

REFINITIV

DELTA REPORT

10-Q

KBR - KBR, INC.

10-Q - MARCH 29, 2024 COMPARED TO 10-Q - SEPTEMBER 29, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 3700

■ CHANGES	298
■ DELETIONS	402
■ ADDITIONS	3000

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended **September 29, 2023** **March 29, 2024**

OR

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____

Commission File Number: 001-33146



KBR, Inc.

(Exact name of registrant as specified in its charter)

Delaware

20-4536774

(State of incorporation)

(I.R.S. Employer Identification No.)

601 Jefferson Street, Suite 3400

Houston

Texas

77002

(Address of principal executive offices)

(Zip Code)

(713) 753-2000

(Registrant's telephone number including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, \$0.001 par value	KBR	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of **October 18, 2023** **April 17, 2024**, there were **135,004,384** **134,275,641** shares of KBR, Inc. Common Stock, par value \$0.001 per share, outstanding.

TABLE OF CONTENTS

	<u>Page</u>
PART I. FINANCIAL INFORMATION	
Item 1. Financial Statements (Unaudited)	5
Condensed Consolidated Statements of Operations	5
Condensed Consolidated Statements of Comprehensive Income (Loss)	6
Condensed Consolidated Balance Sheets	7
Condensed Consolidated Statements of Shareholders' Equity	8
Condensed Consolidated Statements of Cash Flows	109
Notes to Condensed Consolidated Financial Statements	1110
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	3527
Item 3. Quantitative and Qualitative Disclosures About Market Risk	5038
Item 4. Controls and Procedures	5240
PART II. OTHER INFORMATION	
Item 1. Legal Proceedings	5341
Item 1A. Risk Factors	5341
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	5341
Item 5. Other Information	5341
Item 6. Exhibits	5442
SIGNATURES	5543

Forward-Looking and Cautionary Statements

This Quarterly Report on Form 10-Q contains certain statements that are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act, as amended. The Private Securities Litigation Reform Act of 1995 provides safe harbor provisions for forward-looking information. Some of the statements contained in this Quarterly Report on Form 10-Q are forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "plan," "expect" and similar expressions are intended to identify forward-looking statements. Forward-looking statements include information concerning our possible or assumed future financial performance and results of operations.

We have based these statements on our assumptions and analyses in light of our experience and perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate in the circumstances. Forward-looking statements by their nature involve substantial risks and uncertainties that could significantly affect expected results, and actual future results could differ materially from those described in such statements. While it is not possible to identify all factors, factors that could cause actual future results to differ materially include the risks and uncertainties disclosed in our latest Form 10-K and any subsequent Forms 10-Q and 8-K.

Many of these factors are beyond our ability to control or predict. Any of these factors, or a combination of these factors, could materially and adversely affect our future financial condition or results of operations and the ultimate accuracy of the forward-looking statements. These forward-looking statements are not guarantees of our future performance, and our actual results and future developments may differ materially and adversely from those projected in the forward-looking statements. We caution against putting undue reliance on forward-looking statements or projecting any future results based on such statements or on present or prior earnings levels. In addition, each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statement.

Glossary of Terms

The following frequently used terms, abbreviations or acronyms are commonly used in our Quarterly Reports on Form 10-Q as defined below:

Acronym	Definition
AOCL	Accumulated other comprehensive loss
ASC	Accounting Standards Codification
Aspire Defence	Aspire Defence Limited
ASU	Accounting Standards Update
AUKUS	The Trilateral Security Partnership between Australia, the U.K. and the U.S.
BRIS	Brown & Root Industrial Services Joint Venture
C5ISR	Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance and Reconnaissance
CAS	Cost Accounting Standards for U.S. government contracts
DCAA	Defense Contract Audit Agency
DCMA	Defense Contract Management Agency
DoD	Department of Defense
ESPP	Employee Stock Purchase Plan
Exchange Act	Securities Exchange Act of 1934, as amended
FAR	Federal Acquisition Regulation
FASB	Financial Accounting Standards Board
FKTC	First Kuwaiti Trading Company
GS	Government Solutions
IRS	Internal Revenue Service
JKC	JKC Australia LNG, an Australian joint venture executing the Ichthys LNG Project
LIBOR	London interbank offered rate
LNG	Liquefied natural gas
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
MoD	Ministry of Defence
NASA	National Aeronautics and Space Administration
NCI	Noncontrolling interests
OAW	Operation Allies Welcome
PFIs	Private financed initiatives and projects
PIC	Paid-in capital in excess of par
PPE	Property, Plant and Equipment
RPA	Master Accounts Receivable Purchase Agreement
SEC	U.S. Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
SONIA	Sterling Overnight Index Average
STS	Sustainable Technology Solutions
U.K.	United Kingdom
U.S.	United States
U.S. GAAP	Accounting principles generally accepted in the United States
VIEs	Variable interest entities

PART I. FINANCIAL INFORMATION

Item 1. Financial Information

KBR, Inc.
Condensed Consolidated Statements of Operations
 (In millions, except for per share data)
 (Unaudited)

Three Months Ended Nine Months Ended

	September 29,	September 30,	September 29,	September 30,		
	Three Months Ended					
	Three Months Ended					
	Three Months Ended					
	March 29,					
		2023	2022	2023	2022	
	Revenues	Revenues	\$ 1,770	\$ 1,626	\$ 5,226	\$ 4,956
Revenues	Revenues					
Cost of revenues	Cost of revenues	(1,526)	(1,401)	(4,486)	(4,334)	
Gross profit	Gross profit	244	225	740	622	
Equity in earnings (losses) of unconsolidated affiliates		32	5	78	(103)	
Equity in earnings of unconsolidated affiliates						
Selling, general and administrative expenses	Selling, general and administrative expenses	(127)	(103)	(370)	(315)	
Legal settlement of legacy matter		—	—	(144)	—	
Gain on disposition of assets and investments						
Gain on disposition of assets and investments						
Gain on disposition of assets and investments	Gain on disposition of assets and investments	—	—	—	22	
Other	Other	(2)	(2)	(3)	(5)	
Other	Other					
Operating income	Operating income	147	125	301	221	
Operating income	Operating income					
Interest expense	Interest expense	(30)	(23)	(85)	(64)	
Unrealized gain on other investment		—	—	—	16	
Charges associated with Convertible Notes		(114)	—	(428)	—	
Other non-operating income (expense)		2	(2)	(1)	3	
Income (loss) before income taxes	5	100	(213)	176		
Other non-operating expense						
Other non-operating expense						
Other non-operating expense						
	March 29,					March 31,
		2024		2023		

Income before income taxes				
Provision for income taxes	Provision for income taxes	(23)	(27)	(69)
Net income (loss)		(18)	73	(282)
Less: Net income (loss) attributable to noncontrolling interests		3	(1)	4
Net income (loss) attributable to KBR		\$ (21)	\$ 74	\$ (286)
Net income (loss) attributable to KBR per share		Basic	Diluted	Basic
Net income				
Less: Net income attributable to noncontrolling interests				
Net income attributable to KBR				
Net income attributable to KBR per share				
Basic	Basic	\$ (0.16)	\$ 0.53	\$ (2.10)
Basic	Diluted	\$ (0.16)	\$ 0.49	\$ 0.65
Basic weighted average common shares outstanding	Basic weighted average common shares outstanding	135	139	136
Diluted weighted average common shares outstanding	Diluted weighted average common shares outstanding	135	156	136
Cash dividends declared per share	Cash dividends declared per share	\$ 0.135	\$ 0.120	\$ 0.405
				\$ 0.360

See accompanying notes to condensed consolidated financial statements.

KBR, Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss)
 (In millions)
 (Unaudited)

Three Months Ended **Nine Months Ended**

	September				
	29, 2023	30, 2022	29, 2023	30, 2022	Three Months Ended
Net income (loss)	\$ (18)	\$ 73	\$ (282)	\$ 97	
	March 29, 2024				March 29, 2024
Net income					March 31, 2023
Other comprehensive income (loss):	Other comprehensive income (loss):				
Foreign currency translation adjustments					
Foreign currency translation adjustments					
Foreign currency translation adjustments	Foreign currency translation adjustments	(34)	(60)	5	(113)
Pension and post-retirement benefits	Pension and post-retirement benefits	3	6	1	18
Changes in fair value of derivatives	Changes in fair value of derivatives	5	22	18	57
Other comprehensive income (loss)		(26)	(32)	24	(38)
Other comprehensive income					
Income tax expense:	Income tax expense:				
Pension and post-retirement benefits	Pension and post-retirement benefits	(3)	(1)	—	(3)
Changes in fair value of derivatives	Changes in fair value of derivatives	(2)	(5)	(3)	(12)
Income tax expense		(5)	(6)	(3)	(15)
Changes in fair value of derivatives					
Changes in fair value of derivatives					
Income tax (expense) benefit					
Other comprehensive income, net of tax	Other comprehensive income, net of tax	(31)	(38)	21	(53)
Comprehensive income (loss)		(49)	35	(261)	44
Comprehensive income					
Less: Comprehensive income attributable to noncontrolling interests	Less: Comprehensive income attributable to noncontrolling interests	3	(1)	4	—
Comprehensive income (loss) attributable to KBR		\$ (52)	\$ 36	\$ (265)	\$ 44

**Comprehensive
income
attributable to
KBR**

See accompanying notes to condensed consolidated financial statements.

KBR, Inc.
Condensed Consolidated Balance Sheets
(In millions, except share data)

	September 29, 2023	December 31, 2022		March 29, 2024	December 29, 2023
	(Unaudited)		(Unaudited)		
Assets					
Assets					
Assets	Assets				
Current assets:	Current assets:				
Current assets:					
Cash and cash equivalents	Cash and cash equivalents				
Accounts receivable, net of allowance for credit losses of \$10 and \$9, respectively	\$ 348	\$ 389			
\$10 and \$9, respectively	1,014	942			
Cash and cash equivalents					
Accounts receivable, net of allowance for credit losses of \$8 and \$8, respectively					
Contract assets	Contract assets				
Other current assets	Other current assets				
Total current assets	Total current assets				
Pension Assets	83	46			
Property, plant, and equipment, net of accumulated depreciation of \$438 and \$417 (including net PPE of \$34 and \$22 owned by a variable interest entity), respectively	224	182			
Property, plant, and equipment, net of accumulated depreciation of \$462 and \$458 (including net PPE of \$41 and \$36 owned by a variable interest entity), respectively					

Property, plant, and equipment, net of accumulated depreciation of \$462 and \$458 (including net PPE of \$41 and \$36 owned by a variable interest entity), respectively			
Property, plant, and equipment, net of accumulated depreciation of \$462 and \$458 (including net PPE of \$41 and \$36 owned by a variable interest entity), respectively			
Operating lease right-of-use assets	Operating lease right-of-use assets	146	164
Goodwill	Goodwill	2,090	2,087
Intangible assets, net of accumulated amortization of \$366 and \$332, respectively		618	645
Intangible assets, net of accumulated amortization of \$388 and \$382, respectively			
Equity in and advances to unconsolidated affiliates	Equity in and advances to unconsolidated affiliates	193	188
Deferred income taxes	Deferred income taxes	190	213
Other assets	Other assets	337	294
Total assets	Total assets	\$ 5,973	\$ 5,566
Liabilities and Shareholders' Equity			
Current liabilities:	Current liabilities:		
Accounts payable			
Accounts payable			
Accounts payable	Accounts payable	\$ 687	\$ 637
Contract liabilities			
Contract liabilities			
Contract liabilities	Contract liabilities	341	275
Accrued salaries, wages and benefits	Accrued salaries, wages and benefits	308	325
Current maturities of long-term debt	Current maturities of long-term debt	239	364
Operating lease liabilities		49	48

Other current liabilities			
Other current liabilities			
Other current liabilities	Other current liabilities	503	172
Total current liabilities	Total current liabilities	2,127	1,821
Employee compensation and benefits			
Employee compensation and benefits			
Employee compensation and benefits	Employee compensation and benefits	113	105
Income tax payable	Income tax payable	101	117
Deferred income taxes	Deferred income taxes	92	92
Long-term debt	Long-term debt	1,516	1,376
Long-term debt			
Long-term debt			
Operating lease liabilities	Operating lease liabilities	178	193
Other liabilities	Other liabilities	281	230
Other liabilities			
Other liabilities			
Total liabilities	Total liabilities	4,408	3,934
Commitments and Contingencies (Notes 6, 11 and 12)			
Commitments and Contingencies (Notes 5, 10 and 11)			
Commitments and Contingencies (Notes 5, 10 and 11)			
KBR shareholders' equity:	KBR shareholders' equity:		
Preferred stock, \$0.001 par value, 50,000,000 shares authorized, none issued	Preferred stock, \$0.001 par value, 50,000,000 shares authorized, none issued	—	—
Common stock, \$0.001 par value 300,000,000 shares authorized, 181,627,601 and 180,807,960 shares issued, and 135,002,833 and 136,505,145 shares outstanding, respectively	Common stock, \$0.001 par value 300,000,000 shares authorized, 181,627,601 and 180,807,960 shares issued, and 135,002,833 and 136,505,145 shares outstanding, respectively	—	—
Preferred stock, \$0.001 par value, 50,000,000 shares authorized, none issued	Preferred stock, \$0.001 par value, 50,000,000 shares authorized, none issued		

Preferred stock, \$0.001 par value, 50,000,000 shares authorized, none issued

Common stock, \$0.001 par value 300,000,000 shares authorized, 182,233,362 and 181,713,586 shares issued, and 134,651,351 and 135,067,562 shares outstanding, respectively

PIC	PIC	2,624	2,235
Retained earnings	Retained earnings	1,069	1,410
Treasury stock, 46,624,768 shares and 44,302,815 shares, at cost, respectively		(1,278)	(1,143)
Treasury stock, 47,582,011 shares and 46,646,024 shares, at cost, respectively			
AOCL	AOCL	(861)	(882)
Total KBR shareholders' equity	Total KBR shareholders' equity	1,554	1,620
Noncontrolling interests	Noncontrolling interests	11	12
Total shareholders' equity	Total shareholders' equity	1,565	1,632
Total liabilities and shareholders' equity	Total liabilities and shareholders' equity	\$ 5,973	\$ 5,566

See accompanying notes to condensed consolidated financial statements.

KBR, Inc.
Condensed Consolidated Statements of Shareholders' Equity
 (In millions, except for per share data)
 (Unaudited)

<i>Dollars in millions</i>	<i>Total</i>	<i>PIC</i>	<i>Retained Earnings</i>	<i>Treasury Stock</i>	<i>AOCL</i>	<i>NCI</i>
Balance at June 30, 2023	\$ 1,629	\$ 2,616	\$ 1,109	\$ (1,280)	\$ (830)	14
Share-based compensation	5	5	—	—	—	—
Common stock issued upon exercise of stock options	1	1	—	—	—	—
Dividends declared to shareholders (\$0.135/share)	(19)	—	(19)	—	—	—
Issuance of ESPP shares	4	2	—	2	—	—

Distributions to noncontrolling interests	(5)	—	—	—	—	—	(5)
Other	(1)	—	—	—	—	—	(1)
Net income (loss)	(18)	—	(21)	—	—	—	3
Other comprehensive loss, net of tax	(31)	—	—	—	—	(31)	—
Balance at September 29, 2023	<u>\$ 1,565</u>	<u>\$ 2,624</u>	<u>\$ 1,069</u>	<u>\$ (1,278)</u>	<u>\$ (861)</u>	<u>\$ 11</u>	

<i>Dollars in millions</i>	Total	PIC	Retained Earnings	Treasury Stock	AOCL	NCI
Balance at December 31, 2022	\$ 1,632	\$ 2,235	\$ 1,410	\$ (1,143)	\$ (882)	\$ 12
Share-based compensation	16	16	—	—	—	—
Common stock issued upon exercise of stock options	5	5	—	—	—	—
Dividends declared to shareholders (\$0.405/share)	(55)	—	(55)	—	—	—
Repurchases of common stock	(137)	—	—	(137)	—	—
Issuance of ESPP shares	6	3	—	3	—	—
Distributions to noncontrolling interests	(6)	—	—	—	—	(6)
Convertible Notes Transactions	365	365	—	—	—	—
Other	—	—	—	(1)	—	1
Net income (loss)	(282)	—	(286)	—	—	4
Other comprehensive income, net of tax	21	—	—	—	21	—
Balance at September 29, 2023	<u>\$ 1,565</u>	<u>\$ 2,624</u>	<u>\$ 1,069</u>	<u>\$ (1,278)</u>	<u>\$ (861)</u>	<u>\$ 11</u>

<i>Dollars in millions</i>	<i>Dollars in millions</i>	Total	PIC	Retained Earnings	Treasury Stock	AOCL	NCI
Balance at June 30, 2022		1,596	2,222	1,276	(1,016)	(896)	10
<i>Dollars in millions</i>							
Balance at December 29, 2023							
Share-based compensation	Share-based compensation	5	5	—	—	—	—
Common stock issued upon exercise of stock options	Common stock issued upon exercise of stock options	—	—	—	—	—	—
Dividends declared to shareholders (\$0.120/share)		(16)	—	(16)	—	—	—
Common stock issued upon exercise of stock options							
Common stock issued upon exercise of stock options							
Dividends declared to shareholders (\$0.150/share)							
Repurchases of common stock							
Issuance of ESPP shares							
Other							
Other							
Other							
Net income							
Other comprehensive income, net of tax							
Balance at March 29, 2024							
<i>Dollars in millions</i>							
Balance at December 31, 2022							
<i>Dollars in millions</i>	<i>Dollars in millions</i>	Total	PIC	Retained Earnings	Treasury Stock	AOCL	NCI

Share-based compensation						
Common stock issued upon exercise of stock options						
Common stock issued upon exercise of stock options						
Common stock issued upon exercise of stock options						
Dividends declared to shareholders						
(\$0.135/share)						
Repurchases of common stock	Repurchases of common stock	(50)	—	—	(50)	—
Issuance of ESPP shares	Issuance of ESPP shares	5	2	—	3	—
Distributions to noncontrolling interests	Distributions to noncontrolling interests	(2)	—	—	—	(2)
Other		(4)	(1)	—	(2)	—
Net income		73	—	74	—	(1)
Other comprehensive loss, net of tax		(38)	—	—	(38)	—
Balance at September 30, 2022		\$1,569	\$2,228	\$1,334	\$(1,065)	\$(934)
<i>Dollars in millions</i>						
Balance at December 31, 2021		\$1,683	\$2,206	\$1,287	\$ (943)	\$(881)
Share-based compensation		15	15	—	—	—
Common stock issued upon exercise of stock options		5	5	—	—	—
Dividends declared to shareholders (\$0.360/share)		(50)	—	(50)	—	—
Repurchases of common stock		(124)	—	—	(124)	—
Issuance of ESPP shares		6	3	—	3	—
Distributions to noncontrolling interests						
Distributions to noncontrolling interests	Distributions to noncontrolling interests	(4)	—	—	—	(4)
Other	Other	(6)	(1)	—	(1)	—
Net income	Net income	97	—	97	—	—
Other comprehensive loss, net of tax		(53)	—	—	(53)	—
Balance at September 30, 2022		\$1,569	\$2,228	\$1,334	\$(1,065)	\$(934)
Other comprehensive income, net of tax						
Balance at March 31, 2023						

See accompanying notes to condensed consolidated financial statements.

KBR, Inc.
Condensed Consolidated Statements of Cash Flows
 (In millions)
 (Unaudited)

	Three Months Ended			Three Months Ended		
	March 29,			March 29,		
	2024	2023		2024	2023	
Cash flows from operating activities:						
Net income						
Net income						
Net income						
Adjustments to reconcile net income to net cash provided by operating activities:						
Depreciation and amortization						
Nine Months Ended						

		September 29, 2023	September 30, 2022
Cash flows from operating activities:			
Net income (loss)			
		\$ (282)	\$ 97
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Charges associated with Convertible Notes		428	—
Depreciation and amortization			
Depreciation and amortization	Depreciation and amortization	104	99
Equity in (earnings) losses of unconsolidated affiliates		(78)	103
Equity in earnings of unconsolidated affiliates			
Deferred income tax	Deferred income tax	24	49
Gain on disposition of assets	Gain on disposition of assets	—	(22)
Unrealized gain on other investment		—	(16)
Other			
Other			
Other	Other	31	24
Changes in operating assets and liabilities:			
Changes in operating assets and liabilities:			
Changes in operating assets and liabilities:			
Accounts receivable, net of allowance for credit losses			
Accounts receivable, net of allowance for credit losses			
Accounts receivable, net of allowance for credit losses	Accounts receivable, net of allowance for credit losses	(74)	475
Contract assets	Contract assets	43	(11)
Accounts payable			
Accounts payable			
Accounts payable	Accounts payable	46	(440)

Contract liabilities	Contract liabilities	67	(3)
Accrued salaries, wages and benefits	Accrued salaries, wages and benefits	(8)	16
Payments on operating lease obligation	Payments on operating lease obligation	(50)	(44)
Payments from unconsolidated affiliates, net	Payments from unconsolidated affiliates, net	13	14
Payments from unconsolidated affiliates, net	Payments from unconsolidated affiliates, net		
Payments from unconsolidated affiliates, net	Payments from unconsolidated affiliates, net		
Distributions of earnings from unconsolidated affiliates	Distributions of earnings from unconsolidated affiliates	58	57
Pension funding	Pension funding		
Pension funding	Pension funding		
Pension funding	Pension funding	(9)	(32)
Other assets and liabilities	Other assets and liabilities	(65)	(30)
Other assets and liabilities	Other assets and liabilities		
Other assets and liabilities	Other assets and liabilities		
Total cash flows provided by operating activities			
Total cash flows provided by operating activities			
Total cash flows provided by operating activities	Total cash flows provided by operating activities	\$ 248	\$ 336
Cash flows from investing activities:	Cash flows from investing activities:		
Purchases of property, plant and equipment	Purchases of property, plant and equipment	\$ (60)	\$ (39)
Purchases of property, plant and equipment	Purchases of property, plant and equipment		
Purchases of property, plant and equipment	Purchases of property, plant and equipment		
Proceeds from sale of assets or investments	Proceeds from sale of assets or investments	—	60
Return of (investments in) equity method joint ventures, net	Return of (investments in) equity method joint ventures, net	61	198

Acquisition of businesses, net of cash acquired	—	(73)
Funding in other investment	(39)	(61)
Other	Other	(5) 1
Total cash flows (used in) provided by investing activities	\$ (43)	\$ 86
Other		
Other		
Total cash flows provided by investing activities		
Cash flows from financing activities:		
Borrowings on long-term debt	Borrowings on long-term debt	430 —
Borrowings on long-term debt		
Borrowings on long-term debt		
Payments on short-term and long-term debt	Payments on short-term and long-term debt	(12) (12)
Payments on settlement of warrants	Payments on settlement of warrants	(101) —
Proceeds from the settlement of note hedge		150 —
Payments to settle Convertible Notes		(250) —
Payments on revolving credit facility		(270) (97)
Debt issuance costs		
Debt issuance costs		
Debt issuance costs		
Payments of dividends to shareholders	Payments of dividends to shareholders	(53) (49)
Net proceeds from issuance of common stock		5 5
Payments of dividends to shareholders		
Payments of dividends to shareholders		
Payments to reacquire common stock		
Payments to reacquire common stock		
Payments to reacquire common stock	Payments to reacquire common stock	(137) (124)
Other	Other	(12) (13)
Other		
Other		
Total cash flows used in financing activities	Total cash flows used in financing activities	\$ (250) \$ (290)

Effect of exchange rate changes on cash	Effect of exchange rate changes on cash	4	(41)
(Decrease) increase in cash and cash equivalents		(41)	91
Increase in cash and cash equivalents			
Cash and cash equivalents at beginning of period	Cash and cash equivalents at beginning of period	389	370
Cash and cash equivalents at end of period	Cash and cash equivalents at end of period	\$ 348	\$ 461
Supplemental disclosure of cash flows information:	Supplemental disclosure of cash flows information:		
Noncash investing activities			
Leasehold improvements paid by landlord		\$ 9	\$ —
Accrued but unpaid purchases of property, plant and equipment		\$ 2	\$ 6
Supplemental disclosure of cash flows information:			
Supplemental disclosure of cash flows information:			
Noncash financing activities			
Noncash financing activities			
Noncash financing activities	Noncash financing activities		
Dividends declared	Dividends declared	\$ 19	\$ 16
Dividends declared			
Dividends declared			

See accompanying notes to condensed consolidated financial statements.

KBR, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements were prepared using generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and Regulation S-X. Accordingly, these financial statements do not include all information or notes required by generally accepted accounting principles for annual financial statements and should be read together with our **2022** **2023** Annual Report on Form 10-K.

The condensed consolidated financial statements include all normal and recurring adjustments necessary to present fairly our financial position as of **September 29, 2023** **March 29, 2024**, the results of our operations for the three and nine months ended **September 29, 2023** **March 29, 2024** and **September 30, 2022** **March 31, 2023**, respectively, and our cash flows for the **nine** **three** months ended **September 29, 2023** **March 29, 2024** and **September 30, 2022** **March 31, 2023**, respectively. Certain amounts in prior periods have been reclassified to conform with current period presentation.

There are many factors that may affect the accuracy of our cost estimates and ultimately our future profitability. These include, but are not limited to, the availability and costs of resources (such as labor, materials and equipment), productivity and weather. We generally realize both lower and higher than expected margins on projects in any given period. We recognize revisions of revenues and costs in the period in which the revisions are known. This may result in the recognition of costs before the recognition of

related revenue recovery, if any. Our significant accounting policies are detailed in "Note 1. Significant Accounting Policies" of our 2022 Annual Report on Form 10-K. The Company's fiscal year ends on the Friday closest to December 31. The three months ended March 29, 2024 and March 31, 2023 contained 91 days and 90 days, respectively.

We have evaluated all events and transactions occurring after the balance sheet date but before the financial statements were issued and have included the appropriate disclosures.

Principles of Consolidation

The accompanying condensed consolidated financial statements have been prepared in accordance with U.S. GAAP and include the accounts of KBR, Inc. and the subsidiaries it controls, including VIEs where it is the primary beneficiary (collectively, the "Company," "KBR", "we", "us" or "our"). We account for investments over which we have significant influence, but not a controlling financial interest, using the equity method of accounting. See Note 76 "Equity Method Investments and Variable Interest Entities" to our condensed consolidated financial statements for further discussion of our equity investments and VIEs. All material intercompany balances and transactions are eliminated in consolidation.

Basis of Presentation

On December 13, 2022, the Board of Directors approved a change in the fiscal year end from a calendar year ending on December 31 to a 52 – 53 week year ending on the Friday closest to December 31, effective as of the commencement of the Company's fiscal year on January 1, 2023. In a 52 week fiscal year, each of the Company's quarterly periods will comprise 13 weeks. The additional week in a 53 week fiscal year is added to the fourth quarter, making such quarter consist of 14 weeks. The Company's first 53 week fiscal year will occur in fiscal year 2024. The Company made the fiscal year change on a prospective basis and will not adjust operating results for prior periods. The change will impact the prior year comparability of each of the fiscal quarters and the annual period for the year ending December 31, 2023, however, the impact will not be material. The Company believes this change will improve comparability between periods by eliminating the year-over-year variability in calendar month productive days and provide a more consistent reporting cadence for operational leaders to aid in strategic decision making.

Due to this change in fiscal year, our third fiscal quarter ended on September 29 in 2023 as compared to September 30 in 2022. The three months ended September 29, 2023 and September 30, 2022 contained 90 days and 91 days, respectively. The nine months ended September 29, 2023 and September 30, 2022 contained 272 days and 273 days, respectively.

As a result of our change in a fiscal year end, goodwill will be tested annually for possible impairment as of the first day of our fourth quarter each fiscal year, and on an interim basis when indicators of possible impairment exist.

Impact of Adoption of New Accounting Standards

Effective January 1, 2023, we adopted ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which requires entities to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The update will generally result in an entity recognizing contract assets and contract liabilities at amounts consistent with those recorded by the acquiree immediately before the acquisition date rather than at fair value. The adoption of this standard did not have an impact on our condensed consolidated financial statements. However, the ultimate impact is dependent upon the size and frequency of future acquisitions.

Additional Balance Sheet Information

Other Current Assets

The components of other current assets on our condensed consolidated balance sheets as of September 29, 2023, and December 31, 2022, are presented below:

<i>Dollars in millions</i>	<i>September 29,</i>		<i>December 31,</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Note hedge derivative asset	\$ 335	\$ —	\$ 335	\$ —
Prepaid expenses	63	67	63	67
Value-added tax receivable	33	24	33	24
Advances to subcontractors	19	18	19	18
Other miscellaneous assets	73	55	73	55
Total other current assets	\$ 523	\$ 164	\$ 523	\$ 164

Other Current Liabilities

The components of other current liabilities on our condensed consolidated balance sheets as of September 29, 2023, and December 31, 2022, are presented below:

<i>Dollars in millions</i>	<i>September 29,</i>		<i>December 31,</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Embedded derivative liability	\$ 335	\$ —	\$ 335	\$ —

Reserve for estimated losses on uncompleted contracts	16	17
Value-added tax payable	41	32
Dividend payable	19	17
Other miscellaneous liabilities	92	106
Total other current liabilities	\$ 503	\$ 172

Note 2. Business Segment Information

We provide a wide range of professional services and the management of our business is heavily focused on major projects or programs within each of our reportable segments. At any given time, government programs and joint ventures represent a substantial part of our operations. We are organized into two core business segments, Government Solutions and Sustainable Technology Solutions and one non-core business segment as described below:

Government Solutions. Our Government Solutions business segment provides full life-cycle support solutions to defense, intelligence, space, aviation and other programs and missions for military and other government agencies primarily in the U.S., U.K. and Australia. KBR's services cover the full spectrum spanning research and development, advanced prototyping, acquisition support, systems engineering, C5ISR, cyber analytics, space domain awareness, test and evaluation, systems integration and program management, global supply chain management, operations readiness and support and professional advisory services across the defense, renewable energy and critical infrastructure sectors.

Sustainable Technology Solutions. Our Sustainable Technology Solutions business segment is anchored by our portfolio of over 7580 innovative, proprietary, sustainability-focused process technologies that accelerate and enable energy transition across the industrial base in four primary verticals: ammonia/syngas, chemical/petrochemicals, clean refining and circular process/circular economy solutions. STS also provides highly synergistic services including advisory and consulting focused on broad-based energy transition and net-zero carbon emission solutions, high-end engineering, design and program management centered around decarbonization, energy efficiency, environmental impact and asset optimization, as well as our digitally-enabled operating and monitoring solutions. Through early planning and scope definition, advanced technologies and facility life-cycle optimization, our STS business segment works closely with customers to provide what we believe is the optimal approach to maximize their return on investment.

Other. Our non-core Other segment includes corporate expenses and selling, general and administrative expenses not allocated to the business segments above.

Operations by Reportable Segment

	Three Months Ended		Nine Months Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
	Three Months Ended March 29, 2024			
<i>Dollars in millions</i>				
<i>Dollars in millions</i>				
Revenues:	Revenues:			
Revenues:				
Revenues:				
Government Solutions	Government Solutions	\$ 1,345	\$ 1,293	\$ 4,025
Government Solutions	Government Solutions			
Sustainable Technology Solutions	Sustainable Technology Solutions			
Sustainable Technology Solutions	Sustainable Technology Solutions			

Sustainable Technology Solutions	Sustainable Technology Solutions	425	333	1,201	892
Total revenues	Total revenues	\$ 1,770	\$ 1,626	\$ 5,226	\$ 4,956
Total revenues					
Total revenues					
Operating income (loss):					
Operating income (loss):					
Operating income (loss):	Operating income (loss):				
Government Solutions	Government Solutions	\$ 108	\$ 105	\$ 182	\$ 351
Government Solutions					
Government Solutions					
Sustainable Technology Solutions					
Sustainable Technology Solutions					
Sustainable Technology Solutions	Sustainable Technology Solutions	84	56	243	(18)
Other	Other	(45)	(36)	(124)	(112)
Other					
Other					
Total operating income	Total operating income	\$ 147	\$ 125	\$ 301	\$ 221
Total operating income					
Total operating income					

Note 3. Revenue

Disaggregated Revenue

We disaggregate our revenue from customers by business unit, geographic destination and contract type for each of our segments as we believe it best depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors.

Revenue by business unit and reportable segment was as follows:

		Three Months Ended		Nine Months Ended					
		September	September	September	September				
		29,	30,	29,	30,				
Three Months Ended									
Three Months Ended									
Three Months Ended									
March 29,						March 29, March 31,			
<i>Dollars in millions</i>	<i>Dollars in millions</i>	2023	2022	2023	2022	<i>Dollars in millions</i>			
Government Solutions	Government Solutions					2024	2023		
Government Solutions									
Government Solutions									
Science & Space									
Science & Space									
Science & Space	Science & Space	\$ 294	\$ 282	\$ 860	\$ 792				

Defense & Intel	Defense & Intel	397	390	1,143	1,156
Readiness & Sustainment	Readiness & Sustainment	363	352	1,161	1,256
International	International	291	269	861	860
Total	Total				
Government Solutions	Government Solutions	1,345	1,293	4,025	4,064
Sustainable Technology Solutions	Sustainable Technology Solutions	425	333	1,201	892
Sustainable Technology Solutions					
Total revenue	Total revenue	<u>\$ 1,770</u>	<u>\$ 1,626</u>	<u>\$ 5,226</u>	<u>\$ 4,956</u>
Total revenue					
Total revenue					

Government Solutions revenue earned from key U.S. government customers includes U.S. DoD agencies and NASA, and is reported as Science & Space, Defense & Intel and Readiness & Sustainment. Government Solutions revenue earned from non-U.S. government customers primarily includes the U.K. MoD and the Australian Defence Force and is reported as International.

Revenue by geographic destination was as follows:

Three Months Ended September 29, 2023					
Sustainable Technology					
		Government Solutions	Solutions	Total	
United States		\$ 805	\$ 129	\$	934
Europe		366	65		431
Middle East		36	100		136
Australia		104	27		131
Africa		16	33		49
Asia		4	46		50
Other countries		14	25		39
Total revenue		<u>\$ 1,345</u>	<u>\$ 425</u>	<u>\$</u>	<u>1,770</u>
Three Months Ended September 30, 2022					
Sustainable Technology					
		Government Solutions	Solutions	Total	
United States		\$ 785	\$ 120	\$	905
Europe		334	67		401
Middle East		33	68		101
Australia		101	18		119
Africa		23	16		39
Asia		4	35		39
Other countries		13	9		22
Total revenue		<u>\$ 1,293</u>	<u>\$ 333</u>	<u>\$</u>	<u>1,626</u>
Nine Months Ended September 29, 2023					

Total by Countries/Regions <i>Dollars in millions</i>	Sustainable Technology			Total
	Government Solutions	Solutions		
United States	\$ 2,305	\$ 398	\$	2,703
Europe	1,200	189		1,389
Middle East	102	278		380
Australia	311	68		379
Africa	51	73		124
Asia	12	119		131
Other countries	44	76		120
Total revenue	\$ 4,025	\$ 1,201	\$	5,226

Nine Months Ended September 30, 2022

Total by Countries/Regions <i>Dollars in millions</i>	Sustainable Technology			Total
	Government Solutions	Solutions		
United States	\$ 2,566	\$ 357	\$	2,923
Europe	959	153		1,112
Middle East	123	170		293
Australia	302	29		331
Africa	63	49		112
Asia	10	105		115
Other countries	41	29		70
Total revenue	\$ 4,064	\$ 892	\$	4,956

Three Months Ended March 29, 2024

Total by Countries/Regions <i>Dollars in millions</i>	Sustainable Technology			Total
	Government Solutions	Solutions		
United States	\$ 818	\$ 127	\$	945
Europe	396	72		468
Middle East	40	125		165
Australia	98	23		121
Africa	17	33		50
Asia	4	27		31
Other countries	13	25		38
Total revenue	\$ 1,386	\$ 432	\$	1,818

Three Months Ended March 31, 2023

Total by Countries/Regions <i>Dollars in millions</i>	Sustainable Technology			Total
	Government Solutions	Solutions		
United States	\$ 718	\$ 131	\$	849
Europe	447	58		505
Middle East	26	87		113
Australia	101	18		119
Africa	19	18		37
Asia	3	38		41
Other countries	14	25		39
Total revenue	\$ 1,328	\$ 375	\$	1,703

Many of our contracts contain cost reimbursable, time-and-materials and fixed price components. We define contract type based on the component that represents the majority of the contract. Revenue by contract type was as follows:

Three Months Ended September 29, 2023		Three Months Ended March 29, 2024		Three Months Ended March 29, 2024		Three Months Ended March 29, 2024	
<u>Dollars in</u> <u>millions</u>	<u>Dollars in</u> <u>millions</u>	Sustainable Government Technology Solutions Solutions Total		<u>Dollars</u> <u>in</u> <u>millions</u>	<u>Dollars</u> <u>in</u> <u>millions</u>	Sustainable Technology Solutions	
Cost	Cost						
Reimbursable	Reimbursable	\$ 831	\$ —	\$ 831			
Time-and- Materials	Time-and- Materials	254	253	507			
Fixed Price	Fixed Price	260	172	432			
Total revenue	Total revenue	\$ 1,345	\$ 425	\$ 1,770			
Three Months Ended September 30, 2022		Three Months Ended March 31, 2023		Three Months Ended March 31, 2023		Three Months Ended March 31, 2023	
<u>Dollars in</u> <u>millions</u>	<u>Dollars in</u> <u>millions</u>	Sustainable Government Technology Solutions Solutions Total		<u>Dollars</u> <u>in</u> <u>millions</u>	<u>Dollars</u> <u>in</u> <u>millions</u>	Sustainable Technology Solutions	
Cost	Cost						
Reimbursable	Reimbursable	\$ 781	\$ —	\$ 781			
Time-and- Materials	Time-and- Materials	258	197	455			
Fixed Price	Fixed Price	254	136	390			
Total revenue	Total revenue	\$ 1,293	\$ 333	\$ 1,626			
Nine Months Ended September 29, 2023							
Sustainable Technology							
<u>Dollars in millions</u>		Government Solutions		Solutions		Total	
Cost Reimbursable		\$ 2,477	\$ —	\$ —		\$ 2,477	
Time-and-Materials		788		738		1,526	
Fixed Price		760		463		1,223	
Total revenue		\$ 4,025	\$ 1,201	\$ —		\$ 5,226	
Nine Months Ended September 30, 2022							
Sustainable Technology							
<u>Dollars in millions</u>		Government Solutions		Solutions		Total	
Cost Reimbursable		\$ 2,524	\$ —	\$ —		\$ 2,524	
Time-and-Materials		739		571		1,310	
Fixed Price		801		321		1,122	

Total revenue	\$ 4,064	\$ 892	\$ 4,956
---------------	----------	--------	----------

Performance Obligations and Contract Liabilities

Changes in estimates are recognized on a cumulative catch-up basis in the current period associated with performance obligations satisfied in a prior period due to the release of a constrained milestone, modification in contract price or scope or a change in the likelihood of a contingency being resolved. We recognized revenue from performance obligations satisfied in previous periods for such matters of \$8 million for the nine months ended September 29, 2023, and \$26 million and \$32 million for the three and nine months ended September 30, 2022, respectively.

On September 29, 2023 March 29, 2024, we had \$12.1 billion \$12.9 billion of transaction price allocated to remaining performance obligations. We expect to recognize approximately 36% 38% of our remaining performance obligations as revenue within one year, 39% 36% in years two through five and 25% 26% thereafter. Revenue associated with our remaining performance obligations to be recognized beyond one year includes performance obligations primarily related to the Aspire Defence project, which has contract terms extending through 2041. Remaining performance obligations do not include variable consideration that was determined to be constrained as of September 29, 2023 March 29, 2024.

We recognized revenue of \$183 million \$174 million and \$177 \$126 million for the nine three months ended September 29, 2023 March 29, 2024 and September 30, 2022 March 31, 2023, respectively, which was previously included in the contract liability balance at the beginning of each period.

Accounts Receivable

		September 29,	December 31,
		March 29,	March 29,
		March 29,	March 29,
<u>Dollars in millions</u>			
<u>Dollars in millions</u>			
Dollars in millions	Dollars in millions	2023	2022
Unbilled	Unbilled	\$ 569	\$ 486
Unbilled			
Unbilled			
Trade & other			
Trade & other			
Trade & other	Trade & other	445	456
Accounts receivable	Accounts receivable	\$ 1,014	\$ 942
Accounts receivable			
Accounts receivable			

Note 4. Acquisitions

VIMA Group

On August 2, 2022, we acquired VIMA Group, a U.K.-based leading provider of digital transformation solutions to defense and other public sector clients. VIMA Group is reported within our GS business segment. We accounted for this transaction as an acquisition of a business using the acquisition method under *Business Combinations (Topic 805)*.

The agreed-upon purchase price for the acquisition was \$82 million. The purchase price consisted of cash paid at closing of \$75 million, subject to certain working capital and other closing adjustments, \$4 million of deferred consideration and contingent consideration with an estimated fair value of \$3 million that was contingent upon the achievement of certain performance targets from closing through December 31, 2022. As the targets were not met, no consideration was paid and we recorded a benefit of \$3 million in our consolidated statements of operations for the year ended December 31, 2022. We recognized \$2 million as an intangible backlog asset, \$11 million in customer relationships, \$3 million in net working capital, \$2 million in deferred income tax liability and \$68 million of goodwill arising from the acquisition, which relates primarily to future growth opportunities. The purchase price allocation for the business combination is considered final. For U.S. tax purposes, the transaction is treated as a stock deal. As a result, there is no step-up in tax basis in the individual assets and liabilities acquired and the goodwill recognized is not deductible for tax purposes.

Note 5. Cash and Cash Equivalents

We consider all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents include cash balances held by our wholly owned subsidiaries as well as cash held by joint ventures that we consolidate. Joint venture and the Aspire project cash balances are limited to specific project activities and are not available for other projects, new acquisitions and joint ventures, general cash needs or distribution to us without approval of the board of directors of the

respective entities. The cash and cash equivalents held in consolidated joint ventures and the Aspire project are expected to be used for their respective project costs and distributions of earnings.

The components of our cash and cash equivalents balance are as follows:

Dollars in millions	Dollars in millions	September 29, 2023			March 29, 2024		
		International		Domestic	Dollars in millions	International (a)	
		(a)	(b)	Total		International (a)	Domestic (b)
Operating cash and cash equivalents	Operating cash and cash equivalents	\$ 137	\$ 85	\$222			
Short-term investments	Short-term investments						
(c)	(c)	6	6	12			
Cash and cash equivalents held in consolidated joint ventures and Aspire Defence subcontracting entities (d)	Cash and cash equivalents held in consolidated joint ventures and Aspire Defence subcontracting entities (d)						
		87	27	114			
Total	Total	\$ 230	\$ 118	\$348			

Dollars in millions	Dollars in millions	December 31, 2022			December 29, 2023		
		International		Domestic	Dollars in millions	International (a)	
		(a)	(b)	Total		International (a)	Domestic (b)
Operating cash and cash equivalents	Operating cash and cash equivalents	\$ 251	\$ 25	\$276			
Short-term investments	Short-term investments						
(c)	(c)	4	2	6			
Cash and cash equivalents held in consolidated joint ventures and Aspire Defence subcontracting entities (d)	Cash and cash equivalents held in consolidated joint ventures and Aspire Defence subcontracting entities (d)						
		99	8	107			
Total	Total	\$ 354	\$ 35	\$389			

- (a) Includes deposits held by non-U.S. entities with operating accounts that constitute offshore cash for tax purposes.
- (b) Includes U.S. dollar and foreign currency deposits held in U.S. entities with operating accounts that constitute onshore cash for tax purposes but may reside either in the U.S. or in a foreign country.
- (c) Includes time deposits, money market funds and other highly liquid short-term investments.
- (d) Includes short-term investments held by Aspire Defence subcontracting entities for \$64 \$85 million and \$46 \$83 million as of September 29, 2023 March 29, 2024 and December 31, 2022 December 29, 2023, respectively.

Note 6.5. Unapproved Change Orders and Claims Against Clients and Estimated Recoveries of Claims Against Suppliers and Subcontractors

The amounts of unapproved change orders and claims against clients and estimated recoveries of claims against suppliers and subcontractors included in determining the profit or loss on contracts are as follows:

	Three Months Ended March 29,	Three Months Ended March 29,	Three Months Ended March 31,
<u>Dollars in millions</u>	<u>Dollars in millions</u>		
Amounts included in project estimates-at-completion at beginning of fiscal year			
Net increase (decrease) in project estimates			
	Nine Months Ended		
	September 29,	September 30,	
<u>Dollars in millions</u>	2023	2022	
Amounts included in project estimates-at-completion at			
January 1,	\$ 48	\$ 426	
Net increase (decrease) in project estimates	11	(121)	
Approved change orders	—	(271)	
Foreign currency impact	—	7	
Ending balance	\$ 59	\$ 41	
Ending balance			
Ending balance			

The balance as of **September 29, 2023** March 29, 2024 primarily relates to projects in our Government Solutions segment.

Changes in Project-related Estimates

There are many factors that may affect the accuracy of our cost estimates and ultimately our future profitability. These include, but are not limited to, the availability and costs of resources (such as labor, materials and equipment), productivity, weather and ongoing resolution of legacy projects and legal matters, including any new or ongoing disputes with our business partners and others in our supply chain. We generally realize both lower and higher than expected margins on projects in any given period. We recognize revisions of revenues and costs in the period in which the revisions are known. This may result in the recognition of costs before the recognition of related revenue recovery, if any.

Sanctions and trade control measures were implemented against Russia due to the ongoing conflict between Russia and Ukraine. These measures impacted our ability to operate in the region as we carried out efforts to wind down our operations in Russia. During the nine months ended September 30, 2022, we recognized an unfavorable change of \$22 million in gross profit and incurred \$6 million in severance and asset impairments costs associated with exiting commercial projects in Russia.

During the nine months ended September 30, 2022, within our STS business segment, we recognized a non-cash charge to equity in earnings of unconsolidated affiliates of \$137 million as a result of changes in estimates on the Ichthys LNG Project in connection with a settlement agreement (the "Subcontractor Settlement Agreement") entered into to resolve outstanding claims and disputes between JKC and the consortium of subcontractors. During the three and nine months ended September 30, 2022, within our GS business segment, we recorded a charge to equity in earnings of unconsolidated affiliates on a joint venture acquired from a historical GS acquisition of \$10 million based on our funding obligations of projected losses.

During the three and nine months ended September 30, 2022, within our GS business segment, we recognized a net favorable change in gross profit of \$10 million and \$1 million, respectively, associated with changes in estimates related to ongoing contract negotiations, some of which have been resolved.

Note 7.6. Equity Method Investments and Variable Interest Entities

We conduct some of our operations through joint ventures, which operate through partnerships, corporations and undivided interests and other business forms and are principally accounted for using the equity method of accounting. Additionally, the majority of our joint ventures are VIEs.

The following table presents a rollforward of our equity in and advances to unconsolidated affiliates:

		Nine Months Ended		Year Ended	
		September 29, 2023	December 31, 2022		
		Three Months Ended	Three Months Ended		
		March 29, 2024	March 29, 2024	Year ended	
<i>Dollars in millions</i>		<i>Dollars in millions</i>			
Beginning balance at January 1,		\$ 188	\$ 576		
Equity in earnings (losses) of unconsolidated affiliates (a)		78	(80)		
Beginning balance					
Beginning balance					
Beginning balance					
Equity in earnings of unconsolidated affiliates (a)					
Distributions of earnings of unconsolidated affiliates (b)		Distributions of earnings of unconsolidated affiliates (b)	(46)	(53)	
Payments from unconsolidated affiliates, net		Payments from unconsolidated affiliates, net	(13)	(14)	
(Return of) investments in equity method investment, net (c)		(Return of) investments in equity method investment, net (c)	(61)	(198)	
Sale of equity method investment (d)(a)		—	(31)		

Foreign currency translation adjustments	Foreign currency translation adjustments	—	(15)
Other (e)		47	3
Foreign currency translation adjustments			
Foreign currency translation adjustments			
Other (d)			
Ending balance	Ending balance	\$ 193	\$ 188

- (a) During 2022, a non-cash charge of \$137 million was recorded for settlement agreements associated with the Ichthys LNG project. Additionally, during the third quarter of 2022, we recorded a charge against a joint venture acquired from a historical GS acquisition of \$10 million based on our funding obligations of projected losses. In the fourth quarter of 2022, we divested this joint venture and recorded an incremental loss on sale of \$3 million. The remaining equity in earnings (losses) of unconsolidated affiliates in 2023 2024 and 2022 2023 is related to normal activities within our other joint ventures.
- (b) In the normal course of business, our joint ventures will declare a distribution in the current quarter that is not paid until the subsequent quarter. As such, the distributions declared during the current quarter may not agree to the distributions of earnings from unconsolidated affiliates on our condensed consolidated statements of cash flows.
- (c) For the three months ended March 29, 2024, we received a return of investment from JKC of approximately \$29 million related to our proportionate share of a tax refund. During the nine months year ended September 29, 2023 December 29, 2023, we received a return of investment from JKC of approximately \$61 million related to the second payment received from the Subcontractor Settlement Agreement. For the year ended December 31, 2022, we received a return of investment from JKC of approximately \$190 million related to the first payment from the Subcontractor Settlement Agreement and from BRIS of \$10 million as our cumulative distributions from inception of the joint venture exceeded our cumulative earnings.
- (d) During the first quarter of 2022, we sold two of our four U.K. Road investments. The carrying value of our investment was \$22 million. We received \$18 million in cash proceeds and the purchaser agreed to assume the \$4 million of consortium relief. In the second quarter of 2022, we sold an additional U.K. Road investment with a carrying value of \$19 million and recorded a gain of approximately \$16 million upon receipt of \$35 million in cash proceeds, in addition to receipt of \$2 million of deferred consideration from the first quarter 2022 sales.
- (e) During the nine three months ended September 29, 2023 March 29, 2024, Other included the reclassification of the net liability position of \$52 million \$38 million related to joint ventures within our investment in JKC. The STS business segment. During the year ended December 29, 2023, Other included the reclassification of the net liability position is attributed of \$47 million related to a joint venture within our proportionate share of the provision that JKC continues to maintain for the paint and insulation claims against the insurer and paint manufacturer net of expected tax benefits. STS business segment.

