A sustainable future begins now.





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Introduction

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• KBR Operations • KBR Corporate Headquarters – Houston, Texas

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 32,309 people undertakes complex and critical roles. We support customers in over 92 countries and operate in 30 countries worldwide.

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As of december 31, 2023Image: state of the continuent workers
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he map above shows our office and project locations at the end of 2023.







A Message From Our Sustainability and Corporate Responsibility Committee

In 2023, KBR made important strides as we continued to drive sustainability across our operations. Our commitment to creating a safer, more secure, and sustainable world has guided our efforts, and this year was no exception.

We made significant progress in our sustainability solutions and technologies, with 37% of our 2023 revenue focused on environmentally impactful projects. This includes our work in advancing decarbonization, energy transition technologies, and clean energy solutions. Our innovative partnerships and sustainable solutions, such as the deployment of Hydro-PRT® for plastics recycling, reflect our ongoing dedication to environmental stewardship.

Our Zero Harm culture remains central to everything we do. This year we achieved 338 Zero Harm days, maintaining an industry-leading health and safety record. This success underscores our commitment to the well-being of our people, alongside new initiatives to enhance mental health support globally.

As we look ahead, our focus remains on addressing climate action, improving our environmental performance, and continuing to align our efforts with the United Nations' (UN) Sustainable Development Goals (SDGs). We remain dedicated to achieving net-zero emissions by 2050 and advancing our science-based targets.

We are proud of what we've accomplished in 2023, and we look forward to building on this momentum as we continue to lead in sustainability and make a positive impact on the world.

Ann Pickard Sustainability and Corporate Responsibility Committee Chair







Our Sustainability Strategy

At KBR, we are uniquely equipped to deliver world-class solutions that help our customers achieve their business and sustainability goals. We believe that building a sustainable future starts now, and through our efforts we are actively contributing to a safer, more secure and sustainable world today.

Our sustainability strategy is guided by our 10 Sustainability Pillars, the key areas across our global business where we focus our ESG efforts. Through engagement with key stakeholders — including business leaders, corporate teams, investors, customers and employees — we have identified additional key topics that enhance our pillars. These areas of focus allow us to make the greatest impact while supporting sustainable growth.

We establish performance indicators for each of these topics to track our year-on-year progress, working toward long-term goals that align with and contribute to the UN SDGs for 2030.

For more detailed mapping of our work to the UN SDGs, please see UN SDG Index on Appendix page XVIII.

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







Climate Transition Strategy

Our <u>Climate Transition Strategy</u> outlines the plans for reaching our ambitious science-based net-zero commitments through a wide range of emission reduction initiatives; our expanding portfolio of low-carbon and sustainable products, and our climate and environmental resilience and adaptation. Please refer to our Planet chapter for more details.

Sustainability Governance and Oversight

Our commitment to sustainable growth starts from the very top of our organization with the Sustainability and Corporate Responsibility 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 with the businesses to help embed sustainability into our operations. For more information, refer to Our Board section.

Transparency and Accountability

To make sure our sustainability activity is accountable and transparent, we submit standard data to the following organizations and frameworks: Sustainability Accounting Standards Board (SASB/ISSB), Climate Disclosure Project (CDP), Taskforce for Climate-related Financial Disclosure (TCFD/IFRS S2), Ecovadis, the Science Based Targets initiative (SBTi) and the Global Reporting Index (GRI). We are also signatories to the UN Global Compact.



UN Global Compact

Since 2020, KBR has been committed to the UN 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 UN SDGs.







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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, annual 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 is 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 committed Sustainable Supply Chain team collaborates with our suppliers to amplify sustainability prospects and strengthen performance in crucial sectors. Utilizing our supplier platforms, supply code of conduct, and supplier assessments, we aim to pinpoint opportunities for enhancing environmental impact, promoting good governance, and advancing social diversity, equity, and 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 diverse 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, and maintaining close communication with regulatory bodies, we 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, demonstrating our commitment to excellence across the board.





Our Values and Vision

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 diverse and inclusive work environments in which every member of our team of teams feels safe, supported, respected, trusted and valued, and where each person is given opportunities to grow and reach their full potential.

WE DELIVER

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

WE ARE PEOPLE OF INTEGRITY

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

WE EMPOWER

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

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



APPENDI)



A Letter From Our CEO

At KBR, we believe the future isn't something we wait for, but something we build. Our commitment to a sustainable future guides every decision we make. Through our daily operations, investments in sustainable technologies, and dedication to our people, we're making a tangible difference today.

In 2023, we focused on addressing both the climate and nature crises. We appointed Environmental Champions across our business areas to manage Zero Harm Sustainability Pillars, which focus on climate change mitigation and supporting our Net Zero program. Our new Environmental Reporting Tool, which tracks carbon and other environmental metrics, is already helping us meet increasing regulatory and stakeholder expectations.

Our sustainability efforts are driven not just by responsibility but by the opportunities we see. In 2023, 37% of our total revenue was sustainability focused. We continue investing in innovative technologies such as K-CapSM decarbonization solutions, H2Evolution, CleanSpendSM and our battery technology PureLiSM. We've also combined our digital expertise to enhance sustainable operations with products such as Insite. For more sustainable solutions please see our <u>Delivering</u>. <u>Sustainability</u>. These sustainable technologies and expertise put us at the forefront of the energy transition revolution, enabling us to drive change and make a positive impact on our planet. These advancements though are only as powerful as the people behind them. KBR's people are the driving force behind our success. Their innovation and dedication solve our customers' toughest challenges. We deeply value their contributions and are committed to fostering an environment where they can thrive and continue to make a difference. Our Zero Harm safety performance and talent development programs reflect our ongoing commitment to their well-being and growth.

Sustainability for us is about more than compliance – it's about growth, returns and building a better world. Our 2023 report highlights these efforts, and I'm proud to share the strides we've made to build a brighter, safer and more sustainable future.

Stuart Bradie President and Chief Executive Officer





People

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INCLUSION HEALTH, SAFETY COMMUNITY & DIVERSITY & SECURITY ENGAGEMENT **In This Section**

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Empowering a Value-driven Workforce

Our ONE KBR values are the cornerstone of our diverse global culture, guiding our behavior and decision-making processes across the company. The values are deeply embedded in our business processes, serving as the foundation for our learning and development activities. We regularly celebrate employees who embody these values, reinforcing our values-led culture. Feedback from our employees indicates that their experiences with KBR align with our values, even in the evolving landscape of hybrid and flexible working environments.

While our values unite us, we acknowledge and respect the unique cultures across our global operations. Additionally, our commitment to sustainability is a common thread that weaves through KBR, fostering a culture of pride and responsibility among our employees. We are dedicated to a Zero Harm philosophy to both safety and sustainability, demonstrating a practical and proven commitment to the well-being of our people and the environments in which we operate.

Our People Strategy focuses on three core areas designed to support and embed our values within the workforce: Belonging, Growing, and Connecting. Each of these areas is outlined in detail in this chapter.







APPENDIX

Empowering a Value-driven Workforce / Belonging / Growing / Connecting / Health, Safety and Security / Protecting Human Rights / Cybersecurity and Data Privacy

PLANET

Belonging

Inclusion and Diversity

We believe individual differences and diverse perspectives enhance our teams and enable us to solve the most challenging problems. Embracing our differences helps foster innovation, resilience and safety. Our teams thrive when everyone is empowered to share their voices. This improves our decisionmaking and reinforces our reputation as a great place to work. By welcoming talent from all backgrounds, we boost creativity and the value we deliver.

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

Our Global Inclusion and Diversity (I&D) Council drives the strategy to increase workplace diversity to include all groups of people including gender, race/ ethnicity, disabilities, sexual identity and veteran status. These plans include all levels, from the board and senior management to every level and discipline within our workforce.

TARGETS AND INITIATIVES

Our I&D strategy outlines plans and targets for each area of the business providing specific measures regarding equal opportunities and diversity. These strategies outline clear assignment of responsibilities, business area targets, action plan programs, trainings and evaluations. Our business leaders' partner with the leads from our People function to implement these I&D programs and their respective goals. Each business area is responsible for delivering their own tailored plans and programs in the following areas:

- Recruitment Developing a schedule of programs for recruitment events and campaigns that aim to attract and hire diverse talent with a focus on continual improvements
- **Retention** Creating specific initiatives that focus on retaining diverse talent across all key groups
- **People with disabilities** Implementing initiatives for offering support and inclusion for people with disabilities
- **Training/mentoring** Establishing training and mentoring programs related to inclusion and diversity and that support diverse talent

- Working patterns Expand on our innovative working practices such as job sharing, flexible and part-time work, to attract and retain diverse talent
- Communications Enhance our two-way communication plans and methods where we can share our I&D progress and reinforce inclusive behaviors
- Managers' awareness Continue to implement steps to increase managers' awareness of and support for I&D, including support of employee resource groups (ERGs) and ERG leads.

Key performance indicators for each of these plans and diverse populations are measured by the percentage increase in the following areas:

- Headcount
- New hires
- Promotions
- Leavers



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EQUAL OPPORTUNITIES FOR ALL

Equal Employment Opportunities

Our <u>Code of Business Conduct</u> (COBC) outlines our commitments to transparent hiring, promotion, wage practices and equal employment opportunity. This is reinforced by segment-level procedures helping all KBR operations and employment practices comply with applicable equal employment opportunity laws, preventing any unlawful discrimination against employees or applicants concerning career opportunities.

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 offer 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 their concerns and grievances. Formal escalation procedures on how to raise these issues are provided on our intranet and in employees' onboarding materials. If harassment or discrimination occurs, employees are provided with clear instructions on how to report the incident through various channels. They can report to their manager, the Business Integrity team, the Legal team, or the Ethics Hotline. Every report is addressed, and an inquiry is conducted to determine if there has been a violation of the COBC or other KBR policies.

We also have a dedicated Dispute Resolution Program (DRP) that offers flexible options for airing and settling every kind of workplace conflict while maintaining strict adherence to confidentiality and neutrality. The DRP is open to all employees and helps resolve disputes ranging from minor misunderstandings to violations of legally protected rights. The goal of the DRP is to resolve disputes quickly and fairly, repair damaged relationships, and foster a better work environment.



Recruiting Diverse Talent

KBR's approach to recruiting diverse talent is rooted in our commitment to significantly enhancing candidate diversity and fostering inclusivity at every stage of the talent acquisition process. We collaborate with a broad range of organizations to help our opportunities reach diverse audiences. By rigorously reviewing and refining our recruiting practices, we work to eliminate any procedures or biases that could hinder inclusivity. This proactive strategy not only facilitates a fair and equitable recruitment experience but also supports our dedication to cultivating a diverse, dynamic, and innovative workforce that reflects our core values and drives our success.

In 2023, we attended more than 50 I&D-specific events across the globe to attract diverse skills and experience to KBR. For some examples, <u>see here</u>.

Inclusion and Diversity Training

Training on diversity policy is actively supported by our executive leadership team and actioned through the Global I&D Council, Talent Development, Corporate Health, Safety, Security and Environment (HSSE), and the business unit and People Management (HR) departments. Our Code of Business Conduct mandates annual training on diversity, discrimination and workplace harassment. Additionally, unconscious bias and I&D training are required for managers and recruiters through KBR Learning, our online learning system. Each business unit and corporate functional group formulates annual I&D plans, with progress reports provided quarterly to the chief people officer. The chief people officer regularly updates the executive leadership team and board of directors. These I&D plans include training and upskilling managers, recruiters, and employees on I&D principles, practices, and resources.

Additionally, the corporate HSSE site features information and training resources on psychological safety, which underpins I&D and the KBR Values. KBR employee resource groups (ERGs) are critical avenues for employee training and development on I&D. Each resource group has an executive sponsor, who actively engages with the group to further awareness, engagement and learning about I&D. These ERGs work with recognized external advocacy associations, to incorporate best practices and additional training resources. Furthermore, KBR hosts global events focused on I&D, such as the 2023 Executive Leadership I&D Update led by the CEO and chief people officer.

KBR Sponsorship and Mentoring Programs

To cultivate a more diverse 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. Mentoring supports both personal and professional growth, aligning with KBR's commitment to being an inclusive and diverse employer of choice.



Supporting Women's Development

We are particularly focused on using the above initiatives hiring, training, sponsorships and mentorships to foster greater support for women and their career progression into leadership roles. To this end, we partner with organizations specifically dedicated to advancing women's development in the workplace and leadership. These include certification with the American Management Association's Leadership Development Training for Women and membership in Catalyst, a global nonprofit supported by influential CEOs and leading companies to create workplaces that work for women. Additionally, we provide scholarships and training grants for women and fund regional women development conferences and women mentoring circles. Through these efforts, we aim to create an environment where women can thrive and achieve their full potential in leadership positions.

Supporting People with Disabilities

To help track progress for the support of people with disabilities, we widened the capture of relevant demographic data in our HR information management system, and for the first time our local I&D improvement plans included a specific component related to this important group. The launch of ADAPT, the new ERG through which "Abled and Disabled Allies Partner Together," and our expanded partnership with Disability:IN, a leading professional organization supporting people with disabilities in the workplace, are helping build momentum as we continue to progress this element of our I&D strategy.

Supporting our Veterans

KBR supports former service men and women by providing fulfilling careers and supportive environments for veterans and their families. In 2023, we began a review of our military leave practices and launched a best practice toolkit. Through our HomeSafe joint venture we are enhancing the relocation experience of military personnel and their families. We also joined the Military Spouse Employment Program and are committed to hiring from this impressive talent pool. We look forward to expanding this program elsewhere in KBR in 2024.

Flexible Benefits

The adoption of flexible working practices continues to help us attract and retain the best talent, no matter where in the world people work. Our Flexible Working policy allows employees to balance their work priorities, home life, travel and study. This flexible schedule allows employees to balance their priorities with choices including:

- Part-time working
- Compressed or banked hours, or flex time
- Parental leave (U.K., U.S. and other covariations)
- Paid time off
- Special leave
- Job sharing

Next Gen of Flex Work

We enhanced our Flexible Benefits by introducing the Next Gen of Flex Work in the U.S. during 2023, providing employees with benefits that enable them, 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.



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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 recent parents at KBR, to make the entire parental leave experience – before, during and after – go smoothly for our employees. The toolkit outlines the 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 new community for parents and caregivers
- **3.** Learnings and e-trainings, including a course focused on 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.





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INCLUSION AND DIVERSITY BY THE NUMBERS*

To support our ongoing progress in I&D, we monitor and analyze trends and patterns using anonymized employee demographics designed for equality of opportunity for everyone. In 2023, we expanded our data collection to include veteran status and sexual orientation in relevant markets, enhancing our ability to monitor I&D progress. While this data is crucial for tracking our advancements, we uphold our employees' right to privacy. We aim for strict confidentiality for all voluntary disclosures and offer opt-out options for those who prefer not to share their personal information.

For more details, please refer to I&D statistics in the Appendix Page II.

