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# Introduction

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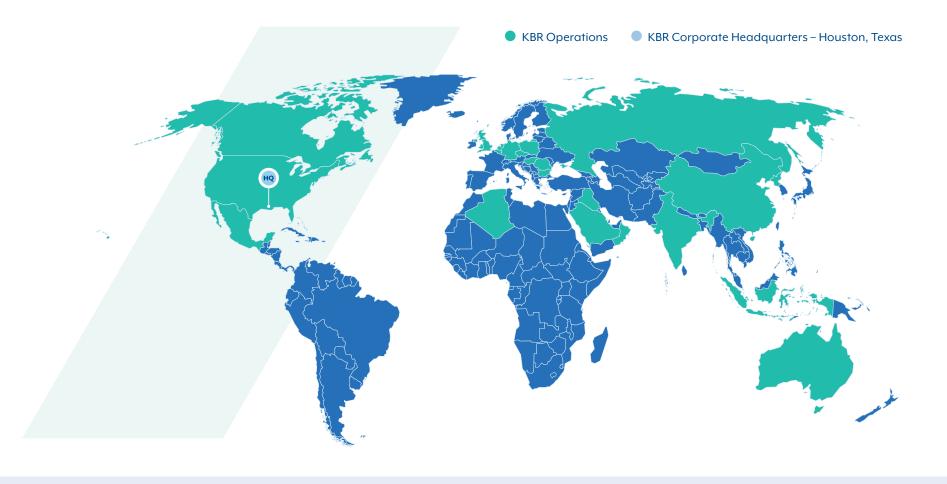






# **About KBR**

Our mission as an organization is to help our clients tackle the greatest challenges of our time, creating a better, safer and more sustainable world in the process. Leveraging more than 100 years of history, a culture of innovation, and a mission-driven approach, our diverse workforce of approximately 38,000 people perform complex and critical roles for clients in national security, energy security and transition, defense, space, cyber, and other areas of global importance. We support customers in over 86 countries and operate in 29 countries worldwide.



In 2024



**Employees** + Contingent workers as of December 31





**Total Global Tax Paid** 



**Total Global Salaries Paid** 





PEOPLE

# Sustainability Highlights 2024

STRONG LEADERSHIP **AND GOVERNANCE** 

9 of 10

**Independent Directors Including Chair** 

7 years

**Average Director Tenure** 

# Extensive experience

In Energy Transition, Decarbonization, **Government, Space** and Technology

## **ZERO HARM DAYS**

93.99%

**Zero Harm Achieved** (344 DAYS)

★ Industry Leading

#### **HSS INCIDENT RATE**



**Total Recordable Incident Rate ACROSS THE GLOBE** 

★ Industry Leading

## KBR'S REVENUE DIRECTED AT SUSTAINABILITY



**Revenue Focused** on Sustainability\*



**Environmental Impact** 

\*For details on revenue focused on sustainability see page 81.

# **APPROVED REDUCTION TARGETS:**



**Near-term reduction target 2030** 

Reduction target 2050 aligned with 1.5 °C ambition

## **KEY KBR RECOGNITIONS**



















# A Message From Our Sustainability, Technology and Cybersecurity Committee

When I think about sustainability, technology and cybersecurity, I see how they work together. Technology gives us tools we couldn't have dreamed of just ten years ago. Cybersecurity protects our clients and keeps our operations running smoothly. And sustainability supports what we do today to benefit the communities we serve tomorrow. When these three come together, they make KBR stronger and more capable than ever.

Last year was an important chapter in KBR's sustainability journey. In 2024, we maintained our MSCI AAA rating. We earned perfect scores across all categories in the ISS QualityScore. And we advanced to Prime Company status in the ISS Corporate Rating. These recognitions mean more than numbers. They show that staying disciplined on governance and transparency really does set us apart.

Our sustainability journey also set us apart for current and potential employees. KBR is a place where talented people want to build their careers. We've built an environment that draws people who want to do things that matter. Whether it's advancing global security or creating sustainable infrastructure, our teams bring real passion to tough challenges. That kind of commitment is what makes the difference.

Looking ahead, we know what matters most. We will keep advancing operational excellence. And we will continue investing wisely in the capabilities that matter. The KBR we are building today is positioned to lead with integrity and create a meaningful and lasting impact.

The future isn't something we're waiting for. We are actively shaping it every day through the decisions we make and the values we stand by. That's how we'll keep making a lasting difference.





Michael

Chair of the Sustainability, Technology and Cybersecurity Committee





PEOPLE

# Our Sustainability Strategy

Our sustainability strategy is underpinned by our 10 Zero Harm Pillars, which represent the areas of focus across our global operations. Through engagement with our main stakeholders — business leaders, corporate teams, investors, customers and employees — we have identified strategic priorities that align with these pillars. This enables us to maximize positive impact while advancing longterm, sustainable business growth.

We establish performance indicators for each of these pillars to track our year-onyear progress, working toward long-term goals that align with and contribute to the United Nations' (U.N.) Sustainable Development Goals (SDGs) for 2030.

For more detailed mapping of our work to the U.N. SDGs, please see U.N. SDG Index on Appendix page XVI.

Additionally, KBR's Code of Business Conduct and other key policies, including our Global Sustainability Policy, Global Human Rights Policy and Global Environmental Policy, guide our business practices and outline our intentions for preserving our planet and advancing society.







# Sustainability Governance and Oversight

Our commitment to supporting resilient and sustainable growth starts from the very top of our organization with the Sustainability, Technology and Cybersecurity Committee of the KBR Board of Directors. The Global Sustainability Committee, chaired by our CEO, responds to their directives, and our Corporate Sustainability team works closely with KBR's functions and business units to help embed sustainability into our operations. (For more information, refer to Our Board).

# **Transparency and Accountability**

To support accountability and transparency in our sustainability activity, we submit standard data to the following organizations and frameworks: International Financial Reporting Standards (IFRS) and International Sustainability Standards Board (ISSB), Climate Disclosure Project (CDP), Taskforce for Climaterelated Financial Disclosure (TCFD), Ecovadis, and the Science Based Targets initiative (SBTi). We are also guided by the Global Reporting Index (GRI). As signatories to the U.N. Global Compact, we are committed to ensuring that our business is firmly aligned with the U.N. SDGs and that they serve as the benchmark for accomplishing our own sustainability goals.

# **WE SUPPORT**



# **U.N. Global Compact**

Since 2020, KBR has been committed to the U.N. Global Compact corporate responsibility initiative. This report serves as our Communication on Progress (COP) in implementing the ten principles in the areas of human rights, labor, the environment and anti-corruption, along with aligning our corporate aims with those of the U.N. SDGs.





# Stakeholder Inclusiveness

We consider the interests of all stakeholder groups and regularly engage with them to understand their expectations of KBR as a responsible business.



"Through various methods — such as polls, surveys, peer accountability discussions, a voluntary sustainability commitment program and employee satisfaction surveys — we have learned that our employees are deeply committed to making ethical decisions that benefit our planet, our people and our communities."

- Adam Kramer Corporate Sustainability Officer

## **OUR PEOPLE**

Employee well-being and creating positive work environments are priorities for us. We frequently communicate with our employees through various channels — such as town halls, surveys and conferences to understand their perspectives on work conditions. We also engage our employees with training and development programs, recognition and rewards, and career growth opportunities. Our organization-wide People Perspectives Survey has been conducted annually. To maintain transparency, we publish a report on the survey's results, and the feedback is used to develop both local and global action plans to address employees' concerns.

## **OUR CUSTOMERS**

To thoroughly understand the market and trends, we maintain ongoing communication with our customers, collecting feedback and analyzing proposals and inquiries. Additionally, we engage with customers by gathering insights on topics important to them and promoting industry and cross-industry collaborations.

# **OUR SUPPLIERS AND PARTNERS**

Our dedicated Sustainable Supply Chain team collaborates with our suppliers to amplify sustainability prospects and strengthen performance in crucial sectors. Utilizing our supplier platforms, supplier code of conduct and supplier assessments, we aim to pinpoint opportunities for enhancing environmental impact, promoting

good governance, and advancing inclusion throughout the supply chain.

## **OUR INVESTORS AND SHAREHOLDERS**

To uphold trust and reinforce our robust relationship with investors and stakeholders, we communicate our financial performance, strategic plans and sustainability initiatives through multiple channels, including meetings, annual reports, earnings calls, investor relations events and media posts.

## **OUR COMMUNITIES**

We actively nurture connections with our communities through various outreach initiatives and projects, like the KBR One Ocean program. Engaging with the community enables us to understand their needs and priorities, identify collaborative opportunities for positive impact, and develop sustainable solutions.

## **REGULATORS AND AGENCIES**

By adhering to local, national and international regulatory standards; conducting regular audits; following our Code of Business Conduct (COBC); and maintaining close communication with regulatory bodies, we take aim to surpass all relevant regulations in the countries where we operate. Additionally, our organization holds certifications in ISO 9001, ISO 14001, and ISO 45001, ISO 27001, demonstrating our commitment to excellence across the board.





# Our Vision and Values

# **Our Vision**

Our vision reminds each of us what we aspire to be as a company and what we should strive for each day:

We strive to create a safer, more secure and sustainable world by bringing together the best and brightest to deliver technology and solutions that help our customers accomplish their most critical missions and objectives.

# **ONE KBR Values**

Our ONE KBR Values underpin our sustainability strategy and mission, and they guide our governance, operations, business practices and behaviors.

# **WE VALUE OUR PEOPLE**

Our people are the heart of everything we do. We are dedicated to creating 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 belong, connect and grow.

# **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.



fairness, prudence and tenacity. We believe doing what's right for we live and work, and our people is good for our business. We will not

# **WE EMPOWER**

We empower all our people with a shared purpose, the right tools and the supportive culture they need to be proactive, to be adaptive to change, and to succeed. We trust them to be independent decision-makers who aren't afraid to meet any challenge head on and who proudly own their work.

# **WE ARE A TEAM OF TEAMS**





# A Letter From Our CEO

When I think about KBR's sustainability journey, I'm reminded that we didn't just wake up one day and decide to care. We've been at this for more than a decade, and it's become part of who we are. It drives real value for our stakeholders, and honestly it just makes good business sense.

In the letter from the Sustainability, Technology and Cybersecurity Committee of our board on page 6 of this report, Ann Pickard touched on something important about the recognition we've been receiving. What those awards really show is that our people genuinely believe in what we're doing. They're not just going through the motions. When sustainability is more than a box to check, great things happen. You attract people who want to make a difference. Investors see the longterm potential. Clients seek you out because your goals align with theirs.

Our Zero Harm Sustainability Pillars are the foundation of everything we do. They shape how we hire and develop talent. They guide how we keep our teams safe. They influence our

approach to risk and integrity. And yes, they determine how we protect our planet. When everyone understands and believes in these principles, you stop just meeting expectations. You exceed them, and that's exactly what we've done.

I spend a lot of time visiting our teams around the world, and what I see fills me with optimism. Our people don't wait for permission to innovate. They're constantly looking for better ways to create value while doing the right thing. They challenge old assumptions because they know sustainability isn't some separate initiative. It's how we do business responsibly.

Every story in this report comes from real people choosing to do things that matter. They prove that purpose and performance go hand in hand and, helping us build things that last.

I hope you'll take time to read these stories. They show what KBR is really about and where we're headed. This is how we're setting the standard, one choice at a time.



**Stuart Bradie** 

President and Chief Executive Officer







# A Letter From Our Corporate Sustainability Officer

"There are no passengers on spaceship Earth. We are all crew." – Marshall McLuhan

That quote has stayed with me, not just because of the work we do in space, (well, maybe a little) but because it captures what KBR's sustainability journey has been about. Several years ago, KBR was at the bottom of our peer group in sustainability rankings. Today, we are at the top with MSCI AAA and ISS Prime. That is a big shift, and it did not happen because four people in our corporate sustainability office worked harder. It happened because thousands of KBR people worked together to make the mission a success.

Every part of our company played a role. Our businesses found new ways to reduce emissions in our operations and for our clients. Our People team strengthened programs that make KBR a place where everyone feels valued and safe. Legal and IT raised the bar on governance and integrity. None of this was about doing the minimum. It was about going above and beyond because we do things that matter.

What makes me proud is that this work does not stop with us. When we help clients design cleaner and safer solutions, we help them move closer to their own net-zero goals. That is real impact. It means the choices we make ripple far beyond our walls.

I think of it like neighbors coming together after a severe storm. Everyone pitches in. Some clear the roads, others repair homes, and someone brings food to keep everyone going. That is what we do at KBR. We take care of our own responsibilities, and we help others do the same. Because when the whole community is strong, everyone thrives.

This is what responsibility looks like. It is not a trend or a talking point. It is a commitment to act like crew members, not passengers, on this shared journey. Thank you for being part of it. Together, we are proving that responsibility and results work in harmony.

**Adam Kramer** 

Corporate Sustainability Officer



# People

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HEALTH, SAFETY COMMUNITY **ENGAGEMENT** 







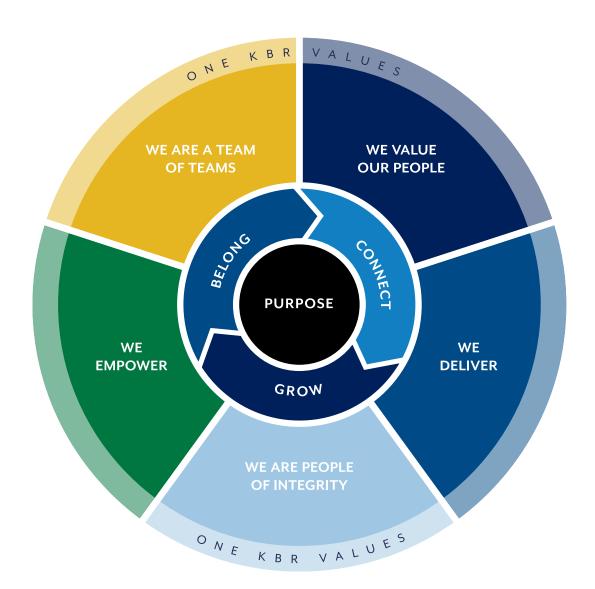
PLANET

# Empowering a Values-driven Workforce

With approximately 38,000 people working together across the globe, we acknowledge and respect distinct cultures across global operations. But our company values and purpose unite us. Our ONE KBR values form the foundation of our global ethos, shaping behaviors and choices across the company. The values are embedded in our business practices, underpin our learning and development activities and we regularly celebrate employees who embody them. Employee feedback consistently confirms that their experiences with KBR reflect these values.

Zero Harm is a common thread that weaves through KBR, fostering a culture of pride and responsibility among our employees. We demonstrate a consistent, practical approach to safety and sustainability that promotes the well-being of our people and the communities in which we operate.

Our People strategy focuses on the cohesion between our values, shared purpose of delivering world-changing solutions, and three core areas designed to support and embed our values within the workforce: Belong, Connect and Grow. Each of these areas is outlined in detail in this chapter.







# Belong

# **Total Inclusion**

We believe that our differences make us stronger. When our people can freely bring unique perspectives and experiences to the table, our teams are better equipped to solve tough challenges. By celebrating what makes us different and alike, we spark innovation, build resilience and create a safe workplace. This helps us maintain our reputation as a great place to work.

Our global All In Council drives the strategy to increase workplace inclusion for all groups of people including gender, race/ethnicity, disabilities, sexual identity and veteran status. These plans help us to hire the very best person for the job at all levels, from the board and senior management to every level and discipline within our workforce.

## **TARGETS AND INITIATIVES**

Our People strategy sets out plans and goals for each part of the business with a strong focus on equal opportunities and meritbased progress. It includes actions like the assigning of responsibilities, business area targets, running training programs and evaluating progress. Business leaders work closely with our People function (HR) leads putting these merit-based plans into action, ensuring each program supports fair and inclusive practices for everyone. Each business area is responsible for:

- **Recruitment** Developing a schedule of programs for recruitment events and campaigns that aim to attract and hire talent from all groups with a focus on continual improvements.
- **Retention** Creating specific initiatives that focus on retaining talent across all key capability areas.
- Training/mentoring Establishing training and mentoring programs related to all groups of people equally.

- Working patterns Expand on our innovative working practices, such as job sharing, flexible work and part-time work, to attract and retain the best talent.
- **Communications** Enhance our two-way communication plans and methods where we can share our progress and reinforce inclusive behaviors.
- Manager awareness Continue to implement steps to increase managers' awareness and support of total inclusion for our All In strategy and activities.

To maintain a wholly inclusive employee population, key performance indicators (KPIs) for each of these plans are measured by the percentage increase in the following areas:

Headcount

Promotions

New hires

Leavers

Progress is consolidated and monitored by our chief people officer, who reports results to the KBR Board of Directors. Workforce metrics are audited as part of our annual reporting program.





# **EQUAL OPPORTUNITIES FOR ALL**

# **Equal Employment Opportunities**

Our Code of Business Conduct (COBC) outlines our commitments to fair and transparent hiring, promotion, wage practices and equal employment opportunity. It's backed by clear procedures at the business segment level ensuring that all KBR operations and employment practices comply with applicable equal employment opportunity laws. These guidelines help prevent unlawful discrimination and support fair access to career opportunities for all employees and applicants.

#### **Anti-discrimination and Harassment**

Our people are the core of our operations, and we believe every employee deserves to be treated with dignity and respect. We value contributions based on merit and support equal opportunities for everyone to contribute and succeed at KBR. Harassment or discrimination of any kind is not tolerated. To enable our teams to perform at their best, we foster work environments where everyone's rights and abilities are respected. We do not discriminate against or harass individuals based on race; color; religious beliefs; national origin or ancestry; sex, pregnancy, sexual orientation, gender, gender identity, gender expression, or transgender status; physical or mental disability; age; veteran or military status; genetic information; and any other status or characteristic protected by applicable law.

## We foster a respectful workplace by:

- Consistently treating others with respect, whether engaging with team members, customers or business partners
- Being aware of how our actions and words might be interpreted by others
- Never engaging in harassment, intimidation or coercion, including making sexual or suggestive comments, threats of violence, or promises or threats related to employment actions
- Applying the principles of merit and fairness on all hiring, compensation, benefits, professional development and training, promotions, transfers, layoffs, and termination decisions
- Reporting any instances of discrimination, harassment, or disrespect we experience or observe in our workplace

# **Procedures for Addressing Employee Concerns**

We are committed to listening to our employees and addressing concerns and grievances through clear, accessible channels. Formal escalation procedures are outlined on our intranet and in onboarding materials.

In cases of harassment or discrimination, employees can report through multiple channels, including their manager, the Business Integrity or Legal teams, or the Ethics Hotline. All reports are investigated to determine any breach of the Code of Business Conduct or other KBR policies.

We also offer a dedicated Dispute Resolution Program (DRP) providing confidential, neutral and flexible options for resolving workplace conflicts — from minor issues to serious grievances or violations of legally protected rights. This can include freedom of association and collective bargaining issues. The DRP aims to resolve disputes quickly and fairly, repair damaged relationships, and foster a respectful work environment.

# **Employee Participation**

We recognize and respect the rights of all employees to freedom of association and collective bargaining, as outlined in our COBC and Global Human Rights Policy, both of which are accessible to all employees. These policies affirm our commitment to fair treatment, open communication and ethical employment practices across our global operations.

In addition to formal mechanisms, such as our Ethics Hotline and DRP, we promote alternative employee participation to ensure all voices are heard in shaping a safe and inclusive workplace. This includes informal and flexible channels such as:

- Peer-led initiatives (All In)
- Employee surveys
- Engagement through Zero Harm moments
- Team discussions and open town halls

These approaches complement formal structures and help embed a culture of transparency, accountability and continuous improvement.

Please refer to Grievance, Ethics Reporting and Whistleblower Program Reporting Channels and Procedures for Addressing Employee Concerns.







#### PROMOTING AN INCLUSIVE WORKFORCE

As a business, we are dedicated to creating 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 belong, connect and grow. By valuing our differences, we unlock greater innovation, build resilience, and strengthen our collective safety and performance.

# Recruiting for an Inclusive Workforce

We are committed to creating a workplace where our people can bring their best selves to work. Inclusion is embedded across every stage of the employee journey — from attracting and hiring to developing, retaining and promoting our people.

To reach all types of candidates, we collaborate with a range of organizations and rigorously review and refine our recruiting practices to identify and remove any procedures or biases that may hinder equality of opportunity.

#### This includes:

- Evaluating job descriptions
- Interview frameworks
- Selection criteria to support fairness and consistency

This proactive strategy helps to build a more equitable recruitment experience and strengthens our ability to build a merit-based, dynamic and innovative workforce.

By aligning our practices with our core values, we reinforce our commitment to building a culture where everyone can belong, thrive and contribute to our shared success.

# Training for an Inclusive Workplace

Our Code of Business Conduct mandates annual training on inclusion, discrimination and workplace harassment. Additionally, inclusion training is provided for managers and recruiters through KBR Learning, our online learning system. See the Targets and Initiatives section for details on training/ mentoring plans. The plans include training and upskilling managers, recruiters, and employees on our total inclusion principles, practices, and resources.

Additionally, the corporate HSSE site features information and training resources on psychological safety, which supports the development of a wholly inclusive workplace and the ONF KBR Values





# **KBR Sponsorship and Mentoring Programs**

To cultivate an inclusive leadership population within the company, we have implemented robust frameworks for mentoring and sponsorship.

Sponsorship at KBR focuses on driving employee visibility and career progression for our employees, helping individuals gain recognition and advance within the organization.

Mentoring is dedicated to individual development and growth. It emphasizes building on personal strengths and fostering development within specific business units or disciplines. It promotes both personal and professional growth, aligning with KBR's commitment to being an inclusive and merit-based employer of choice.

Both of these efforts enhance our employee value proposition.

# **Target Leadership Development Activities**

We are particularly focused on using the aforementioned initiatives — hiring, training, sponsorships and mentorship — to support people's career progression into leadership roles. To this end, we partner with organizations specifically dedicated to advancing development and leadership in the workplace.

These include certification with the American Management Association's Leadership Development Training for Women, the National Hire a Veteran Day and Military Spouse Employment

Program, the Gold Armed Forces Covenant in the U.K., STEM Returners, and Parent Hub, all of which support people from different populations or different stages in their lives and careers.

We also provide scholarships and training grants like the Sponsorship of Future of STEM Scholars Initiative to fund a development and build on industry-specific commitment for growth and career pathways into the future. These efforts aim to create an environment where everyone has the opportunity to achieve their full potential.

## **Flexible Benefits**

The adoption of agile working practices continues to help us attract and retain the best talent, no matter where in the world people work. Our approach to agile work allows employees to balance their work priorities, home life, travel and study.

Flexible work scheduling allows employees to balance their priorities with choices including:

- Part-time working
- Parental leave (U.K., U.S. and other covariations)
- Paid time off
- Special leave
- lob sharing
- Agile Working Week (banking set hours for time in lieu)

#### **Next Gen of Flex Work**

We enhanced our benefits by introducing the Next Gen of Flex Work, enabling employees, if the situation and business needs allow, to create a work arrangement that works better for them and their families and to proactively safeguard their mental health and fitness.

The Next Gen of Flex Work includes two special and distinct programs — Flex Work and Sabbatical Leave:

Flex Work: Employees can choose a different location around the world to work from for up to four weeks.

Sabbatical Leave: Employees can unplug and enjoy time away from work with unpaid leave.





#### Parental Leave Toolkit

A key component of creating an environment where people can achieve their best is providing resources that support them in every phase of life — including parenthood.

Our Parental Leave Toolkit was designed in collaboration with new parents at KBR with the goal of making the entire parental leave experience — before, during and after — go more smoothly for our employees. The toolkit outlines general guidance that applies to all employees and answers questions they might have.

In addition, there are several resources available to employees via the Parental Leave SharePoint site, including:

- 1. Parental Leave FAQs for managers of employees taking parental leave
- 2. Quick access to the Global Parents' Network Viva Engage group, a community for parents and caregivers
- 3. Learnings and e-trainings, including a track titled "Balancing Family and Work," which provide our employees with resources that support them in every phase of life

#### Childcare and Eldercare Leave

As part of our extensive benefits offering, our Backup Care benefit covers child and eldercare for occasions such as school breaks, bad weather events, or elder family medical events and care needs, where this benefit is offered.

# **Workforce Demographics**

To support our ongoing progress in developing an inclusive workforce we monitor and analyze trends and patterns using anonymized employee demographics to facilitate equality of opportunity for everyone. While this data is crucial for tracking our advancements, we uphold our employees' right to privacy. Strict confidentiality for all voluntary disclosures is applied and we offer opt-out options for those who prefer not to share their personal information.



For more details see our

KBR Workforce Demographics Report.





**PEOPLE** 

Empowering a Values-driven Workforce / Belong / Grow / Connect / Health, Safety and Security / Protecting Human Rights / Cybersecurity and Data Privacy

PLANET



# All In

**All In** is an employee-led volunteer community that brings the KBR employee value proposition (EVP) to life at the local level with global support. It includes existing employee resource groups (ERG) like IMPACT (for early professionals) and OK NoW (the ONE KBR Network of Well-being, supporting mental fitness and psychological safety) and works to break down silos and empower our employees to create and lead local engagement opportunities.