Related Party Transactions

We often provide engineering, construction management and other subcontractor services to our unconsolidated joint ventures, and our revenues include amounts related to these services. For the nine three months ended September 29, 2023 March 29, 2024 and September 30, 2022 March 31, 2023, respectively, our revenues included \$390 million \$173 million and \$295 million \$124 million, respectively, related to the services we provided primarily to the Aspire Defence Limited joint venture within our GS business segment and a joint venture within our STS business segment.

Amounts included in our condensed consolidated balance sheets related to services we provided to our unconsolidated joint ventures as of September 29, 2023 March 29, 2024, and December 31, 2022 December 29, 2023 are as follows:

Dollars in millions	September		December		March 29, 2024	December 29, 2023		
	29,		31,					
	2023	2022	Dollars in millions					
Accounts receivable, net of allowance for credit losses	Accounts receivable, net of allowance for credit losses	\$ 82	\$ 56					
Contract assets		\$ —	\$ 2					
Other current assets		\$ —	\$ 12					
Contract liabilities	Contract liabilities	\$ 79	\$ 39					

Contract liabilities
Contract liabilities

Note 8.7. Retirement Benefits

We have two frozen defined benefit pension plans in the U.S., one frozen and one active plan in the U.K. and one frozen plan in Germany. All of these plans are immaterial except for the frozen U.K. defined benefit pension plan. The components of net periodic pension benefit related to the frozen U.K. pension for the three and nine months ended September 29, 2023 March 29, 2024 and September 30, 2022 March 31, 2023, respectively, were as follows:

		Three Months Ended			
		September 29,	September 30,		
		Three Months Ended			
March 29,				March 29,	
Dollars in millions	Dollars in millions	2023	2022	2023	March 31,
Components of net periodic pension benefit					
Components of net periodic pension benefit					
Service cost	\$ —	\$ —			
Interest cost					
Interest cost					
Interest cost	Interest cost	15	8		
Expected return on plan assets	Expected return on plan assets	(26)	(20)		
Amortization of prior service cost		1	1		
Recognized actuarial loss					
Recognized actuarial loss					
Recognized actuarial loss	Recognized actuarial loss	—	5		
Net periodic pension benefit	Net periodic pension benefit	\$ (10)	\$ (6)		
Nine Months Ended					
		September 29,	September 30,		
Dollars in millions	Dollars in millions	2023	2022		
Components of net periodic pension benefit					
Service cost	\$ —	\$ 1			
Interest cost		45	26		
Expected return on plan assets		(76)	(63)		

Amortization of prior service cost	1	1
Recognized actuarial loss	—	17
Net periodic pension benefit	\$ (30)	\$ (18)

For the **nine** three months ended **September 29, 2023** **March 29, 2024**, we have contributed approximately **\$6 million** **\$7 million** of the **\$8 million** **\$39 million** we expect to contribute to our U.K. pension plan in 2023. On October 17, 2022, we made an advance payment to our U.K. pension plan for approximately £29 million of the £33 million required minimum annual contributions for the year ending December 29, 2023, **2024**.

Note 9.8. Debt and Other Credit Facilities

Our outstanding debt consisted of the following at the dates indicated:

Dollars in millions	Dollars in millions		Dollars in millions	March 29, 2024	December 29, 2023
	September 29, 2023	December 31, 2022			
Term					
Term Loan A	Loan A	\$ 593	\$ 398		
Term					
Term Loan B	Loan B	502	506		
Senior Notes	Senior Notes	250	250		
Senior Credit Facility		220	260		
Convertible Senior Notes (a)		250	350		
Unamortized debt issuance costs and discount -					
Convertible Senior Notes (a)		(40)	(2)		
Unamortized debt issuance costs -					
Term Loan A		(8)	(9)		
Unamortized debt issuance costs and discount - Term					
Loan B		(9)	(10)		
Unamortized debt issuance costs and discount - Senior Notes		(3)	(3)		
Revolver					
Unamortized debt issuance costs and discounts					
Total debt	Total debt	1,755	1,740		
Less: current portion	Less: current portion	239	364		

Total long-term debt, net of current portion	Total long-term debt, net of current portion	\$ 1,516	\$ 1,376
--	--	----------	----------

(a) The unamortized debt issuance costs related to the Convertible Notes were impacted by the cash election and repurchase of Convertible Notes that occurred in the second quarter of 2023. See Note 18 "Cash Election and Repurchase of Convertible Notes" for additional information regarding these transactions.

Senior Credit Facility

We entered into Amendment No. 10 on July 26, 2023, to our Our existing Credit Agreement, dated as of April 25, 2018, as amended ("Credit Agreement"), consisting consists of a \$1 billion \$1 billion revolving credit facility (the "Revolver"), a Term Loan A ("Term Loan A") with debt tranches denominated in U.S. dollars and British pound sterling and a Term Loan B ("Term Loan B") ("Senior and together with the Revolver and Term Loan A, the "Senior Credit Facility").

We entered into Amendment No. 10 provided No.11 to our Credit Agreement on January 19, 2024. This amendment provides for an additional \$200 million loan tranche under incremental Term Loan A, B facility in an aggregate principal amount of \$1 billion and extends the Term Loan B maturity date to January 2031. We borrowed the full \$200 million \$1 billion principal amount available under this additional loan tranche, loan. We received \$24 million in cash proceeds from this borrowing to pay accrued interest and this \$200 financing fees, \$501 million borrowing was applied as a partial repayment of the outstanding amounts of principal under the Term Loan B facility and the remaining \$475 million was applied to the outstanding principal under the Revolver. In addition, Amendment No.11 reduced the interest rate margin applicable to Term Loan B.

We entered into Amendment No.12 to our Credit Agreement on February 7, 2024. This amendment consolidated the USD denominated Term A-1, Term A-2 and Term A-4 loan facilities under our Credit Agreement into the amended USD denominated Term A-1 loan facility and continued the GBP denominated Term A-3 loan facility outstanding at December 29, 2023. In 2024, \$76 million in cash was paid on the outstanding Term Loan A principal and accrued interest under and \$20 million was applied to the Term Loan A principal through a borrowing on our Revolver. Additionally, this amendment extended the maturity date of the \$1 billion Revolver, amended Term A-1 loan facility and Term A-3 loan facility to February 2029.

We had cash borrowings of \$430 million and repayments of \$270 million \$93 million on our Senior Credit Facility Revolver that occurred during the nine three months ended September 29, 2023 March 29, 2024. Of these borrowings on our Senior Credit Facility, we borrowed \$255 million on June 16, 2023 to fund our repurchase of a portion of Convertible Notes and termination of the corresponding portions of the Note Hedge Transactions and Warrant Transactions. See Note 18 "Cash Election and Repurchase of Convertible Notes" for additional information.

The interest rates with respect to the Revolver, Term Loan A and Term Loan A, B are based on, at the Company's our option, the applicable adjusted reference rate plus an additional margin or base rate plus additional margin. The interest rate with respect to the Term Loan B is SOFR plus 2.75% plus an additional margin, per annum. Additionally, there is a commitment fee applicable to available amounts under the Revolver.

The details of the applicable margins and commitment fees under the amended Senior Credit Facility Revolver and Term Loan A are based on the Company's our consolidated net leverage ratio as follows:

Consolidated Net Leverage Ratio	Revolver and Term Loan A		
	Reference Rate (a)	Base Rate	Commitment Fee
Greater than or equal to 4.25 to 1.00	2.25 %	1.25 %	0.33 %
Less than 4.25 to 1.00 but greater than or equal to 3.25 to 1.00	2.00 %	1.00 %	0.30 %
Less than 3.25 to 1.00 but greater than or equal to 2.25 to 1.00	1.75 %	0.75 %	0.28 %
Less than 2.25 to 1.00 but greater than or equal to 1.25 to 1.00	1.50 %	0.50 %	0.25 %
Less than 1.25 to 1.00	1.25 %	0.25 %	0.23 %

(a) The reference rate for the Revolver and the U.S. dollar tranches of Term Loan A is SOFR plus 10 bps Credit Spread Adjustment and the British pound sterling tranche is SONIA plus 12 bps Credit Spread Adjustment.

The details of the applicable margins under the amended Term Loan B are based on our consolidated net leverage ratio as follows:

Consolidated Net Leverage Ratio	Reference Rate (a)	Base Rate
Greater than or equal to 2.00 to 1.00	2.25 %	1.25 %
Less than 2.00 to 1.00	2.00 %	1.00 %

(a) The reference rate for the Term Loan B is SOFR.

Term Loan A provides for quarterly principal payments of 0.625% of the aggregate principal amount that commenced with the fiscal quarter ended March 31, 2022, increasing to 1.25% starting with the quarter ending **March 29, 2024** **April 3, 2026**. Term Loan B provides for quarterly principal payments of 0.25% of the initial aggregate principal amounts that commenced with the fiscal quarter ended June 30, 2020. Term Loan A and the Revolver mature in **November 2026** **February 2029** and Term Loan B matures in **February 2027**, **January 2031**.

The Senior Credit Facility contains financial covenants of a maximum consolidated net leverage ratio and a consolidated interest coverage ratio (as such terms are defined in the Senior Credit Facility). Our consolidated net leverage ratio as of the last day of any fiscal quarter may not exceed **4.50 to 1** through 2022, reducing to **4.25 to 1** in 2023, and reducing to **4.00 to 1** in 2024 and thereafter. Our consolidated interest coverage ratio may not be less than **3.00 to 1** as of the last day of any fiscal quarter. As of **September 29, 2023** **March 29, 2024**, we were in compliance with our financial covenants related to our debt agreements.

Convertible Senior Notes

Convertible Senior Notes. On November 15, 2018, we issued and sold \$350 million of 2.50% Convertible Senior Notes due 2023 (the "Convertible Notes") pursuant to an indenture between us and Citibank, N.A., as trustee. The Convertible Notes are senior unsecured obligations and bear interest at 2.50% per year, and interest is payable on May 1 and November 1 of each year. The Convertible Notes mature on November 1, 2023, and may not be redeemed by us prior to maturity. As such, the Convertible Notes are classified as current liabilities on our condensed consolidated balance sheets as of September 29, 2023.

In April 2023, we elected cash as the settlement method to settle the principal and any excess value upon early conversion or maturity of the Convertible Notes. On June 1, 2023, we entered into privately-negotiated transactions to repurchase \$100 million in principal amount of the outstanding Convertible Notes (the "Convertible Notes repurchase"), using funds borrowed under our Revolver to pay the purchase price. Concurrent with the Convertible Notes repurchase, we entered into agreements with the option counterparties to terminate the corresponding portions of the Note Hedge Transactions and Warrant Transactions (collectively, the "Unwind Agreements"). See Note 18 "Cash Election and Repurchase of Convertible Notes" for additional information regarding these transactions.

On August 23, 2023, we declared a quarterly cash dividend of \$0.135 per Common Share, which exceeded our per share dividend threshold and adjusted the conversion rate to 39.6890 Common Shares per \$1,000 principal amount of Convertible Notes at a strike price of \$25.20.

Convertible Notes Call Spread Overlay. Concurrent with the issuance of the Convertible Notes, we entered into privately negotiated convertible note hedge transactions (the "Note Hedge Transactions") and warrant transactions (the "Warrant Transactions") with the option counterparties. These transactions represent a call spread overlay, whereby the cost of the Note Hedge Transactions we purchased to cover the cash outlay upon conversion of the Convertible Notes was reduced by the sales price of the Warrant Transactions. The updated strike price of the net-share settled warrants as of September 29, 2023 was \$39.52.

The Note Hedge Transactions and the Warrant Transactions are separate transactions, in each case entered into by us with the option counterparties, and are not part of the terms of the Convertible Notes and will not affect any holder's rights under the Convertible Notes.

As of September 29, 2023, the if-converted value of the Convertible Notes, based on the closing share price, exceeded the remaining \$250 million principal amount by approximately \$335 million. The incremental value over the principal amount would be fully offset by the cash delivered from the Note Hedge Transactions. However, the counterparties holding the warrants also have the right to purchase the total convertible number of shares at the current conversion rate at a strike price of \$39.52 resulting in value of \$193 million that would have been delivered to the counterparties as of September 29, 2023.

The Convertible Notes matured November 1, 2023, with principal amounts totaling \$250 million with the aggregate cash conversion consideration totaling \$593 million. Concurrently, the Note Hedge Transactions were settled with payments to the Company totaling \$343 million. The aggregate cash conversion consideration of \$593 million was fulfilled with proceeds received from Note Hedge Transactions totaling \$343 million, a \$200 million borrowing on our Revolver and \$50 million in available cash. The Warrant Transactions remain outstanding as of November 1, 2023.

Senior Notes

On September 30, 2020, we issued and sold \$250 million aggregate principal amount of 4.750% Senior Notes due 2028 (the "Senior Notes") pursuant to an indenture among us, the guarantors party thereto and Citibank, N.A., as trustee. The Senior Notes are senior unsecured obligations and are fully and unconditionally guaranteed by each of our existing and future domestic subsidiaries that guarantee our obligations under the Senior Credit Facility and certain other indebtedness. Interest is payable semi-annually in arrears on March 30 and September 30 of each year, beginning on March 30, 2021, and the principal is due on September 30, 2028.

At any time prior to September 30, 2023, we could have redeemed all or part of the Senior Notes at a redemption price equal to 100% of the principal amount of the Senior Notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date, plus a specified "make-whole premium." On or after September 30, 2023, we may redeem all or part of the Senior Notes at our option, at the redemption prices set forth in the Senior Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date. At any time prior to September 30, 2023, we could have redeemed up to 35% of the original aggregate principal amount of the Senior Notes with the net cash proceeds of certain equity offerings at a redemption price equal to 104.750% of the principal amount of the Senior Notes, together with accrued and unpaid interest, if any, to (but not including) the redemption date. If we undergo a change of control, we may be required to make an offer to holders of the Senior Notes to repurchase all of the Senior Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest.

Letters of credit, surety bonds and guarantees

In connection with certain projects, we are required to provide letters of credit, surety bonds or guarantees to our customers in the ordinary course of business as credit support for contractual performance guarantees, advanced payments received from customers and future funding commitments. As of **September 29, 2023** **March 29, 2024**, we had \$1 billion in a committed line of credit on the Revolver under our Senior Credit Facility and **\$376 million** **\$395 million** of bilateral and uncommitted lines of credit to support the issuance of letters of credit. As of **September 29, 2023** **March 29, 2024**, with respect to our Revolver, we had **\$220 million** **\$143 million** of outstanding borrowings. We also have \$14 million of outstanding letters of credit on our Senior Credit Facility. With respect to our **\$376 million** **\$395 million** of bilateral and uncommitted lines of credit, we utilized **\$265 million** **\$291 million** for letters of credit as of **September 29, 2023** **March 29, 2024**. The total remaining capacity of these committed and uncommitted lines of credit was approximately **\$877 million** **\$947 million**, of which up to approximately **\$791 million** can be used toward issuing letters of credit. Of the letters of credit outstanding under the Senior Credit Facility, none have expiry dates beyond the maturity date of the Senior Credit Facility. Of the total letters of credit outstanding under our bilateral facilities, **\$85 million** **\$84 million** relate to our joint venture operations where the letters of credit are posted using our capacity to support our pro-rata share of obligations under various contracts executed by joint ventures of which we are a member.

Note 10.9. Income Taxes

The effective tax rate was approximately **(32)%** **27%** and **45%** **26%** for the **nine** **three** months ended **September 29, 2023** **March 29, 2024** and **September 30, 2022** **March 31, 2023**, respectively. The effective tax rate for the **nine** **three** months ended **September 29, 2023** **March 29, 2024** and **March 31, 2023** as compared to the U.S. statutory rate of 21%, was primarily impacted by the non-deductible portion of a legal settlement rate differential on a legacy matter our foreign earnings and the non-deductible charge associated with impact of state and local taxes in the cash settlement method election and Convertible Notes repurchase discussed in Note 18. The implications of these non-deductible items were partially offset by the release of a previously reserved position based on developments associated with the ongoing IRS examination and appeals process for certain years. The effective tax rate for the **nine** months ended **September 30, 2022** was primarily impacted by the non-deductibility of losses incurred with respect to the settlement of outstanding matters related to the Ichthys LNG project to which KBR is a JV partner, U.S.

The valuation allowance for deferred tax assets as of **September 29, 2023** **March 29, 2024** and **December 31, 2022** **December 29, 2023** was **\$215 million** and **\$217 million**, respectively. **\$148 million**. The remaining valuation allowance is primarily related to foreign tax credit carryforwards and foreign and state net operating loss carryforwards that, in the judgment of management, do not meet the more likely than not realization threshold. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income, in the appropriate character and source, during the periods in which those temporary differences become deductible or within the remaining carryforward period. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income and tax-planning strategies in making this assessment.

The utilization of the unreserved foreign tax credit carryforwards is based on our ability to generate income from foreign sources of approximately **\$367 million** **\$210 million** prior to their expiration. The utilization of other net deferred tax assets, excluding those associated with indefinite-lived intangible assets, is based on our ability to generate U.S. forecasted taxable income of approximately **\$781 million** **\$957 million**. Changes in our forecasted taxable income, in the appropriate character and source, as well as jurisdiction, could affect the ultimate realization of deferred tax assets.

The provision for uncertain tax positions included in other liabilities and deferred income taxes on our condensed consolidated balance sheets as of **September 29, 2023** **March 29, 2024** and **December 31, 2022** **December 29, 2023** was **\$71 million** **\$73 million** and **\$92 million**, **\$74 million**, respectively. The reduction in the provision for uncertain tax positions in the current year was primarily driven by the release of a previously reserved IRS audit position based on developments associated with the ongoing IRS examination and appeals process for certain years.

Note 11.10. Commitments and Contingencies

We are a party to litigation and other proceedings that arise in the ordinary course of our business. These types of matters could result in fines, penalties, cost reimbursements or contributions, compensatory or treble damages or non-monetary sanctions or relief. We believe the probability is remote that the outcome of any individual matter, including the matters described below, will have a material adverse effect on the corporation as a whole, notwithstanding that the unfavorable resolution of any matter may have a material effect on our net earnings and cash flows in any particular reporting period. Among the factors that we consider in this assessment are the nature of existing legal proceedings and claims, the asserted or possible damages or loss contingency (if estimable), the progress of the case, existing law and precedent, the opinions or views of legal counsel and other advisers, our experience in similar cases and the experience of other companies, the facts available to us at the time of assessment and how we intend to respond to the proceeding or claim. Our assessment of these factors may change over time as individual proceedings or claims progress.

Although we cannot predict the outcome of legal or other proceedings with certainty, when it is probable that a loss will be incurred and the amount is reasonably estimable, U.S. GAAP requires us to accrue an estimate of the probable loss or range of loss. In the event a loss is probable, but the probable loss is not reasonably estimable, we are required to make a statement that such an estimate cannot be made. We follow a thorough process in which we seek to estimate the reasonably possible loss or range of loss, and only if we are unable to make such an estimate do we conclude and disclose that an estimate cannot be made. Accordingly, unless otherwise indicated below in our discussion, a reasonably possible loss or range of loss associated with any individual contingency cannot be estimated. There have been no substantive developments or changes to existing claims.

Note 12.11. U.S. Government Matters

We provide services to various U.S. governmental agencies, including the U.S. DoD, NASA and the Department of State. The negotiation, administration and settlement of our contracts are subject to audit by the DCAA. The DCAA serves in an advisory role to the DCMA, which is responsible for the administration of the majority of our contracts. The scope of these audits includes, among other things, the validity of direct and indirect incurred costs, provisional approval of annual billing rates, approval of annual overhead rates, compliance with the FAR and CAS, compliance with certain unique contract clauses and audits of certain aspects of our internal control systems. Based on the information received to date, we do not believe any completed or ongoing government audits will have a material adverse impact on our results of operations, financial position or cash flows. The U.S. government also retains the right to pursue various remedies under any of these contracts which could result in challenges to expenditures, suspension of payments, fines and suspensions or debarment from future business with the U.S. government.

The Company We accrued for probable and reasonably estimable unallowable costs associated with open government matters related to our GS business in the amounts of \$44 million as of March 29, 2024 and \$45 million as of September 29, 2023 and \$61 million as of December 31, 2022 December 29, 2023, which are recorded in other liabilities on our condensed consolidated balance sheets.

Legacy U.S. Government Matters

Between 2002 and 2011, we provided significant support to the U.S. Army and other U.S. government agencies in support of the war in Iraq under the LogCAP III contract. We have been in the process of closing out the LogCAP III contract since 2011, and we expect the contract closeout process to continue for at least another year. As a result of our work under LogCAP III, there are claims and disputes pending between us and the U.S. government that need to be resolved in order to close the contract. The contract closeout process includes resolving objections raised by administratively closing the U.S. government through a billing dispute process referred to as Form 1s and MFRs, individual task orders issued under the contract. We continue to work with the U.S. government to resolve these issues and are engaged in efforts to reach mutually acceptable resolutions close the remaining task orders, which includes ongoing litigation of these outstanding matters, third-party vendor disputes. We also have matters related to ongoing litigation or investigations involving U.S. government contracts. We anticipate billing additional labor, vendor resolution and litigation costs as we resolve the open matters in the future.

Investigations, Qui Tams and Litigation

The following matters relate to ongoing litigation or federal investigations involving U.S. government contracts. Some of these matters involve allegations of violations of the FCA, which prohibits in general terms fraudulent billings to the U.S. government; these suits brought by private individuals are called "qui tams." In the event we prevail in defending these allegations, a majority of our defense costs will be billable under the LogCAP III contract. All costs billed under LogCAP III are subject to audit by the DCAA for reasonableness.

First Kuwaiti Trading Company arbitration. In April 2008, FKTC, one of our LogCAP III subcontractors providing housing containers, filed for arbitration with the American Arbitration Association for several claims under various LogCAP III subcontracts. After a series of arbitration proceedings and related litigation between KBR and the U.S. government, the panel heard the final claims and we received an award on July 27, 2022. FKTC filed a motion for correction of the award asking the tribunal to change its findings. The tribunal denied FKTC's motion in an order issued on October 20, 2022. KBR filed its response on February 2, 2023. On January 5, 2023, FKTC filed a motion to vacate the arbitral award in the Eastern District of Virginia Federal District Court. KBR filed its response on February 2, 2023. On March 22, 2023, both parties presented oral arguments in the Eastern District of Virginia Federal District Court. On May 12, 2023, the District Court issued its order denying FKTC's motion to vacate the arbitration award and confirming the award. On June 12, 2023, the parties

submitted their briefs in support of their calculations of the final award amount. KBR sought to confirm the net award of \$16 million in KBR's favor plus post judgment interest. FKTC sought to offset amounts awarded to KBR with amounts FKTC claimed it was owed based on unpaid principal and post award interest on the awards issued in its favor in the prior arbitration proceedings, totaling \$70 million. KBR disagreed with FKTC's interest claim and calculation. On September 22, 2023, the Court issued a decision finding the net amount due in favor of KBR from FKTC is \$8 million. FKTC has appealed this ruling. In addition, in March 2022, FKTC filed a new civil action in Kuwait civil court against KBR seeking \$100 million in damages. This action is duplicative of the claims decided in arbitration. In September 2022, we filed a motion to dismiss this action for lack of jurisdiction due to the arbitration agreement between KBR and FKTC. On December 7, 2023, the Kuwait Court of Cassation issued a ruling ordering KBR to pay an immaterial provisional damage award and requiring FKTC to refile its case in the Court of First Instance for adjudication. Based on our assessment of existing law and precedent, the opinions or views of legal counsel and the facts available to us, no amounts were accrued as of September 29, 2023.

Howard qui tam. In March 2011, Geoffrey Howard and Zella Hemphill filed a complaint in the U.S. District Court for the Central District of Illinois alleging that KBR mischarged the government \$628 million for unnecessary materials and equipment. In October 2014, the DOJ declined to intervene and the case was partially unsealed. KBR and the relators filed

various motions including a motion to dismiss by KBR, which was denied. Fact discovery and expert reports were completed. We also filed a motion for summary judgment and motions to exclude relators' experts. At the request of the parties, the court ordered a 90-day stay of the proceedings on December 28, 2022, which was later extended several times. Although we believe the allegations of fraud by the relators are without merit, we participated in mediation and discussions with the relators while continuing to prepare for trial. Any proposed framework for resolving the litigation required agreements on damages and attorneys' fees as well as necessary determinations by the Department of the Army and approval by the DOJ. On June 30, 2023, KBR executed a settlement agreement with the relators and the Department of Justice. Under the terms of the settlement, KBR denies any liability or wrongful conduct. Pursuant to the settlement, KBR paid \$109 million, of which \$57 million was in restitution damages, and \$35 million to the relators as attorney's fees. Payment of the settlement was made on July 10, 2023 and KBR took the associated charge of \$144 million during the nine months ended September 29, 2023 March 29, 2024.

Note 13.12. Accumulated Other Comprehensive Loss

Changes in AOCL, net of tax, by component

Dollars in millions	Accumulated foreign currency translation				Changes in fair value of derivatives	Total
	adjustments	liability adjustments	of derivatives			
Balance at December 31, 2022	\$ (352)	\$ (568)	\$ 38	\$ (882)		
Other comprehensive income adjustments before reclassifications	5	—	29	34		
Amounts reclassified from AOCL	—	1	(14)	(13)		
Net other comprehensive income	5	1	15	21		

Balance at September 29, 2023	\$ (347)	\$ (567)	\$ 53	\$ (861)
-------------------------------	----------	----------	-------	----------

<u>Dollars in millions</u>	Accumulated foreign currency translation adjustments	Accumulated pension liability adjustments	Changes in fair value of derivatives	Total
Balance at December 29, 2023	\$ (300)	\$ (644)	\$ 29	\$ (915)
Other comprehensive income (loss) adjustments before reclassifications	(8)	1	14	7
Amounts reclassified from AOCL	—	1	(5)	(4)
Net other comprehensive income (loss)	(8)	2	9	3
Balance at March 29, 2024	\$ (308)	\$ (642)	\$ 38	\$ (912)

<u>Dollars in millions</u>	<u>Dollars in millions</u>	Accumulated foreign currency translation adjustments	Accumulated pension liability adjustments	Changes in fair value of derivatives	Total
Balance at December 31, 2021	\$ (296)	\$ (581)	\$ (4)	\$ (881)	
Balance at December 31, 2022					
Other comprehensive income (loss) adjustments before reclassifications	comprehensive income (loss) adjustments before reclassifications	(120)	—	39	(81)
Amounts reclassified from AOCL	Amounts reclassified from AOCL	7	15	6	28
Net other comprehensive income (loss)	Net other comprehensive income (loss)	(113)	15	45	(53)
Balance at September 30, 2022		\$ (409)	\$ (566)	\$ 41	\$ (934)
Balance at March 31, 2023					

Reclassifications out of AOCL, net of tax, by component

Nine Months Ended	
September 29,	September 30,
Three Months Ended	
March 29,	
March 29,	
March 29,	

Dollars in millions

Dollars in millions

				Affected line item on the Condensed Consolidated Statements of Operations			
<u>Dollars in millions</u>	<u>Dollars in millions</u>	2023	2022	Operations	2024	2023	Affected line item on the Condensed Consolidated Statements of Operations
Accumulated foreign currency adjustments	Accumulated foreign currency adjustments						
Reclassification of foreign currency adjustments	Reclassification of foreign currency adjustments	\$ —	\$ (7)	Net income attributable to noncontrolling interests and Gain on disposition of assets and investments			
				Provision for income taxes			
Tax benefit	—	—					
Reclassification of foreign currency adjustments							
Reclassification of foreign currency adjustments				\$ —	\$ 14		Net income attributable to noncontrolling interests and Gain on disposition of assets and investments
Net accumulated foreign currency							
Net accumulated foreign currency							
Net accumulated foreign currency	Net accumulated foreign currency	\$ —	\$ (7)	Net of tax	\$ —	\$ 14	Net of tax
Accumulated pension liability adjustments	Accumulated pension liability adjustments						
Amortization of prior service cost	Amortization of prior service cost	\$ (1)	\$ (1)	See (a) below			
Accumulated pension liability adjustments	Accumulated pension liability adjustments						
Accumulated pension liability adjustments	Accumulated pension liability adjustments						
Recognized actuarial loss	Recognized actuarial loss	—	(17)	See (a) below			
				Provision for income taxes			
Tax benefit	Tax benefit	—	3	income taxes			
Recognized actuarial loss	Recognized actuarial loss						
Recognized actuarial loss	Recognized actuarial loss			\$ (1)	\$ —		See (a) below
Net pension and post-retirement benefits	Net pension and post-retirement benefits						
Net pension and post-retirement benefits	Net pension and post-retirement benefits						
Net pension and post-retirement benefits	Net pension and post-retirement benefits	\$ (1)	\$ (15)	Net of tax	\$ (1)	\$ —	Net of tax

Changes in fair value for derivatives		Changes in fair value for derivatives	
Foreign currency hedge and interest rate swap settlements		Foreign currency hedge and interest rate swap settlements	
		Other non-operating expense	
Foreign currency hedge and interest rate swap settlements	\$ 17	\$ (7)	expense
			Provision for income taxes
Tax benefit (expense)	(3)	1	income taxes
Foreign currency hedge and interest rate swap settlements			
Foreign currency hedge and interest rate swap settlements		\$ 7	\$ 4
Tax expense		(2)	(1)
Net changes in fair value of derivatives	\$ 14	\$ (6)	Net of tax
			Net changes in fair value of derivatives
		\$ 5	\$ 3
			Net of tax
			Other non-operating expense
			Provision for income taxes
			Net of tax

(a) This item is included in the computation of net periodic pension cost. See Note 8.7 "Retirement Benefits" to our condensed consolidated financial statements for further discussion.

Note 14.13. Share Repurchases

Authorized Share Repurchase Program

On February 25, 2014, the Board of Directors authorized a plan to repurchase up to \$350 million of our outstanding shares of common stock, which replaced and terminated the August 26, 2011 share repurchase program. On October 18, 2022 February 19, 2024, the Board of Directors authorized an increase \$174 million of additional share repurchases to be added to the prior authorizations, which returned the total authorization level amount authorized and available for repurchase under the share repurchase program to \$500 million. As of September 29, 2023 March 29, 2024, \$326 million \$450 million remains available for repurchase under this authorization. The authorization does not obligate the Company us to acquire any particular number of shares of common stock and may be commenced, suspended or discontinued without prior notice. The share repurchases are intended to be funded through the Company's our current and future cash flows and the authorization does not have an expiration date.

Withheld to Cover Program

We have in place a "withhold to cover" program, which allows us to withhold common shares from employees in connection with the settlement of income tax and related benefit withholding obligations arising from the issuance of share-based equity awards under the KBR, Inc. 2006 Stock and Incentive Plan.

The table below presents information on our share repurchases activity under these programs:

	Three Months Ended		Nine Months Ended	
	September 29, 2023		September 29, 2023	
	Average Shares	Dollars per Share	Average Price per Share	Dollars in Millions
Repurchases under the \$500 million authorized share repurchase program	—	\$ —	\$ 2,222,293	\$ 56.23 \$ 125
Three Months Ended				
Three Months Ended				
Three Months Ended				

		March 29, 2024				March 29, 2024			
		Number of Shares		Number of Shares		Average Price per Share		Dollars in Millions	
Repurchases under the authorized share repurchase program									
Withhold to cover shares	Withhold to cover shares	4,244	\$61.47	—	218,842	\$54.07	\$ 12		
Total	Total	4,244	\$61.47	\$ —	2,441,135	\$56.04	\$ 137		
		Three Months Ended		Nine Months Ended					
		September 30, 2022		September 30, 2022					
		Average Price per Share		Average Price per Share		Dollars in Millions			
		Number of Shares	Price per Share	in Millions	Number of Shares	Price per Share	in Millions		
Repurchases under the \$350 million authorized share repurchase program		1,053,840	\$47.43	\$ 50	2,396,505	\$47.97	\$ 115		
		Three Months Ended							
		Three Months Ended							
		Three Months Ended							
		March 31, 2023				March 31, 2023			
		Number of Shares				Number of Shares		Average Price per Share	
Repurchases under the authorized share repurchase program									
Withhold to cover shares	Withhold to cover shares	2,300	\$49.11	—	184,823	\$48.49	\$ 9		
Total	Total	1,056,140	\$47.43	\$ 50	2,581,328	\$48.01	\$ 124		

Note 15.14. Income (loss) per Share

Basic income (loss) per share is based upon the weighted average number of common shares outstanding during the period. Dilutive income (loss) per share includes additional common shares that would have been outstanding if potential common shares with a dilutive effect had been issued using the if-converted method for Convertible Debt and the treasury stock method for all other instruments.

A summary of the basic and diluted net income (loss) per share calculations is as follows:

		Three Months Ended		Nine Months Ended					
		September	September	September	September	March 29,	March 29,	March 31,	
		29,	30,	29,	30,				
		Three Months Ended							
Shares in millions	Shares in millions	2023	2022	2023	2022	Shares in millions	2024	2023	
Net income (loss) attributable to KBR:									

Net Income (loss) attributable to		
KBR	\$ (21)	\$ 74
Net income attributable to KBR:		
Net Income attributable to KBR		
Net Income attributable to KBR		
Less earnings allocable to participating securities	Less earnings allocable to participating securities	\$ — \$ — \$ — \$ (1)
Basic net income (loss) attributable to KBR		\$ (21) \$ 74 \$ (286) \$ 96
Basic net income attributable to KBR		
Reversal of Convertible Debt interest expense	Reversal of Convertible Debt interest expense	— 2 \$ — 5
Diluted net income (loss) attributable to KBR		\$ (21) \$ 76 \$ (286) \$ 101
Diluted net income attributable to KBR		
Weighted average common shares outstanding:	Weighted average common shares outstanding:	
Weighted average common shares outstanding:		
Weighted average common shares outstanding:		
Basic weighted average common shares outstanding	Basic weighted average common shares outstanding	
Basic weighted average common shares outstanding	Basic weighted average common shares outstanding	
Basic weighted average common shares outstanding	Basic weighted average common shares outstanding	
Basic weighted average common shares outstanding	Basic weighted average common shares outstanding	135 139 136 139
Convertible Debt Warrants	Convertible Debt Warrants	— 14 — 14 — 3 — 3
Diluted weighted average common shares outstanding	Diluted weighted average common shares outstanding	135 156 136 156
Diluted weighted average common shares outstanding		

Diluted weighted average common shares outstanding	
Net income (loss) attributable to KBR per share:	
Net income attributable to KBR per share:	
Net income attributable to KBR per share:	
Net income attributable to KBR per share:	
Basic	
Basic	
Basic	Basic $\frac{\$0.16}{\$0.53}$ $\frac{\$0.69}{\$0.69}$
Diluted	Diluted $\frac{\$0.16}{\$0.49}$ $\frac{\$0.65}{\$0.65}$

Due to the Convertible Debt and Warrants outstanding in 2023 had dilutive effects to our net loss position for both the three and nine months ended September 29, 2023, our basic net loss income attributable to KBR per share and diluted net loss attributable to KBR per share are identical as the effect of all potential common shares is anti-dilutive and therefore excluded.

We apply the if-converted method to our Convertible Debt when calculating diluted net income (loss) attributable to KBR per share until the date of election of cash as the settlement method. Under the if-converted method, the principal amount and any conversion spread of the Convertible Debt, to the extent dilutive, are assumed to be converted into common stock at the beginning of the period and net income (loss) attributable to KBR is adjusted to reverse the effect of any interest expense associated with the Convertible Debt.

share. For the three months ended September 29, 2023 March 29, 2024, the diluted net income (loss) attributable to KBR per share calculation excluded the following weighted-average potential common shares because their inclusion would have been anti-dilutive: 9.9 million related to the Warrant Transactions and 1.3 million 0.3 million related to our stock options and restricted stock awards. For the nine three months ended September 29, 2023 March 31, 2023, the diluted net income (loss) attributable to KBR per share calculation excluded the following weighted-average potential common shares because their inclusion would have been anti-dilutive: 5.3 million related to the Convertible Debt, 12.1 million related to the Warrant Transactions and 1.4 million related to our stock options and restricted stock awards. For the three and nine months ended September 30, 2022, the diluted net income (loss) attributable to KBR per share calculation excluded the following weighted-average potential common shares because their inclusion would have been anti-dilutive: 11.2 10.5 million related to the Warrant Transactions and 0.5 million 0.4 million related to our stock options and restricted stock awards.

Note 16.15. Fair Value of Financial Instruments and Risk Management

Fair value measurements. The fair value of an asset or liability is the price that would be received to sell an asset or transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes We utilize a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value and defines three levels of inputs that may be used to measure fair value. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active, inputs other than quoted prices that are observable for the asset or liability or inputs derived from observable market data. Level 3 inputs are unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The carrying amount of cash and cash equivalents, accounts receivable and accounts payable, as reflected in the condensed consolidated balance sheets, approximates fair value due to the short-term maturities of these financial instruments. The carrying values and estimated fair values of our financial instruments that are not required to be recorded at fair value in our condensed consolidated balance sheets are provided in the following table.

The fair value of our note hedge derivative asset and embedded derivative liability are included in other current assets and other current liabilities on our condensed consolidated balance sheets at September 29, 2023. The fair values of these derivatives are considered Level 2 under ASC 820, Fair Value Measurement, as they are based on quoted prices directly observable in active markets.

		September 29, 2023		December 31, 2022					
		March 29, 2024				March 29, 2024		December 29, 2023	
Dollars in millions	Dollars in millions	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:									
Note Hedge Derivative Asset									
Asset	2	\$ 335	\$335	\$ —	\$ —				

Liabilities (including current maturities):	Liabilities (including current maturities):
Term Loan A	Term Loan A
Term Loan B	Term Loan B
Convertible Notes and Conversion Option	Level 2 502 504 506 511
Senior Notes	Senior Notes
Senior Credit Facility	Level 2 220 220 260 260
Revolver Derivative Liability - Warrants	

The carrying value of the debt instruments listed above exclude debt issuance costs for the respective instrument. See Note 9 "Debt and Other Credit Facilities" for the debt issuance costs of these our debt instruments and further discussion of our term loans, Convertibles Notes, Senior Notes and Revolver. The increase We paid the outstanding warrant derivative liability at December 29, 2023 of \$33 million in carrying value of the Convertible Notes and conversion option is due to the bifurcation of the Convertible Notes' conversion option in April 2023. See Note 18 "Cash Election and Repurchase of Convertible Notes" for additional information regarding this bifurcation. 2024.

The following disclosures for foreign currency risk and interest rate risk includes the fair value hierarchy levels for our assets and liabilities that are measured at fair value on a recurring basis.

Foreign currency risk. We conduct business globally in numerous currencies and are therefore exposed to foreign currency fluctuations. We may use derivative instruments to reduce the volatility of earnings and cash flows associated with changes in foreign currency exchange rates. We do not use derivative instruments for speculative trading purposes. We generally utilize foreign exchange forwards and currency option contracts to hedge exposures associated with forecasted future cash flows and to hedge exposures present on our balance sheet.

As of September 29, 2023 March 29, 2024, the gross notional value of our foreign currency exchange forwards and option contracts used to hedge balance sheet exposures was \$45 million \$39 million, all of which had durations of 16 15 days or less. We also had approximately \$3 \$1 million (gross notional value) of cash flow hedges which had durations of 9 3 months or less. The cash flow hedges are related to the British Pound.

pound.

The fair value of our balance sheet hedges and cash flow hedges are included in other current assets and other current liabilities assets on our condensed consolidated balance sheets at September 29, 2023 March 29, 2024, and December 31, 2022 December 29, 2023. The fair values of these derivatives are considered Level 2 under ASC 820, Fair Value Measurement, as they are based on quoted prices directly observable in active markets.

The following table summarizes the recognized changes in fair value of our balance sheet hedges offset by remeasurement of balance sheet positions. These amounts are recognized in our condensed consolidated statements of operations for the periods presented. The net of our changes in fair value of hedges and the remeasurement of our assets and liabilities is included in other non-operating expense on our condensed consolidated statements of operations.

	Three Months Ended September 29, 2023	Three Months Ended September 30, 2023	Nine Months Ended September 29, 2023	Three Months Ended March 29, 2024	Three Months Ended March 31, 2024

	<i>Dollars in millions</i>	<i>Dollars in millions</i>	2023	2022	2023	2022	<i>Dollars in millions</i>	2024	2023
Balance Sheet	Balance Sheet								
Hedges - Fair	Hedges - Fair								
Value	Value	\$ (1)	\$ (1)	\$ —	\$ 4				
Balance Sheet	Balance Sheet								
Position -	Position -								
Remeasurement	Remeasurement	—	(2)	(4)	(3)				
Net gain (loss)	Net gain (loss)	\$ (1)	\$ (3)	\$ (4)	\$ 1				

Interest rate risk. We use interest rate swaps to reduce interest rate risk and to manage net interest expense by converting a portion of our variable rate debt under our Senior Credit Facility into fixed-rate debt. During the nine months ended September 29, 2023, we amended all of our existing interest rate swap agreements to term SOFR effective March 2023. We elected to apply the optional expedient in ASC 848 in connection with transitioning our interest rate swaps from LIBOR to term SOFR that allowed the amended swaps to be considered as a continuation of the existing hedges. As a result, the reference rate transition did not have an impact on our hedge accounting or a material impact to our condensed consolidated financial statements. Additionally, in March 2023, we entered into additional USD and GBP denominated interest rate swap agreements.

Our portfolio of interest rate swaps consists of the following:

<i>Dollars in millions</i>	<i>Dollars in millions</i>	Notional Pay Fixed				<i>Dollars in millions</i>	Notional Amount at March 29, 2024	Pay Fixed Rate (Weighted Average)	Receive Variable Rate	Settlement and Termination
		Amount at September 29, 2023	Rate (Weighted Average)	Receive Variable Rate	Settlement and Termination					
March 2020 Interest Rate Swaps	March 2020 Interest Rate Swaps				Monthly through January 2027	March 2020 Interest Rate Swaps	\$ 400	0.89	0.89 %	Term SOFR
(a) September 2022 Interest Rate Swaps		\$ 250	3.43 %	SOFR	Term January 2027					
September 2022 Interest Rate Swaps					Monthly through January 2027					
March 2023 Interest Rate Swaps	March 2023 Interest Rate Swaps				Monthly through January 2027	September 2022 Interest Rate Swaps	\$ 350	3.43	3.43 %	Term SOFR
(a) March 2023 Amortizing Interest Rate Swaps		\$ 205	3.61 %	SOFR	Term January 2027					
March 2023 Amortizing Interest Rate Swaps					Monthly through January 2027	March 2023 Interest Rate Swaps	\$ 205	3.61	3.61 %	Term SOFR
March 2023 Amortizing Interest Rate Swaps					Monthly through November 2026	March 2023 Amortizing Interest Rate Swaps	£ 114	3.81	3.81 %	Term SONIA

(a) Effective November 2023, the notional value will increase to \$350 million through maturity in January 2027.

Our interest rate swaps are reported at fair value using Level 2 inputs. The fair value of the interest rate swaps at **September 29, 2023** **March 29, 2024** was a **\$65 million** **\$48 million** asset, of which **\$29 million** **\$25 million** is included in other current assets and **\$36 million** **\$23 million** is included in other assets. The unrealized net gain on these interest rate swaps was **\$65 million** **\$48 million** and is included in AOCL as of **September 29, 2023** **March 29, 2024**. The fair value of the interest rate swaps at **December 31, 2022** **December 29, 2023**, was a **\$48 million** **\$36 million** net asset, of which **\$19 million** **\$24 million** is included in other current assets, and **\$29 million** **\$18 million** is included in other assets. **\$6 million** is included in other liabilities. The unrealized net gains on these interest rate swaps was **\$48 million** **\$36 million** and is included in AOCL as of **December 31, 2022** **December 29, 2023**.

Sales of Receivables. From time to time, we sell certain receivables to unrelated third-party financial institutions under various accounts receivable monetization programs. One such program is with MUFG Bank, Ltd. ("MUFG") under a Master Accounts Receivable Purchase Agreement (the "RPA"), which provides the sale to MUFG of certain of our designated eligible receivables, with a significant portion of such receivables being owed by the U.S. government. During the **nine** **three** months ended **September 29, 2023** **March 29, 2024**, the Company has **we** **derecognized** **\$2,250 million** **\$755 million** of accounts receivables from the balance sheet under these agreements, of which certain receivables totaling **\$2,208** **\$746 million** were sold under the MUFG RPA. The fair value of the sold receivables approximated their book value due to their short-term nature. The fees incurred are presented in other non-operating expense on the condensed consolidated statements of operations.

Activity for third-party financial institutions consisted of the following:

		Nine Months Ended			
		Three Months Ended		Three Months Ended	
Dollars in millions	Dollars in millions	September 29, 2023	September 30, 2022	Dollars in millions	
Beginning balance	Beginning balance	\$ 134	481		
Sale of receivables	Sale of receivables	2,250	2,236		
Settlement of receivables	Settlement of receivables	(2,243)	(2,612)		
Cash collected, not yet remitted	Cash collected, not yet remitted	—	(4)		
Outstanding balances sold to financial institutions	Outstanding balances sold to financial institutions	\$ 141	\$ 101		

Other Investments. Other investments include investments in equity securities of privately held companies without readily determinable fair values and are included in other assets on our condensed consolidated balance sheets. These investments are accounted for under the measurement alternative, provided that KBR does not have the ability to exercise significant influence or control over the investees.

In June 2022, we entered into an agreement to invest an additional £80 million KBR's aggregate investment in Mura Technology ("Mura"). Funding occurred in two tranches with the first payment made in June 2022 and the second payment made in April 2023, increasing KBR's aggregate investment in Mura to is approximately 17%. The additional payment in 2023 increased the carrying value of our investment to \$123 million at September 29, 2023. The carrying value of our investment in Mura was \$83 \$127 million at December 31, 2022 March 29, 2024. The carrying value of our investment in Mura was \$128 million at December 29, 2023.

Note 17.16. Recent Accounting Pronouncements

New accounting pronouncements requiring implementation in future periods are discussed below.

In 2017, the United Kingdom's Financial Conduct Authority announced that after 2021 it would no longer compel banks to submit the rates required to calculate the London Interbank Offered Rate (LIBOR), which have been widely used as reference rates for various securities and financial contracts, including loans, debts and derivatives. This announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. Subsequently in March 2021, the Financial Conduct Authority announced some USD LIBOR tenors (overnight, 1-month, 3-month, 6-month and 12-month) will continue to be published until June 30, 2023. Regulators in the U.S. and other jurisdictions have been working to replace these rates with alternative reference interest rates that are supported by transactions in liquid and observable markets, such as the SOFR for USD LIBOR. All of our debt instruments that referenced LIBOR base rates have been amended to utilize alternative reference rates. We have adhered to the ISDA 2020 IBOR Fallbacks Protocol, which will govern our derivatives upon the final termination of USD LIBOR index benchmark. ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting, as amended, helps limit the accounting impact from contract modifications, including hedging relationships, due to the transition from LIBOR to alternative reference rates that are completed by December 31, 2022. In December 2022, November 2023, the FASB issued ASU 2022-06, Reference Rate Reform 2023-07, Segment Reporting (Topic 848) 280: Deferral Improvements to Reportable Segment Disclosures. ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items to reconcile to segment profit or loss, and the title and position of the Sunset Date entity's CODM. The amendments in this update also expand the interim segment disclosure requirements. ASU 2023-07 will be effective for our 2024 fiscal year and for interim periods starting in our first quarter of Topic 848, which extends the period of time entities can utilize the reference rate reform guidance under fiscal year 2025. We expect this ASU 2020-04 from December 31, 2022 to December 31, 2024. We elected to apply the optional expedient in ASC 848 in connection only impact our disclosures with transitioning our interest rate swaps from LIBOR to term SOFR that allowed the amended swaps to be considered as a continuation of the existing hedges. As a result, the reference rate transition did not have an impact on our hedge accounting or a material impact no impacts to our condensed consolidated financial statements. Additionally,

the transition results of our Senior Credit Facility from LIBOR to an alternate reference rate, did not have a significant impact to our financial results, financial position or operations, cash flows as we elected to apply the optional expedients and financial condition.

In March December 2023, the FASB issued 2023-01, Leases ASU 2023-09, Income Taxes (Topic 842) - Common Control Arrangements, which 740): Improvements to Income Tax Disclosures. The ASU requires leasehold improvements associated with common control leases that an entity disclose specific categories in the effective tax rate reconciliation as well as provide additional information for reconciling items that meet a quantitative threshold. Further, the ASU requires certain disclosures of state versus federal income tax expense and taxes paid. The amendments in this ASU are required to be amortized over the useful life of the leasehold improvements to the common control group as long as the lessee controls the underlying asset through a lease. The amendments are effective for all entities adopted for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. December 15, 2024. Early adoption is permitted for both interim annual financial statements that have not yet been issued. We expect this ASU to only impact our disclosures with no impacts to our results of operations, cash flows and financial condition.