Below is an overview of our progress in key areas:

EMPLOYEE GENDER

GENDER	2020	2021	2022	2023
Male	18,665	17,894	19,022	20,828
Female	5,740	6,066	6,661	7,253

* There were approximately 4,000 employees in entities for whom we did not collect this data in 2023. Our Human Resource Information System 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.



EMPLOYEE AGE



	29 AND UNDER	30-39	40-49	50-59	60 AND OVER
2020	2,778	6,054	6,319	5,736	3,585
2021	2,681	6,009	6,009	5,853	4,020
2022	3,152	5,904	6,420	5,902	4,344
2023	3,842	6,700	7,072	5,963	4,617

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ALL IN AND THE CORNERSTONES

All In is our global community dedicated to strengthening our I&D culture. The vision of All In is to make KBR an employer and contractor of choice where all employees, customers and partners are included and celebrated, and where diverse teams can collaborate to uphold our commitment to sustainability in the communities where we live and work.

All In is guided by five value-based Cornerstones that promote key I&D fundamentals, each of which is associated with an action-oriented behavior for promoting I&D. They include:



The Mission of All In is to:

- Advocate for a safe, inclusive culture at KBR by providing awareness, education and a collaborative community to advance diversity in the business
 - Promote the sponsorship and advancement of underrepresented talent
 - Connect, unite and uplift a diverse community of passionate employees
- Build a culture of belonging at KBR



Promoting gender diversity across our businesses and the advancement of women in leadership



Proudly committing to learning about the backgrounds and life experiences of our colleagues who represent a wide variety of countries, histories and cultures, and understanding the talents they bring



Promoting positive awareness and combating stereotypes and hurtful assumptions about individuals with disabilities



Recognizing that veterans are uniquely loyal and dedicated leaders who are committed to their mission wherever they may serve, honoring their service, and investing in their future through knowledge sharing and empathy



Allying with our LGBTQIA+ friends and colleagues to combat the historical intolerance and prejudice they have suffered at home and on the job



EMBRACING INCLUSION THROUGH EMPLOYEE RESOURCE GROUPS

Employee resource groups (ERGs) are grassroots communities of passionate volunteers who deliver content and awareness in support of the All In Cornerstones, providing a platform for employees of all experiences to connect with each other. We encourage all employees to create and join multiple groups. By doing so they may foster cultural competence, expand personal networks, develop leadership skills, and actively contribute to a vibrant workplace culture. KBR I&D-focused ERGs include:



ASPIRE's mission is to cultivate women leaders and promote gender diversity through a collaborative community that benefits employees and the business. Their vision is to help make KBR an employer of choice where women are influencing, leading and learning.



Through education and support, **ADAPT** aims to promote positive awareness and combat common stereotypes and hurtful assumptions about individuals with disabilities. ADAPT's goal is to educate managers and employees on how to be more inclusive of colleagues who bring a wide variety of abilities and talents to KBR.



MERGE (Minority Employee Resource Group for Empowerment) strengthens KBR's cultural diversity and representation by assisting and supporting underrepresented groups across KBR. MERGE advocates for changes in hiring practices and retention efforts, ensuring these minority populations feel included, have a voice, and have increased opportunities for earned advancement.

PRIDE +<u>ALLIES</u> The vision of **Pride and Allies** is to work collaboratively to create and maintain a safe, supportive working environment at all KBR sites and locations, and to offer support and advice via shared education and information for and with the LGBTQIA+ community.



The **Armed Forces Community** (AFC) supports KBR's pursuit of diversity by providing a supportive, informed and welcoming environment for members of the armed forces community. The AFC also, where opportunity presents, seeks to deliver benefits to the armed force community outside of KBR.

O Now

OK NoW (ONE KBR Network of Well-being) raises awareness for and facilitates discussion around mental health and well-being, aiming to create a culture of understanding and empathy for these important issues.



IMPACT, the ERG for young professionals, offers career development opportunities and resources for its members. They learn about distinct parts of the business, develop new professional skills, and network with our senior leaders, all while engaging with other early-career professionals.



The Reconciliation Network aims to create more opportunities for Aboriginal and Torres Strait Islander peoples in Australian communities and businesses. This includes increasing employment, training, mentoring, and support, as well as enhancing retention, career progression, and engagement with Aboriginal businesses.



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CONNECTING AND COMMUNICATING



IN ORBIT A KBR PODCAST

In Orbit: A KBR Podcast covers topics ranging from the latest trends and breakthroughs in science, technology and engineering to sustainability, inclusion and diversity, mental health and well-being, the global energy transition, and much more.



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 focuses 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 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.





Growing

Our employees and job applicants are drawn to KBR for the chance to develop personally and achieve their full potential. Offering growth opportunities and career development is a key component of our value proposition. Throughout 2023, we enhanced these prospects through various initiatives, including internal career fairs and the expansion of our internal and upward mobility programs and global career opportunities. Additionally, we invested in a wide range of training programs aligned with our core values, focusing on leadership, inclusion and diversity (I&D), ethics, and job-specific technical development.

Talent Pipeline Development Strategy

The talent pipeline strategy focuses on three critical areas: targeted talent acquisition, technical and leadership development, and targeted talent reviews and succession planning, all underpinned by our Global Talent Management Policy. This includes our Talent Review, Performance Management and Succession Planning procedures, which outline processes for forecasting hiring needs and actively developing existing and new pools of talent.

Access to and visibility of real-time data in the Human Resource Information System (HRIS) via live dashboards allow business leaders and people managers to forecast hiring and develop new pools of talent and succession plans where and when they're most needed.

Our Talent Development partners work closely with our I&D Council to proactively target first-time supervisors and junior managers to nurture and retain diverse talent from the ground up.





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

ALIGNING **PRIORITIES** HECK-IN IVERSATIONS \bigcirc **FEEDBACK & DEVELOPMENT** COACHING EMPLOYEE ENGAGEMENT SURVEYS MANAGER GUIDANCE WORKDAY STRONGLY ENCOURAGED FOR PLANNING

Sustainability and Corporate Responsibility Report | 2023

plan their careers.

The process, which centers on these more frequent, effective Check-In-Conversations, focuses on three areas: revisiting goals often to align priorities, real-time feedback and coaching, and continual development. Combined, this informal dialogue helps managers consistently coach for performance and allows people to continually grow, develop and

GOALS, CAREER AND DEVELOPMENT

Performance Management

AGILE PERFORMANCE AND DEVELOPMENT

Our agile approach to 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 reduces administrative tasks, creating more time for valuable, meaningful connections to continually align goals and priorities, share coaching and feedback, and discuss development. Our global People Perspectives Survey and general feedback have indicated our people prefer this approach and view it as more inclusive, engaging, agile and supportive of a high-performing culture.

participated in our annual performance management program*

this program does not include project and temporary hires, union, affiliate and limited company employees.





KBR	INTRODUCTION	PEOPLE	PLANET	GOVERNANCE	APPENDIX	
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Talent Identification, Calibration and Succession Planning

Talent calibration dialogue between leaders, people managers and people partners is a groupbased talent review to help assessments be fairly and impartially considered and leverage our KBR values and behaviors. These formal talent calibration reviews are performed annually with developmental outcomes actioned by managers through the Agile Performance and Development process.

These talent calibration discussions encompass nearly 4,000 KBR employees, providing a thorough assessment of performance and potential. These conversations not only yield organization-wide talent trends and data but also result in individualized career plans and enhance the rigor of our succession planning. Throughout 2023, the board's Nominations and Corporate Governance Committee received regular updates on this process, culminating in detailed discussions on updated succession plans for the CEO and executive leadership team.

Leadership and the success of female employees is important to us. Our chief people officer, the executive leadership team, and the People (HR) team closely monitor female candidate flow, promotion rates and leadership development program participation. We collaborate closely with our ASPIRE employee resource group to actively promote the advancement of women and invest in coaching and mentoring initiatives to facilitate retention and succession into leaderships roles, with a focus on business operational leadership.



Successors are identified through our comprehensive annual succession planning process. Owners and people managers meet to discuss candidates and readiness for each plan on a yearly basis. In 2023, we continued to expand succession plans to cover multiple levels as deep into the business as possible below senior executive roles into non-executive roles. See above for the breakdown.



KBR	INTRODUCTION	PEOPLE	PLANET	GOVERNANCE	APPENDIX	

Our Talent Development Matrix

We are committed to our people's development and learning. That commitment is guided by an integrated talent development matrix that combines KBR's core behaviors, technical and business skills, interpersonal and general workplace skills, and leadership and management skills. Our Talent Development Center of Excellence works with the business, technical fellows and subject matter experts, partners and talent partners to define training and development needs and to identify resources for learning and development interventions, particularly for job-specific and technical skills training.





KBR	INTRODUCTION	PEOPLE	PLANET	GOVERNANCE	APPENDIX	

JOB-SPECIFIC AND TECHNICAL SKILLS

As a technically complex, diverse and global company, we develop and implement job-specific training within our businesses in partnership with the Talent Development team so that our programs are industry leading, relevant and timely for job performance impact. We achieve this by collaborating with industry and internal technical experts, customers and educational institutions to co-design and develop targeted training.

We provide continuous training in more than 16 technical competency areas. Trainings are facilitated by discipline leaders and in collaboration with educational organizations. Additionally, we partner with our customers to develop and design real-time, industry-relevant skills interventions for our joint workforce. Our business units conduct regular skills analysis and provide specific training and development management plans within their business areas. This is accomplished through the combined efforts of senior management, business unit leads, the technical, process and project managers, and people function managers.

Job-specific and technical training includes requirements driven by compliance, contract, customer, project, or additional training aimed at developing a comprehensive understanding and awareness for job-specific duties. These requirements are captured at the program, project, task or supervisor level. In some cases technical managers are also responsible for monitoring and confirming completion of the training and suitability for the job.

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 subcontracts, logistics and export control
- Industrial security
- Control systems, information and document management
- Engineering management
- Electrical, piping, mechanical, chemical and civil structural engineering disciplines



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KBR STORIES

Systems Engineering Program

Our specialized systems engineering program is designed to expand the theoretical and practical aspects of systems engineering across KBR. By leveraging a variety of resources, this program enhances training and knowledge, develops technical and professional competencies, and fosters networking within KBR, ensuring the capture and application of best practices for future projects. Utilizing a competencybased model, the program aims to embed and strengthen systems engineering within our quality management systems and ISO standards compliance. The program offers various certification levels and actively supports obtaining certifications from the International Council on Systems Engineering.

SYSTEMS ENGINEERING LIFE CYCLE

Requirements Management System Specification/Design Solution Technical Assessments Verification/Validation Test and Evaluation Functional/Physical Configuration Audits Fielding/Transition/Disposal

PROGRAM ENGINEERING

Configuration Management

Integrated Logistics Support

Continuous Process Improvement

Cost Estimation/Earned Value Management

Risk and Opportunity Management

SYSTEMS ENGINEERING TECHNICAL SPECIALTIES

Systems Architecture Systems Integration Modeling and Simulation Software Engineering Reliability, Availability and Maintainability Data/Information Management



PROFESSIONAL

Stakeholder Relations/Management Project Planning Communications Building Successful Teams/Dynamics Coaching/Mentoring Ethics/Integrity

INTRODUCTION **PEOPLE** PLANET GOVERNANCE APPENDIX

Empowering a Value-driven Workforce / Belonging / Growing / Connecting / Health, Safety and Security / Protecting Human Rights / Cybersecurity and Data Privacy

Traineeships and Apprenticeships – cultivating young and diverse talent

We are committed to developing the next generation of engineers, scientists and technologists. To do this we partner with universities, colleges and educational institutions to offer a range of internships, traineeships, fellowships and apprenticeships to correspond with strategic requirements for new and diverse talent throughout the businesses. These programs provide accessible entry points for a broader and diverse range of candidates and can be particularly beneficial for those from underrepresented groups who may not otherwise have access to more formal forms of education.

Our apprentice, intern and trainee programs are co-designed with industry and educational organizations so they are targeted and job specific, and that they are developing the industry-leading technical skills required for the business. These courses also support the general professional development of our employees, covering a range of areas including:

- Leadership and management
- Software engineering
- Project controls

- Project management
- Data analysis

- Business administration
- Human resources
- Quantity surveying
- Cybersecurity

For a detailed overview of traineeships, apprenticeships, internships, and general training and development programs throughout the organization, please see the list <u>here</u>.





KBR STORIES

University of Southampton, U.K.



Chao Lian, William Hoque, Samuel Stephens and Vigasan Suntharraj

For the ninth consecutive year, our Project Solutions team supported four Masters of Engineering - Electrical and Electronic Engineering students in their final year project. This year, students focused on designing electric vehicle infrastructure for a bus depot and optimizing the battery energy storage system design. The primary goals included determining optimal layout and cable arrangements, and designing an electrical system to efficiently charge all buses according to schedule, with a strong emphasis on cost efficiency.

Each year, KBR Project Solutions introduces a new cohort of skilled interns. In 2023, interns joined us from Durham University, University of Sussex, University of Birmingham, and University of Southampton throughout the U.K., specializing in diverse fields such as computer science, geology, aeronautical engineering, environmental science and others. Throughout their summer program, they collaborated seamlessly with our Project Solutions team and our most seasoned engineers on a range of projects, bringing fresh perspectives and innovative solutions to the table.

Summer Internship Program with KBR Project Solutions, U.K.

KBR STORIES



Lily Hamlet, Benjamin Turrington, Charlotte Fitzwater, Alex Thomas, Noah Marland, Shaun Washer and Jack Hines



GENERAL WORKPLACE SKILLS

Our training and learning programs are comprehensive and address key topics such as health and safety, environmental protection, information security, and our Code of Business Conduct. These courses, tracked through our cloud-based learning management system, are mandatory for all employees, subsidiaries and affiliated companies globally.

In addition to customized training and learning programs developed for individuals, specific jobs, business units and functions, every employee has access to the KBR Learning platform 24 hours a day, 365 days a year. The platform offers extensive self-directed learnings, 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
- Diversity and inclusion
- Business management
 Sus
- Customer services
- Health and safety

- Sustainability
- Business analytics
- alvtics •
- Security
 Salas and marketing

• Emotional intelligence

Sales and marketing

We also 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

4.4 HOURS

98%

Access to

OF OUR GLOBAL WORKFORCE participated in online career development training in 2023 147,810 TOTAL ONLINE TRAINING HOURS in 2023

89,818 TRAINING RESOURCES for employees to improve workplace skills on demand \$11.9M TRAINING AND DEVELOPMENT EXPENDITURE in 2023





Climate and Sustainability Academy, Australia

Our Climate and Sustainability Academy is a learning hub aimed at enhancing internal foundational knowledge and skills in sustainability and climate change. This academy offers employees information through advanced academic studies on essential sustainability concepts to deepen their understanding. Additionally, the academy now serves as an educational resource for partner organizations to develop their own sustainability expertise and knowledge.

TRAINING EVALUATION

Training programs are evaluated using various measurement and feedback mechanisms based on the Kirkpatrick Model, which is recognized as the industry best practice for assessing learning outcomes.