The vision of All In is to make KBR a place where employees feel they can belong, connect with others and have opportunities to grow. Its vision is to help KBR become the employer and contractor of choice, where employees, customers and partners are welcomed, celebrated, and united in making a positive impact in the communities where we live and work.

All In is guided by the three main pillars of our EVP — Belong, Connect and Grow.

# **BELONG**

Our Belong pillar is focused on fostering an inclusive culture where every employee feels safe, valued and empowered to be their authentic self, and where all perspectives are embraced.

# **CONNECT**

Connect supports our people by connecting them more fully to KBR's mission and to senior leaders, peers, and external communities that share their passions and values.

# **GROW**

The Grow pillar focuses on providing learning and growth opportunities, helping employees to expand their skills, leadership potential and impact.







# All In



# **IMPACT**

Is an ERG that serves as a launch pad for developing early career professionals (zero to 10 years work experience) within KBR. Through professional development, networking, community outreach, and career and personal enrichment, we seek to motivate, retain and develop our members and transform them into future leaders at KBR.



# **OK NoW**

OK NoW (ONE KBR Network of Well-being) raises awareness for and provides access to initiatives that promote psychological safety and is an enabler for peer-to-peer support across KBR through knowledge sharing and collaboration. It plays a key role in reducing the stigma surrounding mental health in the workplace, helping to foster a more open, supportive and inclusive environment for all employees.











PLANET

# **KBR STORIES**

# Connect launches in the U.K.



Connect is one of the pillars under the All In initiative, focused on strengthening relationships across teams, business units and geographies. Its purpose is to bring people from different parts of the business who might not otherwise interact.

For the Leatherhead, U.K. pilot, this means creating opportunities for employees from all the business segments to engage with each other. The goal is to build a better understanding of KBR's operations in the U.K., how we work and how each part contributes to the bigger picture.

The Connect pillar also extends beyond our internal network to include our relationship with the local community. As one of the few large businesses in Leatherhead, Surrey, KBR values its role in the area. Through Connect, we aim to give back, whether partnering local charities or supporting local groups.

A great example is our KBR One Ocean program, which successfully connects employees, local schools and our technology partners. Strengthening these kinds of connections is a key part of the pilot and a privilege we're proud to carry forward.





**PEOPLE** 



Empowering a Values-driven Workforce / Belong / Grow / Connect / Health, Safety and Security / Protecting Human Rights / Cybersecurity and Data Privacy

PLANET

# Grow

Our employees and job applicants are drawn to KBR by the chance to develop personally. Growth opportunities and career development are key components of our employee value proposition. We continue to expand these opportunities through initiatives such as career fairs, enhanced internal upward mobility programs and global career pathways. We also invest in training programs aligned with our core values, emphasizing leadership, ethics and job-specific technical development.

# **Talent Pipeline Development Strategy**

Our talent pipeline strategy targets three key areas:

- 1. Targeted talent acquisition
- 2. Technical and leadership development
- 3. Tailored talent reviews and succession planning

These areas are guided by our Global Talent Management Policy, which includes structured processes and procedures for talent review, performance management and succession planning, ensuring we forecast hiring needs and actively develop existing and new pools of talent.

Real-time access to data through our Human Resource Information System (HRIS) and live dashboards allows business leaders and people managers to anticipate hiring demands, calibrate talent, and develop succession plans where and when they're most needed.





INTRODUCTION



Empowering a Values-driven Workforce / Belong / Grow / Connect / Health, Safety and Security / Protecting Human Rights / Cybersecurity and Data Privacy

# **Performance Management**

#### AGILE PERFORMANCE AND DEVELOPMENT

Our performance management focuses on frequent (at least every few months) Check-in Conversations between managers and their team members. The Agile Performance and Development process minimizes administrative burden, enabling more meaningful connections to align goals, share coaching and feedback, and support development.

Feedback from our employees confirms that our people value this approach and view it as more inclusive, engaging and supportive of a high-performing culture.

The Check-in Conversation process focuses on three areas:

- Revisiting goals frequently to align priorities
- Real-time feedback and coaching
- Continual professional and personal development

of eligible employees participated in our annual performance management program\* Combined, this informal dialogue not only empowers employees to grow, develop and plan their careers, but it also empowers managers to become better, more proactive leaders and mentors. It also works to align their team's development with the needs of KBR's strategy and business needs.

Collaborative, ongoing process between manager + employee centered around frequent, forward-looking conversations that focus on:



**EMPLOYEE ENGAGEMENT SURVEYS** 

**MANAGER GUIDANCE** 

**WORKDAY IS USED FOR PLANNING** GOALS, CAREER AND DEVELOPMENT



stEligible employees for performance management cycle include regular, expatriate project, and expatriate nonproject employees; this program does not include project and temporary hires, union, affiliate and limited company employees.

# Talent Identification, Calibration and Succession Planning

Talent calibration dialogues are structured annual, group-based reviews involving leaders, people managers and partners to provide fair, values-driven assessments of employee performance and potential. They are a formal part of KBR's Agile Performance and Development process, with outcomes translated by managers into actionable development plans.

Covering more than 5,000 KBR employees at multiple levels, these discussions provide a comprehensive view of talent across the organization. They not only support individual career planning but also surface broader talent trends that strengthen succession planning.

Insights from these reviews are regularly shared with the Nominations and Corporate Governance Committee of the KBR board. This culminates in in-depth discussions on updated succession plans for the CEO and senior leadership, including executives and vice presidents, reinforcing leadership continuity and organizational resilience.

Successors are identified through this annual succession planning process, where owners and people managers assess candidate readiness for each plan. We continue to expand succession coverage deeper into the organization beyond senior executive roles into nonexecutive roles. See across for the breakdown.



**IN 2024** 

successor candidates

Covering all

**Executive and Senior Leadership Roles** 

**SENIOR EXECUTIVE:** 

6 Plans with 21 candidates

**EXECUTIVE:** 

76 Plans with 183 candidates

**NON-EXECUTIVE:** 

160 Plans with 319 candidates



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# **Our Talent Development Matrix**

We are deeply committed to developing our people, guided by an integrated talent development matrix that combines KBR's core behaviors with technical, business, interpersonal and leadership skills. Our Talent Development Center of Excellence collaborates with business leaders, technical fellows and experts, and talent partners to identify training needs and to deliver targeted learning interventions with a strong focus on job-specific and technical skills development.







# **JOB-SPECIFIC AND TECHNICAL SKILLS**

As a technically complex, diverse and global company, we deliver job-specific training programs in partnership with the Talent Development team. These programs are designed to be industry leading, relevant and timely, directly supporting job performance and compliance with contract, customer and project requirements.

We collaborate with internal technical experts, industry partners, customers and educational institutions to co-design and develop targeted training across more than 16 technical competency areas.

Each business unit conducts regular skills analysis to inform training and development management plans. These are shaped through combined efforts of senior management; business unit leads; technical, process and project managers; and People function managers. The technical managers oversee training completion and job readiness to help employees fully understand their roles.

Our job-specific and technical skills relate to the execution of each business unit's key disciplines some of which include:

- Operations excellence and quality management
- Program and project management
- Procurement, subcontract logistics and export control
- Industrial security
- Control systems, information and document management
- **Engineering management**
- Electrical, piping, mechanical, chemical and civil structural engineering disciplines







# Traineeships and Apprenticeships: cultivating young and diverse talent

We're developing the next generation of engineers, scientists and technologists. To support this, we partner with universities, colleges and educational institutions to offer internships, traineeships, fellowships and apprenticeships aligned with our strategic talent needs across the businesses. These programs provide accessible entry points for a broader, more diverse talent pool, particularly benefiting individuals from groups who may not have access to traditional educational pathways.

Our apprentice, intern and trainee programs are co-designed with industry and educational partners to help make them job-specific and aligned with industryleading technical skills required for the business. In addition to the job-specific training, participants also receive professional development in areas such as:

- Leadership and management
- Project management
- Data analysis

- Software engineering
- Business administration
- Human resources
- Quantity surveying
  - Cybersecurity

Project controls



For a detailed overview of traineeships, apprenticeships, internships, and general training and development programs throughout the organization,

please see the list here





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# **KBR STORIES**

# Future of **STEM Scholars** Initiative Sponsorship



KBR is proud to partner with the Future of STEM Scholars Initiative (FOSSI), a U.S.based program that provides \$40,000 scholarships, mentoring and career opportunities for students pursuing STEM degrees. By sponsoring two scholars over the next four years, KBR is supporting education, advancing STEM talent, and fostering the next generation of professionals in line with our commitment to sustainability and community impact.







# **GENERAL WORKPLACE SKILLS**

Our global training programs cover essential topics such as health and safety, environmental protection, information security and our Code of Business Conduct. Delivered through our cloud-based learning management system, these mandatory courses apply to all employees, subsidiaries and affiliates.

Beyond mandatory training, every employee has access to the KBR Learning platform 24 hours a day, 365 days a year. The platform offers extensive self-directed learning, audio and book summaries, expert videos and curated learning journeys with thousands of resources for employees to enhance their skills or learn new ones, including (but not limited to):

- Technology and Al
- Business management
- Customer services
- Health and safety
- Total inclusion
- Sustainability
- Business analytics
- Emotional intelligence
- Sales and marketing

Security

In addition to KBR Learning, we work with world-class learning and educational institutions such as Development Dimensions, Inc. (DDI), Skillsoft, Franklin Covey, Simitri Group, LRN Catalyst, EmBe, Baker Communications, LHH, Coach Source and many others.



Employees and contract employees took part in an average of

4 hours of online training annually

100%

of our global workforce participated in online career development training

148,381

total online training hours in 2024

Access to

training resources for employees to improve

workplace skills on demand

\$16.2M training and development expenditure in 2024



#### TRAINING EVALUATION

Training programs are evaluated using the Kirkpatrick Model, which is recognized as the industry best practice for assessing learning outcomes.

- Level One Assesses participant engagement and job relevance assessed through postcourse surveys.
- **Level Two** Assesses knowledge, skills, attitudes and commitment via skills-acquisition tests, teach-backs and live demonstrations.
- Level Three Evaluates on-the-job application through supervisor assessments during Agile Performance and Development Check-ins.
- Level Four Gauges business performance impact, such as customer satisfaction or business growth through business unit evaluations aligned with training goals and investments.

The KBR Training Standards Kit provides detailed guidance for designing, delivering and evaluating training courses.



# Climate and Sustainability Training Hub

Our Climate and Sustainability Training is a learning hub aimed at enhancing internal foundational knowledge and skills in sustainability and climate change. The Training Hub will offer employees information on essential sustainability concepts to deepen their understanding.



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# MANAGEMENT AND EXECUTIVE **LEADERSHIP SKILLS**

Leaders inspire teams, establish the tone, and steer the organization to achieve our operational and strategic goals. Supporting leaders' development and performance is therefore critical for our long-term success. KBR's leadership development offerings include the Global Leadership Development Program (GLDP), Manager Excellence Program and our new Front-Line Leader Program to support newly hired or promoted managers as they transition into this vital level of leadership.

Collectively, these global programs form part of our comprehensive succession planning, upward mobility program, retention and talent pipeline development strategy, and all leadership levels.



## Global Leadership Development Program

The program is an intensive 15-month transformative experience designed to prepare future senior executive leaders. It combines assessments, coaching and development planning with external courses from top business schools, an internal core curriculum, business simulation exercises, and a team-based business challenge presented to KBR's executive leadership team. GLDP's focus is on broadening enterprise knowledge, cultivating networks, developing commercial and strategic acumen, and honing executive leadership skills for driving people and change.



# **Manager Excellence Program**

This nine-month program develops high-potential mid-level managers identified in our succession planning. It includes leadership assessments, external courses and internal classroom sessions on operational execution, coaching performance, ethics and communication. The capstone event is the presentation of a business case to executives.



## **Front-Line Leaders Program**

This five-month program equips firsttime people managers to build highly engaged and empowered teams. It was developed in conjunction with DDI and aligns with our Front-Line Leadership level competencies and includes practical training for building management and leadership mindsets, driving engagement and consistency across the organization, and positively impacting our people.





#### TRAINING AND EDUCATION RESOURCES

Internal training and education is enhanced by:

- Enterprise-wide Learning Management System Our cloud-based on-demand learning library includes 92,000 e-learning modules, videos, e-books, audio support tools and more.
- **Technical Leads** Subject matter experts (SMEs) in key knowledge domains identify critical needs in skills, competencies, recruitment and development. See our Technical Mastery section for more information.
- Global Knowledge-sharing and Innovation **Communities** – These knowledge-based employee-led, cross-organizational networks are designed to facilitate information-sharing and collaboration, and to identify expertise and internal best practices. See our Knowledgesharing and Innovation section for more information.
- **Learning Coordinators** A network of individuals in business units and functions who create, publish, assign and report on training activity in their respective businesses and share best practices.

- People Managers Direct managers engage their team members through frequent Check-in Conversations to identify and plan specific training, development and education needs for optimizing performance in their current roles and providing continual growth and career development.
- Talent Development Center of Excellence Dedicated to delivering KBR's talent pipeline strategy, including talent calibration, succession and performance processes; ONE KBR core behaviors, skills and competencies; targeted assessment, coaching, and learning and development interventions; broadly accessible training offerings through KBR Learning and external partnerships; and global leadership programs, as well as analytics and reporting. The center partners with business, technical and People function leadership to define needs, identify resources, and lead enterprise-wide programs for continuously improving KBR's talent processes.
- Espresso Sessions These short and interactive bursts of learning feature monthly topics on high-demand skills for all employees to join live virtually.





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## **TECHNICAL MASTERY**

# The ONE KBR Tech Fellows Program

The ONE KBR Tech Fellows Program honors and recognizes the expertise of a select group of technical specialists and promotes a culture of innovation and technical knowledge sharing. It offers a unique career path for leaders in science, technology and engineering, while enhancing capabilities, encouraging cross-disciplinary collaboration, and attracting and inspiring the next generation of talent.

ONE KBR TECH FELLOWS		
Dr. Bianca Cerqueira	Neuroscience and Biomedical Engineering; Health Research and Development	
Dr. John Chen	Materials Engineering	
Dr. Ewen Denney	Safety and Mission Assurance; Formal Foundations	
Dr. Quoc Do	Model-based Systems Engineering; Systems Assurance	
Dr. Brian Gribben	Offshore Wind Energy; Research Management	
Dr. Graham Hawkes	Fluid Dynamics; Wind Farm Engineering	
Dr. Peter Hendrickson	Quantum Technologies; Signals Intelligence and Sensing	
Greg Martin	Computer/Machine Vision; Machine Learning	
Dr. Ray Merton	Space Domain Engineering; Airborne and Satellite ISR	
Rian Reyneke	Olefin Technology Process Optimization	
Dr. Ryan Weisman	Astrodynamics; Spacecraft Guidance; Navigation and Control	

Dr. Mark Banghart	Analytics and Cloud Solutions	Dr. Anthony Montoya	Counter-intel Grid Operations
Dr. Ronald Fairbanks	Airborne and Space-based Electro- optical Imaging Systems	Dr. Jeong-Kwan Na	Nondestructive Testing and Evaluation Methodologies
Dr. Maddison Gray	Signal Processing, Sensor Calibration, Algorithm Development	Dr. Benjamin Ochoa	Computer Vision
	and Remote Sensing	Dr. Ganesh Pai	Safety Assurance
Dr. James Helferty	Electro-optical Imaging	Dr. Johann Schumann	Neural Networks and Autonomy
Dr. Bobby Hunt	Imagining Systems and Optics	Aims Calanal	Lippo propo al Airerent Cretano
Dr. Kyoung Jae "KJ" Kim	Performance	Ajay Sehgal	Unmanned Aircraft Systems
, ,		Dr. Eric Shell	Nondestructive Evaluation
Dr. Chris M. Kreucher	Information Theory and Artificial Intelligence	Michael Tallman	Olefins Production Technology
Gautham Krishnaiah	Chemical Processing Engineering	Dr. Henry Theiss	Photogrammetry
Dr. Chetan Kulkarni	Systems Health Management, Diagnostics and Prognostics	Eric Therkildsen	Optical/Systems Engineering





# The KBR Technical Journal

The KBR Technical Journal is an annual publication showcasing papers authored or co-authored by our employees. It highlights innovation and makes groundbreaking research publicly accessible for widespread citation. Research topics include energy transition, sustainability, autonomous systems, life sciences, artificial intelligence, machine learning and next-generation asset management. Contributors include some of KBR's patent inventors and nationally recognized technical experts.

# **Knowledge-sharing and Innovation**

KBR Communities of Interest (COI), Communities of Practice (COP), and Centers of Excellence (COE) connect technical experts globally to foster collaboration and innovation across disciplines like cybersecurity, Al, human performance, and sustainability and energy transition.

Our professional and technical development is further supported by IMPACT, which sponsors global learning initiatives. Here, senior leaders engage with emerging professionals to nurture curiosity and motivation, while gaining the chance to learn from young professionals with their new ideas and perspectives.

# **STRATEGY**

#### **COMMUNITY OF INTEREST**

- Deployed for key capabilities and emerging technologies
- Focus on knowledge sharing and technical reach back
- Broad participation, open to all **KBR** employees
- Targets subject matter experts (SME) and interested functional/ operational staff
- Led by SMEs without management directive

## **COMMUNITY OF PRACTICE**

- Deployed for "like" functional or work group practitioners within a business segment or across business segments
- Execute outcome-based activities through small working groups
- Limited membership
- Open to specific function/ workgroup practitioners only
- Operate under guidance from executive sponsor

#### **COMMUNITY OF EXCELLENCE**

- Deployed for select transformative strategic areas (e.g., energy transformation, digitalization)
- Execute outcome-based activities through small working groups
- Limited participation; deliverables available to all
- · Permanent advisory board and set of SME working group leads
- Additional SMEs added to working groups on demand





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# Connect

# **Benefits**

To attract and retain top talent, we offer competitive location-specific\* reward packages that reflect the diversity of our global workforce. These include market-based pay and a wide range of nonstatutory benefits such as:

# Access to health, medical and wellness services

- Health and medical plans, dental and vision
- Wellness incentive program
- Global wellness program and an extensive employee support program
- Disability insurance and income protection insurance (short-term 60% and long-term 50%)
- Critical illness, accident and hospital indemnity insurance
- Business travel accident insurance
- Virtual health care and physical therapy
- Wellness programs to help individuals with diabetes, hypertension and weight loss
- Breast milk shipping for business travel
- Menopause program

# Access to financial well-being resources

- Company-matched retirement/ pension packages
- Family benefit coverage (spouse and children included)
- Flexible savings and tax-advantaged accounts
- Life insurance
- Employee extras discounts globally and cash-back options
- Personal travel benefits
- Commuter benefit accounts
- Employee Stock Purchase Program
- Mortgage support

# Access to educational support

- Education reimbursement covering full-time and part-time employees and contractors
- Tutoring, classes, test prep, and virtual learning for all students and professionals
- Tens of thousands of learning courses, videos and e-books to develop skills

## Other benefits

- Leave and time-off programs
- Shared parental leave and competitive maternity and paternity leave packages
- Backup care for children, elders and pets
- Identity protection
- Legal plan
- Holiday buy
- Flectric car and bike schemes

Our goal is to support all parents, mothers, fathers, single parents and couples alike, which is why we have enhanced our family policies in both the U.K. and the United States.

\*Although our benefits programs differ by region, our commitment to offering comprehensive and competitive benefits to support our employees' health, prosperity and well-being remains consistent throughout the organization.



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### FINANCIAL WELLNESS PROGRAM

This benefit helps employees reach their financial goals and plan for the future through an online educational portal and live and recorded webinars. One-on-one consultations with a financial adviser are also offered to our U.S. employees.

### EMPLOYEE STOCK PURCHASE PROGRAM

Our Employee Stock Purchasing Program (ESPP) is open to full-time and part-time employees. It allows participants to purchase KBR common stock at a discounted rate through payroll deductions during two purchase periods each year. We currently offer this to employees in Australia, Canada, India, Saudi Arabia, the United Arab Emirates, the United Kingdom and the United States, covering 86% of KBR's global workforce. We're actively working to expand eligibility and increase the discount to encourage even greater participation.

### **EDUCATIONAL REIMBURSEMENT AND SUPPORT**

We provide a comprehensive financial reimbursement or sponsorship scheme to full-time and part-time employees seeking to obtain additional education or training through an accredited college or university degree program and/or professional certification and career development programs.\*

### **EMPLOYEE SUPPORT PROGRAM**

The KBR Employee Support Program is a key part of our commitment to employee well-being. The benefit provides all employees free global access to a wide suite of resources, including:

- Counseling sessions, available in multiple languages
- Emotional and mental health support via email, text, phone or proprietary app
- Mindfulness-based stress reduction and wellness programs
- Cognitive behavioral therapy sessions
- Work-life consultation, resources and referrals
- Life coaching to navigate life transitions
- Instant message support with clinical psychologists
- Rapid Response Critical Incident Crisis support services, plus on-site and/or virtual emotional support
- Manager Assist Guidance for managers with specialized counselors to support work-life balance, transition, grievances, stress management and referring employees to counseling
- A range of expert-led training seminars
- Additional resources and support available in 27 languages
- Legal/financial services, household services, dependent care and eldercare
- Access to counselors and trauma professionals
- Access to over 60 online, on-demand mental health and well-being training sessions



We offer access to meQ, an independent app-based platform specially designed to help employees build practical skills for managing stress, solving problems, understanding emotions, making confident decisions and strengthening personal resilience.



<sup>\*</sup>We offer this program in the U.S., U.K. South Africa and the Asia-Pacific region,with certain exceptions, such as those represented by bargaining agreements or where prohibited by law.



### **KBR AWARDS**



### **ONE KBR AWARD**

The ONE KBR Award Program celebrates outstanding individual or team performance that exceeds expectations, drives business success, and consistently embodies our ONE KBR Values. This recognition includes a variable financial component reflecting the value of exceptional contributions.

were presented ONE KBR Awards to recognize their achievements in 2024

### **KBR VALUES AWARDS**

The KBR Values Award are presented annually to individuals who exemplify our ONE KBR Values most effectively. These include individual awards for each value and the Champion award, given to the individual who embodies all five of our ONE KBR Values and who showcases exceptional dedication to our customers, colleagues, communities, and mission on both professional and personal levels.

### **ANNUAL AWARDS FOR HSSE EXCELLENCE**

The HSSE Excellence Awards are made up of three distinctions: the CEO Award for HSSE Excellence, the business unit President's HSSE Excellence Award, and the Zero Harm Award. These honor individuals or teams for exceptional HSSE leadership, exemplary application of HSSE practices and principles, and significant work-hour achievements without incidents.



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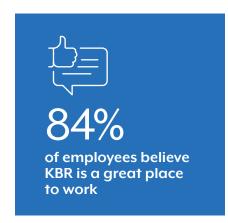
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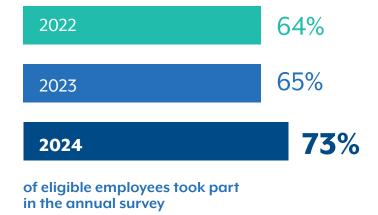
# **Employee Engagement Survey**

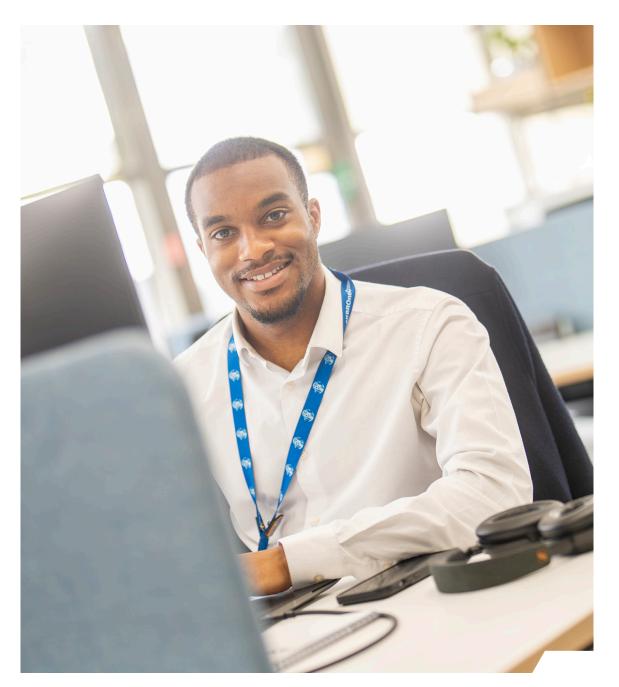
As we strive to be an all-inclusive and globally diverse employer of choice, listening to our employees' and acting on it is essential.

Since 2020, we've conducted global employee satisfaction surveys, giving employees the chance to share detailed anonymous feedback. Our executive and senior leadership teams review the results and are responsible for driving actions for enhancing satisfaction and engagement based on the feedback. We remain committed to regularly conducting these surveys.