In March 2024, the U.S. Securities and Exchange Commission ("SEC") adopted the final rule under SEC Release No. 33-11275, The Enhancement and Standardization of Climate-Related Disclosures for Investors. This rule would require registrants to disclose certain climate-related information in registration statements and annual financial statements, reports. In April 2024, the SEC issued a stay of the final rules pending a judicial review of the validity of the rules by the Eighth Circuit Court of Appeals. We are currently evaluating the future final rule to determine its impact of this standard.

Note 18. Cash Election and Repurchase of Convertible Notes

Cash Election for Convertible Notes. Upon issuance of the Convertible Notes, we had the right to elect to settle the Convertible Notes in cash, shares of our common stock or a combination of cash and shares of our common stock. As a result,

our conversion option qualified for the equity scope exception under ASC 815 *Derivatives and Hedging* ("ASC 815") that does not require the conversion option to be accounted for as a separate instrument. The Note Hedge Transactions and Warrant Transactions also qualified for the equity scope exception under ASC 815.

In April 2023, we elected cash as the settlement method to settle the principal and any excess value upon early conversion or maturity of the Convertible Notes and Note Hedge. Upon that election, both instruments no longer qualified for the equity scope exception under ASC 815. The conversion option of the Convertible Notes was deemed to be embedded, which required bifurcation from the host contract, and the Note Hedge was reclassified to a freestanding derivative instrument.

Upon bifurcation of the Convertible Notes' conversion option, we recorded an embedded derivative liability at fair value of \$454 million, a debt discount of \$350 million reducing the carrying value of our Convertible Notes to zero, and a \$104 million loss. Upon reclassification of the Note Hedge, we recorded a derivative asset of \$454 million at fair value, with an offset of \$454 million to PIC. Any changes related to the fair value of the derivative asset will be directly offset by the change in fair value of the embedded derivative liability. The fair value of the derivative asset and embedded derivative liability at September 29, 2023 was \$335 million.

We have recorded \$114 million and \$242 million of accretion during the three and nine months ended September 29, 2023, respectively, and accelerated the accretion of \$69 million as a loss on debt extinguishment associated with the repurchase of \$100 million of Convertible Senior Notes in the second quarter of 2023. At September 29, 2023, the remaining debt discount of \$40 million will be accreted over the remaining term of the Convertible Notes using the straight-line method if held through the maturity date of November 1, 2023.

Convertible Senior Notes Repurchase and Unwind Agreements. On June 1, 2023, we entered into privately-negotiated transactions to repurchase \$100 million in principal amount of the outstanding Convertible Notes (the "Convertible Notes repurchase"), using funds borrowed under our Revolver to pay the purchase price. Concurrent with the Convertible Notes repurchase, we entered into agreements with the option counterparties to terminate the corresponding portions of the Note Hedge Transactions and Warrant Transactions (collectively, the "Unwind Agreements"). We paid \$250 million related to the Convertible Notes repurchase and received a net amount of \$49 million related to the Unwind Agreements.

The portion of warrants settled in cash during the second quarter of 2023 no longer qualified for the equity scope exception under ASC 815 upon execution of the Unwind Agreements on June 1, 2023. This resulted in the recognition of a derivative liability of \$89 million, with an offset of \$89 million to PIC. Upon settlement of the Unwind Agreements, during the second quarter of 2023 we recognized \$12 million in loss due to the change in fair value of the derivative liability between the initial recognition date and settlement date. This loss was recorded within "Charges associated with Convertible Notes" on our condensed consolidated statement of operations.

The Convertible Notes repurchase was accounted for as a debt extinguishment under ASC 470 *Debt* ("ASC 470"). ASC 470 requires the settlement consideration of \$250 million to be allocated to both the carrying value of the debt instrument and the embedded derivative liability related to the conversion option. We recognized a loss on extinguishment of debt of \$70 million due to the difference between the consideration paid of \$250 million and the carrying value of the conversion option's derivative liability and Convertible Notes, net of debt discount on the date of repurchase.

See below for summary of items related to the cash election and repurchase of Convertible Notes and Note Hedge Transactions on our Condensed Consolidated Statement of Operations for the three and nine months ended September 29, 2023.

	Three Months Ended		Nine Months Ended	
	September 29,	2023	September 29,	2023
<i>Dollars in millions</i>				
Condensed Consolidated Statement of Operations				
Loss on derivative bifurcation	\$		—	\$ 104

Loss on debt extinguishment	—	70
Loss on settlement of warrants	—	12
Accretion of Convertible Notes debt discount	114	242
Charges associated with Convertible Notes	\$ 114	\$ 428

disclosures.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

The purpose of MD&A is to disclose material changes in our financial condition since the most recent fiscal year-end and results of operations during the current fiscal period as compared to the corresponding period of the preceding fiscal year. The MD&A should be read in conjunction with the condensed consolidated financial statements, accompanying notes and our [2022-2023 Annual Report on Form 10-K](#).

Overview

KBR, Inc., a Delaware corporation ("KBR"), delivers science, technology, engineering and logistics support solutions to governments and companies around the world. Drawing from its rich 100-year history and culture of innovation and mission focus, KBR creates sustainable value by combining deep domain expertise with its full life cycle capabilities to help clients meet their most pressing challenges. Our capabilities and offerings include the following:

- Scientific research such as quantum science and computing; health and human performance; materials science; life science research; and earth sciences;
- Defense systems engineering such as rapid prototyping; test and evaluation; aerospace acquisition support; systems and platform integration; and sustainment engineering;
- Operational support such as space domain awareness; C5ISR; human spaceflight and satellite operations; integrated supply chain and logistics; and military aviation support;
- Information operations such as cyber analytics and cybersecurity; data analytics; mission planning systems; virtual/augmented reality and technical training; and artificial intelligence and machine learning;
- Professional advisory services across the defense, renewable energy and critical infrastructure sectors; and
- Sustainable decarbonization solutions that accelerate and enable energy transition and climate change solutions such as proprietary, sustainability-focused process licensing; advisory services focused on energy transition; high-end engineering, design and management program offerings; and digitally-enabled asset optimization solutions.

KBR's strategic growth vectors include:

- Defense modernization;
- Space superiority;
- Health and human performance;
- Sustainable technology;
- High-end engineering;
- Energy transition and security; and
- Technology-led asset optimization

Key customers include U.S. DoD agencies such as the U.S. Army, U.S. Navy and U.S. Air Force, Missile Defense Agency, National Geospatial-Intelligence Agency, National Reconnaissance Office and other intelligence agencies; U.S. civilian agencies such as NASA, U.S. Geological Survey and National Oceanic and Atmospheric Administration; the U.K. MoD, London Metropolitan Police, and other U.K. Crown Services; the Royal Australian Air Force, Navy and Army; other national governments; and a wide range of commercial and industrial companies.

Our deployment priorities are to fund organic growth, maintain responsible leverage, maintain an attractive dividend, make strategic, accretive acquisitions and repurchase shares. As demonstrated by our acquisitions of Frazer Nash Consultancy Limited, VIMA Group and others in the past few years, our acquisition thesis is centered around moving upmarket, expanding capabilities and broadening customer sets across strategic growth vectors. KBR also develops and prioritizes investment in technologies that are disruptive, innovative and sustainability- and safety-focused. These technologies and engineering solutions enable clients to achieve a cleaner, greener, more energy efficient global future.

Business Environment and Trends

Government Outlook

On March 9, 2023, In March 2024, the U.S. government finalized the fiscal 2024 budget. The U.S. government's fiscal 2024 budget was operating under a continuing resolution funding measure from the start of the 2024 U.S. government fiscal year through the passage date of the spending bills in March 2024. Discretionary spending includes approximately \$825 billion in defense spending and approximately \$703 billion in non-defense discretionary spending. Additionally, the approved 2024 NASA budget

is \$25 billion. In April 2024, a \$61 billion Ukraine Security Assistance supplemental funding bill was enacted to provide ongoing assistance and equipment to the military and national security forces of Ukraine and other forces or groups engaged in resisting Russian aggression against Ukraine.

In March 2024, President Biden provided his proposed fiscal 2024/2025 budget, of \$1.7 trillion, which includes \$886 billion in discretionary spending, \$895 billion related to defense spending and \$844 billion for non-defense spending. The requested discretionary spending represents an increase from amounts consistent with the fiscal 2023 budget of 3% and 9%, respectively. The U.S. defense spending budget prioritizes initiatives outlined in the fiscal 2023 budget in addition to, among other things, addressing strategic competition and making significant, long-term investments in a resilient force posture in the Indo-Pacific to deter aggression, supporting our partners in the region and strengthening the U.S. and regional defense industrial base. The fiscal 2024 request also continues increased support for the U.S. European Command and investment in integrated deterrence and military credibility. The non-defense discretionary spending proposal includes \$27 billion, or a 7% increase from the fiscal 2023 budget, in funding for NASA to strengthen U.S. leadership in scientific research, exploration and space technology innovation, advance robotic exploration of Mars and support efforts to establish the first long-term presence on the Moon and then on to Mars.

On June 3, 2023, President Biden signed into law the Fiscal Responsibility Act of 2023 which suspends the public debt ceiling limit through January 2, 2025. This law includes provisions that will impact future fiscal year budgets for the United States. Key provisions in this law include imposed statutory caps on discretionary funding in 2024 and 2025 and that restrict increases within the discretionary budget. This Fiscal Responsibility Act also enacted limits on discretionary funding for the years 2026 through 2029. The 2024 statutory cap on discretionary proposed fiscal 2025 budget continues to allocate funding totals \$1.6 trillion, which included \$886 million to important initiatives from previous year fiscal budgets, including funding to deter aggression in the Indo-Pacific and funding for defense spending and \$704 million for non-defense spending, certain AUKUS-related items. The 2024 statutory cap on defense spending does not impact the effect of President Biden's proposed fiscal 2024/2025 budget however the 2024 statutory cap on non-defense spending is 14% lower than President Biden's proposed fiscal 2024 budget. The effect of the non-defense discretionary spending statutory cap on individual programs or KBR cannot be predicted at this time.

The U.S. government has not yet enacted an annual budget for fiscal year 2024; these proposed 2024 budgetary amounts are subject to change. To avert a government shutdown, a continuing resolution funding measure has been enacted to finance all U.S. government activities through November 16, 2023. Under the continuing resolution, partial-year funding at amounts consistent with appropriated levels for fiscal year 2023 are available, subject to certain restrictions, but new spending initiatives are not authorized. Uncertainty continues to exist regarding whether a divided Congress will be able to pass appropriation bills or additional continuing resolutions once the current continuing resolution expires on November 16, 2023. We believe our key programs will continue to be supported and funded in the continuing resolution financing mechanism. The effect of a potential government shutdown or the finalized fiscal year 2024 budget on KBR or our individual programs cannot be predicted at this time. However, if a government shutdown were to occur and were to continue for an extended period, we could be at risk of program cancellations, schedule delays and other disruptions and nonpayment, which could adversely affect our results of operations. We anticipate the federal budget will continue to be subject to debate and compromise shaped by, among other things, heightened political tensions, the global security environment, inflationary pressures and macroeconomic conditions. The result may be shifting funding priorities, which could have material impacts on defense spending broadly and our programs.

Internationally, our Government Solutions work is performed primarily for the U.K. MoD and the Australian Department of Defence. In March 2024, the U.K. government announced the defense budget, with the defense budget remaining consistent with the defense budget from the prior fiscal year. In March 2023, the U.K. government announced its intent to increase its defense budget by £11 billion over the next five years, increasing the defense budget to 2.25% of GDP by 2025. Recognizing the importance of strong defense and the role the U.K. plays across the globe, the U.K. has prioritized investment in military research and investment in key areas to advance and develop capabilities around artificial intelligence, cyber security and space superiority. It is expected the next general election in the United Kingdom will occur in 2024 (and no later than January 28, 2025). The effect of the next general election in the United Kingdom on KBR or our individual programs cannot be predicted at this time. The Australian government continues to invest in defense spending, with particular focus on enhancing regional security, modernizing defense capabilities, strengthening cyber defenses and promoting broader economic stability. The fiscal year budget for Australia for the 2023 - 2024 financial year was finalized, with the Australian government increasing defense spending by 5% to AUD 51.0 billion, or approximately 2.00% of GDP.

In 2021, the U.S., U.K. and Australia announced AUKUS, a security pact that will promote a free and open Indo-Pacific through a shared long-term investment to strengthen their combined capabilities and enhance their ability to deter aggression. AUKUS' first major initiative (Pillar 1) is a joint effort to provide Australia with conventionally armed, nuclear powered submarine ("NPS") capability and strengthen the capacity of the submarine workforce and industrial base. In 2023, these countries announced an arrangement for Australia to acquire a NPS through the AUKUS security pact. This arrangement outlines an approach that will provide Australia with the capability to operate and maintain a NPS before the expected sale of these submarines from the United States to Australia in the early 2030s (subject to Congressional approval). Pillar 2 of this security pact will focus on enabling technologies to maintain a secure and stable trade through the region including undersea technologies, quantum technologies, advanced cyber, artificial intelligence and autonomy, hypersonic research and development, electronic warfare and innovation.

With defense and civil budgets driven in part by political instability, military conflicts, aging platforms and infrastructure and the need for technology advances, we expect continued opportunities to provide solutions and technologies to mission critical work aligned with our customers' and our nation's critical priorities.

Sustainable Technology Outlook

Long-range commercial market fundamentals are supported by global population growth, expanding global development and an acceleration of demand for energy transition, renewable energy sources and climate change solutions. The globe is in search of the solution to the energy trilemma, the balance between energy affordability, ensuring energy security and achieving environmental sustainability. Clients are prioritizing their efforts to solve the energy trilemma by investing in digital solutions to optimize operations, increase end-product flexibility and energy efficiency, reduce unplanned downtime and minimize environmental footprint. As the global focus on energy security intensifies and companies continue to commit to near-term carbon neutrality and longer-range net-zero carbon emissions, we expect spending to continue in areas such as decarbonization; carbon capture, utilization and sequestration; biofuels; and circular economy. Further, leading companies across the world are proactively evaluating clean energy alternatives, including hydrogen and green ammonia, which complements KBR's proprietary process technologies, solutions and capabilities.

We expect climate change and energy transition to continue to be areas of priority and investment as many countries, including the U.S., look to boost their economies and invest in a cleaner future. Specifically, on August 16, 2022, the President signed the Inflation Reduction Act into law which includes provisions intended to, among other

things, incentivize domestic clean energy, manufacturing and production. Additionally, in March 2023, the Canadian government announced its federal budget which includes billions of dollars for investment in the transition to a low-carbon economy.

Our Business

KBR's business is organized into two core and one non-core business segments as follows:

Core business segments

- Government Solutions
- Sustainable Technology Solutions

Non-core business segment

- Other

See additional information on our business segments in Note 2 "Business Segment Information" to our condensed consolidated financial statements.

Results of Operations

Three months ended September 29, 2023 March 29, 2024 compared to the three months ended September 30, 2022 March 31, 2023

The information below is an analysis of our consolidated results for the three months ended September 29, 2023, March 29, 2024 compared to the three months ended September 30, 2022, March 31, 2023. See *Results of Operations by Business Segment* below for additional information describing the performance of each of our reportable segments.

Consolidated Results	Consolidated Results	Consolidated Results					
		Three Months Ended			Three Months Ended		
		September 29,	September 30,	2023 vs. 2022	March 29,	March 31,	2024 vs. 2023
March 29,							
<i>Dollars in millions</i>	<i>Dollars in millions</i>	2023	2022	\$	%	<i>Dollars in millions</i>	2024
Revenues	Revenues	\$ 1,770	\$ 1,626	\$144	9 %	Revenues	\$ 1,818
Cost of revenues	Cost of revenues	\$ (1,526)	\$ (1,401)	\$125	9 %	Cost of revenues	\$ (1,570)
Gross profit	Gross profit	\$ 244	\$ 225	\$ 19	8 %	Gross profit	\$ 248
Equity in earnings of unconsolidated affiliates	Equity in earnings of unconsolidated affiliates	\$ 32	\$ 5	\$ 27	n/m	Equity in earnings of unconsolidated affiliates	\$ 30
Selling, general and administrative expenses	Selling, general and administrative expenses	\$ (127)	\$ (103)	\$ 24	23 %	Selling, general and administrative expenses	\$ (121)
Gain on disposition of assets and investments							
Gain on disposition of assets and investments							
Gain on disposition of assets and investments							
Other	Other	\$ (2)	\$ (2)	\$ —	— %	Other	\$ 3
Operating income	Operating income	\$ 147	\$ 125	\$ 22	18 %	Operating income	\$ 166
Interest expense	Interest expense	\$ (30)	\$ (23)	\$ 7	30 %	Interest expense	\$ (31)
\$ 6							
\$ —							
\$ 6							
n/m							
\$ —							
\$ 3							
n/m							
\$ 22							
15							
15 %							
\$ 5							
19							
19 %							

Charges associated with Convertible Notes	\$ (114)	\$ —	\$ 114	n/m
Other non-operating income (expense)	\$ 2	\$ (2)	\$ (4)	n/m
Income (loss) before income taxes	\$ 5	\$ 100	\$ (95)	(95)%
Other non-operating expense				
Other non-operating expense				
Other non-operating expense			\$ (6)	\$ (2)
Income before income taxes			\$ 129	\$ 116
Provision for income taxes	Provision for income taxes	\$ (23)	\$ (27)	\$ (4) (15)%
			Provision for income taxes	\$ (35)
Net income (loss)	\$ (18)	\$ 73	\$ (91)	n/m
Less: Net income (loss) attributable to noncontrolling interests	\$ 3	\$ (1)	\$ 4	n/m
Net income (loss) attributable to KBR	\$ (21)	\$ 74	\$ (95)	n/m
Net income			Net income	\$ 94
Less: Net income attributable to noncontrolling interests			Less: Net income attributable to noncontrolling interests	\$ 1
Net income attributable to KBR	\$ 93		Net income attributable to KBR	\$ 86
				\$ 8
				9 %
				n/m

n/m - not meaningful

Revenues. The increase in overall revenue of \$144 million \$115 million, or 9% 7%, was to \$1,818 million for the three months ended March 29, 2024 is primarily attributable to revenue contract growth across related to domestic and international operations within our GS business segment primarily from contract growth and increased revenues in STS primarily from technology sales and engineering and professional services and technology sales in our STS business.

Gross profit. The increase in overall gross profit of \$19 million \$3 million, or 8% 1%, was primarily driven by increased profitability items increasing revenues discussed above, offset by resolutions on various legacy matters in our STS business and, as described above, increased revenues in STS from engineering and professional services and technology sales. Our GS business segment also experienced contract growth in the third quarter of 2023 that resulted did not recur in additional increases to gross profit in the current quarter. 2024.

Equity in earnings of unconsolidated affiliates. The overall increase in equity in earnings of unconsolidated affiliates was increased by \$7 million to \$30 million in earnings for the three months ended March 29, 2024, compared to \$23 million in earnings for the three months ended March 31, 2023. The increase is primarily driven by increased attributed to equity in earnings from services on an LNG project in the third quarter of 2023 and increases in earnings in various joint ventures due to increases in activity in the current quarter within our STS business segment. Additionally, there was a charge on a joint venture in our GS business segment in the third quarter of 2022 that did not recur in the current quarter.

Selling, general and administrative expenses. Selling, general and administrative expenses in the three months ended September 29, 2023 March 29, 2024 were \$24 million higher, a 23% increase compared to materially consistent with the three months ended September 30, 2022, which March 31, 2023.

Gain on disposition of assets and investment. The increase in gain on disposition of assets and investments of \$6 million was primarily driven by additional expenses incurred due to support the growth sale of our investment interest in both a joint venture within our GS segment. No similar gain on the disposition of assets and STS business segments. investments was recognized in the three months ended March 31, 2023.

Interest expense. The increase in interest expense was primarily driven by an increase in the U.S. federal reserve funds rate from the three months ended September 30, 2022 March 31, 2023 to the three months ended September 29, 2023 March 29, 2024.

Charges associated with Convertible Notes. During the three months ended September 29, 2023, we recognized a loss of \$114 million, primarily related to the election of cash as the settlement method for our Convertible Notes.

Provision for income taxes. The provision for income taxes for the three months ended September 29, 2023 March 29, 2024 reflects a 460% 27% tax rate as compared to a 27% 26% tax rate for the three months ended September 30, 2022 March 31, 2023. The effective tax rate of 460% for the three months ended September 29, 2023 was primarily impacted by the non-deductible charge associated with the election of cash as the settlement method for our Convertible Notes discussed in Note 18. The implication of this non-deductible item was partially offset by the release of a previously reserved position based on developments associated with the ongoing IRS examination 27% and appeals process for certain years. The effective tax rate of 27% for the three months ended September 30, 2022 was primarily impacted by items related to non-U.S. discrete activity for the quarter. Excluding the tax impact of these adjustments, our tax rate for the three months ended September 29, 2023 and September 30, 2022 would be 26% and 25%, respectively. See Note 10 to our condensed consolidated financial statements for further discussion on income taxes.

Results of Operations by Business Segment

Dollars in millions	Three Months Ended				\$	%		
	September 29,		September 30,					
	2023	2022	2023	2022				
Revenues:								
Government Solutions	\$ 1,345	\$ 1,293	\$ 52	\$ 52		4 %		
Sustainable Technology Solutions	425	333	92	92		28 %		
Total revenues	\$ 1,770	\$ 1,626	\$ 144	\$ 144		9 %		
Operating income (loss):								
Government Solutions	\$ 108	\$ 105	\$ 3	\$ 3		3 %		
Sustainable Technology Solutions	84	56	28	28		50 %		
Other	(45)	(36)	9	9		25 %		
Total operating income	\$ 147	\$ 125	\$ 22	\$ 22		18 %		

Government Solutions

GS revenues increased by \$52 million, or 4%, to \$1,345 million in the three months ended September 29, 2023 compared to \$1,293 million in the three months ended September 30, 2022. The increase was driven by contract growth across our GS business segment.

GS operating income increased by \$3 million, or 3%, to \$108 million in the three months ended September 29, 2023 compared to \$105 million in the three months ended September 30, 2022. The increase was driven by the item discussed above.

Sustainable Technology Solutions

STS revenues increased by \$92 million, or 28%, to \$425 million in the three months ended September 29, 2023 compared to \$333 million in the three months ended September 30, 2022. The increase in revenue is primarily from engineering and professional services and technology sales.

STS operating income increased by \$28 million, or 50%, to \$84 million in the three months ended September 29, 2023 compared to \$56 million in the three months ended September 30, 2022. The increase was primarily driven by items discussed above as well as increased equity in earnings resulting from services on an LNG project.

Other

Other operating income remained materially consistent for each of the three months ended September 29, 2023 and September 30, 2022.

Results of Operations

Nine months ended September 29, 2023 compared to the nine months ended September 30, 2022

The information below is an analysis of our consolidated results for the nine months ended September 29, 2023 compared to the nine months ended September 30, 2022. See *Results of Operations by Business Segment* below for additional information describing the performance of each of our reportable segments.

Consolidated Results	Nine Months Ended
----------------------	-------------------

Dollars in millions	September 29,		September 30,		2023 vs. 2022	
	2023	2022	\$	%		
Revenues	\$ 5,226	\$ 4,956	\$ 270	5 %		
Cost of revenues	\$ (4,486)	\$ (4,334)	\$ 152	4 %		
Gross profit	\$ 740	\$ 622	\$ 118	19 %		
Equity in earnings (losses) of unconsolidated affiliates	\$ 78	\$ (103)	\$ 181	n/m		
Selling, general and administrative expenses	\$ (370)	\$ (315)	\$ 55	17 %		
Legal settlement of legacy matter	\$ (144)	\$ —	\$ 144	n/m		
Gain on disposition of assets and investments	\$ —	\$ 22	\$ (22)	n/m		
Other	\$ (3)	\$ (5)	\$ (2)	(40)%		
Operating income	\$ 301	\$ 221	\$ 80	36 %		
Interest expense	\$ (85)	\$ (64)	\$ 21	33 %		
Unrealized gain on other investment	\$ —	\$ 16	\$ (16)	n/m		
Charges associated with Convertible Notes	\$ (428)	\$ —	\$ 428	n/m		
Other non-operating income (expense)	\$ (1)	\$ 3	\$ 4	n/m		
Income (loss) before income taxes	\$ (213)	\$ 176	\$ (389)	n/m		
Provision for income taxes	\$ (69)	\$ (79)	\$ (10)	(13)%		
Net income (loss)	\$ (282)	\$ 97	\$ (379)	n/m		
Less: Net income attributable to noncontrolling interests	\$ 4	\$ —	\$ 4	n/m		
Net income (loss) attributable to KBR	\$ (286)	\$ 97	\$ (383)	n/m		

n/m - not meaningful

Revenues. The increase in overall revenue of \$270 million, or 5%, to \$5,226 million for the nine months ended September 29, 2023 is primarily attributed to contract growth across our GS business and increased revenues from technology sales and engineering and professional services in our STS business. Additionally, there was increased activity to support exercises, training and other activities within the European Command. These increases in revenue are offset by approximately \$309 million of revenue recognized during the nine months ended September 30, 2022 from contingency work associated with the OAW program that was wound down and substantially completed in early 2022 and decreases in revenue due to the ramp down of construction work for the Aspire program.

Gross profit. The increase in overall gross profit of \$118 million, or 19%, was primarily driven by items increasing revenues discussed above, favorable STS licensing mix and resolutions on various legacy matters in the current year. These increases were offset by reduced volume from contingency work associated with the OAW program.

Equity in earnings (losses) of unconsolidated affiliates. Equity in earnings (losses) of unconsolidated affiliates increased by \$181 million to \$78 million in earnings for the nine months ended September 29, 2023, compared to \$103 million in losses for the nine months ended September 30, 2022. During the nine months ended September 30, 2022, a non-cash charge in the amount of \$137 million was recorded associated with the settlement agreement with the consortium of subcontractors of the Combined Cycle Power Plant for the Ichthys LNG Project that did not recur in 2023. In 2022, we also recorded a charge on a joint venture in our GS business segment that did not recur in the current year. Further, the increase is attributed to equity in earnings from services on an LNG project that commenced in the second quarter of 2022.

Selling, general and administrative expenses. Selling, general and administrative expenses in the nine months ended September 29, 2023 were \$55 million higher than the nine months ended September 30, 2022, which was primarily driven by growth in the business and favorable settlements and credits received in the first quarter of 2022 that did not recur in 2023.

Legal settlement of legacy matter. During the nine months ended September 29, 2023, we recorded a non-recurring charge of \$144 million related to the settlement of a legacy legal matter.

Gain on disposition of assets and investment. The decrease in gain on disposition of assets and investments of \$22 million was primarily driven by a gain of \$16 million from the sale of our investment interest in three U.K. Road Projects and a gain of \$5 million for the sale of a property in our GS business during the nine months ended September 30, 2022. No similar gains on the disposition of assets and investments were recognized in the nine months ended September 29, 2023.

Interest expense. The increase in interest expense was primarily driven by continued increases in the U.S. federal reserve funds rate from the nine months ended September 30, 2022 to the nine months ended September 29, 2023.

Unrealized gain on other investment. During the nine months ended September 30, 2022, we recognized an unrealized gain on other investment of \$16 million related to the appreciation in the fair value of our Mura Technology investment as a result of a revaluation triggered by our incremental investment commitment. We did not record an unrealized gain on other investment during the nine months ended September 29, 2023.

Charges associated with Convertible Notes. During the nine months ended September 29, 2023, we recognized a loss of \$428 million, primarily related to the election of cash as the settlement method for our Convertible Notes and the repurchase of a portion of our Convertible Notes.

Provision for income taxes. The provision for income taxes for the nine months ended September 29, 2023 reflects a (32)% tax rate as compared to a 45% tax rate for the nine months ended September 30, 2022. The effective tax rate of (32)%, as compared to the U.S. statutory rate of 21%, for the nine months ended September 29, 2023 was primarily impacted by the non-deductible portion of a legal settlement rate differential on a legacy matter our foreign earnings and the non-deductible charge associated with the cash election and Convertible Notes repurchase discussed in Note 18. The implication of these non-deductible items were partially offset by the release of a previously reserved position based on developments associated with the ongoing IRS examination and appeals process for certain years. The effective tax rate of 45% for the nine months ended September 30, 2022 was primarily driven by the non-deductibility of losses incurred with respect to the settlement of outstanding matters related to the Ichthys LNG project to which KBR is a JV partner. Excluding the tax impact of these items, our tax rate would be 26% state and 25% for local taxes in the nine months ended September 29, 2023 and September 30, 2022, respectively. See Note 10 "Income Taxes" to our condensed consolidated financial statements for further discussion on income taxes.

Results of Operations by Business Segment

Nine Months Ended									
September 29, 2023 vs. September 30, 2022					September 30, 2023 vs. September 29, 2022				
Three Months Ended									
March 29,					March 31,				
Dollars in millions	Dollars in millions	2023	2022	\$ %	Dollars in millions	2024	2023	\$ %	2024 vs. 2023 %
Revenues:	Revenues:								
Government Solutions	Government Solutions								
Government Solutions	Government Solutions	\$ 4,025	\$ 4,064	\$ (39) (1)%	1,386	\$ 1,328	\$ 58	4	4 %
Sustainable Technology Solutions	Sustainable Technology Solutions	1,201	892	309 35 %	432	375	375	57	57 15 15 %
Total revenues	Total revenues	\$ 5,226	\$ 4,956	\$ 270 5 %					
Total revenues					\$ 1,818		\$ 1,703	\$ 115	7 %
Operating income (loss):	Operating income (loss):								
Government Solutions	Government Solutions								
Government Solutions	Government Solutions	\$ 182	\$ 351	\$ (169) (48)%	115	\$ 102	\$ 13	13	13 %
Sustainable Technology Solutions	Sustainable Technology Solutions	243	(18)	\$ 261 n/m	86	82	82	4	4 5 5 %
Other	Other	(124)	(112)	\$ 12 11 %	(35)	(40)	(40)	5	5 13 13 %
Total operating income	Total operating income	\$ 301	\$ 221	\$ 80 36 %		\$ 166		\$ 144	
Total operating income								\$ 22	
								15	
								15	
								15 %	

Government Solutions

GS revenues decreased by \$39 million \$58 million, or 1% 4%, to \$4,025 million \$1,386 million for the nine three months ended September 29, 2023 March 29, 2024, compared to \$4,064 million \$1,328 million for the nine three months ended September 30, 2022 March 31, 2023. The decrease was primarily attributable to the increase in revenues due to approximately \$309 million of revenue recognized during the nine months ended September 30, 2022 from contingency work associated with the OAW program that was wound down and substantially completed in early 2022. Additionally, this decrease is attributed to the ramp down of construction work for the Aspire program. These decreases were partially offset by increased activity to support exercises, training and other activities within the European Command and continued contract growth across related to our GS business segment, domestic and international operations.

GS operating income decreased by \$169 million \$13 million, or 48% 13%, to \$182 million \$115 million for the nine three months ended September 29, 2023 March 29, 2024, compared to \$351 million \$102 million for the nine three months ended September 30, 2022 March 31, 2023. The decrease in operating income was primarily driven by the non-recurring \$144 million charge recorded in the second quarter of 2023 items discussed above and \$6 million gain recognized related to the settlement of a legacy legal matter. Additionally, operating income decreased \$22 million primarily due to the sale of our investment interest in three U.K. Road Projects recognized in the prior year that did not recur, partially offset by a favorable resolution of a legacy legal matter, joint venture.

Sustainable Technology Solutions

STS revenues increased by \$309 million \$57 million, or 15%, to \$1,201 million \$432 million for the nine three months ended September 29, 2023 March 29, 2024, compared to \$892 million \$375 million for the nine three months ended September 30, 2022 March 31, 2023. This increase is primarily driven by increased revenues from technology sales and engineering and professional services.

STS operating income increased by \$261 million \$4 million, or 5%, to \$243 million \$86 million for the three months ended March 29, 2024, compared to \$82 million for the three months ended March 31, 2023. The increase in operating income for the nine months ended September 29, 2023, compared to \$18 million in operating loss for the nine months ended September 30, 2022. The increase is primarily attributed to a decrease in equity in losses related due to the Ichthys LNG project. During the nine months ended September 30, 2022, a non-cash charge in the amount of \$137 million was recorded for the settlement agreement with the consortium of subcontractors of the Combined Cycle Power Plant that did not recur during the nine months ended September 29, 2023. Additionally, the increase is related to increased technology sales items discussed above and engineering and professional services, increased equity in earnings from services on an LNG project, offset by a favorable resolution on a legacy matter during the nine months ended September 29, 2023 and a non-cash impact in 2022 2023 that did not recur in 2023 2024.

Other

Other operating loss remained materially consistent for each of the nine three months ended September 29, 2023 March 29, 2024 and September 30, 2022 March 31, 2023, respectively.

Backlog of Unfilled Orders

Backlog generally represents the estimated dollar amount of revenues we expect to realize in the future as a result of performing work on contracts and our pro-rata share of work to be performed by our unconsolidated joint ventures. We generally include total expected estimated revenues in backlog when a contract is awarded under a legally binding agreement. In many instances, arrangements included in backlog are complex, nonrepetitive and may fluctuate over the contract period due to the release of contracted work in phases by the customer. Additionally, nearly all contracts allow customers to terminate the agreement at any time for convenience, and from time to time customers may dispute or try to renegotiate existing contracts. These and other factors may result in delays in our recognition of revenue from our backlog, and in differences between the amounts we book as backlog and the amounts we recognize as revenue. Certain contracts provide maximum dollar limits, with actual authorization to perform work under the contract agreed upon on a periodic basis with the customer. In these arrangements, only the amounts authorized are included in backlog. For projects where we act solely in a project management capacity, we only include the expected value of our services in backlog.

We define backlog, as it relates to U.S. government contracts, as our estimate of the remaining future revenue from existing signed contracts over the remaining base contract performance period (including customer approved option periods) for which work scope and price have been agreed with the customer. We define funded backlog as the portion of backlog for which funding currently is appropriated, less the amount of revenue we have previously recognized. We define unfunded backlog as the total backlog less the funded backlog. Our GS backlog does not include any estimate of future potential delivery orders that might be awarded under our government-wide acquisition contracts, agency-specific indefinite delivery/indefinite quantity contracts or other multiple-award contract vehicles, nor does it include option periods that have not been exercised by the customer.

Within our GS business segment, we calculate estimated backlog for long-term contracts associated with the U.K. government's PFIs based on the aggregate amount that our client would contractually be obligated to pay us over the life of the project. We update our estimates of the future work to be executed under these contracts on a quarterly basis and adjust backlog, if necessary.

We have included in the table below our proportionate share of unconsolidated joint ventures' estimated backlog. As these projects are accounted for under the equity method, only our share of future earnings from these projects will be recorded in our results of operations. Our proportionate share of backlog for projects related to unconsolidated joint ventures totaled \$4.6 billion \$3.8 billion at September 29, 2023 March 29, 2024, and \$3.9 billion \$4.1 billion at December 31, 2022 December 29, 2023.

As a result of U.S. Transportation Command lifting the stop work order on the HomeSafe contract in November 2022, we have booked \$54 million and \$39 million in backlog as of September 29, 2023 and December 31, 2022 for our transition work. Additionally, during the nine months ended September 29, 2023, we booked \$0.9 billion for our proportionate share of KZJV's backlog and for KBR services to be provided to KZJV as a result of receiving a full notice to proceed with Phase 2 of the Plaquemines LNG project.

The following table summarizes our backlog by business segment as of September 29, 2023 March 29, 2024, and December 31, 2022 December 29, 2023, respectively:

		September 29, 2023		December 31, 2022		March 29, 2024	December 29, 2023
Dollars in millions	Dollars in millions	2023	2022	Dollars in millions			
Government Solutions	Sustainable Solutions	\$12,282	\$11,543				
Technology Solutions	Technology Solutions	4,975	4,012				
Total backlog	Total backlog	\$17,257	\$15,555				

We estimate that as of **September 29, 2023** **March 29, 2024**, **33%** **39%** of our backlog will be executed within one year. Of this amount, **80%** we estimate that **79%** will be recognized in revenues on our condensed consolidated statement of operations and **20%** **21%** will be recorded by our unconsolidated joint ventures. As of **September 29, 2023** **March 29, 2024**, **\$133 million** **\$95 million** of our backlog relates to active contracts that are in a loss position.

As of **September 29, 2023** **March 29, 2024**, **9%** **11%** of our backlog was attributable to fixed-price contracts, **36%** **38%** was attributable to PFIIs, **42%** **35%** was attributable to cost-reimbursable contracts and **13%** **16%** was attributable to time-and-materials contracts. For contracts that contain fixed-price, cost-reimbursable and time-and-materials components, we classify the individual components as either fixed-price, cost-reimbursable or time-and-materials according to the composition of the contract; however, for smaller contracts, we characterize the entire contract based on the predominant component. As of **September 29, 2023** **March 29, 2024**, **\$8.6 billion** **\$9.0 billion** of our GS backlog was currently funded by our customers.

As of **September 29, 2023** **March 29, 2024**, we had approximately **\$4.5 billion** **\$3.6 billion** of priced option periods not yet exercised by the customer for U.S. government contracts that are not included in the backlog amounts presented above.

The difference between backlog of \$17.3 billion and the remaining performance obligations as defined by ASC 606 of **\$12.1 billion** **\$12.9 billion** is primarily due to our proportionate share of backlog related to unconsolidated joint ventures which is not included in our remaining performance obligations. See Note 3 "Revenue" to our condensed consolidated financial statements for discussion of the remaining performance obligations.

Transactions with Joint Ventures

In the normal course of business, we form incorporated and unincorporated joint ventures to execute certain projects. In addition to participating as a joint venture partner, we often provide engineering, procurement, construction, operations or maintenance services to the joint venture as a subcontractor. Where we provide services to a joint venture that we control and therefore consolidate for financial reporting purposes, we eliminate intercompany revenues and expenses on such transactions. In situations where we account for our interest in the joint venture under the equity method of accounting, we do not eliminate any portion of our subcontractor revenues or expenses, however, we recognize profit on our subcontractor scope of work only to the extent the joint venture's scope of work to the end customer is complete. We recognize revenue over time on our services provided to joint ventures that we consolidate and our services provided to joint ventures that we record under the equity method of accounting. See Note 7 **6** "Equity Method Investments and Variable Interest Entities" to our condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for more information. The information discussed therein is incorporated by reference into this Part I, Item 2.

Legal Proceedings

Information relating to various commitments and contingencies is described in Notes **6** **5** "Unapproved Change Orders and Claims Against Clients and Estimated Recoveries of Claims Against Suppliers and Subcontractors", **11** **10** "Commitments and Contingencies" and **12** **11** "U.S. Government Matters" to our condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, and the information discussed therein is incorporated by reference into this Part I, Item 2.

Liquidity and Capital Resources

Liquidity is provided by available cash and cash equivalents, cash generated from operations, our Senior Credit Facility, (as defined below) and access to capital markets. Our operating cash flow can vary significantly from year to year and is affected by the mix, terms, timing and stage of completion of our projects. We often receive cash in advance on certain of our sustainable technology projects. On time-and-material and cost reimbursable contracts, we may utilize cash on hand or availability under our Senior Credit Facility to satisfy any periodic operating cash requirements for working capital, as we incur costs and subsequently invoice our customers.

Certain STS services projects may require us to provide credit support for our performance obligations to our customers in the form of letters of credit, surety bonds or guarantees. Our ability to obtain new project awards in the future may be dependent on our ability to maintain or increase our letter of credit and surety bonding capacity, which may be further dependent on the timely release of existing letters of credit and surety bonds. As the need for credit support arises, letters of credit may be issued under the Revolver (as defined below) or with lending counterparties on a bilateral, syndicated or other basis.

As discussed in Note **9** **8** "Debt and Other Credit Facilities" of our condensed consolidated financial statements, we entered into Amendment **No. 10** **No. 11** to our Credit Agreement on July 26, 2023 under our existing credit agreement, dated as of April 25, 2018, as amended ("Credit Agreement"), consisting of a \$1 billion revolving credit facility (the "Revolver"), a Term Loan A ("Term Loan A") with debt tranches denominated in U.S. dollars and British pound sterling and a January 19, 2024. This amendment provides for an incremental Term Loan B ("facility in an aggregate principal amount of \$1 billion and extends the Term Loan B") ("Senior Credit Facility"). Amendment No. 10 provides

for an additional \$200 million loan tranche under Term Loan A. B maturity date to January 2031. We borrowed the full \$200 million \$1 billion principal amount available under this additional loan tranche, loan. We received \$24 million in cash proceeds from this borrowing to pay accrued interest and this \$200 financing fees, \$501 million borrowing was applied as a to the outstanding principal under the Term Loan B facility and the remaining \$475 million was applied to the outstanding principal under the Revolver. In addition, Amendment No.11 reduced the interest rate margin applicable to Term Loan B.

partial repayment of Additionally, we entered into Amendment No.12 to our Credit Agreement on February 7, 2024. This amendment consolidated the USD denominated Term A-1, Term A-2 and Term A-4 loan facilities under our Credit Agreement into the amended USD denominated Term A-1 loan facility and continued the GBP denominated Term A-3 loan facility outstanding at December 29, 2023. In 2024, \$76 million in cash was paid on the outstanding amounts of Term Loan A principal and accrued interest under and \$20 million was applied to the Revolver. Term Loan A and principal through a borrowing on our Revolver. Additionally, this amendment extended the maturity date of the \$1 billion Revolver, mature in November 2026 amended Term A-1 loan facility and Term Loan B matures in A-3 loan facility to February 2027, 2029.

We believe that existing cash balances, internally generated cash flows, availability under our Senior Credit Facility and other lines of credit are sufficient to support our business operations for the next 12 months. As of September 29, 2023 March 29, 2024, we were are in compliance with all financial covenants related to our debt agreements.

Cash and cash equivalents totaled \$348 million \$314 million at September 29, 2023 March 29, 2024, and \$389 million \$304 million at December 31, 2022 December 29, 2023, and consisted of the following:

Dollars in millions	September 29, 2023		December 31, 2022		Dollars in millions	March 29, 2024	December 29, 2023
	Domestic	U.S. cash	International	cash		114	107
Domestic	Domestic						
U.S. cash	U.S. cash	\$ 91	\$ 27				
International cash	International cash			143	255		
Joint venture and Aspire Defence project cash	Joint venture and Aspire Defence project cash						
Total	Total	\$ 348	\$ 389				

Our cash balances are held in numerous accounts throughout the world to fund our global activities, including acquisitions, joint ventures and other business partnerships. Domestic cash relates to cash balances held by U.S. entities and is largely used to support project activities of those businesses as well as general corporate needs such as the payment of dividends to shareholders, repayment of debt and potential repurchases of our outstanding common stock.

Our international cash balances may be available for general corporate purposes but are subject to local restrictions, such as capital adequacy requirements and maintaining sufficient cash balances to support our U.K. pension plan and other obligations incurred in the normal course of business by those foreign entities. Repatriations of our undistributed foreign earnings are generally free of U.S. tax but may incur withholding and/or state taxes. We consider our future non-U.S. cash needs as 1) our anticipated foreign working capital requirements, including funding of our U.K. pension plan, 2) the expected growth opportunities across all geographical markets and 3) our plans to invest in strategic growth opportunities, which may include acquisitions, joint ventures and other business partnerships around the world, including whether foreign earnings are permanently reinvested. If management were to completely remove the indefinite investment assertion on all foreign subsidiaries, the exposure to local withholding taxes would be less than \$6 million \$7 million.

Joint venture cash and Aspire Defence project cash balances reflect the amounts held by joint venture entities that we consolidate for financial reporting purposes. These amounts are limited to those entities' activities and are not readily available for general corporate purposes; however, portions of such amounts may become available to us in the future should there be a distribution of dividends to the joint venture partners. We expect that the majority of the joint venture cash balances will be utilized for the corresponding joint venture purposes or for paying dividends.

As of September 29, 2023 March 29, 2024, substantially all of our excess cash was held in interest bearing operating accounts or short-term investment accounts with the primary objectives of preserving capital and maintaining liquidity.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

Dollars in millions	Nine Months Ended		Three Months Ended		Dollars in millions	
	September 29, 2023		March 29, 2024			
	2023	2022	2024	2023		

Cash flows provided by operating activities	Cash flows provided by operating activities	\$ 248	\$ 336
Cash flows provided by (used in) investing activities		(43)	86
Cash flows provided by investing activities			
Cash flows used in financing activities	Cash flows used in financing activities	(250)	(290)
Effect of exchange rate changes on cash	Effect of exchange rate changes on cash	4	(41)
(Decrease) increase in cash and cash equivalents		\$ (41)	\$ 91
Increase in cash and cash equivalents			
Increase in cash and cash equivalents			
Increase in cash and cash equivalents			

Operating Activities. Cash provided by operations totaled \$248 million and \$336 million for the nine months ended September 29, 2023 and September 30, 2022, respectively, as compared to net loss of \$282 million and net income of \$97 million and \$86 million for the nine months ended September 29, 2023 and September 30, 2022, respectively. Cash flows from operating activities result primarily from earnings and are affected by changes in operating assets and liabilities, which consist primarily of working capital balances for projects. Working capital levels vary from year to year and are primarily affected by the Company's volume of work. These levels are also impacted by the mix, stage of completion and commercial terms of projects. Working capital requirements also vary by project depending on the type of client and location throughout the world.

The primary components of our working capital accounts are accounts receivable, contract assets, accounts payable and contract liabilities. These components are impacted by the size and changes in the mix of our cost-reimbursable and time-and-materials projects versus fixed price projects, and as a result, fluctuations in these components are not uncommon in our business. Specifically, the decrease in operating cash flows for the nine months ended September 29, 2023 compared to the nine months ended September 30, 2022 is primarily attributed to the payment made in the third quarter of 2023 related to the settlement of a legacy legal matter. This decrease was offset by increases in operating cash flows from changes in the primary components of our working capital. Additionally, for the three months ended March 29, 2024, we received \$43 million in distributions of earnings from unconsolidated affiliates compared to \$24 million in distributions of earnings from unconsolidated affiliates for the three months ended March 31, 2023.

Investing Activities. Cash used by investing activities totaled \$43 million for the nine months ended September 29, 2023. In 2024, we received a return of investment from JKC of approximately \$29 million related to our proportionate share of a tax refund. Additionally, we received \$6 million from the sale of our investment interest in a joint venture within our GS segment. This was offset by \$25 million in capital expenditures.

Cash provided by investing activities totaled \$42 million for the three months ended March 31, 2023 and was primarily related due to the second payment for an additional investment of \$39 million in Mura Technology and capital expenditures of \$60 million. This was offset by a return of investment of approximately \$61 million \$61 million from JKC resulting from the receipt of the second payment from the Subcontractor Settlement Agreement. See Note 7 "Equity Method Investments and Variable Interest Entities" for further details.

Cash provided by investing activities totaled \$86 million for the nine months ended September 30, 2022 and was primarily due to a return of investment of approximately \$190 million from JKC resulting from the receipt of the first payment from the Subcontractor Settlement Agreement, a return of investment from BRIS of \$10 million as our cumulative distributions from inception of the joint venture exceeded our cumulative earnings and proceeds of \$55 million from the sale of our investment interest in three U.K. Road Projects. See Note 7 "Equity Method Investments and Variable Interest Entities" for further details. This was partially offset by our first payment related to an additional investment of \$61 million in Mura Technology, \$39 million \$19 million in capital expenditures and \$73 million netcash used for the acquisition of VIMA. See Note 4 "Acquisitions" for further details.

Financing Activities. Cash used in financing activities totaled \$250 million \$91 million for the nine three months ended September 29, 2023 and was primarily due to a net March 29, 2024. The primary uses of cash outflow of \$201 million to repurchase a portion of our outstanding Convertible Notes, corresponding Note Hedge and outstanding warrants. Cash used in financing activities also included \$53 million were \$75 million of dividend principal payments related to common shareholders, \$125 million our Senior Credit Facility, \$50 million for the repurchase of common stock under our share repurchase program \$12 million and \$11 million for the repurchase of common stock under our "withheld to cover" program, \$270 million program. Cash used in financing activities also included \$33 million payment for the settlement of warrants, \$18 million of dividend payments on to common shareholders and \$16 million in debt issuance costs associated with Amendment No.11 and No. 12 to our revolving credit facility and \$12 million of principal payments related to Credit Agreement for our Senior Credit Facility. These decreases were partially offset by \$430 million \$93 million in borrowings related on our Revolver and \$24 million in borrowings associated with Amendment No.11 to our revolving credit facility and \$5 million in net proceeds from the issuance of common stock, Credit Agreement. See Note 9.8 "Debt and Other Credit Facilities" for further discussion of our Senior Credit Facility.

Cash used in financing activities totaled \$290 million \$54 million for the nine three months ended September 30, 2022 March 31, 2023 and was primarily due to approximately \$49 million \$16 million of dividend payments to common shareholders, \$115 million \$50 million for the repurchase of common stock under our share repurchase program, \$9 million \$11 million for the repurchase of common stock under our "withheld to cover" program \$8 million repayment on our finance lease obligations and \$109 million \$4 million in payments on borrowings related to our Senior Credit Facility. These decreases were partially offset by a \$28 million bank overdraft facility. See Note 9.8 "Debt and Other Credit Facilities" for further discussion of our Senior Credit Facility. This was partially offset by the net proceeds received from the issuance of common stock of \$5 million.

