KBR’s UK gender pay gap is 24.9%.

This isn’t where we want to be. It reflects a talent gap caused by a gender imbalance across the industry.
INTRODUCTION

"It is essential to our future that everyone - everyone - feels empowered and everyone has the resources and opportunity to realise their full potential"

Stuart Bradie, President and CEO

The KBR behaviours are a set of principles that drive our day-to-day business activities. They are the backbone of our corporate culture and reinforce our mission, vision and values and ensure our motto.

We Value Our People
We are People of Integrity
We Empower Our Employees
We are a Team of Teams

As an international enterprise operating in over 40 countries, with a population of 36,000 employees globally, we want to attract and retain the best global talent.

The KBR Behaviours are:

We Value Our People
Our people are the heart of everything we do. We are dedicated to creating diverse and inclusive work environments in which every member of our team of teams feels safe, supported, respected, trusted and valued, and where each person is given opportunities to grow and reach their full potential.

We Deliver
We are our clients’ trusted partner. We are uncompromising in our commitment to deliver innovative, high-quality, technology-led solutions for them, and exceptional, sustainable value for all our stakeholders, underpinned by strong commercial and operational discipline.

We are People of Integrity
We are people of character, who value honesty, trust, courage, fairness, prudence and tenacity. We believe doing what’s right for the planet, the communities where we live and work, and our people is good for our business. We will not sacrifice our integrity.

We Empower Our Employees
We trust our employees to be independent decision makers while being held accountable to quality and delivery. We enable our employees to be proactive in their work and adaptive to change.

We are a Team of Teams
We have a will to succeed, individually and as a company, but we value the achievements of our team of teams over our individual accomplishments. Our collective focus powers our operational excellence, fuels our passion for delivering for our customers, and makes us a better, stronger, more effective and efficient company.

We are ONE KBR

Women currently represent

21% of our UK employees

10.1% of our Regional Leadership Team

9.6% of our Senior management

15.6% of our management roles

We Value Our People

We Deliver

We are People of Integrity

We Empower Our Employees

We are a Team of Teams

KBR Behaviours
The Gender Pay Gap - Definition

The gender pay gap is an equality measure that shows the difference in average earnings between women and men. The gender pay gap is not the same as equal pay. Pay audits are undertaken annually to ensure parity.

In this report we set out our KBR UK gender pay gap data. We set out our commitment to reducing the gap and our progress in doing so. The factors in causing the gap remain the same: fewer women than men in leadership positions and fewer women than men in executive positions, which attract higher rates of pay.

At KBR we appreciate the complexities around tackling gender under-representation both internally and externally. We are committed to increasing the number of women we have across all disciplines of the organisation. We are delivering education programmes on unconscious bias and gender neutral recruitment. Cultivating diversity in our workforce is critical for us to achieve our innovation ambitions.

"I have witnessed a palpable change in attitudes towards gender diversity across KBR, its subsidiaries and joint ventures, that have made real progress but there is still so much more that we can do – and are doing.

The commitment to WISE (Women In Science & Engineering) 10 Steps; the introduction of ‘unconscious bias’ awareness training for Hiring Managers; and the Social Engagement strategy are three tangible demonstrations of the business recognising the need to change.

KBR remain committed to the attraction, development and retention of female talent with the appropriate targets being set across the business.

Susana Chambers HR Director
## The Gender Pay Gap
### Key Facts

<table>
<thead>
<tr>
<th>The gender pay gap is not the same as equal pay</th>
<th>Women represent 21% of the UK workforce</th>
<th>The number of women in the Upper Quartile pay band has increased on 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are more women in Senior Leadership roles than ever before</td>
<td>The mean gender pay gap has improved on 2018</td>
<td>In 2019, more female employees were in roles that received bonuses than in 2018</td>
</tr>
</tbody>
</table>

**KBR is committed to addressing the issue of unconscious bias within the business and delivering gender specific diversity initiatives**
Understanding Our Pay Gap

KBR Population

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean Gender Pay Gap</td>
<td>24.9%</td>
<td>28.8%</td>
</tr>
<tr>
<td>Median Gender Pay Gap</td>
<td>29.6%</td>
<td>29.0%</td>
</tr>
<tr>
<td>Mean Gender Bonus Gap</td>
<td>62.4%</td>
<td>62.4%</td>
</tr>
<tr>
<td>Median Gender Bonus Gap</td>
<td>89.0%</td>
<td>89.0%</td>
</tr>
</tbody>
</table>

Lower Quartile

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Quartile</td>
<td>32%</td>
<td>68%</td>
</tr>
<tr>
<td>Lower Middle Quartile</td>
<td>21%</td>
<td>79%</td>
</tr>
<tr>
<td>Upper Middle Quartile</td>
<td>17%</td>
<td>83%</td>
</tr>
<tr>
<td>Upper Quartile</td>
<td>8%</td>
<td>92%</td>
</tr>
</tbody>
</table>