Level One evaluation measures how favorable, engaging and relevant participants find the training to their jobs. This is assessed at the intervention/event level through post-course surveys.

Level Two evaluation assesses the acquisition of knowledge, skills, attitudes, confidence and commitment. This is measured for skills-acquisition courses via end-of-course or end-of-module tests, as well as through teach-backs and live demonstrations of knowledge.

Level Three evaluation looks at the application of learned skills on the job. This assessment is conducted by the learner's direct supervisor as part of the ongoing Agile Performance and Development Check-in process.

Level Four evaluation examines the impact of the training on targeted business performance outcomes, such as customer satisfaction or business acquisition. This assessment is conducted by the business units where skills training investments are aligned with specific goals.

Guidance for developing and assessing training is provided through the KBR Training Standards Kit, which offers detailed instructions for the assessment, design, development, implementation and evaluation of training courses.





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 established leadership development offerings include the Global Leadership Development Program (GDLP), Manager Excellence Program (MEP) and a number of regionally based offerings. Building on this foundation, KBR has launched the Front-Line Leader Program to support newly hired or promoted managers as they transition into this critical level of leadership. This program is global, training more than 1,000 front-line leaders since its inception.

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



Global Leadership Development Program

The program is an intensive 15-month transformative experience designed to expand the capabilities of future executive to senior executive leaders. The program includes a blend of assessments, coaching and development planning alongside 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. GLPD's focus is on broadening KBR knowledge, cultivating executive and peer networks, developing an enterprise mindset, building commercial and strategic acumen, and honing executive leadership skills for effectively leading people and change.



Manager Excellence Program

Launched in 2019, this nine-month program targets high-potential, mid-level managers who are candidates for taking on greater leadership responsibilities as part of our succession planning process. The program includes a leadership assessment and several external courses and internal classroom sessions on operational execution, coaching performance, inclusion and diversity, and communication. The capstone event is the presentation of a business case to executives.



Front-Line Leaders Program

This 15-week program increases first-time people managers' capability to develop a highly engaged and empowered workforce and helps participants gain confidence in developing their own teams. The program was developed in conjunction with DDI and aligns with our Front-Line Leadership level competencies. The objective is to equip first-time line managers with a management skill set and a leadership mindset, ensuring consistency and engagement across the organization for positively impacting our people.



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BUSINESS UNIT-SPECIFIC LEADERSHIP PROGRAMS

As an addition to these corporate-level programs, each of our business units are responsible for developing their discrete management and leadership initiatives to suit their own businesses.

TRAINING AND EDUCATION RESOURCES

Internal training and education is enhanced by:

- Enterprise-wide Learning Management System Our cloud-based on-demand learning library includes 89,818 e-learning modules, videos, e-books, audio support tools and more
- **Technical Leads** Subject matter experts (SMEs) in key knowledge domains who identify critical needs in skills, competencies, recruitment and development
- 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 Knowledge-sharing and Innovation section.
- 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 Checkin 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 harnesses the expertise of a select group of technical specialists within the company. This program promotes KBR's culture of innovation and technical knowledge-sharing, offering a unique career path for leading experts in science, technology and engineering. It aims to enhance capabilities, encourage collaboration across various disciplines, and attract, mentor, and inspire the next generation of talent to join our diverse teams.

ONE KBR TECH FELLOWS

ONE KBR	SENIOR	TECH FEI	LOWS
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Bianca Cerqueira	Neuroscience and Biomedical Engineering;	Ajay Sehgal	Unmanned Aircraft Systems	Ivan LaHaie	Radar Cross-section and Low Observable
	Health Research and Development	Amber ller	Remote Sensing		Technology
Brian Gribben	Offshore Wind Energy; Research Management	Anthony Montoya	Counterintel Grid Operations	James A. Georges III	Holographic and Advanced Imaging Concepts
Ewen Denney	Safety and Mission Assurance; Formal Foundations	Benjamin Ochoa	Computer Vision	James Helferty	Electro-optical Imaging
Graham Hawkes	Fluid Dynamics; Wind Farm Engineering	Bobby Hunt	Imagining Systems and Optics	Jeong-Kwan Na	Nondestructive Testing and Evaluation
Greg Martin	Computer/Machine Vision; Machine Learning	Chetan Kulkarni	System Health Management, Diagnostics		Methodologies
John Chen	Materials Engineering		and Prognostics	Johann Schumann	Neural Networks and Autonomy
Peter Hendrickson	Quantum Technologies; Signals Intelligence	Chris M. Kreucher	Information Theory and Artificial Intelligence	Kyoung Jae Kim	Signal Processing-Human Performance
	and Sensing	David Cole	Energy Transition	Madison Gray	Signal Processing, Sensor Calibration, Algorithm
Ray Merton	Space Domain Engineering; Airborne and	Eric Shell	Nondestructive Evaluation		Development and Remote Sensing
	Satellite Intelligence, Surveillance and Reconnaissance	Eric Therkildsen	Optical/Systems Engineering	Max Kandula	Engineering Analysis and Design
Rian Reyneke	Olefin Technology Process Optimization	Ganesh Pai	Safety Assurance	Michael Tallman	Olefins Production Technology
Ryan Weisman	Astrodynamics; Spacecraft Guidance, Navigation	Gautham Krishnaiah	Chemical Processing Engineering	Ronald Fairbanks	Airborne and Space-based Electro-optical
	and Control	Henry Theiss	Photogrammetry		Imagining Systems
Quoc Do	Model-based Systems Engineering; Systems Assurance				



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The KBR Technical Journal is an annual publication showcasing papers authored or co-authored by our employees. This journal highlights the creativity of our team and makes groundbreaking research publicly accessible for widespread citation. Research topics include energy transition, sustainability, autonomous systems, life sciences, 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) offer opportunities to connect our technical experts worldwide. These forums focus on various areas, including data science and analytics, digital engineering, cybersecurity, human performance and training, sustainability, and energy transition. These collaborations not only foster personal growth but also drive innovation to address real-world challenges.

Our professional and technical development is further supported by IMPACT, our early-career ERG. IMPACT sponsors global learning initiatives such as the KBR Vision Series webinars, in which senior leaders engage with emerging professionals to nurture their curiosity, drive and motivation. Simultaneously, these webinars offer leaders the chance to learn from young professionals who bring fresh ideas and new perspectives.



STRATEGY

COP

COMMUNITY OF PRACTICE

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

- 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



- 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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Connecting

Benefits

To attract and retain top talent, we provide compelling reward packages tailored to our diverse populations worldwide. Our employee offerings include competitive compensation and a wide array of nonstatutory benefits. These reward packages differ by location and include:

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

Access to financial well-being resources

- Company-matched retirement/pension packages
- Family benefit coverage (spouse and children included)
 Cor
- Flexible savings and tax-advantaged accounts
- Life insurance
- Employee Stock Purchase Program

- Personal travel benefits
- d) Commuter benefit accounts
 - Mortgage support
 - Employee extras discounts
 - globally and cash-back options

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 are for children, elders and pets

- Identity protection
- Legal plan
- Holiday buy
- Electric car and bike schemes

At KBR, 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 U.S.

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 all 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 Purchase Program (ESPP) is available for full-time and part-time employees. This benefit provides employees with the opportunity to purchase KBR common stock at a discount 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.

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

Another fundamental source of employee support is our employee support program. Employees are provided free global access to a 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 also provide access to meQ, an independent app-based platform specially designed to teach employees new skills for easing stress, solving problems, understanding emotions, making better decisions and improving personal resilience.

*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.



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KBR STORIES

KBR Awards



ONE KBR Award

The ONE KBR Award program aims to acknowledge and reward exceptional individual or team performance that exceeds expectations, contributes significantly to the company's success, and consistently reflects our ONE KBR Values. This recognition includes a variable financial component.

4,955 **EMPLOYEES** WERE PRESENTED ONE KBR AWARDS TO **RECOGNIZE THEIR ACHIEVEMENTS**

KBR Values Award

Our values are the fundamental and lasting principles that guide our daily business operations, and that define who we are as a company. The KBR Values Award is presented annually to individuals who exemplify our ONE KBR Values most effectively. This includes 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 comprise three distinctions: the CEO Award for HSSE Excellence, the business unit President's HSSE Excellence Award, and the Zero Harm Award. These honors recognize individuals or teams for exceptional HSSE leadership, exemplary application of HSSE practices and principles, and significant work-hour achievements without incidents.

ZER® HARM



Annual Employee Engagement Survey

As we aim to foster inclusivity and global diversity while being an employer of choice, it is crucial for us to listen closely to our employees' feedback and take action accordingly.

Since 2020, we have conducted annual global employee satisfaction surveys, allowing employees to provide detailed anonymous feedback. Our executive leadership team reviews all results and feedback. Together with senior management, they are responsible for enhancing employee satisfaction and engagement based on these insights. We are committed to conducting these surveys annually to sustain this practice.

ANNUAL EMPLOYEE ENGAGEMENT



In 2023 65% OF ELIGIBLE EMPLOYEES took part in the annual survey

84% of employees believe KBR IS A GREAT PLACE TO WORK





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Recognition







KBR One Ocean

ONE OCEAN, ONE PLANET

Since 2018, KBR One Ocean has been integral to our sustainability commitment and Zero Harm ethos. This global initiative brings together KBR employees, local schools, youth and environmental networks, and other like-minded organizations. Passionate KBR employees collaborate with teachers to mentor young people, deepening their understanding of sustainability, the ocean's role in climate regulation, and overall planetary health. By sharing their industry expertise, they encourage students to devise innovative, practical solutions to environmental challenges using design thinking principles. The program also explores cuttingedge sustainability concepts such as circular economy, cradle-to-cradle design, and biomimicry, aiming to inspire young people to pursue careers in science, technology, engineering, arts, and mathematics (STEAM).



APPENDIX



KBR STORIES

One Ocean Al-Khobar partners with Ministry of Education



In 2023, our One Ocean Al-Khobar team collaborated with the Eastern Provinces Council (for Social Responsibility) and the Saudi Arabian Ministry of Education to introduce the program in public schools. Presently, One Ocean is being implemented in 10 schools across the Eastern Province of Saudi Arabia, equally divided between boys' and girls' schools in three diverse cities. Through the program students are learning about environmental stewardship and ocean conservation, reflecting on how their future roles can contribute to addressing various environmental challenges. The synergy between "EPCSR" and the Eastern Region's Education Department in launching the KBR-AMCDE One Ocean initiative is poised to significantly influence future generations by fostering a sense of national identity, safeguarding national resources, and enhancing the culture of social responsibility across both public and private sectors, ultimately contributing to the realization of sustainability goals."

HRH Princess Abeer bint Faisal bin Turki Al Saud, Chairperson of the Trustees of EPCSR



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Connecting With Our Communities

At KBR, community support has been integral to our identity since our founding. We are committed to improving communities on local, national and global levels, aligning our efforts with our sustainability focus areas. Our dedicated team drives these initiatives, continually discovering innovative and creative methods to unite people and promote lasting change.

Our dedication to fostering diverse and inclusive communities is demonstrated through our active partnerships with several esteemed organizations. We are proud members of the CEO Action for Diversity Inclusion, committed to advancing minorities' interest through AMIE, and supporting Catalysts's mission for workplaces that work for women. Our collaboration with Disability:IN reinforces our commitment to disability inclusion, while our affiliation with Women in Science and Engineering (WISE) promotes gender equality in STEAM fields. Additionally, we uphold the Pride in Veterans Standard and support Hiring Our Heroes, emphasizing our commitment to veterans and their families. Through these partnerships, we strive to create a more inclusive and supportive environment for all.

Powering Communities With Passion and Purpose

The 17th annual KBR Charity Golf Tournament, organized by our young professionals ERG IMPACT, raised over \$1.5 million benefiting Buffalo Bayou Partnership, the Chester Pitts Charitable Foundation, the Houston Fire Department, the Houston Police Department, the Marine Corps Scholarship Foundation, the PTSD Foundation of America, St. Jude's Children Research Hospital, Angel Flight South Central and Houston Wilderness.

KBR team members in Australia took part in Tennis ACT's Canberra Girls Get Active Day. Organized through the local ASPIRE ERG, this was a free community event aimed at inspiring, energizing and empowering young women to be more active. More than 1,100 people attended, and the team took the opportunity to speak to children and parents about the many career opportunities at KBR.

Our Armed Forces Community (AFC) ERG in the U.S. played a pivotal role in organizing and managing the Wounded Warrior Project's 5K, ensuring a smooth and successful race day for all participants. Additionally, AFC U.S. volunteered their time for Project Giveback's Gold Star Christmas Party.

In the UAE, our ASPIRE ERG supported the Pink Walk organized by the Dubai Police to raise awareness for breast cancer, participated in the NMC Walkathon to promote healthy living awareness, and raised funds for cleft condition operations through Operation Smile.

In the U.S., our MERGE ERG collaborated with the Midwest Black Rodeo, an organization that celebrates cultural heritage and educates the public about the significant contributions of African Americans to the history of the American West, while also providing youth with hands-on experiences during their annual rodeo. MERGE also supported the Boys and Girls Club, which bridges the gap between school and home by offering tutoring, mentoring, real-life skill sessions, and educational trips.

The KBR Talent Development Center of Excellence held a team service day at the Houston Food Bank supporting the Teachers Aid program. When children do not have the proper tools in school, many



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are challenged in achieving academic success. Teachers Aid provides school supplies to teachers in Title 1 schools, which support children from lower-income families. The Talent Development team assisted in unloading and organizing pallets of donated school supplies then formed an assembly line to pack boxes of supplies for teachers who otherwise may not have had the tools necessary for their students' success. Importantly, it was an opportunity for the team to learn about our community and each other.

To commemorate World Cleanup Month, more than 80 KBR team members from the Houston and Clear Lake offices participated in a beach cleanup event at Galveston Beach. The event was organized by KBR's ERGs along with the general counsel leadership team. Their collective efforts contributed significantly towards maintaining the cleanliness and beauty of Galveston Beach, and promoting the One Ocean program, reflecting KBR's commitment to environmental conservation.

In a joint effort with the Abu Dhabi Municipality and the Abu Dhabi IMPACT ERG, KBR employees participated in a tree planting day to celebrate environmental stewardship and commitment to a more sustainable future. The team met in a public park and planted 100 beautiful flowering trees, demonstrating the power of collaborative efforts. Notably, this campaign has extended beyond Abu Dhabi, with KBR's Iraq office also actively participating by planting trees in the Basrah Majnoon Oilfield. Additionally, KBR contributed 20 trees to the FOC building to enhance its surroundings and cultivate a culture of environmental responsibility and sustainability.

Inclusion and Diversity:

- Armed Forces Covenant Gold member
- Women in Science and Engineering member
- Pledges of the CEO Action for Diversity and Inclusion
- Advancing Minorities' Interest in Engineering coalition member (AIME)

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- Women in Defense and Women in Nuclear members
- Catalyst member
- Disability:IN member
- The CEO Action Pledge

For more stories please see our <u>Insights and News</u> page.