### **EMPLOYEE ENGAGEMENT**











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# **Connect and Communicate Through**



### **IN ORBIT** A KBR PODCAST

In Orbit: A KBR Podcast is a podcast for everyone — both inside and outside KBR.

Episodes feature some of the world's foremost experts speaking about the great challenges facing humankind today and about solutions to those challenges — what they are, how they work, the people who are creating them, and why they're important for everyday people.

Whatever the topic, the podcast's main focus is people. The goal is to connect, educate, inform and inspire.



### **KBR LINK**

Our quarterly e-publication highlights new KBR initiatives, projects, trends, technologies, Zero Harm stories, events and employee spotlights.



### Viva Engage

We have more than 100 active community groups that support, empower and share knowledge throughout the KBR community and which focus on a wide range of specialized subjects.



### **Managers Communications Toolkit**

In our fast-paced work environment, staying on top of emails and other communications can be challenging. Our managers play an important role in reinforcing key messages and sharing information with their teams. To support them we have developed and rolled out a dynamic Managers' Communication Toolkit.



### **Town Halls**

KBR's business segments hold regular town halls to communicate key developments and take feedback from their teams. We also hold company-wide town halls led by the CEO and key executives. These are held quarterly or more if required.





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# Recognition



























































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# Connect with KBR One Ocean

### ONE OCEAN, ONE PLANET, ONE KBR

KBR One Ocean is our flagship initiative that brings together our commitment to ONE KBR and the Connect pillar of All In. It unites our global workforce with local communities and highlights our proprietary innovations like Hydro-PRT®— a revolutionary plastics recycling technology.

Launched in 2018, KBR One Ocean has been a catalyst for advancing our sustainability strategy and embedding our Zero Harm culture across the organization. Through this global program, KBR employees collaborate with schools, youth groups and environmental organizations to promote environmental stewardship and to strengthen science, technology, engineering and math (STEM) education.

By combining hands-on mentoring with experiential learning, students gain a deeper understanding of the ocean's role in climate stability and planetary health. Using design thinking, they co-create practical solutions to real-world environmental challenges, while exploring transformative concepts such as the circular economy, cradle-to-cradle design and biomimicry.

More than an outreach initiative, KBR One Ocean is a strategic platform that connects our people, purpose and technologies — delivering measurable impact and inspiring the next generation of STEM leaders.









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### STRENGTHENING GLOBAL COLLABORATION THROUGH ONE OCEAN

#### **AUSTRALIA**

KBR expands its reach of One Ocean by launching its Australian chapter at Charles Campbell College, in partnership with the South Australian Department of Education.

This 20-week, curriculum-mapped program engages ninthgrade students in exploring the environmental impacts of plastic pollution and the critical role of oceans in planetary health. Designed to foster entrepreneurial thinking and environmental responsibility, the program encourages students to examine the presence of plastics in their daily lives and develop innovative solutions to reduce their impact.

Students deepened their understanding of global environmental challenges through experiences such as visits to the Marine Discovery Centre, local waterways and reservoirs. These hands-on activities reinforced key learning outcomes and connected classroom concepts to real-world ecosystems.

By integrating STEM education with sustainability themes, the Australian chapter of One Ocean inspires young people to become environmental stewards and future innovators. It reflects our commitment to empowering communities, advancing climate literacy, and driving long-term impact through education and collaboration.

#### SAUDI ARABIA

KBR's One Ocean initiative continued to expand its global footprint with impactful progress in Saudi Arabia.

Building on its 2023 launch, the Al-Khobar team deepened collaboration with the Eastern Provinces Council for Social Responsibility (EPCSR) and the Saudi Arabian Ministry of Education to embed One Ocean into public school curricula. The program is now active in 25 schools across the Eastern Province.

Students explore the importance of environmental stewardship and ocean conservation, while reflecting on how their future roles can contribute to solving pressing environmental challenges. The program integrates sustainability with STEM education — empowering students to become informed proactive contributors to a more resilient and sustainable future.

This year, we expanded our collaboration with government entities during Saudi Environment Week, reflecting our commitment to sustainability and STEM outreach. As part of a major event led by the Ministry of Environment, Water, and Agriculture, One Ocean students and KBR employees participated in an exhibition of sustainable solutions, a panel discussion on environmental challenges, and a hackathon to inspire green innovation.

### **UNITED KINGDOM**

### **Expanding U.K. Sustainability Education** Through Innovation

To meet growing demand for sustainability and STEM education in schools, KBR evolved its One Ocean program by launching a digital platform. Previously reliant on volunteer availability, the program's reach was geographically limited The new website enables teachers to access and self-deliver KBR One Ocean's full curriculum, including standard, Special Education Needs and Disabilities (SEND) and career-focused STEM sessions, reducing workload while maintaining high engagement.

Piloted in a local school, the platform also allows teachers to request materials and volunteer visits, improving resource efficiency and reducing reliance on in-person support.

One Ocean continues to lead in industry social value and impact, and the website reflects KBR's commitment to scalable, community-driven sustainability solutions. It also supports our Connect pillar of All In by linking employees, business segments and regions with local schools and communities, strengthening relationships and fostering meaningful engagement across the U.K..



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# Connecting With Our Communities

Community support has been central to KBR's identity since our founding. We are committed to improving communities on local, national and global levels, aligning our efforts with our sustainability priorities. Our team drives these initiatives, continually discovering innovative and creative methods to unite people and promote lasting change.

## **Powering Communities With Passion and Purpose**

### KBR CHARITY GOLF TOURNAMENT

The 18th annual KBR Charity Golf Tournament, organized by our early career professionals, raised funds benefiting Camp for All, St. Jude Children's Research Hospital, Houston Wilderness, Marine Corps Scholarship Foundation, St. Baldrick's Foundation, PTSD Foundation of America, Chester Pitts Foundation, The Greater Houston Police Activities League. and Houston Fire Department's Official Charity Houston Fire Fighters Foundation.

#### **SINGAPORE**

KBR team members in Singapore recently organized a food donation drive in support of Food from the Heart, a local charity dedicated to alleviating hunger and reducing food waste through sustainable food support. They also partnered with Willing Hearts, a charity that prepares and delivers 10,000 meals daily to those in need across Singapore, to help prepare and pack meals. The experience was a meaningful reminder of how teamwork and compassion can make a real difference in people's lives.

### **INDIA**

In India, we partnered with HelpAge India, a leading charitable organization committed to enhancing the well-being of the elderly through essential health care services. Through this partnership, we funded free cataract surgeries for 100 economically disadvantaged elderly individuals across Gurgaon, Chennai, Pune and Bangalore. Additionally, in collaboration with HelpAge India, we supported the operation of three mobile health care units. Over the past two years, these ambulances have delivered 52,194 treatments to patients in Nandanam, Gurgaon and Pune.

This year, our employees in India also focused on education and empowerment by partnering with a local government school in Chennai to support 10 ninth-grade students. Through this initiative, they provided guidance and encouragement to help the students advance in their STEM education, making a meaningful investment in their future.

### **AUSTRALIA**

In Australia, our Sydney team supported Share the Dignity's "It's in the Bag" campaign, collecting essential items for women and girls. The Melbourne office gathered food and gifts for the Salvation Army, while our Perth team partnered with Zonta House Refuge Association. In Adelaide, employees supported RizeUp's Christmas Gift Appeal, and teams in Brisbane and Canberra contributed to Giving Tree Initiatives.

These collective efforts reflect the global KBR community's commitment to making a positive impact during the festive season.

### U.K.

In the U.K., employees partnered with Smile Sleigh, a charity that collects donations for women and children affected by domestic abuse.







### U.S.

Team members from our Mission Technology Solutions business came together to support the Power Pack Program an organization that provides weekend meal packs to students facing food insecurity in Fairfax County Public Schools (Virginia, U.S.A.). The program currently serves 45 schools, helping children access nutritious food outside of school hours.

Our bike team successfully completed the 2024 Texas MS150 — the 40th annual charity ride — covering 180 miles from Houston to College Station, Texas, in support of finding a cure for multiple sclerosis. The 18-member team, made up of employees and supporters, raised an impressive \$56,000 for MS research. Their commitment to safety, teamwork and community has been recognized with the Gold Safety Award from the MS Society for the past three consecutive years.

In celebration of Earth Day, KBR's Houston employee resource groups organized a beach cleanup in Galveston as part of the One Ocean initiative. The event brought together over 60 volunteers, including employees, friends and family members, all working together to help keep Texas beaches clean. It was a successful day of environmental action and community spirit.

Our LinQuest employees honored military veterans by partnering with Veterans Medical Centers in Colorado Springs, Colorado, and Dayton, Ohio, to serve food and beverages while spending meaningful time connecting with veterans receiving treatment. This initiative reflects LinQuest's deep commitment to supporting and appreciating those who have served and demonstrates the company's core values of care, respect and gratitude.

During the holiday season, KBR employees around the world came together to support a variety of charitable initiatives. In Houston, team members took part in the annual toy drive with the Houston Fire Department's Operation Stocking Stuffer.



For more stories, please see our News and Events page.





# Health, Safety and Security

Health, safety, security and environment (HSSE) are the core of who we are at KBR and forms the bedrock of our Zero Harm culture — the belief that each one of us is responsible for making the right choices to protect our people, our customers, our planet and the communities we serve.

Our HSSE programs focus on continuous improvement with annual targets set to reduce health and safety incidents and align with our broader goals.



"Our primary objective is to make sure that everyone, including our people, customers and partners, returns home safely at the end of each day."

Nick Anagnostou, Vice President, HSSE











**GOVERNANCE** 

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### **Our Zero Harm Commitment**

While we comply with all applicable laws and regulations where we operate, we go above and beyond by committing to the following:

- Eliminate all incidents, with the primary goal of reaching zero. Protect and improve the health, safety, and security of our employees and contractors at all times
- Meet specified customer requirements and build on continuous customer satisfaction
- Set HSSE objectives, measure results, and assess and continually improve processes and services through an effective management system
- Minimize impact on the environment through pollution prevention, reduction of natural resource consumption and emissions, reduction and recycling of waste, use of recyclables, and the pursuit of circular practices
- Apply technical skills to all HSSE aspects of engineering and design
- Communicate openly with stakeholders to develop an understanding of the HSSE policy, program and procedures
- Recognize outstanding HSSE performance
- Measure, monitor and report on progress towards targets
- Provide a workplace that promotes psychological safety and health









# Putting Zero Harm Into Action – Measures to Improve Performance

We have a comprehensive and evolving set of measures in place to improve our health and safety performance, anchored in our **Zero Harm 24/7** philosophy. We believe that safety is not just a workplace requirement but a personal value that extends beyond the job site. Our approach is grounded in the belief that the goal of zero incidents is achievable and that safety is a choice we make every day — at work, at home and in our communities.

To bring this to life, we've embedded safety into our culture and operations through a range of actions. Safety is a key performance indicator for all employees and is reflected in our performance evaluations.

### **SAFE Tours**

Our leaders, including executives and the CEO, regularly carry out SAFE (Sustaining Accident Free Environments) Tours, where they communicate and reinforce our safety and sustainability culture.

### **Zero Harm Moments**

Every meeting at KBR begins with a Zero Harm Moment — a short discussion on a safety- or sustainability-themed topic. The Zero Harm moment can apply to life inside or outside of work around topics such as home safety, driving awareness, weather preparedness, pollution prevention, energy reduction, sustainable commuting, etc.

### **Lessons Learned**

We've established a structured process for learning from incidents — analyzing root causes, sharing lessons learned and implementing corrective actions. We set and review HSSE objectives regularly, hold line management accountable, and recognize and reward outstanding HSSE performance.

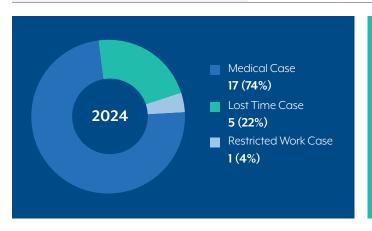
### Courage to Care

A cornerstone of our Zero Harm culture is our Courage to Care initiative. This empowers every employee to have a voice in managing health and safety and encourages proactive intervention when unsafe conditions or behaviors are observed.

See the Employee Voices and Safety section on page 54.

# **KBR Global HSSE Summary**\*

	2022	2023	2024
Work Hours	80,880,136	90,143,725	91,876,108
Total Recordable Incident Rate (TRIR)	0.079	0.067	0.050
Fatality Incident Rate (FIR)	0.000	0.000	0.000
High Potential Incident Rate (HiPo IR)	0.054	0.053	0.063
Lost Time Incident Rate (LTIR)	0.020	0.007	0.011
Severity Rate	0.959	0.217	0.283





for incidents is zero!



<sup>\*</sup>HSSE TARGETS for TRIR, FIR, HiPo and LTIR are based on Top Quartile performance

# Health, Safety and Security Governance

### **BOARD OVERSIGHT**

44

The Sustainability, Technology and Cybersecurity Committee of KBR's board oversees the Health, Safety and Security Management System. Global HSSE policies and processes are approved by the CEO and implemented by the vice president of HSSE, who reports directly to the committee.

Our commitment to health, safety, security, and the environment is at the heart of everything we do. It's the foundation of our Zero Harm culture — where every decision is made with care to protect our people, our

Stuart Bradie, President and Chief Executive Officer

customers, our planet, and our communities.







# **Health and Safety Management System**

The Health, Safety, Security and Environmental (HSSE) Integrated Management System is a key part of KBR's broader Quality Management System (QMS). It brings all areas of our business together into a cohesive system supporting smoother operations and consistently high performance. This system manages all HSSE documents, including policies, procedures, work methods and manuals.

KBR's Transactional HSSE Management System is built around six core processes we call the Absolutes, designed to plan, organize, direct, and control work tasks for employees and contractors. Please click the icons below for details of these commitments.







**COURAGE TO CARE** 



**MYKEY** 



SAFETY ENERGY



THE KEYS



### The Absolutes coincide with KBR's Transformational Leadership Maxims:

- A personal relationship with safety
- The genuine belief that zero harm is achievable
- Mindset intolerant of incidents
- Zero Harm at home, work and play
- Values-based culture, not priority-based

- Organizational learnings
- Do the right thing
- Visible interdependent behaviors
- Recognize achievements

These are the foundation of our Zero Harm culture with our Transactional HSSE Management System and Transformational Leadership driving risk control and continuous improvement with clearly defined roles and responsibilities through:

- · Visible leadership, commitment and communication
- Commitment of the workforce, achieved by supporting the implementation of KBR programs and HSSE initiatives
- The setting and monitoring of HSSE-related targets and objectives at all levels of the organization





INTRODUCTION

### **POLICIES AND PROCEDURES**

Our dedication to achieving the goal of zero workplace incidents remains steadfast. Our Health, <u>Safety, Security and Environment (HSSE)</u> policy is group-wide and extends to all KBR employees, contractors and subcontractors globally. This policy outlines comprehensive HSSE principles, procedures and best practices that have been developed with the best interests of our customers, employees and contractors, stakeholders, and our communities in mind. Please refer to Appendix page IV for details on integration of contractors and subcontractors.

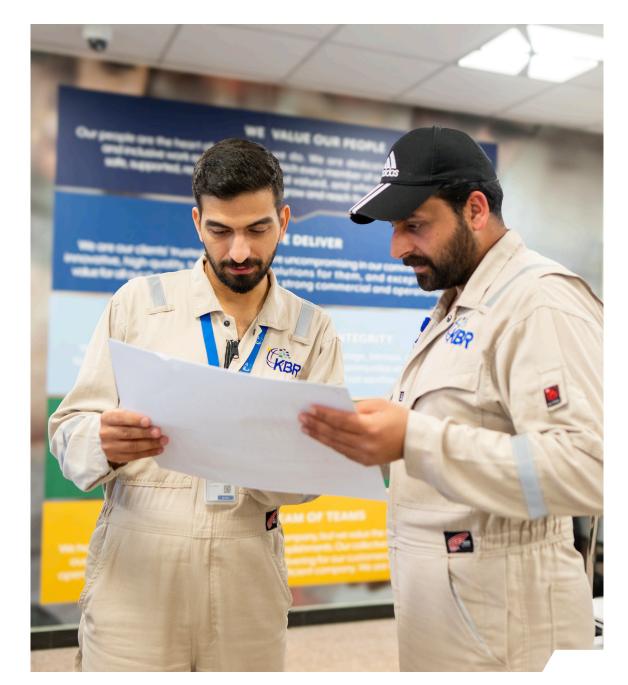
### FRAMEWORKS AND CERTIFICATIONS

The backbone of KBR's QMS is ISO 9001, which defines the standards for establishing, implementing, maintaining and continually improving the HSSE management system.

ISO 45001 provides a framework to manage risks and enhance performance through clear criteria for policies, planning, implementation, operation, auditing and review processes.

100% of KBR's facilities are certified to ISO 45001

KBR's commitment to excellence is demonstrated through continuous review and improvement of the HSSE management system, which undergoes annual and triennial audits conducted both internally and by third-party auditors.





**GOVERNANCE** 



Empowering a Values-driven Workforce / Belong / Grow / Connect / Health, Safety and Security / Protecting Human Rights / Cybersecurity and Data Privacy

# Our Identification, Risk Assessment and Investigation Approach

Our Occupational Health and Safety (OHS) Hazard Identification and Risk Assessment procedure helps us proactively identify and manage potential risks across operations and defines roles and responsibilities. It provides step-by-step guidance for identifying hazards, assessing their impact and likelihood, and determining risk management strategies. Processes for training employees on identifying risks for all sites, including clients and projects, are also outlined in this procedure.

We also use Pre-task Risk Analysis and Risk Mitigation Total Safety Task Instruction (TSTI) work methods to align field tasks and non-routine office-related tasks with KBR's Global Occupational Safety Standards. This builds safety into every stage of a project and applies to all employees, contractors and subcontractors alike.

At project level, each initiative has a tailored HSSE execution plan. This plan outlines how work will be carried out safely and with environmental care. It identifies potential HSSE hazards early and puts the right controls in place, serving as a practical guide for safe and responsible project delivery.



### **INCIDENT REPORTING SYSTEM**

Our global, in-house Health, Safety and Environment Incident Reporting System (HSERS), makes it easy to report all types of incidents (work-related and nonoccupational incidents). The data is then reviewed using interactive dashboard tools that help spot trends and patterns. HSERS features include:

- · Safety incident tracking, reporting and automated email notification to management
- Claims tracking
- HSSE training tracking
- Random drug and alcohol testing program
- Safety Energy tracking
- Personnel medical clearance tracking
- Historical data to support bids and proposals

### **Incident and Near Miss Management Procedure**

KBR's Incident and Near Miss Management Procedure helps standardize reporting across all KBR-run sites, contractor operations and joint ventures globally. It sets out clear guidelines for logging work hours and classifying injuries for consistency across global operations. Every incident or near miss is categorized by severity and logged into HSERS making it easier to track, investigate and learn from what happened.



**PEOPLE** 

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# **Promotion, Training and Awareness of Safe Work Practices**

Our approach to the Promotion of Safe Work Practices outlines safety execution plans for offices or projects. It focuses on identifying hazards, striving for zero incidents, and protecting the environment. Clear roles, responsibilities, expectations and strategies for management engagement within the plan support KBR's Zero Harm culture.

We promote health and safety awareness through regular:

- Mandatory HSSE training
- HSSE committees
- Safety and Zero Harm messages in meetings
- Toolbox meetings each week
- Poster contests and slogans
- HSSE milestone celebrations and similar activities that contribute to heightened awareness

Project managers and team leaders are encouraged to promote HSSE awareness at all sites. Training schedules, site audits and walkthroughs are outlined in the safety execution plan, which is tailored to the project's scope, client, and regulatory requirements and hazard analysis. These procedures apply across all operations and to all contractors and subcontractors according to our Global Occupational Safety Standards Manual.

### **Promotion of Safe Work Practices**







**PLANET** 

# **Employee Voices and Safety**

Safety is something we all take ownership of. Everyone plays a role in creating a safe work environment and helping us achieve our HSSE goals. We encourage open, two-way conversations about working conditions and safety.

### **Courage to Care Program**

One way we do this is through our behaviorbased Courage to Care Conversation (CtCC) program, which builds awareness via observation, intervention and meaningful dialogue across all KBR sites.

The CtCC program serves to embed a "safety first" mindset across the organization, fostering a culture where people look out for one another and take personal responsibility for creating a safe and respectful workplace.

### MyKey Stop Work Authority

For more urgent risks, our MyKey Stop Work Authority empowers employees, contractors and clients to halt work when the HSSE risk control and conditions are unclear or inadequate.

Our Safety Reference Manual, under the Reporting Unsafe Acts, Conditions and Safety Suggestions

states, "When an unsafe act or an unsafe condition is observed, all employees should utilize Courage to Care Conversations or MyKey Stop Work Authority."

### Other Employee participation channels

Employees and contractors are also encouraged to offer safety suggestions via the HSSE Contacts page on the HSSE intranet site or through "KBR Listens." All hazards are promptly addressed according to their severity, prioritizing those of greater concern.

Employees and contractors can also share their views or raise concerns related to health, safety, security, and environmental matters through established reporting channels. Please refer to: Grievance, Ethics Reporting and Whistleblower Program Reporting Channels, Procedures for Addressing Employee Concerns and Employee Participation.







## **Mental Fitness and Well-being**

Aligned with our Zero Harm commitment, we strive to create work environments where employees thrive. Given the demanding nature and complexity of their work, we focus on supporting peak performance by safeguarding total well-being and mental fitness, reinforced by our mental health and well-being ERG, OK NoW.

### LEADING THE WAY IN MENTAL FITNESS

A key element in our mental health and well-being strategy is equipping managers to proactively support both their own and their team's mental fitness and well-being. We recently launched "Mental Fitness for You and Your Team," a refreshed training program that provides managers with practical tools to build mental resilience across their teams.

### From Well-being Ambassadors to Mental Health First Aiders: Strengthening Support

This year the Well-being Ambassador program will be relaunched as the KBR Mental Health First Aiders, reflecting enhanced training, delivery and

trained Well-being **Ambassadors** 

support for First Aiders across the business. The program reflects our commitment to creating positive, supportive workplaces and promoting mental fitness. By training employees to recognize signs of mental health and well-being concerns, we're building a network of trusted individuals who can offer early guidance and support when it's needed most.

### **Psychological Safety**

Our psychological safety resources help create an environment where people feel safe to speak up. This includes the more recently developed HSSE Keys to Mental Health and Well-being of our employees.

### **Psychosocial Risks**

In 2024, our global HSSE teams collaborated to assess and reduce psychosocial risks, ensuring alignment with evolving legislation and business standards.

### **Training**

To further embed a culture of psychological safety, we developed a new suite of training modules, including:

- Adapt to Change
- Prevent and Recover From Team Burnout
- Create a Culture of Mental Well-being
- Build Psychological Safety and Trust
- Build Team Focus and Productivity
- Boost Team Empathy







PLANET

# **Protecting Human Rights**

We are committed to upholding human rights in accordance with the United Nations Guiding Principles on Business and Human Rights. Our approach is also aligned with international human rights standards, including the Universal Declaration of Human Rights, the International Bill of Rights, and the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work. Human rights vulnerabilities are assessed at board level and integrated into our Enterprise Risk Management process.

### **U.N. Global Compact Principles**

As signatories to the U.N. Global Compact, we adhere to:

**Principle 1**: Businesses should support and respect the protection of internationally proclaimed human rights.

**Principle 2**: Business must ensure they are not complicit in human rights abuses, committing to respecting internationally recognized human rights and avoiding complicity in their violation.



# **Global Human Rights Policy**

Our Global Human Rights Policy outlines our commitment to uphold fundamental human rights in all the countries where we do business. The policy is applicable to our employees, subcontractors, vendors, independent contractors, suppliers and business partners, and, together with the Code of Business Conduct, is consistently applied and enforced.

This comprehensive policy includes guidance on the following areas:

- Equality, dignity and respect, including equal opportunity, women's rights, minority rights and discrimination and harassment
- Freedom of association and collective bargaining
- Work hours, wages and benefits
- Health, safety and security
- Modern slavery, trafficking in persons and forced labor
- Child labor
- Migrant workers
- Prison labor
- Guidance and reporting for employees

### FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

We uphold the right to freedom of association and collective bargaining through our Global Human Rights Policy and Code of Business Conduct. Our policy supporting this right is accessible to all employees and contractors on our company website and our intranet and is also referenced in our mandatory annual ethics training, which all employees are required to complete on an annual basis.