Future sources of cash. We believe that future sources of cash include cash flows from operations (including accounts receivable monetization arrangements), cash derived from working capital management and cash borrowings under the Senior Credit Facility.

Future uses of cash. We believe that future uses of cash include working capital requirements, joint venture capital calls, capital expenditures, dividends, pension funding obligations, repayments of borrowings, share repurchases, legal settlements of any currently outstanding legal matter or any future legal proceeding and strategic investments including acquisitions, joint ventures and other business partnerships. Our capital expenditures will be focused primarily on facilities and equipment to support our businesses. In addition, we will use cash to make payments under leases and various other obligations, including potential litigation payments, as they arise.

Other factors potentially affecting liquidity

Ichthys LNG Project. As part of the settlement agreement between JKC and Ichthys LNG, Pty, Ltd (collectively, "the Parties") in October 2021, KBR's letters of credit were reduced to \$82 million from \$164 million. Additionally, as part of this settlement agreement, the Parties agreed to consult in good faith and to cooperate to seek maximum recovery from the insurance policies and paint manufacturer for the deterioration of paint and insulation on certain exterior areas of the plant. The Parties agreed to collectively pursue claims against the paint manufacturer and JKC has assigned claims under the insurance

policy regarding the paint and insulation matters to the client. The parties have agreed that if, at the date of final resolution of the above proceedings and claims with respect to the paint and insulation matters, the recovered amount from the paint manufacturer and insurance claim is less than the stipulated ceiling amount in the settlement agreement, JKC will pay the client the difference between the stipulated ceiling amount and the recovered amount. JKC has provided for and continues to maintain a provision for this contingent liability.

U.K. pension obligation. We have recognized on our condensed consolidated balance sheets a funding surplus of \$83 \$14 million (measured as the difference between the fair value of plan assets and the projected benefit obligation as of September 29, 2023 March 29, 2024) for our frozen U.K. defined benefit pension plan. The total amount of employer pension contributions paid for the nine three months ended September 29, 2023 March 29, 2024 was \$6 million \$7 million for our defined benefit plan in the U.K. On October 17, 2022, we made an advance payment to our U.K. pension plan for approximately £29 million of the £33 million required minimum annual contributions for the year ending December 29, 2023. The funding requirements for our U.K. pension plan are determined based on the U.K. Pensions Act 1995. Annual minimum funding requirements are based on a binding agreement with the Trustee of the U.K. pension plan that is negotiated on a triennial basis. In June 2022, KBR and the Trustee executed an agreement requiring minimum annual contributions of approximately £33 million (\$40.42 million at current exchange rates) for the period through March 2028. This schedule of contributions will be reviewed by the Trustee and KBR no later than 15 months after the effective date of each actuarial valuation, due every three years. In the future, pension funding may increase or decrease depending on changes in the levels of interest rates, pension plan asset return performance and other factors. A significant increase in our funding requirements for the U.K. pension plan could result in a material adverse impact on our financial position.

Sales of Receivables. From time to time, we sell certain receivables to unrelated third-party financial institutions under various accounts receivable monetization programs. One such program is with MUFG Bank, Ltd. ("MUFG") under a Master Accounts Receivable Purchase Agreement (the "RPA"), which provides the sale to MUFG of certain of our designated eligible receivables, with a significant portion of such receivables being owed by the U.S. government. We plan to continue to utilize these programs to ensure we have flexibility in regards to meeting our capital needs. Refer to Note 16 **15** "Fair Value of Financial Instruments and Risk Management" to our condensed consolidated financial statements for further discussion on our sales of receivables.

Credit Agreement and Senior Credit Facility

Information relating to our Senior Credit Facility is described in Note 9 **8** "Debt and Other Credit Facilities" to our condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, and the information discussed therein is incorporated by reference into this Part I, Item 2.

Senior Notes

Information relating to our Senior Notes is described in Note 9 **8** "Debt and Other Credit Facilities" to our condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, and the information discussed therein is incorporated by reference into this Part I, Item 2.

Convertible Senior Notes

On November 15, 2018, we issued and sold \$350 million of our Convertible Notes pursuant to an indenture between us and Citibank, N.A., as trustee. On June 1, 2023, we entered into a privately-negotiated Convertible Notes repurchase transaction with funds from our Senior Credit Facility. The Convertible Notes mature on November 1, 2023 and, as such, are classified as current liabilities on our condensed consolidated balance sheets as of September 29, 2023. In April 2023, we elected cash as the settlement method to settle the principal and any excess value upon early conversion or maturity of the Convertible Notes.

Concurrent with the issuance of the Convertible Notes, we entered into privately negotiated Note Hedge Transactions and Warrant Transactions with the option counterparties. These transactions represent a call spread overlay, whereby the cost of the Note Hedge Transactions we purchased to cover the cash outlay upon conversion of the Convertible Notes was reduced by the sales price of the Warrant Transactions. Concurrent with the Convertible Notes repurchase, we entered into Unwind Agreements with the option counterparties to terminate the corresponding portions of the Note Hedge Transactions and Warrant Transactions. In addition, the Company has amended the warrant transaction agreements with each of the option counterparties to provide that the Company may, at its option, elect cash settlement.

As of September 29, 2023, the if-converted value of the Convertible Notes, based on the closing share price, exceeded the remaining \$250 million principal amount by approximately \$335 million. The incremental value over the principal amount would be fully offset by the cash delivered from the Note Hedge Transactions. However, the counterparties holding the warrants also have the right to purchase the total convertible number of shares at the current conversion rate at a strike price of \$39.52 resulting in value of \$193 million that would have been delivered to the counterparties as of September 29, 2023.

The Convertible Notes matured November 1, 2023, with principal amounts totaling \$250 million with the aggregate cash conversion consideration totaling \$593 million. Concurrently, the Note Hedge Transactions were settled with payments to the Company totaling \$343 million. The aggregate cash conversion consideration of \$593 million was fulfilled with proceeds received from Note Hedge Transactions totaling \$343 million, a \$200 million borrowing on our Revolver, and \$50 million in available cash. The Warrant Transactions remain outstanding as of November 1, 2023.

More information relating to our Convertible Senior Notes is described in Note 1 "Basis of Presentation" and Note 9 **8** "Debt and Other Credit Facilities" to our condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, and the information discussed therein is incorporated by reference into this Part I, Item 2.

Off-Balance Sheet Arrangements

Letters of credit, surety bonds and guarantees. In the ordinary course of business, we may enter into various arrangements providing financial or performance assurance to customers on behalf of certain consolidated and unconsolidated subsidiaries, joint ventures and other jointly executed contracts. Such off-balance sheet arrangements include letters of credit, surety bonds and corporate guarantees to support the creditworthiness or project execution commitments of these entities and typically have various expiration dates ranging from mechanical completion of the project being constructed to a period beyond completion in certain circumstances such as for warranties. We may also guarantee that a project, once completed, will achieve specified performance standards. If the project subsequently fails to meet guaranteed performance standards, we may incur additional costs, pay liquidated damages or be held responsible for the costs incurred by the client to achieve the required performance standards. The potential amount of future payments that we could be required to make under an outstanding performance arrangement is typically the remaining estimated cost of work to be performed by or on behalf of third parties. For cost reimbursable contracts, amounts that may become payable pursuant to guarantee provisions are normally recoverable from the client for work performed under the contract. For lump-sum or fixed-price contracts, the performance guarantee amount is the cost to complete the contracted work, less amounts remaining to be billed to the client under the contract. Remaining billable amounts could be greater or less than the cost to complete the project. If costs exceed the remaining amounts payable under the contract, we may have recourse to third parties, such as owners, subcontractors or vendors for claims.

In our joint venture arrangements, the liability of each partner is usually joint and several. This means that each joint venture partner may become liable for the entire risk of performance guarantees provided by each partner to the customer.

Typically, each joint venture partner indemnifies the other partners for any liabilities incurred in excess of the liabilities the other party is obligated to bear under the respective joint venture agreement. We are unable to estimate the maximum potential amount of future payments that we could be required to make under outstanding performance guarantees related to joint venture projects due to a number of factors, including but not limited to, the nature and extent of any contractual defaults by our joint venture

partners, resource availability, potential performance delays caused by the defaults, the location of the projects and the terms of the related contracts. See "Item 1A. Risk Factors" contained in Part I of our **2022** **2023** Annual Report on Form 10-K for information regarding our fixed-price contracts and operations through joint ventures and partnerships.

In certain limited circumstances, we enter into financial guarantees in the ordinary course of business, with financial institutions and other credit grantors, which generally obligate us to make payment in the event of a default by the borrower. These arrangements generally require the borrower to pledge collateral to support the fulfillment of the borrower's obligation. We account for both financial and performance guarantees at fair value at issuance in accordance with ASC 460-10 Guarantees and, as of **September 29, 2023** **March 29, 2024**, we had no material guarantees of the work or obligations of third parties recorded.

As of **September 29, 2023** **March 29, 2024**, we had \$1 billion in a committed line of credit on the Revolver under our Senior Credit Facility and **\$376 million** **\$395 million** of bilateral and uncommitted lines of credit to support the issuance of letters of credit. As of **September 29, 2023** **March 29, 2024**, with respect to our Revolver, we had **\$220 million** **\$143 million** of outstanding borrowings. We also have \$14 million of outstanding letters of credit on our Senior Credit Facility. With respect to our **\$376 million** **\$395 million** of bilateral and uncommitted lines of credit, we utilized **\$265 million** **\$291 million** for letters of credit as of **September 29, 2023** **March 29, 2024**. The total remaining capacity of these committed and uncommitted lines of credit was approximately **\$877 million**, **\$947 million**, of which up to approximately **\$791 million** can be used toward issuing letters of credit. Information relating to our letters of credit is described in Note **98** "Debt and Other Credit Facilities" to our condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q and the information discussed therein is incorporated by reference into this Part I, Item 2. Other than discussed in this Quarterly Report on Form 10-Q, we have not engaged in any material off-balance sheet financing arrangements through special purpose entities.

Critical Accounting Policies and Estimates

There have been no material changes to our discussion of critical accounting policies and estimates from those set forth in our **2022** **2023** Annual Report on Form 10-K, for the year ended **December 31, 2022** **December 29, 2023**, which discussion is incorporated herein by reference.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Cash and cash equivalents are deposited with major banks throughout the world. We invest excess cash and cash equivalents in short-term securities, primarily money market funds, which carry a fixed rate of return. We have not incurred any credit risk losses related to deposits of our cash and cash equivalents.

Foreign Currency Risk. Because of the global nature of our business, we are exposed to market risk associated with changes in foreign currency exchange rates. We have historically attempted to limit exposure to foreign currency fluctuations through provisions requiring the client to pay us in currencies corresponding to the currency in which cost is incurred. In addition to this natural hedge, we may use foreign exchange forward contracts and options to hedge material exposures when forecasted foreign currency revenues and costs are not denominated in the same currency and when efficient markets exist. These derivatives are generally designated as cash flow hedges and are carried at fair value.

We use derivative instruments, such as foreign exchange forward contracts, to hedge foreign currency risk related to non-functional currency assets and liabilities on our condensed consolidated balance sheets. We do not enter into derivative financial instruments for trading purposes or make speculative investments in foreign currencies. Each period, these balance sheet hedges are marked to market through earnings and the change in their fair value is largely offset by remeasurement of the underlying assets and liabilities. We recorded a net loss of **\$4 million** and a net gain of **\$1 million** for **\$2 million** during the **nine** **three** months ended **September 29, 2023** and **September 30, 2022**, respectively, **March 31, 2023** in other non-operating expense on our condensed consolidated statements of operations. The fair value of these derivatives was not material to our condensed consolidated balance sheet as of **September 29, 2023** **March 29, 2024**. Information relating to fair value measurements is described in Note **16** **15** "Fair Value of Financial Instruments and Risk Management" to our condensed consolidated financial statements, which is incorporated by reference into this Item 3.

Interest Rate Risk. We are exposed to market risk for changes in interest rates for the Revolver and term loan borrowings under the Senior Credit Facility. We had **\$220 million** **\$143 million** of borrowings issued under the Revolver as of **September 29, 2023** **March 29, 2024**. Additionally, we had **\$1,095 million** **\$1,499 million** outstanding under the term loan portions of the Senior Credit Facility as of **September 29, 2023** **March 29, 2024**. Borrowings under the Senior Credit Facility bear interest at variable rates as described in Note **98** "Debt and Other Credit Facilities" to our condensed consolidated financial statements.

We use interest rate swaps to reduce interest rate risk and to manage net interest expense by converting our variable rate debt under our Senior Credit Facility into fixed-rate debt. During the **nine** **months** ended **September 29, 2023**, we amended all Our portfolio of our existing interest rate swap agreements to term SOFR effective **March 2023**. In March 2023, we entered into additional swaps consists of the following:

Dollars in millions	Notional Amount at March 29, 2024	Pay Fixed Rate (Weighted Average)	Receive Variable Rate	Settlement and Termination
March 2020 Interest Rate Swaps	\$ 400	0.89 %	Term SOFR	Monthly through January 2027
September 2022 Interest Rate Swaps	\$ 350	3.43 %	Term SOFR	Monthly through January 2027
March 2023 Interest Rate Swaps	\$ 205	3.61 %	Term SOFR	Monthly through January 2027
March 2023 Amortizing Interest Rate Swaps	£ 114	3.81 %	Term SONIA	Monthly through November 2026

USD denominated interest rate swap agreements with a notional value of \$205 million effective April 2023 and expiring January 2027. We will receive SOFR and pay a fixed rate of 3.61%. We also entered into GBP denominated amortizing swaps with an initial notional value of £118 million that are effective April 2023 and expire in November 2026. We will receive SONIA and pay a fixed rate of 3.81% for the term of the swaps. The swap agreements were designated as cash flow hedges at inception in accordance with ASC Topic 815 *Derivative and Hedging*. The fair value of the interest rate swaps at **September 29, 2023** **March 29, 2024** was a **\$65 million** **\$48 million** asset, of which **\$29**

million \$25 million is included in other current assets and \$36 million \$23 million is included in other assets. Information relating to our portfolio of interest rate swaps is described in Note 16 15 "Fair Value of Financial Instruments and Risk Management" to our condensed consolidated financial statements, which is incorporated by reference into this Item 3.

At September 29, 2023 March 29, 2024, we had fixed rate debt aggregating \$1.5 billion \$1,352 million and variable rate debt aggregating \$317 million \$540 million, after taking into account the effects of the interest rate swaps that we entered into during 2023. Our weighted average interest rate net of the impact from our swap agreements for the nine three months ended September 29, 2023 March 29, 2024 was 5.16% 5.53%. If interest rates were to increase by 50 basis points, pre-tax interest expense would increase by approximately \$2 million in the next twelve months net of the impact from our swap agreements, based on outstanding borrowings as of September 29, 2023 March 29, 2024.

Item 4. Controls and Procedures

In accordance with Exchange Act Rules 13a-15 and 15d-15, we carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 29, 2023 March 29, 2024, to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms. Our disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

We are in the process of a multi-phase implementation of a company-wide payroll system. During the first quarter of 2024, we substantially completed the implementation of the payroll system for our U.S. employees. There were no other changes in our internal control reporting during the three months ended September 29, 2023 March 29, 2024 that have materially affected, or are reasonably likely to affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Information relating to various commitments and contingencies is described in Notes 6, 5, 10 and 11 and 12 to our condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, and the information discussed therein is incorporated by reference into this Part II, Item 1.

Item 1A. Risk Factors

There are no material changes from the risk factors previously disclosed in Part I, Item 1A in our Annual Report on Form 10-K, which is incorporated herein by reference, for the year ended December 31, 2022 December 29, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On February 25, 2014, the Board of Directors authorized a \$350 million plan to repurchase our outstanding shares of common stock, which replaced and terminated the August 26, 2011 share repurchase program. On October 18, 2022 February 19, 2024, the Board of Directors authorized an increase \$174 million of additional share repurchases to be added to the prior authorizations, which returned the total authorization level amount authorized and available for repurchase under the share repurchase program to \$500 million. As of September 29, 2023 March 29, 2024, \$326 \$450 million remains available for repurchase under this authorization. The authorization does not obligate the Company us to acquire any particular number of shares of common stock and may be commenced, suspended or discontinued without prior notice. The share repurchases are intended to be funded through the Company's our current and future cash flows and the authorization does not have an expiration date.

The following is a summary of share repurchases of our common stock during the three months ended September 29, 2023 March 29, 2024 and the amount available to be repurchased under the authorized share repurchase program:

Purchase Period	Total Shares Repurchased (1)	Average Price Paid per Share	Shares Repurchased as Part of Publicly Announced Plan		Dollar Value of Maximum Number of Shares that May Yet Be Purchased Under the Plan
			Publicly Announced Plan	Shares that May Yet Be Purchased Under the Plan	
July 1 - 31, 2023	—	\$ —	—	—	\$ 326,215,513
August 1 - 30, 2023	2,863	\$ 61.48	—	—	\$ 326,215,513
September 1 - 29, 2023	1,381	\$ 61.44	—	—	\$ 326,215,513
Total	4,244	—	—	—	\$ 326,215,513

Purchase Period	Total Shares Repurchased (1)	Average Price Paid per Share	Shares Repurchased as Part of Publicly Announced Plan		Dollar Value of Maximum Number of Shares that May Yet Be Purchased Under the Plan
			Publicly Announced Plan	Shares that May Yet Be Purchased Under the Plan	
December 30, 2023 - January 26, 2024	—	\$ —	—	—	\$ 326,215,513

January 27, 2024 - February 23, 2024	253,226	\$ 59.03	114,897	\$ 493,202,355
February 24, 2024 - March 29, 2024	763,513	\$ 60.60	711,900	\$ 450,016,582
Total	1,016,739	—	826,797	\$ 450,016,582

(1) Included within the shares repurchased herein are **4,244,189,942** shares acquired from employees in connection with the income tax and related benefit withholding obligations arising from issuance of share-based equity awards under the KBR, Inc. 2006 Stock and Incentive Plan at an average price of **\$61.47** **\$59.14** per share.

Item 5. Other Information

During the three months ended **September 29, 2023** **March 29, 2024**, none of our officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any "non-Rule 10b5-1 trading arrangement" as defined in Item 408(c) of SEC Regulation S-K.

Item 6. Exhibits

Exhibit Number	Description
10.1	Amendment No. 11 to the Credit Agreement, dated as of January 19, 2024, with Bank of America, N.A., as administrative agent, swing line lender and a letter of credit issuer, the lenders party thereto and each of the subsidiaries of the Company party thereto (incorporated by reference to Exhibit 10.1 to KBR's current report on Form 8-K filed on January 23, 2024, File No. 001-33146)
10.2	Amendment No. 12 to the Credit Agreement, dated as of February 7, 2024, with Bank of America, N.A., as administrative agent, swing line lender and a letter of credit issuer, the lenders party thereto and each of the subsidiaries of the Company party thereto (incorporated by reference to Exhibit 10.1 to KBR's current report on Form 8-K filed on February 13, 2024, File No. 001-33146)
*10.3+	Form of revised Restricted Stock Unit Agreement (US Employee) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan
*10.4+	Form of revised Restricted Stock Unit Agreement (International Employee) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan
*10.5+	Form of revised Performance Stock Unit Agreement (US Employee) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan
*10.6+	Form of revised Performance Stock Unit Agreement (International Employee) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan
*10.7+	Form of revised Performance Award Agreement (US/International Employee Cash Only) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan
*10.8+	Form of revised Performance Award Agreement (US/International Employee Cash/Stock) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan
*31.1	Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31.2	Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
**32.1	Certification Furnished Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
**32.2	Certification Furnished Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
***101	The following financial information from this Quarterly Report on Form 10-Q of KBR, Inc. for the quarter ended September 29, 2023 March 29, 2024 formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Statements of Operations, (ii) Condensed Consolidated Statements of Comprehensive Income, (iii) Condensed Consolidated Balance Sheets, (iv) Condensed Consolidated Statements of Shareholders' Equity, (v) Condensed Consolidated Statements of Cash Flows, and (vi) Notes to the Condensed Consolidated Financial Statements, tagged as blocks of text
104	Cover Page Interactive Data File - formatted as Inline XBRL contained in Exhibit 101
+	Management contracts or compensatory plans or arrangements
*	Filed with this Form 10-Q
**	Furnished with this Form 10-Q
***	Interactive data files

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized:

KBR, INC.

/s/ Mark W. Sopp

Mark W. Sopp

Executive Vice President and Chief Financial Officer

/s/ Shad E. Evans

Shad E. Evans

Senior Vice President of Finance Operations and
Chief Accounting Officer

Dated: November 2, 2023 April 30, 2024

Dated: November 2, 2023 April 30, 2024

5543

US EMPLOYEE – 3-Year Vesting

RESTRICTED STOCK UNIT AGREEMENT

AGREEMENT by and between KBR, Inc., a Delaware corporation (the "Company"), and _____ ("Employee") made effective as of _____ (the "Grant Date").

1. Grant of Restricted Stock Units.

(a) Units. Pursuant to the Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended and restated (the "Plan"), units evidencing the right to receive _____ shares of the Company's common stock ("Stock"), are awarded to Employee, subject to the conditions of the Plan and this Agreement (the "Restricted Stock Units").

(b) Plan Incorporated. Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Restricted Stock Units shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which is incorporated herein by reference as a part of this Agreement. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2. Terms of Restricted Stock Units. Employee hereby accepts the Restricted Stock Units and agrees with respect thereto as follows:

(a) Forfeiture of Restricted Stock Units. In the event of termination of Employee's employment with the Company or any employing Subsidiary of the Company for any reason other than (i) death or (ii) disability (disability being defined as being physically or mentally incapable of performing either the Employee's usual duties as an Employee or any other duties as an Employee that the Company or employing Subsidiary reasonably makes available and such condition is likely to remain continuously and permanently, as determined by the Company or employing Subsidiary), or except as otherwise provided in the second and third sentences of subparagraph (c) of this Paragraph 2, or if the Employee breaches any of the covenants set forth in Paragraph 12, Employee shall, for no consideration, forfeit all Restricted Stock Units to the extent they are not fully vested.

(b) Assignment of Award. The Restricted Stock Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of unless transferable by will or the laws of descent and distribution or pursuant to a "qualified domestic relations order" as defined by the U.S. Internal Revenue Code (the "Code").

(c) Vesting Schedule. The Restricted Stock Units shall vest in accordance with the following schedule provided that Employee has been continuously employed by the Company from the date of this Agreement through the applicable vesting date:

Vesting Date	Vested Percentage of Total Number of Restricted Stock Units
1st Anniversary of Grant Date	33 1/3%
2nd Anniversary of Grant Date	66 2/3%
3rd Anniversary of Grant Date	100%

1

US EMPLOYEE – 3-Year Vesting

Notwithstanding the foregoing, unless otherwise provided in an Other Agreement pursuant to Paragraph 10, the Restricted Stock Units shall become fully vested on the earliest of (i) the occurrence of Employee's Involuntary Termination or termination for Good Reason within two years following a Corporate Change (as such terms are defined in the Plan) or (ii) the date Employee's employment with the Company is terminated by reason of death or disability (as determined above). In the event Employee's employment is terminated for any other reason, including retirement with the approval of (A) the board of directors of the Company (the "Board"), upon the Committee's recommendation, if Employee is the Company's Chief Executive Officer (the "CEO"), (B) the Committee if Employee is a "senior executive of the Company" (as defined below) or (C) the Company's CEO if Employee is not a senior executive of the Company, then the Board (upon the Committee's recommendation), the Committee, or the CEO, respectively, may, in the Board's, the Committee's, or the CEO's, as applicable, sole discretion, approve the acceleration of the vesting of any or all Restricted Stock Units that have not yet been forfeited and which are still outstanding and subject to restrictions, with such vesting acceleration to be effective on the date of such approval or Employee's termination date, if later. Notwithstanding the foregoing, in no event shall the Restricted Stock Units become fully vested prior to the expiration of one month from the Grant Date. "Senior executive" for purposes of this Agreement shall mean any regular, full-time employee of the Company or an affiliate who (x) is an officer of the Company required to file reports with the Securities and Exchange Commission under Section 16 of the Securities Exchange Act of 1934, (y) is the Chief Accounting Officer of the Company, or (z) is the highest ranking management position (with at least a title of Director or above) with direct oversight over internal audits of the Company.

(d) Stockholder Rights. Employee shall have no rights of a stockholder with respect to shares of Stock subject to this Award unless and until such time as the Award has been settled by the transfer of shares of Stock to Employee, except that Employee shall have the right to receive payments equal to the dividends or distributions declared or paid on a share of Stock at the same time as those dividends or distributions are paid to holders of Stock.

(e) Payment for Vested Restricted Stock Units. Payment for vested Restricted Stock Units shall be made as soon as administratively practicable after vesting, but in no event later than thirty days after the vesting date. Settlement will be made in the form of shares of Stock equal in number to the number of Restricted Stock Units with respect to which payment is being made on the applicable date; provided, however, that payment for a vested Restricted Stock Unit shall be made at the time provided above solely in cash (in lieu of in the form of a share of Stock) in an amount equal to the Fair Market Value as of the vesting date of such Restricted Stock Unit if there are an insufficient number of shares available for delivery under the Plan at the time of such settlement as determined by the Committee or its delegate in the Committee's or such delegate's sole discretion. Notwithstanding the foregoing, the Company shall not be obligated to deliver any shares of Stock if counsel to the Company determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Stock is listed or quoted.

(f) Recovery of Benefits. The Company shall seek recovery of any benefits provided hereunder to Employee if such recovery is required by any clawback policy adopted by the Company, which may be amended from time to time, including, but not limited to, any clawback policy adopted to satisfy the minimum clawback requirements adopted under the Dodd-Frank Wall Street Reform and Consumer

2

Protection Act of 2010 and the regulations thereunder or any other applicable law or securities exchange listing standard. The Company reserves the right, without your consent, to adopt any such clawback policy, including, but not limited to, such clawback policies applicable to this Agreement with retroactive effect.

3. **Withholding of Tax.** The Committee may make such provisions as it may deem appropriate for the withholding of any taxes which it determines is required in connection with this Award. Unless the Committee provides otherwise, to the extent this Award is settled in shares of Stock, the Company shall reduce the number of shares of Stock that would have otherwise been delivered to Employee by a number of shares of Stock having a Fair Market Value equal to the amount required to be withheld.

4. **Employment Relationship.** For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company, a Parent Corporation or Subsidiary of the Company, or a corporation or a Parent Corporation or subsidiary of such corporation assuming or substituting a new award for this Award. Without limiting the scope of the preceding sentence, it is expressly provided that Employee shall be considered to have terminated employment with the Company at the time of the termination of the "Subsidiary" status under the Plan of the entity or other organization that employs Employee. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final.

5. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan, including, without limitation, the right to make certain determinations and elections with respect to the Restricted Stock Units.

6. **Data Privacy Notice and Consent.**

(a) **Declaration of Consent.** *By accepting the Restricted Stock Units via the Company's acceptance procedure, Employee is declaring that he or she agrees with the data processing practices described herein and consents to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned below.*

(b) **Data Collection and Usage.** *The Company and the Employer may collect, process and use certain personal information about Employee, including, but not limited to, Employee's name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to shares awarded, canceled, exercised, vested, unvested or outstanding in Employee's favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is Employee's consent. For California residents, the categories of personal information, including sensitive personal information, are identifiers, characteristics of protected classifications under California or federal law, professional or employment related information, social security, driver's license, state identification card, or passport number, and any personal information that identifies, relates to, describes, or is capable of being associated with a particular individual. The personal information is not sold or shared for cross-context behavioral advertising. See the "Global Workplace Privacy Notice"*

(c) Stock Plan Administration Service Providers. The Company transfers Data, or parts thereof, to Morgan Stanley Smith Barney, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and may share Data with different service providers that serve in a similar manner. Employee acknowledges and understands that the Company's service provider will open an account for Employee to receive and trade shares of Stock acquired under the Plan and that Employee will be asked to agree on separate terms and data processing practices with the service provider, which is a condition of Employee's ability to participate in the Plan.

(d) Data Retention. The Company will hold and use the Data only as long as is necessary to implement, administer and manage Employee's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, labor, securities and exchange control laws.

(e) Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary and Employee is providing the consents herein on a purely voluntary basis. Employee understands that he or she may withdraw consent at any time with future effect for any or no reason. If Employee does not consent, or if Employee later seeks to revoke his or her consent, Employee's salary from or employment and career with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to offer Restricted Stock Units to Employee or administer or maintain Employee's participation in the Plan.

(f) Data Subject Rights. Employee understands that data subject rights vary depending on the applicable law and that, depending on where Employee is based and subject to the conditions set out in the applicable law, Employee may have, without limitation, the rights to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in Employee's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Employee understands that he or she can contact Employee's local human resources representative.

By clicking the "Accept" or similar button implemented into the relevant web page or platform, Employee declares, without limitation, his or her consent to the data processing operations described in this Agreement. Employee understands and acknowledges that he or she may withdraw consent at any time with future effect for any or no reason as described in sub-section (f) above.

7. **Nature of Grant.** By accepting the grant of the Restricted Stock Units, the Employee acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of Restricted Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of Restricted Stock Units, or benefits in lieu of Restricted Stock Units even if Restricted Stock Units have been awarded in the past;

(c) all decisions with respect to future Restricted Stock Units or other grants, if any, will be at the sole discretion of the Company;

(d) the grant of Restricted Stock Units and Employee's participation in the Plan will not create a right to employment or be interpreted as forming an employment or service contract with the Company, the Employer or any Subsidiary of the Company and shall not interfere with the ability of the Employer to terminate Employee's employment or service relationship (if any);

(e) Employee's participation in the Plan is voluntary;

(f) the Restricted Stock Units and the Stock underlying the Restricted Stock Units, and the income and value of the same, are not intended to replace any pension rights or compensation;

(g) the Restricted Stock Units and the Stock underlying the Restricted Stock Units, and the income and value of the same, are not part of normal or expected compensation or salary for any purpose, including but not limited to, calculation of any severance, resignation, termination, redundancy or end-of-service payments, holiday-pay, bonuses, long-service awards, leave-related payments, pension or retirement benefits, or similar mandatory payments;

(h) the future value of the Stock is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages shall arise from forfeiture of Restricted Stock Units or the recoupment of any shares of Stock or other benefits or payments acquired under the Plan resulting from (i) Employee ceasing to provide employment or other services to the Company or the Employer (for any reason whatsoever, and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any) and/or (ii) the application of any recoupment or clawback policy or provision described in this Agreement (or otherwise required by the Company) or any recovery or clawback otherwise required by law;

(j) in the event of termination of Employee's employment or other services (for any reason whatsoever, whether or not later found to be invalid, or in breach of employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any), unless otherwise provided in this Agreement or determined by the Company, Employee's right to vest in the Restricted Stock Units under the Plan, if any, will terminate effective as of the date that Employee is no longer actively providing services and will not be extended by any notice period (e.g., active services would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any); the Committee shall have the exclusive discretion to determine when Employee is no longer actively providing services for purposes of the Award (including whether Employee may still be considered to be providing services while on an approved leave of absence);

(k) unless otherwise provided in the Plan or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

(l) unless otherwise agreed with the Company, the Restricted Stock Units and the Stock underlying the Restricted Stock Units, and the income and value of the same, are not granted as consideration for, or in connection with, services Employee may provide as a director of a Subsidiary.

8. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

9. **Compliance with Law.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Stock, the Company shall not be required to deliver any shares issuable upon settlement of the Restricted Stock Units prior to the completion of any registration or qualification of the shares

under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Employee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. Further, Employee agrees that the Company shall have unilateral authority to amend the Plan and the Agreement without Employee's consent to the extent necessary to comply with securities or other laws applicable to issuance of shares.

10. Other Agreements. The terms of this Agreement shall be subject to, and shall not modify, the terms and conditions of any employment, severance, and/or change-in-control agreement between the Company (or a Subsidiary) and Employee concerning equity-based awards ("Other Agreement"), except that, notwithstanding anything in such Other Agreement to the contrary, any normal retirement age of 65 or other retirement-based vesting provisions in such Other Agreement shall be of no force or effect for purposes of the vesting of these Restricted Stock Units.

11. Governing Law and Venue. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, U.S.A., except to the extent that it implicates matters that are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law notwithstanding any conflicts of laws principles that may be applied or invoked directing the application of the laws of another jurisdiction. Exclusive venue for any action, lawsuit or other proceedings brought to enforce this Agreement, relating to it or arising from it, or dispute resolution proceeding arising hereunder for any claim or dispute, the parties hereby submit to and consent to the sole and exclusive jurisdiction of Houston, Harris County, Texas, notwithstanding any conflicts of laws principles that may direct the jurisdiction of any other court, venue, or forum, including the jurisdiction of Employee's home country.

12. Non-Competition; Non-Solicitation; Non-Disclosure.

(a) Following the date Employee enters into this Agreement, the Company and/or its Subsidiary(ies) shall provide Employee access to Confidential Information (as defined below). Such Confidential Information shall be for use only during Employee's employment with the Company, and as an express incentive for the Company to enter into this Agreement and to grant to Employee the Restricted Stock Units (which grant, Employee acknowledges, shall further align Employee's interests with the long-term business interests of the Company and its Subsidiaries) and provide Employee with Confidential Information, Employee has voluntarily agreed to the covenants set forth in this Paragraph 12. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company's and its Subsidiaries' trade secrets and other Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period (as defined below), Employee shall not, without the prior written approval of the Company, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate within the Market Area (as defined below) in competition with the Company or any of its Subsidiaries in any aspect of the Business (as defined below), which prohibition shall prevent Employee from directly or indirectly: (A) owning, managing, operating, or being an officer or director of, any business that competes with the Company or any of its Subsidiaries in the Market Area, or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with the Company or any of its Subsidiaries in any capacity (with respect to this clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of the Company or any of its Subsidiaries, or involve direct or indirect oversight over such duties or responsibilities;

(ii) appropriate any Business Opportunity of, or relating to, the Company or any of its Subsidiaries located in the Market Area;

(iii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of the Company or any of its Subsidiaries for whom or which Employee had responsibility in the final 12 months prior to the termination of Employee's employment with the Company to cease or lessen such customer's or supplier's business with the Company or any of its Subsidiaries; or

(iv) solicit, canvass, approach, encourage, entice or induce any employee or contractor of the Company or any of its Subsidiaries to terminate his, her or its employment or engagement with the Company or any of its Subsidiaries.

(c) Notwithstanding any other provision of this Agreement:

(i) the covenants set forth in this Paragraph 12 shall not apply to restrict any of Employee's activities within the State of California, including if Employee is a California resident; and

(ii) if prohibited by any applicable law regarding non-competition restrictions in Washington, D.C., the covenants set forth in Paragraphs 12(b)(i) and 12(b)(ii) shall not apply with respect to any activities conducted within (including individuals' performance of work in) Washington, D.C.;

provided, however, for the avoidance of doubt, the foregoing exceptions under this Paragraph 12(c) shall not limit any other obligations that Employee owes to the Company or any of its Subsidiaries under any other agreements or applicable laws, including (without limitation) with respect to the protection of Confidential Information.

(d) If Employee is an attorney at law or licensed lawyer in any jurisdiction, none of the restrictions set forth in this Paragraph 12 shall be interpreted or applied in a manner to prevent or restrict Employee from practicing law, as it is the intent of this Paragraph 12 to create certain limitations on Employee's business activities only, and not to create limitations that would restrict Employee from practicing law. If Employee is an attorney at law or licensed to practice law, Employee acknowledges and agrees that, both during Employee's employment with the Company and thereafter, Employee shall be bound by all ethical and professional obligations (including those with respect to conflicts of interest and confidentiality) that may arise from Employee's provision of legal services to, and acting as legal counsel for, the Company and (as applicable) its Subsidiaries.

(e) Employee agrees, both during and after Employee's employment with the Company, not to use or disclose any Confidential Information other than for the benefit of the Company or its Subsidiaries in the course of Employee's duties for the Company or its applicable Subsidiary. All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, in connection with Employee's employment with the Company or otherwise during the time that Employee is or has been employed or engaged by the Company or any of its Subsidiaries (whether during business hours or otherwise and whether on the Company's or its Subsidiaries' premises or otherwise), that relate to the Companies' or its Subsidiaries' businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, formulas, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or their requirements, research and development information, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**". For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or Employee's agents; (ii) was available to Employee on a non-confidential basis before

its disclosure by the Company or any of its Subsidiaries; or (iii) becomes available to Employee on a non-confidential basis from a source other than the Company or any of its Subsidiaries; *provided*, that such source is not bound by a confidentiality

agreement with, or other obligation with respect to confidentiality to, the Company or any of its Subsidiaries.

(f) Notwithstanding the foregoing Paragraph 12(e), nothing in this Agreement shall prohibit or restrict Employee from lawfully (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority (in each instance regarding a possible violation of any law); (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority; (iii) testifying, participating or otherwise assisting in an action or proceeding by any such governmental authority relating to a possible violation of law or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (x) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; (y) is made to Employee's attorney in relation to a lawsuit for retaliation against Employee for reporting a suspected violation of law or (z) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company or any of its Subsidiaries that Employee has engaged in any such conduct.

(g) Because of the difficulty of measuring economic losses to the Company and its Subsidiaries as a result of a breach or threatened breach of the covenants set forth in this Paragraph 12, and because of the immediate and irreparable damage that would be caused to the Company and its Subsidiaries for which they would have no other adequate remedy, the Company and each of its Subsidiaries shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or its Subsidiaries' exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each of its Subsidiaries at law and equity.

(h) The covenants in this Paragraph 12, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such arbitrator or court deems reasonable, and this Agreement shall thereby be reformed.

(i) The following terms shall have the following meanings:

(i) "Business" shall mean the business and operations that are the same or similar to those performed by the Company and any of its Subsidiaries for which Employee provides services or about which Employee obtains Confidential Information during Employee's employment with the Company.

(ii) "Business Opportunity" shall mean any commercial, investment or other business opportunity relating to the Business.

(iii) "Market Area" shall mean: (i) during that portion of the Prohibited Period that exists during which Employee is employed by the Company, any geographic area or market where Employee provides, or has provided, services to the Company or any of its Subsidiaries; and (ii) during that portion of the Prohibited Period that exists following the date that Employee is no longer employed by the Company, any geographic area or market where Employee provided services to the Company or any of its Subsidiaries as of the date Employee is no longer employed by the Company or during the 12 months prior to such date.

(iv) "Prohibited Period" shall mean the period during which Employee is employed by the Company and continuing for a period of 12 months following the date that Employee is no longer employed by the Company; provided, however, with respect to a termination of employment with the Company on or after the date upon which a Corporate Change occurs, the Prohibited Period shall end on the date of such termination of employment with respect to the obligations under Paragraphs 12(b)(i) and 12(b)(ii).

13. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

14. **Severability.** If one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Agreement to be construed so as to foster the intent of this Agreement and the Plan.

15. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on Employee's participation in the Plan, on the Restricted Stock Units and on any shares of Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

16. **Waiver.** Employee acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or any subsequent breach by Employee or any other Employee.

17. **Section 409A.** Notwithstanding anything in this Agreement to the contrary, if any provision in this Agreement would result in the imposition of an applicable tax under Section 409A of the Code and related regulations and United States Department of the Treasury pronouncements ("Section 409A"), that provision will be reformed to avoid imposition of the applicable tax and no action taken to comply with Section 409A shall be deemed to adversely affect Employee's rights under this Agreement.

[Signatures on the following page.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Employee has executed this Agreement, all as of the date first above written.

KBR, INC.

By:

Name:

Title:

EMPLOYEE:

Date:

12

INTERNATIONAL EMPLOYEE – 3-Year Vesting

RESTRICTED STOCK UNIT AGREEMENT

AGREEMENT by and between KBR, Inc., a Delaware corporation (the "Company"), and _____ ("Employee") made effective as of _____ (the "Grant Date").

1. **Grant of Restricted Stock Units.**

(a) **Units.** Pursuant to the Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended and restated (the "Plan"), units evidencing the right to receive _____ shares of the Company's common stock ("Stock"), are awarded to Employee, subject to the conditions of the Plan and this Agreement (the "Restricted Stock Units").

(b) **Plan Incorporated.** Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Restricted Stock Units shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which is incorporated herein by reference as a part of this Agreement. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2. **Terms of Restricted Stock Units.** Employee hereby accepts the Restricted Stock Units and agrees with respect thereto as follows:

(a) **Forfeiture of Restricted Stock Units.** In the event of termination of Employee's employment with the Company or any employing Subsidiary of the Company for any reason other than (i) death or (ii) disability (disability being defined as being physically or mentally incapable of performing either the Employee's usual duties as an Employee or any other duties as an Employee that the Company or employing Subsidiary reasonably makes available and such condition is likely to remain continuously and permanently, as determined by the Company or employing Subsidiary), or except as otherwise provided in the second and third sentences of subparagraph (c) of this Paragraph 2, or if the Employee breaches any of the covenants set forth in Paragraph 10, Employee shall, for no consideration, forfeit all Restricted Stock Units to the extent they are not fully vested.

(b) Assignment of Award. The Restricted Stock Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of unless transferable by will or the laws of descent and distribution or, if Employee is exclusively subject to the laws of the United States, pursuant to a "qualified domestic relations order" as defined by the U.S. Internal Revenue Code (the "Code").

(c) Vesting Schedule. The Restricted Stock Units shall vest in accordance with the following schedule provided that Employee has been continuously employed by the Company from the date of this Agreement through the applicable vesting date:

Vesting Date	Vested Percentage of Total Number of Restricted Stock Units
1st Anniversary of Grant Date	33 1/3%
2nd Anniversary of Grant Date	66 2/3%
3rd Anniversary of Grant Date	100%

1

INTERNATIONAL EMPLOYEE – 3-Year Vesting

Notwithstanding the foregoing, unless otherwise provided in an Other Agreement pursuant to Paragraph 12, the Restricted Stock Units shall become fully vested on the earliest of (i) the occurrence of Employee's Involuntary Termination or termination for Good Reason within two years following a Corporate Change (as such terms are defined in the Plan) or (ii) the date Employee's employment with the Company is terminated by reason of death or disability (as determined above). In the event Employee's employment is terminated for any other reason, including retirement with the approval of (A) the board of directors of the Company (the "Board"), upon the Committee's recommendation, if Employee is the Company's Chief Executive Officer (the "CEO"), (B) the Committee if Employee is a "senior executive of the Company" (as defined below) or (C) the Company's CEO if Employee is not a senior executive of the Company, then the Board (upon the Committee's recommendation), the Committee, or the CEO, respectively, may, in the Board's, the Committee's, or the CEO's, as applicable, sole discretion, approve the acceleration of the vesting of any or all Restricted Stock Units that have not yet been forfeited and which are still outstanding and subject to restrictions, with such vesting acceleration to be effective on the date of such approval or Employee's termination date, if later. Notwithstanding the foregoing, in no event shall the Restricted Stock Units become fully vested prior to the expiration of one month from the Grant Date. "Senior executive" for purposes of this Agreement shall mean any regular, full-time employee of the Company or an affiliate who (x) is an officer of the Company required to file reports with the Securities and Exchange Commission under Section 16 of the Securities Exchange Act of 1934, (y) is the Chief Accounting Officer of the Company, or (z) is the highest ranking management position (with at least a title of Director or above) with direct oversight over internal audits of the Company.

(d) Stockholder Rights. Employee shall have no rights of a stockholder with respect to shares of Stock subject to this Award unless and until such time as the Award has been settled by the transfer of shares of Stock to Employee, except that Employee shall have the right to receive payments equal to the dividends or distributions declared or paid on a share of Stock at the same time as those dividends or distributions are paid to holders of Stock. Notwithstanding the previous sentence, Employee shall accrue dividends or distributions declared or paid on a share of Stock at the same time as those dividends or distributions are paid to holders of Stock, but shall not have the right to receive such payments or distributions until such shares of Stock underlying the Restricted Stock Units have been settled pursuant to subparagraph (e) of this Paragraph 2. Payment for accrued dividends or distributions shall be made as soon as administratively practicable following the settlement of such shares of Stock, but in no event later than thirty days after the settlement date.

(e) Payment for Vested Restricted Stock Units. Payment for vested Restricted Stock Units shall be made as soon as administratively practicable after vesting, but in no event later than thirty days after the vesting date. Settlement will be made in the form of shares of Stock equal in number to the number of Restricted Stock Units with respect to which payment is being made on the applicable date; provided, however, that payment for a vested Restricted Stock Unit shall be made at the time provided above solely in cash (in lieu of in the form of a share of Stock) in an amount equal to the Fair Market Value as of the vesting date of such Restricted Stock Unit if there are an insufficient number of shares available for delivery under the Plan at the time of such settlement as determined by the Committee or its

delegate in the Committee's or such delegate's sole discretion. Notwithstanding the foregoing, the Company shall not be obligated to deliver any shares of Stock if counsel to the Company determines that such sale or delivery would violate any applicable law or any rule or regulation of any

governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Stock is listed or quoted.

(f) **Recovery of Benefits.** The Company shall seek recovery of any benefits provided hereunder to Employee if such recovery is required by any clawback policy adopted by the Company, which may be amended from time to time, including, but not limited to, any clawback policy adopted to satisfy the minimum clawback requirements adopted under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the regulations thereunder or any other applicable law or securities exchange listing standard. The Company reserves the right, without your consent, to adopt any such clawback policy, including, but not limited to, such clawback policies applicable to this Agreement with retroactive effect.

3. **Responsibility for Taxes.** Employee acknowledges that, regardless of any action taken by the Company, or if different, Employee's employer ("Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Employee's participation in the Plan and legally applicable to Employee ("Tax-Related Items"), is and remains Employee's responsibility and may exceed the amount actually withheld by the Company and/or the Employer. Employee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the subsequent sale of Stock acquired pursuant to such settlement and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. Further, if Employee is subject to Tax-Related Items in more than one jurisdiction, Employee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, Employee agrees to pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Employee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following:

- (a) withholding from Employee's wages or other cash compensation paid to Employee by the Company and/or the Employer; or
- (b) withholding from proceeds of the sale of shares of Stock acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Employee's behalf pursuant to this authorization without further consent); or
- (c) withholding in shares of Stock to be issued upon settlement of the Restricted Stock Units.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case Employee may receive a refund of any over-withheld amount in cash and will have no entitlement to the Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in Stock, for tax purposes, Employee is deemed to have been issued the full number of shares of Stock subject to

the vested Restricted Stock Units, notwithstanding that a number of the shares of Stock are held back solely for the purpose of paying the Tax-Related Items.

Employee agrees to pay to the Company or the Employer, including through withholding from Employee's wages or other cash compensation paid to Employee by the Company and/or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Employee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Stock or the proceeds of the sale of Stock, if Employee fails to comply with Employee's obligations in connection with the Tax-Related Items.

Notwithstanding the preceding provisions of this Paragraph 3, Employee's liability with respect to Tax-Related Items shall be subject to any international tax assignment agreement then in effect between Employee and the Company, the Employer or any of their respective affiliates or any tax policies or procedures applicable to the Employee's home country, and in the event of any conflict between the terms of this Paragraph 3 and the terms of such international tax assignment agreement or such tax policies or procedures, the terms of such international tax assignment agreement or such tax policies or procedures, as applicable, shall control.

4. Employment Relationship. For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company, a Parent Corporation or Subsidiary of the Company, or a corporation or a Parent Corporation or subsidiary of such corporation assuming or substituting a new award for this Award. Without limiting the scope of the preceding sentence, it is expressly provided that Employee shall be considered to have terminated employment with the Company at the time of the termination of the "Subsidiary" status under the Plan of the entity or other organization that employs Employee. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final.

5. Committee's Powers. No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan, including, without limitation, the right to make certain determinations and elections with respect to the Restricted Stock Units.

6. Data Privacy Notice and Consent.

(a) Declaration of Consent. *By accepting the Restricted Stock Units via the Company's acceptance procedure, Employee is declaring that he or she agrees with the data processing practices described herein and consents to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned below, including recipients located in countries which may not have a similar level of protection from the perspective of the data protection laws in Employee's country.*

(b) Data Collection and Usage. *The Company and the Employer may collect, process and use certain personal information about Employee, including, but not limited to, Employee's name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to shares awarded,*

canceled, exercised, vested, unvested or outstanding in Employee's favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is Employee's consent.