APPENDIX

Empowering a Value-driven Workforce / Belonging / Growing / Connecting / Health, Safety and Security / Protecting Human Rights / Cybersecurity and Data Privacy

PLANET

Health, Safety and Security

At KBR, our unwavering commitment to health, safety and security^{*} (HSS) is our foundational element of who we are. That dedication forms the bedrock of our <u>Zero Harm culture</u> – 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 HSS programs prioritize ongoing enhancement, growth, and execution in alignment with our commitments and objectives, with annual targets established to diminish health and safety incidents.



*HSSE is referenced as HSS in this report as environmental topics are included in our Planet section.



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Our Zero Harm Commitment

While we adhere to all applicable laws and regulations where we operate, we go above and beyond compliance and commit to the following:

- Protect and improve the health, safety, and security of our employees and contractors at all times.
- Eliminate incidents through our Zero Harm culture.
- Meet specified customer requirements for continuous customer satisfaction.
- Set HSS 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 HSS aspects of engineering and design.
- Communicate openly with stakeholders facilitating an understanding of the HSS policy, program and procedures.
- Recognize outstanding HSS performance.
- Measure, monitor and report on progress towards targets.

KBR Global HSS Summary^{*}

	2021	2022	2023
Work Hours	80,831,487	80,880,136	90,143,725
Total Recordable Incident Rate (TRIR)	0.111	0.079	0.067
Fatality Incident Rate (FIR)	0.000	0.000	0.000
High Potential Incident Rate (HiPo IR)	0.027	0.054	0.047
Lost Time Incident Rate (LTIR)	0.025	0.020	0.007
Severity Rate	1.615	0.959	0.217



* HSSE TARGETS for TRIR, FIR, HiPo and LTIR are based on Top Quartile performance



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

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Nick Anagnostou, Vice President, HSS

Health, Safety and Security Governance

BOARD OVERSIGHT

The Sustainability and Corporate Responsibility Committee of the KBR board is responsible for overseeing the Health, Safety and Security Management System and its programs and strategies. Our global HSS policies and processes are owned and approved by the CEO and executed and managed by the vice president of HSS, who reports directly to the Sustainability and Corporate Responsibility Committee of the Board.





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TOTAL SAFETY

Empowering a Value-driven Workforce / Belonging / Growing / Connecting / Health, Safety and Security / Protecting Human Rights / Cybersecurity and Data Privacy

Health and Safety Management System

The Health, Safety, Security, and Environmental Integrated Management System (HSSE IMS) is a crucial part of KBR's Quality Management System (QMS), which unifies KBR's business into a cohesive system for better execution and exceptional performance. This system manages all HSSE documents, including policies, procedures, work methods and manuals.

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

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



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





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POLICIES AND PROCEDURES

Our dedication to achieving the goal of zero workplace incidents remains steadfast. Our <u>Health, Safety, Security and Environment</u> (HSSE) policy is group-wide and extends to all KBR employees, contractors and subcontractors globally. This policy outlines comprehensive HSS 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 VI for details on integration of contractors and subcontractors.

100% OF KBR'S FACILITIES ARE CERTIFIED TO ISO 45001

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 further strengthens this system by providing a framework to manage risks and enhance performance through well-defined criteria for policies, objectives, planning, implementation, operation, auditing and review processes. KBR's commitment to excellence is demonstrated through continuous review and improvement of the HSS management system, which undergoes annual and triennial audits conducted both internally and by third-party auditors.



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Our Identification, Risk Assessment and Investigation Approach

The goal of our Occupational Health and Safety (OHS) Hazard Identification and Risk Assessment procedure is to evaluate all hazards associated with KBR operations and suggest ways to reduce those risks to a low as reasonably possible manageable level, with clearly defined roles and responsibilities. This process also lays out step-by-step methods for identifying hazards, assessing their impact and likelihood, and, if necessary, determining risk management strategies. Processes for training employees on identifying risks for all sites, including clients and projects, are also outlined in this procedure.

Pre-task Risk Analysis and Risk Mitigation Total Safety Task Instruction (TSTI) – This work method guides all field tasks and non-routine office-related tasks to be in alignment with KBR's Global Occupational Safety Standards and covers all stages of projects, and apply to all employees, contractors and subcontractors.

100% OF OUR OPERATIONAL SITES UNDERGO EMPLOYEE HEALTH AND SAFETY RISK ASSESSMENTS

INCIDENT REPORTING SYSTEM

Our global, in-house Health, Safety and Environment Incident Reporting System (HSERS) is designed to report all incidents (work-related and non-occupational incidents) and is continually being enhanced to support the business. Data is analyzed through interactive dashboard tools for trend analysis. HSERS features include:

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

KBR's Incident and Near Miss Management Procedure standardizes our HSS reporting and is applied globally across all KBR-operated sites, contractor operations and joint ventures that must report incidents to KBR. The procedure outlines the work hour reporting and injury classification requirements needed to drive consistency across our global operations. It's designed for logical and consistent reporting and investigation of incidents and near misses. All reporting is completed using HSERS. Incidents and near misses are classified based on their severity, which determines the level of internal notification.

Promotion, Training and Awareness of Safe Work Practices

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

We promote health and safety awareness through regular:

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

Project managers and team leaders are encouraged to develop awareness activities for all work locations and as part of the overall HSS program. Additional information such as training (when, how often and content), site audits and walkthroughs are outlined in the safety execution plan. This plan is tailored to the project's scope, client/owner requirements, regulatory requirements and hazard analysis. These procedures apply to all stages of operations and cover all contractors and subcontractors in accordance with our Global Occupational Safety Standards Manual.





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Employee Voices and Safety

Safety is a collective responsibility. Individuals across all levels are accountable for guiding and involving the workforce in achieving their HSS goals and objectives. We have various communication systems to help employees share their voices regarding working conditions and safety. For example, our behavior-based Courage to Care Conversation (CtCC) program plays a crucial role in maintaining ongoing awareness of unsafe acts or conditions through observation, intervention and conversation and is applicable to all KBR offices, locations and project sites. For more urgent situations, our MyKey Stop Work Authority enables all KBR employees, contractors and clients to use the KBR Stop Work Authority to halt individual tasks or group operations when the HSS risk control and work conditions are not clearly established or understood.

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."

In addition, employees can offer safety suggestions via the HSS Contacts page on the HSS intranet site or through KBR Listens.





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Mental Fitness and Well-being

Building on our commitment to Zero Harm, we aim to create work environments where employees can thrive. Since our employees work in some of the most demanding and complex situations, there is a deliberate focus on helping safeguard their total well-being and mental fitness and supporting their peak performance. This is enhanced 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 providing managers with training to inspire and enable them to proactively improve their own and their team's mental fitness and well-being.

Well-being Ambassadors

The Well-being Ambassador Program is indicative of KBR's commitment to maintaining positive workplace environments and contributing to our people's mental fitness. Through the program, employees are professionally trained to recognize signs of mental health and well-being-related issues and to provide individuals with guidance.

Psychological Safety

Our psychological safety resources help create an environment where people feel safe to speak up. In 2023, we developed new HSSE Keys to support the mental health and well-being of our employees.





Protecting Human Rights

We are committed to upholding and promoting 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. Furthermore, our board-level assessments of human rights vulnerabilities are integrated into our Enterprise Risk Management process.

As signatories to the UN Global Compact, we adhere to *Principle 1*: Businesses should support and respect the protection of internationally proclaimed human rights; and *Principle 2*: Make sure that they are not complicit in human rights abuses. Committing to respect internationally recognized human rights and avoid complicity in their violation.



Global Human Rights Policy

Our <u>Global Human Rights Policy</u> 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 <u>Code of Business</u> <u>Conduct</u>, 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 also is referenced in our mandatory annual ethics training, which all employees are required to complete on an annual basis.



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

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 <u>Code of Business Conduct</u> 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.



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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 and 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.
- These advanced data protection safeguards are integrated into the development of our client products and solutions.
- We commit to notifying all stakeholders in a timely manner in the case of a data breach or policy change.

- Implemented an improved streamlined reactive cyber incident reporting process enabling our employees to easily report incidents such as possible personal data breaches, accidental disclosures of customer data, lost or stolen hardware or bring your own device containing KBR data, suspicious device activity, or a KBR partner or third-party incident. The enhancement also includes improved incident notifications to our incident response teams and improved incident reporting and trending capabilities.
- Conducted our annual enterprise tabletop exercise, an event designed to test the effectiveness of our incident response and crisis management procedures. This exercise proactively brings together our technical responders and global leadership team to demonstrate and enhance their skills and knowledge in handling real-life cyber incidents.
 Continued our partnership with an independent cybersecurity risk rating service to ensure our cybersecurity and risk management programs are effective, with evidence-based cyber risk monitoring, continuous measuring of security control effectiveness, remediation

IN 2023 WE:

of gaps and vulnerabilities, and effective assurance to drive continuous improvement. Improved our information protection and detection capabilities through enhanced security technology and control adoptions. Continued to invest in and mature our enterprise risk management framework and enhance our vulnerability management, information protection, privacy enhancement and access management programs:

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- We migrated our vulnerability program to a cloud-based solution that provides expanded risk reporting and exposure management capabilities for both external and internal KBR networks.
- We invested in additional information protection controls to improve protection of highly sensitive trade data.
- We improved our access management program to strengthen conditional access including multi-factor authentication technologies for improved access security posture and user experience in addition to our Zero-Trust remote access project to retire and consolidate multiple legacy remote access technologies.



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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 to achieve business objectives.

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

The KBR board's 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 Cybersecurity Committee each quarter and report to the Audit Committee twice a year.

Other responsibilities of the Cybersecurity Committee include:



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.)





Information Security Management System

KBR's Cybersecurity and Data Privacy program is based upon 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.

Our Enterprise Information Security Policy outlines strategic goals and objectives to support the KBR Information Technology Integrated Management System. This system is an integral part of our Quality Management System (QMS) and is certified to ISO 27001. It applies to the provision of IT infrastructure and services, supporting both internal and external operations, and manages all Cybersecurity and Data Privacy documents, including policies, procedures, work methods and manuals.

POLICIES AND PROCEDURES

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

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

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

We respect individuals' data privacy rights and empower individuals to exercise their rights of access, rectification and deletion of their personal data.

protect personal data. We are committed to collecting user data through lawful and transparent means, with consent of the individual about 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 <u>Data Privacy</u> policies and procedures:

- <u>Code of Business Conduct</u>
- 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 <u>external website</u> and intranet site. Refer to Appendix page VII for additional policies and procedures related to data privacy and cyber security.



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Data Minimization and Retention

We retain personal data in accordance with our data retention schedules, policies and procedures, and legal and contractual requirements and take steps to securely destroy 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.

*Retention could exceed this time frame for legal purposes.

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, 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 management-level employees who are not responsible for initial analysis of the alert. In the event of activity being classified as suspicious or unusual, the affected parties including the impacted user will be notified.

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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
- A 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



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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:

- National Institute of Standards and Technology (NIST)
- Defense Federal Acquisition Regulation Supplement (DFARS)
- International Traffic in Arms Regulations (ITAR)
- UK Cyber Assessment Framework
- Australia's Essential Eight

Certifications:

- NIST 800-171 Cybersecurity Framework
- Cybersecurity Maturity Model Certification (CMMC)
- ISO/IEC 27001 Information Security Management System*
- ISO/IEC 20000-1 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.

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

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), aim for 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
- UK Cybersecurity Essentials Plus
- Australian Signals Directorate Australian Cyber Security Centre

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. 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 Cybersecurity Committee and executive leadership.

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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 VII.



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Risk Identification and Assessment

Risk identification and assessment is achieved by leveraging technological advancements, implementing new solutions, and establishing strategic partnerships with government agencies and commercial vendors. This allows us to continuously carry out network perimeter and endpoint cybersecurity monitoring, detection and response. Additionally, we actively engage in targeted threat hunting across KBR-managed networks.

We are actively evaluating and participating in the Department of Defense Cyber Crime Center (DC3) Defense Industrial Base Collaborative Information Sharing Environment (DCISE) program. Through this program we have integrated DCISE cyber threat indicators from across the Defense Industrial Base as an additional threat feed into our existing cyber program.

SUPPLIER AND THIRD-PARTY CYBER RISK MANAGEMENT

Our Supplier Cyber Risk Management program, holistically reviews our cyber risk exposure through our joint ventures, suppliers, partners and other third parties. We integrate cybersecurity risk management into procurement processes by including data protection and cyber incident notification language in purchase orders and by assessing supplier risk attributes across information (i.e., cyber), financial, contractual and operational risk domains as part of our supplier due diligence program.

We use simple, repeatable risk identification practices with triggers for further review as required. We use a third-party vendor to assist in continuous monitoring and alerting of supplier cyber hygiene as part of our third-party cyber risk assessment practices.





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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 to inform 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









INTRODUCTION

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Our Climate Transition Action

At KBR, we recognize the urgent need for comprehensive action to address climate change impacts. Over the past five years, we have calculated our annual corporate carbon footprint, invested in carbon neutrality, launched a company wide climate risk project, committed and submitted our net-zero targets to the Science Based Targets Initiative, and developed our climate transition plan along with various carbon-reduction programs and initiatives. For more details on our journey to net-zero and full corporate carbon footprint, please refer to **Our Climate Transition Plan**.

		2021	2022	2023	DIFFER	ENCE
		kg CO ₂ (in '000s)	% Share			
	Scope 1	6,426	8,602	5,746	-2,856	-33%
	Scope 2 (Market-based)	1,115	1,353	0*	-1,353	-100%
Our Corporate	Scope 3 ** (Category 3 & 6)	33,164	44,976	72,298	27,322	61%
Carbon Footprint	Total	40,706	54,931	78,044	23,113	42%
(kg CO2)(in'000s)						
	Scope 2 (Location-based)	26,367	20,704	22,171	(1,467)	7%
	Scope 3***	N/R	N/R	1,001,850	N/A	

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



Our Climate Transition Action / Environmental Stewardship / Delivering Sustainability



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Environmental Stewardship

Environmental stewardship is essential to our business, driving our commitment to sustainable practices that protect and preserve the natural world. We recognize that our long-term success depends on minimizing our environmental impact, responsibly managing resources, and promoting innovation in sustainability. By integrating environmental stewardship into every aspect of our operations, we fulfill our corporate responsibilities and protect a thriving planet for future generations while creating value for our stakeholders.

Environmental Governance

The Sustainability and Corporate Responsibility Committee of the KBR Board of Directors provides global oversight and guidance on the corporation's sustainability efforts, including environmental and sustainability policies, procedures, our Environmental Management System (EMS), risks, opportunities, and other relevant matters. Our Global Sustainability Committee, led by the CEO, collaborates closely with the corporate sustainability officer to implement and monitor global sustainability initiatives, including our Net Zero program. For more information, please see Our Board.