PLANET

### IMPLEMENTATION OF OUR GLOBAL HUMAN RIGHTS POLICY

We support and implement our Global Human Rights Policy by:

- · Complying with all applicable laws and regulations where we do business and adopting and applying our standards as set forth in this policy where laws are less stringent.
- Conducting due diligence on suppliers and other third parties to identify and prevent human rights risks to people in our business and value chain. Where we have identified adverse human rights impacts resulting from or caused by our business activities, we are committed to providing for or cooperating in their fair and equitable remediation. We seek to promote access to remediation where we are linked to or involved in those adverse impacts through our relationships with third parties.
- Regularly assessing human rights risks, policies and impacts, and providing visibility of the results to our board of directors (or applicable board committee) and senior management.
- Providing access to independent grievance mechanisms to raise concerns or identify adverse human rights impact; for details see Grievance, Ethics Reporting and Whistleblower Program under our Business Integrity section.
- Promptly investigating allegations and pursuing action to mitigate any adverse human rights impacts.
- Including a human rights segment in our annual ethics training.
- KBR has adopted a zero-tolerance policy regarding KBR employees, subcontractors, vendors, independent contractors, suppliers, and business partners and their employees who engage in or support modern slavery, trafficking in persons, or the use of forced labor.

### **REPORTING ON HUMAN RIGHTS**

**PEOPLE** 

We provide information and reporting procedures if any KBR employee, subcontractor, vendor, independent contractor, supplier, business partner or any of their respective representatives may have violated this policy or any applicable law, rule or regulation, or otherwise engaged in unethical behavior. For details on how violations are reported see Reporting Channels in Grievance, Ethics Reporting and Whistleblower Program.

### STAKEHOLDER INVOLVEMENT

We are committed to continually evaluating the effectiveness of this policy and evaluating and improving our policies, procedures and training in each case with the help of and input from all our stakeholders. This includes employees, subcontractors, vendors, independent contractors, suppliers, business partners, customers and members of the communities in which we operate, ensuring that the goals of this policy and the Code of Business Conduct are achieved.

As part of our annual ethics training we include a training section dedicated to Human Rights awareness.

Please refer to our Supply Chain Management section for more details on Human Rights in the Supply Chain.





# Cybersecurity and Data Privacy

We approach data privacy and information security across all business lines and subsidiaries with the same level of rigor as we do physical safety and security.

- We protect individuals' data privacy by adhering to core data privacy principles such as lawful collection of personal data, transparency, contract-based protection of personal data sent to third parties, respect for data privacy rights, and accountability.
- We manage information security while supporting data privacy with a multifaceted approach across all systems that prevents or minimizes the impact associated with external and internal cybersecurity threats.
- Our approach uses multilayer safeguards to protect strategic and sensitive assets, while also ensuring data privacy and personal and business information security is maintained for employees, subcontractors, joint venture employees and customers.
- We commit to notifying all stakeholders in a timely manner in the event of a data breach or policy change.

Our client products and solutions include built-in data protection safeguards. With guidance from our legal privacy team, we apply privacy-by-design throughout product and service development.

### RECENT ENHANCEMENTS

- To enhance our Security Incident Response Procedure, we implemented improved streamlined reactive cyber incident reporting processes, enabling our employees to easily report incidents such as possible personal data breaches, accidental disclosures of customer data, lost or stolen hardware or bringyour-own-device containing KBR data, suspicious device activity, or a KBR partner or third-party incident.
- Enhanced incident alerts for response teams, along with improved reporting and trend analysis capabilities.
- We continue to conduct our annual enterprise tabletop exercise, an event designed to test the effectiveness of our incident response and crisis management procedures. This proactively brings together our technical responders and global leadership team to demonstrate and enhance their skills and knowledge in handling real-life cyber incidents.
- We continue our partnership with an independent cybersecurity risk rating service so that our cybersecurity and risk management programs are effective, with evidence-based cyber risk monitoring, continuous measuring of security control effectiveness, remediation of gaps and vulnerabilities, and effective assurance to drive continuous improvement.
- We improved our information protection and detection capabilities through enhanced security technology and control adoptions.

### **DATA SECURITY INVESTMENTS**

We continue to invest and mature our enterprise risk management framework and enhance our vulnerability management, information protection, privacy enhancement and access management programs. We have recently invested in:

- Migrating our vulnerability program to a cloudbased solution that provides expanded risk reporting and exposure management capabilities for both external and internal KBR networks.
- Additional information protection controls to improve protection of highly sensitive trade data.
- Enhanced access management by strengthening conditional access and requiring multifactor authentication, improving security and user experience. Retired and consolidated legacy remote access systems with zero-trust remote access.



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PLANET

# **Cybersecurity and Data Privacy Governance**

### **Board oversight**

Our Information Assurance organization is headed by our chief information security officer (CISO). The CISO oversees risk management by establishing and maintaining our cybersecurity enterprise vision, strategy and program ensuring the protection of our brand, information assets and technologies.

We have a cross-functional data privacy response team led by Legal with support from IT Security Operations, Security Incident Response teams, Information Assurance, and People Partner teams.

The KBR board's Sustainability, Technology and Cybersecurity Committee oversees the corporation's management system and reviews our cybersecurity programs and strategies for mitigating cybersecurity risks.

The CISO, general counsel and chief information officer report to the board's Sustainability, Technology and Cybersecurity Committee each quarter and report to the Audit Committee twice a year.

Other responsibilities of the Sustainability, Technology and Cybersecurity Committee include:

- Identify, assess and manage risks related to cybersecurity.
- Respond to and manage cybersecurity threats, including cybersecurity incidents.
- Comply with legal and regulatory requirements governing data security.

We have three non-executive board members who have extensive backgrounds in technology and cybersecurity:

- Lynn Dugle
- General Lester Lyles, United States Air Force (USAF) (Ret.)
- Lt. General Wendy Masiello, USAF (Ret.)





PLANET

# **Information Security Management System**

### National Institute of Standards and Technology Frameworks

KBR's Cybersecurity and Data Privacy program is based on the integrated National Institute of Standards and Technology (NIST) Cybersecurity Framework and NIST Privacy Framework, which defines the capabilities and functions for establishing, implementing, maintaining, and continually improving the Cybersecurity and Data Privacy management system.

### **Information Management System**

Our Enterprise Information Security Policy defines the strategic goals and objectives that support the KBR Information Technology Integrated Management System an essential part of our ISO 27001 certified Information Management System.

This system governs the provision of IT infrastructure service for both internal and external operations and manages all cybersecurity and data privacy documentation including policies, procedures, work methods and manuals.

### Statement of Applicability

The Statement of Applicability v1, extends to IT personnel, asset, and security access administration. It encompasses protections across security, network, data center and cloud computing operations up to the operating systems level, ensuring compliance with client requirements and enabling geographic traceability.

### **POLICIES AND PROCEDURES**

We implement best practice administrative, technical, practical, and organizational safeguards to protect personal data and privacy through a comprehensive set of policies, procedures, frameworks and schedules.

### **Data Protection Safeguards**

These data protection safeguards include, but are not limited to, role-based access control, user authentication, data encryption, de-identification techniques, user accountability through awareness training, monitoring noncompliant behaviors, and robust auditing capabilities to detect privilege abuse and data misuse.

### **Data Privacy Standards**

Through our global data privacy policy, KBR commits to implementing leading data protection standards (including GDPR and California laws) that use appropriate and technical measures to protect personal data. We commit to collect user data through lawful and transparent means, with consent of the individual about to whom the data relates and only collect and process user data limited to its stated purpose.

To protect personal data, we adhere to best practice organizational measures and require all company employees, contractors and suppliers worldwide who access personal data to comply with all our Data Privacy policies and procedures:

- Code of Business Conduct
- Data Privacy Policy
- Enterprise Information Security Policy
- Critical Assets Management Policy
- Insider Threat Policy
- Information Technology Acceptable Use Policy
- Data Protection Policy
- Content and Records Management Policy
- Employee Personal Data Management Procedure
- Security Access and User Account Management Procedure
- IT Major Security Incident Response Procedure
- KBR Global Records Retention Schedule (GRRS)
- Global Workplace Privacy Notice

Our Data Privacy Policy governs all relevant business lines, subsidiaries, partners and suppliers. This policy — along with information regarding data security, collection, retention and data subject rights — is a static footer on each page of our external website and intranet site.

Refer to Appendix page V for additional policies and procedures related to data privacy and cybersecurity.





### **Data Minimization and Retention**

We retain personal data in accordance with our data retention schedules, policies and procedures, and legal and contractual requirements for the secure destruction of data that is no longer in use. Our data hygiene practices are designed to minimize data collection and retention consistent with bestpractice data protection principles. These include:

- Personal data must be adequate, relevant and limited to the minimum necessary in relation to the purposes for which it is processed.
- When personal data is no longer needed for specified purposes, it is deleted, destroyed or anonymized in accordance with the data retention guidelines and schedule.
- Our GRRS gives clear guidelines and timeframes for retention of data relative to data type. For instance, records related to recruiting, employing and managing personnel must be deleted after six years\*.

### **Outsourced and Third-party Processing**

We require data processors and data controllers to implement adequate measures to protect personal data. These measures may involve data processing agreements with standard contractual clauses as mandated by applicable law, verification that recipients of personal data have binding corporate rules, or other sufficient contractual assurances. We only provide personal data to an authorized third party if

there is an agreement in writing to: (a) process personal data

only for purposes stated; (b) provide protections for personal data aligned with our own standards, notably reasonable and appropriate security and confidentiality measures for the personal data; and (c) maintain the confidentiality of the personal data.

We do not share personal data with any other third parties unless the disclosure is required by law (e.g., to tax authorities), is necessary to protect health or safety of individuals, or is of business contact information for the purpose of developing and maintaining business relationships. There may be other limited circumstances where disclosure is legally permitted or required.

Furthermore, we commit to not selling, leasing or licensing personal information from website users, employees, contractors or users of our IT applications.

When appropriate, we conduct data protection impact and vulnerability assessments of all outsourced data processing.

### **Data Monitoring**

We use privacy monitoring technology to further protect personal and business information.

- We implement this technology while adhering to data privacy laws and principles to protect monitored users.
- Our monitoring technology protects user privacy through aggregation of user activity data, with further analysis limited to triggers from rules-based alerts designed to reduce

- insider threats to personal information and confidential and proprietary business information.
- User activity data is limited to transactional data or metadata rather than the content of communications.
- Recorded user data is anonymized and reviewed by designated KBR employees to determine whether any violation of KBR policy or suspicious activity has occurred.
- Users will be identified only in specific and limited circumstances, and only with approval by managementlevel employees who are not responsible for initial analysis of the alert.

### Raising Information Security Concerns

Data owners have multiple avenues to raise concerns about data privacy:

- A dedicated email address managed by our data privacy team, ensuring direct and efficient communication.
- Toll-free number\* providing immediate access to support and guidance on data privacy issues.
- An internal reporting system, overseen by our IT department and supported by the data privacy and information security teams, to address and resolve privacy concerns systematically.
- The Ethics Hotline, offering an additional confidential channel for reporting and addressing data privacy issues.

\*California only



<sup>\*</sup>Retention could exceed this time frame for legal purposes.

### FRAMEWORKS AND CERTIFICATIONS

Protecting the data and privacy of our employees, customers and suppliers is critical to our policy commitments and our overall business success. Our cybersecurity global enterprise control frameworks comply with industry standards and regulatory requirements including:

#### Frameworks:

- Defense Federal Acquisition Regulation Supplement (DFARS)
- International Traffic in Arms Regulations (ITAR)
- U.K. Cyber Assessment Framework
- U.K. Cyber Essentials and Cyber Essentials Plus.
- Australia's Essential Eight

#### Certifications:

- NIST 800-171 Cybersecurity Framework
- ISO/IEC 27001:2022 Information Security Management System\*
- ISO/IEC 20000-1:2018 Service Management System

### **AUDIT VERIFICATION**

We adopt an enterprise-wide approach to cybersecurity. Through our adherence to ISO/IEC 27001, Cyber Essentials and Cyber Essentials Plus certifications, we are validated through successful annual internal and external audits and recertifications.

Regular audits for our ISO 20000 certification for data centers and KBR locations in the United States, as well as ISO/IEC 20000-1 certification for our KBR Internal IT Service Management System (SMS), ensure the effective planning, managing, and delivery of IT operations and services in support of KBR, Inc. and its associated business units.

Our enterprise policies, cybersecurity controls and systems are also assessed at least annually by certified internal cybersecurity assessors and accredited external auditors including but not limited to:

- Accredited ISO/International Electrotechnical Commission and Cyber Essentials external auditors
- U.S. Government Defense Contract Management Agency Defense Industrial Base Cybersecurity Assessment Center
- U.S. Government Defense Contract Audit Agency
- United Kingdom Ministry of Defence
- Australian Signals Directorate Australian Cyber Security Centre

### **Self-assessments**

Additionally, we perform regular self-assessments to test our control systems' effectiveness and compliance with our internal policies and procedures. Any suspected noncompliance is thoroughly investigated and documented by our Information Assurance organization for further audit and corrective action if required.

### Internal Audit

PLANET

KBR Audit Services (internal audit) also engages third-party assessors to conduct cyber penetration testing and red team exercises, evaluating the robustness of our systems and incident response. Quarterly audit reports are presented to the board's Sustainability, Technology and Cybersecurity Committee and executive leadership.

### **Additional Compliance**

We comply with all export control regulations in the countries where we operate; therefore, some of KBR's core products and services are subject to government-required protections such as monitoring, blocking, content filtering or censoring. In accordance with U.S. security exchange regulations, we conduct assessments to verify compliance with the Sarbanes-Oxley (SOX) Act of 2002. For a comprehensive list of our external cybersecurity audits, please see Appendix page V.

\*Transitioning from ISO 27001:2013 to ISO 27001:2022



INTRODUCTION



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### **Risk Identification and Assessment**

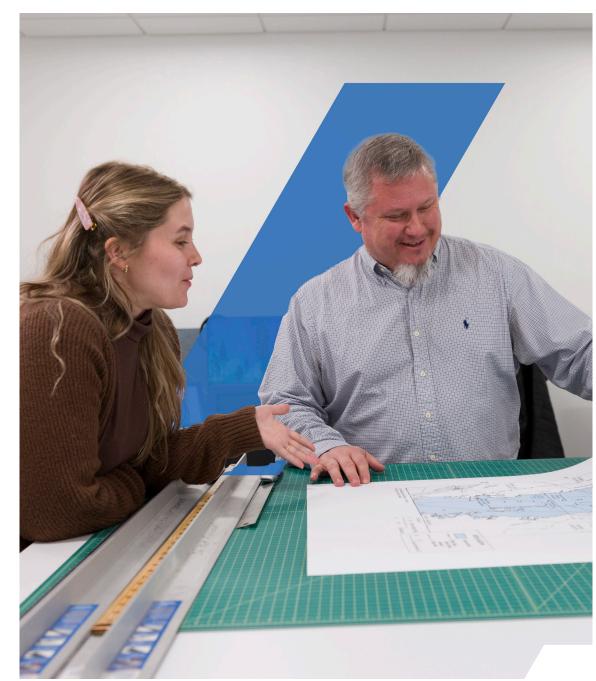
We identify and assess cyber risk by using the latest technologies, adopting new solutions, and leveraging our strategic partnerships with government agencies and commercial vendors. This helps us continuously monitor, detect and respond to threats across our network perimeter and endpoint. We also carry out targeted threat hunting across KBR-managed networks to stay ahead of potential risks.

In addition, we are actively participating in the Department of Defense Cyber Crime Center (DC3) Defense Industrial Base Collaborative Information Sharing Environment (DCISE) program. Through involvement in this program, we have added valuable cyber threat indicators from across the Defense Industrial Base strengthening our overall threat intelligence.

### SUPPLIER AND THIRD-PARTY CYBER RISK MANAGEMENT

Our Supplier Cyber Risk Management program takes a holistic view of potential cyber risks across our joint ventures, suppliers, partners and other third parties. We worked collaboratively across Legal, Supply Chain, IT, and other parts of the business to build cybersecurity risk into procurement processes. We achieved this by including data protection and cyber incident notification language in purchase orders and by assessing supplier risk attributes across several areas including cybersecurity, financial, contractual and operational risk domains as part of our supplier due diligence program.

To keep things efficient, we use simple, repeatable methods to identify risks, with clear triggers for deeper reviews when needed. We also work with a third-party vendor to help continuously monitor and alert us to any changes to supplier cyber hygiene as part of our third-party cyber risk assessment practices.



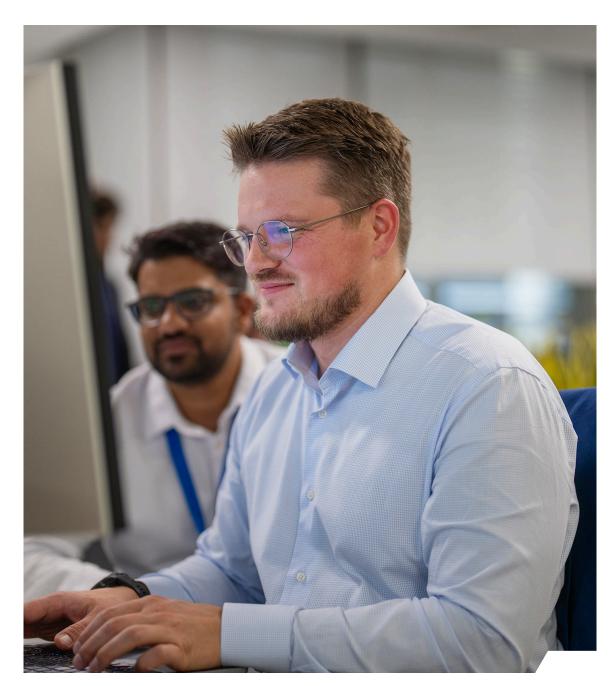


**PLANET** 

# **Training and Awareness**

To strengthen awareness of data security, our Information Management System (IMS) hosts the IT Major Security Incident Response Procedure. This provides organizational and operational structure, processes, and procedures for employee members of our core and extended incident response teams to respond to incidents that may risk the security of IT assets, information resources and business operations. Furthermore, we provide:

- Annual cybersecurity awareness training to all employees, new hires and contractors on data privacy, cybersecurity, and privacy-related risks and procedures.
- Up-to-date training content annually to align with data privacy laws and regulations along with the latest cyber threats, including phishing, malware, ransomware, social media, data compromise and insider threats.
- Monthly user awareness phishing assessment campaigns aligned with real-world cybercriminal social engineering exploits and current events.
- Targeted email phishing campaigns to show notable improvement in end-user cyber awareness year over year. They also provide teachable training moments to improve our users' overall cyber awareness.
- Quarterly Cyber Times newsletter informing our user population of emerging external and internal threats and data privacy requirements.
- Monthly tips to inform our user population of cyber best practices.
- Updated and implemented data privacy notices to individuals under applicable data privacy laws.







# Planet

### IN THIS SECTION

Our Environmental and Climate Transition Plan Delivering Sustainability













Environmental Stewardship / Our Environmental and Climate Transition Plan / Delivering Sustainability





# **Environmental Stewardship**

Environmental stewardship is central to how we operate and succeed. Our ability to thrive as a business depends on the health of our people and the health of the natural world, which is why sustainability is integrated into every aspect of our operations. From minimizing our environmental impact and risks to responsibly managing resources and driving innovation, we're committed to practices and programs that support a healthy and cleaner planet. This approach not only fulfills our corporate responsibilities but also creates long-term value for our stakeholders and future generations.

The following outlines how our commitment to stewardship is actively embedded and brought to life across all facets of our business and project delivery.

### **Environmental Governance**

### **BOARD OVERSIGHT**

Environmental management is guided by our highest level of governance, the KBR Board of Directors. The Sustainability, Technology and Cybersecurity Committee of the board provides global oversight and guidance on sustainability, including environmental efforts. This includes shaping policies and procedures, overseeing our Environmental Management System (EMS), risks, opportunities, and other relevant environmental matters.

At the operational level, our Global Sustainability Committee, led by the Corporate Sustainability Officer, works closely with the corporate sustainability team to translate these strategies and initiatives into tangible action, including our net-zero program, ensuring environmental sustainability is embedded in everything we do. For more information on governance, see Our Board.





PEOPLE



Environmental Stewardship / Our Environmental and Climate Transition Plan / Delivering Sustainability

# **Environmental Management System**

Our Integrated Management System (IMS) brings all segments of the business together under one clear cohesive framework. A key part of the IMS is a dedicated Environmental Management System (EMS), which outlines the policies, procedures, reference manuals and work methods we use to manage and mitigate environmental impact across all projects and corporate facilities.

Designed for global application, the EMS sets minimum environmental standards and supports the creation of site- and project-specific environmental management plans. It provides practical guidance to all personnel — including project managers, supervisors, facility managers, subcontractors and HSSE staff — on reducing environmental impacts and conserving natural resources.

The procedures and guidance within the EMS help achieve business goals by supporting client expectations, from winning bids and proposals to fulfilling contractual obligations.

These values shape our daily operations and guide how we engage with clients, contractors and suppliers. Every employee and subcontractor is expected to uphold and conform to these standards.

To keep the system running smoothly and up to date, our executive leadership team regularly reviews and updates the IMS and EMS throughout the year, making sure we stay aligned and continue to build on our progress.

### **POLICIES AND PROCEDURES**

Our <u>Global Sustainability Policy</u>, <u>Global Environmental Policy</u>, Code of Business Conduct, <u>Corporate HSSE Policy – Health, Safety, Security, and Environment</u> and supporting EMS procedures provide a clear roadmap for how we manage our environmental commitments. They define our strategy, roles and responsibilities, and the expectations for each employee and project team. These documents also detail specific actions and processes needed to achieve defined targets and objectives for each area of the environment across all our operations including our facilities and project sites.

Through our Global Environmental Policy we commit to:

- · Protecting the environment
- Continuing to raise environmental awareness within our workforce, subsidiaries and supply chain
- Using natural resources and energy efficiently
- Reducing emissions, water use and waste
- Promoting sustainable consumption
- Monitoring environmental performance
- Regularly reporting on environmental issues
- Consulting and communicating with internal and external stakeholders on environmental issue

Our global procedures form the foundation of these policies, encompassing, but not limited to, the following:

- Environmental Reference Manual
- Environmental Aspects and Impacts Assessment
- Environmental Aspects Register
- OHS and Environmental Legislative Registers



**PLANET** 



Environmental Stewardship / Our Environmental and Climate Transition Plan / Delivering Sustainability

### **Our Environmental Reference Manual**

The Environmental Reference Manual (ERM) outlines each of our environmental commitments and management approaches, aligning with company policies, certifications and environmental best practices. It compiles a number of environmental procedures designed to meet IMS and EMS requirements and provides a foundational guide to support consistent implementation across operations.

The ERM actively manages our environmental responsibilities through a set of core commitments:

- Minimizing potential environmental impacts associated with KBR's activities and operations under our control
- Ensuring compliance with all applicable legislation, industry standards and contractual environmental requirements
- · Delivering products and services that align with our sustainability goals — designed to be safe, resource-efficient and environmentally responsible throughout their life cycle, including reuse, recycling and safe disposal
- Collaborating with clients, contractors and suppliers to improve operational efficiency, conserve natural resources, and reduce waste and emissions — reflecting our role as a responsible corporate citizen

These commitments inform the content of our procedural manuals, which cover the following topics:

- Hazardous, Industrial and Solid Waste Management
- Water Quality Management
- Storm Water, Erosion and Sediment Management
- Air Emissions Management
- Storage Tanks: Above-ground and **Underground Management**
- Polychlorinated biphenyls (PCBs) Management
- Wetlands Protection
- Chemical Inventories Management
- Environmental Reporting and Records Retention
- Training Requirements
- Management of External Inspections, Assessments or Audits
- Environmental Surveys Performed Prior to Project Startup and in Preparation for Project Closeout
- Spill Prevention, Response and Notification Management
- Environmental Management Plans
- Environmental Sampling, Testing and Analysis
- Waste Management Plan Guidance
- Environmental Management Plans
- Environmental Sampling, Testing and Analysis
- Waste Management Plan Guidance



### **CERTIFICATIONS**

Our EMS and all related policies and procedures are certified to the International Organization for Standardization standards'

ISO 14001:2015 Environmental Management System (EMS) requirements as well as ISO 9001:2015 for Quality and ISO 45001 for Occupational Health and Safety (formerly OHSAS 18001).

These are certified by the Lloyd's Register Quality Assurance at global, business unit and office location levels across EMEA, APAC and the Americas.





# Our Environmental and Climate Transition Plan

We understand the urgency of addressing environmental challenges and are committed to playing a leading role in building a cleaner, more resilient future. Over the past five years, we've taken decisive action to measure and manage our environmental footprint, calculating our annual corporate carbon emissions, investing in carbon neutrality, and launching company-wide initiatives to assess environmental and climate risks and opportunities across our operations.

Our net-zero targets have been validated by the Science Based Targets initiative (SBTi), reinforcing the credibility of our approach. We've also developed a comprehensive environmental and climate transition plan, supported by a range of carbon-reduction programs and initiatives.

Together, these efforts reflect our deep commitment to environmental stewardship and our ambition to build a resilient, risk-aware and future-ready business, one that can adapt, lead and thrive in a rapidly changing global landscape.

For more details on our journey to net-zero and full corporate carbon footprint, please refer to our Climate Transition Plan.

