June 20, 2019

Michael S. Burke
Chairman and Chief Executive Officer
AECOM
1999 Avenue of the Stars, Suite 2600
Los Angeles, CA 90067

cc: Board of Directors

Dear Michael,

Starboard Value LP, together with its affiliates ("Starboard"), currently owns approximately 4.0% of the outstanding common stock of AECOM (the "Company"), making us one of the Company's largest shareholders.

Starboard is an investment management firm that seeks to invest in deeply undervalued public companies where there is an opportunity to unlock value for all stakeholders. We have a long and successful record of working productively with companies to drive long-term value creation. Our approach is to actively engage in a constructive manner with management and boards to identify and implement a path to create value.

We have been closely following the Company's performance and have conducted substantial research on the business and its competitive position. We believe AECOM possesses an incredibly valuable set of businesses with enviable positions across their respective markets:

- Design and Consulting Services ("DCS"): One of the largest engineering and planning consultancies globally. The business is especially well positioned given its market-leading franchises within the large and fast-growing water and transportation verticals.
- Management Services ("MS"): Predominantly a U.S. Federal contractor assisting the Department of Defense and the Department of Energy. The business has a long and reputable history of delivering on its core competencies of Program and Facilities management.
- Construction Services ("CS"): A building and civil construction franchise focused on the U.S. and Canada. The business has a leading position in the New York and California regions and in the national sports arena construction market.

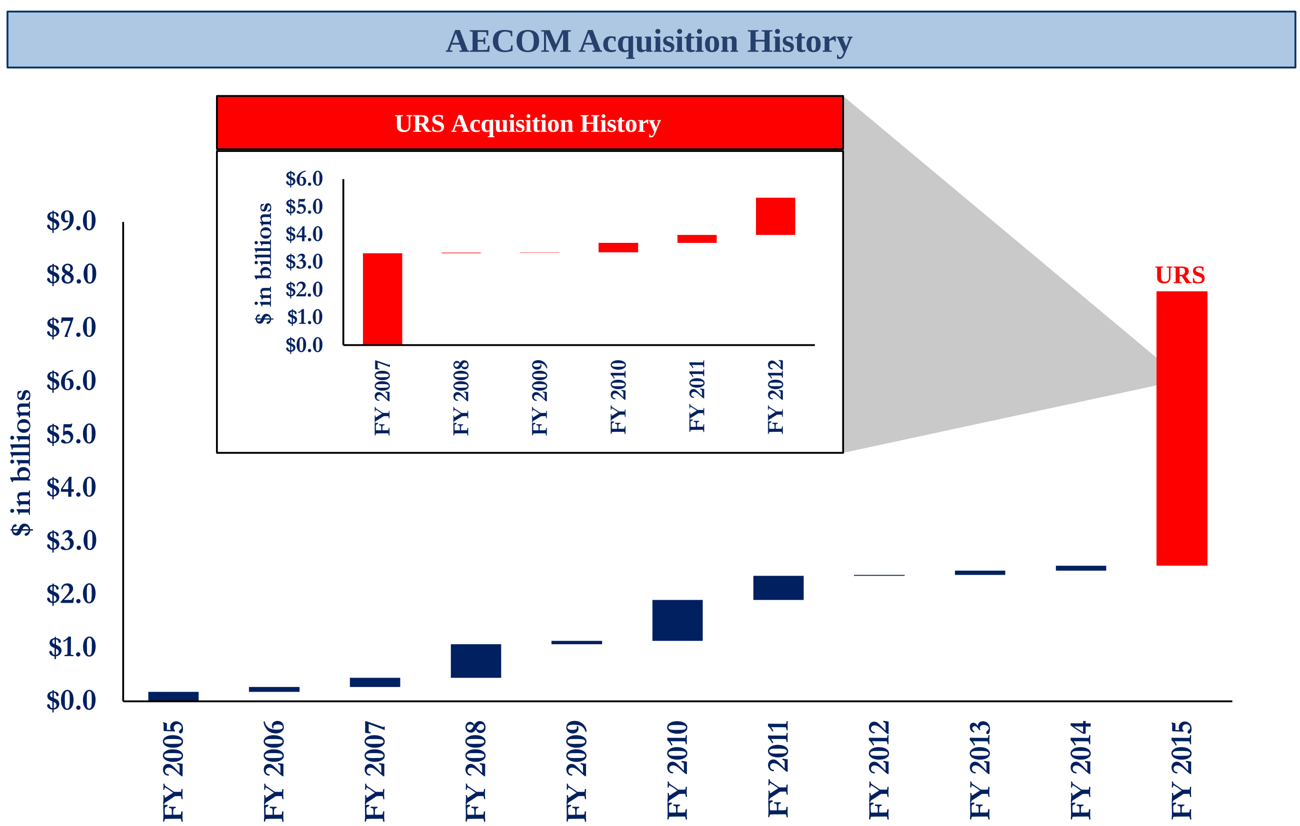
We believe that AECOM's market leading franchises are deeply undervalued and that significant opportunities exist within the control of management and the Board of Directors (the "Board") to unlock value.