Environmental Management System

Our Integrated Management System (IMS) unifies all business segments into a cohesive framework, enhancing business execution and ensuring environmental compliance. It features a dedicated Environmental Management System (EMS) that includes policies, procedures, and work methods for managing and mitigating environmental impact. Our executive leadership team oversees, reviews and updates the IMS regularly throughout the year. At the outset of projects, an environmental impacts identification (ENVID) review is conducted to identify and assess all environmental impacts associated with project activities, ensuring they are properly managed. Procedural manuals detail the methods for conducting ENVIDs and, when necessary, outline specific objectives and targets. The assessment involves thorough reviews at each project stage, with results documented in the project's Environmental Aspects Register.

Environmental leads are responsible for identifying, documenting and escalating any violations for resolution. They also provide training to the environmental team and all project site personnel on relevant aspects of environmental management.

Managers are responsible for ensuring that the project and its environmental management team:

- Identify potential environmental and social aspects and their consequences.
- Evaluate existing safeguards or measures to prevent or mitigate these consequences.
- Assess the resulting risks.
- Identify areas where current safeguards are insufficient and recommend additional risk-reduction measures.
- Document environmental impacts and aspects.





Our Climate Transition Action / Environmental Stewardship / Delivering Sustainability

POLICIES AND PROCEDURES

Our <u>Global Sustainability Policy</u>, <u>Global Environmental Policy</u> and related IMS procedures outline the strategy, commitments, expectations and responsibilities for each employee and project team, in addition to the actions and processes necessary for meeting identified targets and objectives for each area of the environment.

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 with stakeholders on environmental issues

CERTIFICATIONS

We are ISO 14001, ISO 45001 and ISO 9001 certified by the Lloyd's Register Quality Assurance at global, business unit and office location levels, across EMEA, APAC and the Americas.



Use of Raw Materials and Natural Resources



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KBR	ľ

MANAGING ENVIRONMENTAL RISKS

The ENVID process is conducted in alignment with our procedures ensuring compliance with ISO 14001 requirements.

The Environmental Aspects Register and ENVID report are essential for demonstrating compliance with ISO 14001 and are used in both internal and external audits. These procedures are applicable to all KBR offices and operationally controlled projects worldwide.

Our teams also refer to an environmental reference manual, designed to present information and rules for preventing occupational injuries while executing projects in accordance with our vision and ONE KBR Values. The manual comprises two parts:

- Environmental compliance, detailing procedures and requirements for appropriate safety, recordkeeping and training
- Environmental guidance, with plans and operational recommendations

Environment managers and teams must consult the best available techniques assessment outlined in the IMS. This design procedure offers an integrated, systematic approach to environmental protection, playing a crucial role in controlling pollution, minimizing waste, and optimizing the use of materials and energy. Rooted in the concept of integrated pollution prevention and control, it provides a comprehensive approach to safeguarding both health and the natural environment.

As part of our ISO 14001 certification and our <u>Global Environmental Policy</u>, we perform external and internal environmental audits; perform regular environmental training programs for our employees; have developed corrective actions to foster continual improvement; and monitor performance records to meet our defined environmental objectives and targets.

Also supporting this program is our treatment of enterprise risks with a climate change frame of reference, to manage the business and environmental risks associated with a changing climate. Please refer to our <u>Climate Transition Plan</u> for more details.



Our Climate Transition Action / Environmental Stewardship / Delivering Sustainability

Delivering Sustainability

We partner with companies and governments to design and deliver a more sustainable world and a better tomorrow – one that ensures the well-being of our planet and people.

Sustainability is the ability of a community, organization or infrastructure to sustain and thrive by balancing economic, social and environmental demands. Whether it is helping our customers to meet net-zero carbon emissions or achieve zero waste, KBR is at the forefront of emerging sustainable technologies and approaches.

Our diverse team of experts works to incorporate positive economic, environmental and social outcomes into the planning and delivery of our projects and partnerships, driving organizational change and community development. Our teams apply a multifocal approach, integrating economics, science, technology, engineering and planning solutions to help address our customers' needs.

Since 2015, we have been on a journey to enhance and strategically reposition ourselves as a market leader in sustainable technologies and environmental solutions. We have expanded our portfolio and expertise to address market demands and support customers across various industries and all around the world in addressing their sustainability needs and challenges. Our sustainability-focused revenue increased by 13% from 2022 to 2023, accounting for 37% of our total revenue.

For more information on our sustainable technologies, services and offerings please see our <u>Delivering Sustainability</u> site.





Governance

WE VALUE OUR PEOPLE WE DELIVER	WE AR

GOVERNANCE RIS MANAGE

RISK SUPPLY MANAGEMENT PARTNERS

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



Our Board

Our governance framework – rooted in the principles of accountability, responsible stewardship and integrity – is built to deliver long-term value to our stakeholders. The KBR Board of Directors collectively oversees the company's:

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

BOARD OF DIRECTORS

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

- Sustainability and Corporate Responsibility Committee
- <u>Cybersecurity Committee</u>
- Audit Committee
- <u>Compensation Committee</u>
- Nominating and Corporate Governance Committee

For more information on our board committees please see our <u>Proxy Statement</u>.

SUSTAINABILITY AND BOARD OVERSIGHT







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

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Sustainability and Board Oversight

The Sustainability and Corporate Responsibility Committee of the KBR Board of Directors provides global oversight and guidance on the company's sustainability, human capital management, and corporate responsibility policies, programs, and initiatives. These encompass, but are not limited to, responsibilities and issues related to:



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

- Global Human Rights
- Cybersecurity and Data Privacy
- Sustainable Supply Chain
- Climate Risk
- Inclusion and Diversity

GLOBAL SUSTAINABILITY COMMITTEE

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

Members include business segment and corporate department executives, as well as key employees, supporting well-rounded and in-depth discussions about the development and implementation of KBR's sustainability strategy and targets. The Corporate Sustainability team implements the Global Sustainability Committee's strategy by working with key business areas and corporate functions to assist monitoring, managing and reporting on performance in environmental, social and governance focus areas.






Meet our Board of Directors

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

	EXPERIENCE					GENERAL			INCLUSION & DIVERSITY STATISTICS					
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
Mark Baldwin	Energy	~	 Image: A second s		 Image: A second s		2	~			70	М	U.K.	White
Stuart Bradie*	Engineering Government Technology	~	~			~	1		~		57	М	U.K.	White
Lynn Dugle	Government Space Technology	~	~	~	~		3	~			64	F	U.S.	White
Lester Lyles**	Government Space		~	~	~	~	0	~		~	77	М	U.S.	African American
John Manzoni	Energy Engineering Government	~	~		~	~	2	~			64	М	U.K.	White
Wendy Masiello	Government Technology		~	~	~	~	0	~		~	65	F	U.S.	White
Jack Moore	Energy	~	~		~		2	~			70	М	U.S.	White
Ann Pickard	Energy Engineering Technology		~	~	~	~	2	~			68	F	U.S.	White
Carlos Sabater	Professional Services		~		~		1	~			65	М	U.S.	White + Hispanic

*Stuart Bradie is the only executive member of the KBR Board of Directors ** Cha

** Chair of the board







APPENDIX

GOVERNANCE

Business Integrity

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

"We are people of integrity" is one of our ONE KBR Values and underpins everything we do at KBR. Our ongoing success hinges on effectively managing the risks associated with global operations, including corruption and fraud, to maintain our reputation as a service provider committed to integrity.

Ethical conduct is not only a core element of our sustainability framework but is also deeply embedded in our company vision and values, guiding our business practices and behaviors. Furthermore, our commitment to ethics is integral to our Zero Harm culture, with 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:

- Health and safety
- Conflicts of interest
- Trade compliance
- Inclusion and diversity Anti-corruption and bribery
- Human rights

Respectful workplace

- Fraud
- Anti-competitive practices
- Government contracts
- compliance

Our Code of Business Conduct is accessible online in 21 languages for all external parties, including suppliers, subcontractors and the general 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, third-party 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 UK 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 regular risk assessments of our higher-risk projects and locations to measure the effectiveness of our Anti-corruption Compliance Program so that the program is attuned to the current business risk.

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 <u>Business Integrity Program</u> and <u>KBR's Anti-corruption</u> <u>Compliance Program</u>.



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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. 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 oversee 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 corruption-related 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.

100% OF OUR WORKFORCE ARE 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 and sign off that they have read and understand the code and that they will

comply with its provisions. A substantial 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, 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.





APPENDIX

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.

We are in the process of developing 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 chief counsel and director of Business Integrity for anti-corruption compliance.

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

REPORTING CHANNELS

We encourage anyone who suspects or needs guidance related to any inappropriate or unethical behavior, human rights abuses, misconduct, concerns for information security or violations of our Code of Business Conduct to report them through any of several established reporting channels, which are widely advertised throughout the organization and cover the following nine methods and channels:



This external, confidential third-party-managed ethics hotline can be used for anonymous reporting 24/7 in more than 59 languages and dialects and is available online, over the phone, by text or via email. Details: U.S. (800) 461-9330 – Text "REPORT" to 832-479-1340 (U.S. only). For all other countries, the toll-free telephone number can be found at





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All allegations of possible violations of the Code of Business Conduct, including those related to potential human rights violations and information security concerns, are promptly and thoroughly investigated and evaluated at the corporate level with due care by a dedicated, specialized and experienced Business Integrity team.

We partner with a recognized industry leader in hotline reporting to provide several options for reporting confidentially or anonymously. Reporters can remain anonymous, only reveal their identity to the third-party hotline provider, or disclose their identity. We also implemented an Ethics Question Manager, which allows employees to ask ethics questions or ask for guidance anonymously.

For human resource disputes, employees can also access the dispute resolution program (DRP). See here for more information.

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.

The CEO has reiterated on the ethics hotline reporting page that:

I am wholeheartedly committed to promoting an environment where employees will report their concerns without any fear of retaliation."

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Stuart Bradie President and Chief Executive Officer





Reporters to the KBR Ethics Hotline are made aware of KBR's anti-retaliation policy and are encouraged to contact the Business Integrity team with any retaliation concerns. At the conclusion of an investigation, hotline reporters and any other employee that reports misconduct are advised to report any forms of retaliation. We will be implementing a feature that sends the anonymous reporter a subsequent follow-up inquiry for retaliation concerns after the conclusion of the matter. Our anti-retaliation policy also applies to individuals that encourage reporting misconduct or cooperate with business integrity investigations.

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 <u>Code of Business Conduct</u>, to conduct business fairly and ethically. To ensure that intercompany and crossborder transactions are 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 to ensure continuing compliance with foreign laws and global standards.

In accordance with the Code of Business Conduct, we do not 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 remain committed to our core strategic focus, advancing clean technology and lowemission innovations through our Sustainable Technology Solutions and Government Solutions businesses. By fully optimizing climate-related opportunities, we support our customers' decarbonization, emission reduction and energy transition goals.

Sustainability-focused Revenue



SUSTAINABILITY-FOCUSED REVENUE GROWTH	2021	2022	2023
Energy transition and decarbonization Alternative energy, energy efficiency, pollution control, CCUS, conservation	1,086M	1,363M	1,597M
Earth, climate and space science research	900M	882M	944M
Basic needs	*	*	*
Total Sustainability-linked Revenue	1,986M	2,245M	2,541M
Sustainability-linked as a % of Revenue	34%	34%	37%

*KBR participated in Operation Warp Speed (OWS) and Operation Allies Welcome (OAW). Both were special projects in response to anomaly situations: the COVID pandemic and the final days of the 2001-2021 war in Afghanistan, respectively. To allow for a year-on-year comparison of sustainability-focused revenue growth, revenue figures and percentages exclude OAW due to materiality.

From 2022 to 2023 our sustainability-focused revenue *increased by 13%.*





Our Evolving Risk Profile

ANTI-CORRUPTION	ENTERPRISE RISK MANAGEMENT	RISK-BASED STRATEGIC DECISIONS	SUSTAINABILITY
July 2009 KBR engages independent corporate monitor as approved by the Department of Justice (DOJ) and the U.S. Securities and	June 2019 Hired chief enterprise risk management (ERM) officer who, with her team, implemented a formal ERM	March 2020 Restructured energy delivery and services businesses into a single, combined group — Energy Solutions.	January 2021 Audit: KBR's Sustainability and Internal Audit teams partnered to audit the 2020 Sustainability Report. Reporting controls and processes established for
Exchange Commission (SEC).	COSO*-based program.		2021 and future Sustainability Reports.
		2021	
January 2010 KBR adopts enhanced	February 2020 ERM reports are required regularly at	 Energy Solutions combined with technology business to create 	2021 Risk management framework and processes are
anti-corruption program.	the board level.	Technology Solutions.	applied to environmental, social and governance
		 Reduction of engineering, procurement 	aspects, and risks and opportunities are managed
February 2012	April 2020	and construction (EPC) lump-sum work.	accordingly. Please see page 87 for more detail on
At the conclusion of the three-year monitorship, the monitor certified that	Commenced applying ERM outputs to develop and implement strategic	 Broader Technology Solutions business segment renamed Sustainable 	this process.
our current Anti-corruption Compliance	risk reduction.	Technology Solutions.	December 2021
Program was appropriately designed and			Climate-related Risk Management: KBR establishes
implemented to ensure future compliance	2022	2021	a Climate Risk working group dedicated to
with the Foreign Corrupt Practices Act (FCPA)	Expansion of the ERM team into	Frazer-Nash Consultancy acquired to	identify and analyze our climate-related risks and
and other applicable anti-corruption laws.	business units and applying risk management consistently from	expand international advisory footprint and Harmonic to enhance technical	opportunities on the organization's businesses, strategy and financial planning.
July 2014	project to enterprise.	innovation. Further investment into Mura	
Revised Code of Business Conduct to		Technology to expand the plastics circular	December 2022

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.

2023

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

2023

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

2022

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

economy with the <u>Hydro-PRT[®]</u> technology.

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.

2023

See our <u>Delivering Sustainability</u> for climate change opportunities.

2023

Climate-related risks and opportunities workshops covering all business units

* 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 elevated the role of enterprise risk, professionalized the function, and embedded it within our culture. Our CEO meets regularly with the head of Risk to ensure we are actively managing identified risks and ensuring they are current. Responsibility for risk management is distributed to the board as a whole and to individual board committees, supported by management in each case. Our ERM framework enables management to report to the various board committees on risks related to their oversight area, such as the Sustainability and Corporate Responsibility Committee and Cybersecurity Committee.