		2022	2023	2024	DIFFERENCE 2023–2024	
		kg CO <sub>2</sub> (in '000s)	kg CO <sub>2</sub> (in '000s)	kg CO₂ (in '000s)	kg CO <sub>2</sub> (in '000s)	% Share
Our Corporate Carbon Footprint (kg CO2)(in'000s)	Scope 1	8,601	5,746	5,145	-601	-10%
	Scope 2 (Market-based)	1,353	0*	0*	0	0%
	Scope 3** (Category 3 & 6)	44,976	72,297	69,734	-2,563	-4%
	Total	54,931	78,043	74,879	-3,164	-4%
	Scope 2 (Location-based)	20,704	22,171	23,758	1,587	7%
	Scope 3***	N/R	1,001,850	715,994	-285,856	-29%

<sup>\*</sup>Renewable Energy Certificates used to cover 100% of Scope 2 (market-based) in 2023 and 2024 \*\*Carbon offsets covered 100% of Scope 3 – Category 6. \*\*\* Scope 3 includes the following categories: 1, 2, 4, 5, 7, 8, 9, 15





Environmental Stewardship / Our Environmental and Climate Transition Plan / **Delivering Sustainability** 

# **Delivering Sustainability**

We collaborate with leading companies and governments to shape a more sustainable future, one that protects the well-being of our planet, empowers communities and drives long-term value for our customers. Our mission is clear: to deliver solutions that make a measurable difference today and for generations to come.

### The Strategy

Since 2015, we have been on a journey to enhance and strategically reposition ourselves as a market leader in sustainable technologies and environmental solutions. Our expanded portfolio and expertise reflects this commitment, addressing market demands and supporting industries worldwide in navigating sustainability challenges. Our sustainability-focused revenue increased by 16% from 2023 to 2024, accounting for 38% of our total revenue.

### **Delivering to Our Customers**

Sustainability is more than a goal for us — it's a strategic imperative. Whether it's supporting our customers in achieving net-zero emissions, eliminating waste or building resilient infrastructure, we are at the forefront of sustainable innovation. We leverage cutting-edge technologies and emerging approaches to help our clients meet evolving environmental, social and economic demands.

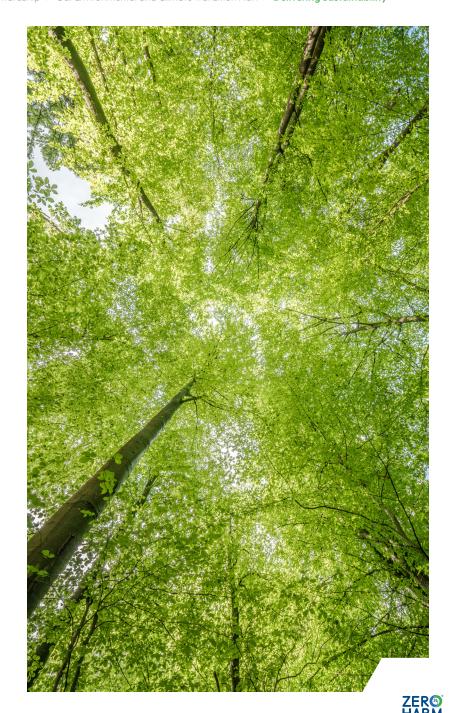
Our multidisciplinary teams of experts bring together economics, science, technology, engineering and planning to deliver integrated solutions that create positive outcomes for businesses and communities alike. We embed sustainability into every phase of project delivery, minimizing risk, enhancing operational resilience, driving transformation, and unlocking opportunities for growth and long-term value creation for our partners.



For a comprehensive overview of all our sustainable technologies, services and offerings please see our

Delivering Sustainability site.





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# Governance

### **IN THIS SECTION**

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Enterprise Risk Management	8
Sustainable Supply Chain	89











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Our Board / Business Integrity / Enterprise Risk Management / Sustainable Supply Chain







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# **Our Board**

Our governance framework is built on the principles of accountability, responsible stewardship and integrity and is designed to create longterm value to our stakeholders. The KBR Board of Directors collectively provides oversight of the following:

- Purpose, values and strategic direction
- Economic, environmental and social performance
- Risk management and strategic resilience
- Audit, ethics and compliance program

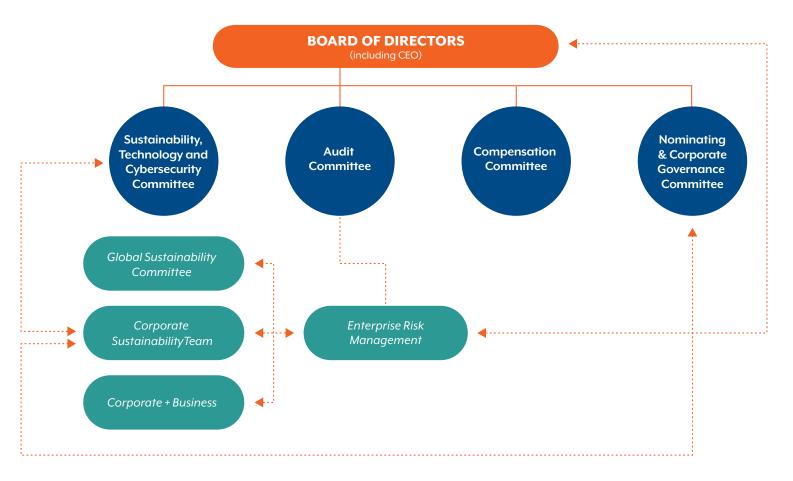
### **Board Committees**

Our board of directors has four standing committees, each with its discrete charter:

- Sustainability, Technology and Cybersecurity Committee
- Audit Committee
- Compensation Committee
- Nominating and Corporate Governance Committee

For more information on our board committees please see our Proxy Statement

### SUSTAINABILITY AND BOARD OVERSIGHT





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## Sustainability and Board Oversight

The Sustainability, Technology and Cybersecurity Committee of the KBR Board of Directors provides global oversight and guidance on the corporation's sustainability, corporate responsibility, technology and cybersecurity policies, programs, initiatives and position, which cover, but are not limited to, issues and responsibilities related to:

- Sustainability, climate and the environment
- Workforce health, safety and physical security
- KBR's role and reputation as a socially responsible organization
- Information technology strategy and technology innovation
- Cybersecurity strategy, threat landscape, risk management, data security and compliance with security standards

The committee formally meets a minimum of four times annually and more if deemed necessary.

Additionally, each board committee oversees key sustainability and corporate responsibility concerns, many of which are interrelated. Please refer to discrete sections in the report for more information on the board's involvement and oversight relating to:

- Business integrity
- Cybersecurity and data privacy
- Global human rights
- Sustainable supply chain

- Climate-related risks and opportunities
- Total inclusion
- Environmental stewardship



#### **GLOBAL SUSTAINABILITY COMMITTEE**

The Global Sustainability Committee, led by KBR's Corporate Sustainability Officer, meets bi-quarterly and acts on directives from the board's Sustainability, Technology and Cybersecurity Committee, implementing sustainability practices across the business globally.

The committee includes executives and senior managers from business segments and corporate departments, ensuring diverse perspectives and informed discussions that shape our sustainability strategy and targets.

The Corporate Sustainability team leads implementation by collaborating with key business areas and corporate functions. Together they monitor, manage and report performance across our environmental, social and governance focus areas, driving accountability and continuous improvement.





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#### **MEET OUR BOARD OF DIRECTORS**

Our board members bring extensive experience across our five key sectors, including risk management, audit, cybersecurity and sustainability.

			EX	PERIENCE				GENERAL				TOTAL II	NCLUSION	
DIRECTOR	INDUSTRY EXPERIENCE	CEO/ CFO	RISK MANAGEMENT / OVERSIGHT	CYBERSECURITY	AUDIT/ FINANCIAL	CLIMATE/ ENVIRONMENT/ SUSTAINABILITY	OTHER PUBLIC BOARDS	INDEPENDENT OF MANAGEMENT	EXECUTIVE BOARD MEMBER	VETERAN	AGE	GENDER	NATIONALITY	RACE/ ETHNICITY
Stuart Bradie	Engineering Government Technology	<b>~</b>	<b>~</b>			<b>~</b>	1		<b>~</b>		58	М	U.K.	White
Joseph Dominguez	Energy Engineering	<b>✓</b>	~		<b>~</b>	<b>~</b>	1	<b>✓</b>			62	М	U.S.	White + Hispanic
Lynn Dugle	Engineering Space Technology	<b>~</b>	<b>~</b>	<b>~</b>	<b>✓</b>		3	<b>~</b>			65	F	U.S.	White
Nchacha Etta***	Professional Services	<b>✓</b>	~	~	<b>~</b>	<b>~</b>	0	<b>✓</b>			54	М	U.S.	African American
Lester Lyles**	Government Space		~	~	<b>~</b>	<b>~</b>	0	<b>✓</b>		<b>~</b>	78	М	U.S.	African American
John Manzoni	Energy Engineering Government	<b>✓</b>	<b>~</b>		<b>~</b>	<b>✓</b>	2	<b>✓</b>			64	М	U.K.	White
Wendy Masiello	Government Technology		<b>~</b>	<b>~</b>	<b>~</b>	<b>~</b>	1	<b>✓</b>		<b>~</b>	66	F	U.S.	White
Jack Moore	Energy	<b>✓</b>	<b>✓</b>		<b>✓</b>		2	<b>✓</b>			71	М	U.S.	White
Ann Pickard	Energy Engineering Technology		<b>~</b>	<b>~</b>	<b>~</b>	<b>~</b>	2	<b>~</b>			69	F	U.S.	White
Carlos Sabater	Professional Services		<b>~</b>		<b>✓</b>		1	<b>✓</b>			65	М	U.S.	White + Hispanic

\*Stuart Bradie was the only executive member of the KBR Board of Directors in 2024.

\*\*Chair of the board, retired May 24 2025.

\*\*\*Appointed August 2024.





Our Board / **Business Integrity** / Enterprise Risk Management / Sustainable Supply Chain









# **Business Integrity**

At the core of our sustainability journey is a steadfast commitment to integrity. We are individuals of strong character, who value honesty, trust, courage, fairness, prudence and tenacity. These qualities shape our decisions and actions every day.

We believe that doing what is right for the planet, our communities and our people is not only a moral imperative but also a strategic advantage for our business. Our integrity is nonnegotiable. It underpins our relationships, drives performance and helps us remain accountable to all our stakeholders.

"We are people of integrity" is a foundational ONE KBR Value and underpins everything we do at KBR. Our continued success depends on effectively managing the risks inherent in global operations, particularly those related to corruption and fraud, to maintain our reputation as a trusted, ethical service provider.

Ethical conduct is not only central to our sustainability framework but is also deeply embedded in our company's vision and values. It shapes our business practices and behaviors across all levels. This commitment to ethics is a vital part of our Zero Harm culture, supported by board-level oversight and integration into KBR's Enterprise Risk Management processes.

This section of the report outlines the rigorous procedures we have implemented to mitigate risks and foster a highly ethical workforce.

#### **Our Code of Business Conduct**

The Code of Business Conduct is our corporate policy addressing ethics and integrity issues. It defines a uniform set of expectations and operating guidelines for applying legal and ethical practices to everyday work including record-keeping, approval procedures and appropriate behaviors. The Code of Business Conduct applies to all employees, directors, officers, contractors and business partners around the world and guides us in our commitment to carry out our mission with integrity.

The Bribery and Corruption section of the code is the foundation for our robust Anti-corruption Compliance Program, which also includes detailed procedures and guidance.

#### Our Code of Business Conduct covers, but is not limited to:

PEOPLE

- Health and safety
- Respectful workplace
- Total inclusion
- Human rights

- · Conflicts of interest
- Trade compliance
- Anti-corruption and bribery
- Fraud

- Anti-competitive practices
- Government contracts compliance

Our Code of Business Conduct is accessible online in 18 languages for all external parties, including suppliers, subcontractors and the public. It is communicated to employees and contract employees through their onboarding process, annual trainings, Zero Harm Moments, our intranet and website, and ethics hotline posters throughout our offices We require all suppliers and subcontractors to comply with our Supplier Code of Conduct. International business partners must agree to abide by KBR's Code of Business Conduct or an equivalent code if theirs is substantially similar.



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## **Anti-corruption Compliance Program**

Our Anti-corruption Compliance Program is an integral part of our internal controls and consists of three primary components:

- **PREVENT CORRUPTION**
- **DETECT CORRUPTION**
- **RESPOND** TO ALLEGATIONS **OF CORRUPTION**

Our anti-corruption procedures and guidelines are owned and published by the Legal department and adhered to by all business and functional units, including procurement/subcontracts.

We have robust, risk-based, due diligence and approval processes for agents, business partners and other third parties (including suppliers and subcontractors) who interact with non-U.S. government officials on our behalf. We only engage such third parties that have successfully completed the due diligence review and approval process.

Our contracts with these parties include specific anti-corruption compliance provisions. They are also required to certify compliance with the Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act and other applicable anti-corruption laws. Foreign charitable and community contributions and business courtesies extended to clients undergo an anti-corruption review and approval process. We conduct risk assessments of our higher-risk projects and locations to measure the effectiveness of our compliance programs.



Following the conclusion of a corporate monitorship from 2009 to 2012, the monitor certified that KBR's Anti-corruption Compliance Program was appropriately designed and implemented for future compliance with the FCPA and other applicable anti-corruption laws.

For more information, please refer to our **Business Integrity Program** and KBR's Anti-corruption Compliance Program.





Our Board / Business Integrity / Enterprise Risk Management / Sustainable Supply Chain

## Governance

## Transparency, Awareness and Oversight

KBR's approach to ethical conduct is considered at the board level and is part of our enterprise risk management processes, which are led by our Legal team. The audit committee of the KBR Board of Directors oversees our ethics and compliance program and controls, including its anti-corruption compliance program. The chief compliance officer, who reports to the general counsel, has responsibility for implementing and managing our Business Integrity and International Trade Compliance teams, who oversees the ethics and compliance program and the anti-corruption and trade compliance programs. The chief compliance officer reports at least quarterly to the Audit Committee on any significant business integrity and corruptionrelated compliance matters.

## **Ethics Training**

All our employees (both full and part time), directors and contract employees are required to complete compulsory annual ethics training, which reinforces KBR's expectations that employees will conduct business ethically and in accordance with the Code of Business Conduct.

is required to participate in business ethics training

Our annual ethics training is offered in 16 different languages and is also provided in classroom settings at remote locations where online training isn't possible. As part of the training, employees electronically certify that they have read and understand the code and that they will comply with its provisions. A targeted portion of the workforce is required to complete separate Combating Trafficking in Persons (CTIP) training, as mandated by the U.S. government for defense contractors. We provide additional anti-corruption training to targeted employee groups.

Employees occupying certain positions of substantial authority or critical job functions complete our Annual Conflicts of Interest Certification so that any potential conflicts of interests or issues are reported and evaluated.

## **Internal Audits**

All operations are subject to audits using a risk-based approach. Following results of the annual risk assessment process and engagement plan, Internal Audit conducts regular audits across all KBR's diverse portfolio, including but not limited to:

- Government and commercial operations
- Financial controls and the SOX Act of 2002 compliance
- IT systems and cybersecurity
- Anti-corruption compliance
- Special projects and/or investigations requested by management and the Audit Committee (as appropriate)

While the full scope of these audits varies based on their individual risk profiles, each audit includes an assessment over relevant key aspects of KBR's ethics and compliance programs as outlined in the Code of Business Conduct and related policies and procedures. Each audit draws on input from our operations teams to strengthen practical relevance and alignment with on-the-ground activities. The KBR executive leadership team then reviews and provides feedback to confirm the audit plan meets its intended objectives before it is formally approved by the Audit Committee.

Additionally, as part of our program management and focused engagements, the anti-corruption policies and processes and controls are assessed using a risk-based approach.



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## POLICIES, PROCEDURES AND GUIDELINES FOR PROPER **REQUISITIONS, COMMITMENTS, PAYMENTS AND** RECORDKEEPING

Collectively, our policies and procedures set the processes and guidelines for proper requisitions, commitments, payments and recordkeeping. They serve to provide consistent, global transparency and awareness, thereby mitigating risks and misconduct, helping develop a highly ethical workforce and enhancing our status as a service provider of integrity.

As part of our internal monitoring system to detect potential corruption or suspicious payments, our Internal Audit Services team regularly conducts anti-corruption audits of our projects and office locations using a risk-based approach and periodically conducts anti-corruption audits of selected third parties. Refer to Internal Audits section.

We use a data analytics-enhanced internal monitoring system for compliance-sensitive payments. Additionally, we review our general ledger accounts on a monthly basis for facilitating payments and improper fees. Results are reported to our director of Business Integrity.

Allegations of employee misconduct involving corruption and fraud, as well as misconduct allegations involving employees with a role in internal controls over financial reporting, are reported to the Audit Committee at board level. The Business Integrity team assesses risks by analyzing these misconduct trends and outcomes as part of an annual report to the board and includes metrics on the number of reports, types of allegations and outcomes. We also actively monitor and audit our internal compliance with our Code of Business Conduct via internal controls.

## Grievance, Ethics Reporting and Whistleblower Program

PEOPLE

#### REPORTING CHANNELS

We encourage all individuals — whether employees, partners or stakeholders — to speak up if they witness or need quidance on any form of inappropriate or unethical behavior, human rights violations, misconduct, concerns for information security or breaches of our Code of Business Conduct.

To support this, we provide multiple well-publicized reporting channels across the organization. These include nine distinct methods, ensuring accessibility, confidentiality and responsiveness for anyone raising a concern.







Our Board / Business Integrity / Enterprise Risk Management / Sustainable Supply Chain

All reported concerns, whether potential violations of the Code of Business Conduct, human rights violations or information security concerns, are promptly and thoroughly investigated and evaluated at the corporate level. These investigations are conducted with diligence, discretion and due care by a dedicated and experienced Business Integrity team.

To support confidential and anonymous reporting, KBR partners with a leading third-party provider of ethics hotlines. Individuals who contact the hotline can choose to:

- Remain completely anonymous
- Share their identity only with the third-party hotline provider
- · Disclose their identity to KBR

Additionally, we introduced an Ethics Question Manager, a tool that allows employees to ask questions or seek guidance on ethical matters anonymously, further reinforcing our commitment to transparency and trust.

Additional ways for employees to raise concerns on any matter are outlined on page 16 under Procedures for Addressing Employee Concerns.

#### FREEDOM FROM RETALIATION

We have a strong policy against retaliation that protects employees who report potential violations, with legal protection in accordance with applicable law. This includes:

- Identity protection and right to remain anonymous
- Protection from retaliation, harassment or intimidation.

We do not tolerate retaliation of any kind, whether for good faith reporting of suspected misconduct or violations of the Code of Business Conduct. Reporters are not expected to know all the facts and should feel free to ask questions and report any issue that causes concern without fear of reprisal. Reports that are false or malicious, however, are not considered good faith reporting.



As KBR President and CEO, I am committed to conducting our business sustainably and safely, in compliance with applicable laws and with honesty and integrity. Every KBR director, officer, employee, contractor and agent is expected to do the same.

#### **Stuart Bradie**

President, Chairman and Chief Executive Officer

Reporters to the KBR Ethics Hotline are made aware of our anti-retaliation policy and encouraged to contact the Business Integrity team with any retaliation concerns. At the conclusion of an investigation, both hotline reporters and employees who report misconduct are reminded to report any forms of retaliation.

Our hotline now includes a feature that sends a follow-up inquiry to anonymous reporters after a case is closed, specifically to check for retaliation concerns. Our anti-retaliation policy extends to anyone who reports misconduct, encourages others to report misconduct, or cooperates with business integrity investigations.



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## Our Approach to Tax

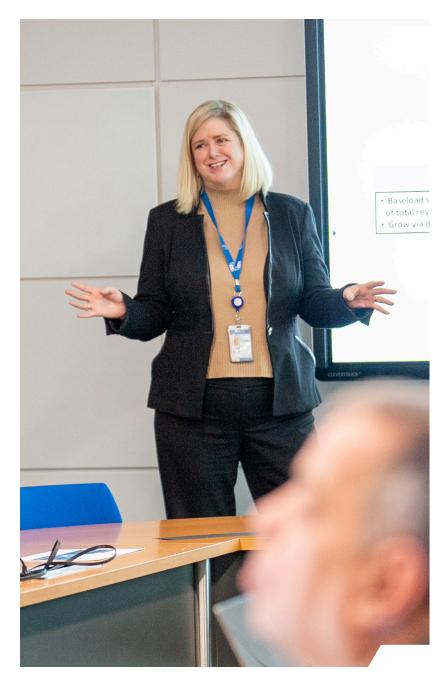
We are responsible corporate citizens and neighbors in communities around the world. We believe it is our obligation to add value to these communities beyond the professional services we provide. We understand the importance of taxes in the context of the communities in which we operate, and we take a responsible approach to the management of our tax obligations.

Our transfer pricing strategy is aligned with our obligations under the Code of Business Conduct to conduct business fairly and ethically. To keep intercompany and cross-border transactions priced into the arms-length standard range, they are dictated by the Internal Revenue Code and the Organization for Economic Co-operation and Development's transfer pricing guidelines.

During the bidding and planning phase of a project, emphasis is placed on designing a sustainable tax strategy that complies with the laws of the included countries and provides an efficient structure through the life cycle of the project. We are always reviewing our tax structure to address changes in local laws and standards and we continue to comply with foreign laws and global standards.

In accordance with the Code of Business Conduct, KBR pledges not to engage in any planning or transactions that result in tax avoidance or evasion.







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# Enterprise Risk Management

KBR's resilience, success, and ongoing growth rely on our ability to anticipate and adapt to the ever-changing risks and opportunities in our current and future operating environments.

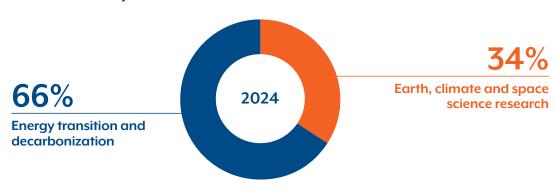
## **Business Strategy and Risk**

We are deepening our commitment to developing a diverse and high-impact portfolio of technologies and solutions that drive significant environmental and social progress. Central to this strategy is our focus on harnessing opportunities created by the global energy transition and sustainable development. Through our Sustainable Technology Solutions and Mission Technology Solutions businesses, we are advancing clean technologies such as carbon capture and storage (CCS), green hydrogen production and utilization, plastics recycling, sustainable fuels, and digital platforms for emissions monitoring and optimization. These innovations directly support our customers' decarbonization, emissions reduction and energy transition goals. This approach reflects a deliberate business and risk strategy designed to increase market growth and revenue by aligning our capabilities with the accelerating global demand for sustainable solutions.

From 2023 to 2024 our sustainability-focused revenue **increased by 16**%.

## **Sustainability-focused Revenue**

PEOPLE



SUSTAINABILITY-FOCUSED REVENUE GROWTH	2022	2023	2024
Energy transition and decarbonization  Alternative energy, energy efficiency, pollution control, CCUS, conservation	1,363M	1,597M	1,918M
Earth, climate and space science research	882M	944M	993M
Total Sustainability-linked Revenue	2,245M	2,541M	2,911M
Sustainability-linked as a % of Revenue	34%	37%	38%



**APPENDIX** 

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## **Our Evolving Risk Profile**

## ANTI-CORRUPTION

#### **July 2009**

KBR engages independent corporate monitor as approved by the Department of Justice (DOJ) and the U.S. Securities and Exchange Commission (SEC).

#### January 2010

KBR adopts enhanced anti-corruption program.

#### February 2012

At the conclusion of the three-year monitorship, the monitor certified that our current Anticorruption Compliance Program was appropriately designed and implemented to ensure future compliance with the Foreign Corrupt Practices Act (FCPA) and other applicable anti-corruption laws.

#### July 2014

Revised Code of Business Conduct to disallow all facilitating payments to further reduce corruption risk.

#### July 2020 - December 2021

Digitalized our anti-corruption compliance processes.\*\*

#### 2023

Revision and updates made to the Code of Business Conduct.

#### **ENTERPRISE RISK MANAGEMENT**

#### lune 2019

Hired chief enterprise risk management (ERM) officer who, with her team, implemented a formal ERM COSO\*-based program.

#### February 2020

ERM reports are required regularly at the board level.

#### April 2020

Commenced applying ERM outputs to develop and implement strategic risk reduction.

#### 2022

Expansion of the ERM team into business units and applying risk management consistently from project to enterprise.

#### 2023

KBR is actively tracking and assessing potential impacts, both threats and opportunities, of Al to the business.

#### 2023

Climate Risk working group starts to establish processes for integrating climate risk into enterprise-wide risk management.

#### 2024

Continued to integrate environmental risks into business-as-usual risk management. Developed U.K, Australia and corporate climate risk registers.

#### **RISK-BASED STRATEGIC DECISIONS**

#### March 2020

INTRODUCTION

Restructured energy delivery and services businesses into a single, combined group — Energy Solutions.

#### 2021

- Energy Solutions combined with technology business to create Technology Solutions.
- Exit lump-sum engineering, procurement and construction.

