



SUPPLIER CODE OF CONDUCT



PREAMBLE

KBR has a **Code of Business Conduct (COBC)** that contains specific corporate policies. The COBC can be found on KBR's website at www.kbr.com/code-business-conduct. The KBR COBC establishes a common set of ethical standards and legal principles that are binding for all Directors and Employees of KBR and its Subsidiaries worldwide. KBR expects all Suppliers and Subcontractors acting with them also to ascribe to the same ethical standards. KBR will not condone any illegal or unethical actions on the part of its employees, Directors or any Supplier or Sub Supplier with whom KBR performs business.

The purpose of this Supplier Code of Conduct is to define KBR's expectations of Supplier in relation to its work with KBR, including compliance with any local and national laws and regulations.

DEFINITIONS

KBR: means KBR Inc., a Delaware corporation, its subsidiaries, affiliates, Business Units, Business Groups and successors

Supplier: means any supplier or subcontractor including their employees, sub-suppliers, lower tier subcontractors, subsidiaries, affiliates and agents

COMPLIANCE WITH LAWS

KBR expects its Suppliers to observe the highest standards of personal and business ethics and to comply with all applicable laws and regulations. As a public company subject to U.S. laws, KBR must ensure that its Suppliers inside and outside the U.S. comply with the requirements of certain U.S. laws that impose on KBR standards of conduct for its business throughout the world. If there is a conflict between applicable local law and applicable U.S. law, Supplier shall seek the guidance of KBR's Law Department to resolve the conflict.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

Supplier shall comply with all applicable laws and relevant industry standards and practices concerning protection of health and safety of its employees in the workplace and other persons affected by its business activities and the prevention of environmental pollution. KBR expects Supplier to have a HSE policy and system in place to manage, track and report occupational injury and illness, that all employees will be trained on a regular basis, and have management commitment to HSE as a core value.

ANTI CORRUPTION

Supplier shall comply with the U.S. Foreign Corrupt Practices Act, and other applicable anti-corruption laws. Supplier shall not, directly or indirectly, offer, promise, authorize, solicit, pay or give any bribe, kickback, facilitating, expediting or improper payment or anything of value (including money, gifts, hospitality, entertainment or travel) to any individual or entity in relation to Supplier's business with KBR to gain any preferred treatment or improper advantage.

Supplier shall not offer, promise, authorize, solicit, pay or give any bribe, kickback or other improper payment of money or anything of value to an employee of KBR to gain any preferred treatment or improper advantage. During the bidding phase, Supplier also shall refrain from giving, directly or indirectly, any gifts, hospitality, entertainment, or travel to KBR employees or anyone closely related to KBR employees that could create or give the appearance of impropriety or a potential conflict of interest. Normal and customary business meals and entertainment or the giving of business mementos of nominal value may be provided to KBR employees at other times provided such activities are reasonable in the circumstances in which they are given and do not violate the laws of the country in which they are given, the laws of the United States or other applicable anti-corruption laws.

BOOKS AND RECORDS

Supplier shall maintain accurate books and records and record all payments, in cash or in kind, on behalf of KBR.

IMPORT AND EXPORT CONTROL

Supplier shall comply with the import and export, re-export and sanctions laws and regulations of the United States of America, and of any other applicable jurisdiction or country (to the extent not in conflict with the laws of the United States of America). Supplier shall not acquire any goods or services if any law, regulation, or other government action of the United States or any other applicable country would prohibit such a transaction. This includes, but is not limited to, a prohibition on the supply of goods or services that originate in a country that is subject to U.S. economic embargo, or that are that are supplied by a person that is a listed or blocked person or entity under any U.S., UN, EU, or other applicable embargo or sanctions program.

ANTITRUST AND COMPETITION

In addition, Supplier shall commit to conducting business in a fair manner and will comply with applicable antitrust and competition laws.

POLITICAL CONTRIBUTIONS

Supplier shall follow applicable laws regarding political contributions.

DISCLOSURE

Supplier shall comply with the laws of the U.S. and the regulations of the U.S. Securities and Exchange Commission and the New York Stock Exchange regarding the use and public disclosure of material nonpublic information, including those regarding insider trading. Supplier shall also refrain from disclosing KBR's confidential or proprietary information at any time to persons outside the Contracting Relationship without proper authorization.

DISCRIMINATION AND HARASSMENT

KBR expects all individuals to be treated with dignity and respect. Supplier shall not engage in any kind of discrimination or harassment. Harassment includes sexual, racial, ethnic, and other forms of harassment, including harassment based upon disability. All people should be treated equally and Supplier shall not discriminate on the grounds of race, color, sex, religion, ancestry, ethnic heritage, age, mental or physical disability or appearance or any other status protected by the laws or regulations in the locations of operation. Suppliers shall treat their employees with respect and not use physical violence, harassment, threat of violence or any other form of physical coercion.

CHILD LABOR / TRAFFICKING IN PERSONS

KBR has a zero-tolerance policy towards child labor, forced labor and trafficking in persons. KBR will not tolerate any kind of forced labor or forced prison labor, child labor, slave labor or any kind of human trafficking. Supplier shall not engage in the recruitment, transportation, transfer, harboring or receipt of persons by means of threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power, or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person.

WORKING TIME / REMUNERATION / FREEDOM OF ASSOCIATION

KBR expects the Supplier to fully comply with the national rules, regulations or statutes concerning the working time including overtime and minimum wage legislation. To the full extent of applicable national laws and standards, the Supplier should respect the freedom of association, collective bargaining and the right of the employees to form a working council.

COMPLIANCE WITH THE KBR SUPPLIER CODE OF CONDUCT

Supplier agrees that KBR may review documentation demonstrating Supplier's compliance with the Supplier Code of Conduct and shall make such records and documentation available to KBR upon request and at no cost to KBR. Any violation of the principles and requirements set out in this KBR Supplier Code of Conduct will be regarded as a serious violation and KBR reserves the right to request from the Supplier that all relevant information be disclosed to demonstrate compliance.