As such, we read with great interest the Company's announcement this past Monday regarding its intention to spin-off the MS segment. This is potentially a positive development. However, it is just one piece of a broader set of opportunities to unlock significant value at AECOM.

As detailed in this letter, the Company was built through a series of acquisitions that have not been effectively integrated and operating metrics across the various segments significantly lag those of their respective peers. We believe there is a substantial opportunity to drive profitability improvements through integration and operational initiatives. In addition, we believe a more expansive and open minded strategic review of the Company's assets is necessary. In this letter, our hope is to articulate to you, the Board, and other shareholders the steps we believe the Company should take to create value for the benefit of all shareholders.

AECOM Has Produced Disappointing Results

In order to fully appreciate the scope of opportunity at the Company, it is instructive to reflect on the path through which the Company arrived at the current portfolio of businesses. AECOM was largely built through a series of acquisitions. In the decade leading up to the acquisition of URS Corporation ("URS") in October 2014, the Company spent approximately $7.7 billion – 92% of enterprise value prior to the announcement of the spin-off of MS – on business acquisitions, the most meaningful of which was URS for $5.1 billion, which itself was a roll-up of several other firms including WGI, Flint, and Scott Wilson.



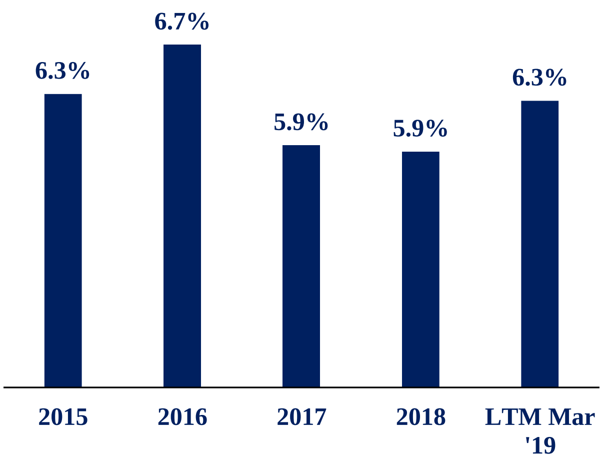
Source: Company filings, news reports.

The Company's strategy had been to create a fully integrated Design, Build, Finance, and Operate ("DBFO") platform. The URS transaction was meant to leverage AECOM's cost structure so that URS was highly accretive and the combined company *"was better positioned to win and execute projects."*

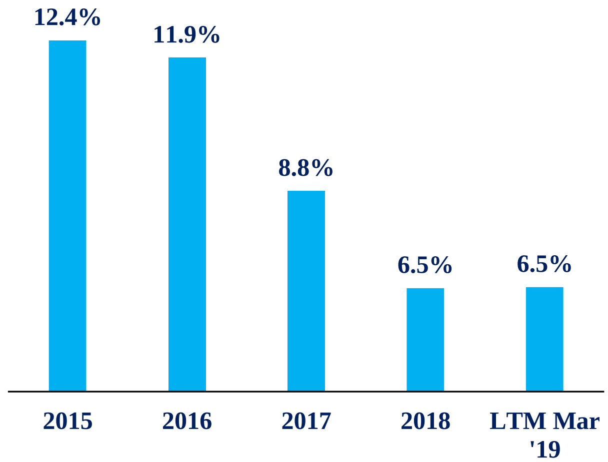
At the time of the *"transformational combination"* of AECOM and URS, management identified $250 million in anticipated synergies. The synergy target was subsequently raised to $325 million which was *"expected to begin impacting results in Fiscal 2017."* However, the reality is that the Company's performance has not met management's or investors' expectations.