Proportion Receiving a Bonus

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Quartile</td>
<td>13.0%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Lower Middle Quartile</td>
<td>20.8%</td>
<td>20.8%</td>
</tr>
<tr>
<td>Upper Middle Quartile</td>
<td>20.8%</td>
<td>20.8%</td>
</tr>
<tr>
<td>Upper Quartile</td>
<td>20.8%</td>
<td>20.8%</td>
</tr>
</tbody>
</table>
Aspire UK recognise that we live in an ever changing world. We’re acutely aware that in the modern world, companies cannot afford to stand still and must both embrace and anticipate change in order to move forward. One such change is an ever evolving workforce and the need for it to reflect the general population and modern lifestyles and expectations. ASPIRE UK appreciate that to the modern day worker, the values, ethics and culture of a Company are just as important as the Company’s product or service. Engaging with our workforce is crucial to our success and in order to achieve that engagement, inclusivity for all is paramount.

As such, in 2019 ASPIRE UK organised several events and instigated many initiatives to support KBR’s endeavours to improve gender parity in our workplace. These events ranged from educational and cultural change activities (including lunch and learn sessions on “inclusive language”; guest speakers; celebrating International Women’s Day and International Women in Science and Engineering day) to initiatives to instigate measurable change (such as signing up to the WISE (Women in Science and Engineering) Ten Steps programme).

Seeing KBR sign up to WISE 10 Steps and the vigour being applied to driving forward the Armed Forces Covenant is an excellent demonstration of a company willing to actively adjust its thought process and strategy in order to improve gender parity.

In 2020, ASPIRE UK want to extend our reach with events and activities that remain true to our original message (creating opportunities for development for women, improving retention of women and becoming an employer of choice for women) but also further promote parity and inclusivity for all. Actions that we believe will encourage more employees to get involved, champion and embody ASPIRE’s objectives and ethos. ASPIRE UK are pleased to see that, during 2020, KBR will undertake mandatory unconscious bias training for managers who have influence over employee careers (whether that be hiring, promoting or managing performance).

Whilst we recognise that KBR still has some way to go, KBR’s commitment to improvement can be best evidenced by witnessing a KBR employee win the WISE 2019 “one to watch” award. Whilst credit should not be taken away from the recipient of the award, the patronage, development and exposure to project work, provided by KBR helping the individual to achieve this outstanding achievement, is a strong indication of the ever improving culture and commitment to parity that KBR has seen over recent years.
What we are doing to address the gap

Flexible Working

Whilst we have a campus standard work pattern, there are a number of possible working patterns designed around balancing career and life, added to which are flexible start and finish times, options for part-time working, sabbaticals, and different employment options all centred around flexibility to attract and retain a diverse workforce.

KBR appreciate that service spouses or partners are predominantly female and - whilst they may be unable to demonstrate a consistent employment history due to movement around the world in support of their companions - we recognise that they are a pool of highly talented individuals.

In order to address this KBR took a number of steps:
- Raising the profile of Service spouses / partners as a source of talent
- Being one of the early adopters of the Forces Families recruitment website where roles are advertised exclusively to the Service spouse / partner community
- Creation of a ‘Manager Guide’ that helping hiring managers to remove bias and be open minded with selection

“Originally a full-time employee, KBR ensured that I remained part of the work community as I embarked upon service life as a military spouse. KBR allow me to work both flexibly and autonomously. Workloads are adjusted to suit my domestic situation. Through these mutually beneficial arrangements, I am able to continue valid employment irrespective of my husbands’ postings and commitments.”

Armed Forces Covenant

As a strategic supplier to the Ministry of Defence, KBR is proud to have a five year history of signing up to the Armed Forces Covenant. As a silver level organisation we undertake to strive to deliver the pledges and this year added a new pledge:

“To strive to support the employment of Service spouses and partners; demonstrating the company’s continuing commitment to supporting the Armed Forces Community, by particularly focusing on our goals to achieve gender parity and supporting women into work at KBR.”

“KBR are making a submission for Gold level award. We operate across all three services of defence with large contracts such as Aspire Defence – noted for its pledge to employ spouses of serving personnel; Heavy Equipment Transportation – where KBR was the pathfinder for sponsored reserves; and MFTS (Military Flying Training System). But for KBR, it’s also about supporting those who serve, have served and their families. We are making number of commitments and we’re also producing a ‘Manager’s Guide’ which is a unique way of getting across to staff and managers on how we can deliver on our Covenant Pledges.”

Mark Sutcliffe
Principle Project Manager & ally to Aspire UK

Ginnie Dallard
Spouse of a serving soldier
Declaration

We confirm the information and data reported are accurate as of the snapshot date of 5th April 2019 and in line with the UK Government’s Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

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