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OUR RISK GOVERNANCE STRUCTURE

	FREQUENCY	OBJECTIVES	
Board of Directors	Quarterly	 Reviews semi-annual risk reports covering strategic, operational, financial and hazard risks, including their likelihood, impact, trends and management measures. Reviews legal and compliance risks. 	 Approves large projects and mergers/acquisitions after assessing commercial, legal and financial risks. Evaluates the ERM framework's effectiveness and growth areas, reporting annually to the Board's Audit Committee.
Audit Committee	Quarterly	 Reviews KBR's significant financial risk with management and monitors mitigation efforts. Receives regular reports on risks such as litigation, liquidity, financial reporting, regulatory and tax concerns. Assesses reports on ethics, compliance, and findings from internal audits and risk assessments. 	 Holds private sessions with key executives and auditors at each meeting before releasing quarterly and annual results. Provides a report to the full board at each meeting to keep them informed of matters.
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	• Oversees compliance risks related to KBR's governance structure and policies.	 Reviews succession plans and management development programs for senior executives to ensure business continuity.
Cybersecurity Committee	Quarterly	Oversees KBR's information technology systems to:Identify, assess and manage cybersecurity and data privacy risks.Respond to and manage cybersecurity threats and incidents.	Checks compliance with data security and protection laws and regulations.
Sustainability and Corporate Responsibility Committee	Quarterly	 Oversees KBR's management of major risk exposures in sustainability, human capital and corporate responsibility. 	 Receives reports from KBR's Global Sustainability Committee on risk mitigation efforts. Oversees climate risk and its financial impacts in alignment with the TCFD guidelines
Executives	Triannually	 Holds dedicated risk reviews three times per year. Guides business segments in implementing KBR's ERM policy and framework. 	 Reports twice a year to the board on KBR's evolving risk profile to support risk-based strategy decisions and stakeholders communications.
Business Units	Multiple times a year	Individual business units and projects continuously manage risks and opportunities using th	ne 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 to ensure 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.



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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 officer, 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 (ELT).

CORPORATE FUNCTIONS



By entrenching ERM principles and practices in our culture, operations and strategic decisions, we can consistently visualize the entire risk landscape, 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



EVALUATION of compliance with the KBR ERM Framework across the business

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

MITIGATION

plans developed by the risk owners,

each with dedicated mitigation

owners who certify progress



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OUR KEY IMPACTS, RISKS AND OPPORTUNITIES

As part of our Enterprise Risk Management 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 <u>Form 10-K Report</u> 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 our <u>Climate Transition Plan</u> for more detail.
- **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.



Sustainability Risk Management

This framework is specifically applied to the management of operational and strategic sustainability risks and opportunities. Our sustainability 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 change
- Environmental impact
- Health, safety and security for employees, customers and communities
- Talent development and benefits being an employer of choice

- Inclusion and diversity 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 have established a business-wide climate risk project, working synchronously with the Enterprise Risk Management team to identify and manage climate risks associated with each business component. See our <u>Climate Transition Plan</u> for more details.









Sustainable Supply Chain

With tens of thousands of contractual relationships, building and maintaining a globally sustainable supply chain is vital to our business success. Our goal is to create a sustainable future by collaborating with our partners to align our ambitions, achieve net-zero emissions, and promote sustainability through Zero Harm.

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 Code of Conduct</u>,

KBR Global Human Rights Policy, Trafficking in Persons Policy, the UK Modern Slavery Act 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</u> Compliance Program,

- 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 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





Sustainable Supply Chain Strategy

Our <u>Sustainable Supply Chain Charter</u> sets our strategy to support supplier awareness of sustainable procurement and establishes objectives and targets and a requirement for our suppliers to benchmark their sustainability. In alignment with our <u>Procurement and Supply Chain Management Policy</u> and <u>Supplier Code of Conduct</u>, 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: (1) Organizational governance; (2) Human rights; (3) Labor practices; (4) The environment; (5) Fair operating practices; (6) Consumer issues; and (7) 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.

SUPPLY CHAIN MONITORING

Through our Supplier Code of Conduct we require all suppliers and subcontractors to comply with our Code of Business Conduct. Our supply partners must agree to abide by KBR's Code of Business Conduct or the equivalent (in the event their code is substantially similar). In 2023, over 1,500 suppliers signed and uploaded their confirmation of adherence to KBRSupplier portal. In addition, supplier performance evaluation is undertaken periodically to ascertain conformance to KBR requirements either via audit or virtual assessment.

Sustainability Benchmarking

As part of the KBR Sustainable Supply Chain agenda, suppliers are required to benchmark their sustainability efforts using recognized tools such as EcoVadis, ISN and the KBRSupplier Sustainability Questionnaire during the onboarding process. Prior to rollout, 42 sustainability KPIs were identified to determine supplier sustainability performance. Suppliers were Our supply chain approach incorporates consideration from ISO 14001, ISO 9001, and ISO 27000 standards.

prioritized by spend, industry and risk type (e.g., those in highrisk or carbon-intensive industries), but all suppliers are invited to benchmark their sustainability. While EcoVadis requires evidence-based submissions that are subject to auditing, the ISN and the KBR Supplier Sustainability Questionnaire are selfassessment checklists, designed for suppliers just starting their sustainability journey.

In 2023, we achieved our 5% benchmarking target (434 suppliers), and our goal is to increase supplier benchmarking to 35% by 2025 and 50% by 2027. Currently, participation is voluntary, and the 10-year Sustainable Supply Chain program will review opportunities to implement a mandatory conformance program in the future. At that time, suppliers who fall below the minimum threshold may face deselection.



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100% of all procurement and supply chain employees are required to annually undertake modern slavery and human rights training

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.

For workplace safety and environmental protection, at a minimum, this audit is conducted during the initial inspection visit. Depending on the severity of any findings, additional audits may be triggered.

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. Findings are reviewed with any non-conformances addressed through discussions with the suppliers, and actions are taken to mitigate risks based on the severity of the issues identified.

Supplier Conformance

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, anti-corruption, and other non-conformities related to our ISO certifications and Supplier Code of Conduct. Suppliers receiving a Supplier Performance Evaluation score of 50% or lower are reviewed for possible placement on a watch list. If performance issues persist, supply chain leads may escalate them to an "Unapproved List," requiring additional approval levels before any new contracts are awarded. Our KBRSupplier tool alerts supply chain leadership if a Request for Quote is issued to a poor-performing supplier. Tracking audit statistics forms part of our reporting and management approach for continual improvement and management of non-conformance.

News, updates and information about supplier performance are regularly communicated internally across all procurement departments in KBR, and internal training on the SCOC is updated annually to ensure all employees are aware of the requirements.

Environmental Conformance

Projects undergo audits to help compliance with environmental requirements and adherence to ISO 14001 environmental management plans. Inspections are performed on a monthly basis, while audits are scheduled according to risk levels and project performance. Additionally, management reviews are conducted annually.

TRAINING

Our procurement team completes the KBR COBC training annually, with additional training on specialist sustainable procurement topics regularly introduced to maintain awareness and help the team stay up to date with changing regulation and best practice.

In 2023, we launched training to communicate our seven core sustainable procurement principles to supply chain teams and suppliers (available to all suppliers on the sustainability pages of the KBRSupplier portal), providing easy access to supplier information and enabling tracking and reporting of training progress.





ADVANCING SUPPLY CHAIN SUSTAINABILITY

Human Rights, Labor Rights and Modern Slavery

Human rights are a key concern for all businesses. At KBR 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 the executive leadership level as part of KBR Enterprise Risk Management Process.

Our <u>Global Human Rights policy</u> states that we promote human rights as set by the UN Guiding Principles on Business and Human Rights and are guided by the principles encompassed by the UN 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. We expect them to uphold these principles and encourage them to adopt similar policies within their own supply chain. Our <u>Trafficking in Person</u> policy is a zero-tolerance policy towards all forms of trafficking in persons and forced labor by employees, subcontractors or their employees. Non-compliance with this policy results in a strict disciplinary action.

In addition, KBR conducts reviews and issues Modern Slavery Act Statement in the <u>U.K.</u> and <u>Australia</u> in conformance with regional law.

The treatment of foreign, low-skilled employees working for KBR, and KBR subcontractors in host countries is an area of focus 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 so 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 Modern Slavery Acts

- 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



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

- U.S. and foreign subcontracts with contracts over \$10,000 are required to certify to Federal Acquisition Plan (FAR) 52.222-50 and FAR52.222.-18.
- 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 ensures housing safety and hygiene complies with country codes and requirements and issues a report for non-compliance.
- Where CTIP violations are exposed, the concerns are elevated to the 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.

Our Government Solutions U.S. business upholds the U.S. federal government CTIP by including FAR 52.222-50 CTIP in subcontracts and requiring subcontractors to execute and certify to these requirements. Our subcontractor coordinators play a key role in monitoring and inspecting subcontractor labor and housing arrangements to ensure compliance, improve transparency and mitigate occurrence. 92

KBR	INTRODUCTION	PEOPLE	PLANET	GOVERNANCE	APPENDIX	
						/

The following actions were replicated across our Government Solutions International businesses, where human rights vulnerabilities in the supply chain are managed using a risk-based approach, both during the onboarding process and throughout the project cycle. CTIP general awareness training is provided to on-site subcontractor employees. Where CTIP violations are exposed, the concerns are elevated to the Legal team for review, investigation and determination. Depending on the outcome of the investigation, local law enforcement is notified and corrective actions are taken.

Certain subcontractors and lower-tier subcontractors in high-risk countries are the focus of enhanced due diligence efforts to mitigate risks regarding human rights abuses. The treatment of foreign and/or low-skilled employees working for KBR subcontractors in host countries is a particular area of focus for KBR and is addressed through its Combating Trafficking in Persons (CTIP) and Modern Slavery Act (MSA) programs which are supplemented by an online training program and annual desktop audit.

Additional Actions in 2023 and Plans for 2024:

- **Strategic Inspections:** Implemented a strategic plan for conducting physical inspections of subcontractors and project sites, including checks on housing, passports and employee treatment interviews to identify any violations. As part of these interviews, employees are asked a series of question specific to recruiting to determine if CTIP/MSA violations have occurred
- **Modern Slavery Program:** Continued rollout of the modern slavery program, with regular reviews and updates to our processes and procedures for combating human trafficking and modern slavery.
- **Supply Chain Processes:** Ongoing review and improvement of our processes for selecting and appointing supply chain providers so that that our systems include appropriate processes to protect less-skilled workers engaged in overseas locations.

- Internal Reviews: Conducted further internal reviews to help our systems include appropriate measures to safeguard supply chain workers.
- **Training and Awareness:** Provide and regularly update training materials for all employees and key suppliers on modern slavery and trafficking in persons and informing them to report any concerns to the Ethics Hotline.
- **Supplier Audits:** Plan to conduct in-person audits of key suppliers and identify additional suppliers and subcontractors for further auditing.
- **Performance Measurement:** Continue tracking audit outcomes, managing findings and implementing KPIs to measure our progress in addressing modern slavery within our operations and across our supply chain.





APPENDIX

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 <u>KBR Ethics Hotline</u> 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.

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.





the FAR and all related regulations governing subcontracting

PEOPLE

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APPENDIX

Diversity in the Supply Chain

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 and key performance indicators focused on:

- Job creation in local communities, including for indigenous people
- Engagement with businesses owned by ethnic minorities, women, LGBTQ+ individuals, disadvantaged groups, HUBZone entities, veterans, service-disabled veterans, and small to medium enterprises.

Our Government 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,

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 XI.

Empowering Climate Action in Our Supply Chain

We established a 10-year Sustainable Supply Chain program to build training, resources and tools to provide supplier awareness and guidance on key sustainable procurement indicators. Progress in 2023 commenced with sustainability benchmarking, requirements in contracts, capture of supplier carbon data, carbon training workshops and environmental stewardship.

Climate mitigation and adaptation are integral to KBR's sustainability benchmarking and sustainable procurement KPIs. In 2023, KBR contacted over 2,000 suppliers via email, inviting them to participate in our sustainability benchmarking. The guestionnaire included sections on carbon reporting, climate change mitigation, target setting and SBTi reporting. Suppliers are strongly encouraged to engage, as future selection will prioritize those aligned with KBR's sustainability goals.

In 2023, we also invited 500 suppliers to register with CDP (an international not-for-profit organization that runs the global carbon emissions disclosure system) and report their carbon

emissions. In the first year of this initiative, we received responses from 189 suppliers, with the data collected used to enhance the accuracy of KBR scope 3 GHG emission reporting.

Where appropriate, we incorporate sustainability clauses into our contracts to promote supply chain sustainability, and promote inclusion of low-carbon technology, carbon reporting and climate mitigation. As part of this effort, we review carbon reporting and low-carbon options in travel contracts and energy-saving initiatives and building performance requirements (e.g., LEED standard certifications) in residential contract discussions and lease agreements.

We also launched several supply chain-focused workshops on carbon reporting to help our suppliers understand the importance of climate change and improve their carbonreduction efforts and disclosure.

In addition, management of resources (waste, water and natural resources), as well as protection of biodiversity, energy management and sustainable travel, are identified as key reporting requirements within KBR. When working on our projects and programs, all suppliers must follow our environmental management system, including legal compliance, environmental protection and controls. See Environmental Stewardship for more information.



Appendix

WE VALUE OUR PEOPLE

WE DELIVER

E OF INTEGRITY

WE EMPOWER

WE ARE A TEAM OF TEAM

In This Section

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TCFD/IFRS S2 Index	XII
SASB Primary Sector Index	XIII
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2023 DATA INDEX

ABOUT KBR				
		2021	2022	2023
Number of employees*		28,000	30,166	32,309
Revenue		\$7.3B	\$6.6B	\$7.OB
Total global tax paid		\$58.0M**	\$187.7M	\$160.1M
Total global salaries paid		-	\$2.5B	\$2.5B
	Total Awarded Pay	12,024,347	12,617,035	12,659,920
CEO compensation	Total Realized Pay	11,618,267	15,027,720	15,216,015
Awards	Recognitions and	ONE KBR award		

*Employees + contingent workers **2021 total global tax includes employer portion of payroll taxes.

PEOPLE – BELONGING

	Gender	<12 months	12 – 35 months	3 – 10 years	>10 years	Total
	Male	4,852	4,797	7,232	3,960	20,842
A	Female	1,622	1,854	2,293	1,484	7,253
Average years employed	Non-binary	2	2	0	0	4
by KBR*	Other Gender Identity	1	3	4	0	8
	Prefer Not to Say	12	7	13	4	36
	(blank)	18	33	0	0	51
	Total			9,542	5,448	28,193

*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.

	Employee Type	Age	2021	2022	2023
		Under 30	0	0	0
	Board of Directors	30 - 50	0	0	0
		Over 50	10	10	9
	Executive	Under 30	0	0	0
Employee age	Leadership Team	30 - 50	1	1	1
		Over 50	7	7	8
		Under 30	2,681	3,152	3,842
		30 - 39	6,009	5,904	6,700
KBR Workforce		40 - 49	6,009	6,420	7,072
	KBR WORKTORCE	50 - 59	5,853	5,902	5,963
	Over 60	4,020	4,344	4,617	
		Total	24,572	25,722	28,194*

*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.