#### February 2021

Broader Technology Solutions business segment renamed Sustainable Technology Solutions.

#### 2021

Frazer-Nash Consultancy acquired to expand international advisory footprint and Harmonic to enhance technical innovation. Further investment into Mura Technology to expand the plastics circular economy with the Hydro-PRT® technology.

#### 2022

Acquisition of VIMA Group to expand expertise in digital and sustainable transformation for customers.

#### 2024

KBR acquired LinQuest to expand our ability to meet growing customer demands and enhancing high-end digital solutions.

## SUSTAINABILITY

#### January 2021 Audit:

KBR's Sustainability and Internal Audit teams partnered to audit the 2020 Sustainability Report. Reporting controls and processes established for 2021 and future Sustainability Reports.

#### 2021

Risk management framework and processes are applied to environmental, social and governance aspects, and risks and opportunities are managed accordingly. Please see page 88 for more detail on this process.

#### December 2021

Climate-related Risk Management: KBR establishes a Climate Risk working group tasked with identifying and analyzing climate-related risks and opportunities related to KBR's businesses, strategy and financial planning.

#### December 2022

Invested in an automated ESG reporting system to centralize data collection from our key sustainability topics across the business and improve processes and controls for all sustainability-related disclosures.

#### 2024

See our <u>Delivering Sustainability</u> for sustainable technology and solutions opportunities.

#### 2023 and 2024

Implemented climate-related risks and opportunities workshops covering all business units.



<sup>\*</sup> Committee of Sponsoring Organizations of the Treadway Commission \*\* Including our third-party due diligence, business courtesies, and charitable contributions' workflows to improve accuracy, transparency and oversight

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## **Risk Governance**

We have strengthened the role of enterprise risk by professionalizing the function and embedding it into our culture. Our CEO meets regularly with the head of Risk Management to actively manage and review current risks.

Risk management oversight is shared across the full board and its individual committees, with support from management. Through our Enterprise Risk Management (ERM) framework, management reports to the relevant board committees — such as the Sustainability, Technology and Cybersecurity Committee and the Audit Committee — on risks within their areas of oversight.



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## **OUR RISK GOVERNANCE STRUCTURE**

	FREQUENCY	OBJECTIVES	
Board of Directors	Quarterly	<ul> <li>Reviews semi-annual risk reports covering strategic, operational, financial and hazard risks, including their likelihood, impact, trends and management measures.</li> <li>Reviews legal and compliance risks.</li> </ul>	<ul> <li>Approves large projects and mergers/acquisitions after assessing commercial, legal and financial risks.</li> <li>Evaluates the ERM framework's effectiveness and growth areas, reporting annually to the board's Audit Committee.</li> </ul>
<b>Executives</b> via KBR's Enterprise Risk Management Framework	Tri-annually	<ul> <li>Convene for dedicated risk reviews three times per year.</li> <li>Guide all business segments in consistently implementing KBR's ERM policy and framework.</li> </ul>	Report twice a year to the board on KBR's changing risk profile, enabling risk-based strategy decisions and improved communications to stakeholders.
Audit Committee	Quarterly	<ul> <li>Reviews KBR's significant financial risk with management and monitors mitigation efforts.</li> <li>Receives regular reports on risks such as litigation, liquidity, financial reporting, regulatory and tax concerns.</li> </ul>	<ul> <li>Assesses reports on ethics, compliance, and findings from internal audits and risk assessments.</li> <li>Holds private sessions with key executives and auditors at each meeting before releasing quarterly and annual results.</li> <li>Provides a report to the full board at each meeting to keep them informed of matters.</li> </ul>
Compensation Committee	Quarterly	Regularly evaluates if incentive awards and performance goals align with our Code of Business Conduct and avoid encouraging excessive risk-taking.	Oversees annual compensation risk assessment and recommends changes to mitigate potential risks in the compensation program if needed.
Nominating and Corporate Governance Committee	Quarterly	<ul> <li>Oversees compliance risks related to KBR's governance structure and policies.</li> <li>Reviews the implementation of human capital development and its associated risks.</li> </ul>	Reviews succession plans and management development programs for senior executives for business continuity.
Sustainability, Technology and Cybersecurity Committee	Quarterly	<ul> <li>Oversees KBR's activities in managing its major risk exposures within sustainability and corporate responsibility.</li> <li>Receives periodic reports from KBR's Global Sustainability Committee related to these risk exposures and KBR's efforts to mitigate the potential risks.</li> <li>Oversees climate risk and its financial impacts in line with the IFRS SI and S2.</li> </ul>	<ul> <li>Oversees KBR's information technology systems (e.g., processes, policies, controls and procedures) to:         <ul> <li>Identify, assess and manage risks related to cybersecurity and data privacy</li> <li>Respond to and manage cybersecurity threats, including cybersecurity incidents</li> <li>Comply with legal and regulatory requirements governing data security and protection</li> </ul> </li> </ul>
Business Units	Multiple times a year	<ul> <li>Individual business units and projects continuously manage risks and opportunities using</li> </ul>	the ERM framework to provide real-time, risk-based data.



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#### **Board Risk Management Experience**

Risk oversight is a key responsibility of our board of directors, with risk discussions taking place throughout the year. Our board members have extensive experience in risk management:

- Our CEO previously held direct responsibility for risk management at his former employer, where he successfully integrated risk management processes across the enterprise at the project, country and group levels.
- Carlos Sabater joined the KBR Board of Directors in June 2021, bringing substantial expertise in risk management. During his leadership at Deloitte, he was primarily responsible for overseeing risk management of their audit practice, working closely with clients to address risk-related challenges. He also chaired Deloitte's Risk Management Board Committee.
- Gen. Lester Lyles' advisory roles and military service provided extensive risk management experience, including (1) overseeing the risk of space launches for the successful payload deployments for the military, (2) assessing the risk of NASA's missions in space, aeronautics and science as Chairman of the NASA Advisory Council, and (3) being responsible for the safety and success of 82,000 personnel as Commander of Air Force Materiel Command.
- Sir John Manzoni KCB, who joined our board in May 2022, brings risk management experience from previous roles, including (1) conducting detailed quantitative analysis of systems integrity in hydrocarbon systems during the U.K.'s transition to quantitative risk assessment for engineering specifications, (2) performing comprehensive risk assessments on process safety across downstream assets to minimize risks in hydrocarbon systems, and (3) introducing U.K.-based quantitative risk assessment into U.S. and international operations at a prior employer.
- Lt. Gen. Wendy Masiello's military service included significant risk management responsibilities, such as: (1) implementing operational risk management training and personal responsibility programs on a major Air Force base, and (2) leading and preparing the base as the emergency response commander.
- Jack Moore was accountable for global project risk and company-wide risk assessment and mitigation at his previous employer.

- Ann Pickard managed risk for major hydrocarbon projects at her prior employer.
- Joseph Dominguez, now president and CEO of Constellation Energy, also served as general counsel at Constellation and Exelon, overseeing legal, regulatory and operational risk.
- Nchacha Etta (appointed August 2024) is EVP and CFO of Omnicell and has had 25 years in global finance roles and M&A that inherently involve financial and strategic risk assessments. As a CFO, he was responsible for enterprisewide financial controls, IT systems and compliance, all key components of risk management.



INTRODUCTION

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## **Our Risk Management System**

We manage our risk profile via a rigorous, fully integrated enterprise risk management (ERM) framework based on the COSO guidelines and following the guiding principles of ISO 31000. This framework provides a consistent, auditable mechanism that empowers all employees to identify risks and opportunities while ensuring consistent and reliable data. It is also an effective tool for executive oversight of managing risks.

The framework is facilitated by our risk management team who reports to the general counsel. Additionally, the risk management officer reports directly to the board on all enterprise risks and respective action plans at least twice a year and is actively supported by the board and executive leadership team.

#### **CORPORATE FUNCTIONS**



By embedding ERM principles and practices in our culture, operations and strategic decisionmaking, we maintain a clear view of our risk landscape. This allows us to proactively mitigate risks, capitalize on opportunities, and create value and predictable outcomes. The KBR ERM framework comprises six continual phases:



#### **IDENTIFICATION**

of threats and opportunities, internal and external, to KBR's current and future business



#### **ASSESSMENT**

of the likelihood and impact of the identified threats and opportunities



#### **ANALYSIS**

and aggregation to produce a portfolio view of threats and opportunities



#### **MONITORING**

at the enterprise level; the risk landscape is reported at least quarterly to leadership and bi-annually to the board of directors



#### **MITIGATION**

plans developed by the risk owners, each with dedicated mitigation owners who certify progress



#### **EVALUATION**

of compliance with the **KBR ERM Framework** across the business

We apply all six phases to all material risks and opportunities, including sustainability and climate-related risks.



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#### **OUR KEY IMPACTS, RISKS AND OPPORTUNITIES**

As part of our ERM framework, we identify risks and opportunities across several categories, which are further subdivided for greater detail. This process underpins the risk factors disclosed in our 10-K Report and 10-Q filings. Please see some of our risk and opportunity categories below:

- **Business:** Risks and opportunities related to business functions, such as taxation, backlog, accounting, strategy, and mergers and acquisitions.
- Contractual: Risks stemming from individual contracts, the nature of contractual relationships, and potential economic opportunities.
- Project Delivery: Risks tied to our ability to successfully deliver projects, including execution plans, scheduling, scope definition, subcontracting and procurement strategies, as well as start-up and completion phases.
- Geopolitical: Risks associated with the geopolitical, social, legal, economic, and infrastructure stability of a region or country and the impact on KBR activities.

- Zero Harm: Risks and opportunities linked to sustainability, climate and HSSE affecting employees, customers, partners, suppliers, and the broader community in relation to KBR's social, environmental, and economic impacts and economic prosperity.
- Legal, Insurance and Compliance: Risks involving governance, compliance, insurance of KBR entities, and legal claims or disputes involving KBR.
- Climate and Sustainability: Risks and opportunities related to all aspects of sustainability with particular focus on climate. See page 69 of this report and our <u>Climate</u> <u>Transition Plan</u> for more detail. Human rights risks are also assessed via this process, in addition to due diligence reports at supplier and subcontractor level.
- People: Risks related to resource availability, skills and experience, harassment, discrimination, and cultural alignment, which affect KBR's capacity to deliver now and in the future. This also includes opportunities related to the hiring and retention of skilled employees who drive innovation and creativity with the agility to adapt to changing market conditions and customer preferences.
- **Supply Chain:** External risks arising from marketplace variability for goods and services, including economic impacts from KBR activities and opportunities stemming from supply chain diversity.
- **Information Technology:** Risks related to the digital aspects of operations, such as cybersecurity, availability of tools and systems, and data management.



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## **Sustainability Risk Management**

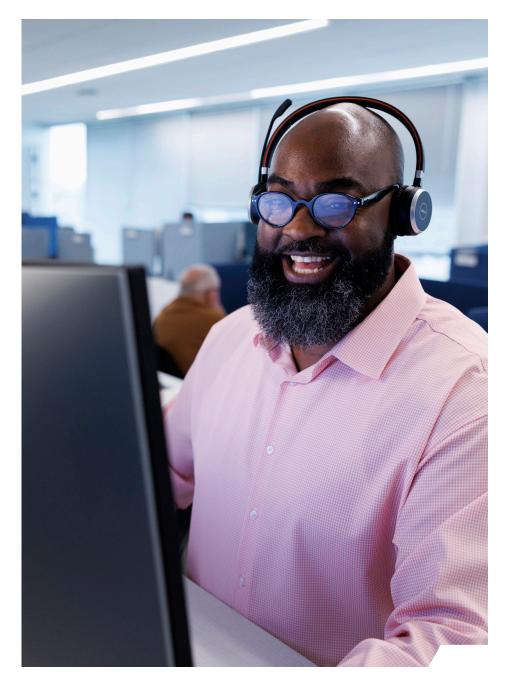
This framework is specifically applied to the management of operational and strategic sustainability risks and opportunities. Our sustainability, including climate, subject matter experts engage with stakeholders across our value chain to identify risks and opportunities. Once identified, appropriate owners are assigned to manage these risks within the framework. These owners are accountable for the ongoing management, development, implementation and coordination of action plans across the organization, and they are accountable for either enhancing opportunities or mitigating risks.

Sustainability performance indicators aligned with sustainability risks and opportunities are used in part for ongoing risk monitoring. The following are some examples of risks and opportunities actively managed by ERM:

- Climate risk
- Environmental impact
- Health, safety and security for employees, customers and communities
- Talent development and benefits being an employer of choice

- Total Inclusion progress
- Ethics and integrity
- Innovative and sustainable solutions
- Human and labor rights protection for the workforce and supply chain
- Data protection and our cybersecurity

To enhance our climate risk work, we developed a business-wide climate risk register that works synchronously with the Enterprise Risk workshops for the identification and management of climate risks associated with each business component. See our Climate Transition Plan for more details.





**APPENDIX** 

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## Sustainable Supply Chain

With tens of thousands of contractual relationships, building and maintaining a globally robust and sustainable supply chain is vital to our business success. Our goal is to create a sustainable and resilient future by collaborating with our partners to align our ambitions, achieve net-zero emissions, and promote sustainability through Zero Harm. We accomplish this through rigorous assessments and close collaboration to help our partners support key social and environmental impact goals, fostering an equitable supply chain.

#### SUSTAINABLE SUPPLY CHAIN STRATEGY

Our Sustainable Supply Chain Charter, sets out our strategy to support supplier awareness of sustainable procurement and establishes objectives, targets and a requirement for our suppliers to benchmark their sustainability. In alignment with our Procurement and Supply Chain Management Policy and Supplier Code of Conduct, the charter outlines the processes for integrating environmental, social and governance responsibilities, along with the support needed to achieve our strategic and business goals. An executive leader sponsors the charter, overseeing its implementation and helping to communicate our values and sustainability commitments throughout the supply chain via our Supplier Code of Conduct, Supplier Sustainability benchmarking, and contract review.

The goal of the charter is to engage our global supply chain and align our procurement practices to the 12 principles of

Sustainable Procurement across the seven core subjects outlined in ISO 20400.

These subjects include:

- Organizational governance
- Human rights
- Labor practices
- The environment
- Fair operating practices
- Consumer issues
- Community involvement and development

By adopting ISO 20400 guidance, we have established 42 key sustainable procurement performance indicators to monitor and manage our sustainability requirements.

> Our supply chain approach incorporates consideration from ISO 14001, ISO 9001, and ISO 27000 standards.



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#### SUSTAINABLE SUPPLY CHAIN GOVERNANCE

We maintain a robust governance framework for sustainable supply chain management, designed to uphold ethical standards, mitigate risk and align with our corporate sustainability commitments. This framework mirrors the governance structures we apply to other critical areas such as cybersecurity and health and safety.

#### **Board Oversight and Executive Accountability**

Corporate procurement and supply chain governance is overseen at the executive level with regular reporting by senior leadership to the board of directors.

Governance is managed through a cross-functional leadership model, with representatives from each business unit contributing to oversight, performance review and corrective action planning. The global supply chain and procurement team integrates a dedicated Sustainable Supply Chain function for alignment with international standards and drive progress toward global business and sustainability goals.

#### **SUPPLY CHAIN MANAGEMENT SYSTEM**

#### **Policies and Procedures**

Our <u>Procurement and Supply Chain Management Policy</u> and its supporting governance framework deliver a business-integrated, market-aware, sustainable and strategic sourcing function that requires us to comply with the following foundational principles:

- Fostering inclusive supplier relationships, promoting small businesses, diversity and social responsibility.
- Integrating sustainability and supporting the shift towards lowcarbon economies, clean energy, sustainable transport, green products and environmental stewardship.
- A commitment to comply with mindful business practices
  that uphold governance, corporate social responsibility and
  fiduciary responsibilities and that prevent insider trading,
  bribery, discrimination and conflicts of interest through strict
  adherence to the <u>Code of Business Conduct</u>, <u>KBR Supplier</u>
  Code of Conduct, <u>KBR Global Human Rights Policy</u>, <u>Trafficking in Persons Policy</u>, the <u>U.K. Modern Slavery Act</u> Statement filed
  by Kellogg Brown & Root Limited and <u>Australia Modern Slavery Act</u> Statement filed by Kellogg Brown & Root PTY LTD, and the
  KBR <u>Anti-corruption Compliance Program</u>.

- Sourcing responsibly and promoting environmental responsibility by supporting supply chain participants in making positive and lasting impacts on the people and communities from which they source.
- Minimizing potential risks by procuring goods and services from experienced, qualified, responsive, and/or approved vendors and subcontractors who demonstrate the highest levels of ethical integrity, financial health and stability, and who prioritize health and safety.

Our Supplier Code of Conduct (SCOC) outlines our expectations for suppliers, emphasizing the highest standards of personal and business ethics, as well as compliance with local and national laws

Key areas of compliance include, but are not limited to:

- Health, Safety and Environment
- Anti-corruption
- Anti-trust and Competition
- Non-discrimination and Anti-harassment
- Prohibition of Child Labor
- Forced Labor, Prison Labor and Trafficking in Persons
- Working Time, Minimum Living Wage and Fair Remuneration
- Freedom of Association and Collective Bargaining



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#### SUPPLY CHAIN RISK IDENTIFICATION AND **ASSESSMENT**

We proactively identify and manage sustainability risks within the supply chain. These risks are formally recorded in the company's risk register under the category "Failure to deliver a sustainable supply chain." This encompasses risks such as inadequate sustainability benchmarking, lack of awareness or understanding of sustainability obligations, non-compliance with legislation, and failure to uphold responsibilities related to human rights in supplier contracts.

The overarching risk is that suppliers may breach regulatory requirements or fail to adopt, at a minimum, the same standards that KBR applies to its own business practices as set out in our policies and procedures.



#### Sustainability Benchmarking

As part of our Sustainable Supply Chain agenda, suppliers are required to benchmark their sustainability efforts during onboarding using recognized third-party supplier management tools and the KBR Supplier Portal Sustainability Questionnaire. These tools are tailored to different stages of the sustainability journey. Some involve evidence-based submissions subject to audit, while others offer self-assessment formats suitable for both emerging and mature sustainability practices.

Our approach prioritizes large, high-spend suppliers in carbonintensive or high-risk sectors and incorporates risk-based assessments to guide engagement. Additionally, suppliers are benchmarked against 42 KPIs, aligning with the seven core subjects of ISO 20400, covering social, environmental and governance criteria as outlined on page 89.

Supplier participation in sustainability benchmarking is growing, with 27% benchmarking in 2024 and targets set to increase engagement over time.

Low scores across KPIs, questions, and core subjects signal significant impacts and trigger targeted support.

#### **Supplier Capacity-building**

To drive improvement in sustainability performance and benchmarking, we provide training resources and guidance for companies with the lowest-performing KPIs via the KBR Supplier Sustainability website pages. Benchmarking scores are shared with procurement leads and monitored monthly through dashboard reporting, enabling visibility and action on underperforming suppliers.

In addition, our supplier portal (KBRS) integrates cybersecurity vetting into the screening process. Supplier activities are categorized by information risk, and appropriate mitigation strategies are applied based on each supplier's risk profile.

#### **Supply Chain Monitoring**

We ask 100% of our suppliers to acknowledge they have read, understood and agree to conform to the KBR Supplier Code of Conduct as part of their onboarding and vetting process. They must sign and upload their confirmation of adherence to KBRSupplier portal. In addition, a supplier performance evaluation is undertaken periodically to ascertain conformance to KBR requirements either via audit or virtual assessment. In 2024, 2,828 of our suppliers uploaded agreements to the system. Additionally, each business unit uses a vetting template tailored to its specific project needs.





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#### **Supplier Audits**

Supply partner audits and assessments are scheduled based on the assigned risk level of their service type, spend value and purchase category. Suppliers meeting specific criteria are evaluated for workplace safety and environmental protection, with an initial audit conducted during the first inspection visit. If any significant issues are identified, further audits may be initiated based on the severity of the findings.

Additional random sampling may be required to guide appropriate sample sizes for annual audits. Unscheduled audits may also be conducted if findings, reports or emerging issues warrant further investigation.

We carry out risk-based modern slavery audits and assessments for direct contractors across all business units and corporate functions. Suppliers must complete modern slavery training and an assessment questionnaire. After findings are reviewed, any nonconformances are addressed with the suppliers, and actions are taken to mitigate risks based on the severity of the issues identified.

#### On-site and In-person Audits

In 2024, we introduced in-person audits of suppliers in key regions and identified additional suppliers and subcontractors for follow-up auditing. We continue tracking audit outcomes, manage the findings and implement KPIs to measure our progress in addressing key issues, such as modern slavery, within our operations and across our supply chain.

#### **Supplier Conformance Procedures**

Our Global Procurement Corrective Action team meets regularly to assess and address supplier underperformance. This team monitors and reports on issues such as health and safety, environmental management, information security, anticorruption, cybersecurity, and other nonconformities related to our ISO certifications and Supplier Code of Conduct.

Suppliers with a Supplier Performance Evaluation (SPE) score of 50% or below are assessed for possible placement on a watch list. If issues persist, supply chain leads may escalate the supplier to an "Unapproved List," which requires approval before awarding new contracts.

Our KBRSupplier tool automatically alerts supply chain leadership when a request for quote is issued to a poorperforming supplier. Audit statistics are tracked and reported to support continuous improvement and effective management of nonconformance.

Supplier performance updates are regularly shared across all procurement departments. Annual internal training on the Supplier Code of Conduct so that all employees remain aware of the requirements.

#### **Environmental Conformance**

Our Global Procurement and Supply Chain Management Policy requires us to manage risk by sourcing from experienced, qualified and approved vendors who meet both our environmental standards and those of our customers.

To strengthen environmental accountability, we include clauses for carbon reduction and reporting in supplier contracts, especially in areas like real estate and travel. Where relevant, we also promote low-carbon technologies, energy-efficient solutions and building performance standards such as LEED certification.

Each year, we invite a targeted group of suppliers to disclose their carbon emissions through CDP, helping us improve the accuracy of our scope 3 emissions reporting. Suppliers are selected based on their industry relevance, allowing us to focus on sectors with the greatest environmental impact.



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#### ENVIRONMENTAL CONFORMANCE AND BENCHMARKING

Our Sustainable Supply Chain program supports supplier engagement through benchmarking, contract requirements, carbon data collection, training workshops and environmental stewardship initiatives. Climate mitigation and adaptation are embedded in the procurement KPls, and our sustainability questionnaire covers carbon reporting, climate action, target setting and alignment with science-based net-zero targets.

To reduce product-related environmental risks, we restrict items flagged by clients, project teams or our sustainability team. Preferred alternatives are selected based on sustainable credentials such as carbon neutrality, ethical certifications or recognized environmental standards.

We comply with environmental regulations through regular audits and inspections. Monthly inspections track adherence to standards, while audits are scheduled based on project risk and performance. Annual management reviews align with ISO 14001 environmental management plans, driving continuous improvement.

We also require reporting on waste, water, natural resource use, biodiversity protection, energy efficiency and sustainable travel. All suppliers working on our projects must follow our Environmental Management System, aligned with ISO 14001 certification, which includes legal compliance, environmental protection and operational controls.

See Environmental Stewardship for more information.



#### Cybersecurity Conformance and Suppliers

We have formally integrated cybersecurity risk into our procurement processes. An early milestone was the inclusion of data protection and cyber incident notification clauses in our nondisclosure and teaming agreement templates.

We designed a customized supplier cyber risk assessment and identification process, focusing on identifying and evaluating cyber risks. This process, implemented in 2024, strengthens our ability to assess and manage cybersecurity risks across our supply chain. Refer to Supplier and Third-party Cyber Risk Management.





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## Human Rights, Labor Rights and Modern-day Slavery in the Supply Chain

Human rights are a key concern for our business. Specific subcontractors, including those in high-risk countries, are the focus of enhanced due diligence efforts to mitigate risks related to human rights abuses in our supply chain. Our human rights vulnerabilities are assessed at executive leadership level as part of KBR Enterprise Risk Management Process.

Our Global Human Rights policy states that we promote human rights as set by the U.N. Guiding Principles on Business and Human Rights and are guided by the principles encompassed by the U.N. Declaration of Human Rights including those contained within the International Bill of Rights and the ILO 1998 Declaration on Fundamental Principles and the Rights at work.

The policy applies to our subcontractors, vendors, independent contracts and business partners, along with our lower-tiered subcontractors and suppliers, to uphold these principles and encourage them to adopt similar policies within their own supply chain.

Additionally, our Trafficking in Person policy is a zero-tolerance policy towards all forms of trafficking in persons and forced labor by employees, subcontractors or their employees. Noncompliance with this policy results in strict disciplinary action. We also conduct reviews and issue a Modern Slavery Act Statement in the U.K. and Australia in conformance with applicable law.