Instead, since FY 2015, the first full year after the URS acquisition, operating income margins for the DCS segment have been flat through the LTM period, while margins in the MS segment have nearly halved.

DCS – Operating Income Margin



MS – Operating Income Margin



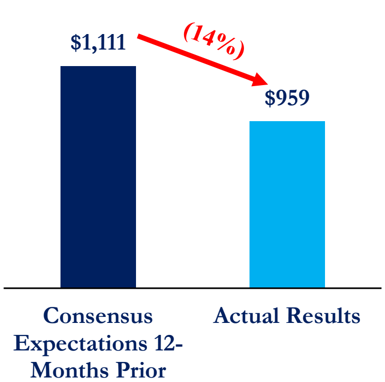
Source: Company filings.

We are perplexed by these trends given the meaningful URS deal synergies identified and a favorable industry environment over the past four years. Management's past commentary and assessment of the stagnant margins do not give us confidence that enough has been done to remedy these disappointing trends. The Company has consistently over-promised and under-delivered. As shown below, the Company has missed consensus Adjusted EBITDA estimates in each of the past three fiscal years.

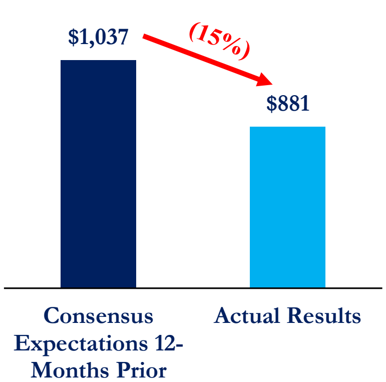
Consensus Expectations vs. Actual Adjusted EBITDA

($ in millions)

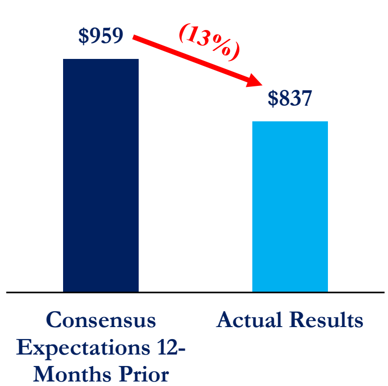
FY 2016



FY 2017



FY 2018



Source: Company Filings, Bloomberg, Wall Street consensus.

The Company's consistently poor operating history has resulted in several years of disappointing shareholder returns. The underperformance is particularly striking in light of the URS acquisition, a transaction that was billed as transformational and highly synergistic. As shown in the table below, since the acquisition of URS, AECOM's share price underperformed the S&P 500 and its peer group by 57% and 80%, respectively. In fact, AECOM's share price performance has underperformed its peer group and the broader market by a wide margin over almost any time frame.

AECOM Share Price Underperformance

Total Shareholder Return[1]

	1 Year	3 Year	5 Year	Since Acq. of URS[2]	Current Leadership Tenure[3]
S&P 500 Index	6%	48%	65%	69%	71%
Design-Oriented E&C Peer Group[4]	9%	71%	70%	91%	64%
AECOM	**(1%)**	**6%**	**2%**	**11%**	**5%**
Underperformance vs. S&P 500	(7%)	(42%)	(63%)	(57%)	(66%)
Underperformance vs. Design-Oriented E&C Peer Group	(9%)	(64%)	(68%)	(80%)	(59%)