(c) Stock Plan Administration Service Providers. *The Company transfers Data, or parts thereof, to Morgan Stanley Smith Barney, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and may share Data with different service providers that serve in a similar manner. Employee acknowledges and understands that the Company's service provider will open an account for Employee to receive and trade shares of Stock acquired under the Plan and that Employee will be asked to agree on separate terms and data processing practices with the service provider, which is a condition of Employee's ability to participate in the Plan.*

(d) International Data Transfers. *The Company and its service provider, are based in the United States. Employee understands that his or her country may have enacted data privacy laws that are different from the laws of the United States. As a result, in the absence of appropriate safeguards such as standard data protection clauses, the processing of Employee's Data in the United States or, as the case may be, other countries might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, Employee might not have enforceable rights regarding the processing of his or her Data in such countries. The Company's legal basis for the transfer of Data is Employee's consent.*

(e) Data Retention. *The Company will hold and use the Data only as long as is necessary to implement, administer and manage Employee's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, labor, securities and exchange control laws.*

(f) Voluntariness and Consequences of Consent Denial or Withdrawal. *Participation in the Plan is voluntary and Employee is providing the consents herein on a purely voluntary basis. Employee understands that he or she may withdraw consent at any time with future effect for any or no reason. If Employee does not consent, or if Employee later seeks to revoke his or her consent, Employee's salary from or employment and career with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to offer Restricted Stock Units to Employee or administer or maintain Employee's participation in the Plan.*

(g) Data Subject Rights. *Employee understands that data subject rights vary depending on the applicable law and that, depending on where Employee is based and subject to the conditions set out in the applicable law, Employee may have, without limitation, the rights to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in Employee's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Employee understands that he or she can contact Employee's local human resources representative.*

By clicking the "Accept" or similar button implemented into the relevant web page or platform, Employee declares, without limitation, his or her consent to the data processing operations described in this Agreement. Employee understands and acknowledges that he or she may withdraw consent at any time with future effect for any or no reason as described in sub-section (f) above.

7. **Nature of Grant.** By accepting the grant of the Restricted Stock Units, the Employee acknowledges, understands and agrees that:

(a) *the Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;*

(b) the grant of Restricted Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of Restricted Stock Units, or benefits in lieu of Restricted Stock Units even if Restricted Stock Units have been awarded in the past;

(c) all decisions with respect to future Restricted Stock Units or other grants, if any, will be at the sole discretion of the Company;

(d) the grant of Restricted Stock Units and Employee's participation in the Plan will not create a right to employment or be interpreted as forming an employment or service contract with the Company, the Employer or any Subsidiary of the Company and shall not interfere with the ability of the Employer to terminate Employee's employment or service relationship (if any);

(e) Employee's participation in the Plan is voluntary;

(f) the Restricted Stock Units and the Stock underlying the Restricted Stock Units, and the income and value of the same, are not intended to replace any pension rights or compensation;

(g) the Restricted Stock Units and the Stock underlying the Restricted Stock Units, and the income and value of the same, are not part of normal or expected compensation or salary for any purpose, including but not limited to, calculation of any severance, resignation, termination, redundancy or end-of-service payments, holiday-pay, bonuses, long-service awards, leave-related payments, pension or retirement benefits, or similar mandatory payments;

(h) the future value of the Stock is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages shall arise from forfeiture of Restricted Stock Units or the recoupment of any shares of Stock or other benefits or payments acquired under the Plan resulting from (i) Employee ceasing to provide employment or other services to the Company or the Employer (for any reason whatsoever, and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any) and/or (ii) the application of any recoupment or clawback policy or provision described in this Agreement (or otherwise required by the Company) or any recovery or clawback otherwise required by law;

(j) in the event of termination of Employee's employment or other services (for any reason whatsoever, whether or not later found to be invalid, or in breach of employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any), unless otherwise provided in this Agreement or determined by the Company, Employee's right to vest in the Restricted Stock Units under the Plan, if any, will terminate effective as of the date that Employee is no longer actively providing services and will not be extended by any notice period (e.g., active services would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any); the Committee shall have the exclusive discretion to determine when Employee is no longer actively providing services for purposes of the Award (including whether Employee may still be considered to be providing services while on an approved leave of absence);

(k) unless otherwise provided in the Plan or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company;

(l) unless otherwise agreed with the Company, the Restricted Stock Units and the Stock underlying the Restricted Stock Units, and the income and value of the same, are not granted as consideration for, or in connection with, services Employee may provide as a director of a Subsidiary; and

(m) neither the Company, the Employer nor any Subsidiary of the Company shall be liable for any foreign exchange rate fluctuation between Employee's local currency and the United States Dollar that may affect the value of the Restricted Stock Units or of any amounts due to Employee pursuant to the settlement of the Restricted Stock Units or the subsequent sale of any shares of Stock acquired upon settlement.

8. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Employee's participation in the Plan, or Employee's acquisition or sale of the underlying shares of Stock. Employee should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

9. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

10. **Non-Competition; Non-Solicitation; Non-Disclosure.**

(a) Following the date Employee enters into this Agreement, the Company and/or its Subsidiary(ies) shall provide Employee access to Confidential Information (as defined below). Such Confidential Information shall be for use only during Employee's employment with the Company, and as an express incentive for the Company to enter into this Agreement and to grant to Employee the Restricted Stock Units (which grant, Employee acknowledges, shall further align Employee's interests with the long-term business interests of the Company and its Subsidiaries) and provide Employee with Confidential Information, Employee has voluntarily agreed to the covenants set forth in this Paragraph 10. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal

7

INTERNATIONAL EMPLOYEE – 3-Year Vesting

restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company's and its Subsidiaries' trade secrets and other Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period (as defined below), Employee shall not, without the prior written approval of the Company, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate within the Market Area (as defined below) in competition with the Company or any of its Subsidiaries in any aspect of the Business (as defined below), which prohibition shall prevent Employee from directly or indirectly: (A) owning, managing, operating, or being an officer or director of, any business that competes with the Company or any of its Subsidiaries in the Market Area, or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with the Company or any of its Subsidiaries in any capacity (with respect to this clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of the Company or any of its Subsidiaries, or involve direct or indirect oversight over such duties or responsibilities;

(ii) appropriate any Business Opportunity of, or relating to, the Company or any of its Subsidiaries located in the Market Area;

(iii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of the Company or any of its Subsidiaries for whom or which Employee had responsibility in the final 12 months prior to the termination of Employee's employment with the Company to cease or lessen such customer's or supplier's business with the Company or any of its Subsidiaries; or

(iv) solicit, canvass, approach, encourage, entice or induce any employee or contractor of the Company or any of its Subsidiaries to terminate his, her or its employment or engagement with the Company or any of its Subsidiaries.

(c) Notwithstanding any other provision of this Agreement:

(i) the covenants set forth in this Paragraph 10 shall not apply to restrict any of Employee's activities within the State of California, including if Employee is a California resident; and

(ii) if prohibited by any applicable law regarding non-competition restrictions in Washington, D.C., the covenants set forth in Paragraphs 10(b)(i) and 10(b)(ii) shall not apply with respect to any activities conducted within (including individuals' performance of work in) Washington, D.C.;

provided, however, for the avoidance of doubt, the foregoing exceptions under this Paragraph 10(c) shall not limit any other obligations that Employee owes to the Company or any of its Subsidiaries under any other agreements or applicable laws, including (without limitation) with respect to the protection of Confidential Information.

(d) If Employee is an attorney at law or licensed lawyer in any jurisdiction, none of the restrictions set forth in this Paragraph 10 shall be interpreted or applied in a manner to prevent or restrict Employee from practicing law, as it is the intent of this Paragraph 10 to create certain limitations on Employee's business activities only, and not to create limitations that would restrict Employee from practicing law. If Employee is an attorney at law or licensed to practice law, Employee acknowledges and agrees that, both during Employee's employment with the Company and thereafter, Employee shall be bound by all ethical and professional obligations (including those with respect to conflicts of interest and confidentiality) that may arise from Employee's provision of legal services to, and acting as legal counsel for, the Company and (as applicable) its Subsidiaries.

(e) Employee agrees, both during and after Employee's employment with the Company, not to use or disclose any Confidential Information other than for the benefit of the Company or its Subsidiaries in the course of Employee's duties for the Company or its applicable Subsidiary. All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, in connection with Employee's employment with the Company or otherwise during the time that Employee is or has been employed or engaged by the Company or any of its Subsidiaries (whether during business hours or otherwise and whether on the Company's or its Subsidiaries' premises or otherwise), that relate to the Companies' or its Subsidiaries' businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, formulas, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or their requirements, research and development information, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**". For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by the Company or any of its Subsidiaries; or (iii) becomes available to Employee on a non-confidential basis from a source other than the Company or any of its Subsidiaries; *provided, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, the Company or any of its Subsidiaries.*

(f) Notwithstanding the foregoing Paragraph 10(e), nothing in this Agreement shall prohibit or restrict Employee from lawfully (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority (in each instance regarding a possible violation of any law); (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority; (iii) testifying, participating or otherwise assisting in an action or proceeding by any such governmental authority relating to a possible violation of law or (iv) making any

other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (x) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law;

(y) is made to Employee's attorney in relation to a lawsuit for retaliation against Employee for reporting a suspected violation of law or (z) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company or any of its Subsidiaries that Employee have engaged in any such conduct.

(g) Because of the difficulty of measuring economic losses to the Company and its Subsidiaries as a result of a breach or threatened breach of the covenants set forth in this Paragraph 10, and because of the immediate and irreparable damage that would be caused to the Company and its Subsidiaries for which they would have no other adequate remedy, the Company and each of its Subsidiaries shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or its Subsidiaries' exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each of its Subsidiaries at law and equity.

(h) The covenants in this Paragraph 10, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such arbitrator or court deems reasonable, and this Agreement shall thereby be reformed.

(i) The following terms shall have the following meanings:

(i) "Business" shall mean the business and operations that are the same or similar to those performed by the Company and any of its Subsidiaries for which Employee provides services or about which Employee obtains Confidential Information during Employee's employment with the Company.

(ii) "Business Opportunity" shall mean any commercial, investment or other business opportunity relating to the Business.

(iii) "Market Area" shall mean: (i) during that portion of the Prohibited Period that exists during which Employee is employed by the Company, any geographic area or market where Employee provides, or has provided, services to the Company or any of its Subsidiaries; and (ii) during that portion of the Prohibited Period that exists following the date that Employee is no longer employed by the Company, any geographic area or market where Employee provided services to the Company or any of its Subsidiaries as of the date Employee is no longer employed by the Company or during the 12 months prior to such date.

(iv) "Prohibited Period" shall mean the period during which Employee is employed by the Company and continuing for a period of 12 months following the date that Employee is no longer employed by the Company; provided, however, with respect to a termination of employment with the Company on or after the date upon which a Corporate Change occurs, the

Prohibited Period shall end on the date of such termination of employment with respect to the obligations under Paragraphs 10(b)(i) and 10(b)(ii).

11. **Compliance with Law.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Stock, the Company shall not be required to deliver any shares issuable upon settlement of the Restricted Stock Units prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Employee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. Further, Employee agrees that the Company shall have unilateral authority to amend the Plan and the Agreement without Employee's consent to the extent necessary to comply with securities or other laws applicable to issuance of shares.

12. **Other Agreements.** The terms of this Agreement shall be subject to, and shall not modify, the terms and conditions of any employment, severance, and/or change-in-control agreement between the Company (or a Subsidiary) and Employee concerning equity-based awards ("Other Agreement"), except that, notwithstanding anything in such Other Agreement to the contrary, any normal retirement age of 65 or other retirement-based vesting provisions in such Other Agreement shall be of no force or effect for purposes of the vesting of these Restricted Stock Units.

13. **Governing Law and Venue.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, U.S.A., except to the extent that it implicates matters that are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law notwithstanding any conflicts of laws principles that may be applied or invoked directing the application of the laws of another jurisdiction. Exclusive venue for any action, lawsuit or other proceedings brought to enforce this Agreement, relating to it or arising from it, or dispute resolution proceeding arising hereunder for any claim or dispute, the parties hereby submit to and consent to the sole and exclusive jurisdiction of Houston, Harris County, Texas, notwithstanding any conflicts of laws principles that may direct the jurisdiction of any other court, venue, or forum, including the jurisdiction of Employee's home country.

14. **Language.** Employee acknowledges and represents that he or she is proficient in the English language or has consulted with an advisor who is sufficiently proficient in English, as to allow Employee to understand the terms of this Agreement and any other documents related to the Plan. If Employee has received this Agreement or any other document related to the Plan translated into a language other than English and if the translated version is different from the English version, the English version will control.

15. **Insider Trading/Market Abuse Laws.** Employee acknowledges that, depending on Employee's country of residence or the country of residence of Employee's broker, Employee may be subject to insider trading restrictions and/or market abuse laws, which may affect Employee's ability to accept, acquire, sell or otherwise dispose of shares of Stock, rights to shares of Stock (e.g., Restricted Stock Units) or rights linked to the value of shares of Stock during such times as Employee is considered to have "inside information" regarding the Company, as defined by the laws or regulations in Employee's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders placed by Employee.

before Employee possessed inside information. Furthermore, Employee could be prohibited from (i) disclosing inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Keep in mind third

parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Employee acknowledges that it is his or her responsibility to be informed of and compliant with such regulations, and Employee should speak to his or her personal advisor on this matter.

16. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

17. **Severability.** If one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Agreement to be construed so as to foster the intent of this Agreement and the Plan.

18. **Section 409A.** Notwithstanding anything in this Agreement to the contrary, if any provision in this Agreement would result in the imposition of an applicable tax under Section 409A of the Code and related regulations and United States Department of the Treasury pronouncements ("Section 409A"), that provision will be reformed to avoid imposition of the applicable tax and no action taken to comply with Section 409A shall be deemed to adversely affect Employee's rights under this Agreement.

19. **Addendum.** Notwithstanding any provision in this Agreement or the Plan to the contrary, the Restricted Stock Units shall be subject to the special terms and provisions set forth in the Addendum to this Agreement for Employee's country. Moreover, if Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to Employee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Addendum constitutes part of this Agreement.

20. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on Employee's participation in the Plan, on the Restricted Stock Units and on any shares of Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

21. **Waiver.** Employee acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or any subsequent breach by Employee or any other Employee.

22. **Foreign Asset/Account Reporting, Exchange Control Requirements.** Certain foreign asset and/or foreign account reporting requirements and exchange controls may affect Employee's ability to acquire or hold shares of Stock under the Plan or cash received from participating in the Plan in a brokerage or bank account outside Employee's country. Employee may be required to report such accounts, assets or transactions to the tax or other authorities in

Employee's country. Employee may also be required to repatriate sale proceeds or other funds received as a result of Employee's participation in the Plan to Employee's country through a designated bank or broker and/or within a certain time after receipt. Employee is responsible for complying with any applicable regulations and should consult his or her personal legal and tax advisors for any details.

[Signatures on the following page.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Employee has executed this Agreement, all as of the date first above written.

KBR, INC.

By:

Name:

Title:

EMPLOYEE:

Date:

Addendum
KBR, INC.

Terms and Conditions of Restricted Stock Unit Grant

**SPECIAL PROVISIONS OF RESTRICTED STOCK UNITS
IN CERTAIN COUNTRIES**

This Addendum includes special country-specific terms that apply to residents in countries listed below. This Addendum is part of the Agreement. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Agreement.

This Addendum also includes information regarding exchange controls and certain other issues of which Employee should be aware with respect to Employee's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of February 2024. Such laws are often complex, change frequently, certain individual exchange control reporting requirements may apply upon vesting of Restricted Stock Units and/or sale of Stock and results may be different based on the particular facts and circumstances. As a result, the Company strongly recommends that Employee does not rely on the information noted herein as the only source of information relating to the consequences of Employee's participation in the Plan because the information may be out of date at the time Employee's Restricted Stock Units vest or Employee sells shares of Stock acquired under the Plan.

In addition, the information is general in nature and may not apply to Employee's particular situation, and the Company is not in a position to assure Employee of any particular result. Accordingly, Employee should seek appropriate professional advice as to how the relevant laws in Employee's country may apply to Employee's situation.

If Employee is a citizen or resident of a country other than the country in which Employee is working, or if Employee transfers employment after the Restricted Stock Units are granted to Employee, the information contained in this Addendum for the country Employee works in at the time of

grant may not be applicable to Employee and the Company, in its discretion, may determine to what extent the terms and conditions contained herein shall be applicable to Employee. If Employee transfers residency and/or employment to another country or is considered a resident of another country listed in the Addendum after the Restricted Stock Units are granted to Employee, the terms and/or information contained for that new country (rather than the original grant country) may be applicable to Employee.

A-1

INTERNATIONAL EMPLOYEE (ADDENDUM)

AUSTRALIA
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information. This offer is being made under Division 1A, Part 7.12 of the Australia Corporations Act 2001 (Cth).

Tax Information.

The Plan is a plan to which subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

Exchange Control Information.

Exchange control reporting is required for cash transactions exceeding AUD10,000 and for international fund transfers. The Australian bank assisting with the transaction will file the report for Employee. If there is no Australian bank involved in the transfer, Employee will have to file the report.

A-2

INTERNATIONAL EMPLOYEE (ADDENDUM)

AZERBAIJAN
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Payment for Vested Restricted Stock Units.

The following provision replaces Paragraph 2(e) of the Agreement:

Notwithstanding anything in the Agreement, the Restricted Stock Units do not provide Employee with any right to receive shares of Stock. Upon vesting, the Restricted Stock Units shall be settled and paid only in cash through local payroll in an amount equal to the Fair Market Value of the shares of Stock as of the vesting date less any Tax-Related Items. Such payment shall be made as soon as administratively practicable after vesting, but in no event later than thirty days after the vesting date. Further, Employee agrees to bear any currency fluctuation risk between the time the Restricted Stock Units vest and the time the cash payment is distributed to Employee.

Securities Law Information.

Employee understands that the Agreement, the Plan and all other materials Employee may receive regarding Employee's participation in the Plan do not constitute advertising or offering of securities in Azerbaijan. The offering of the Restricted Stock Units pursuant to the Plan has not been and will not be registered in Azerbaijan.

BAHRAIN**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Securities Law Information.**

The Agreement, the Plan and all other materials Employee may receive regarding participation in the Plan do not constitute advertising or the offering of securities in Bahrain, nor do they constitute an allotment of securities in Bahrain. Any Stock issued upon settlement of the Restricted Stock Units will be deposited into a Company-designated brokerage account outside Bahrain. In no event will Stock be issued or delivered in Bahrain. The issuance of Stock pursuant to the Restricted Stock Units described herein has not and will not be registered in Bahrain and, hence, the Stock described herein may not be admitted or used for offering, placement or public circulation in Bahrain. Accordingly, Employee may not make any public advertising or announcements regarding the Restricted Stock Units or Stock in Bahrain, promote Stock to legal entities or individuals in Bahrain, or sell Stock directly to other legal entities or individuals in Bahrain. Any disposition or sale of Stock must take place outside Bahrain.

BRITISH INDIAN OCEAN TERRITORY**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN**

There are no country-specific provisions.

CANADA**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Restricted Stock Units Payable Only in Stock.**

The following provision supplements Paragraph 2(e) of the Agreement:

Notwithstanding any discretion in the Plan or anything to the contrary in the Agreement, the award of Restricted Stock Units does not provide any right for Employee to receive a cash payment and shall be paid in shares of Stock only.

Foreign Account/Asset Tax Reporting Information.

Employee may be required to report his or her specified foreign property on Form T1135 (Foreign Income Verification Statement) if the total cost of his or her specified foreign property exceeds C\$100,000 at any time in the year. Foreign specified property includes cash, any shares of Stock issued to Employee upon vesting and settlement of the Award as well as the Restricted Stock Units. Restricted Stock Units must be reported - generally at a nil cost - if the C\$100,000 cost threshold is exceeded because of other foreign property that Employee holds. If shares of Stock are acquired, their cost generally is the adjusted cost base ("ACB"). The ACB would normally equal the fair market value of the shares of Stock issued to Employee upon vesting and settlement of the Award, but if Employee owns other shares, this ACB may have to be averaged with the ACB of the other shares. The Form T1135 is required for every year during which foreign specified property exceeds C\$100,000 and must be filed with Employee's annual tax return.

Termination of Employment.

The following provision supplements Paragraph 7(j) of the Agreement and supplements the balance of the Agreement:

For purposes of this Award, in the event of Employee's termination of employment for any reason (regardless of the reason for such termination and whether or not the termination is later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where Employee is providing services or the terms of Employee's employment agreement, if any), unless otherwise provided in this Agreement or the Plan, Employee's right to vest in the Restricted Stock Units, if any, will terminate effective as of the date that is the earliest of (1) the date Employee is no longer actually providing services to the Company or any of its Subsidiaries; or (2) the date Employee receives (or provides) written notice of termination of employment. Subject to the below, on and after such date, Employee will no longer be considered to be an "employee" or "employed" for the purposes of this Agreement. Unless explicitly required by applicable legislation, such date will exclude and will not be extended by any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, contract, common/civil law or otherwise. Furthermore, Employee will not earn, or be entitled to earn, any pro-rated vesting for that portion of time before the date on which Employee's right to vest terminates, nor will Employee be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, Employee's right to vest in the Restricted Stock Units, if any, will terminate effective as of the last day of Employee's minimum statutory notice period, but Employee will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of Employee's statutory notice period, nor will Employee be entitled to any compensation for lost vesting.

A-6

INTERNATIONAL EMPLOYEE (ADDENDUM)

Securities Law Information.

Employee is permitted to sell shares of Stock acquired under the Plan through the designated broker appointed under the Plan, if any, provided that the sale of such shares takes place outside Canada through the facilities of a stock exchange on which the shares of Stock are listed (i.e., the New York Stock Exchange).

The following provisions shall apply if Employee is a resident of Ontario:

Post-Employment Non-Competition - Ontario

If Employee is employed in the Province of Ontario and Employee is not an Executive within the meaning of Section 67.2(4) of the *Employment Standards Act, 2000*, the covenant in Paragraph 10(b)(i) shall not apply to Employee.

The following provisions shall apply if Employee is a resident of Quebec:

Data Privacy.

This provision supplements Paragraph 6 of the Agreement:

Employee hereby authorizes the Company and representatives of any Subsidiary to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. Employee further authorizes the Company and any Subsidiary and the administrators of the Plan to disclose and discuss the Plan with their advisors. Employee further authorizes the Company and any Subsidiary to record such information and to keep such information in Employee's file.

French Language Documents (Documents en Langue Française).

A French translation of this document and the Plan will be made available to Employee as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless Employee indicates otherwise, the French translation of this document and the Plan will govern Employee's participation in the Plan.

Une traduction française de ce document et du Plan sera mise à la disposition de l'Employé dès que raisonnablement possible. Nonobstant toute disposition contraire de l'Entente, et sauf indication contraire de l'Employé, la traduction française de ce document et du Plan régiront la participation de l'Employé au Plan.

A-7

INTERNATIONAL EMPLOYEE (ADDENDUM)

CHINA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Payment for Vested Restricted Stock Units.

The following provision replaces Paragraph 2(e) of the Agreement:

Notwithstanding anything in the Agreement, the Restricted Stock Units do not provide Employee with any right to receive shares of Stock. Upon vesting, the Restricted Stock Units shall be settled and paid only in cash through local payroll in an amount equal to the Fair Market Value of the shares of Stock as of the vesting date less any Tax-Related Items. Such payment shall be made as soon as administratively practicable after vesting, but in no event later than thirty days after the vesting date. Further, Employee agrees to bear any currency fluctuation risk between the time the Restricted Stock Units vest and the time the cash payment is distributed to Employee.

A-8

INTERNATIONAL EMPLOYEE (ADDENDUM)

DJIBOUTI

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

A-9

FINLAND**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN**

There are no country-specific provisions.

A-10

INTERNATIONAL EMPLOYEE (ADDENDUM)

GERMANY**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Exchange Control Information.**

Cross-border payments in excess of €12,500, must be reported monthly to the German Federal Bank. If Employee makes or receives a payment in excess of this amount (including if Employee acquires shares of Stock with a value in excess of this amount or sell Stock via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells shares of Stock with a value in excess of this amount to cover Tax-Related Items, Employee must report the payment and/or the value of the shares of Stock withheld or sold to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("Allgemeines Meldeportal Statistik") available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

A-11

INTERNATIONAL EMPLOYEE (ADDENDUM)

INDIA**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Exchange Control Information.**

Employee must repatriate the proceeds from the sale of shares of Stock and any cash dividends paid on such Stock within the period of time required under applicable regulations. Employee will receive a foreign inward remittance certificate ("FIRC") from the bank where Employee deposits the foreign currency. Employee should maintain the FIRC received from the bank as evidence of the repatriation of the funds in the event that the Reserve Bank of India or the Employer requests proof of repatriation. Employee agrees to provide any information that may be required by the Company or the Employer to make any applicable filings under exchange control laws in India. It is Employee's responsibility to comply with applicable exchange control laws in India.

Foreign Account/Asset Tax Reporting Information.

Employee is required to declare in his or her annual tax return (a) any foreign assets held by him or her or (b) any foreign bank accounts for which he or she has signing authority. *Indian residents are responsible for complying with applicable exchange control and reporting laws in India and should consult with a personal advisor in this regard.*

A-12

INTERNATIONAL EMPLOYEE (ADDENDUM)

INDONESIA
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Language Consent and Information (Persetujuan dan Pemberitahuan Bahasa).

By accepting the grant of Restricted Stock Units, Employee (i) confirms having read and understood the documents relating to this grant (i.e., the Plan and the Agreement (including the Addendum)) which were provided in the English language, (ii) accepts the terms of those documents accordingly, and (iii) agrees not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Dengan menerima pemberian Unit Saham Terbatas ini, Peserta (i) memberikan konfirmasi bahwa dirinya telah membaca dan memahami dokumen-dokumen berkaitan dengan pemberian ini (yaitu, Program dan Perjanjian) yang disediakan dalam Bahasa Inggris, (ii) menerima persyaratan di dalam dokumen-dokumen tersebut, dan (iii) setuju untuk tidak mengajukan keberatan atas keberlakuan dari dokumen ini berdasarkan Undang-Undang No. 24 Tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan ataupun Peraturan Presiden sebagai pelaksanaannya (ketika diterbitkan).

Exchange Control Information.

For foreign currency transactions exceeding a certain threshold (currently, US\$25,000), the document(s) underlying that transaction will have to be submitted to the relevant local bank. If Indonesian residents repatriate funds (e.g., proceeds from the sale of shares of Stock acquired under the Plan) into Indonesia, the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia. For transactions of a certain threshold (currently, US\$10,000) or more (or its equivalent in other currency), a more detailed description of the transaction must be included in the report and Indonesian residents may be required to provide information about the transaction to the bank in order to complete the transaction.

In addition, if there is a change of position (i.e., sale of shares of Stock) in any foreign assets Employee holds (including shares of Stock acquired under the Plan), Indonesian residents must report this change to the Bank of Indonesia no later than the 15th day of the month following the change in position.

Foreign Account/Asset Tax Reporting Information.

Indonesian residents must report worldwide assets (including foreign accounts and shares of Stock acquired under the Plan) in their annual individual income tax return.

A-13

INTERNATIONAL EMPLOYEE (ADDENDUM)

IRAQ**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN**

There are no country-specific provisions.

A-14

INTERNATIONAL EMPLOYEE (ADDENDUM)

JAPAN**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Foreign Account/Asset Tax Reporting Information.**

Employee is required to report details of any assets held outside Japan as of December 31 (including shares of Stock acquired under the Plan), to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report will be due by March 15 each year. You should consult with your personal advisor(s) regarding any personal foreign asset/foreign account tax obligations you may have in connection with your participation in the Plan.

A-15

INTERNATIONAL EMPLOYEE (ADDENDUM)

KUWAIT**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Securities Law Information.**

The Plan does not constitute the marketing or offering of securities in Kuwait pursuant to Law No. 7 of 2010, as amended (establishing the Capital Markets Authority) and its implementing regulations. The grant of Restricted Stock Units under the Plan are made only to qualified Employees of the Company and its Subsidiaries.

A-16

INTERNATIONAL EMPLOYEE (ADDENDUM)

MEXICO**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN**

Acknowledgement of the Agreement.

In accepting the award of Restricted Stock Units, Employee acknowledges that Employee has received a copy of the Plan, has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement. Employee further acknowledges that Employee has read and specifically and expressly approves the terms and conditions of Paragraph 7 of the Agreement, in which the following is clearly described and established:

- (1) Employee's participation in the Plan does not constitute an acquired right.
- (2) The Plan and Employee's participation in the Plan are offered by the Company on a wholly discretionary basis.
- (3) Employee's participation in the Plan is voluntary.
- (4) The Company and its Subsidiaries are not responsible for any decrease in the value of the underlying shares of Stock.

Labor Law Acknowledgement and Policy Statement.

In accepting the award of Restricted Stock Units, Employee expressly recognizes that KBR, Inc., with registered offices at 601 Jefferson Street, Suite 3400, Houston, Texas 77002, U.S.A., is solely responsible for the administration of the Plan and that Employee's participation in the Plan and acquisition of shares of Stock does not constitute an employment relationship between Employee and KBR, Inc. since Employee is participating in the Plan on a wholly commercial basis and Employee's sole employer is a Subsidiary of the Company in Mexico ("KBR-Mexico"), not KBR, Inc. in the U.S. Based on the foregoing, Employee expressly recognizes that the Plan and the benefits that Employee may derive from participation in the Plan do not establish any rights between Employee and Employee's employer, KBR-Mexico, and do not form part of the employment conditions and/or benefits provided by KBR-Mexico and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of Employee's employment.

Employee further understands that Employee's participation in the Plan is as a result of a unilateral and discretionary decision of KBR, Inc.; therefore, KBR, Inc. reserves the absolute right to amend and/or discontinue Employee's participation at any time without any liability to Employee.

Finally, Employee hereby declares that he or she does not reserve to Employee any action or right to bring any claim against KBR, Inc. for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and Employee therefore grants a full and broad release to KBR, Inc., its Subsidiary, branches, representation offices, its shareholders, officers, agents or legal representatives with respect to any claim that may arise.

Reconocimiento del Convenio.

Aceptando este Premio(Award),¹ el Participante (Employee) reconoce que ha recibido una copia del Plan, que lo ha revisado como así también el Convenio en su totalidad, y comprende y está de acuerdo con:

¹ El término "Premio" se refiere a la palabra "Restricted Stock Units."

on todas las disposiciones tanto del Plan como del Convenio. Asimismo, el Participante reconoce que ha leído y específicamente y expresamente manifiesta la conformidad del Participante con los términos y condiciones establecidos en la cláusula 7 de dicho Convenio, en el cual se establece claramente que:

- (1) La participación del Participante en el Plan de ninguna manera constituye un derecho adquirido.
- (2) Que el Plan y la participación del Participante en el mismo es una oferta por parte de KBR, Inc. de forma completamente discrecional.
- (3) Que la participación del Participante en el Plan es voluntaria.

(4) Que KBR, Inc. y sus Entidades Relacionadas no son responsables por cualquier pérdida en el valor de el Premio y/o Acciones otorgadas mediante el Plan.

Reconocimiento de Ausencia de Relación Laboral y Declaración de la Política.

Aceptando este Premio, el Participante reconoce que KBR, Inc. y sus oficinas registradas en 601 Jefferson Street, Suite 3400, Houston, Texas 77002, U.S.A., es el único responsable de la administración del Plan y que la participación del Participante en el mismo y la adquisición de Acciones no constituye de ninguna manera una relación laboral entre el Participante y KBR, Inc., toda vez que la participación del Participante en el Plan deriva únicamente de una relación comercial con KBR, Inc., reconociendo expresamente que el único empleador del Participante es la Subsidiaria de la Compañía en México ("KBR-México"), no es KBR, Inc. en los Estados Unidos. Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar del mismo no establecen ningún derecho entre el Participante y su empleador, KBR-Méjico, y no forman parte de las condiciones laborales y/o prestaciones otorgadas por KBR-Méjico, y expresamente el Participante reconoce que cualquier modificación al Plan o la terminación del mismo de manera alguna podrá ser interpretada como una modificación de los condiciones de trabajo del Participante.

Asimismo, el Participante entiende que su participación en el Plan es resultado de la decisión unilateral y discrecional de KBR, Inc., por lo tanto, KBR, Inc. se reserva el derecho absoluto para modificar y/o terminar la participación del Participante en cualquier momento, sin ninguna responsabilidad para el Participante.

Finalmente, el Participante manifiesta que no se reserva ninguna acción o derecho que origine una demanda en contra de KBR, Inc., por cualquier compensación o daño en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el Participante otorga un amplio y total finiquito a KBR, Inc., sus Entidades Relacionadas, afiliadas, sucursales, oficinas de representación, sus accionistas, directores, agentes y representantes legales con respecto a cualquier demanda que pudiera surgir.

Securities Law Information.

The Restricted Stock Units granted, and any shares of Stock acquired, under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, Agreement and any other document relating to the Restricted Stock Units may not be publicly distributed in Mexico. These materials are addressed to Employee because of his or her existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities, but rather a private placement of securities addressed specifically to individuals

A-18

INTERNATIONAL EMPLOYEE (ADDENDUM)

who are present service providers made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

A-19

INTERNATIONAL EMPLOYEE (ADDENDUM)

POLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

If Employee holds foreign securities (including shares of Stock) and maintains accounts abroad, Employee may be required to file certain reports with the National Bank of Poland. Specifically, if the value of securities and cash held in such foreign accounts exceeds PLN 7 million, Employee must file reports on the transactions and balances of the accounts on a quarterly basis. Further, any fund transfers in excess of €15,000 (or PLN 15,000 if such transfer of funds is connected with business activity of an entrepreneur) into or out of Poland must be effected through a bank in Poland. Polish residents are required to store all documents related to foreign exchange transactions for a period of five years.

A-20

INTERNATIONAL EMPLOYEE (ADDENDUM)

QATAR

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

A-21

INTERNATIONAL EMPLOYEE (ADDENDUM)

ROMANIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Language Consent.

By accepting the grant of Restricted Stock Units, Employee acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the documents related to the grant (the Agreement and the Plan), which were provided in the English language. Employee accept the terms of those documents accordingly.

Consimtăm ca să luăm în considerare limba engleză.

Prin acceptarea acordării de Restricted Stock Units, Employee confirma că acesta sau aceasta are un nivel adecvat de cunoaștere în ce privește citirea și înțelegerea limbii engleze, a citit și confirmă că a înțeles pe deplin termenii documentelor referitoare la acordarea (Acordul și Planul), care au fost furnizate în limba engleză. Employee acceptă termenii acestor documente în consecință.

Exchange Control Information.

If Employee remits foreign currency into Romania (e.g., proceeds from the sale of shares of Stock), Employee may be required to provide the Romanian bank through which the foreign currency is transferred with appropriate documentation explaining the source of the funds.

A-22

SAUDI ARABIA
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. *If Employee does not understand the contents of this document, Employee should consult his or her own advisor or an authorized financial advisor.*

A-23

SINGAPORE
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The grant of Restricted Stock Units is being made in reliance of section 273(1)(i) of the Securities and Futures Act 2001 ("SFA") for which it is exempt from the prospectus and registration requirements under the SFA and is not made to Employee with a view of the Restricted Stock Units being subsequently offered to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. Employee should note that the Restricted Stock Units are subject to section 257 of the SFA and Employee will not be able to make (i) any subsequent sale of the shares of Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Stock subject to the Restricted Stock Units in Singapore, unless such sale or offer is made (a) more than six months after the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or pursuant to, and in accordance with the condition of, any other applicable provisions of the SFA.

Director Notification Information.

If Employee is a director of a Singapore Subsidiary, Employee must notify the Singapore Subsidiary in writing within two business days of Employee receiving or disposing of an interest (e.g., Restricted Stock Units, shares of Stock, etc.) in the Company or any Subsidiary or within two business days of Employee becoming a director if such an interest exists at the time. This notification requirement also applies to an associate director of the Singapore Subsidiary and to a shadow director of the Singapore Subsidiary (i.e., an individual who is not on the board of directors of the Singapore Subsidiary but who has sufficient control so that the board of directors of the Singapore Subsidiary acts in accordance with the "directions and instructions" of the individual).

A-24

SOUTH KOREA
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

Employee must declare all of his or her foreign financial accounts (i.e., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report with respect to such accounts if the value of such accounts exceeds a certain threshold (currently, KRW 500 million (or an equivalent amount in foreign currency)) on any month-end date during the year.

Domestic Broker Requirement.

Korean residents currently are not permitted to sell foreign securities (including shares of Stock) through non-Korean brokers (such as Morgan Stanley) or deposit funds resulting from the sale of shares of Stock in an account with an overseas financial institution. If Employee wishes to sell shares of Stock acquired under the Plan, Employee may be required to transfer the shares of Stock to a domestic investment broker in Korea and to effect the sale through such broker. Employee is solely responsible for engaging the domestic broker in Korea. However, on December 29, 2023, the Financial Services Commission issued an advance notice of legislative action which may allow Korean residents to dispose of overseas-listed securities without using Korean licensed brokers as early as March 2024. *Employee should consult a personal legal advisor to ensure compliance with applicable requirements.*

A-25

INTERNATIONAL EMPLOYEE (ADDENDUM)

SPAIN
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Nature of Grant.

This provision supplements Section 7 of the Agreement.

In accepting the Restricted Stock Units, Employee consents to participate in the Plan and acknowledges that Employee has received a copy of the Plan and the Agreement.

Employee understands and agrees that, as a condition of the grant of the Restricted Stock Units, termination of Employee's employment or other services for any reason (including the reasons listed below) will automatically result in the loss of the Restricted Stock Units that may have been granted to Employee and that have not vested as of the date that Employee is no longer actively employed, as described in Section 7 of the Agreement. In particular, Employee understands and agrees that any unvested Restricted Stock Units as of the date that Employee is no longer actively employed will be forfeited without entitlement to the underlying shares of Stock or to any amount of indemnification in the event of a termination by reason of, but not limited to, resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause, individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer and under Article 10.3 of the Royal Decree 1382/1985. Employee acknowledges that Employee has read and specifically accepts the conditions referred to in Section 7 of the Agreement.

Employee understands that the Company has unilaterally, gratuitously and discretionally decided to grant Restricted Stock Units under the Plan to individuals who may be employees of the Company or a Subsidiary throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Subsidiary on an ongoing basis other than as set forth in this Agreement. Consequently, Employee understands that the Restricted Stock Units are granted on the assumption and condition that the Restricted Stock Units and any shares of Stock issued upon vesting of the Restricted Stock Units are not part

of any employment contract (either with the Company or any Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, Employee understands that the Restricted Stock Units would not be granted to Employee but for the assumptions and conditions referred to herein; thus, Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the grant of this Restricted Stock Units and any right to the Restricted Stock Units shall be null and void.

Exchange Control Information.

Employee is required to electronically declare to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including shares of Stock acquired under the Plan), and any transactions with non-Spanish residents (including any payments of shares of Stock made to Employee pursuant to the Plan) if the balances in such accounts together with the value of such instruments as of December 31, or the volume of transactions with non-Spanish residents during the prior or current year, exceed €1,000,000. Once the €1,000,000 threshold has been surpassed in either respect, Employee will generally be required to report all foreign accounts, foreign instruments and transactions with non-Spanish residents, even if the relevant threshold has not been crossed for an individual item. Generally, Employee will only be required to report on an annual basis.

A-26

INTERNATIONAL EMPLOYEE (ADDENDUM)

Foreign Account/Asset Tax Reporting Information.

To the extent that Employee holds rights or assets (e.g., cash or shares of Stock held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset as of December 31 each year, Employee is required to report information on such rights and assets on Employee's tax return for such year (or at any time during the year in which Employee sells or disposes of such right or asset). After such rights or assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000.

A-27

INTERNATIONAL EMPLOYEE (ADDENDUM)

SWITZERLAND AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

Neither this document nor any other materials relating to the Restricted Stock Units (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA"), (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company, or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to Article 51 of FinSA or any other Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

A-28

THAILAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

If the proceeds from the sale of shares of Stock or any cash dividends received in relation to such shares of Stock exceed USD 1,000,000 (or its equivalent amount) in a single transaction, Employee is required to immediately repatriate the funds to Thailand, unless Employee can rely on any applicable exemptions (e.g., where the funds will be used offshore for any permissible purposes under exchange control regulations) and the relevant form and supporting documents have been submitted to a commercial bank in Thailand. Any foreign currency repatriated to Thailand must be converted to Thai Baht or deposited into a foreign currency deposit account opened with any commercial bank in Thailand acting as the authorized agent within 360 days from the date the funds are repatriated to Thailand. Employee is also required to inform the authorized agent of the details of the foreign currency transaction, including identification information and the purpose of the transaction.

A-29

TURKEY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

Under Turkish law, Employee is not permitted to sell any shares of Stock acquired under the Plan in Turkey. The shares of Stock are currently traded on the New York Stock Exchange, which is located outside of Turkey, under the ticker symbol "KBR" and the shares of Stock may be sold through this exchange.

Exchange Control Information.

Exchange control regulations require Turkish residents to conduct any activity related to investments in foreign securities through a bank or financial intermediary institution licensed by the Turkish Capital Markets Board.

A-30

UNITED ARAB EMIRATES

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The Plan is only being offered to qualified Employees and is in the nature of providing equity incentives to Employees in the United Arab Emirates ("UAE"). Any documents related to the Plan, including the Plan, Plan prospectus and other grant documents ("Plan Documents"), are intended for distribution only to such Employees and must not be delivered to, or relied on by, any other person. Prospective stockholders should conduct their own due diligence on the securities. *If Employee does not understand the contents of the Plan Documents, Employee should consult an authorized financial adviser.*

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor taken steps to verify the information set out in them, and thus, are not responsible for such documents.

A-31

INTERNATIONAL EMPLOYEE (ADDENDUM)

UNITED KINGDOM
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Withholding of Taxes.

This section supplements Paragraph 3 of the Agreement.

Without limitation to Paragraph 3 of the Agreement, Employee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or the Employer, as applicable, or by HM Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). Employee also agrees to indemnify and keep indemnified the Company and the Employer, as applicable, for any Tax-Related Items that they are required to pay or withhold or have paid or will pay on Employee's behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if Employee is an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In this case, the amount of any income tax not collected within 90 days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to Employee on which additional income tax and national insurance contributions may be payable. Employee acknowledges that Employee ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as appropriate) for the value of any national insurance contributions due on this additional benefit. Employee acknowledges that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Paragraph 3 of the Agreement.

A-32

US EMPLOYEE – 3-Year Vesting

PERFORMANCE STOCK UNIT AGREEMENT

AGREEMENT by and between KBR, Inc., a Delaware corporation (the "Company"), and _____ ("Employee") made effective as of _____ (the "Grant Date").

1. Grant of Performance Stock Units.

(a) Units. Pursuant to the Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended and restated (the "Plan"), units evidencing the right to receive _____ shares of the Company's common stock ("Stock"), are awarded to

Employee, subject to the conditions of the Plan and this Agreement (the "Performance Stock Units").

(b) Plan Incorporated. Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Performance Stock Units shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which is incorporated herein by reference as a part of this Agreement. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2. Terms of Performance Stock Units. Employee hereby accepts the Performance Stock Units and agrees with respect thereto as follows:

(a) Forfeiture of Performance Stock Units. In the event of termination of Employee's employment with the Company or any employing Subsidiary of the Company for any reason other than (i) death or (ii) disability (disability being defined as being physically or mentally incapable of performing either the Employee's usual duties as an Employee or any other duties as an Employee that the Company or employing Subsidiary reasonably makes available and such condition is likely to remain continuously and permanently, as determined by the Company or employing Subsidiary), or except as otherwise provided in the second and third sentences of subparagraph (c) of this Paragraph 2, or if the Employee breaches any of the covenants set forth in Paragraph 12, Employee shall, for no consideration, forfeit all Performance Stock Units to the extent they are not fully vested. In addition, except as otherwise provided in the second and third sentences of subparagraph (c) of this Paragraph 2, Employee shall, for no consideration, forfeit all of the Performance Stock Units on December 31, 2024, if the Committee that administers the Plan (the "Committee") determines, in its sole discretion, that calendar year 2024 was not a successful year for the Company. Any such determination by the Committee shall be made on or before the first anniversary of the Grant Date.

(b) Assignment of Award. The Performance Stock Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of unless transferable by will or the laws of descent and distribution or pursuant to a "qualified domestic relations order" as defined by the U.S. Internal Revenue Code (the "Code").

1

US EMPLOYEE – 3-Year Vesting

(c) Vesting Schedule. The Performance Stock Units shall vest in accordance with the following schedule provided that Employee has been continuously employed by the Company from the date of this Agreement through the applicable vesting date and such Performance Stock Units have not been forfeited pursuant to the last two sentences of subparagraph (a) of this Paragraph 2:

Vesting Date	Vested Percentage of Total Number of Performance Stock Units
1st Anniversary of Grant Date	33 1/3%
2nd Anniversary of Grant Date	66 2/3%
3rd Anniversary of Grant Date	100%

Notwithstanding the foregoing, unless otherwise provided in an Other Agreement pursuant to Paragraph 10, the Performance Stock Units shall become fully vested on the earliest of (i) the occurrence of Employee's Involuntary Termination or termination for Good Reason within two years following a Corporate Change (as such terms are defined in the Plan) or (ii) the date Employee's employment with the Company is terminated by reason of death or disability (as determined above); provided, however, that if the Performance Stock Units have been forfeited pursuant to the last two sentences of subparagraph (a) of this Paragraph 2 prior to the date of the occurrence of an event described in clause (i) or (ii) of this sentence, then the Performance Stock Units shall remain forfeited and shall not vest upon the occurrence of any such event. In the event Employee's employment is terminated for any other reason, including retirement with the approval of (A) the board of directors of the Company (the "Board"), upon the Committee's recommendation, if Employee is the Company's Chief Executive Officer (the "CEO"), (B) the Committee if Employee is a "senior executive of the Company" (as defined below) or (C) the Company's CEO if Employee is not a senior executive of the Company, then the Board (upon the Committee's recommendation), the

Committee, or the CEO, respectively, may, in the Board's, the Committee's, or the CEO's, as applicable, sole discretion, approve the acceleration of the vesting of any or all Performance Stock Units that have not yet been forfeited and which are still outstanding and subject to restrictions, with such vesting acceleration to be effective on the date of such approval or Employee's termination date, if later. Notwithstanding the foregoing, in no event shall the Performance Stock Units become fully vested prior to the expiration of one month from the Grant Date. "Senior executive" for purposes of this Agreement shall mean any regular, full-time employee of the Company or an affiliate who (x) is an officer of the Company required to file reports with the Securities and Exchange Commission under Section 16 of the Securities Exchange Act of 1934, (y) is the Chief Accounting Officer of the Company, or (z) is the highest ranking management position (with at least a title of Director or above) with direct oversight over internal audits of the Company.

(d) **Stockholder Rights.** Employee shall have no rights of a stockholder with respect to shares of Stock subject to this Award unless and until such time as the Award has been settled by the transfer of shares of Stock to Employee, except that Employee shall have the right to receive payments equal to the dividends or distributions declared or paid on a share of Stock at the same time as those dividends or distributions are paid to holders of Stock. Notwithstanding the previous sentence, Employee shall accrue dividends or distributions declared or paid on a share of Stock at the same time as those dividends or distributions are paid to holders of Stock, but shall not have the right to receive such payments or distributions until such shares of Stock have satisfied the performance objective described in the last two sentences of subparagraph (a) of this Paragraph 2 (in which case, any such accrued dividends or

distributions with respect to such shares shall be paid within 30 days after the date such performance objective has been satisfied). If such shares do not satisfy such performance objective and are forfeited, the accrued dividends or distributions with respect to such shares shall also be forfeited.

(e) **Payment for Vested Performance Stock Units.** Payment for vested Performance Stock Units shall be made as soon as administratively practicable after vesting, but in no event later than thirty days after the vesting date. Settlement will be made in the form of shares of Stock equal in number to the number of Performance Stock Units with respect to which payment is being made on the applicable date; provided, however, that payment for a vested Performance Stock Unit shall be made at the time provided above solely in cash (in lieu of in the form of a share of Stock) in an amount equal to the Fair Market Value as of the vesting date of such Performance Stock Unit if there are an insufficient number of shares available for delivery under the Plan at the time of such settlement as determined by the Committee or its delegate in the Committee's or such delegate's sole discretion. Notwithstanding the foregoing, the Company shall not be obligated to deliver any shares of Stock if counsel to the Company determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Stock is listed or quoted.

(f) **Recovery of Benefits.** The Company shall seek recovery of any benefits provided hereunder to Employee if such recovery is required by any clawback policy adopted by the Company, which may be amended from time to time, including, but not limited to, any clawback policy adopted to satisfy the minimum clawback requirements adopted under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the regulations thereunder or any other applicable law or securities exchange listing standard. The Company reserves the right, without your consent, to adopt any such clawback policy, including, but not limited to, such clawback policies applicable to this Agreement with retroactive effect.

3. **Withholding of Tax.** The Committee may make such provisions as it may deem appropriate for the withholding of any taxes which it determines is required in connection with this Award. Unless the Committee provides otherwise, to the extent this Award is settled in shares of Stock, the Company shall reduce the number of shares of Stock that would have otherwise been delivered to Employee by a number of shares of Stock having a Fair Market Value equal to the amount required to be withheld.

4. **Employment Relationship.** For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company, a Parent Corporation or Subsidiary of the Company, or a corporation or a Parent Corporation or subsidiary of such corporation assuming or substituting a new award for this Award. Without limiting the scope of the

preceding sentence, it is expressly provided that Employee shall be considered to have terminated employment with the Company at the time of the termination of the "Subsidiary" status under the Plan of the entity or other organization that employs Employee. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final.

5. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan.

including, without limitation, the right to make certain determinations and elections with respect to the Performance Stock Units.

