Oil & gas: 13%
- Mining: 7%
- Pharma: 6%

Revenue* by **Geography**
- US & Canada: 80%
- Europe: 13%
- RoW: 7%

**Top 20 Customers**
- Industrial: 27%
- Government agencies: 22%
- Power/Energy: 20%
- Oil & gas: 17%
- Transport: 14%

* Revenue refers to 2017 Total Revenue
Historic financial performance

- Reported revenues reflect flexibility and diverse sector focus
- Reported margins impacted by performance on inherited fixed price US Government projects
- Underlying historic margins > 7% on average
- Sustainable margin performance at upper end of peer range and Wood business units
- Anticipate strong earnings growth for E&IS in 2018; margin circa 7%
Visibility extends beyond firm order book

Order Book
- Secured work equates to c.1yr of revenues
- c95% reimbursable/ low risk fixed price
- Average job c$200k
- Reflects transactional, flexible, short cycle, lower risk business

Pipeline
- > $7bn identified opportunity pipeline
- Supported by significant long term framework agreements

Order Book at 30 June 2018
- $1.3bn
- Repeat business c.90%

Order book by revenue type:
- Reimbursable: 55%
- Small fixed price (consulting/engineering): 29%
- Lump sum <$100m: 12%
- Legacy fixed price US government contracts: 4%
Well positioned in fragmented growth market of scale

**Growth market:** “GDP+”

- $40bn+
- US environmental
  [source: Engineering News Record]

**Drivers:**
- Environmental legislation
- Government agency spending
- Industrial spending/economic growth

**Top 10**
market position
> 200 competitors
  [source: Engineering News Record]

**Major competitors:**
- North American E&C (AECOM, Jacobs, SNC Lavalin)
- Specialist E&I (Arcadis, Turner & Townsend, Stantec)

Well positioned in fragmented growth market of scale
Our differentiation

Consistent delivery across multiple projects and locations

Global/local, cross-sector flexible model

Deep national/local regulatory knowledge and agency relationships

175 locations

c90% repeat business

>30 year customer relationships
Our service lines

**Facility Operations:**
Design, project/construction management, and operations support for both new and operating facilities.

**Environmental Remediation:**
Extinguishing contamination liabilities by restoring and redeveloping properties. Includes decommissioning services for retired assets and facilities.

**Public Infrastructure:**
Studies, design, and construction support for roads, rail, ports and airports, water/waste management

**Geotechnical & Material:**
Studies of underground conditions for dams, levees, infrastructure, facilities, and associated materials testing

**Environmental Sciences:**
Evaluating natural resources and mitigating/monitoring environmental impacts

**Permitting & Compliance:**
Monitoring, managing, and maintaining regulatory compliance and license to operate
Our enduring blue chip customer base
Facility operations

**McCain Foods**
Industrial Water Treatment Plant, India

**Nalcor**
Churchill Falls, Canada

**TEVA**
Biotech Facility, Germany

- **Designing** cost-efficient industrial wastewater reuse systems
- **Developing** a world-class hydroelectric dam
- **Engineering and constructing** a state-of-the-art biotechnology facility in Germany

- **93%** recovery rate achieved
- **824 megawatt** dam reducing greenhouse emissions
- **8 story** building supporting production of pharmaceutical ingredients
Environmental remediation

**US Air Force**
Groundwater Treatment System, United States

- **Removing** PFAS from groundwater
- **1st** of its kind pump-and-treat system in the US

**BP**
Environmental Remediation, Zambia

- **Partnering** with the local community to perform remediation of waste oil refining residuals in Africa
- **$3M** saved with innovative on-site testing techniques

**BP**
Terminal Decommissioning and Remediation, United States

- **Decommissioning** and remediating one of the largest marine terminals in the US
- **4,300** cubic yards of soil removed and 13 tank farms retired
Public infrastructure