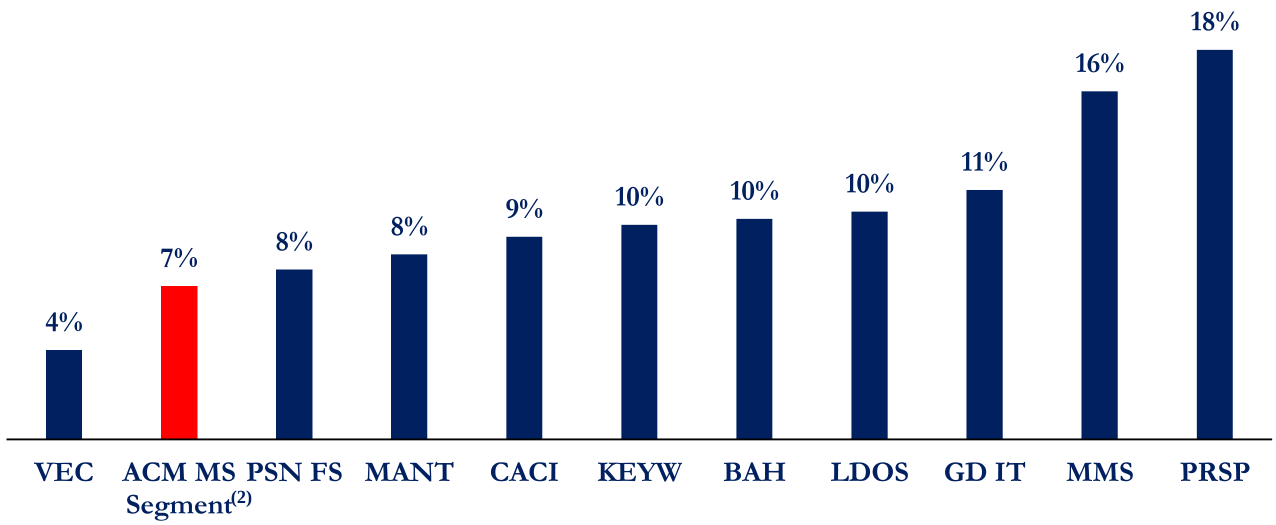
Source: CapitalIQ, Starboard estimates.
(1) Total returns for all period include dividends; performance measured as of June 14, 2019 (closing price before announcement of MS spin-out).
(2) Performance measured as of October 17, 2014
(3) Performance measured as of March 6, 2014.
(4) Peers selected based on Starboard judgment and includes: JEC, TTEK, TSX: STN, TSX: WSP.

Poor Execution Across the Portfolio

We believe the Company's recent operating performance is directly a result of poor execution, rather than a result of uncontrollable external factors. When analyzing each segment against their respective peers, there appears to be substantial room for improvement.

In Management Services, we believe lax project cost containment – especially in a federal contracting environment that demands continuous improvements – and inefficient business development expenses have unduly weighed on margins. A comparison of projected EBITDA margins for MS against the Federal Contractor peer set the Company highlighted is worth studying. The reality is that despite possessing a high quality set of assets, independent MS would have one of the lowest margin profiles of its peers.

EBITDA Margin Comparison – AECOM MS Segment vs. Federal Contractor Peers(1)



Source: CapitalIQ, Starboard estimates.
(1) Federal Contractor peers as presented by AECOM management in a Company presentation on June 17, 2019.
(2) EBITDA margin for standalone MS segment per AECOM management commentary on an investor call on June 17, 2019.

Moreover, the segment's deteriorating operating performance and management's consistent inability to forecast operations would seem to support our belief that operational execution can be improved meaningfully.