GOVERNANCE

	Race/Ethnicity	2021	2022	2023	2023 (%)
	White	12,381	12,931	13,483	47.9%
	Asian	4,453	5,342	6,418	22.8%
	Black	3,133	1,925	2,277	8.1%
Workforce	Hispanic or Latino	1,843	1,531	1,720	6.1%
race and ethnicity*	Mixed or Multiracial	1,448	487	572	2.0%
	Other Ethnic Group	431	425	634	2.3%
	Prefer not to answer	225	1,460	1,609	5.7%
	Blank	133	1,664	1,467	5.2%
	Total	24,047	25,765	28,180	100.0%
	White	8	8	8	75.0%
	Asian	0	0	_	0.0%
	Black	2	2	1	8.3%
Board of Directors race and ethnicity	Hispanic or Latino**	1	1	1	16.7%
	Mixed or Multiracial	0	0	-	0.0%
	Other Ethnic Group	0	0	-	0.0%
	Total**	11**	11**	10**	100.0%
	White	11	8	8	88.9%
	Asian	0	-	0	0.0%
Executive	Black	0	-	0	0.0%
leadership team	Hispanic or Latino	1	1	1	11.1%
ace and ethnicity	Mixed or Multiracial	0	-	0	0.0%
	Other Ethnic Group	0	-	0	0.0%
	Total	12	9	9	100.0%

Employee race and ethnicity EE01 information	Please click on the dates for full <u>2021</u> , <u>2022</u> and <u>2023</u> EE01 data including job categories. These statistics are for U.S. only
Workforce Demographics	See <u>Workforce Demographics Report</u>
Employment Group Definitions	See Employment Group Definitions

Please meet our board of directors for our board race and ethnicity information.

*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. **One board member identifies as both Hispanic and White.



Ту	Employee Type	Gender	2021	2022	2023	2023 (%)
	Board of	Male	7	7	6	66.7%
	Directors	Female	3	3	3	33.3%
	Executive	Male	9	7	7	77.8%
	Leadership Team	Female	3	2	2	22.2%
		Male	17,894	19,022	20,828	73.9%
mployee gender		Female	6,066	6,661	7,253	25.7%
		Non-binary	-	-	4	0.0%
	Workforce [*]	Other Gender Identity	6	10	8	0.0%
		Prefer not to answer	41	33	36	0.1%
		Blank	6	10	51	0.2%
		Total	24,007	25,783	28,180	100.0%

*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.

		2021	2022	2023
Women employees in workforce, senior	Executive Management	17	24	24*
management, and executive	Senior Management	234	300	346
management	Workforce	5,815	6,661	6,907
	Total	6,066	6,985	7,253

*24 female executive management out of 103 executive management roles

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 14th August 2023. The public reports include Australia Government Workplace Gender Equality Act 2012 Compliance Certificate 2023 and Australia Workplace Gender Equality. Act 2012 Compliance Questionnaire Report 2023.

		2021	2022	2023
	White	2,568	2,960	2,901
	Asian	872	1,713	2,163
	Black	819	629	918
Hires by race and	Hispanic or Latino	806	470	526
ethnicity	Mixed or Multiracial	180	172	191
	Other Ethnic Group	83	283	336
	Prefer not to answer	457	474	442
	Blank	50	319	183
	Total	5,835	7,020	7,660
	Male	4,062	5,028	5,677
	Female	1,751	1,916	1,904
Hires by gender	Other Identity	2	5	1
	Prefer not to answer	17	73	77
	Total	5,832	7,022	7,659
Workforce Diversity Policy and management	Inclusion and Diversity S	Strategy		
Our I&D programs	Equal Opportunities for	All		
Annual employee turnover (voluntary)		19%	17%	14%
Internal hiring rate		-	-	11.5%
Anti-discrimination controversies	No significant controversies relating to anti-discrimination			



APPENDIX



PEOPLE – GROWING				
Percentage of eligible employees that receive	2021	2022	2023	
regular performance appraisals and feedback processes*	97%	100%	100%	
Succession planning candidates	140	319	471	
Total employee training hours	93,638**	117,973**	147,810	
Average hours of training per employee***	4.00	4.00	4.35	
Percentage of employees receiving training	100%	100%	100%	
Percentage of employees participated in career development training**	69%	87%	98%	
Training and development expenditure, educational reimbursement and support		\$9.7M onal Reimbursement and a ational Institution Partner	and the second	
Job-specific development training programs	Job-Specific and Tech	nical Skills; <u>Educational In</u>	stitution Partnerships	
Formal talent pipeline strategy	Formal Talent Pipeline Development Strategy; Educational Institution Partnerships			
Graduate traineeships and apprenticeships	Talent Development Programs; Educational Institution Partnerships			
Educational institution partnerships	Educe	ational Institution Partner	<u>rships</u>	

PEOPLE – CONNECTING				
Non-material pay benefits		Benefits		
Employees eligible for employee stock ownership plan	Employee Stock Purchasing Program 24,684 employees eligible for the ESOP			
Retirement Plan	Kellogg Brown & Root LLC sponsors the Kellogg Brown & Root, Inc. Retirement and Savings Plan, KBRwyle Technology 401(k) Plan, Technical Staffing Resources, LLC 401(k) Plan, and the Homesafe Alliance 401(k) Plan on behalf of itself and its other participating subsidiaries.			
Our grievance reporting and escalation procedures	Grievance Reporting and Escalation Procedures			
Annual annual concernant	2021	2022	2023	
Annual employee engagement	46% 64% 65%			
PEOPLE – HUMAN AND LABOR RIGHTS Our Global Human Rights Policy	Protecting Hun	nan Rights; Global Hur	nan Rights Policy	
Human Rights Controversies	No significant	t controversies relating	to human rights	
Minimum PTO for U.S. employees (including sick leave)		17 days Solutions in the U.S. offers sick le nployees working less than 20 h		
Paid parental leave (incl. maternity, paternity or secondary caregiver leave)	In the U.S. we pro	ovide 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 <u>www.kbr.com</u>			
Freedom of association controversies	No significant controversies relating to freedom of association			
Extra/atypical working hours	G	lobal Human Rights Pc	blicy	

* 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.





PEOPLE – HEALTH, SAFETY AND SECURITY					
		2021	2022	2023	
Work hours	Total global work hours	83,831,487	80,880,136	90,143,725	
	Global	0.111	0.079	0.067	
Total recordable incident rate*	Employee	0.106	0.076	0.043	
	Contractor	0.135	0.095	0.151	
	Global	0.027	0.054	0.047	
High potential incident rate [*]	Employee	0.010	0.016	0.009	
	Contractor	0.000	0.021	0.010	
	Global	0	0	0	
Fatality incident rate	Employee	0	0	0	
	Contractor	0	0	0	
	Global	0.025	0.020	0.007	
Lost time incident rate [*]	Employee	0.026	0.026	0.003	
	Contractor	0.023	0.000	0.020	
Severity rate	Global severity rate	1.615	0.959	0.217	
Crisis incidents	Number of crisis incidents	175	426	535	
Medical cases	Number of medical cases	28	18	69	
Lost time cases	Number of lost time cases	10	8	21	
Restricted work cases	Restricted work cases	7	6	17	
Lost days		Number of lost days due to injuries, accidents, fatalities or illness 32 days			

Health and Safety Management systems Health and Safety Management System			
Health and Safety policy and targets			
HSSE audits	Promotion of Safe Work Practices		
Integration of contractors and subcontractors	 Our Global Occupational Safety Standards Manual includes sections outlining procedures for contractors and subcontractors including the HSSE Management of Contractors. Our Gated HSSE Process ensures that all projects at all stages of operation executed by KBR, incorporate KBR's Integrated Management System. These procedures cover preselection, 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: 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.) Defining and communicating contractor performance requirements, including protocols for self-monitoring and stewardship. Assessing contractors' performance and rectifying identified deficiencies. Outstanding performance is duly acknowledged, while underperformers are subject to potential disqualification. 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 2023 relating to health and safety		





PEOPLE – CYBERSECURITY AND DATA PRIVACY			Below is a comprehensive list of our policies and procedures:		
Data breach and incident response	Approach to Data Privacy and Data Privacy Policy		 Data Privacy Policy Enterprise Information Security Policy Critical Assets Management Policy 		
Access control and protection of personal/sensitive data	Approach to Data Privacy and Data Privacy Policy		 Insider Threat Policy Information Technology – Acceptable Use Policy 		
Handling of personal data by third parties	Approach to Data Privacy and Data Privacy Policy		 Social Media Policy Data/Document Classification and Management of Proprietary Information Procedure 		
Data collection and retention	Approach to Data Privacy and Data Privacy Policy		 Information Technology – Print Device and Usage Policy Clear Screen and Clear Desk Procedure Device Authorization Device Authorization Device Authorization 		
Cybersecurity and data privacy audits	 Our Approach to Cybersecurity Below is a comprehensive list of our 2023 External Cybersecurity Annual Audits: ISO 27001 External Audit – U.K. (Ql and Q3 2023) Saudi Aramco Cyber Security Compliance Certification External Audit (Q2 and Q3 2023) Saudi Aramco Cyber Security Compliance Certification Plus External Audit (Q2 and Q3 2023) ISO 20000 External Audit – U.S. (Q3 2023) ISO 27001 External Audit – U.S. (Q3 2023) Cyber Essentials External Assessment (Q3 2023) Cyber Essentials Plus External Assessment (Q3 2023) Cybersecurity Vulnerability and Penetration Testing External Assessment (Q4 2023) 	Our Data Privacy Policy	 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 		

APPENDIX





INTRODUCTION PEOPLE PLANET GOVERNANCE

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Percentage of company certified to recognized standards Cybersecurity and data privacy training	 77% of the company is certified to ISO27001 or by other widely recognized standards. However, 100% of the company adheres to our global policies and procedures as required by these standards. Annual cybersecurity awareness training is provided to all employees, new hires and contractors. 		 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
Cybersecurity and data privacy certifications	Our Approach to Cybersecurity	In 2023, there were:	 No significant law enforcement requests for user information. No significant monetary losses due to legal proceedings based on user information.
Enhancements for the protection of our business information	Enhancements for the Protection of Personal and Business Information		 data privacy. No controversies related to data protection and information security No material data incidents and customer complaints No fines related to general protection regulation
Data Security Investments	 KBR IT Security Operations Cybersecurity: \$7.64M CISO Information Assurance: \$4.03M Total data security investments: \$11.67M 		
Types of user data information collected by KBR	 Employees, contractors and applicants: Names, contact information and information required for legal purposes website visitors, agents/employees of third parties (i.e., customers and vendors): Names, email addresses, other basic contact information for purposes of business communications We do not use company-held customer data for advertising purposes. 		





PLANET		Our energy Our Climate Transition Action		ction		
Our sustainability- focused revenue	Please see our Sustainability-focused Revenue for more information	efficiency programs Our environmental	Environmental Stewardship of our Facilities and Projects			
Our investment in clean technology	Delivering Sustainability	management system and certifications				
Our carbon reduction plans, programs and actions	Our Climate Transition Action	Total recycled waste	aste In the United Kingdom. Along with the weight of waste generated, each location reported on the dverage 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 of 34,000 employees to determine the amount of global waste generated in operations 3.3 tonnes KBR collected waste generation data from four (4) facility locations – one in the United States and three (3) in the United Kingdom. Along with the weight of waste generated, each location reported on the average 			
Our use of low- carbon emission alternatives	Delivering Sustainability; Our Corporate Carbon Footprint					
Total energy consumption from non-renewable sources	Electricity: 0 (0%) Heating: 21,512,124.03 kWh (81%)	Total non- recycled waste				
Total energy	Electricity: 52,381,491.5 kWh (100%) Heating: 1,887,300 kWh (19%) (biogas at GBR11 for three quarters) *3,647 MWH (60.4 AUS, 3,469.1 UK, 117.5 US) of electricity from direct renewable use (7%), remainder of electricity consumption covered by RECs, I-RECs, EACs.		operations			
consumption from renewable sources*			Scope 1	2021 6,426	2022 8,601	2023 5,746
Total electrical	52,381,491.5 kWh		Scope 2 (market-based)	1,115	1,353	0
power consumption		Our corporate	Scope 3 (cat 3 & 6)	33,164	44,976	72,298
Energy intensity ratio	13.3 kWh/sq ft	carbon Footprint (kg CO2) (in'000s))	Total	40,706	54,931	78,044
		2	Scope 2 (location-based)	26,367	20,704	22,171
			Scope 3 (cats 1,2,4,5,7,8,9,15)	N/R	N/R	1,001,850

For the full results please see Our Climate Transition Plan





APPENDIX

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GOVERNANCE - OUR BOARD		Shareholder participation	See our Proxy Statement for more information		
Percentage of independent board members	88.9%	Shareholder voting rights	See our <u>Proxy Statement</u> for more information		
Independent board members ratio	89	Supply chain subcontractor audits	See our Proxy Statement for more information		
	For more information on our board, board committees and scheduling, please refer to our <u>Proxy statement</u> .	GOVERNANCE - BUSINESS INTEGRITY			
Our board and committees	KBR does not have a Management Engagement Committee of the KBR 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.	Our Code of Business Conduct	Our Code of Business Conduct and <u>Code of Business Conduct</u> policy		
Women in board eadership roles	Lynn Dugle, Wendy Masiello and Ann Pickard. See our <u>Proxy</u> Statement for more information	Our Anti-corruption Compliance Program	Anti-Corruption Compliance Program		
Climate-related board competencies and responsibilities	See our <u>Proxy Statement</u> for more information	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 Conduc</u> and Transparency, Awareness and Oversight sections for more		
Board environmental and social Management	See our <u>Proxy Statement</u> and <u>Sustainability and Corporate</u> <u>Responsibility Committee Charter</u>	Whistleblower protection	information. Grievance and Whistleblower Program; Freedom from Retaliatio		
Board nomination and election	See our Proxy Statement for more information	Gifts and/or entertainment	See our <u>COBC</u> for more information		
Board conflicts of interest	See our <u>Proxy Statement</u> for more information	Prohibition of bribery and facilitated payments	See our <u>COBC</u> for more information		
Board communications	See our Proxy Statement for more information	Audits for business	Transparency, Awareness and Oversight and Policies, Procedure		
Board performance	See our Proxy Statement for more information	integrity	and Guidelines for Proper Requisitions, Commitments, Payme and Record Keeping		
Board delegation	See our Proxy Statement for more information				
Shareholder resolution	See our Proxy Statement for more information				





GOVERNANCE – ENTER	RPRISE RISK MANAGEMENT	Our supply chain	Supply Chain and Human Rights		
Governmental contracts revenue	Enterprise Risk Management	and human rights Supply chain			
Our enterprise risk management	Enterprise Risk Management	subcontractor audits	Supply Chain and Human Rights		
processes		Percentage of suppliers signed to	100%		
Our sustainability risk management	Sustainability Risk Management	the supplier code of conduct			
Our climate change risk	Our Climate Transition Plan		 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 		
Our board and risk oversight	Risk Governance				
GOVERNANCE – SUSTAINABLE SUPPLY CHAIN		U.S. Small Business Program	 Women-owned small businesses (WOSB) Veteran-owned small businesses (VOSB) Service-disabled veteran-owned small business (SDVOSB) Historically underutilized business zone (HUBZone) small businesses. 		
	Supply Chain Management, <u>Supplier Code of Conduct</u> , <u>Global Human</u> <u>Rights</u> and <u>Trafficking in Persons</u> policies		All references to other than small business (OTSB) shall include b certifying as large, non-profit, or foreign business concerns.		
Our supply chain management*	 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. *For both employees and subcontractors.		Small women-owned	\$214,916,387.58	
		Diverse supplier	Small disadvantaged-owned (Minority)	\$174,164,445.26	
		spend (U.S. only)*	Small veteran-owned	\$181,340,886.94	
			Small business spend	\$788,923,843.06	
Our Supplier Code of Conduct	Supplier Code of Conduct	* Small business spend includes o	thers, such as HUBZone, service disabled, Alaska Native, etc	с.	





TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT IFRS S2

For more information on our TCFD disclosure, please see a summary of Our Climate Transition Plan or our full Climate Transition Plan.







SUSTAINABLE ACCOUNTING STANDARDS BOARD PRIMARY SECTOR REPORT

Administered by the IFRS Foundation through the International Sustainability Services Board (ISSB)

ТОРІС	ACCOUNTING METRIC	CODE	DISCLOSURE INFORMATION			
SASB - Professional and Commercial Services						
Data Security	Description of approach to identifying and addressing data security risks	SV-PS-230a.1	Cybersecurity and Data Privacy			
	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 information (PII), (3) number of customers affected	SV-PS-230a.3	There were no data breaches Cybersecurity and Data Privacy and 2023 Key Sustainability Index			
Workforce Diversity and Engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	SV-PS-330a.1	1) Employee Gender and 2) Employee Race and Ethnicity in our 2023 Data Disclosure section			
	(1) Voluntary and (2) involuntary turnover rate for employees	SV-PS-330a.2	Voluntary turnover: 14% Involuntary turnover: Data unavailable			
	Employee engagement as a percentage	SV-PS-330a.3	Employee engagement: 65% Please see our Annual Employee Engagement Survey for more information			
Professional Integrity	Description of approach to ensuring professional integrity	SV-PS-510a.1	Please see our Business Integrity for more information			

*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.




SUSTAINABLE ACCOUNTING STANDARDS BOARD PRIMARY SECTOR REPORT

Administered by the IFRS Foundation through the International Sustainability Services Board (ISSB)

ТОРІС	ACCOUNTING METRIC	CODE	DISCLOSURE INFORMATION				
SASB - Professional and Commercial Services							
	Total amount of monetary losses due to legal proceedings associated with professional integrity SV-PS-510a.2 Refer to the <u>10-k</u>						
			Worker Type	2023			
		SV-PS-000.A	Full-time employee	26,999			
			Part-time employee	1,194			
	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract [*]		Permanent employee	28,193			
Activity Metrics			Temporary employee	4,116			
			Full-time contingent worker **	2,380			
			Part-time contingent worker **	90			
	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.				

* 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 ** Contingent workers not included in headcount





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GLOBAL REPORTING INITIATIVE (GRI) CORE INDEX

Principled Governance

Торіс	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	<u>10-k Report</u>	
	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	<u>10-k Report</u>	
	102-8	Information on employees and other workers	About KBR, Belonging 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 2023.	
	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 UN 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 UN Global Compact).	
	102-13	Memberships of associations	Connecting With Our Communities	

Торіс	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	<u>10-k Report</u>
	102-16	Values, principles, standards and norms of behavior	Our Values and Vision
	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	2023 Proxy Statement
	102-20	Executive-level responsibility for economic, environmental and social topics	Our Board
102-21 Consulting stakeholders or economic, environmental, and social topics			Stakeholder Inclusiveness and Proxy Report
	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





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GRI CORE INDEX

Principled Governance

Торіс	GRI Standard	Disclosure	Disclosure Information
Strategy	102-24	Nominating and selecting the highest governance body	Our Board and <u>Proxy Statement</u>
	10225	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	<u>10-k Report</u>
	102-35	Remuneration polices	Proxy Statement

Торіс	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, Proxy Statement
	102-41	Collective bargaining agreements	<u>Global Human Rights Policy</u>
	102-42	ldentifying and selecting stakeholders	Stakeholder Inclusiveness
	102-43	Approach to stakeholder engagement	Stakeholder Inclusiveness
	102-44	Key topics and concerns raised	Stakeholder Inclusiveness
	102-45	Entities included in the consolidated financial statements	<u>10-k Report</u> and <u>Proxy Statement</u>
	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 2023, we are using the GRI™ Core Option





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GRI CORE INDEX

Principled Governance

Торіс	GRI Standard	Disclosure	Disclosure Information	
Strategy 102-49 Changes in reporting		Changes in reporting	No changes in reporting	
	102-50	Reporting period	January 1, 2023 to December 31, 2023	
	102-51	Date of most recent report	2023	
	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 Investors@kbr.com	
	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. See report.	
	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 2023 Key Sustainability Data	

Торіс	GRI Standard	Disclosure	Disclosure Information
Strategy	201-3	Defined benefit plan obligations and other retirement plans	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	<u>10-k Report</u>
	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 2023





GRI CORE INDEX

Planet

Торіс	GRI Standard	Disclosure	Disclosure Information	
	302-1	Energy consumption within the organization	2023 Key Sustainability Disclosures – Planet	
	302-3	Energy intensity	2023 Key Sustainability Disclosures – Planet	
	302-4	Reduction of energy consumption	Our Climate Transition Action	
	305	Emissions	Our Climate Transition Action	
	306	Waste	2023 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	Inclusion and Diversity by the Numbers and 2023 Key Sustainability Disclosures – People	
403	Occupational health and security	Health, Safety and Security	
404	Training and education	Growing	
405	Diverse and equal opportunity	Belonging	
406	Non-discrimination	Belonging, <u>Code of Business Conduct</u> and <u>Global Human</u>	
Freedom of associa		Rights policy	
407	Freedom of association and collective bargaining	<u>Global Human Rights policy</u>	
408	Child labor	Global Human Rights policy	
409	Forced or compulsory labor	<u>Global Human Rights policy</u>	
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	<u>10-k Report</u> and <u>Proxy Statement</u>	



XVIII



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS INDEX

No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
1	No Poverty 1 MOVERTY	End poverty in all its forms everywhere	I&D HSS Community Outreach Risk Governance Supply Partners	Global Tax Paid Global Salaries Paid Connecting With Our Communities Business Integrity Protecting Human Rights <u>Global Human Rights Policy</u>
2	Zero Hunger 2 ZHO HIMBER	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	I&D Community Outreach Climate Change Efficient Energy	Connecting With Our Communities <u>Delivering Sustainability</u> Environmental Stewardship of Our Facilities and Projects
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 Connecting Mental Fitness and Well-being Employee Support Program Health, Safety and Security
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 and Educational Partnerships Knowledge-sharing and Innovation Benefits Educational Reimbursement and Support





No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
5	Gender Equality	Achieve gender equality and empower all women and girls	I&D Community Outreach Governance	Connecting With Our Communities One Ocean Belonging All In and Cornerstones Embracing Inclusion Through Employee Resource Groups Growing Benefits Connecting Protecting Human Rights
6	Clean Water and Sanitation 6 CLEAN HATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all	Climate Change Governance	Environmental, Social and Sustainability Services Environmental Stewardship Our Climate Transition Plan
7	Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable, and modern energy for all	Climate Change Efficient Energy Supply Partners	Delivering Sustainability Empowering Transition Renewable Energy Environmental Stewardship Our Climate Transition Plan
8	Decent Work 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	Global Tax Paid Global Salaries Paid Connecting With Our Communities Belonging Connecting Enterprise Risk Management Protecting Human Rights <u>Global Human Rights Policy</u> Sustainable Supply Chain





No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
9	Industry, Innovation and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	I&D Climate Change Efficient Energy Reuse/Recycle Governance Risk Supply Partners	Growing <u>Educational Partnerships</u> Technical Mastery Knowledge-sharing and Innovation Cybersecurity and Data Privacy <u>Empowering Transition</u> <u>Digitalization and Innovation</u> <u>Influencing Net Positive Change</u>
10		Reduce inequality within and among countries	I&D HSS Community Outreach Governance Supply Partners	Connecting With Our Communities One Ocean Belonging All In and the Cornerstones Embracing Inclusion Through Employee Resource Groups Growing Educational Partnerships Connecting Mental Fitness and Well-being Employee Support Program Health, Safety and Security Influencing Net Positive Change Business Integrity Protecting Human Rights Global Human Rights Policy Sustainable Supply Chain
11	Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient, and sustainable	Climate Change Recycle/Reuse Efficient Energy Sustainable Travel Supply Partners Governance	Empowering Transition Environmental Stewardship Livability and Development Solutions





No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
12	Responsible Consumption and Production	Ensure sustainable consumption and production patterns	Climate Change Recycle/Reuse Sustainable Travel Supply Partners Governance	One Ocean <u>Our Sustainable Solutions</u> <u>Empowering Transition</u> <u>Circular Economy</u> <u>Digitalization and Innovation</u> <u>Environmental, Social and Sustainability Services</u> <u>Environmental Stewardship</u> <u>Our Climate Transition Plan</u> Business Integrity Sustainable Supply Chain
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 Action Influencing Net Positive Change Sustainable Aviation Fuel Digitalization and Innovation Supporting Global Governments Environmental Stewardship Delivering Sustainability Our Board Enterprise Risk Management Sustainable Supply Chain
14	Life Below Water	Conserve and sustainably use the oceans, seas, and marine resources for sustainable development	Community Outreach Climate Change Sustainable Travel	One Ocean <u>Delivering Sustainability</u> <u>Environmental, Social and Sustainability Services</u> Environmental Stewardship Our Climate Transition Action





No.	Sustainable Development Goal	Description	KBR Pillars	Disclosure Information
15	Life 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 Influencing Net Positive Change Environmental, Social and Sustainability Services Environmental Stewardship Our Climate Transition Action Sustainable Supply Chain
16	Peace, Justice and Strong Institutions	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	Belonging Connecting Annual Employee Engagement Survey Our Board Business Integrity Protecting Human Rights <u>Global Human Rights Policy</u>
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	UN Global Compact One Ocean Connecting With Our Communities Belonging <u>Educational Partnerships</u> Technical Mastery <u>Sustainable Aviation Fuel</u> Our Climate Transition Action Protecting Human Rights Sustainable Supply Chain





ABBREVIATIONS

ACT	Australian Capital Territory		
ADAPT	Abled and Disabled Allies Partner Together		
AFC	Armed Forces Community		
AMDCE	Abdulla Al Moaoibed Engineering and Consulting, Design and Engineering		
AMIE	Advancing Minorities' Interest in Engineering		
ANC	Alaska Native Corporations		
APAC	Asia-Pacific		
BESS	Battery energy storage system		
CDP	Climate Disclosure Project		
CEO	Chief Executive Officer		
CISO	Chief Information Security Officer		
СММС	Cybersecurity Maturity Model Certification		
СОВС	Code of Business Conduct		
COE	Center of Excellence		
СОІ	Communities of Interest		
СОР	Communities of Practice		
СОР	Communication on Progress		
COSO	Committee of Sponsoring Organizations of the Treadway Commission		

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CtCC	Courage to Care Conversations
СТІР	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
ERM	Enterprise Risk Management
ESG	Environment, Social and Governance
ESPCR	Eastern Province Council for Social Responsibility
ESPP	Employee Stock Purchasing Program
EU	European Union

EVP	Employee Value Proposition
FAQ	Frequently asked questions
FAR	Federal Acquisition Regulation
FCPA	Foreign Corrupt Practices Act
FIR	Fatality Incident Rate
GDLP	Global Leadership Development Program
GDPR	General Data Protection Regulation
GRI	Global Reporting Index
GRRS	Global Records Retention Schedule
HBCU	Historically Black Colleges and Universities
HiPo	High Potential Incident Rate
HR	Human Resources
HRH	Her Royal Highness
HRIS	Human Resource Information System
HSERS	Health, Safety and Environment Incident Reporting System
HSS	Health, Safety and Security
HSSE	Health, Safety, Security and Environment
HSSE IMS	Health, Safety, Security and Environment Integrated Management System



ABBREVIATIONS

HUBZone	Historically Underutilized Business Zone
I&D	Inclusion and Diversity
IMS	Information Management System
ISO	International Standards Organization
ISS	Institutional Shareholder Services
ISN	ISNetworld Supplier Portal
п	Information Technology
ITAR	International Traffic in Arms Regulations
КСВ	British Order of Chivalry
КРІ	Key Performance Indicators
LGBTQIA+	Lesbian, Gay, Bi-sexual, Trans, Queer, Intersex and asexual
LTIR	Lost Time Incident Rate
MEP	Manager Excellence Program
MERGE	Minority Employee Resource Group for Empowerment
MSA	Modern Slavery Act
MSCI	Morgan Stanley Corporate Index
MSI	Minority-serving Institute
NASA	National Aeronautics and Space Administration

NIST	National Institute of Standards and Technology
Ok NoW	Network of Well-being
OHS	Occupational Health and Safety
отв	Other than Small Business
PTSD	Post-traumatic stress disorder
QMS	Quality Management System
SASB	Sustainability Accounting Standards Board
SB	Small Businesses
SBC	Small Business Concerns
SBTi	Science-based Targets Initiative
SCOC	Supplier Code of Conduct
SDB	Small Disadvantaged Businesses
SDG	Sustainable Development Goals
SEC	Securities and Exchange Commission
SFO	Serious Fraud Office
SME	Subject Matter Expert
SMS	Service Management System
SOX	Sarbanes-Oxley

STEAM	Science, technology, engineering, arts and mathematics
STEM	Science, technology, engineering and mathematics
SDVOSB	Service-disabled Veteran-owned Small Business
SWA	Stop Work Authority
TCFD	Taskforce for Climate-related Financial Disclosure
TRIR	Total Recordable Incident Rate
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
U.S.	United States
USAF	United States Air Force
VOSB	Veteran-owned Small Businesses
WISE	Women in Science and Engineering
WOSB	Women-owned Small Businesses

Forward-looking Statements

The statements in this press release, the KBR 2023 sustainability and corporate responsibility report, and its supplements that are not historical statements, including statements regarding future performance, strategies, targets, ambitions, goals and demand for our technologies and services, are forward-looking statements within the meaning of the federal securities laws. These statements are subject to numerous risks, uncertainties and assumptions, 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, uncertainties and assumptions include, but are not limited to, those set forth in the company's most recently filed Annual Report on Form 10-K, any subsequent Form 10-Qs and 8-Ks and other U.S. Securities and Exchange Commission filings, which discuss some of the important risks, uncertainties and assumptions that the company has identified that may affect its business, results of operations and financial condition. Due to such risks, uncertainties and assumptions, you are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Except as required by law, the company undertakes no obligation to revise or update publicly any forward-looking statements for any reason.



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