6. **Data Privacy Notice and Consent.**

(a) **Declaration of Consent.** *By accepting the Performance Stock Units via the Company's acceptance procedure, Employee is declaring that he or she agrees with the data processing practices described herein and consents to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned below.*

(b) **Data Collection and Usage.** *The Company and the Employer may collect, process and use certain personal information about Employee, including, but not limited to, Employee's name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares or directorships held in the Company, details of all Performance Stock Units or any other entitlement to shares awarded, canceled, exercised, vested, unvested or outstanding in Employee's favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is Employee's consent. For California residents, the categories of personal information, including sensitive personal information, are identifiers, characteristics of protected classifications under California or federal law, professional or employment related information, social security, driver's license, state identification card, or passport number, and any personal information that identifies, relates to, describes, or is capable of being associated with a particular individual. The personal information is not sold or shared for cross-context behavioral advertising. See the "Global Workplace Privacy Notice" posted at <https://kbrcorp.sharepoint.com/sites/Legal/SitePages/Global-Workplace-Privacy-Notices.aspx>.*

(c) **Stock Plan Administration Service Providers.** *The Company transfers Data, or parts thereof, to Morgan Stanley Smith Barney, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and may share Data with different service providers that serve in a similar manner. Employee acknowledges and understands that the Company's service provider will open an account for Employee to receive and trade shares of Stock acquired under the Plan and that Employee will be asked to agree on separate terms and data processing practices with the service provider, which is a condition of Employee's ability to participate in the Plan.*

(d) **Data Retention.** *The Company will hold and use the Data only as long as is necessary to implement, administer and manage Employee's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, labor, securities and exchange control laws.*

(e) **Voluntariness and Consequences of Consent Denial or Withdrawal.** *Participation in the Plan is voluntary and Employee is providing the consents herein on a purely voluntary basis. Employee understands that he or she may withdraw consent at any time with future effect for any or no reason. If Employee does not consent, or if Employee later seeks to revoke his or her consent, Employee's salary from or employment and career with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be*

able to offer Performance Stock Units to Employee or administer or maintain Employee's participation in the Plan.

(f) **Data Subject Rights.** Employee understands that data subject rights vary depending on the applicable law and that, depending on where Employee is based and subject to the conditions set out in the applicable law, Employee may have, without limitation, the rights to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in Employee's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Employee understands that he or she can contact Employee's local human resources representative.

By clicking the "Accept" or similar button implemented into the relevant web page or platform, Employee declares, without limitation, his or her consent to the data processing operations described in this Agreement. Employee understands and acknowledges that he or she may withdraw consent at any time with future effect for any or no reason as described in sub-section (f) above.

7. **Nature of Grant.** By accepting the grant of the Performance Stock Units, the Employee acknowledges, understands and agrees that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- (b) the grant of Performance Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of Performance Stock Units, or benefits in lieu of Performance Stock Units even if Performance Stock Units have been awarded in the past;
- (c) all decisions with respect to future Performance Stock Units or other grants, if any, will be at the sole discretion of the Company;
- (d) the grant of Performance Stock Units and Employee's participation in the Plan will not create a right to employment or be interpreted as forming an employment or service contract with the Company, the Employer or any Subsidiary of the Company and shall not interfere with the ability of the Employer to terminate Employee's employment or service relationship (if any);
- (e) Employee's participation in the Plan is voluntary;
- (f) the Performance Stock Units and the Stock underlying the Performance Stock Units, and the income and value of the same, are not intended to replace any pension rights or compensation;
- (g) the Performance Stock Units and the Stock underlying the Performance Stock Units, and the income and value of the same, are not part of normal or expected compensation or salary for any purpose, including but not limited to, calculation of any severance, resignation, termination, redundancy or end-of-service payments, holiday-pay, bonuses, long-service awards, leave-related payments, pension or retirement benefits, or similar mandatory payments;

(h) the future value of the Stock is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages shall arise from forfeiture of Performance Stock Units or the recoupment of any shares of Stock or other benefits or payments acquired under the Plan resulting from (i) Employee ceasing to provide employment or other services to the Company or the Employer (for any reason whatsoever, and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any) and/or (ii) the application of any recoupment or clawback policy or provision described in this Agreement (or otherwise required by the Company) or any recovery or clawback otherwise required by law;

(j) in the event of termination of Employee's employment or other services (for any reason whatsoever, whether or not later found to be invalid, or in breach of employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any), unless otherwise provided in this Agreement or determined by the Company, Employee's right to vest in the Performance Stock Units under the Plan, if any, will terminate effective as of the date that Employee is no longer actively providing services and will not be extended by any notice period (e.g., active services would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any); the Committee shall have the exclusive discretion to determine when Employee is no longer actively providing services for purposes of the Award (including whether Employee may still be considered to be providing services while on an approved leave of absence);

(k) unless otherwise provided in the Plan or by the Company in its discretion, the Performance Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Stock Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

(l) unless otherwise agreed with the Company, the Performance Stock Units and the Stock underlying the Performance Stock Units, and the income and value of the same, are not granted as consideration for, or in connection with, services Employee may provide as a director of a Subsidiary.

8. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

9. **Compliance with Law.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Stock, the Company shall not be required to deliver any shares issuable upon settlement of the Performance Stock Units prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Employee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or

sale of the shares. Further, Employee agrees that the Company shall have unilateral authority to amend the Plan and the Agreement without Employee's consent to the extent necessary to comply with securities or other laws applicable to issuance of shares.

10. **Other Agreements.** The terms of this Agreement shall be subject to, and shall not modify, the terms and conditions of any employment, severance, and/or change-in-control agreement between the Company (or a Subsidiary) and Employee concerning equity-based

awards ("Other Agreement"), except that, notwithstanding anything in such Other Agreement to the contrary, any normal retirement age of 65 or other retirement-based vesting provisions in such Other Agreement shall be of no force or effect for purposes of the vesting of these Performance Stock Units.

11. Governing Law and Venue. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, U.S.A., except to the extent that it implicates matters that are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law notwithstanding any conflicts of laws principles that may be applied or invoked directing the application of the laws of another jurisdiction. Exclusive venue for any action, lawsuit or other proceedings brought to enforce this Agreement, relating to it or arising from it, or dispute resolution proceeding arising hereunder for any claim or dispute, the parties hereby submit to and consent to the sole and exclusive jurisdiction of Houston, Harris County, Texas, notwithstanding any conflicts of laws principles that may direct the jurisdiction of any other court, venue, or forum, including the jurisdiction of Employee's home country.

12. Non-Competition; Non-Solicitation; Non-Disclosure.

(a) Following the date Employee enters into this Agreement, the Company and/or its Subsidiary(ies) shall provide Employee access to Confidential Information (as defined below). Such Confidential Information shall be for use only during Employee's employment with the Company, and as an express incentive for the Company to enter into this Agreement and to grant to Employee the Performance Stock Units (which grant, Employee acknowledges, shall further align Employee's interests with the long-term business interests of the Company and its Subsidiaries) and provide Employee with Confidential Information, Employee has voluntarily agreed to the covenants set forth in this Paragraph 12. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company's and its Subsidiaries' trade secrets and other Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period (as defined below), Employee shall not, without the prior written approval of the Company, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate within the Market Area (as defined below) in competition with the Company or any of its Subsidiaries in any aspect of the Business (as defined below), which prohibition shall prevent Employee from directly or indirectly: (A) owning, managing, operating, or being an officer or director of, any business that competes with the Company or any of its Subsidiaries in the Market Area, or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or

anticipated competition, with the Company or any of its Subsidiaries in any capacity (with respect to this clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of the Company or any of its Subsidiaries, or involve direct or indirect oversight over such duties or responsibilities;

(ii) appropriate any Business Opportunity of, or relating to, the Company or any of its Subsidiaries located in the Market Area;

(iii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of the Company or any of its Subsidiaries for whom or which Employee had responsibility in the final 12 months prior to the termination of Employee's employment with the Company to cease or lessen such customer's or supplier's business with the Company or any of its Subsidiaries; or

(iv) solicit, canvass, approach, encourage, entice or induce any employee or contractor of the Company or any of its Subsidiaries to terminate his, her or its employment or engagement with the Company or any of its Subsidiaries.

(c) Notwithstanding any other provision of this Agreement:

(i) the covenants set forth in this Paragraph 12 shall not apply to restrict any of Employee's activities within the State of California, including if Employee is a California resident; and

(ii) if prohibited by any applicable law regarding non-competition restrictions in Washington, D.C., the covenants set forth in Paragraphs 12(b)(i) and 12(b)(ii) shall not apply with respect to any activities conducted within (including individuals' performance of work in) Washington, D.C.;

provided, however, for the avoidance of doubt, the foregoing exceptions under this Paragraph 12(c) shall not limit any other obligations that Employee owes to the Company or any of its Subsidiaries under any other agreements or applicable laws, including (without limitation) with respect to the protection of Confidential Information.

(d) If Employee is an attorney at law or licensed lawyer in any jurisdiction, none of the restrictions set forth in this Paragraph 12 shall be interpreted or applied in a manner to prevent or restrict Employee from practicing law, as it is the intent of this Paragraph 12 to create certain limitations on Employee's business activities only, and not to create limitations that would restrict Employee from practicing law. If Employee is an attorney at law or licensed to practice law, Employee acknowledges and agrees that, both during Employee's employment with the Company and thereafter, Employee shall be bound by all ethical and professional obligations (including those with respect to conflicts of interest and confidentiality) that may arise from Employee's provision of legal services to, and acting as legal counsel for, the Company and (as applicable) its Subsidiaries.

(e) Employee agrees, both during and after Employee's employment with the Company, not to use or disclose any Confidential Information other than for the benefit of the Company or its Subsidiaries in the course of Employee's duties for the Company or its applicable Subsidiary. All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions,

whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, in connection with Employee's employment with the Company or otherwise during the time that Employee is or has been employed or engaged by the Company or any of its Subsidiaries (whether during business hours or otherwise and whether on the Company's or its Subsidiaries' premises or otherwise), that relate to the Companies' or its Subsidiaries' businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, formulas, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or their requirements, research and development information, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**". For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by the Company or any of its Subsidiaries; or (iii) becomes available to Employee on a non-confidential basis from a source other than the Company or any of its Subsidiaries; *provided*, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, the Company or any of its Subsidiaries.

(f) Notwithstanding the foregoing Paragraph 12(e), nothing in this Agreement shall prohibit or restrict Employee from lawfully (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority (in each instance regarding a possible violation of any law); (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority; (iii) testifying, participating or otherwise assisting in an action or proceeding by any such governmental authority relating to a possible violation of law or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend

Trade Secrets Act of 2016, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (x) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; (y) is made to Employee's attorney in relation to a lawsuit for retaliation against Employee for reporting a suspected violation of law or (z) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company or any of its Subsidiaries that Employee has engaged in any such conduct.

(g) Because of the difficulty of measuring economic losses to the Company and its Subsidiaries as a result of a breach or threatened breach of the covenants set forth in this Paragraph 12, and because of the immediate and irreparable damage that would be caused to the Company and its Subsidiaries for which they would have no other adequate remedy, the Company and each of its Subsidiaries shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or its Subsidiaries' exclusive

remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each of its Subsidiaries at law and equity.

(h) The covenants in this Paragraph 12, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such arbitrator or court deems reasonable, and this Agreement shall thereby be reformed.

(i) The following terms shall have the following meanings:

(i) "Business" shall mean the business and operations that are the same or similar to those performed by the Company and any of its Subsidiaries for which Employee provides services or about which Employee obtains Confidential Information during Employee's employment with the Company.

(ii) "Business Opportunity" shall mean any commercial, investment or other business opportunity relating to the Business.

(iii) "Market Area" shall mean: (i) during that portion of the Prohibited Period that exists during which Employee is employed by the Company, any geographic area or market where Employee provides, or has provided, services to the Company or any of its Subsidiaries; and (ii) during that portion of the Prohibited Period that exists following the date that Employee is no longer employed by the Company, any geographic area or market where Employee provided services to the Company or any of its Subsidiaries as of the date Employee is no longer employed by the Company or during the 12 months prior to such date.

(iv) "Prohibited Period" shall mean the period during which Employee is employed by the Company and continuing for a period of 12 months following the date that Employee is no longer employed by the Company; provided, however, with respect to a termination of employment with the Company on or after the date upon which a Corporate Change occurs, the Prohibited Period shall end on the date of such termination of employment with respect to the obligations under Paragraphs 12(b)(i) and 12(b)(ii).

13. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Employee hereby consents to receive such documents by electronic delivery and

agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

14. **Severability.** If one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Agreement to be construed so as to foster the intent of this Agreement and the Plan.

10

US EMPLOYEE – 3-Year Vesting

15. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on Employee's participation in the Plan, on the Performance Stock Units and on any shares of Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

16. **Waiver.** Employee acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or any subsequent breach by Employee or any other Employee.

17. **Section 409A.** Notwithstanding anything in this Agreement to the contrary, if any provision in this Agreement would result in the imposition of an applicable tax under Section 409A of the Code and related regulations and United States Department of the Treasury pronouncements ("Section 409A"), that provision will be reformed to avoid imposition of the applicable tax and no action taken to comply with Section 409A shall be deemed to adversely affect Employee's rights under this Agreement.

[Signatures on the following page.]

11

US EMPLOYEE – 3-Year Vesting

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Employee has executed this Agreement, all as of the date first above written.

KBR, INC.

By:

Name:

Title:

EMPLOYEE:

PERFORMANCE STOCK UNIT AGREEMENT

AGREEMENT by and between KBR, Inc., a Delaware corporation (the "Company"), and _____ ("Employee") made effective as of _____ (the "Grant Date").

1. Grant of Performance Stock Units.

(a) Units. Pursuant to the Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended and restated (the "Plan"), units evidencing the right to receive _____ shares of the Company's common stock ("Stock"), are awarded to Employee, subject to the conditions of the Plan and this Agreement (the "Performance Stock Units").

(b) Plan Incorporated. Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Performance Stock Units shall be subject to all of the terms and conditions set forth in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which is incorporated herein by reference as a part of this Agreement. Except as defined herein, capitalized terms shall have the same meanings ascribed to them under the Plan.

2. Terms of Performance Stock Units. Employee hereby accepts the Performance Stock Units and agrees with respect thereto as follows:

(a) Forfeiture of Performance Stock Units. In the event of termination of Employee's employment with the Company or any employing Subsidiary of the Company for any reason other than (i) death or (ii) disability (disability being defined as being physically or mentally incapable of performing either the Employee's usual duties as an Employee or any other duties as an Employee that the Company or employing Subsidiary reasonably makes available and such condition is likely to remain continuously and permanently, as determined by the Company or employing Subsidiary), or except as otherwise provided in the second and third sentences of subparagraph (c) of this Paragraph 2, or if the Employee breaches any of the covenants set forth in Paragraph 10, Employee shall, for no consideration, forfeit all Performance Stock Units to the extent they are not fully vested. In addition, except as otherwise provided in the second and third sentences of subparagraph (c) of this Paragraph 2, Employee shall, for no consideration, forfeit all of the Performance Stock Units on December 31, 2024, if the Committee that administers the Plan (the "Committee") determines, in its sole discretion, that calendar year 2024 was not a successful year for the Company. Any such determination by the Committee shall be made on or before the first anniversary of the Grant Date.

(b) Assignment of Award. The Performance Stock Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of unless transferable by will or the laws of descent and distribution or, if Employee is exclusively subject to the laws of the United States, pursuant to a "qualified domestic relations order" as defined by the U.S. Internal Revenue Code (the "Code").

(c) Vesting Schedule. The Performance Stock Units shall vest in accordance with the following schedule provided that Employee has been continuously employed by the Company from the date of this Agreement through the applicable vesting date and such Performance Stock Units have not been forfeited pursuant to the last two sentences of subparagraph (a) of this Paragraph 2:

Vesting Date	Vested Percentage of Total Number of Performance Stock Units
1st Anniversary of Grant Date	33 1/3%
2nd Anniversary of Grant Date	66 2/3%
3rd Anniversary of Grant Date	100%

Notwithstanding the foregoing, unless otherwise provided in an Other Agreement pursuant to Paragraph 12, the Performance Stock Units shall become fully vested on the earliest of (i) the occurrence of Employee's Involuntary Termination or termination for Good Reason within two years following a Corporate Change (as such terms are defined in the Plan) or (ii) the date Employee's employment with the Company is terminated by reason of death or disability (as determined above); provided, however, that if the Performance Stock Units have been forfeited pursuant to the last two sentences of subparagraph (a) of this Paragraph 2 prior to the date of the occurrence of an event described in clause (i) or (ii) of this sentence, then the Performance Stock Units shall remain forfeited and shall not vest upon the occurrence of any such event. In the event Employee's employment is terminated for any other reason, including retirement with the approval of (A) the board of directors of the Company (the "Board"), upon the Committee's recommendation, if Employee is the Company's Chief Executive Officer (the "CEO"), (B) the Committee if Employee is a "senior executive of the Company" (as defined below), or (C) the CEO if Employee is not a senior executive of the Company, then the Board (upon the Committee's recommendation), the Committee, or the CEO, respectively, may, in the Board's, the Committee's, or the CEO's, as applicable, sole discretion, approve the acceleration of the vesting of any or all Performance Stock Units that have not yet been forfeited and which are still outstanding and subject to restrictions, with such vesting acceleration to be effective on the date of such approval or Employee's termination date, if later. Notwithstanding the foregoing, in no event shall the Performance Stock Units become fully vested prior to the expiration of one month from the Grant Date. "Senior executive" for purposes of this Agreement shall mean any regular, full-time employee of the Company or an affiliate who (x) is an officer of the Company required to file reports with the Securities and Exchange Commission under Section 16 of the Securities Exchange Act of 1934, (y) is the Chief Accounting Officer of the Company, or (z) is the highest ranking management position (with at least a title of Director or above) with direct oversight over internal audits of the Company.

(d) Stockholder Rights. Employee shall have no rights of a stockholder with respect to shares of Stock subject to this Award unless and until such time as the Award has been settled by the transfer of shares of Stock to Employee, except that Employee shall have the right to receive payments equal to the dividends or distributions declared or paid on a share of Stock at the same time as those dividends or distributions are paid to holders of Stock. Notwithstanding the previous sentence, Employee shall accrue dividends or distributions declared or paid on a share of Stock at the same time as those dividends or distributions are paid to holders of Stock, but shall not have the right to receive such payments or distributions until such shares of Stock underlying the Performance Stock Units have been settled pursuant to subparagraph (b) of this Paragraph 2. Payment for accrued dividends or distributions shall be made as

soon as administratively practicable following the settlement of such shares of Stock, but in no event later than thirty days after the settlement date.

(e) Payment for Vested Performance Stock Units. Payment for vested Performance Stock Units shall be made as soon as administratively practicable after vesting, but in no event later than thirty days after the vesting date. Settlement will be made in the form of shares of Stock equal in number to the number of Performance Stock Units with respect to which payment is being made on the applicable date; provided, however, that payment for a vested Performance Stock Unit shall be made at the time provided above solely in cash (in lieu of in the form of a share of Stock) in an amount equal to the Fair Market Value as of the vesting date of such Performance Stock Unit if

there are an insufficient number of shares available for delivery under the Plan at the time of such settlement as determined by the Committee or its delegate in the Committee's or such delegate's sole discretion. Notwithstanding the foregoing, the Company shall not be obligated to deliver any shares of Stock if counsel to the Company determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Stock is listed or quoted.

(f) **Recovery of Benefits.** The Company shall seek recovery of any benefits provided hereunder to Employee if such recovery is required by any clawback policy adopted by the Company, which may be amended from time to time, including, but not limited to, any clawback policy adopted to satisfy the minimum clawback requirements adopted under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the regulations thereunder or any other applicable law or securities exchange listing standard. The Company reserves the right, without your consent, to adopt any such clawback policy, including, but not limited to, such clawback policies applicable to this Agreement with retroactive effect.

3. **Responsibility for Taxes.** Employee acknowledges that, regardless of any action taken by the Company, or if different, Employee's employer ("Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Employee's participation in the Plan and legally applicable to Employee ("Tax-Related Items"), is and remains Employee's responsibility and may exceed the amount actually withheld by the Company and/or the Employer. Employee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Stock Units, including but not limited to, the grant, vesting or settlement of the Performance Stock Units, the subsequent sale of Stock acquired pursuant to such settlement and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Performance Stock Units to reduce or eliminate the Employee's liability for Tax-Related Items or achieve any particular tax result. Further, if Employee is subject to Tax-Related Items in more than one jurisdiction, Employee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, Employee agrees to pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Employee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following:

(a) withholding from Employee's wages or other cash compensation paid to Employee by the Company and/or the Employer; or

3

INTERNATIONAL EMPLOYEE – 3-Year Vesting

(b) withholding from proceeds of the sale of shares of Stock acquired upon settlement of the Performance Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Employee's behalf pursuant to this authorization without further consent); or

(c) withholding in shares of Stock to be issued upon settlement of the Performance Stock Units.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case Employee may receive a refund of any over-withheld amount in cash and will have no entitlement to the Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in Stock, for tax purposes, Employee is deemed to have been issued the full number of shares of Stock subject to the vested Performance Stock Units, notwithstanding that a number of the shares of Stock are held back solely for the purpose of paying the Tax-Related Items.

Employee agrees to pay to the Company or the Employer, including through withholding from Employee's wages or other cash compensation paid to Employee by the Company and/or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Employee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Stock or the proceeds of the sale of Stock, if Employee fails to comply with Employee's obligations in connection with the Tax-Related Items.

Notwithstanding the preceding provisions of this Paragraph 3, Employee's liability with respect to Tax-Related Items shall be subject to any international tax assignment agreement then in effect between Employee and the Company, the Employer or any of their respective affiliates or any tax policies or procedures applicable to the Employee's home country, and in the event of any conflict between the terms of this Paragraph 3 and the terms of such international tax assignment agreement or such tax policies or procedures, the terms of such international tax assignment agreement or such tax policies or procedures, as applicable, shall control.

4. **Employment Relationship.** For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company, a Parent Corporation or Subsidiary of the Company, or a corporation or a Parent Corporation or subsidiary of such corporation assuming or substituting a new award for this Award. Without limiting the scope of the preceding sentence, it is expressly provided that Employee shall be considered to have terminated employment with the Company at the time of the termination of the "Subsidiary" status under the Plan of the entity or other organization that employs Employee. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, or its delegate, as appropriate, and its determination shall be final.

5. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee or, to the extent delegated, in its delegate pursuant to the terms of the Plan or resolutions adopted in furtherance of the Plan, including, without limitation, the right to make certain determinations and elections with respect to the Performance Stock Units.

4

INTERNATIONAL EMPLOYEE – 3-Year Vesting

6. **Data Privacy Notice and Consent.**

(a) **Declaration of Consent.** By accepting the Performance Stock Units via the Company's acceptance procedure, Employee is declaring that he or she agrees with the data processing practices described herein and consents to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned below, including recipients located in countries which may not have a similar level of protection from the perspective of the data protection laws in Employee's country.

(b) **Data Collection and Usage.** The Company and the Employer may collect, process and use certain personal information about Employee, including, but not limited to, Employee's name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares or directorships held in the Company, details of all Performance Stock Units or any other entitlement to shares awarded, canceled, exercised, vested, unvested or outstanding in Employee's favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is Employee's consent.

(c) **Stock Plan Administration Service Providers.** The Company transfers Data, or parts thereof, to Morgan Stanley Smith Barney, an independent service provider based in the United States, which assists the Company with the implementation, administration and management of the Plan. In the future, the Company may select a different service provider and may share Data with different service providers that serve in a similar manner. Employee acknowledges and understands that the Company's service provider will open an account for Employee to receive and trade shares of Stock acquired under the Plan and that Employee will be asked to agree on separate terms and data processing practices with the service provider, which is a condition of Employee's ability to participate in the Plan.

(d) **International Data Transfers.** The Company and its service provider, are based in the United States. Employee understands that his or her country may have enacted data privacy laws that are different from the laws of the United States. As a result, in the absence of appropriate safeguards such as standard data protection clauses, the processing of Employee's Data in the United States or, as the case may be, other countries might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, Employee might not have enforceable rights regarding the processing of his or her Data in such countries. The Company's legal basis for the transfer of Data is Employee's consent.

(e) **Data Retention.** The Company will hold and use the Data only as long as is necessary to implement, administer and manage Employee's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, labor, securities and exchange control laws.

(f) **Voluntariness and Consequences of Consent Denial or Withdrawal.** Participation in the Plan is voluntary and Employee is providing the consents herein on a purely voluntary basis. Employee understands that he or she may withdraw consent at any time with future effect for any or no reason. If Employee does not consent, or if Employee later seeks to revoke his or her consent, Employee's salary from or employment and career with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be

able to offer Performance Stock Units to Employee or administer or maintain Employee's participation in the Plan.

(g) **Data Subject Rights.** Employee understands that data subject rights vary depending on the applicable law and that, depending on where Employee is based and subject to the conditions set out in the applicable law, Employee may have, without limitation, the rights to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in Employee's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Employee understands that he or she can contact Employee's local human resources representative.

By clicking the "Accept" or similar button implemented into the relevant web page or platform, Employee declares, without limitation, his or her consent to the data processing operations described in this Agreement. Employee understands and acknowledges that he or she may withdraw consent at any time with future effect for any or no reason as described in sub-section (f) above.

7. **Nature of Grant.** By accepting the grant of the Performance Stock Units, the Employee acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of Performance Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future awards of Performance Stock Units, or benefits in lieu of Performance Stock Units even if Performance Stock Units have been awarded in the past;

(c) all decisions with respect to future Performance Stock Units or other grants, if any, will be at the sole discretion of the Company;

(d) the grant of Performance Stock Units and Employee's participation in the Plan will not create a right to employment or be interpreted as forming an employment or service contract with the Company, the Employer or any Subsidiary of the Company and shall not interfere with the ability of the Employer to terminate Employee's employment or service relationship (if any);

(e) Employee's participation in the Plan is voluntary;

(f) the Performance Stock Units and the Stock underlying the Performance Stock Units, and the income and value of the same, are not intended to replace any pension rights or compensation;

(g) the Performance Stock Units and the Stock underlying the Performance Stock Units, and the income and value of the same, are not part of normal or expected compensation or salary for any purpose, including but not limited to, calculation of any severance, resignation, termination, redundancy or end-of-service payments, holiday-pay, bonuses, long-service awards, leave-related payments, pension or retirement benefits, or similar mandatory payments;

(h) the future value of the Stock is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages shall arise from forfeiture of Performance Stock Units or the recoupment of any shares of Stock or other benefits or payments acquired under the Plan resulting from (i) Employee ceasing to provide employment or other services to the Company or the Employer (for any reason whatsoever, and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any) and/or (ii) the application of any recoupment or clawback policy or provision described in this Agreement (or otherwise required by the Company) or any recovery or clawback otherwise required by law;

(j) in the event of termination of Employee's employment or other services (for any reason whatsoever, whether or not later found to be invalid, or in breach of employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any), unless otherwise provided in this Agreement or determined by the Company, Employee's right to vest in the Performance Stock Units under the Plan, if any, will terminate effective as of the date that Employee is no longer actively providing services and will not be extended by any notice period (e.g., active services would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Employee is employed or the terms of Employee's employment agreement, if any); the Committee shall have the exclusive discretion to determine when Employee is no longer actively providing services for purposes of the Award (including whether Employee may still be considered to be providing services while on an approved leave of absence);

(k) unless otherwise provided in the Plan or by the Company in its discretion, the Performance Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Stock Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company;

(l) unless otherwise agreed with the Company, the Performance Stock Units and the Stock underlying the Performance Stock Units, and the income and value of the same, are not granted as consideration for, or in connection with, services Employee may provide as a director of a Subsidiary; and

(m) neither the Company, the Employer nor any Subsidiary of the Company shall be liable for any foreign exchange rate fluctuation between Employee's local currency and the United States Dollar that may affect the value of the Performance Stock Units or of any amounts due to Employee pursuant to the settlement of the Performance Stock Units or the subsequent sale of any shares of Stock acquired upon settlement.

8. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Employee's participation in the Plan, or Employee's acquisition or sale of the underlying shares of Stock. Employee should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

9. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

10. **Non-Competition; Non-Solicitation; Non-Disclosure.**

(a) Following the date Employee enters into this Agreement, the Company and/or its Subsidiary(ies) shall provide Employee access to Confidential Information (as defined below). Such Confidential Information shall be for use only during Employee's employment with the Company, and as an express incentive for the Company to enter into this Agreement and to grant to Employee the Performance Stock Units (which grant, Employee acknowledges, shall further align Employee's interests with the long-term business interests of the Company and its Subsidiaries) and provide Employee with Confidential Information, Employee has voluntarily agreed to the covenants set forth in this Paragraph 10. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company's and its Subsidiaries' trade secrets and other Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period (as defined below), Employee shall not, without the prior written approval of the Company, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate within the Market Area (as defined below) in competition with the Company or any of its Subsidiaries in any aspect of the Business (as defined below), which prohibition shall prevent Employee from directly or indirectly: (A) owning, managing, operating, or being an officer or director of, any business that competes with the Company or any of its Subsidiaries in the Market Area, or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with the Company or any of its Subsidiaries in any capacity (with respect to this clause (B) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of the Company or any of its Subsidiaries, or involve direct or indirect oversight over such duties or responsibilities;

(ii) appropriate any Business Opportunity of, or relating to, the Company or any of its Subsidiaries located in the Market Area;

(iii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of the Company or any of its Subsidiaries for whom or which Employee had responsibility in the final 12 months prior to the termination of Employee's employment with the Company to cease or lessen such customer's or supplier's business with the Company or any of its Subsidiaries; or

(iv) solicit, canvass, approach, encourage, entice or induce any employee or contractor of the Company or any of its Subsidiaries to terminate his, her or its employment or engagement with the Company or any of its Subsidiaries.

(c) Notwithstanding any other provision of this Agreement:

(i) the covenants set forth in this Paragraph 10 shall not apply to restrict any of Employee's activities within the State of California, including if Employee is a California resident; and

(ii) if prohibited by any applicable law regarding non-competition restrictions in Washington, D.C., the covenants set forth in Paragraphs 10(b)(i) and 10(b)(ii) shall not apply with respect to any activities conducted within (including individuals' performance of work in) Washington, D.C.;

provided, however, for the avoidance of doubt, the foregoing exceptions under this Paragraph 10(c) shall not limit any other obligations that Employee owes to the Company or any of its Subsidiaries under any other agreements or applicable laws, including (without limitation) with respect to the protection of Confidential Information.

(d) If Employee is an attorney at law or licensed lawyer in any jurisdiction, none of the restrictions set forth in this Paragraph 10 shall be interpreted or applied in a manner to prevent or restrict Employee from practicing law, as it is the intent of this Paragraph 10 to create certain limitations on Employee's business activities only, and not to create limitations that would restrict Employee from practicing law. If Employee is an attorney at law or licensed to practice law, Employee acknowledges and agrees that, both during Employee's employment with the Company and thereafter, Employee shall be bound by all ethical and professional obligations (including those with respect to conflicts of interest and confidentiality) that may arise from Employee's provision of legal services to, and acting as legal counsel for, the Company and (as applicable) its Subsidiaries.

(e) Employee agrees, both during and after Employee's employment with the Company, not to use or disclose any Confidential Information other than for the benefit of the Company or its Subsidiaries in the course of Employee's duties for the Company or its applicable Subsidiary. All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, in connection with Employee's employment with the Company or otherwise during the time that Employee is or has been employed or engaged by the Company or any of its Subsidiaries (whether during business hours or otherwise and whether on the Company's or its Subsidiaries' premises or otherwise), that relate to the Companies' or its Subsidiaries' businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, formulas, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or their requirements, research and development information, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**". For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by the Company or any of its Subsidiaries; or (iii) becomes available to Employee on a non-confidential basis from a source other than the Company or any of its Subsidiaries; *provided, that such source is not bound by a confidentiality*

agreement with, or other obligation with respect to confidentiality to, the Company or any of its Subsidiaries.

(f) Notwithstanding the foregoing Paragraph 10(e), nothing in this Agreement shall prohibit or restrict Employee from lawfully (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority (in each instance regarding a possible violation of any law); (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority; (iii) testifying, participating or otherwise assisting in an action or proceeding by any such governmental authority relating to a possible violation of law or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the

disclosure of a trade secret that: (x) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; (y) is made to Employee's attorney in relation to a lawsuit for retaliation against Employee for reporting a suspected violation of law or (z) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company or any of its Subsidiaries that Employee have engaged in any such conduct.

(g) Because of the difficulty of measuring economic losses to the Company and its Subsidiaries as a result of a breach or threatened breach of the covenants set forth in this Paragraph 10, and because of the immediate and irreparable damage that would be caused to the Company and its Subsidiaries for which they would have no other adequate remedy, the Company and each of its Subsidiaries shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or its Subsidiaries' exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each of its Subsidiaries at law and equity.

(h) The covenants in this Paragraph 10, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such arbitrator or court deems reasonable, and this Agreement shall thereby be reformed.

(i) The following terms shall have the following meanings:

(i) "Business" shall mean the business and operations that are the same or similar to those performed by the Company and any of its Subsidiaries for which Employee provides services or about which Employee obtains Confidential Information during Employee's employment with the Company.

10

INTERNATIONAL EMPLOYEE – 3-Year Vesting

(ii) "Business Opportunity" shall mean any commercial, investment or other business opportunity relating to the Business.

(iii) "Market Area" shall mean: (i) during that portion of the Prohibited Period that exists during which Employee is employed by the Company, any geographic area or market where Employee provides, or has provided, services to the Company or any of its Subsidiaries; and (ii) during that portion of the Prohibited Period that exists following the date that Employee is no longer employed by the Company, any geographic area or market where Employee provided services to the Company or any of its Subsidiaries as of the date Employee is no longer employed by the Company or during the 12 months prior to such date.

(iv) "Prohibited Period" shall mean the period during which Employee is employed by the Company and continuing for a period of 12 months following the date that Employee is no longer employed by the Company; provided, however, with respect to a termination of employment with the Company on or after the date upon which a Corporate Change occurs, the Prohibited Period shall end on the date of such termination of employment with respect to the obligations under Paragraphs 10(b)(i) and 10(b)(ii).

11. **Compliance with Law.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Stock, the Company shall not be required to deliver any shares issuable upon settlement of the Performance Stock Units prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and

Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. Employee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. Further, Employee agrees that the Company shall have unilateral authority to amend the Plan and the Agreement without Employee's consent to the extent necessary to comply with securities or other laws applicable to issuance of shares.

12. **Other Agreements.** The terms of this Agreement shall be subject to, and shall not modify, the terms and conditions of any employment, severance, and/or change-in-control agreement between the Company (or a Subsidiary) and Employee concerning equity-based awards ("Other Agreement"), except that, notwithstanding anything in such Other Agreement to the contrary, any normal retirement age of 65 or other retirement-based vesting provisions in such Other Agreement shall be of no force or effect for purposes of the vesting of these Performance Stock Units.

13. **Governing Law and Venue.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, U.S.A., except to the extent that it implicates matters that are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law notwithstanding any conflicts of laws principles that may be applied or invoked directing the application of the laws of another jurisdiction. Exclusive venue for any action, lawsuit or other proceedings brought to enforce this Agreement, relating to it or arising from it, or dispute resolution proceeding arising hereunder for any claim or dispute, the parties hereby submit to and consent to the sole and exclusive jurisdiction of Houston, Harris County, Texas, notwithstanding any conflicts of laws principles

that may direct the jurisdiction of any other court, venue, or forum, including the jurisdiction of Employee's home country.

14. **Language.** Employee acknowledges and represents that he or she is proficient in the English language or has consulted with an advisor who is sufficiently proficient in English, as to allow Employee to understand the terms of this Agreement and any other documents related to the Plan. If Employee has received this Agreement or any other document related to the Plan translated into a language other than English and if the translated version is different from the English version, the English version will control.

15. **Insider Trading/Market Abuse Laws.** Employee acknowledges that, depending on Employee's country of residence or the country of residence of Employee's broker, Employee may be subject to insider trading restrictions and/or market abuse laws, which may affect Employee's ability to accept, acquire, sell or otherwise dispose of shares of Stock, rights to shares of Stock (e.g., Performance Stock Units) or rights linked to the value of shares of Stock during such times as Employee is considered to have "inside information" regarding the Company, as defined by the laws or regulations in Employee's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders placed by Employee before Employee possessed inside information. Furthermore, Employee could be prohibited from (i) disclosing inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Keep in mind third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Employee acknowledges that it is his or her responsibility to be informed of and compliant with such regulations, and Employee should speak to his or her personal advisor on this matter.

16. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

17. **Severability.** If one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null

and void shall first be construed, interpreted or revised retroactively to permit this Agreement to be construed so as to foster the intent of this Agreement and the Plan.

18. **Section 409A.** Notwithstanding anything in this Agreement to the contrary, if any provision in this Agreement would result in the imposition of an applicable tax under Section 409A of the Code and related regulations and United States Department of the Treasury pronouncements ("Section 409A"), that provision will be reformed to avoid imposition of the applicable tax and no action taken to comply with Section 409A shall be deemed to adversely affect Employee's rights under this Agreement.

19. **Addendum.** Notwithstanding any provision in this Agreement or the Plan to the contrary, the Performance Stock Units shall be subject to the special terms and provisions set forth in the Addendum to this Agreement for Employee's country. Moreover, if Employee relocates to one of the countries included in the Addendum, the special terms and conditions for such country will apply to Employee, to the extent the Company determines that the application

12

INTERNATIONAL EMPLOYEE – 3-Year Vesting

of such terms and conditions is necessary or advisable for legal or administrative reasons. The Addendum constitutes part of this Agreement.

20. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on Employee's participation in the Plan, on the Performance Stock Units and on any shares of Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Employee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

21. **Waiver.** Employee acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or any subsequent breach by Employee or any other Employee.

22. **Foreign Asset/Account Reporting, Exchange Control Requirements.** Certain foreign asset and/or foreign account reporting requirements and exchange controls may affect Employee's ability to acquire or hold shares of Stock under the Plan or cash received from participating in the Plan in a brokerage or bank account outside Employee's country. Employee may be required to report such accounts, assets or transactions to the tax or other authorities in Employee's country. Employee may also be required to repatriate sale proceeds or other funds received as a result of Employee's participation in the Plan to Employee's country through a designated bank or broker and/or within a certain time after receipt. Employee is responsible for complying with any applicable regulations and should consult his or her personal legal and tax advisors for any details.

[Signatures on the following page.]

13

INTERNATIONAL EMPLOYEE – 3-Year Vesting

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Employee has executed this Agreement, all as of the date first above written.

KBR, INC.

By:

Name:

Title:

EMPLOYEE:

Date:

Addendum
KBR, INC.

Terms and Conditions of Performance Stock Unit Grant

SPECIAL PROVISIONS OF PERFORMANCE STOCK UNITS
IN CERTAIN COUNTRIES

This Addendum includes special country-specific terms that apply to residents in countries listed below. This Addendum is part of the Agreement. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Agreement.

This Addendum also includes information regarding exchange controls and certain other issues of which Employee should be aware with respect to Employee's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of February 2024. Such laws are often complex, change frequently, certain individual exchange control reporting requirements may apply upon vesting of Performance Stock Units and/or sale of Stock and results may be different based on the particular facts and circumstances. As a result, the Company strongly recommends that Employee does not rely on the information noted herein as the only source of information relating to the consequences of Employee's participation in the Plan because the information may be out of date at the time Employee's Performance Stock Units vest or Employee sells shares of Stock acquired under the Plan.

In addition, the information is general in nature and may not apply to Employee's particular situation, and the Company is not in a position to assure Employee of any particular result. Accordingly, Employee should seek appropriate professional advice as to how the relevant laws in Employee's country may apply to Employee's situation.

If Employee is a citizen or resident of a country other than the country in which Employee is working, or if Employee transfers employment after the Performance Stock Units are granted to Employee, the information contained in this Addendum for the country Employee works in at the time of grant may not be applicable to Employee and the Company, in its discretion, may determine to what extent the terms and conditions contained herein shall be applicable to Employee. If Employee transfers residency and/or employment to another country or is considered a resident of another country listed in the Addendum after the Performance Stock Units are granted to Employee, the terms and/or information contained for that new country (rather than the original grant country) may be applicable to Employee.

AUSTRALIA
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information. This offer is being made under Division 1A, Part 7.12 of the Australia Corporations Act 2001 (Cth).

Tax Information.

The Plan is a plan to which subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

Exchange Control Information.

Exchange control reporting is required for cash transactions exceeding AUD10,000 and for international fund transfers. The Australian bank assisting with the transaction will file the report for Employee. If there is no Australian bank involved in the transfer, Employee will have to file the report.

A-2

AZERBAIJAN
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Payment for Vested Performance Stock Units.

The following provision replaces Paragraph 2(e) of the Agreement:

Notwithstanding anything in the Agreement, the Performance Stock Units do not provide Employee with any right to receive shares of Stock. Upon vesting, the Performance Stock Units shall be settled and paid only in cash through local payroll in an amount equal to the Fair Market Value of the shares of Stock as of the vesting date less any Tax-Related Items. Such payment shall be made as soon as administratively practicable after vesting, but in no event later than thirty days after the vesting date. Further, Employee agrees to bear any currency fluctuation risk between the time the Performance Stock Units vest and the time the cash payment is distributed to Employee.

Securities Law Information.

Employee understands that the Agreement, the Plan and all other materials Employee may receive regarding Employee's participation in the Plan do not constitute advertising or offering of securities in Azerbaijan. The offering of the Performance Stock Units pursuant to the Plan has not been and will not be registered in Azerbaijan.

A-3

BAHRAIN

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The Agreement, the Plan and all other materials Employee may receive regarding participation in the Plan do not constitute advertising or the offering of securities in Bahrain, nor do they constitute an allotment of securities in Bahrain. Any Stock issued upon settlement of the Performance Stock Units will be deposited into a Company-designated brokerage account outside Bahrain. In no event will Stock be issued or delivered in Bahrain. The issuance of Stock pursuant to the Performance Stock Units described herein has not and will not be registered in Bahrain and, hence, the Stock described herein may not be admitted or used for offering, placement or public circulation in Bahrain. Accordingly, Employee may not make any public advertising or announcements regarding the Performance Stock Units or Stock in Bahrain, promote Stock to legal entities or individuals in Bahrain, or sell Stock directly to other legal entities or individuals in Bahrain. Any disposition or sale of Stock must take place outside Bahrain.

A-4

INTERNATIONAL EMPLOYEE (ADDENDUM)

BRITISH INDIAN OCEAN TERRITORY AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

A-5

INTERNATIONAL EMPLOYEE (ADDENDUM)

CANADA AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Performance Stock Units Payable Only in Stock.

The following provision supplements Paragraph 2(e) of the Agreement:

Notwithstanding any discretion in the Plan or anything to the contrary in the Agreement, the award of Performance Stock Units does not provide any right for Employee to receive a cash payment and shall be paid in shares of Stock only.

Foreign Account/Asset Tax Reporting Information.

Employee may be required to report his or her specified foreign property on Form T1135 (Foreign Income Verification Statement) if the total cost of his or her specified foreign property exceeds C\$100,000 at any time in the year. Foreign specified property includes cash, any shares of Stock issued to Employee upon vesting and settlement of the Award as well as the Performance Stock Units. Performance Stock Units must be reported - generally at a nil cost - if the C\$100,000 cost threshold is exceeded because of other foreign property that Employee holds. If shares of Stock are acquired, their cost generally is the adjusted cost base ("ACB"). The ACB would normally equal the fair market value of the shares of Stock issued to Employee upon vesting and settlement of the Award, but if Employee owns other shares, this ACB may have to be averaged with the ACB of the other shares. The Form T1135 is required for every year during which foreign specified property exceeds C\$100,000 and must be filed with Employee's annual tax return.

Termination of Employment.

The following provision supplements Paragraph 7(j) of the Agreement and supplements the balance of the Agreement:

For purposes of this Award, in the event of Employee's termination of employment for any reason (regardless of the reason for such termination and whether or not the termination is later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where Employee is providing services or the terms of Employee's employment agreement, if any), unless otherwise provided in this Agreement or the Plan, Employee's right to vest in the Performance Stock Units, if any, will terminate effective as of the date that is the earliest of (1) the date Employee is no longer actually providing services to the Company or any of its Subsidiaries; or (2) the date Employee receives (or provides) written notice of termination of employment. Subject to the below, on and after such date, Employee will no longer be considered to be an "employee" or "employed" for the purposes of this Agreement. Unless explicitly required by applicable legislation, such date will exclude and will not be extended by any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, contract, common/civil law or otherwise. Furthermore, Employee will not earn, or be entitled to earn, any pro-rated vesting for that portion of time before the date on which Employee's right to vest terminates, nor will Employee be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, Employee's right to vest in the Performance Stock Units, if any, will terminate effective as of the last day of Employee's minimum statutory notice period, but Employee will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of Employee's statutory notice period, nor will Employee be entitled to any compensation for lost vesting.

A-6

INTERNATIONAL EMPLOYEE (ADDENDUM)

Securities Law Information.

Employee is permitted to sell shares of Stock acquired under the Plan through the designated broker appointed under the Plan, if any, provided that the sale of such shares takes place outside Canada through the facilities of a stock exchange on which the shares of Stock are listed (i.e., the New York Stock Exchange).

The following provisions shall apply if Employee is a resident of Ontario:

Post-Employment Non-Competition - Ontario

If Employee is employed in the Province of Ontario and Employee is not an Executive within the meaning of Section 67.2(4) of the *Employment Standards Act, 2000*, the covenant in Paragraph 10(b)(i) shall not apply to Employee.

The following provisions shall apply if Employee is a resident of Quebec:

Data Privacy.

This provision supplements Paragraph 6 of the Agreement:

Employee hereby authorizes the Company and representatives of any Subsidiary to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. Employee further authorizes the Company and any Subsidiary and the administrators of the Plan to disclose and discuss the Plan with their advisors. Employee further authorizes the Company and any Subsidiary to record such information and to keep such information in Employee's file.

French Language Documents (Documents en Langue Française).

A French translation of this document and the Plan will be made available to Employee as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless Employee indicates otherwise, the French translation of this document and the Plan will govern Employee's participation in the Plan.

Une traduction française de ce document et du Plan sera mise à la disposition de l'Employé dès que raisonnablement possible. Nonobstant toute disposition contraire de l'Entente, et sauf indication contraire de l'Employé, la traduction française de ce document et du Plan régiront la participation de l'Employé au Plan.

A-7

INTERNATIONAL EMPLOYEE (ADDENDUM)

CHINA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Payment for Vested Performance Stock Units.

The following provision replaces Paragraph 2(e) of the Agreement:

Notwithstanding anything in the Agreement, the Performance Stock Units do not provide Employee with any right to receive shares of Stock. Upon vesting, the Performance Stock Units shall be settled and paid only in cash through local payroll in an amount equal to the Fair Market Value of the shares of Stock as of the vesting date less any Tax-Related Items. Such payment shall be made as soon as administratively practicable after vesting, but in no event later than thirty days after the vesting date. Further, Employee agrees to bear any currency fluctuation risk between the time the Performance Stock Units vest and the time the cash payment is distributed to Employee.

A-8

INTERNATIONAL EMPLOYEE (ADDENDUM)

DJIBOUTI

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

A-9

INTERNATIONAL EMPLOYEE (ADDENDUM)

FINLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

A-10

GERMANY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

Cross-border payments in excess of €12,500, must be reported monthly to the German Federal Bank. If Employee makes or receives a payment in excess of this amount (including if Employee acquires shares of Stock with a value in excess of this amount or sell Stock via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells shares of Stock with a value in excess of this amount to cover Tax-Related Items, Employee must report the payment and/or the value of the shares of Stock withheld or sold to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("Allgemeines Meldeportal Statistik") available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

A-11

INDIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

Employee must repatriate the proceeds from the sale of shares of Stock and any cash dividends paid on such Stock within the period of time required under applicable regulations. Employee will receive a foreign inward remittance certificate ("FIRC") from the bank where Employee deposits the foreign currency. Employee should maintain the FIRC received from the bank as evidence of the repatriation of the funds in the event that the Reserve Bank of India or the Employer requests proof of repatriation. Employee agrees to provide any information that may be required by the Company or the Employer to make any applicable filings under exchange control laws in India. It is Employee's responsibility to comply with applicable exchange control laws in India.

Foreign Account/Asset Tax Reporting Information.

Employee is required to declare in his or her annual tax return (a) any foreign assets held by him or her or (b) any foreign bank accounts for which he or she has signing authority. *Indian residents are responsible for complying with applicable exchange control and reporting laws in India and should consult with a personal advisor in this regard.*

A-12

INDONESIA
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Language Consent and Information (Persetujuan dan Pemberitahuan Bahasa).

By accepting the grant of Performance Stock Units, Employee (i) confirms having read and understood the documents relating to this grant (i.e., the Plan and the Agreement (including the Addendum)) which were provided in the English language, (ii) accepts the terms of those documents accordingly, and (iii) agrees not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Dengan menerima pemberian Unit Saham Terbatas ini, Peserta (i) memberikan konfirmasi bahwa dirinya telah membaca dan memahami dokumen-dokumen berkaitan dengan pemberian ini (yaitu, Program dan Perjanjian) yang disediakan dalam Bahasa Inggris, (ii) menerima persyaratan di dalam dokumen-dokumen tersebut, dan (iii) setuju untuk tidak mengajukan keberatan atas keberlakuan dari dokumen ini berdasarkan Undang-Undang No. 24 Tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan ataupun Peraturan Presiden sebagai pelaksanaannya (ketika diterbitkan).

Exchange Control Information.

For foreign currency transactions exceeding a certain threshold (currently, US\$25,000), the document(s) underlying that transaction will have to be submitted to the relevant local bank. If Indonesian residents repatriate funds (e.g., proceeds from the sale of shares of Stock acquired under the Plan) into Indonesia, the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia. For transactions of a certain threshold (currently, US\$10,000) or more (or its equivalent in other currency), a more detailed description of the transaction must be included in the report and Indonesian residents may be required to provide information about the transaction to the bank in order to complete the transaction.