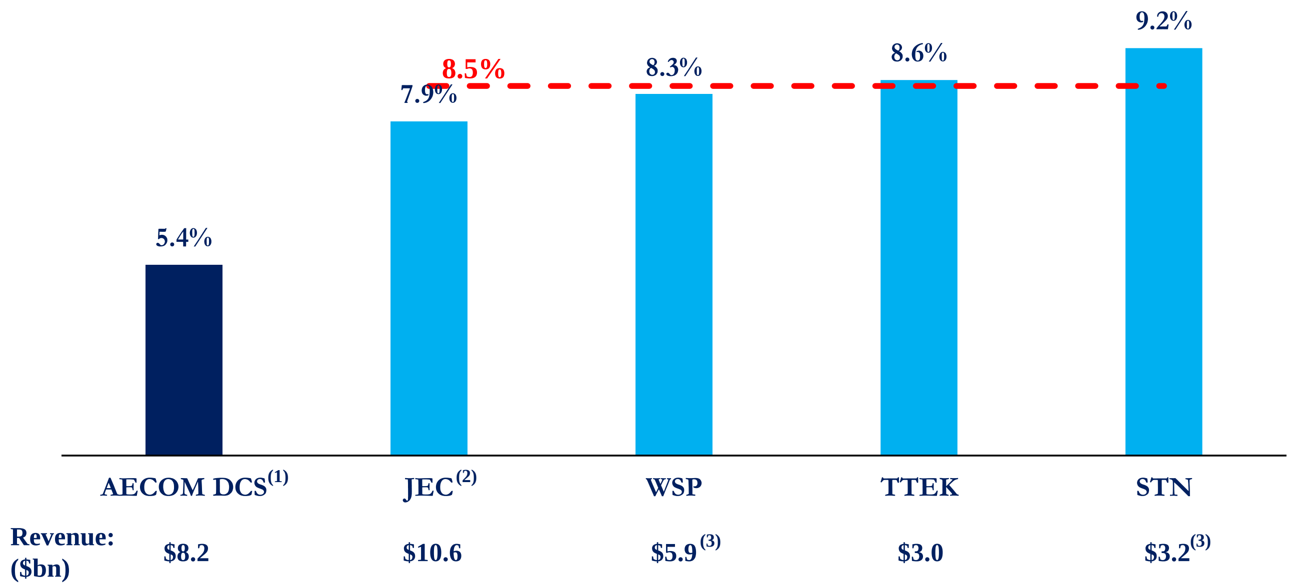
It is imperative that the Company immediately identify a viable plan to grow profitability at MS. The Company will need to clearly articulate this plan to both its current shareholders and future shareholders of the proposed spin-off in order to ensure it trades favorably. Alternatively, an outright sale of the segment may be the prudent course of action for the current shareholders on a risk-adjusted basis.

In CS, adjusted operating margins have declined by 30 basis points from FY15 to FY18 on the segment's substantial revenue base of approximately $8.2 billion, implying an approximately $25 million loss in profitability in FY18 and demonstrating negative operating leverage as segment revenues grew by 26% in that period. While we believe there is room for margin improvement and mitigation of project delivery risks, ultimately it may be in the best interest of the Company and its shareholders to sell this business.

Improvements in DCS

The scope for operating improvements is most pronounced and evident in DCS. A comparison of DCS with its peers illustrates the extent of the margin opportunity. Despite being one of the largest engineering and planning consultancies globally, as shown in the chart below, AECOM's DCS segment operates at a 310 basis point EBITDA margin gap to its closest peers.

EBITDA Margin Comparison – AECOM Standalone DCS vs. Design-Oriented Peers



Source: Company filings, Starboard estimates.

(1) AECOM 2018 standalone DCS EBITDA margin calculated as $540 million DCS segment EBITDA as presented during AECOM's 2019 Investor Day, less $16 million equity in earnings of joint ventures, less $84 million of corporate G&A expense allocated by gross profit contribution, divided by 2018 DCS revenue of $8.2 billion.

(2) Pro Forma for sale of Energy, Chemicals and Resources business.

(3) Assumes CAN:USD exchange ratio of 1.00:0.75.

We believe there is no structural reason for the Company to operate at such a significant margin disparity with its peers especially given the advantages of larger scale over most of its competitors. Instead, we have identified a number of self-inflicted shortcomings that have weighed on operations. Our research indicates that project managers are optimizing for billable employee utilization rather than managing delivery margin. In addition, heightened non-billable employee costs and other corporate overhead allocations burden the business's ability to bid competitively for projects. With respect to business development, DCS currently does not appear to sell its suite of services in a client-centric manner. Instead, we have heard several anecdotes of competing client coverage across the business-line verticals demonstrating a lack of integration and organization. We believe that these and other operational shortcomings are eminently addressable through management action.