**Illinois Tollway**  
Roadway widening, United States

*Expanding* a US interstate to include first flex lanes and SmartRoad technology

- 25 miles of lane added
- 35 bridges rehabilitated

**Port of Long Beach**  
Port improvements, United States

*Upgrading* two port terminals into one fully automated and sustainable terminal

- 50% reduction in air pollution and doubled container handling capacity

**Metrolinx**  
Toronto commuter rail system improvements, Canada

*Increasing* public transit networks in Ontario

- 69 million commuters using network annually
# Geotechnical and materials

<table>
<thead>
<tr>
<th><strong>ICON</strong></th>
<th><strong>Chinalco</strong></th>
<th><strong>SW Illinois Flood Management District</strong></th>
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</thead>
<tbody>
<tr>
<td>Mercedes-Benz Stadium, United States</td>
<td>Toromocho Mine, Peru</td>
<td>Levee Improvements, United States</td>
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**Assuring** structural integrity for one of the world’s most impressive stadiums

**Assessing** quality of geo-structural foundation in Peru

**Restoring** a US levee system to 100-year flood protection levels

<table>
<thead>
<tr>
<th><strong>40,000 tons</strong></th>
<th><strong>150 meters</strong></th>
<th><strong>86 miles</strong></th>
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<tbody>
<tr>
<td>of structural steel inspected</td>
<td>dam raised to an elevation of 4,700 meters above sea level</td>
<td>of levee and floodwalls rehabilitated</td>
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Environmental sciences and permitting & compliance

**Multiple O&G**
On-shore/off-shore Canada, United States

- **Providing** met-ocean monitoring support for operations safety

**Heathrow Airport**
Runway 3 Expansion

- **Supporting** new runway development at one of the world’s busiest airports

**Welsh Water**
Water Resource Management Plan, United Kingdom

- **Balancing** supply and demand of water resources for a major water company in England and Wales

**80+**
deep sea drilling operations supported across the world

**740,000**
flight per year capacity

**3 million**
people provided with drinking water and wastewater services for the next 25 years
Revenue synergies

Biotech Facility

E&IS
Client relationship management, consulting & preliminary design, engineering support

AS EAAA
Detailed design, procurement, construction management, commissioning/ qualification services

Water treatment system for former mine

E&IS
Client relationship management, mine water treatment consulting & design

AS Americas
Civil construction

Engineering design for onshore pipeline

E&IS
Environmental permitting & assessment

AS Americas
Full-service engineering, design
## Near term market outlook

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<tr>
<th>Markets</th>
<th>Position / outlook</th>
<th>Rating</th>
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| **Government**     | • Good opportunities in environmental remediation  
• Increasing emphasis on facility condition assessments & asset management  
• Increasing spend in defense infrastructure design                                                                                               | ![↑](symbol.png) |
| **Industrial**     | • Strong, mandated environmental remediation spend  
• Environmental regulations drive continual, diversified needs and wide project mix                                                                                                                                   | ![↑](symbol.png) |
| **Transport/water**| • Growth in Canada and UK, steady in US  
• Increased demand for light rail transit systems and infrastructure construction inspection  
• Storm water management and flood resiliency gaining added funding                                                                                   | ![↑](symbol.png) |
| **Power/Energy**   | • Geographic limitations  
• Large, long duration projects from coal plant and commercial nuclear station closures  
• Renewables growth in certain markets driving permitting, studies, geotech services                                                                 | ![← →](symbol.png) |
| **Oil & gas**      | • Challenging conditions in large-scale environmental remediation and decommissioning projects  
• Midstream permitting and compliance  
• Downstream industrial water treatment opportunities                                                                                             | ![← →](symbol.png) |
| **Mining**         | • Up-turn in growth cycle; sector faces heavy environmental regulation and scrutiny  
• Environmental needs for existing mines, mine expansions and new mines  
• Synergy opportunities with mineral processing in STS                                                                                             | ![← →](symbol.png) |
| **Pharma**         | • Trend toward biotech and personalised medicines will shift facility types  
• Well positioned for opportunities in central Europe,  
• Opportunities to leverage capital projects capabilities in Asset Solutions                                                                           | ![← →](symbol.png) |
Summary and Q&A

• High quality, low risk consultancy model
• Differentiated by consistency of delivery
• Leading market position
• Low volatility & strong pipeline visibility
• Long standing blue chip customer relationships
• Positive near term outlook