The treatment of foreign, low-skilled employees working for KBR and KBR subcontractors in host countries is a key priority addressed through our CTIP and Modern Slavery Act (MSA) programs. For risk mitigation in high-risk areas and projects, we conduct:

- Restricted party screening on subcontractors and vendors makes sure that KBR is doing business with entities that are not flagged for designated human rights abuses or other watchlists/sanctions.
- Additional due diligence on certain business partners, including reviewing any derogatory information concerning human rights abuses.
- Detailed prequalification checks, due diligence, conduct monitoring, evaluation and compliance in line with the U.S. government's Federal Acquisitions Regulation and MSAs.
- Audits and inspections of subcontractors that include selecting interviews and surveys of subcontractor employees, housing inspections and prevailing wage reviews.
- Supplier performance evaluations, used to document subcontractor and supplier adherence to contractual requirements, including combating trafficking in persons and certifying knowledge of child labor practices.

- Site inspection of accommodation of KBR direct hires and subcontractors if KBR/client provides housing.
- Employee interviews of KBR direct hires and subcontractors, predominantly face to face (may be virtual if required), with translator if necessary.
- Additional random sampling, which provides guidance on thresholds of sample population for the annual audits
- Unscheduled audits dictated by audit findings/reports/ issues arising.
- Contractor audit findings are recorded in the Audit and Corrective Action Tracking System (ACATS) within the quality system; outcomes are confirmed to the subcontractor and tracked to resolution.
- All findings are collated and reviewed annually by the Quality team to assess and evaluate continual improvement of the procedure and management of modern slavery issues.



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Our Mission Technology Solutions business performs the following activities for U.S. government contracts:

- Flows down the CTIP Federal Acquisition Regulation Clause 52.222-50 to all suppliers and subcontractors supporting U.S. federal government contract.
- Provides CTIP general awareness training to on-site subcontractor employees.
- Posts CTIP posters in the subcontract employees' native language.
- For subcontracts equal to or greater than \$550,000, our business requires the subcontractor to submit for review and approval a CTIP compliance plan and provide additional CTIP employee training.
- For subcontracts equal to or greater than \$550,000, our Quality team performs CTIP
  employee contract reviews and housing inspections on select employee housing
  provided by the subcontractor. During the inspection, our Quality team checks that
  housing safety and hygiene complies with country codes and requirements and issues a
  report for noncompliance.
- Where CTIP violations are exposed, the concerns are elevated to our Legal team for review, investigation and determination. Depending on the outcome of the investigation, local and federal law enforcement are notified and corrective actions are taken.

#### In 2024 we:

- Implemented a strategic plan for conducting physical inspections of subcontractors and project sites including checks on housing and passports, as well as employee treatment interviews to identify any violations. As part of these interviews, employees are asked a series of questions specific to recruiting to determine if CTIP/MSA violations have occurred.
- Continued rollout of the modern slavery program, with regular reviews and updates to our processes and procedures for combating human trafficking and modern slavery.
- Continued to review and enhance our processes for selecting and appointing supply chain
  providers to strengthen our systems by including safeguards that protect less-skilled workers,
  particularly those engaged in overseas locations.
- Conducted further internal reviews so that our systems include appropriate measures to safeguard supply chain workers.
- Provided and regularly updated training materials for all employees and key suppliers on modern slavery and trafficking in persons and informed them to report any concerns to the ethics hotline.



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#### Fair Operating Practices, Consumer Issues and Community Engagement

In our contracts and supplier reviews, we promote ethical conduct and address requirements for the management of bribery, corruption and all types of discrimination. We have a clearly defined complaint mechanism to enable suppliers to raise concerns. We take consumer protection and cybersecurity very seriously. Our KBR Ethics Hotline enables suppliers and employees to ask questions, report an incident and review progress of complaints made.

Delivering the highest-quality solutions requires our suppliers to abide by a higher set of standards and regulations.

Our Supplier Code of Conduct clearly outlines our expectations, including full compliance with the U.S. Foreign Corrupt Practices Act and other applicable anti-corruption laws.

#### **Vendor Compliance Procedures**

To reinforce this, our Vendor Compliance in Procurement and Subcontracting Procedure mandates specific language in purchase orders (POs) based on value thresholds.

For POs over a certain threshold, suppliers and subcontractors must confirm their understanding of and strict compliance with all provisions of the code. They must also ensure that all members of their supply group, across all tiers, comply with the code. Any breach is considered a material violation subject to immediate contract termination and further legal remedies.

Additionally, before awarding any contract exceeding the threshold, buyers are required to verify that the supplier has signed the Supplier Code of Conduct. This signed document must be stored in the KBRSupplier portal.

These measures are designed to uphold integrity across our supply chain so all suppliers operate in accordance with our anti-corruption standards.



Through our Supplier Code of Conduct, we require all suppliers and subcontractors to comply with our Code of Business Conduct. International business partners must agree to abide by KBR's Code of Business Conduct or the equivalent (in the event their code is substantially similar).

See Business Integrity for more details.





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#### **Our Supply Chain and Total Inclusion**

Fostering inclusivity within our supply chain is a priority. Our procurement and supply chain policy mandates the development of inclusive supplier relationships that support small businesses and that champion diversity and economic inclusion. Additionally, our global Sustainable Supply Chain Charter provides a framework for creating an inclusive supply chain.

Our Mission Technology Solutions small business program actively tracks the engagement of small and diverse businesses aligning with the U.S. government's policy to maximize opportunities for Small Business Concerns (SBCs). We prioritize the success of SBCs, especially those owned by socially and economically disadvantaged individuals, by fostering a culture of collaboration, transparency and mutual respect. This program is a core part of our management approach, focused on developing SBC subcontractor relationships while ensuring strong contract performance.

Our small business program fully complies with public laws, the FAR and all related regulations governing subcontracting with SBCs. KBR prepares individual subcontracting plans for our government customers in line with FAR Clause 52.219-9, Small Business Subcontracting Plan, and FAR Part 19.7, Small Business Programs, including the specific requirements outlined in FAR 19.704 and FAR 19.702.

For more information on our small business program and SBC spend, please see Appendix page IX.

#### **CERTIFICATIONS**

Certifications that cover KBR Suppliers include:

- ISO 9001:2015 Quality management systems
- ISO 14001:2015 Environmental management systems
- ISO 45001:2018 Occupational health and safety management systems

Certifications that extend to specific sites, regions or projects where relevant:

- ISO 55001:2014 Asset management
- ISO 27000 Information Security
- ISO 17025:2017 General requirements for the competence of testing and calibration laboratories
- AS9100D Quality Management Systems Requirements for Aviation, Space, and Defence Organizations



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#### **TRAINING**

#### **KBR Procurement team training**

All employees are required to complete Code of Business Conduct training annually. This includes procurement, procurement and materials, procurement logistics, and supply chain employees. This training is augmented by additional training on specialist sustainable procurement topics, regularly introduced to maintain awareness and help the entire Procurement team stay up to date with changing regulations and best practice.

Procurement training covers our seven core sustainable procurement principles, which is undertaken by our supply chain teams.

#### **Supplier Training**

To manage supplier-related sustainability risks, we provide targeted training resources and guidance for the lowest-performing KPls via the Supplier Sustainability pages. These sessions are part of our supplier capacity-building efforts and can be easily accessed via the sustainability pages of the KBR Supplier portal. The portal also enables suppliers to access supplier information, including fact sheets, and track their training progress and reporting.

#### SUSTAINABLE SUPPLY CHAIN AWARDS

The KBR Sustainable Supplier Awards are open to all KBR suppliers that can demonstrate supply chain sustainability (sourced directly and on behalf of our clients) related to any of KBR's 42 sustainable supply chain KPls. The KBR Sustainable Supply Chain Supplier Awards aim to:

- Encourage suppliers to embed sustainability throughout their supply chain
- Raise awareness of supply chain sustainability
- Help promote positive action toward sustainability innovation and managing or minimizing supply chain risk

#### **KBR STORIES**

# 2024 KBR Sustainable Supply Chain Winners

#### 2024 Collaborator Award – R & M Electrical

R & M Electrical received the Collaborator Award for advancing eco-friendly solutions through supply chain innovation and strong social responsibility practices, helping to reduce environmental impacts on a global scale.

2024 Leader Award – Inchcape Shipping Services Inchcape Shipping Services earned the Leader Award by embedding Sustainability principles into their corporate strategy. Their efforts include assessing climate-related risks, enhancing sustainability performance with EcoVadis, and aligning their

2024 Engager Award – IHG Hotels & Resorts

approach with ISO standards and the U.N.

Sustainable Development Goals.

IHG Hotels & Resorts were recognized with the Engager Award for their Journey to Tomorrow sustainability program, which drives renewable energy adoption and integrates climate-risk initiatives across their operations.

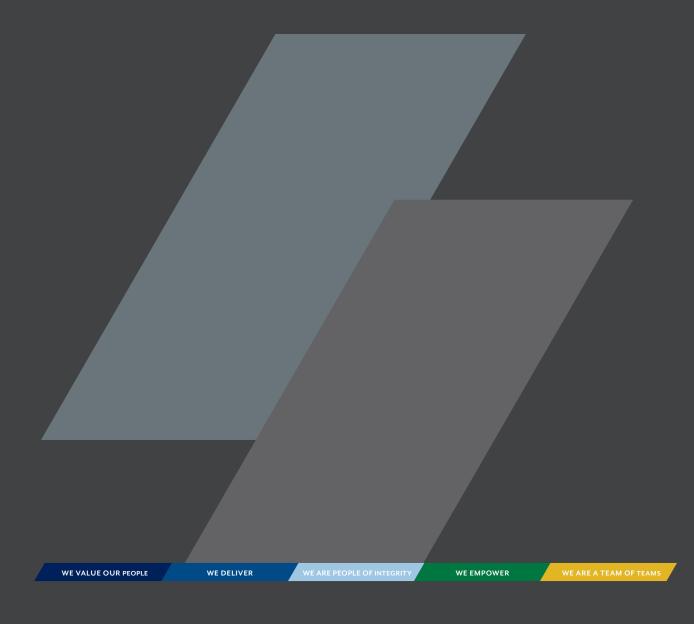




# Appendix

## IN THIS SECTION

2024 Data Index	II
TCFD Index	XI
VRF SASB Primary Sector Index	XII
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Abbreviations	XX





#### **2024 DATA INDEX**

ABOUT KBR				
		2022	2023	2024
Number of employees*		30,166	32,309	38,000
Revenue		\$6.6B	\$7.0B	\$7.7B
Total global tax paid		\$187.7M	\$160.1M	\$292.6M
Total global salaries paid		\$2.5B	\$2.5B	\$2.9B
	Total Awarded Pay	12,617,035	12,659,920	12,556,945
CEO compensation	Total Realized Pay	15,027,720	15,216,015	10,917,852
Awards	Awards Recognitions and ONE KBR award			

<sup>\*</sup>Employees + contingent workers

PEOPLE - BELONG					
Workforce Demographics	Please see <u>2024 Workforce Demographics Report</u> for more information				
Employee race and ethnicity EE01 information	Please click on the dates for full <u>2021</u> , <u>2022</u> and <u>2023</u> and <u>2024</u> EE01 data including job categories.  These statistics are for U.S. only				
Workplace Gender Equality Act (Australia)	Workplace Gender Equality Agency (WGEA) is an Australian Government Statutory agency that promotes and improves workplace gender equality and administers the Workplace Gender Equality Act 2012).  In accordance with the requirements of the Act, KBR Australia lodged its annual public report with the agency on 2nd June 2025. The public reports include the 2024-2025 Public WGEA Report - Employee data tables and 2024-2025 Public WGEA Report - Questionnaire				
Total inclusion policy and management	Total Inclusion				
Total inclusion programs	Equal Opportunities for All				
Anti-discrimination controversies	No significant controversies relating to an	ti-discrimination	1		
Annual employee turnover (voluntary)	<b>2022</b> 19%	<b>2023</b>	<b>2024</b>		
Internal hiring rate	-	12%	12%		





2024 Data Index / TCFD Index / VRF SASB Primary Sector Index / U.N. SDG Index / Abbreviations

PEOPLE – GROW			
Percentage of eligible	2022	2023	2024
employees that receive regular performance appraisals and feedback processes*	100%	100%	100%
Succession planning candidates	319	471	246
Total employee training hours	117,973**	147,810	148,381***
Average hours of training per employee***	4.00	4.35	4
Percentage of employees receiving training	100%	100%	100%
Percentage of employees participated in career development training**	87%	98%	91%
Training and development expenditure	\$9.7M	\$11.9M	\$16.2M
Educational reimburse- ment and support		onal Reimbursement and ational Institution Partne	
Job-specific development training programs	Job-Specific and Tech	nical Skills; <u>Educational l</u>	nstitution Partnerships
Formal talent pipeline strategy	Formal Talent Pipeline Develo <u>Educational Institution P</u>		
Graduate traineeships and apprenticeships	Talent Development Programs; <u>Educational Institution Partnerships</u>		
Educational institution partnerships	Educ	ational Institution Partne	<u>rships</u>

PEOPLE - CONNECT				
Non-material pay benefits	Benefits			
Employees eligible for employee stock ownership plan	Employee Stock Purchasing Program 24,684 employees eligible for the ESOP			
Our grievance reporting and escalation procedures	Grievance Reporting and Escalation Procedures			
	2022	2023	2024	
Annual employee engagement	64%	65%	73%	

PEOPLE – HUMAN AND LABOR RIGHTS	
Our Global Human Rights Policy	Protecting Human Rights; Global Human Rights Policy
Human Rights Controversies	No significant controversies relating to human rights
Minimum PTO for U.S. employees (including sick leave)	17 days  MTS in the U.S. offers sick leave to part-time employees working less than 20 hours.
Paid parental leave (incl. maternity, paternity or secondary caregiver leave)	In the U.S. we provide four (4) weeks of paid parental leave
Compliance to the U.S. department of labor wage and hour	We comply with Worker Rights under executive order 13658.  We post applicable Department of Labor Wage and Hour Division employee rights on our employment page on  www.kbr.com
Freedom of association controversies	No significant controversies relating to freedom of association
Extra/atypical working hours	Global Human Rights Policy

 $<sup>^{*}</sup>$  Eligible employees for performance management cycle include regular, expatriate project, and expatriate non-project employees; this program does not include project and temporary hires, union, affiliate and limited company employees. \*\* Online Workday training only. \*\*\* Online Workday and Percipio training only.



INTRODUCTION

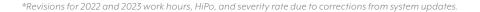
PLANET



2024 Data Index / TCFD Index / VRF SASB Primary Sector Index / U.N. SDG Index / Abbreviations

PEOPLE - HEALTH, SAFET	TY AND SECURITY			
		2022	2023	2024
Work hours	Total global work hours	80,880,136	90,143,725	91,876,108
	Global	0.079	0.067	0.050
Total recordable incident rate*	Employee	0.076	0.043	0.052
	Contractor	0.095	0.151	0.043
	Global	0.054	0.047	0.063
High potential incident rate*	Employee	0.016	0.009	0.011
	Contractor	0.021	0.010	0.011
	Global	0	0	0
Fatality incident rate	Employee	0	0	0
	Contractor	0	0	0
	Global	0.020	0.007	0.011
Lost time incident rate*	Employee	0.026	0.003	0.008
	Contractor	0.000	0.020	0.022
Severity rate	Global severity rate	0.959	0.217	0.283
Crisis incidents	Number of crisis incidents	426	535	500
Medical cases	Number of medical cases	18	23	17
Lost time cases	Number of lost time cases	8	3	5
Restricted work cases	Restricted work cases	6	4	1
Lost days	Number of lost days due to accidents, fatalities or illnes	•	130 days	

Health and Safety Management systems  Health and Safety Management System	
Health and Safety policy and targets	Our Zero Harm Commitment and our <u>HSSE Policy</u> on our approach to HSSE for employees and contractors
HSSE audits	Frameworks and Certifications and Promotion, Training and Awareness of Safe Work Practices
	Our Global Occupational Safety Standards Manual includes sections outlining procedures for contractors and subcontractors including the HSSE Management of Contractors. Our Gated HSSE Process supports all projects at all stages of operation executed by KBR, incorporate KBR's Integrated Management System. These procedures cover selection and confirmation of contractor and subcontractor competency to ensure that any contractor engaged by or on behalf of KBR's global operations is duly approved and monitored, and has conducted a comprehensive risk analysis of the assigned task.
	Objectives include:
Integration of contractors and subcontractors	<ol> <li>Reviewing contractors' Health and Safety programs and performance records during pre-qualification and selection process by KBR. (Note: contractor HSE program must meet or exceed KBR's minimum standards.)</li> </ol>
	2. Defining and communicating contractor performance requirements, including protocols for self-monitoring and stewardship.
	<ol> <li>Assessing contractors' performance and rectifying identified deficiencies.</li> <li>Outstanding performance is duly acknowledged, while underperformers are subject to potential disqualification.</li> </ol>
	4. Ensuring contractors maintain records to verify that their employees receive verified health and safety training and induction, possess the skills to safely execute their duties, and possess a thorough understanding of facility regulations, procedures, and work methodologies in line with KBR's HSSE policies and procedures.
HSSE Controversies	No significant controversies in 2024 relating to heath and safety





Our Data

**Privacy Policy** 

2024 Data Index / TCFD Index / VRF SASB Primary Sector Index / U.N. SDG Index / Abbreviations

PEOPLE - CYBERSECURITY AND DA	PEOPLE - CYBERSECURITY AND DATA PRIVACY				
Data breach and incident response	Cybersecurity and Data Privacy and <u>Data Privacy Policy</u>				
Access control and protection of personal/sensitive data	Information Security Management System and <a href="Data Privacy Policy">Data Privacy Policy</a>				
Handling of personal data by third parties	Outsourced and Third-party Processing and <u>Data Privacy Policy</u>				
Data collection and retention	Data Minimization and Retention and <u>Data Privacy Policy</u>				
Cybersecurity and data privacy audits	<ul> <li>Cybersecurity and Data Privacy</li> <li>External Cybersecurity Audits in 2024:</li> <li>ISO 27001:2022 – re-certification audit – KBR global operations (Q4 2024)</li> <li>ISO 20000 – re-certification audit – KBR global operations (Q4 2024)</li> <li>Cyber Essentials External Assessment (Q3 2024)</li> <li>Cyber Essentials Plus External Assessment (Q3 2024)</li> <li>Cybersecurity Vulnerability &amp; Penetration Testing External Assessment (Q4 2024)</li> <li>Internal Cybersecurity Audits in 2024:</li> <li>ISO 27001:2022 internal readiness assessment (Q2 2024)</li> <li>ISO 20000 internal assessment (Q2 2024)</li> <li>NIST SP 800-171 Self-Assessment (Q3 2024)</li> </ul>				

Below is a comprehensive list of our policies and procedures:

- Data Privacy Policy
- Enterprise Information Security Policy
- Critical Assets Management Policy
- Insider Threat Policy
- Information Technology Acceptable Use Policy
- Social Media Policy
- Data/Document Classification and Management of Proprietary Information Procedure
- Information Technology Print Device and Usage Policy
- Clear Screen and Clear Desk Procedure
- Portable Storage Device Authorization Procedure
- IT Major Security Incident Response Procedure
- Disaster Recovery and Backup Procedure
- Security Access and User Account Management Procedure
- IT Global Backup Retention Procedure
- IT Global Password Standard Procedure
- Acquisition, Delivery and Use of Computer Hardware, Software and Other **IT Services Procedure**
- Bring Your Own Device Procedure
- Invention Disclosures and Patent Applications
- European Union (EU) U.S. Privacy Shield Procedure
- System Security Plan
- Employee Personal Data Management
- Export Compliance Manual





Percentage of company certified to recognized standards	100% of the company is certified to ISO:27001 or by other widely recognized standards. However, 100% of the company adheres to our global policies and procedures as required by these standards.
Cybersecurity and data privacy training	Annual cybersecurity awareness training is provided to all employees, new hires and contractors.
Cybersecurity and data privacy certifications	Framework and Certifications
Enhancements for the protection of our business information	Recent Enhancements
Data Security Investments	\$12.79M
	Employees, contractors and applicants:
Types of user data information collected by KBR	<ul> <li>Names, contact information and information required for legal purposes</li> </ul>
	Website visitors, agents / employees of third parties (i.e. customers and vendors):
	<ul> <li>Names, email addresses, other basic contact information for purposes of business communications</li> </ul>
	We do not use company-held customer data for advertising purposes.

	No significant cybersecurity matters of concern from outside parties, to include regulatory bodies
	No significant identified impacts (0%) to company or customer confidential business information or personally identifiable information nor business impacts or reportable material incidents relating to cybersecurity data breaches, leaks, thefts or losses
In 2024, there were:	No significant law enforcement requests for user information.
	No significant monetary losses due to legal proceedings based on user data privacy.
	No controversies related to data protection and information security
	No (0) material data incidents and customer complaints
	No fines related to general protection regulation



VII

**APPENDIX** GOVERNANCE



2024 Data Index / TCFD Index / VRF SASB Primary Sector Index / U.N. SDG Index / Abbreviations

PLANET	
Our sustainability- focused revenue	Please see our Sustainability-focused Revenue for more information
Our investment in clean technology	Delivering Sustainability
Our carbon reduction plans, programs and actions	Our Climate Transition Plan
Our use of low- carbon emission alternatives	<u>Delivering Sustainability</u> ; Our Climate Transition Plan
Total energy consumption from non-renewable sources	Electricity: 53,526,000 kWh (93%) Heating: 17,106,000 kWh (100%)
Total energy consumption from renewable sources*	Electricity: 4,075,000 kWh (7%) Heating: 0 (0%)
Total electrical power consumption	57,601,000 kWh
Energy intensity ratio	15.9 kWh/sq ft

Our energy efficiency programs	Our Climate Transition Plan			
Our environmental management system and certifications	Environmental Stewards	ship		
Total recycled waste	2,734 tonnes  KBR collected waste generation data from 22 locations. Along with the weight of waste generated, each location reported on the average number of employees present on a given day. These data points were collectively used to establish a weight of waste per employee per working day for each waste category. This average ratio was then extrapolated across KBR's facility headcount.			
	average ratio was then extrapolat	ed across NBR s racility fiet		
Total non- recycled waste	4,188 tonnes  KBR collected waste generation do location reported on the average r collectively used to establish a weig average ratio was then extrapolate	ata from 22 locations. Alon number of employees pres ght of waste per employee	g with the weight of waste g ent on a given day. These do e per working day for each w	ata points were
	4,188 tonnes  KBR collected waste generation do location reported on the average recollectively used to establish a weight	ata from 22 locations. Alon number of employees pres ght of waste per employee	g with the weight of waste g ent on a given day. These do e per working day for each w	ata points were
	4,188 tonnes  KBR collected waste generation do location reported on the average recollectively used to establish a weight	nta from 22 locations. Alon number of employees pres ght of waste per employee ed across KBR's facility hed	g with the weight of waste g ent on a given day. These do e per working day for each w adcount.	ata points were vaste category. This
recycled waste  Our corporate	4,188 tonnes  KBR collected waste generation do location reported on the average recollectively used to establish a weig average ratio was then extrapolate	ata from 22 locations. Alon number of employees pres ght of waste per employee ed across KBR's facility hed 2022	g with the weight of waste g ent on a given day. These do e per working day for each w dcount. 2023	ata points were vaste category. This
	4,188 tonnes  KBR collected waste generation do location reported on the average recollectively used to establish a weig average ratio was then extrapolate.  Scope 1	ata from 22 locations. Alon number of employees pres ght of waste per employee ed across KBR's facility hed 2022 8,601	g with the weight of waste g ent on a given day. These do per working day for each w idcount. 2023 5,746	ata points were vaste category. This  2024  5,145





GOVERNANCE

GOVERNANCE - OUR BOARD	
Percentage of independent board members	90%
Independent board members ratio	90
Our board and committees	For more information on our board, board committees and scheduling, please refer to our Proxy statement.  KBR does not have a Management Engagement Committee of the Board of Directors. KBR's board does a substantial portion of its analysis and work with five standing committees, each of which are composed entirely of independent directors. See our KBR 2024 Proxy Statement for more information on the five standing committees.
Women in board leadership roles	Lynn Dugle, Wendy Masiello and Ann Pickard. See our <u>Proxy</u> <u>Statement</u> for more information
Climate-related board competencies and responsibilities	See our <u>Proxy Statement</u> for more information
Board environmental and social Management	See our <u>Proxy Statement</u> and <u>Sustainability, Technology and</u> <u>Cybersecurity Committee Charter</u>
Board nomination and selection	See our Proxy Statement for more information
Board conflicts of interest	See our <u>Proxy Statement</u> for more information
Board communications	See our <u>Proxy Statement</u> for more information
Board performance	See our <u>Proxy Statement</u> for more information
Board delegation	See our <u>Proxy Statement</u> for more information
Shareholder resolution	See our <u>Proxy Statement</u> for more information

Shareholder participation	See our Proxy Statement for more information
Shareholder voting rights	See our Proxy Statement for more information
Supply chain subcontractor audits	See our <u>Proxy Statement</u> for more information

GOVERNANCE - BUSINESS INTEGRITY	
Our Code of Business Conduct	Our Code of Business Conduct and <u>Code of Business Conduct policy</u>
Our Anti-corruption Compliance Program	Anti-Corruption Compliance Program
Employee training on ethical standards	All of our employees (both full- and part -time, directors and contract employees) are required to complete compulsory annual ethics training. Please see our <u>Code of Business Conduct</u> and <u>Transparency</u> , <u>Awareness and Oversight sections for more information</u> .
Whistleblower protection	Grievance, Ethics Reporting and Whistleblower Program; Freedom from Retaliation
Gifts and/or entertainment	See our <u>COBC</u> for more information
Prohibition of bribery and facilitated payments	See our <u>COBC</u> for more information
Audits for business integrity	Transparency, Awareness and Oversight and Policies, Procedures and Guidelines for Proper Requisitions, Commitments, Payments and Record Keeping
Political Contributions	See KBR, INC. PAC



GOVERNANCE – ENTERPRISE RISK MANAGEMENT	
Governmental contracts revenue	Enterprise Risk Management
Our enterprise risk management processes	Enterprise Risk Management
Our sustainability risk management	Sustainability and Climate Risk Management
Our climate change risk	Our Climate Transition Plan
Our board and risk oversight	Risk Governance

GOVERNANCE – SUSTAINABLE SUPPLY CHAIN	
Our supply chain management*	Sustainable Supply Chain, Supplier Code of Conduct, Global Human Rights and Trafficking in Persons policies  Freedom of association Collective bargaining Working hours, minimum living wages, acceptable living conditions and maximum working hours Child labour, forced labour, human trafficking and slavery Environmental standards.
Our Supplier Code of Conduct	Supplier Code of Conduct

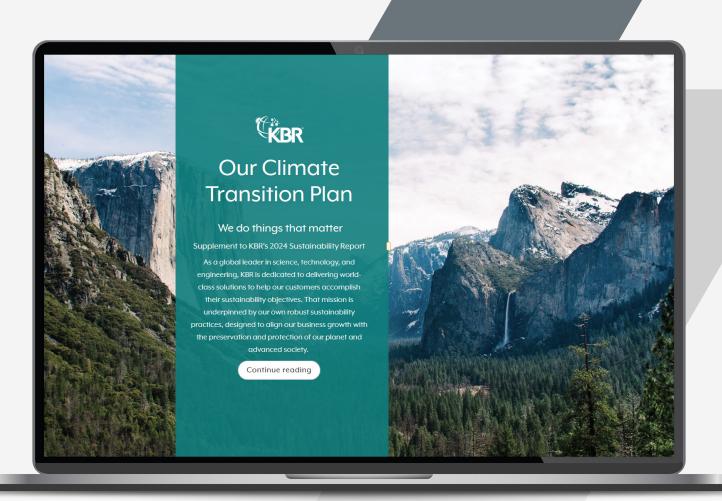
Our supply chain and human rights	Human Rights, Labor Rights and Modern Day Slavery
Supply chain subcontractor audits	Human Rights, Labor Rights and Modern Day Slavery
Percentage of suppliers signed to the supplier code of conduct	100%
U.S. Small Business Program	All references to SBCs are inclusive of:  Small businesses (SB)  Small disadvantaged businesses (SDB) (including Alaska Native Corporations (ANCs) and Indian Tribes)  Historically Black colleges and universities/minority institutions (HBCU/MI)  Women-owned small businesses (WOSB)  Veteran-owned small businesses (VOSB)  Service-disabled veteran-owned small business (SDVOSB)  Historically underutilized business zone (HUBZone) small businesses.  All references to other than small business (OTSB) shall include businesses certifying as large, non-profit, or foreign business concerns.