In addition, if there is a change of position (i.e., sale of shares of Stock) in any foreign assets Employee holds (including shares of Stock acquired under the Plan), Indonesian residents must report this change to the Bank of Indonesia no later than the 15th day of the month following the change in position.

Foreign Account/Asset Tax Reporting Information.

Indonesian residents must report worldwide assets (including foreign accounts and shares of Stock acquired under the Plan) in their annual individual income tax return.

A-13

INTERNATIONAL EMPLOYEE (ADDENDUM)

IRAQ
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

A-14

INTERNATIONAL EMPLOYEE (ADDENDUM)

JAPAN
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

Employee is required to report details of any assets held outside Japan as of December 31 (including shares of Stock acquired under the Plan), to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report will be due by March 15 each year. You should consult with your personal advisor(s) regarding any personal foreign asset/foreign account tax obligations you may have in connection with your participation in the Plan.

A-15

INTERNATIONAL EMPLOYEE (ADDENDUM)

KUWAIT
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The Plan does not constitute the marketing or offering of securities in Kuwait pursuant to Law No. 7 of 2010, as amended (establishing the Capital Markets Authority) and its implementing regulations. The grant of Performance Stock Units under the Plan are made only to qualified Employees of the Company and its Subsidiaries.

A-16

INTERNATIONAL EMPLOYEE (ADDENDUM)

MEXICO
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Acknowledgement of the Agreement.

In accepting the award of Performance Stock Units, Employee acknowledges that Employee has received a copy of the Plan, has reviewed the Plan and the Agreement in their entirety and fully understands and accepts all provisions of the Plan and the Agreement. Employee further acknowledges that Employee has read and specifically and expressly approves the terms and conditions of Paragraph 7 of the Agreement, in which the following is clearly described and established:

- (1) Employee's participation in the Plan does not constitute an acquired right.
- (2) The Plan and Employee's participation in the Plan are offered by the Company on a wholly discretionary basis.
- (3) Employee's participation in the Plan is voluntary.
- (4) The Company and its Subsidiaries are not responsible for any decrease in the value of the underlying shares of Stock.

Labor Law Acknowledgement and Policy Statement.

In accepting the award of Performance Stock Units, Employee expressly recognizes that KBR, Inc., with registered offices at 601 Jefferson Street, Suite 3400, Houston, Texas 77002, U.S.A., is solely responsible for the administration of the Plan and that Employee's participation in the Plan and acquisition of shares of Stock does not constitute an employment relationship between Employee and KBR, Inc. since Employee is participating in the Plan on a wholly commercial basis and Employee's sole employer is a Subsidiary of the Company in Mexico ("KBR-Mexico"), not KBR, Inc. in the U.S. Based on the foregoing, Employee expressly recognizes that the Plan and the benefits that Employee may derive from participation in the Plan do not establish any rights between Employee and Employee's employer, KBR-Mexico, and do not form part of the employment conditions and/or benefits provided by KBR-Mexico and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of Employee's employment.

Employee further understands that Employee's participation in the Plan is as a result of a unilateral and discretionary decision of KBR, Inc.; therefore, KBR, Inc. reserves the absolute right to amend and/or discontinue Employee's participation at any time without any liability to Employee.

Finally, Employee hereby declares that he or she does not reserve to Employee any action or right to bring any claim against KBR, Inc. for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and Employee therefore grants a full and broad release to KBR, Inc., its Subsidiary, branches, representation offices, its shareholders, officers, agents or legal representatives with respect to any claim that may arise.

Reconocimiento del Convenio.

Aceptando este Premio(Award),¹ el Participante (Employee) reconoce que ha recibido una copia del Plan, que lo ha revisado como así también el Convenio en su totalidad, y comprende y está de acuerdo c

¹El término "Premio" se refiere a la palabra "Performance Stock Units."

A-17

INTERNATIONAL EMPLOYEE (ADDENDUM)

on todas las disposiciones tanto del Plan como del Convenio. Asimismo, el Participante reconoce que ha leído y específicamente y expresamente manifiesta la conformidad del Participante con los términos y condiciones establecidos en la cláusula 7 de dicho Convenio, en el cual se establece claramente que:

- (1) La participación del Participante en el Plan de ninguna manera constituye un derecho adquirido.
- (2) Que el Plan y la participación del Participante en el mismo es una oferta por parte de KBR, Inc. de forma completamente discrecional.
- (3) Que la participación del Participante en el Plan es voluntaria.
- (4) Que KBR, Inc. y sus Entidades Relacionadas no son responsables por cualquier pérdida en el valor de el Premio y/o Acciones otorgadas mediante el Plan.

Reconocimiento de Ausencia de Relación Laboral y Declaración de la Política.

Aceptando este Premio, el Participante reconoce que KBR, Inc. y sus oficinas registradas en 601 Jefferson Street, Suite 3400, Houston, Texas 77002, U.S.A., es el único responsable de la administración del Plan y que la participación del Participante en el mismo y la adquisición de Acciones no constituye de ninguna manera una relación laboral entre el Participante y KBR, Inc., toda vez que la participación del Participante en el Plan deriva únicamente de una relación comercial con KBR, Inc., reconociendo expresamente que el único empleador del Participante es la Subsidiaria de la Compañía en Mexico("KBR-Mexico"), no es KBR, Inc. en los Estados Unidos.Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar del mismo no establecen ningún derecho entre el Participante y su empleador, KBR-Méjico, y no forman parte de las condiciones laborales y/o prestaciones otorgadas por KBR-Méjico, y expresamente el Participante reconoce que cualquier modificación al Plan o la terminación del mismo de manera alguna podrá ser interpretada como una modificación de las condiciones de trabajo del Participante.

Asimismo, el Participante entiende que su participación en el Plan es resultado de la decisión unilateral y discrecional de KBR, Inc., por lo tanto, KBR, Inc. se reserva el derecho absoluto para modificar y/o terminar la participación del Participante en cualquier momento, sin ninguna responsabilidad para el Participante.

Finalmente, el Participante manifiesta que no se reserva ninguna acción o derecho que origine una demanda en contra de KBR, Inc., por cualquier compensación o daño en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el Participante otorga un amplio y total finiquito a KBR, Inc., sus Entidades Relacionadas, afiliadas, sucursales, oficinas de representación, sus accionistas, directores, agentes y representantes legales con respecto a cualquier demanda que pudiera surgir.

A-18

INTERNATIONAL EMPLOYEE (ADDENDUM)

Securities Law Information.

The Performance Units granted, and any shares of Stock acquired, under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, Agreement and any other document relating to the Performance Units may not be publicly distributed in Mexico. These materials are addressed to Employee because of his or her existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities, but rather a private placement of securities addressed specifically to individuals who are present service providers made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

A-19

INTERNATIONAL EMPLOYEE (ADDENDUM)

POLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

If Employee holds foreign securities (including shares of Stock) and maintains accounts abroad, Employee may be required to file certain reports with the National Bank of Poland. Specifically, if the value of securities and cash held in such foreign accounts exceeds PLN 7 million, Employee must file reports on the transactions and balances of the accounts on a quarterly basis. Further, any fund transfers in excess of €15,000 (or PLN 15,000 if such transfer of funds is connected with business activity of an entrepreneur) into or out of Poland must be effected through a bank in Poland. Polish residents are required to store all documents related to foreign exchange transactions for a period of five years.

A-20

QATAR

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

A-21

INTERNATIONAL EMPLOYEE (ADDENDUM)

ROMANIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Language Consent.

By accepting the grant of Performance Stock Units, Employee acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the documents related to the grant (the Agreement and the Plan), which were provided in the English language. Employee accept the terms of those documents accordingly.

Consimtamant cu privire la limba.

Prin acceptarea acordarii de Performance Stock Units, Employee confirma ca acesta sau aceasta are un nivel adevarat de cunoastere in ce priveste citirea si intelegera limbii engleze, a citit si confirma ca a intelese pe deplin termenii documentelor referitoare la acordare (Acord si Planul), care au fost furnizate in limba engleza. Employee accepta termenii acestor documente in consecinta.

Exchange Control Information.

If Employee remits foreign currency into Romania (e.g., proceeds from the sale of shares of Stock), Employee may be required to provide the Romanian bank through which the foreign currency is transferred with appropriate documentation explaining the source of the funds.

A-22

INTERNATIONAL EMPLOYEE (ADDENDUM)

SAUDI ARABIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If Employee does not understand the contents of this document, Employee should consult his or her own advisor or an authorized financial advisor.

A-23

INTERNATIONAL EMPLOYEE (ADDENDUM)

SINGAPORE

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The grant of Performance Stock Units is being made in reliance of section 273(1)(i) of the Securities and Futures Act 2001 ("SFA") for which it is exempt from the prospectus and registration requirements under the SFA and is not made to Employee with a view of the Performance Stock Units being subsequently offered to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. Employee should note that the Performance Stock Units are subject to section 257 of the SFA and Employee will not be able to make (i) any subsequent sale of the shares of Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Stock subject to the Performance Stock Units in Singapore, unless such sale or offer is made (a) more than six months after the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or pursuant to, and in accordance with the condition of, any other applicable provisions of the SFA.

Director Notification Information.

If Employee is a director of a Singapore Subsidiary, Employee must notify the Singapore Subsidiary in writing within two business days of Employee receiving or disposing of an interest (e.g., Performance Stock Units, shares of Stock, etc.) in the Company or any Subsidiary or within two business days of Employee becoming a director if such an interest exists at the time. This notification requirement also applies to an associate director of the Singapore Subsidiary and to a shadow director of the Singapore Subsidiary (*i.e.*, an individual who is not on the board of directors of the Singapore Subsidiary but who has sufficient control so that the board of directors of the Singapore Subsidiary acts in accordance with the "directions and instructions" of the individual).

A-24

INTERNATIONAL EMPLOYEE (ADDENDUM)

SOUTH KOREA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

Employee must declare all of his or her foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report with respect to such accounts if the value of such accounts exceeds a certain threshold (currently, KRW 500 million (or an equivalent amount in foreign currency)) on any month-end date during the year.

Domestic Broker Requirement.

Korean residents currently are not permitted to sell foreign securities (including shares of Stock) through non-Korean brokers (such as Morgan Stanley) or deposit funds resulting from the sale of shares of Stock in an account with an overseas financial institution. If Employee wishes to sell shares of Stock acquired under the Plan, Employee may be required to transfer the shares of Stock to a domestic investment broker in Korea and to effect the sale through such broker. Employee is solely responsible for engaging the domestic broker in Korea. However, on December 29, 2023, the Financial Services Commission issued an advance notice of legislative action which may allow Korean residents to dispose of overseas-listed securities without using Korean licensed brokers as early as March 2024. *Employee should consult a personal legal advisor to ensure compliance with applicable requirements.*

A-25

INTERNATIONAL EMPLOYEE (ADDENDUM)

SPAIN

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Nature of Grant.

This provision supplements Section 7 of the Agreement:

In accepting the Performance Stock Units, Employee consents to participate in the Plan and acknowledges that Employee has received a copy of the Plan and the Agreement.

Employee understands and agrees that, as a condition of the grant of the Performance Stock Units, termination of Employee's employment or other services for any reason (including the reasons listed below) will automatically result in the loss of the Performance Stock Units that may have been granted to Employee and that have not vested as of date that Employee is no longer actively employed, as described in Section 7 of the Agreement. In particular, Employee understands and agrees that any unvested Performance Stock Units as of the date that Employee is no longer actively employed will be forfeited without entitlement to the underlying shares of Stock or to any amount of indemnification in the event of a termination by reason of, but not limited to, resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause, individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer and under Article 10.3 of the Royal Decree 1382/1985. Employee acknowledges that Employee has read and specifically accepts the conditions referred to in Section 7 of the Agreement.

Employee understands that the Company has unilaterally, gratuitously and discretionally decided to grant Performance Stock Units under the Plan to individuals who may be employees of the Company or a Subsidiary throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Subsidiary on an ongoing basis other than as set forth in this Agreement. Consequently, Employee understands that the Performance Stock Units is granted on the assumption and condition that the Performance Stock Units and any shares of Stock issued upon vesting of the Performance Stock Units are not part of any employment contract (either with the Company or any Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, Employee understands that the Performance Stock Units would not be granted to Employee but for the assumptions and conditions referred to herein; thus, Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the grant of this Performance Stock Units and any right to the Performance Stock Units shall be null and void.

Exchange Control Information.

Employee is required to electronically declare to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including shares of Stock acquired under the Plan), and any transactions with non-Spanish residents (including any payments of shares of Stock made to Employee pursuant to the Plan) if the balances in such accounts together with the value of such instruments as of December 31, or the volume of transactions with non-Spanish residents during the prior or current year, exceed €1,000,000. Once the €1,000,000

threshold has been surpassed in either respect, Employee will generally be required to report all foreign accounts, foreign instruments and transactions with non-Spanish

A-26

INTERNATIONAL EMPLOYEE (ADDENDUM)

residents, even if the relevant threshold has not been crossed for an individual item. Generally, Employee will only be required to report on an annual basis.

Foreign Account/Asset Tax Reporting Information.

To the extent that Employee holds rights or assets (e.g., cash or shares of Stock held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset as of December 31 each year, Employee is required to report information on such rights and assets on Employee's tax return for such year (or at any time during the year in which Employee sells or disposes of such right or asset). After such rights or assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000.

A-27

INTERNATIONAL EMPLOYEE (ADDENDUM)

SWITZERLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

Neither this document nor any other materials relating to the Performance Units (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA"), (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company, or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to Article 51 of FinSA or any other Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

A-28

INTERNATIONAL EMPLOYEE (ADDENDUM)

THAILAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

If the proceeds from the sale of shares of Stock or any cash dividends received in relation to such shares of Stock exceed USD 1,000,000 (or its equivalent amount) in a single transaction, Employee is required to immediately repatriate the funds to Thailand, unless Employee can rely on any applicable exemptions (e.g., where the funds will be used offshore for any permissible purposes under exchange control regulations) and the relevant form and supporting documents have been submitted to a commercial bank in Thailand. Any foreign currency repatriated to Thailand must be converted to Thai Baht or deposited into a foreign currency deposit account opened with any commercial bank in Thailand acting as the authorized agent within 360 days from the date the funds are repatriated to Thailand. Employee is also required to inform the authorized agent of the details of the foreign currency transaction, including identification information and the purpose of the transaction.

A-29

INTERNATIONAL EMPLOYEE (ADDENDUM)

TURKEY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

Under Turkish law, Employee is not permitted to sell any shares of Stock acquired under the Plan in Turkey. The shares of Stock are currently traded on the New York Stock Exchange, which is located outside of Turkey, under the ticker symbol "KBR" and the shares of Stock may be sold through this exchange.

Exchange Control Information.

Exchange control regulations require Turkish residents to conduct any activity related to investments in foreign securities through a bank or financial intermediary institution licensed by the Turkish Capital Markets Board.

A-30

INTERNATIONAL EMPLOYEE (ADDENDUM)

UNITED ARAB EMIRATES

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The Plan is only being offered to qualified Employees and is in the nature of providing equity incentives to Employees in the United Arab Emirates ("UAE"). Any documents related to the Plan, including the Plan, Plan prospectus and other grant documents ("Plan Documents"), are intended for distribution only to such Employees and must not be delivered to, or relied on by, any other person. Prospective stockholders should conduct their own due diligence on the securities. If Employee does not understand the contents of the Plan Documents, Employee should consult an authorized financial adviser.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor taken steps to verify the information set out in them, and thus, are not responsible for such documents.

A-31

UNITED KINGDOM
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Withholding of Taxes.

This section supplements Paragraph 3 of the Agreement.

Without limitation to Paragraph 3 of the Agreement, Employee agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or the Employer, as applicable, or by HM Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). Employee also agrees to indemnify and keep indemnified the Company and the Employer, as applicable, for any Tax-Related Items that they are required to pay or withhold or have paid or will pay on Employee's behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if Employee is an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In this case, the amount of any income tax not collected within 90 days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to Employee on which additional income tax and national insurance contributions may be payable. Employee acknowledges that Employee ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as appropriate) for the value of any national insurance contributions due on this additional benefit. Employee acknowledges that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Paragraph 3 of the Agreement.

A-32

US/INTERNATIONAL EMPLOYEE (CASH ONLY)

PERFORMANCE AWARD AGREEMENT

Grant Date: _____

Re: *Performance Unit Grant*

I am pleased to inform you that KBR, Inc. (the "Company") has granted you Performance Units under the Company's Amended and Restated 2006 Stock and Incentive Plan, as amended and restated (the "Plan"), subject to the terms and conditions in the Plan and as set forth in this Performance Award Agreement, including any exhibits attached hereto (collectively, the "Agreement") as follows:

1. Grant of Performance Units.

The number of Performance Units granted to you as a Performance Award under the Plan is _____. Each Performance Unit shall have a target value of \$1.00. The actual value, if any, of a Performance Unit at the end of the Performance Period (as defined in Exhibit A) will, subject to Paragraph 3 below, be determined based on the level of achievement during the Performance Period of the performance objectives set forth in Exhibit A hereto, which is made a part hereof for all purposes. Eighty percent of the Performance Units shall be "Tranche One PUs" and twenty percent of the Performance Units shall be "Tranche Two PUs."

2. Terms of Performance Units.

(a) **Vesting.** Except as otherwise provided in subparagraphs (b) and (d) below, you will vest in the Performance Units earned (if any) for the Performance Period only if you are an employee of the Company or a Subsidiary on the date such earned Performance Units are paid, as provided in Paragraph 3 below.

In addition, except as otherwise provided in subparagraphs (b) and (d) below, you shall, for no consideration, forfeit all of the Tranche Two PUs on December 31, 2024, if the Committee that administers the Plan (the "Committee") determines, in its sole discretion, that calendar year 2024 was not a successful year for the Company. Any such determination by the Committee shall be made on or before March 31, 2025.

(b) **Death, Disability or Retirement.** Unless otherwise provided in an agreement pursuant to Paragraph 14, if you cease to be an employee of the Company or a Subsidiary as a result of (i) your death, (ii) your permanent disability (disability being defined as being physically or mentally incapable of performing either your usual duties as an employee or any other duties as an employee that the Company reasonably makes available and such condition is likely to remain continuously and permanently, as determined by the Company or employing Subsidiary), or (iii) your retirement with the approval of (A) the board of directors of the Company (the "Board"), upon the Committee's recommendation, if you are the Company's Chief Executive Officer (the "CEO"), (B) the Committee if you are a "senior executive of the Company" (as defined below) or (C) the CEO if you are not a senior executive of the Company (with such approval to be granted or withheld in the sole discretion of the Board (upon the Committee's recommendation), the Committee or the CEO, as applicable), then, in any such case, a prorata portion of your Performance Units that become "earned", if any, as

US/INTERNATIONAL EMPLOYEE (CASH ONLY)

provided in Exhibit A, will become vested; provided, however, that if the Tranche Two PUs have been forfeited pursuant to the last two sentences of subparagraph (a) above prior to the occurrence of an event described in clause (i), (ii) or (iii) of this sentence, then the Tranche Two PUs shall remain forfeited, no portion of the Tranche Two PUs will vest upon the occurrence of any such event, and the prorata portion of your Performance Units that become "earned", if any, and that may become vested pursuant to this sentence shall be determined based solely upon the Tranche One PUs. The "prorata portion" that becomes vested shall be a fraction, the numerator of which is the number of days in the Performance Period in which you were an employee of the Company or a Subsidiary and the denominator of which is the total number of days in the Performance Period. If your termination for the above reasons is after the end of the Performance Period but before payment of the Performance Units earned, if any, for such Performance Period, you will be fully vested in any such earned Performance Units that have not yet been forfeited and which are still outstanding. "Senior executive of the Company" for purposes of this Agreement shall mean any regular, full-time employee of the Company or an affiliate who (x) is an officer of the Company required to file reports with the Securities and Exchange Commission under Section 16 of the Securities Exchange Act of 1934, (y) is the Chief Accounting Officer of the Company, or (z) is the highest ranking management position (with at least a title of Director or above) with direct oversight over internal audits of the Company.

(c) **Other Terminations.** If you terminate employment from the Company and its Subsidiaries for any reason other than as provided in subparagraph (b) above or subparagraph (d) below or if you breach any of the covenants set forth in Paragraph 6, all unvested Performance Units held by you shall be forfeited without payment immediately upon such termination or the occurrence of such breach (as applicable).

(d) **Corporate Change.** Notwithstanding any other provision hereof, unless otherwise provided in an agreement pursuant to Paragraph 14, your Performance Units shall become fully vested at the maximum earned percentage provided in Exhibit A upon your Involuntary Termination or termination for Good Reason within two years following a Corporate Change (as provided in the Plan) (a "Double Trigger Event") during the Performance Period; provided, however, that if the Tranche Two PUs have been forfeited pursuant to the last two sentences of subparagraph (a) above prior to the occurrence of a Double Trigger Event, then the Tranche Two PUs shall remain forfeited, no portion of the Tranche Two PUs will vest upon the occurrence of the Double Trigger Event, and the portion of your Performance Units that become vested pursuant to this sentence shall be determined based solely upon the

Tranche One PUs. If a Double Trigger Event occurs after the end of the Performance Period and prior to payment of the earned Performance Units, you will be 100% vested in your earned Performance Units that have not yet been forfeited and which are still outstanding upon the Double Trigger Event and payment will be made in accordance with the results achieved for the Performance Period ended as provided in Exhibit A.

For purposes of this Agreement, employment with the Company includes employment with a Subsidiary. For the avoidance of doubt, it is expressly provided that you shall be considered to have terminated employment with the Company at the time of the termination of the "Subsidiary" status under the Plan of the entity or other organization that employs you.

3. **Payment of Vested Performance Units.** As soon as administratively practicable after the end of the Performance Period, but no later than the March 15th following the end of the Performance Period, or with respect to a Double Trigger Event occurring prior to the end of the Performance Period, the date of the Double Trigger Event (but no later than the March 15th following the calendar year in which occurs the date of the Double Trigger Event), you shall be entitled to receive from the Company a payment in cash equal to the product of the Payout Percentage (as defined in Exhibit A) and the sum of the target values of your vested Performance Units; provided, however, that such payment amount may be reduced, but not increased, by any amount (including a reduction resulting in a payment of \$0) in the sole discretion of (a) the Board, upon the Committee's recommendation, if you are the CEO, (b) the Committee if you are a senior executive of the Company or (c) the CEO if you are not a senior executive of the Company (provided, further, that any such discretion to reduce such payment amount may not be exercised by the Board, the Committee or the CEO, as applicable, at any time after the occurrence of a Corporate Change). Except as provided in Exhibit A with respect to a Double Trigger Event, if the performance thresholds set forth in Exhibit A are not met, no payment shall be made with respect to the Performance Units, whether or not vested. Notwithstanding the foregoing, in no event may the amount paid to you by the Company in any year with respect to Performance Units earned hereunder exceed the applicable limit under Article V of the Plan.
4. **Recovery of Payment of Vested Performance Units.** If, within the three-year period beginning on the date that you receive a payment pursuant to Paragraph 3, the basis upon which the performance measurements were achieved during any calendar year of the Performance Period changes because of any restatement of or revision to the Company's financial results, shareholder return, or any other performance measure for the same calendar year, regardless of fault, and the value of the Performance Units earned at the end of the Performance Period is determined to have resulted in an overpayment based on such calendar year's restated or revised financial results, shareholder return or other performance measure, the Board, the Committee or the CEO, as applicable, may, in its sole and absolute discretion, seek recovery of the amount of the Performance Award determined to be an overpayment or hold the overpayment as debit against future Awards for up to a three-year period following the end of the Performance Period. In addition, the Company shall seek recovery of any benefits provided to you under this Agreement if such recovery is required by any clawback policy adopted by the Company, which may be amended from time to time, including, but not limited to, any clawback policy adopted to satisfy the minimum clawback requirements adopted under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the regulations thereunder or any other applicable law or securities exchange listing standard. The Company reserves the right, without your consent, to adopt any such clawback policy, including, but not limited to, such clawback policies applicable to this Performance Award with retroactive effect.
5. **Limitations Upon Transfer.** All rights under this Agreement shall belong to you and may not be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise), other than by will or the applicable laws of descent and distribution or, if you are exclusively subject to the laws of the United States, pursuant to a "qualified domestic relations order" (as defined by the Code), and shall not be subject to execution, attachment, or similar process. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of such rights contrary to the provisions in this Agreement or the Plan, or upon the levy of any attachment or similar process upon such rights, such rights shall immediately become null and void.

6. Non-Competition; Non-Solicitation; Non-Disclosure.

- (a) Following the date you enter into this Agreement, the Company and/or its Subsidiary(ies) shall provide you access to Confidential Information (as defined below). Such Confidential Information shall be for use only during your employment with the Company, and as an express incentive for the Company to enter into this Agreement and to grant to you the Performance Units (which grant, you acknowledge, shall further align your interests with the long-term business interests of the Company and its Subsidiaries) and provide you with Confidential Information, you have voluntarily agreed to the covenants set forth in this Paragraph 6. You agree and acknowledge that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause you undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company's and its Subsidiaries' trade secrets and other Confidential Information, goodwill and legitimate business interests.
- (b) During the Prohibited Period (as defined below), you shall not, without the prior written approval of the Company, directly or indirectly, for yourself or on behalf of or in conjunction with any other person or entity of any nature:
 - (i) engage in or participate within the Market Area (as defined below) in competition with the Company or any of its Subsidiaries in any aspect of the Business (as defined below), which prohibition shall prevent you from directly or indirectly: (A) owning, managing, operating, or being an officer or director of, any business that competes with the Company or any of its Subsidiaries in the Market Area, or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with the Company or any of its Subsidiaries in any capacity (with respect to this clause (B) in which your duties or responsibilities are the same as or similar to the duties or responsibilities that you had on behalf of the Company or any of its Subsidiaries, or involve direct or indirect oversight over such duties or responsibilities;
 - (ii) appropriate any Business Opportunity of, or relating to, the Company or any of its Subsidiaries located in the Market Area;
 - (iii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of the Company or any of its Subsidiaries for whom or which you had responsibility in the final 12 months prior to the termination of your employment with the Company to cease or lessen such customer's or supplier's business with the Company or any of its Subsidiaries; or
 - (iv) solicit, canvass, approach, encourage, entice or induce any employee or contractor of the Company or any of its Subsidiaries to terminate his, her or its employment or engagement with the Company or any of its Subsidiaries.

- (c) Notwithstanding any other provision of this Agreement:

- (i) the covenants set forth in this Paragraph 6 shall not apply to restrict any of your activities within the State of California, including if you are a California resident; and

(ii) if prohibited by any applicable law regarding non-competition restrictions in Washington, D.C., the covenants set forth in Paragraphs 6(b)(i) and 6(b)(ii) shall not apply with respect to any activities conducted within (including individuals' performance of work in) Washington, D.C.;

provided, however, for the avoidance of doubt, the foregoing exceptions under this Paragraph 6(c) shall not limit any other obligations that you owe to the Company or any of its Subsidiaries under any other agreements or applicable laws, including (without limitation) with respect to the protection of Confidential Information.

(d) If you are an attorney at law or licensed lawyer in any jurisdiction, none of the restrictions set forth in this Paragraph 6 shall be interpreted or applied in a manner to prevent or restrict you from practicing law, as it is the intent of this Paragraph 6 to create certain limitations on your business activities only, and not to create limitations that would restrict you from practicing law. If you are an attorney at law or licensed to practice law, you acknowledge and agree that, both during your employment with the Company and thereafter, you shall be bound by all ethical and professional obligations (including those with respect to conflicts of interest and confidentiality) that may arise from your provision of legal services to, and acting as legal counsel for, the Company and (as applicable) its Subsidiaries.

(e) You agree, both during and after your employment with the Company, not to use or disclose any Confidential Information other than for the benefit of the Company or its Subsidiaries in the course of your duties for the Company or its applicable Subsidiary. All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to you, individually or in conjunction with others, in connection with your employment with the Company or otherwise during the time that you are or have been employed or engaged by the Company or any of its Subsidiaries (whether during business hours or otherwise and whether on the Company's or its Subsidiaries' premises or otherwise), that relate to the Companies' or its Subsidiaries' businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, formulas, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or their requirements, research and development information, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**". For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of you or your agents; (ii) was available to you on a non-confidential basis before its disclosure by the Company or any of its Subsidiaries; or (iii) becomes available to you on a non-confidential basis from a source other than the Company or any of its Subsidiaries; *provided, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, the Company or any of its Subsidiaries.*

(f) Notwithstanding the foregoing Paragraph 6(e), nothing in this Agreement shall prohibit or restrict you from lawfully (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority (in each instance regarding a possible violation of any law); (ii) responding to any inquiry or legal process directed to you from any such governmental authority; (iii) testifying, participating or otherwise assisting in an action or proceeding by any such governmental authority relating to a possible violation of law or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (x) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; (y) is made to your attorney in relation to a lawsuit for retaliation against you for reporting a suspected violation of law or (z) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement

requires you to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company or any of its Subsidiaries that you have engaged in any such conduct.

(g) Because of the difficulty of measuring economic losses to the Company and its Subsidiaries as a result of a breach or threatened breach of the covenants set forth in this Paragraph 6, and because of the immediate and irreparable damage that would be caused to the Company and its Subsidiaries for which they would have no other adequate remedy, the Company and each of its Subsidiaries shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or its Subsidiaries' exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each of its Subsidiaries at law and equity.

(h) The covenants in this Paragraph 6, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such arbitrator or court deems reasonable, and this Agreement shall thereby be reformed.

(i) The following terms shall have the following meanings:

(i) "Business" shall mean the business and operations that are the same or similar to those performed by the Company and any of its Subsidiaries for which you provide services or about which you obtain Confidential Information during your employment with the Company.

(ii) "Business Opportunity" shall mean any commercial, investment or other business opportunity relating to the Business.

6

US/INTERNATIONAL EMPLOYEE (CASH ONLY)

(iii) "Market Area" shall mean: (i) during that portion of the Prohibited Period that exists during which you are employed by the Company, any geographic area or market where you provide, or have provided, services to the Company or any of its Subsidiaries; and (ii) during that portion of the Prohibited Period that exists following the date that you are no longer employed by the Company, any geographic area or market where you provided services to the Company or any of its Subsidiaries as of the date you are no longer employed by the Company or during the 12 months prior to such date.

(iv) "Prohibited Period" shall mean the period during which you are employed by the Company and continuing for a period of 12 months following the date that you are no longer employed by the Company; provided, however, with respect to a termination of employment with the Company on or after the date upon which a Corporate Change occurs, the Prohibited Period shall end on the date of such termination of employment with respect to the obligations under Paragraphs 6(b)(i) and 6(b)(ii).

7. Withholding of Tax. You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (1) do not make representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Units including, but not limited to, the grant, vesting or payout of the Performance Units; and (2) do not commit to structure the terms of the Performance Units or any aspect of the Performance Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company and/or your Employer or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (a) withholding from your wages or other cash compensation paid to you by the Company and/or your Employer, or (b) withholding from the payout of the Performance Units.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case you may receive a refund of any over-withheld amount in cash and will have no entitlement to the Performance Units. You agree to pay the Company or the Employer, including through withholding from your wages or other cash compensation paid to you by the Company or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver the cash settlement, or any other form of pay-out for the

Performance Units, if you fail to comply with your obligations in connection with the Tax-Related Items.

Notwithstanding the preceding provisions of this Paragraph 7, your liability with respect to Tax-Related Items shall be subject to any international tax assignment agreement then in effect between you and the Company, the Employer or any of their respective affiliates or any tax policies or procedures applicable to your home country, and in the event of any conflict between the terms of this Paragraph 7 and the terms of such international tax assignment agreement or such tax policies or procedures, the terms of such international tax assignment agreement or such tax policies or procedures, as applicable, shall control.

8. **Nature of Grant.** In accepting the Performance Units, you acknowledge, understand and agree that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan; (b) the grant of the Performance Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Performance Units, or benefits in lieu of Performance Units, even if Performance Units have been granted in the past; (c) all decisions with respect to future Performance Units or other grants, if any, will be at the sole discretion of the Company; (d) the grant of Performance Units and your participation in the Plan shall not create a right to employment or be interpreted as forming an employment or service contract with the Company, your Employer, or any Subsidiary and shall not interfere with the ability of the Employer to terminate your employment or service relationship (if any); (e) you are voluntarily participating in the Plan; (f) the Performance Units, and the income and value of same, are not intended to replace any pension rights or compensation; (g) the Performance Units, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday-pay, bonuses, long-service awards, leave-related payments, pension or retirement benefits or similar mandatory payments; (h) the future value of the Performance Units is unknown, indeterminable and cannot be predicted with certainty; (i) no claim or entitlement to compensation or damages shall arise from the forfeiture of the Performance Units or the recoupment of any shares of Stock or other benefits or payments acquired under the Plan resulting from (i) you ceasing to provide employment or other services to the Company or your Employer (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) and/or (ii) the application of any recoupment or clawback policy or provision described in this Agreement (or otherwise required by the Company) or any recovery or clawback otherwise required by law; (j) in the event of involuntary termination of your active employment or other services (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), unless otherwise provided in this Agreement or determined by the Company, your right to vest in the Performance Units under the Plan, if any, will terminate effective as of the date that you are no longer actively providing services and will not be extended by any notice period (e.g., active services would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), except as expressly provided herein,

and that the Company shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of the Performance Units (including whether you may still be considered to be providing services while on an approved leave of absence); (k) unless otherwise provided in the Plan or by the Company in its discretion, the Performance Units and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Units

or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; (l)unless otherwise agreed with the Company, the Performance Units, and the income and value of same, are not granted as consideration for, or in connection with, services you may provide as a director of a Subsidiary; (m) if you are requested to make repayment under Paragraph 4, you will make repayment immediately; and (n) the following provisions apply only if you are providing services outside the United States: (i) the Performance Units, and the income and value of same, are not part of normal or expected compensation or salary for any purpose; and (ii) neither the Company, the Employer nor any Subsidiary shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Performance Units or the subsequent payout of the Performance Units.

9. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan. You should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

10. **Data Privacy.**

(a) **Declaration of Consent.** *By accepting the Performance Units via the Company's acceptance procedure, you are declaring that you agree with the data processing practices described herein and consent to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned below, including recipients located in countries which may not have a similar level of protection from the perspective of the data protection laws in your country.*

(b) **Data Collection and Usage.** *The Company and the Employer may collect, process and use certain personal information about you, including, but not limited to, your name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares or directorships held in the Company and details of all Performance Units, whether vested or unvested, held in your favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is your consent. For California residents, the categories of personal information, including sensitive personal information, are identifiers, characteristics of protected classifications under California or federal law, professional or employment related information, social security, driver's license, state identification card, or passport number, and any personal information that identifies, relates to, describes, or is capable of being associated with a particular individual. The personal information is not sold or shared for cross-context behavioral advertising. See the "Global Workplace Privacy Notice" posted at <https://kbrcorp.sharepoint.com/sites/Legal/SitePages/Global-Workplace-Privacy-Notices.aspx>.*

(c) **Plan Administration Service Providers.** *The Company may select a service provider to assist in the implementation, administration and management of the Plan and the Company may share Data with such service provider. In such case, you may be asked to agree on separate terms and data processing practices with the service provider(s), which will be a condition of your ability to participate in the Plan.*

(d) **International Data Transfers.** *The Company is based in the United States, which means that it will be necessary for Data to be transferred to, and processed in, the United States. You understand that your country may have enacted data privacy laws that are different from the laws of the United States. As a result, in*

the absence of appropriate safeguards such as standard data protection clauses, the processing of your Data in the United States or, as the case may be, other countries might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, you might not have enforceable rights regarding the processing of your Data in such countries. The Company's legal basis for the transfer of Data is your consent.

(e) Data Retention. *The Company will hold and use the Data only as long as is necessary to implement, administer and manage your participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, labor and exchange control laws.*

(f) Voluntariness and Consequences of Consent Denial or Withdrawal. *Participation in the Plan is voluntary and you are providing the consents herein on a purely voluntary basis. You understand that you may withdraw consent at any time with future effect for any or no reason. If you do not consent, or if you later seek to revoke your consent, your salary from or employment and career with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to offer Performance Units to you or administer or maintain your participation in the Plan.*

(g) Data Subject Rights. *You understand that data subject rights vary depending on the applicable law and that, depending on where you are based and subject to the conditions set out in the applicable law, you may have, without limitation, the rights to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, you understand that you can contact your local human resources representative.*

By clicking the "Accept" or similar button implemented into the relevant web page or platform, you declare, without limitation, your consent to the data processing operations described in this Agreement. You understand and acknowledge that you may withdraw consent at any time with future effect for any or no reason as described in sub-section (f) above.

11. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company or upon any person lawfully claiming under you.
12. **Modification.** Except to the extent permitted by the Plan, any modification of this Agreement will be effective only if it is in writing and signed by each party whose rights hereunder are affected thereby.
13. **Plan Controls.** This grant is subject to the terms of the Plan, which are hereby incorporated by reference. In the event of a conflict between the terms of this Agreement and the Plan, the Plan shall be the controlling document. Capitalized terms used herein or in Exhibit A and not otherwise defined herein or in Exhibit A shall have the meaning ascribed to them in the Plan.
14. **Other Agreements.** The terms of this Agreement shall be subject to and governed by, and shall not modify, the terms and conditions of any employment, severance, and/or change-in-control agreement between the Company (or a Subsidiary) and you ("Other

Agreement"), except that, notwithstanding anything in such Other Agreement to the contrary, any normal retirement age of 65 or other retirement-based vesting, payment or benefit provisions in such Other Agreement shall be of no force or effect for all purposes of the Performance Units granted under this Agreement.

15. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any document related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
16. **Severability.** If one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Agreement to be construed so as to foster the intent of this Agreement and the Plan.
17. **Language.** You acknowledge and represent that you are proficient in the English language or have consulted with an advisor who is sufficiently proficient in English, as to allow you to understand the terms of this Agreement and any other documents related to the Plan. If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the translated version is different from the English version, the English version will control.
18. **Governing Law and Venue.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, U.S.A., except to the extent that it implicates matters that are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law notwithstanding any conflicts of laws principles that may be applied or invoked directing the application of the laws of another jurisdiction. The parties hereby submit to and consent to the sole and exclusive jurisdiction of Houston, Harris County, Texas, as exclusive venue for any action, lawsuit or other proceedings brought to enforce this Agreement, relating to it or arising from it, or dispute resolution proceeding arising hereunder for any claim or dispute, notwithstanding any conflicts of laws principles that may direct the jurisdiction of any other court, venue, or forum, including the jurisdiction of the employee's home country.
19. **Compliance with Law.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Performance Units, the Company shall not be required to deliver any payment from the payout of the Performance Units prior to the completion of any registration or qualification under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval, the Company shall, in its absolute discretion, deem necessary or advisable. You understand that the Company is under no obligation to seek approval or clearance from any governmental authority for payout of the Performance Units. Further, you agree that the Company shall have unilateral authority to amend the Plan and the Agreement without your consent to the extent necessary to comply with any applicable law prior to the payout of the Performance Units.

20. **Exhibit B.** Notwithstanding any provisions in this document, the Performance Units shall be subject to any special terms and conditions set forth in Exhibit B to this Agreement for your country. Moreover, if you relocate to one of the countries included in Exhibit B, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Exhibit B constitutes part of this Agreement.
21. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on your participation in the Plan and on the Performance Units, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

22. **Waiver.** You acknowledge that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.

23. **Foreign Asset/Account Reporting, Exchange Control Requirements.** Certain foreign asset and/or foreign account reporting requirements and exchange controls may affect your ability to hold cash received from participating in the Plan in a brokerage or bank account outside your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You may also be required to repatriate funds received as a result of your participation in the Plan to your country through a designated bank or broker and/or within a certain time after receipt. You are responsible for complying with any applicable regulations and you should consult your personal legal and tax advisors for any details.

[Signatures on the following page.]

12

US/INTERNATIONAL EMPLOYEE (CASH ONLY)

By signing below, you agree that the grant of these Performance Units is under and governed by the terms and conditions of the Plan, including the terms and conditions set forth in this Agreement, including Exhibit A and, to the extent applicable, Exhibit B. **This grant shall be void and of no effect unless you execute this Agreement prior to the payment of your vested performance units.**

KBR, INC.

By:

Name:

Title:

EMPLOYEE:

Date:

13

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT A)

EXHIBIT A

To Performance Award Agreement

Performance Goals

Except as otherwise provided in the Agreement, the provisions of this Exhibit A shall determine the extent, if any, that the Performance Units become "earned" and payable.

I. Performance Period

The Performance Period shall be the period beginning January 1, 2024, and ending December 31, 2026.

II. Total Shareholder Return ("TSR")

The payment of a Performance Unit will be determined, in part, based on the comparison of (i) the average of the TSRs (as defined below) of the Company's common stock measured at the end of each calendar quarter during the Performance Period, with each quarter's TSR indexed back to the beginning of the calendar year in which such calendar quarter occurs, to (ii) the average of the TSRs of each of the common stocks of the members of the Peer Group measured at the end of each calendar quarter during the Performance Period, with each quarter's TSR indexed back to the beginning of the calendar year in which such calendar quarter occurs.

"TSR" or "Total Shareholder Return" shall mean, with respect to a calendar quarter, the change in the price of a share of common stock from the beginning of the calendar year in which such calendar quarter occurs (as measured by the simple average of the closing prices of a share of such stock trading during regular trading hours for the last twenty trading days preceding the beginning of such calendar year) until the end of the applicable calendar quarter to be measured during the Performance Period (as measured by the simple average of the closing prices of a share of such stock trading during regular trading hours for the last twenty trading days of the calendar quarter), adjusted to reflect the reinvestment of dividends (if any) through the purchase of common stock at the closing price on the corresponding dividend payment date, which shall be the ex-dividend date, and rounded to the first decimal place. Dividends per share paid other than in the form of cash shall have a value equal to the amount of such dividends reported by the issuer to its shareholders for purposes of Federal income taxation.

A. Average TSR

The average TSR for a company for the Performance Period shall be the sum of the TSRs of the company measured at the end of each calendar quarter during the Performance Period, divided by 12. The average TSR for a company during the Performance Period shall be calculated based on the following formula:

A-1

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT A)

2024 TSR Formula - Sustained Performance

$$\text{Average indexed performance} = \frac{\sum_{q=1}^{q=12} (x_q / x)}{12}$$

where:

x = share price at beginning of calendar year in which the applicable calendar quarter occurs (measured by simple average of the closing prices of a share trading during regular trading hours for the last twenty trading days preceding the beginning of such calendar year)
closing share price at the end of each quarter (measured by simple average of the closing prices of a share trading during regular trading hours for the last twenty trading days of such calendar quarter, and adjusted for dividends paid (where the dividend payment date is the x_q = ex-dividend date))
 q = quarter number (1 through 12)

Example 1:

Date	Share price *	Index
------	---------------	-------

	(x)	(x _q / x)
1/1/2024	\$ 20.00	
3/31/2024	\$ 22.00	110.0
6/30/2024	\$ 24.00	120.0
9/30/2024	\$ 21.00	105.0
12/31/2024	\$ 20.00	100.0
3/31/2025	\$ 18.00	90.0
6/30/2025	\$ 22.00	110.0
9/30/2025	\$ 25.00	125.0
12/31/2025	\$ 28.00	140.0
3/31/2026	\$ 31.00	110.7
6/30/2026	\$ 33.00	117.9
9/30/2026	\$ 30.00	107.1
12/31/2026	\$ 28.00	100.0

q=12

$$\sum_{q=1}^{12} (x_q / x) = 1,335.7$$

q=12

$$\sum_{q=1}^{12} (x_q / x) = 111.3$$

12

* Average price adjusted for dividends paid in the period, where the dividend payment date is the ex-dividend date.

A-2

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT A)

B. Peer Group and TSR Payout

Once the average TSR for the Company during the Performance Period is calculated, the average TSR for each company in the Peer Group shall be calculated.

The Peer Group shall consist of the following companies (including KBR, Inc.):

BAE Systems plc Jacobs Solutions Inc.
 Booz Allen Hamilton Holding Corporation L3Harris Technologies, Inc.
 CACI International Inc Leidos Holdings, Inc.
 Conduent Incorporated Parsons Corporation
 Dover Corporation Science Applications International Corporation
 Flowserv Corporation Teradata Corporation
 Fluor Corporation Tetra Tech, Inc.
 Gartner, Inc. Textron Inc.
 Hubbell Incorporated The Timken Company
 Huntington Ingalls Industries, Inc.

No company shall be added to, or removed from, the Peer Group during the Performance Period, except that a company shall be removed from the Peer Group if during such period (i) such company ceases to maintain publicly available statements of operations prepared in accordance with GAAP, (ii) such company is not the surviving entity in any merger, consolidation, or other reorganization (or survives only as a subsidiary of an entity other than a previously wholly owned entity of such company), or (iii) such company sells, leases, or exchanges all or substantially all of its assets to any other person or entity (other than a previously wholly owned entity of such company).

If one or more Peer Group companies are removed from the Peer Group, then the percentiles and TSR payouts will adjust for the change in "n" of the formula provided below; provided, however, that the adjustment must require at least a 90.0 percentile to receive the maximum TSR payout and at least a 20.0 percentile to receive the threshold TSR payout. After the average TSR is determined for the Company and each company in the Peer Group, the Company's average TSR rank among the average TSRs for the Peer Group for the Performance Period and the Company's applicable TSR payout percentage shall be determined by the following formula:

A-3

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT A)

TSR Peer Group Percentile and TSR Payout Percentage Table

		Threshold	Target	Maximum
Percentile	<20%	20%	50%	≥90%
TSR Payout Percentage	0%	25%	100%	200%
LTI TSR Calculation Method				
	Ranking	Percentile *	TSR Payout Percentage**	
Maximum	1	100.0%	200.0%	
	2	94.7%	200.0%	
	3	89.5%	198.8%	
	4	84.2%	185.5%	
	5	78.9%	172.3%	
	6	73.7%	159.3%	
	7	68.4%	146.0%	
	8	63.2%	133.0%	
	9	57.9%	119.8%	
	10	52.6%	106.5%	
Target	11	47.4%	93.5%	
	12	42.1%	80.3%	
	13	36.8%	67.0%	
	14	31.6%	54.0%	
	15	26.3%	40.8%	
	16	21.1%	27.8%	
	17	15.8%	0.0%	
	18	10.5%	0.0%	
	19	5.3%	0.0%	
	20	0.0%	0.0%	

* Rounded to 1 decimal place.

** For a Percentile ranking between Threshold and Target or Target and Maximum, the TSR Payout Percentage earned shall be determined by linear interpolation between maximum and threshold based on the Percentile ranking achieved. Rounded to 1 decimal place.

Percentile for TSR purposes

$$\text{Percentile} = \frac{(n - r)}{(n - 1)} * 100\%$$

where:

n = number of Peer Group companies (including KBR)

r = KBR ranking in the list of companies (including KBR)

Example 1

KBR ranked 3rd out of 20 companies

$$\frac{(20 - 3)}{(20 - 1)} * 100\% = 89.5\%$$

Example 3

KBR ranked 5th out of 19 companies

$$\frac{(19 - 5)}{(19 - 1)} * 100\% = 77.8\%$$

Example 2

KBR ranked 11th out of 20 companies

$$\frac{(20 - 11)}{(20 - 1)} * 100\% = 47.4\%$$

Example 4

KBR ranked 9th out of 18 companies

$$\frac{(18 - 9)}{(18 - 1)} * 100\% = 52.9\%$$

Notwithstanding any of the foregoing or Part IV. of this Exhibit A, if on the Grant Date you are an employee of the Company or any employing Subsidiary of the Company who is either the CEO or a direct report to the CEO and the Company's average TSR (as determined pursuant to Part II.A. of this Exhibit A) at the end of the Performance Period is negative (i.e., an index below 100), then no payment hereunder with respect to the TSR performance measure will exceed the Target (100%) payout under the TSR Peer Group Percentile and TSR Payout Table above; provided, however, that this sentence shall not apply if, pursuant to the first sentence of Paragraph 2(d) of the Agreement, your outstanding Performance Units become fully vested at the maximum earned percentage provided in Exhibit A (200%) upon a Double Trigger Event occurring during the Performance Period.

III. Book-to-Bill

The payment of a Performance Unit will be determined, in part, based on the Average Book-to-Bill Payout Ratio as determined under Part III. of this Exhibit A.

For purposes of Part III. of this Exhibit A, the following terms shall have the following meanings:

"Average Book-to-Bill Payout Ratio" means the quotient obtained by dividing (i) the sum of the Book-to-Bill Payout Ratios for each of the three calendar years in the Performance Period by (ii) three.

"Book-to-Bill Payout Ratio" means, with respect to a calendar year during the Performance Period, the amount determined in accordance with the following table:

		Threshold	Target	Maximum
Book-to-Bill Ratio for the calendar year	< Threshold Ratio for the calendar year	Threshold Ratio for the calendar year	Target Ratio for the calendar year	≥Maximum Ratio for the calendar year
Book-to-Bill Payout Ratio for the calendar year*	0%	25%	100%	200%

* If the Book-to-Bill Ratio for the calendar year is between the Threshold Ratio and the Target Ratio under the first row of the table above, then the Book-to-Bill Payout Ratio for such calendar year shall be determined by linear interpolation between Threshold (25%) and Target (100%) based on the Book-to-Bill Ratio result. If the Book-to-Bill Ratio for the calendar year is between the Target Ratio and the Maximum Ratio under the first row of the table above, then the Book-to-Bill Payout Ratio for such calendar year shall be determined by linear interpolation between Target (100%) and Maximum (200%) based on the Book-to-Bill Ratio result. Each Book-to-Bill Payout Ratio determined by linear interpolation shall be rounded to one decimal place.