Jacobs Engineering ("Jacobs") Provides a Template for an Operational Turnaround

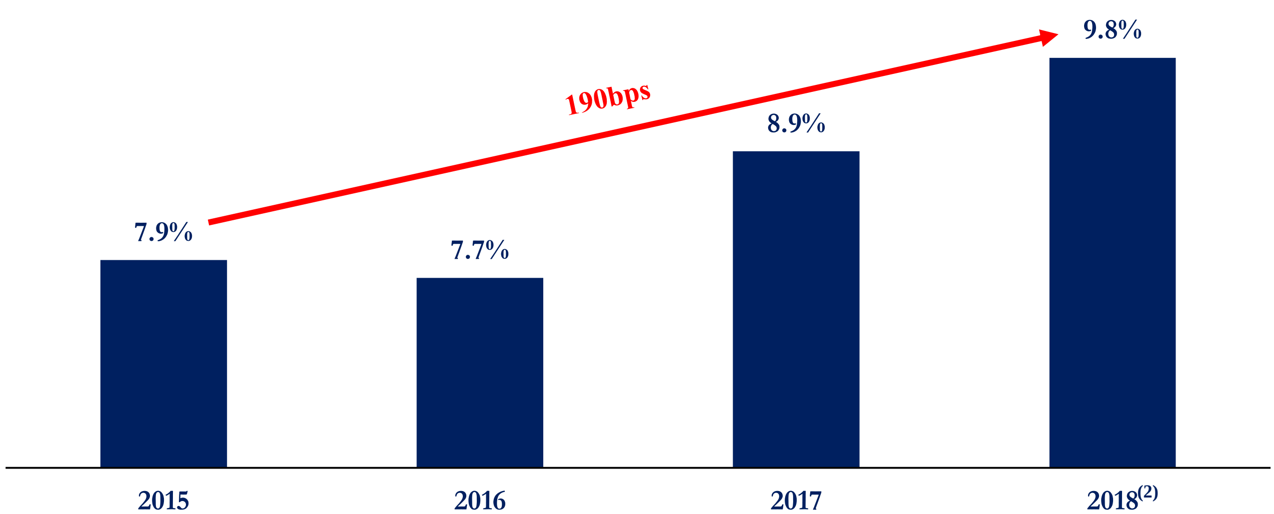
Although no two companies are the same, interestingly, one of AECOM's closest peers has gone through a substantial transformation over the past three years.

When Jacobs' current CEO was appointed to this role in August 2015, he inherited an underperforming organization that had similarly been built through acquisitions that remained unintegrated. In addition, the organization suffered from a similar office-centric and employee utilization culture where overall client and portfolio profitability were not closely managed.

Over the course of the subsequent year, Jacobs implemented a substantial organizational restructuring that touched all aspects of the firm. Nine business segments were reduced to four, simplifying decision making and client coverage. Over 10% of the existing book of business was reassessed to meet internal profitability hurdles. Hard cost savings were achieved by eliminating or downsizing 33% of the office locations and reducing over 8% of the total employee base.

The transition to a market-focused organization with the appropriate incentives and accountability to drive profitable growth resulted in a greatly streamlined organization better able to serve its customers. While growing organically in line with the market, Jacobs delivered annual net cost savings of approximately $260 million. Adjusted EBITDA margins increased by approximately 190 basis points and are projected to continue to expand.