<sup>\*</sup>Small business spend includes others, such as HUBZone, service disabled, Alaska Native, etc.

## **Taskforce On Climate-Related** Financial Disclosures (TCFD) Report

For more information on our TCFD disclosure, please see Our Climate Transition Plan.





2024 Data Index / TCFD Index / **VRF SASB Primary Sector Index** / U.N. SDG Index / Abbreviations

#### VALUE REPORTING FOUNDATION - SUSTAINABLE ACCOUNTING STANDARDS BOARD PRIMARY SECTOR REPORT

TOPIC	ACCOUNTING METRIC	CODE	DISCLOSURE INFORMATION					
SASB - Professional and	SASB - Professional and Commercial Services							
	Description of approach to identifying and addressing data security risks	SV-PS-230a.1	Cybersecurity and Data Privacy					
Data Security	Description of policies and practices relating to collection, usage, and retention of customer information	SV-PS-230a.2	Cybersecurity and Data Privacy					
	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable	SV-PS-230a.3	There were no data breaches					
	information (PII), (3) number of customers affected	3V-P3-250d.5	Cybersecurity and Data Privacy and 2024 Key Sustainability Index					
	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	SV-PS-330a.1	See our Workforce Demographics report					
Workforce Diversity	(1) Voluntary and (2) involuntary turnover rate for employees	SV-PS-330a.2	Voluntary turnover: 12%					
and Engagement '			Involuntary turnover: Data unavailable					
	Employee engagement as a percentage	SV-PS-330a.3	Employee engagement: 73%					
			Please see our Annual Employee Engagement Survey for more information					
	Description of approach to ensuring professional integrity	SV-PS-510a.1	Please see our Business Integrity for more information					
Professional Integrity	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS-510a.2	Refer to the <u>10-k</u>					
	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract*	SV-PS-000.A	See Workforce Demographics report					
Activity Metrics	Employee hours worked, percentage billable	SV-PS-000.B	The company monitors all hours worked by employees. We do not report total number of employee hours worked or percentage billable as that is KBR confidential information.					

<sup>\*</sup>Our HRIS is dynamic. Variations in totals occur relevant to the time and date of data collection. In-progress and late transactions such as hires, terms and onboarding may alter totals.



PLANET



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## GLOBAL REPORTING INITIATIVE (GRI) CORE INDEX

# **Principled Governance**

Topic	GRI Standard	Disclosure	Disclosure Information
Organizational Profile	102-1	Name of the organization	KBR, Inc.
	102-2	Activities, brands, products, and services	About KBR and Delivering Sustainability
	102-3	Location of headquarters	Houston, Texas
	102-4	Location of operations	10-k Report
	102-5	Ownership and legal form	KBR Inc. (NYSE: KBR) is a publicly traded, incorporated company existing under the laws of the State of Delaware
	102-6	Markets served	About KBR
	102-7	Scale of the organization	10-k Report
	102-8	Information on employees and other workers	About KBR, Belong and Health, Safety and Security
	102-9	Supply chain	Sustainable Supply Chain
	102-10	Significant changes to the organization and its supply chain	KBR had no significant changes in its supply chain in 2024.
	102-11	Precautionary Principle or Approach	Our Sustainability Strategy
	102-12	External initiatives	KBR expressly supports the United Nations Declaration of Human Rights (UDHR), also known as the U.N. Human Rights Charter. We have committed to contributing to global progress and intend to use the United Nations Sustainable Development Goals (SDGs) to guide our efforts in future years. We are a member of the U.N. Global Compact)
	102-13	Memberships of associations	Connecting With Our Communities

Topic	GRI Standard	Disclosure	Disclosure Information
Strategy	102-14	Statement from senior decision-maker	A Letter From Our CEO
	102-15	Key impacts, risks and opportunities	10-k Report
	102-16	Values, principles, standards and norms of behavior	Our Vision and Values
	102-17	Mechanisms for advice and concerns about ethics	Business Integrity. Any violation of the law or the Code of Business Conduct can be reported either directly or anonymously through the confidential KBR Ethics Hotline and Reporting system at Ethics Point. The hotline is available 24/7. In addition, an investors' hotline is available to enable stockholders to call with concerns.
	102-18	Governance structure	Our Board
	102-19	Delegating authority	Proxy Statement
	102-20	Executive-level responsibility for economic, environmental, and social topics	Our Board
	102-21	Consulting stakeholders on economic, environmental, and social topics	Stakeholder Engagement and <u>Proxy Report</u>
	102-22	Composition of the highest governance body and its committee	Our Board and Sustainability and Board Oversight
	102-23	Chair of the highest governance body	General Lester. L Lyles, USAF (Ret.) Chairman of the Board* *retired Q4 2024





2024 Data Index / TCFD Index / **VRF SASB Primary Sector Index** / U.N. SDG Index / Abbreviations

## **GRI CORE INDEX**

# **Principled Governance**

Topic	GRI Standard	Disclosure	Disclosure Information
Strategy	102-24	Nominating and selecting the highest governance body	Our Board and <u>Proxy Statement</u>
	102-25	Conflicts of interest	Proxy Statement
	102-26	Role of highest governance body in setting purpose, values, and strategy	Our Board
	102-27	Collective knowledge of highest governance body	Meet Our Board of Directors
	102-28	Evaluating the highest governance body's performance	Proxy Statement
	102-29	Identifying and managing economic, environmental, and social impacts	Our Sustainability Strategy
	102-30	Effectiveness of risk management processes	Enterprise Risk Management and <u>10-k Report</u>
	102-31	Review of economic, environmental, and social topics	Our Board
	102-32	Highest governance body's role in sustainability reporting	Our Board
	102-33	Communicating critical concerns	Our Ethics Hotline
	102-34	Nature and total number of critical concerns	10-k Report
	102-35	Remuneration polices	Proxy Statement

Topic	GRI Standard	Disclosure	Disclosure Information
Strategy	102-36	Process for determining remuneration	Proxy Statement
	102-37	Stakeholders' involvement in remuneration	Proxy Statement
	102-38	Annual total compensation ratio	Proxy Statement
	102-39	Percentage increase in annual total compensation ratio	Proxy Statement
	102-40	List of stakeholder groups	Stakeholder Inclusiveness, <u>Proxy Statement</u>
	102-41	Collective bargaining agreements	Global Human Rights Policy
	102-42	ldentifying and selecting stakeholders	Stakeholder Engagement
	102-43	Approach to stakeholder engagement	Stakeholder Engagement
	102-44	Key topics and concerns raised	Stakeholder Engagement
	102-45	Entities included in the consolidated financial statements	10-k Report and Proxy Statement
	102-46	Defining report content and topic boundaries	About KBR and Our Sustainability Strategy
	102-47	List of material topics	Our Sustainable Strategy
	102-48	Restatements of information	In 2024, we are using the GRI™ Core Operation



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2024 Data Index / TCFD Index / **VRF SASB Primary Sector Index** / U.N. SDG Index / Abbreviations

## **GRI CORE INDEX**

# **Principled Governance**

Topic	GRI Standard	Disclosure	Disclosure Information
Strategy	102-49	Changes in reporting	No changes in reporting
	102-50	Reporting period	January 1, 2024 to December 31, 2024
	102-51	Date of most recent report	2024
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	If you have any questions on this report, please email us at <a href="mailto:lnvestors@kbr.com">lnvestors@kbr.com</a>
	102-54	Claims of reporting in accordance with the GRI Standards	GRI™ Core Option
	102-55	GRI content index	About KBR
	102-56	External assurance	The financial data cited in our Proxy Report and 10-k Report was third -party verified. Climate data is third -party verified. <u>See report</u> .
	103-1	Explanation of the material topic and its boundaries	Our Sustainability Strategy
	103-2	The management approach and its components	Our Sustainability Strategy
	102-3	Evaluation of the management approach	Our Sustainability Strategy. Our Integrated Management System (IMS) requires a review and evaluation of all KBR policies, procedures, manuals and guidelines at least annually by the executive team.
	201-1	Direct economic value generated and distributed	About KBR and 2024 Key Sustainability Data

Topic	GRI Standard	Disclosure	Disclosure Information	
Strategy 201-3 Defined benefit plan obligations and other retirement plans		obligations and other	Benefits	
	202-2	Ratios of standard entry level wage by gender compared to local minimum wage	All employees are paid at least the legally required minimum wage	
	202-4	Financial assistance received from government	We received no government financial assistance during the period of this report	
	203-1	Infrastructure investments and services support	10-k Report	
	204-1	Proportion of spending on local suppliers	Sustainable Supply Chain	
	205-1	Operations assessed for risks related to corruption	Business Integrity and Enterprise Risk Management	
	205-2	Communication and training about anti-corruption policies	Business Integrity	
	205-3	Confirmed incidents of corruption and actions taken	No significant incidents in 2024	



PEOPLE



2024 Data Index / TCFD Index / **VRF SASB Primary Sector Index** / U.N. SDG Index / Abbreviations

#### **GRI CORE INDEX**

#### **Planet**

Topic	GRI Standard	Disclosure	Disclosure Information
	302-1	Energy consumption within the organization	2024 Key Sustainability Disclosures – Planet
	302-3	Energy intensity	2024 Key Sustainability Disclosures – Planet
	302-4	Reduction of energy consumption	Our Climate Transition Plan
	305	Emissions	Our Climate Transition Plan
	306	Waste	2024 Key Sustainability Disclosures – Planet
	307	Environmental compliance	Environmental Stewardship of Our Facilities
	308	Supplier environmental assessment	Sustainable Supply Chain

#### Social

Topic	GRI Standard	Disclosure	Disclosure Information
	401	Employment	About KBR
	402	Labor/management relations	Workforce Demographics Report
	403	Occupational health and security	Health, Safety and Security
	404	Training and education	Grow
	405	Diverse and equal opportunity	Belong
	406	Non-discrimination	Belong, <u>Code of Business Conduct</u> and <u>Global Human</u> <u>Rights policy</u>
	407	Freedom of association and collective Bargaining	Global Human Rights policy
	408	Child labor	Global Human Rights policy
	409	Forced or compulsory labor	Global Human Rights policy
	412	Human rights assessment	Protecting Human Rights and Sustainable Supply Chain
	413	Local communities	Connecting with our Communities
	414	Supplier social assessment	Sustainable Supply Chain
	416	Client health and safety	Health, Safety and Security
	418	Client privacy	Cybersecurity and Data Privacy
	419	Socioeconomic compliance	10-k Report and Proxy Statement



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#### UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS INDEX

No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
1	No Poverty  1 NO Poverty  ***********************************	End poverty in all its forms everywhere	I&D HSS Community Outreach Risk Governance Supply Partners	Our Approach to Tax Global Salaries Paid Connecting With Our Communities Business Integrity Protecting Human Rights Global Human Rights Policy
2	Zero Hunger  2 HUNGER  ((()	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	I&D Community Outreach Climate Change Efficient Energy	Connecting With Our Communities  Delivering Sustainability  Environmental Stewardship
3	Good Health and Well-Being  3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages	I&D HSS Community Outreach	Connecting With Our Communities Connect Mental Fitness and Well-being Employee Support Program Health, Safety and Security
4	Quality Education  4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	I&D Community Outreach	Connecting With Our Communities One Ocean General Workplace Skills Job-specific and Technical Skills Management and Executive Leadership Skills Talent Development Programs Matrix Knowledge-sharing and Innovation Educational Partnerships Benefits Educational Reimbursement and Support



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No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
5	Gender Equality  5 GENDER  COLUMNITY	Achieve gender equality and empower all women and girls	I&D Community Outreach Governance	Connecting With Our Communities One Ocean Belong All In Grow Benefits Connect Protecting Human Rights
6	Clean Water and Sanitation  6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all	Climate Change Governance	Delivering Sustainability Environmental Stewardship Our Climate Transition Plan
7	Affordable and Clean Energy  7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable, and modern energy for all	Climate Change Efficient Energy Supply Partners	Delivering Sustainability Environmental Stewardship Our Climate Transition Plan
8	Decent Work and Economic Growth  8 DECENTWORK AND ECONOMIC GROWTH	Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all	I&D HSS Community Outreach Governance Risk Supply Partners	Our Approach to Tax Global Salaries Paid Connecting With Our Communities Belong Connect Enterprise Risk Management Protecting Human Rights Global Human Rights Policy Sustainable Supply Chain

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No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
9	Industry, Innovation and Infrastructure  9 MOUSTRY, INNOVATION  10 MOUSTRY, INNOVATION	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	I&D Climate Change Efficient Energy Reuse/Recycle Governance Risk Supply Partners	Grow  Educational Partnerships Technical Mastery Knowledge-sharing and Innovation Cybersecurity and Data Privacy Delivering Sustainability
10	Reduced Inequalities  10 REDUCED INEQUALITIES	Reduce inequality within and among countries	I&D HSS Community Outreach Governance Supply Partners	Connecting With Our Communities One Ocean Belong All In Grow Educational Institution Partnerships Connect Mental Fitness and Well-being Employee Support Program Health, Safety and Security Delivering Sustainability Business Integrity Protecting Human Rights Global Human Rights Policy Sustainable Supply Chain
11	Sustainable Cities and Communities  11 SISTAINABLE CITIES AND COMMUNITIES	Make cities and human settlements inclusive, safe, resilient, and sustainable	Climate Change Recycle/Reuse Efficient Energy Sustainable Travel Supply Partners Governance	Environmental Stewardship Delivering Sustainability



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PLANET

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No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
12	Responsible Consumption and Production  12 RESPONSIBLE CONSUMPTION AND PRODUCTION COOKSIMPTION	Ensure sustainable consumption and production patterns	Climate Change Recycle/Reuse Sustainable Travel Supply Partners Governance	One Ocean Delivering Sustainability Environmental Stewardship Our Climate Transition Plan Business Integrity Sustainable Supply Chain Management
13	Climate Action  13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts	Climate Change Recycle/Reuse Efficient Energy Sustainable Travel Risk Governance Supply Partners	One Ocean Our Climate Transition Plan Environmental Stewardship Delivering Sustainability Our Board Enterprise Risk Management Sustainable Supply Chain Management
14	Life Below Water  14 UPE BELOW WATER	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development	Community Outreach Climate Change Sustainable Travel	One Ocean Delivering Sustainability Environmental Stewardship Our Climate Transition Plan



PLANET

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No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
15	15 UFE ON LAND	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Climate Change Recycle/Reuse Sustainable Travel Supply Partners	Delivering Sustainability Environmental Stewardship Our Climate Transition Plan Sustainable Supply Chain
16	Peace, Justice and Strong Institutions  16 PEACE, JUSTICE AND STRONG INSTITUTIONS  LITTUTIONS  PEACE, JUSTICE AND STRONG INSTITUTIONS  PEACE, JUSTICE AND STRONG INSTITUTE AND S	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	I&D Community Outreach Climate Change Governance Supply Partners	Belong Connect Annual Employee Engagement Survey Our Board Business Integrity Protecting Human Rights Global Human Rights Policy
17	Partnerships for the Goals  17 PARTNERSHIPS FOR THE GOALS	Strengthen the means of implementation and revitalize the global partnership for sustainable development	I&D Community Outreach Climate Change Recycle/Reuse Sustainable Travel Efficient Energy Supply Partners	U.N. Global Compact One Ocean Connecting With Our Communities Belong Educational Partnerships Technical Mastery Our Climate Transition Plan Protecting Human Rights Sustainable Supply Chain



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#### **ABBREVIATIONS**

ACATS	Audit and Corrective Action Tracking System
APAC	Asia-Pacific
BAT	Best available techniques
ccs	Carbon capture and storage
CDP	Climate Disclosure Project
CEO	Chief Executive Officer
CFO	Chief Finance Officer
CISO	Chief Information Security Officer
СММС	Cybersecurity Maturity Model Certification
СОВС	Code of Business Conduct
COE	Center of Excellence
COI	Communities of Interest
СОР	Communities of Practice
СОР	Communication on Progress
coso	Committee of Sponsoring Organizations of the Treadway Commission
CtCC	Courage to Care Conversations
CTIP	Combating Trafficking in Persons
DC3	Department of Defense Cyber Crime Center

DCISE	Defense Industrial Base Collaborative Information Sharing Environment
DDI	Development Dimensions Inc.
DFARS	Defense Federal Acquisition Regulation Supplement
DOJ	Department of Justice
DRP	Dispute Resolution Program
EEO1	Equal Employment Opportunity
ELT	Executive Leadership Team
EMEA	Europe, Middle East and Africa
EMS	Environment Management System
ENVID	Environmental Impacts Identification
ERG	Employee Resource Groups
ERG ERM	Employee Resource Groups  Enterprise Risk Management
ERM	Enterprise Risk Management
ERM ERM	Enterprise Risk Management  Environmental Reference Manual
ERM ERM ESG	Enterprise Risk Management  Environmental Reference Manual  Environment, Social and Governance
ERM ERM ESG ESPCR	Enterprise Risk Management  Environmental Reference Manual  Environment, Social and Governance  Eastern Province Council for Social Responsibility
ERM ESG ESPCR ESPP	Enterprise Risk Management  Environmental Reference Manual  Environment, Social and Governance  Eastern Province Council for Social Responsibility  Employee Stock Purchasing Program
ERM ERM ESG ESPCR ESPP EU	Enterprise Risk Management  Environmental Reference Manual  Environment, Social and Governance  Eastern Province Council for Social Responsibility  Employee Stock Purchasing Program  European Union

FAR	Federal Acquisition Regulation	
FCPA	Foreign Corrupt Practices Act	
FIR	Fatality Incident Rate	
FOSS	Future of STEM Scholars Initiative	
GDLP	Global Leadership Development Program	
GDPR	General Data Protection Regulation	
GRI	Global Reporting Index	
GRRS	Global Records Retention Schedule	
HiPo	High Potential Incident Rate	
HR	Human Resources	
HRIS	Human Resource Information System	
HSE	Health, Safety and Environment	
HSERS	Health, Safety and Environment Incident Reporting System	
HSS	Health, Safety and Security	
HSSE	Health, Safety, Security and Environment	
HUBZone	Historically Underutilized Business Zone	
IFRS	International Financial Reporting Standards	
ILO	International Labour Organisation	
IMS	Information Management System	



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#### **ABBREVIATIONS**

IR	Incident Rate	OAW	Operation Allies Welcome
ISO	International Standards Organization	OHS	Occupational Health and Safety
ISSB	International Sustainability Standards Board	ОТВ	Other than Small Business
ISN	ISNetworld Supplier Portal	ows	Operation Warp Speed
ISOA	International Stability Operations Association	PTSD	Post-traumatic stress disorder
IT	Information Technology	QMS	Quality Management System
ITAR	International Traffic in Arms Regulations	RoSPA	Royal Society for the Prevention of Accidents
ITIMS	Information Technology Integrated Management System	SASB	Sustainability Accounting Standards Board
KBRS	KBR Supplier Portal	SB	Small Businesses
КСВ	British Order of Chivalry	SBC	Small Business Concerns
KPI	Key Performance Indicators	SBTi	Science-based Targets Initiative
LTIR	Lost Time Incident Rate	scoc	Supplier Code of Conduct
MEP	Manager Excellence Program	SDB	Small Disadvantaged Businesses
MFA	Multifactor Authentication	SDG	Sustainable Development Goals
MS	Multiple Sclerosis	SEC	Securities and Exchange Commission
MSA	Modern Slavery Act	SEND	Special Educational Needs and Disabilities
MSCI	Morgan Stanley Corporate Index	SFO	Serious Fraud Office
NASA	National Aeronautics and Space Administration	SME	Subject Matter Expert
NIST	National Institute of Standards and Technology	SMS	Service Management System
Ok NoW	Network of Well-being	SOA	State of Applicability

sox	Sarbanes-Oxley
SPE	Supplier Performance Evaluation
STEM	Science, technology, engineering and mathematics
SDVOSB	Service-disabled Veteran-owned Small Business
TCFD	Taskforce for Climate-related Financial Disclosure
TRIR	Total Recordable Incident Rate
TSTI	Total Safety Task Instruction
UAE	United Arab Emirates
U.K.	United Kingdom
U.N.	United Nations
U.S.	United States
USAF	United States Air Force
VOSB	Veteran-owned Small Businesses
WOSB	Women-owned Small Businesses
USAF	United States Air Force
VOSB	Veteran-owned Small Businesses
WOSB	Women-owned Small Businesses



# Forward-looking Statements

The statements in this report that are not historical statements, including statements regarding future financial performance, are forward-looking statements within the meaning of the federal securities laws. These statements are subject to numerous risks and uncertainties, many of which are beyond the company's control that could cause actual results to differ materially from the results expressed or implied by the statements. These risks and uncertainties include, but are not limited to: the significant adverse impacts on economic and market conditions of the COVID-19 pandemic and the company's ability to respond to the resulting challenges and business disruption; the recent dislocation of the global energy market; the company's ability to manage its liquidity; the outcome of and the publicity surrounding audits and investigations by domestic and foreign government agencies and legislative bodies; potential adverse proceedings by such agencies and potential adverse results and consequences from such proceedings; changes in capital spending by the company's customers; the company's ability to obtain contracts from existing and new customers and perform under those contracts; structural changes in the industries in which the company operates; escalating costs associated with and the performance of fixed-fee projects and the company's ability to control its cost under its contracts; claims negotiations and contract disputes with the company's customers; changes in the demand for or price of oil and/or natural gas; protection of intellectual property rights; compliance with environmental laws; changes in government regulations and regulatory requirements; compliance with laws related to income taxes; unsettled political conditions, war and the effects of terrorism; foreign operations and foreign exchange rates and controls; the development and installation of financial systems; the possibility of cyber and malware attacks; increased competition for employees; the ability to successfully complete and integrate ac