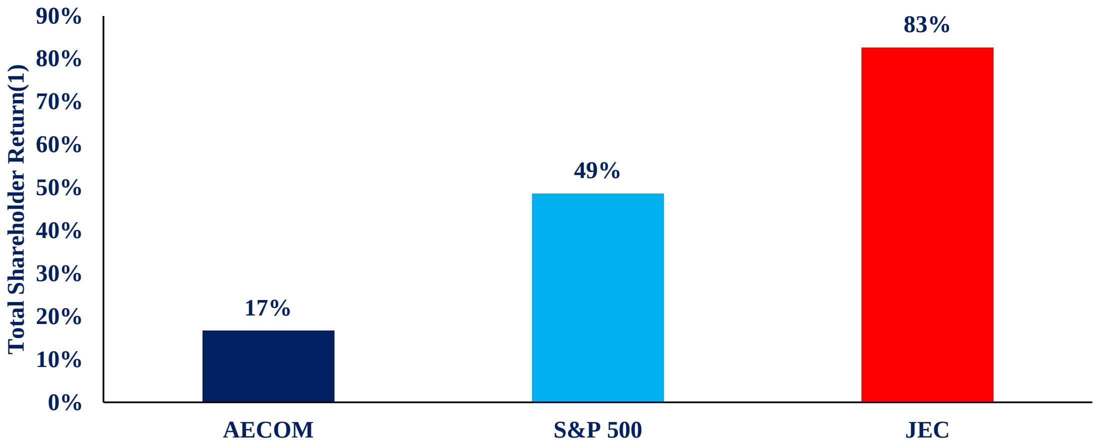
Jacobs Adjusted Net EBITDA Margin(1)



Source: Company filings, Starboard estimates.
(1) Net EBITDA margin defined as (Adjusted Operating Income + D&A Expense) / (Reported Revenue – Pass-through Costs).
(2) Excludes the energy, chemicals and resources division, which was sold to WorleyParsons; deal closed in April 2019.

As shown in the chart below, over this time frame, Jacobs materially outperformed AECOM and the broader market as shareholders began to appreciate the magnitude of the opportunity to improve results.

Total Shareholder Return Since August 2015 (i.e. Tenure of Current Jacobs CEO)(1)



Source: CapitalIQ.
(1) Total returns since August 2015 include dividends; performance measured as of June 14, 2019 (closing price before announcement of MS spin-out). Steven Demetriou started as CEO of Jacobs Engineering on August 17, 2015.

We believe the operational opportunity at AECOM is similar in both scope and scale to the turnaround at Jacobs. The Jacobs reorganization can serve as an important template for the Company. Management should closely evaluate the methods and actions implemented at Jacobs and assess, with an open mind, the applicability to the Company. Through this lens, we believe a more comprehensive and aggressive turnaround plan for AECOM can be designed and implemented.

Thoroughly Evaluate Strategic Alternatives

Operating initiatives are not the only path to unlocking value at AECOM. We believe a comprehensive strategic review of the portfolio would also create value for shareholders. The Board should closely evaluate all alternatives with the goal of simplifying the organization and positioning it for future success.

The announced spin-off of MS is an important first step. However, an outright sale, with the associated tax burden, may be preferable to the relatively more risky proposition of a spin-off at least a year away. With respect to DCS and CS, we have found that the businesses are highly siloed and have not realized material benefits from being together.

CS is a high-quality but fundamentally different business than DCS. CS is largely a commercial payor business with fixed price contracts, where the Company often bears the risky contingent liability related to cost overruns and project delays. By contrast, DCS is predominantly a professional services business serving state and federal payors that has not demonstrated the earnings volatility of the CS business.

We believe the Company should closely evaluate a sale of the CS segment. The merits of simplifying the portfolio and eliminating a valuation overhang could provide the best path for shareholders. As we have detailed, there is a compelling profitability and executional turnaround story at DCS. The complete separation of CS would allow public investors to focus their attention on this story as it unfolds.

AECOM is Deeply Undervalued

We believe AECOM is deeply undervalued as the Company's current path does not adequately address the gamut of strategic and operational opportunities available to the Company.

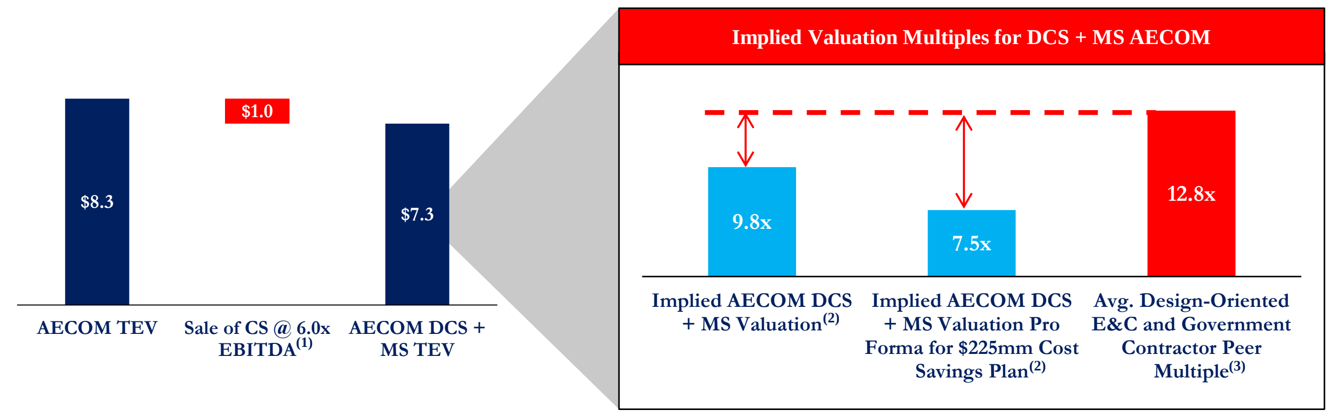
As we noted, the intention to separate MS is a positive first step with respect to strategic initiatives. With respect to operational opportunities, the G&A Reduction Plan unveiled on the Q4 FY18 investor call was also a small step in the right direction. However, these initiatives are small in comparison to the broader opportunities available to the Company and are long overdue as AECOM has struggled with poor operating performance and missed expectations.

Moreover, we are confounded by the Company's decision to continue to highlight a $225 million cost savings plan in its investor materials. As communicated to analysts, the Company actually expects to achieve $140 million of savings net of "*leakage and reinvestments*" by FY 2021. This $140 million of net savings is less than half of the synergies that the Company expected to ultimately achieve from the URS transaction alone.

The Company must look beyond the meager $140 million in *Net* G&A Reductions identified. This only represents approximately 70 basis points of total costs and would still position the Company well below peers on comparable margins. As we have highlighted, deep structural organizational changes as well as a close re-evaluation of the Company's geographic footprint are needed. In an environment where peers have been expanding margins and are projected to continue to do so, we believe the advertised $225 million improvement in profitability across DCS and MS should be the starting point for the Company, and ultimately we believe the opportunity is likely to be much greater.

As shown below, assuming CS is separated for after-tax proceeds of $1.0 billion or 6x EBITDA – a valuation in line with peer multiples – and the Company is conservatively able to achieve $225 million in profitability improvements across DCS and MS, current market prices would imply the pro forma DCS and MS businesses are valued at 7.5x EBITDA, an approximately 5.3x discount to their peer set.

Implied Valuation Multiple for AECOM DCS + MS



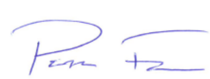
Source: Wall Street consensus estimates, Company filings, Starboard estimates.
(1) Assumes no tax associated with sale of CS segment.
(2) DCS + MS EBITDA based on LTM Q2 2019 results. $225 million cost savings plan based on management commentary from AECOM's 2019 Investor Day.
(3) Average of 12.0x FY2019E EBITDA for Design-Oriented E&C peers and 13.6x FY 2019E EBITDA for Federal Government peers. Design-Oriented E&C peers include JEC, TTEK, TSX: STN, TSX: WSP. Federal Government peers include VEC, PRSP, LDOS, CACI, MANT, BAH, and SAIC.

We believe AECOM is a good business with a bright future. However, as highlighted in this letter, we also believe AECOM is deeply undervalued with significant opportunities for material improvement within the control of management and the Board. As such, we encourage you to consider our views with a sense of urgency and an open mind, and approach future strategic planning without undue reverence to past practices.

We look forward to speaking with you and the Board to learn more about the currently contemplated strategy, including the proposed spin-off of MS, as well as the other opportunities we highlight in this letter.

Significant change is urgently needed given the persistent underperformance at the Company. We look forward to engaging with you and other shareholders to discuss these topics further. Our goal is for AECOM to create long term value for the benefit of all shareholders.

Best Regards,



Peter A. Feld
Managing Member
Starboard Value LP