"Book-to-Bill Ratio" means, with respect to a calendar year, the quotient obtained by dividing (i) the aggregate dollar amount of the Company's and its consolidated subsidiaries new orders for projects awarded during such year (which shall include, without limitation, new projects for such year, options exercised during such year with respect to projects (including new projects), and the expansion during such year of the scope of projects (including new projects); however, any contraction during such year of the scope of a project (including a new project) shall reduce the amount described in this clause (i)), by (ii) the aggregate dollar amount of the Company's and its consolidated subsidiaries revenues for projects completed during such calendar year. The Book-to-Bill Ratio for each calendar year shall be determined by the Committee in its sole discretion.

"Maximum Ratio" means, with respect to a calendar year during the Performance Period, a Book-to-Bill Ratio established by the Committee as the Maximum Ratio for such calendar year, which ratio shall be greater than the Target Ratio established by the Committee for such calendar year.

"Target Ratio" means, with respect to a calendar year during the Performance Period, a Book-to-Bill Ratio established by the Committee as the Target Ratio for such calendar year, which ratio shall be greater than the Threshold Ratio and less than the Maximum Ratio established by the Committee for such calendar year.

A-6

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT A)

"Threshold Ratio" means, with respect to a calendar year during the Performance Period, a Book-to-Bill Ratio established by the Committee as the Threshold Ratio for such calendar year, which ratio shall be less than the Target Ratio established by the Committee for such calendar year.

IV. Determination of the "Earned" Value of Performance Units

Performance Percentage	Column A	Column B			
	Weighting	<Threshold 0%	Threshold 25%	Target 100%	Maximum 200%
Company's Average TSR Rank with Peer Group Members' Average TSR	50%	<20%	20%	50%	90%

For a result (the "Performance Percentage") between Threshold and Target or Target and Maximum in Column B, the Performance Percentage earned shall be determined by linear interpolation between maximum and threshold based on the result achieved for the

performance measure.

The "target" value of a Performance Unit is \$1.00; its maximum value is \$2.00 per unit if the maximum performance objective for the performance measure in Column B in the table above and the maximum Average Book-to-Bill Payout Ratio are achieved, and the Performance Unit value will be zero if the threshold performance objective for the performance measure in Column B in the table above is not achieved and the Average Book-to-Bill Payout Ratio is 0%. The value of an "earned" Performance Unit shall be determined by multiplying its "target" value of \$1.00 by the Payout Percentage for the Performance Period, subject to reduction as provided in Paragraph 3 of the Agreement. The "Payout Percentage" for the Performance Period shall be equal to the sum of (i) the product of 50% and the Average Book-to-Bill Payout Ratio and (ii) the product obtained by multiplying Column A by the Column B Performance Percentage result for the TSR performance measure.

Notwithstanding the foregoing, unless otherwise provided in an agreement pursuant to Paragraph 14 of the Agreement, for purposes of determining the Payout Percentage for payment upon a Double Trigger Event occurring prior to the end of the Performance Period, (i) the Column B result for the TSR performance measure shall be deemed to have been met at the maximum level (200%) and (ii) the Average Book-to-Bill Payout Ratio shall be deemed to have been met at the maximum level (200%).

V. Adjustments to Performance Measurements for Significant Events

If, after the beginning of the Performance Period, there is a change in accounting standards required by the Financial Accounting Standards Board, the performance results shall be adjusted by the Company's independent accountants as appropriate to disregard such change. In addition, the results of the Company or a peer group company shall be adjusted to reflect any stock splits or other events described in Article XIII of the Plan.

VI. Committee Certification

As soon as reasonably practical following the end of the Performance Period, but in no event later than the March 15th following the end of the Performance Period, the Committee shall review and determine the performance results for the Performance

A-7

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT A)

Period and certify those results in writing. No Performance Units earned and vested shall be payable prior to the Committee's certification; provided, however, Committee certification shall not apply in the event of a Double Trigger Event, unless otherwise provided in an agreement pursuant to paragraph 14 of the Agreement.

A-8

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

EXHIBIT B

KBR, INC.

Terms and Conditions of Performance Unit Grant

SPECIAL PROVISIONS OF PERFORMANCE UNITS

IN CERTAIN COUNTRIES

This Exhibit B includes special country-specific terms that apply to residents in countries listed below. This Exhibit B is part of the Agreement. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Agreement.

This Exhibit B also includes information regarding exchange controls and certain other issues of which you should be aware with respect to your participation in the Plan. The information is based on the exchange control and other laws in effect in the respective countries as of February 2024. Such laws are often complex and change frequently. Note certain individual exchange control reporting requirements may apply upon vesting of the Performance Units and results may be different based on the particular facts and circumstances. As a result, the Company strongly recommends that you do not rely on the information noted herein as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time your Performance Units vest or your Performance Units are settled under the Plan.

In addition, the information is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

If you are a citizen or resident of a country other than the country in which you are working or if you transfer employment after the Performance Units are granted to you, the information contained in this Exhibit B for the country you work in at the time of grant may not be applicable to you and the Company, in its discretion, may determine to what extent the terms and conditions contained herein shall be applicable to you. If you transfer residency and/or employment to another country or are considered a resident of another country listed in this Exhibit B after the Performance Units are granted to you, the terms and/or information contained for that new country (rather than the original grant country) may be applicable to you.

B-1

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

AUSTRALIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

Exchange control reporting is required for cash transactions exceeding AUD10,000 and for international fund transfers. The Australian bank assisting with the transaction will file the report for you. If there is no Australian bank involved in the transfer, you will have to file the report.

B-2

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

AZERBAIJAN

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Payment of Vested Performance Units.

The following supplements Paragraph 3 of the Agreement:

Notwithstanding anything in the Agreement, any payment in connection with the vesting of the Performance Units will be paid to you in cash through local payroll. Further, you agree to bear any currency fluctuation risk between the time the Performance Units vest and the time the cash payment is distributed to you.

Securities Law Information.

You understand that the Agreement, the Plan and all other materials you may receive regarding your participation in the Plan do not constitute advertising or offering of securities in Azerbaijan. The offering of the Performance Units pursuant to the Plan has not been and will not be registered in Azerbaijan.

B-3

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

BAHRAIN

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country specific provisions.

B-4

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

BRITISH INDIAN OCEAN TERRITORY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

B-5

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

CANADA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

You may be required to report your specified foreign property on Form T1135 (Foreign Income Verification Statement) if the total cost of your specified foreign property exceeds C\$100,000 at any time in the year. Foreign specified property includes Performance Units settled in cash.

Performance Units must be reported - generally at a nil cost - if the C\$100,000 cost threshold is exceeded because of other foreign property that you hold. The Form T1135 is required for every year during which your foreign specified property exceeds C\$100,000 and must be filed with your annual tax return.

Termination of Employment.

The following provision supplements Paragraph 8(j) of the Agreement and supplements the balance of the Agreement:

For purposes of this Award, in the event of your termination of employment for any reason (regardless of the reason for such termination and whether or not the termination is later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where you are providing services or the terms of your employment agreement, if any), unless otherwise provided in this Agreement or the Plan, your right to vest in the Performance Units, if any, will terminate effective as of the date that is the earliest of (1) the date you are no longer actually providing services to the Company or any of its Subsidiaries; or (2) the date you receive (or provide) written notice of termination of employment. Subject to the below, on and after such date, you will no longer be considered to be an "employee" or "employed" for the purposes of this Agreement. Unless explicitly required by applicable legislation, such date will exclude and will not be extended by any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, contract, common/civil law or otherwise. Furthermore, you will not earn, or be entitled to earn, any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the Performance Units, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

The following provisions shall apply if you are a resident of Ontario:

Post-Employment Non-Competition - Ontario

If you are employed in the Province of Ontario and you are not an Executive within the meaning of Section 67.2(4) of the *Employment Standards Act, 2000*, the covenant in Paragraph 6(b)(i) shall not apply to you.

B-6

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

The following provisions shall apply if you are a resident of Quebec:

Data Privacy.

This provision supplements Paragraph 10 of the Agreement:

You hereby authorize the Company and representatives of any Subsidiary to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. You further authorize the Company and any Subsidiary and the administrators of the Plan to disclose and discuss the Plan with their advisors. You further authorize the Company and any Subsidiary to record such information and to keep such information in your file.

French Language Documents (Documents en Langue Française).

A French translation of this document and the Plan will be made available to you as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless you indicate otherwise, the French translation of this document and the Plan will govern your participation in the Plan.

Une traduction française de ce document et du Plan sera mise à votre disposition dès que raisonnablement possible. Nonobstant toute disposition contraire de l'Entente, et sauf indication contraire de votre part, la traduction française de ce document et du Plan régiront votre participation au Plan..

CHINA**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Payment of Vested Performance Units.**

The following supplements Paragraph 3 of the Agreement:

Notwithstanding anything in the Agreement, any payment in connection with the vesting of the Performance Units will be paid to you in cash through local payroll. Further, you agree to bear any currency fluctuation risk between the time the Performance Units vest and the time the cash payment is distributed to you.

DJIBOUTI**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN**

There are no country-specific provisions.

FINLAND**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN**

There are no country specific provisions.

GERMANY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank (*Bundesbank*). Your employer will report the payment to Bundesbank if the value of all payments to participants in Germany exceeds this amount. If you otherwise make or receive a payment in excess of this amount, you must report the payment to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("Allgemeines Meldeportal Statistik") available via Bundesbank's website (www.bundesbank.de) or by such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within such other timing as is permitted or required by Bundesbank.

B-11

INDIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

It is your responsibility to comply with applicable exchange control laws in India, including but not limited to any approval or repatriation requirements that may apply.

You must repatriate the proceeds from the settlement of your Performance Units, within the period of time required under applicable regulations. You will receive a foreign inward remittance certificate ("FIRC") from the bank where you deposit the foreign currency. You should maintain the FIRC received from the bank as evidence of the repatriation of the funds in the event that the Reserve Bank of India or the Employer requests proof of repatriation. You agree to provide any information that may be required by the Company or the Employer to make any applicable filings under exchange control laws in India.

Foreign Account/Asset Tax Reporting Information.

You are required to declare in your annual tax return (a) any foreign assets held by you or (b) any foreign bank accounts for which you have signing authority. *Indian residents are responsible for complying with applicable exchange control and reporting laws in India and should consult with a personal advisor in this regard.*

B-12

INDONESIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Language Consent and Information (Persetujuan dan Pemberitahuan Bahasa).

By accepting the grant of Performance Units, you (i) confirm having read and understood the documents relating to this grant (i.e., the Plan and the Agreement (including Exhibits A and B)) which were provided in the English language, (ii) accept the terms of those documents accordingly, and (iii) agree not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Dengan menerima pemberian Unit Saham Terbatas ini, Peserta (i) memberikan konfirmasi bahwa dirinya telah membaca dan memahami dokumen-dokumen berkaitan dengan pemberian ini (yaitu, Program dan Perjanjian) yang disediakan dalam Bahasa Inggris, (ii) menerima persyaratan di dalam dokumen-dokumen tersebut, dan (iii) setuju untuk tidak mengajukan keberatan atas keberlakuan dari dokumen ini berdasarkan Undang-Undang No. 24 Tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan ataupun Peraturan Presiden sebagai pelaksanaannya (ketika diterbitkan).

Exchange Control Information.

For foreign currency transactions exceeding a certain threshold (currently, US\$25,000), the document(s) underlying that transaction will have to be submitted to the relevant local bank. If Indonesian residents repatriate funds (e.g., proceeds from the settlement of your Performance Units) into Indonesia, the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of Indonesia. For transactions of a certain threshold (currently, US\$10,000) or more (or its equivalent in other currency), a more detailed description of the transaction must be included in the report and Indonesian residents may be required to provide information about the transaction to the bank in order to complete the transaction.

In addition, if there is a change of position (i.e., proceeds from the settlement of your Performance Units) in any foreign assets you hold (including proceeds from the settlement of your Performance Units), Indonesian residents must report this change to the Bank of Indonesia no later than the 15th day of the month following the change in position.

Foreign Account/Asset Tax Reporting Information.

Indonesian residents must report worldwide assets (including foreign accounts and proceeds from the settlement of your Performance Units) in their annual individual income tax return.

B-13

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

IRAQ

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

B-14

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

JAPAN

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

You are required to report details of any assets held outside Japan as of December 31 to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report will be due by March 15 each year. You should consult with your personal advisor(s) regarding any personal foreign asset/foreign account tax obligations you may have in connection with your participation in the Plan.

B-15

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

KUWAIT

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The Plan does not constitute the marketing or offering of securities in Kuwait pursuant to Law No. 7 of 2010, as amended (establishing the Capital Markets Authority) and its implementing regulations. The grant of Performance Units under the Plan are made only to qualified employees of the Company and its Subsidiaries.

B-16

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

MEXICO

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Acknowledgement of the Agreement.

In accepting the award of Performance Units, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Agreement in their entirety and fully understand and accept all provisions of the Plan and the Agreement. You further acknowledge that you have read and specifically and expressly approve the terms and conditions of Paragraph 8 of the Agreement, in which the following is clearly described and established:

- (1) Your participation in the Plan does not constitute an acquired right.
- (2) The Plan and your participation in the Plan are offered by the Company on a wholly discretionary basis.
- (3) Your participation in the Plan is voluntary.

Labor Law Acknowledgement and Policy Statement.

In accepting the award of Performance Units, you expressly recognize that KBR, Inc., with registered offices at 601 Jefferson Street, Suite 3400, Houston, Texas 77002, U.S.A., is solely responsible for the administration of the Plan and that your participation in the Plan and receipt of

Performance Units does not constitute an employment relationship between you and KBR, Inc. since you are participating in the Plan on a wholly commercial basis and your sole employer is a Subsidiary of the Company in Mexico ("KBR-Mexico"), not KBR, Inc. in the U.S. Based on the foregoing, you expressly recognize that the Plan and the benefits that you may derive from participation in the Plan do not establish any rights between you and your Employer, KBR-Mexico, and do not form part of the employment conditions and/or benefits provided by KBR-Mexico and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the Plan is as a result of a unilateral and discretionary decision of KBR, Inc.; therefore, KBR, Inc. reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

Finally, you hereby declare that you do not reserve to yourself any action or right to bring any claim against KBR, Inc. for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and you therefore grant a full and broad release to KBR, Inc., its Subsidiary, affiliates, branches, representation offices, its shareholders, officers, agents or legal representatives with respect to any claim that may arise.

B-17

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

Reconocimiento del Convenio.

Aceptando este Premio(Award),¹ el Participante reconoce que ha recibido una copia del Plan, que lo ha revisado como así también el Convenio en el Participante totalidad, y comprende y está de acuerdo con todas las disposiciones tanto del Plan como del Convenio. Asimismo, su reconoce que ha leído y específicamente y expresamente manifiesta la conformidad del Participante con los términos y condiciones establecidos en la cláusula 7 le dicho Convenio, en el cual se establece claramente que:

- (1) La participación del Participante en el Plan de ninguna manera constituye un derecho adquirido.
- (2) Que el Plan y la participación del Participante en el mismo es una oferta por parte de KBR, Inc. de forma completamente discrecional.
- (3) Que la participación del Participante en el Plan es voluntaria.

Reconocimiento de Ausencia de Relación Laboral y Declaración de la Política.

Aceptando este Premio, el Participante reconoce que KBR, Inc. y sus oficinas registradas en 601 Jefferson Street, Suite 3400, Houston, Texas 77002, U.S.A., es el único responsable de la administración del Plan y que la participación del Participante en el mismo y la adquisición de Acciones no constituye de ninguna manera una relación laboral entre el Participante y KBR, Inc., toda vez que la participación del Participante en el Plan deriva únicamente de una relación comercial con KBR, Inc., reconociendo expresamente que el único empleador del Participante es la Subsidiaria de la Compañía en Mexico ("KBR-Mexico"), no es KBR, Inc. en los Estados Unidos. Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar del mismo no establecen ningún derecho entre el Participante y su empleador, KBR-Méjico, y no forman parte de las condiciones laborales y/o prestaciones otorgadas por KBR-Méjico, y expresamente el Participante reconoce que cualquier modificación al Plan o la terminación del mismo de manera alguna podrá ser interpretada como una modificación de las condiciones de trabajo del Participante.

Asimismo, el Participante entiende que su participación en el Plan es resultado de la decisión unilateral y discrecional de KBR, Inc., por lo tanto, KBR, Inc. se reserva el derecho absoluto para modificar y/o terminar la participación del Participante en cualquier momento, sin ninguna responsabilidad para el Participante.

Finalmente, el Participante manifiesta que no se reserva ninguna acción o derecho que origine una demanda en contra de KBR, Inc., por cualquier compensación o daño en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el

Participante otorga un amplio y total finiquito a KBR, Inc., sus Entidades Relacionadas, afiliadas, sucursales, oficinas de representación, sus accionistas, directores, agentes y representantes legales con respecto a cualquier demanda que pudiera surgir.

¹ El término "Premio" se refiere a la palabra "Performance Units."

B-18

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

POLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

If you hold foreign securities and maintain accounts abroad, you may be required to file certain reports with the National Bank of Poland. Specifically, if the value of securities and cash held in such foreign accounts exceeds PLN 7 million, you must file reports on the transactions and balances of the accounts on a quarterly basis. Further, any fund transfers in excess of €15,000 (or PLN 15,000 if such transfer of funds is connected with business activity of an entrepreneur) into or out of Poland must be effected through a bank in Poland. Polish residents are required to store all documents related to foreign exchange transactions for a period of five years.

B-19

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

QATAR

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

B-20

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

ROMANIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Language Consent.

By accepting the grant of Performance Units, you acknowledge that you are proficient in reading and understanding English and fully understand the terms of the documents related to the grant (the Agreement and the Plan), which were provided in the English language. You accept the terms of those documents accordingly.

Consimtăm ca să luăm în considerare limba.

Prin acceptarea acordării Unităților de Performanță, recunoașteți că aveți competență în citirea și înțelegerea limbii engleze și înțelegeți pe deplin termenii documentelor legate de grant (Acordul și Planul), care au fost furnizate în limba engleză. Acceptați termenii acestor documente în consecință.

Exchange Control Information.

If you remit foreign currency into Romania (e.g., the payout of the Performance Units), you may be required to provide the Romanian bank through which the foreign currency is transferred with appropriate documentation explaining the source of the funds.

B-21

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

SAUDI ARABIA
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

B-22

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

SINGAPORE
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Director Notification Information.

If you are a director of a Singapore Subsidiary, you must notify the Singapore Subsidiary in writing within two business days of receiving or disposing of an interest in the Company or any Subsidiary or within two business days of you becoming a director if such an interest exists at the time. This notification requirement also applies if you are an associate director of the Singapore Subsidiary or a shadow director of the Singapore Subsidiary (i.e., an individual who is not on the board of directors of the Singapore Subsidiary but who has sufficient control so that the board of directors of the Singapore Subsidiary acts in accordance with the "directions and instructions" of the individual).

B-23

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

SOUTH KOREA
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

You must declare all of your foreign financial accounts (i.e., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report with respect to such accounts if the value of such accounts exceeds a certain threshold (currently, KRW 500 million (or an equivalent amount in foreign currency)) on any month-end date during the year.

B-24

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

SPAIN
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Nature of Grant.

This provision supplements Section 8 of the Agreement:

In accepting the Performance Units, you consent to participate in the Plan and acknowledge that you have received a copy of the Plan and the Agreement.

You understand and agree that, as a condition of the grant of the Performance Units, termination for any reason (including the reasons listed below) will automatically result in the loss of the Performance Units that may have been granted to you and that have not vested as of date that you are no longer actively employed, as described in Section 8 of the Agreement. In particular, you understand and agree that any unvested Performance Units as of the date that you are no longer actively employed will be forfeited without entitlement to the Performance Units of Stock or to any amount of indemnification in the event of a termination by reason of, but not limited to, resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause, individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer and under Article 10.3 of the Royal Decree 1382/1985. You acknowledge that you have read and specifically accept the conditions referred to in Section 8 of the Agreement.

You understand that the Company has unilaterally, gratuitously and discretionally decided to grant Performance Units under the Plan to individuals who may be employees of the Company or a Subsidiary throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Subsidiary on an ongoing basis other than as set forth in this Agreement. Consequently, you understand that the Performance Units are granted on the assumption and condition that the Performance Units and any cash proceeds issued upon vesting of the Performance Units are not part of any employment contract (either with the Company or any Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, you understand that the Performance Units would not be granted to you but for the assumptions and conditions referred to herein; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the grant of this Performance Units and any right to the Performance Units shall be null and void.

Exchange Control Information.

You are required to electronically declare to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including proceeds from the settlement of your Performance Units), and any transactions with non-Spanish residents (including any payments of shares of Stock made to you pursuant to the Plan) if the balances in such accounts together with the value of such instruments as of December 31, or the volume of transactions with non-Spanish residents during the prior or current year, exceed €1,000,000. Once the €1,000,000 threshold has been surpassed in either respect, you will generally be required to report all foreign accounts, foreign instruments and transactions with non-Spanish residents, even if the relevant threshold has not been crossed for an individual item. Generally, you will only be required to report on an annual basis.

B-25

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

Foreign Account/Asset Tax Reporting Information.

To the extent that you hold rights or assets (e.g., proceeds from the settlement of your Performance Units held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset as of December 31 each year, you are required to report information on such rights and assets on your tax return for such year (or at any time during the year in which you sell or dispose of such right or asset). After such rights or assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000.

B-26

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

SWITZERLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

B-27

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

THAILAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

If the cash proceeds received in connection with the payout of the Performance Units exceed a certain threshold (currently USD 1,000,000) in a single transaction, you are required to immediately repatriate the funds to Thailand, unless you can rely on any applicable exemptions (e.g., where the funds will be used offshore for any permissible purposes under exchange control regulations) and the relevant form and supporting documents have been submitted to a commercial bank in Thailand. Any foreign currency repatriated to Thailand must be converted to Thai Baht or deposited into a foreign currency deposit account opened with any commercial bank in Thailand acting as the authorized agent within 360 days from the date the funds are repatriated to Thailand. You are also required to inform the authorized agent of the details of the foreign currency transaction, including identification information and the purpose of the transaction.

B-28

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

TURKEY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

B-29

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

UNITED ARAB EMIRATES

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

B-30

US/INTERNATIONAL EMPLOYEE (CASH ONLY) (EXHIBIT B)

UNITED KINGDOM

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Withholding of Taxes.

This section supplements Paragraph 7 of the Agreement:

Without limitation to Paragraph 7 of the Agreement, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company or the Employer, as applicable, or by HM Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and the Employer, as

applicable, for any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In this case, the amount of any income tax not collected from or paid by you within 90 days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as appropriate) for the value of any national insurance contributions due on this additional benefit. You acknowledge that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Paragraph 7 of the Agreement.

B-31

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

PERFORMANCE AWARD AGREEMENT

Grant Date: _____

Re: Performance Unit Grant

I am pleased to inform you that KBR, Inc. (the "Company") has granted you two classes of performance units (one class being referred to as the "Book-to-Bill Performance Units," the other class being referred to as the "TSR Performance Units," and the two classes collectively referred to as the "Performance Units") under the Company's Amended and Restated 2006 Stock and Incentive Plan, as amended and restated (the "Plan"), subject to the terms and conditions in the Plan and as set forth in this Performance Award Agreement, including any exhibits attached hereto (collectively, the "Agreement") as follows:

1. Grant of Performance Units.

The number of Book-to-Bill Performance Units granted to you as a Performance Award under the Plan is _____. Each Book-to-Bill Performance Unit shall have a target value of \$1.00. The actual value, if any, of a Book-to-Bill Performance Unit at the end of the Performance Period (as defined in Exhibit A) will, subject to Paragraph 3 below, be determined based on the level of achievement during the Performance Period of the Book-to-Bill -related performance objectives set forth in Exhibit A hereto, which is made a part hereof for all purposes.

The target number of TSR Performance Units granted to you as a Performance Award under the Plan is _____. Each TSR Performance Unit represents the right to receive one share of the Company's common stock ("Stock"). The number of TSR Performance Units subject to this Agreement may be adjusted upward or downward in accordance with the level of achievement during the Performance Period of the TSR-related performance objectives set forth in Exhibit A hereto. You shall have no right to dividend equivalents with respect to any of the Performance Units.

Eighty percent of each class of the Performance Units shall be "Tranche One PUs" and twenty percent of each class of the Performance Units shall be "Tranche Two PUs."

2. Terms of Performance Units.

(a) **Vesting.** Except as otherwise provided in subparagraphs (b) and (d) below, you will vest in the Performance Units earned (if any) for the Performance Period only if you are an employee of the Company or a Subsidiary on the date such earned Performance Units are paid, as provided in Paragraph 3 below.

In addition, except as otherwise provided in subparagraphs (b) and (d) below, you shall, for no consideration, forfeit all of the Tranche Two PUs on December 31, 2024, if the Committee that administers the Plan (the "Committee") determines, in its sole

discretion, that calendar year 2024 was not a successful year for the Company. Any such determination by the Committee shall be made on or before March 31, 2025.

(b) **Death, Disability or Retirement.** Unless otherwise provided in an agreement pursuant to Paragraph 14, if you cease to be an employee of the Company or a Subsidiary as a result of (i) your death, (ii) your permanent disability (disability

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

being defined as being physically or mentally incapable of performing either your usual duties as an employee or any other duties as an employee that the Company reasonably makes available and such condition is likely to remain continuously and permanently, as determined by the Company or employing Subsidiary), or (iii) your retirement with the approval of the Committee (with such approval to be granted or withheld in the sole discretion of the Committee), then, in any such case, a prorata portion of each class of your Performance Units that become "earned," if any, as provided in Exhibit A, will become vested; provided, however, that if the Tranche Two PUs have been forfeited pursuant to the last two sentences of subparagraph (a) above prior to the occurrence of an event described in clause (i), (ii) or (iii) of this sentence, then the Tranche Two PUs shall remain forfeited, no portion of the Tranche Two PUs will vest upon the occurrence of any such event, and the prorata portion of each class of your Performance Units that become "earned", if any, and that may become vested pursuant to this sentence shall be determined based solely upon the Tranche One PUs. The "prorata portion" that becomes vested shall be a fraction, the numerator of which is the number of days in the Performance Period in which you were an employee of the Company or a Subsidiary and the denominator of which is the total number of days in the Performance Period. If your termination for the above reasons is after the end of the Performance Period but before payment of the Performance Units earned, if any, for such Performance Period, you will be fully vested in any such earned Performance Units that have not yet been forfeited and which are still outstanding.

(c) **Other Terminations.** If you terminate employment from the Company and its Subsidiaries for any reason other than as provided in subparagraph (b) above or subparagraph (d) below or if you breach any of the covenants set forth in Paragraph 6, all unvested Performance Units held by you shall be forfeited without payment immediately upon such termination or the occurrence of such breach (as applicable).

(d) **Corporate Change.** Notwithstanding any other provision hereof, unless otherwise provided in an agreement pursuant to Paragraph 14, your Performance Units shall become fully vested at the maximum earned percentage provided in Exhibit A upon your Involuntary Termination or termination for Good Reason within two years following a Corporate Change (as provided in the Plan) (a "Double Trigger Event") during the Performance Period; provided, however, that if the Tranche Two PUs have been forfeited pursuant to the last two sentences of subparagraph (a) above prior to the occurrence of a Double Trigger Event, then the Tranche Two PUs shall remain forfeited, no portion of the Tranche Two PUs will vest upon the occurrence of the Double Trigger Event, and the portion of your Performance Units that become vested pursuant to this sentence shall be determined based solely upon the Tranche One PUs. If a Double Trigger Event occurs after the end of the Performance Period and prior to payment of the earned Performance Units, you will be 100% vested in your earned Performance Units that have not yet been forfeited and which are still outstanding upon the Double Trigger Event and payment will be made in accordance with the results achieved for the Performance Period ended as provided in Exhibit A.

For purposes of this Agreement, employment with the Company includes employment with a Subsidiary. For the avoidance of doubt, it is expressly provided that you shall be considered to have terminated employment with the Company at the time of the termination of the "Subsidiary" status under the Plan of the entity or other organization that employs you.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

3. **Payment of Vested Performance Units.** As soon as administratively practicable after the end of the Performance Period, but no later than the March 15th following the end of the Performance Period, or with respect to a Double Trigger Event occurring prior to the end of the Performance Period, the date of the Double Trigger Event (but no later than the March 15th following the calendar year in which occurs the date of the Double Trigger Event), you shall be entitled to receive from the Company (a) a payment in cash equal to the product of the

"Average Book-to-Bill Payout Ratio" (as defined in Exhibit A) and the sum of the target values of your vested Book-to-Bill Performance Units and (b) a payment in a number of shares of Stock (rounded to the nearest whole share) equal to the product of the "TSR Payout Percentage" (as determined in accordance with Exhibit A) and your vested target TSR Performance Units; provided, however, that such payment amounts may be reduced, but not increased, by any amount (including a reduction resulting in a payment of \$0 and zero shares of Stock) in the sole discretion of the Committee and, in the case of any such reduction, the Committee shall determine the allocation of such reduction between the payments otherwise provided for in clauses (a) and (b) above (provided that any such discretion to reduce such payment amounts may not be exercised by the Committee at any time after the occurrence of a Corporate Change). Except as provided in Exhibit A with respect to a Double Trigger Event, if the performance thresholds set forth in Exhibit A with respect to a class of Performance Units are not met, no payment shall be made with respect to such class of Performance Units, whether or not vested. Notwithstanding the foregoing, in no event may the amount paid to you by the Company in any year with respect to Performance Units earned hereunder exceed any applicable limit under Article V of the Plan. Further, the Company shall not be obligated to deliver any shares of Stock if counsel to the Company determines that such delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Stock is listed or quoted.

4. Recovery of Payment of Vested Performance Units. If, within the three-year period beginning on the date that you receive a payment pursuant to Paragraph 3, the basis upon which the performance measurements were achieved during any calendar year of the Performance Period changes because of any restatement of or revision to the Company's financial results, shareholder return, or any other performance measure for the same calendar year, regardless of fault, and the value of the Performance Units earned at the end of the Performance Period is determined to have resulted in an overpayment based on such calendar year's restated or revised financial results, shareholder return or other performance measure, the Committee may, in its sole and absolute discretion, seek recovery of the amount of the Performance Award determined to be an overpayment or hold the overpayment as debit against future Awards for up to a three-year period following the end of the Performance Period. In addition, the Company shall seek recovery of any benefits provided to you under this Agreement if such recovery is required by any clawback policy adopted by the Company, which may be amended from time to time, including, but not limited to, any clawback policy adopted to satisfy the minimum clawback requirements adopted under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the regulations thereunder or any other applicable law or securities exchange listing standard. The Company reserves the right, without your consent, to adopt any such clawback policy, including, but not limited to, such clawback policies applicable to this Performance Award with retroactive effect.

5. Limitations Upon Transfer. All rights under this Agreement shall belong to you and may not be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise), other than by will or the applicable laws of descent and distribution or, if you are exclusively subject to the laws of the United States, pursuant to a "qualified domestic relations order" (as defined by the Code), and shall not be subject

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

to execution, attachment, or similar process. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of such rights contrary to the provisions in this Agreement or the Plan, or upon the levy of any attachment or similar process upon such rights, such rights shall immediately become null and void.

6. Non-Competition; Non-Solicitation; Non-Disclosure.

(a) Following the date you enter into this Agreement, the Company and/or its Subsidiary(ies) shall provide you access to Confidential Information (as defined below). Such Confidential Information shall be for use only during your employment with the Company, and as an express incentive for the Company to enter into this Agreement and to grant to you the Performance Units (which grant, you acknowledge, shall further align your interests with the long-term business interests of the Company and its Subsidiaries) and provide you with Confidential Information, you have voluntarily agreed to the covenants set forth in this Paragraph 6. You agree and acknowledge that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause you undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company's and its Subsidiaries' trade secrets and other Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period (as defined below), you shall not, without the prior written approval of the Company, directly or indirectly, for yourself or on behalf of or in conjunction with any other person or entity of any nature:

- (i) engage in or participate within the Market Area (as defined below) in competition with the Company or any of its Subsidiaries in any aspect of the Business (as defined below), which prohibition shall prevent you from directly or indirectly: (A) owning, managing, operating, or being an officer or director of, any business that competes with the Company or any of its Subsidiaries in the Market Area, or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with the Company or any of its Subsidiaries in any capacity (with respect to this clause (B) in which your duties or responsibilities are the same as or similar to the duties or responsibilities that you had on behalf of the Company or any of its Subsidiaries, or involve direct or indirect oversight over such duties or responsibilities;
- (ii) appropriate any Business Opportunity of, or relating to, the Company or any of its Subsidiaries located in the Market Area;
- (iii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of the Company or any of its Subsidiaries for whom or which you had responsibility in the final 12 months prior to the termination of your employment with the Company to cease or lessen such customer's or supplier's business with the Company or any of its Subsidiaries; or
- (iv) solicit, canvass, approach, encourage, entice or induce any employee or contractor of the Company or any of its Subsidiaries to terminate his, her

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

or its employment or engagement with the Company or any of its Subsidiaries.

(c) Notwithstanding any other provision of this Agreement:

- (i) the covenants set forth in this Paragraph 6 shall not apply to restrict any of your activities within the State of California, including if you are a California resident; and
- (ii) if prohibited by any applicable law regarding non-competition restrictions in Washington, D.C., the covenants set forth in Paragraphs 6(b)(i) and 6(b)(ii) shall not apply with respect to any activities conducted within (including individuals' performance of work in) Washington, D.C.;

provided, however, for the avoidance of doubt, the foregoing exceptions under this Paragraph 6(c) shall not limit any other obligations that you owe to the Company or any of its Subsidiaries under any other agreements or applicable laws, including (without limitation) with respect to the protection of Confidential Information.

(d) If you are an attorney at law or licensed lawyer in any jurisdiction, none of the restrictions set forth in this Paragraph 6 shall be interpreted or applied in a manner to prevent or restrict you from practicing law, as it is the intent of this Paragraph 6 to create certain limitations on your business activities only, and not to create limitations that would restrict you from practicing law. If you are an attorney at law or licensed to practice law, you acknowledge and agree that, both during your employment with the Company and thereafter, you shall be bound by all ethical and professional obligations (including those with respect to conflicts of interest and confidentiality) that may arise from your provision of legal services to, and acting as legal counsel for, the Company and (as applicable) its Subsidiaries.

(e) You agree, both during and after your employment with the Company, not to use or disclose any Confidential Information other than for the benefit of the Company or its Subsidiaries in the course of your duties for the Company or its applicable Subsidiary. All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to you, individually or in conjunction with others, in connection with your employment with the Company or otherwise during the time that you are or have been employed or engaged by the Company or any of its Subsidiaries (whether during business hours or otherwise and whether on the Company's or its Subsidiaries' premises or otherwise), that relate to the Companies' or its Subsidiaries' businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing

business, business plans, formulas, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or their requirements, research and development information, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**". For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of you or your agents; (ii) was available to you on a non-confidential basis before its disclosure by the Company or any of its Subsidiaries;

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

or (iii) becomes available to you on a non-confidential basis from a source other than the Company or any of its Subsidiaries; *provided*, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, the Company or any of its Subsidiaries.

- (f) Notwithstanding the foregoing Paragraph 6(e), nothing in this Agreement shall prohibit or restrict you from lawfully (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority (in each instance regarding a possible violation of any law); (ii) responding to any inquiry or legal process directed to you from any such governmental authority; (iii) testifying, participating or otherwise assisting in an action or proceeding by any such governmental authority relating to a possible violation of law or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (x) is made (A) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (B) solely for the purpose of reporting or investigating a suspected violation of law; (y) is made to your attorney in relation to a lawsuit for retaliation against you for reporting a suspected violation of law or (z) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Nothing in this Agreement requires you to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company or any of its Subsidiaries that you have engaged in any such conduct.
- (g) Because of the difficulty of measuring economic losses to the Company and its Subsidiaries as a result of a breach or threatened breach of the covenants set forth in this Paragraph 6, and because of the immediate and irreparable damage that would be caused to the Company and its Subsidiaries for which they would have no other adequate remedy, the Company and each of its Subsidiaries shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or its Subsidiaries' exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each of its Subsidiaries at law and equity.
- (h) The covenants in this Paragraph 6, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such arbitrator or court deems reasonable, and this Agreement shall thereby be reformed.

- (i) The following terms shall have the following meanings:

- (i) "Business" shall mean the business and operations that are the same or similar to those performed by the Company and any of its Subsidiaries for

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

which you provide services or about which you obtain Confidential Information during your employment with the Company.

- (ii) "Business Opportunity" shall mean any commercial, investment or other business opportunity relating to the Business.
- (iii) "Market Area" shall mean: (i) during that portion of the Prohibited Period that exists during which you are employed by the Company, any geographic area or market where you provide, or have provided, services to the Company or any of its Subsidiaries; and (ii) during that portion of the Prohibited Period that exists following the date that you are no longer employed by the Company, any geographic area or market where you provided services to the Company or any of its Subsidiaries as of the date you are no longer employed by the Company or during the 12 months prior to such date.
- (iv) "Prohibited Period" shall mean the period during which you are employed by the Company and continuing for a period of 12 months following the date that you are no longer employed by the Company; provided, however, with respect to a termination of employment with the Company on or after the date upon which a Corporate Change occurs, the Prohibited Period shall end on the date of such termination of employment with respect to the obligations under Paragraphs 6(b)(i) and 6(b)(ii).

7. **Withholding of Tax.** You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you ("Tax-Related Items"), is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer (1) do not make representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Units including, but not limited to, the grant, vesting or payout of the Performance Units, the subsequent sale of any Stock that may be issued under this Agreement and the receipt of any dividends; and (2) do not commit to structure the terms of the Performance Units or any aspect of the Performance Units to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company and/or your Employer or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (a) withholding from your wages or other cash compensation paid to you by the Company and/or your Employer, or (b) withholding from the payout of the Performance Units; provided, however, that if you receive shares of Stock pursuant to Paragraph 3, then withholding with respect to such shares shall be in the form of shares of Stock.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

other applicable withholding rates, including maximum applicable rates, in which case you may receive a refund of any over-withheld amount in cash and will have no entitlement to the Performance Units or, if applicable, any Stock that may have been issuable under this Agreement. You agree to pay the Company or the Employer, including through withholding from your wages or other cash compensation paid to you by the Company or the Employer, any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver the cash settlement, or any other form of pay-out for the Performance Units, if you fail to comply with your obligations in connection with the Tax-Related Items.

Notwithstanding the preceding provisions of this Paragraph 7, your liability with respect to Tax-Related Items shall be subject to any international tax assignment agreement then in effect between you and the Company, the Employer or any of their respective affiliates or any tax policies or procedures applicable to your home country, and in the event of any conflict between the terms of this Paragraph 7 and the terms of such international tax assignment agreement or such tax policies or procedures, the terms of such international tax assignment agreement or such tax policies or procedures, as applicable, shall control.

8. Nature of Grant. In accepting the Performance Units, you acknowledge, understand and agree that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan; (b) the grant of the Performance Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Performance Units, or benefits in lieu of Performance Units, even if Performance Units have been granted in the past; (c) all decisions with respect to future Performance Units or other grants, if any, will be at the sole discretion of the Company; (d) the grant of Performance Units and your participation in the Plan shall not create a right to employment or be interpreted as forming an employment or service contract with the Company, your Employer, or any Subsidiary and shall not interfere with the ability of the Employer to terminate your employment or service relationship (if any); (e) you are voluntarily participating in the Plan; (f) the Performance Units, and the income and value of same, are not intended to replace any pension rights or compensation; (g) the Performance Units, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday-pay, bonuses, long-service awards, leave-related payments, pension or retirement benefits or similar mandatory payments; (h) the future value of the Performance Units and any Stock that may be issued under this Agreement is unknown, indeterminable and cannot be predicted with certainty; (i) no claim or entitlement to compensation or damages shall arise from the forfeiture of the Performance Units or the recoupment of any shares of Stock or other benefits or payments acquired under the Plan resulting from (i) you ceasing to provide employment or other services to the Company or your Employer (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) and/or (ii) the application of any recoupment or clawback policy or provision described in this Agreement (or otherwise required by the Company) or any recovery or clawback otherwise required by law; (j) in the event of involuntary termination of your active employment or other services (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), unless otherwise provided in this Agreement or determined by the Company, your right to vest in the Performance Units under the Plan, if any, will terminate effective as of the date that you are no longer

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

actively providing services and will not be extended by any notice period (e.g., active services would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), except as expressly provided herein, and that the Company shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of the Performance Units (including whether you may still be considered to be providing services while on an approved leave of absence); (k) unless otherwise provided in the Plan or by the Company in its discretion, the Performance Units and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; (l) unless otherwise agreed with the Company, the Performance Units, and the income and value of same, are not granted as consideration for, or in connection with, services you may provide as a director of a Subsidiary; (m) if you are requested to make repayment under Paragraph 4, you will make repayment immediately; and (n) the following provisions apply only if you are providing services outside the United States: (i) the Performance Units, and the income and value of same, are not part of normal or expected compensation or salary for any purpose; and (ii) neither the Company, the Employer nor any Subsidiary shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Performance Units or the subsequent payout of the Performance Units or sale of any shares of Stock that may be issued under this Agreement.

9. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan. You should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

10. Data Privacy.

(a) **Declaration of Consent.** *By accepting the Performance Units via the Company's acceptance procedure, you are declaring that you agree with the data processing practices described herein and consent to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned below, including recipients located in countries which may not have a similar level of protection from the perspective of the data protection laws in your country.*

(b) **Data Collection and Usage.** The Company and the Employer may collect, process and use certain personal information about you, including, but not limited to, your name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares or directorships held in the Company and details of all Performance Units, whether vested or unvested, held in your favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is your consent. For California residents, the categories of personal information, including sensitive personal information, are identifiers, characteristics of protected classifications under California or federal law, professional or employment related information, social security, driver's license, state identification card, or passport number, and any personal information that identifies, relates to, describes, or is capable of being associated with a particular individual. The personal information is not sold or shared for cross-context behavioral advertising. See the "Global Workplace Privacy Notice" posted at <https://kbrcorp.sharepoint.com/sites/Legal/SitePages/Global-Workplace-Privacy-Notices.aspx>.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

(c) **Plan Administration Service Providers.** The Company may select a service provider to assist in the implementation, administration and management of the Plan and the Company may share Data with such service provider. In such case, you may be asked to agree on separate terms and data processing practices with the service provider(s), which will be a condition of your ability to participate in the Plan.

(d) **International Data Transfers.** The Company is based in the United States, which means that it will be necessary for Data to be transferred to, and processed in, the United States. You understand that your country may have enacted data privacy laws that are different from the laws of the United States. As a result, in the absence of appropriate safeguards such as standard data protection clauses, the processing of your Data in the United States or, as the case may be, other countries might not be subject to substantive data processing principles or supervision by data protection authorities. In addition, you might not have enforceable rights regarding the processing of your Data in such countries. The Company's legal basis for the transfer of Data is your consent.

(e) **Data Retention.** The Company will hold and use the Data only as long as is necessary to implement, administer and manage your participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, labor and exchange control laws.

(f) **Voluntariness and Consequences of Consent Denial or Withdrawal.** Participation in the Plan is voluntary and you are providing the consents herein on a purely voluntary basis. You understand that you may withdraw consent at any time with future effect for any or no reason. If you do not consent, or if you later seek to revoke your consent, your salary from or employment and career with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to offer Performance Units to you or administer or maintain your participation in the Plan.

(g) **Data Subject Rights.** You understand that data subject rights vary depending on the applicable law and that, depending on where you are based and subject to the conditions set out in the applicable law, you may have, without limitation, the rights to (i) request access or copies of Data the Company processes, (ii) rectification of incorrect Data, (iii) deletion of Data, (iv) restrictions on processing of Data, (v) portability of Data, (vi) lodge complaints with competent authorities in your jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, you understand that you can contact your local human resources representative.

By clicking the "Accept" or similar button implemented into the relevant web page or platform, you declare, without limitation, your consent to the data processing operations described in this Agreement. You understand and acknowledge that you may withdraw consent at any time with future effect for any or no reason as described in subsection (f) above.

11. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company or upon any person lawfully claiming under you.

12. **Modification.** Except to the extent permitted by the Plan, any modification of this Agreement will be effective only if it is in writing and signed by each party whose rights hereunder are affected thereby.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

13. **Plan Controls.** This grant is subject to the terms of the Plan, which are hereby incorporated by reference. In the event of a conflict between the terms of this Agreement and the Plan, the Plan shall be the controlling document. Capitalized terms used herein or in Exhibit A and not otherwise defined herein or in Exhibit A shall have the meaning ascribed to them in the Plan.

14. **Other Agreements.** The terms of this Agreement shall be subject to and governed by, and shall not modify, the terms and conditions of any employment, severance, and/or change-in-control agreement between the Company (or a Subsidiary) and you ("Other Agreement"), except that, notwithstanding anything in such Other Agreement to the contrary, any normal retirement age of 65 or other retirement-based vesting, payment or benefit provisions in such Other Agreement shall be of no force or effect for all purposes of the Performance Units granted under this Agreement.

15. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any document related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

16. **Severability.** If one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Agreement to be construed so as to foster the intent of this Agreement and the Plan.

17. **Language.** You acknowledge and represent that you are proficient in the English language or have consulted with an advisor who is sufficiently proficient in English, as to allow you to understand the terms of this Agreement and any other documents related to the Plan. If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the translated version is different from the English version, the English version will control.

18. **Governing Law and Venue.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, U.S.A., except to the extent that it implicates matters that are the subject of the General Corporation Law of the State of Delaware, which matters shall be governed by the latter law notwithstanding any conflicts of laws principles that may be applied or invoked directing the application of the laws of another jurisdiction. The parties hereby submit to and consent to the sole and exclusive jurisdiction of Houston, Harris County, Texas, as exclusive venue for any action, lawsuit or other proceedings brought to enforce this Agreement, relating to it or arising from it, or dispute resolution proceeding arising hereunder for any claim or dispute, notwithstanding any conflicts of laws principles that may direct the jurisdiction of any other court, venue, or forum, including the jurisdiction of the employee's home country.

19. **Compliance with Law.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Performance Units, the Company shall not be required to deliver any payment from the payout of the Performance Units prior to the completion of any registration or qualification under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval, the Company shall, in its absolute discretion, deem necessary or advisable. You understand that the Company is under no obligation to register or qualify any shares of Stock that may be required to be delivered pursuant to this Agreement with the SEC or any state or foreign securities

commission or to seek approval or clearance from any governmental authority for payout of the Performance Units. Further, you agree that the Company shall have unilateral authority to amend the Plan and the Agreement without your consent to the extent necessary to comply with any applicable law prior to the payout of the Performance Units.

20. **Insider Trading/Market Abuse Laws.** You acknowledge that, depending on your country of residence or the country of residence of your broker, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to accept, acquire, sell or otherwise dispose of any shares of Stock required to be issued under this Agreement, rights to shares of such Stock or rights linked to the value of such shares of Stock during such times as you are considered to have "inside information" regarding the Company, as defined by the laws or regulations in your (or your broker's) country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you place before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Keep in mind third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to be informed of and compliant with such regulations, and you are hereby advised to speak to your personal advisor on this matter.
21. **Exhibit B.** Notwithstanding any provisions in this document, the Performance Units shall be subject to any special terms and conditions set forth in Exhibit B to this Agreement for your country. Moreover, if you relocate to one of the countries included in Exhibit B, the special terms and conditions for such country will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Exhibit B constitutes part of this Agreement.
22. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on your participation in the Plan, on the Performance Units and on any shares of Stock that may be issued under this Agreement, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
23. **Waiver.** You acknowledge that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by you or any other participant.
24. **Foreign Asset/Account Reporting, Exchange Control Requirements.** Certain foreign asset and/or foreign account reporting requirements and exchange controls may affect your ability to acquire or hold cash and/or, if applicable, shares of Stock received from participating in the Plan in a brokerage or bank account outside your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You may also be required to repatriate sales proceeds or other funds

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

received as a result of your participation in the Plan to your country through a designated bank or broker and/or within a certain time after receipt. You are responsible for complying with any applicable regulations and you should consult your personal legal and tax advisors for any details.

[Signatures on the following page.]

US/INTERNATIONAL EMPLOYEE (CASH/STOCK)

By signing below, you agree that the grant of these Performance Units is under and governed by the terms and conditions of the Plan, including the terms and conditions set forth in this Agreement, including Exhibit A and, to the extent applicable, Exhibit B. **This grant shall be void and of no effect unless you execute this Agreement prior to the payment of your vested performance units.**

KBR, INC.

By:

Name:
Title:

EMPLOYEE:

Date:

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT A)

EXHIBIT A

To Performance Award Agreement

Performance Goals

Except as otherwise provided in the Agreement, the provisions of this Exhibit A shall determine the extent, if any, that the Performance Units become "earned" and payable.

I. Performance Period

The Performance Period shall be the period beginning January 1, 2024, and ending December 31, 2026.

II. Total Shareholder Return ("TSR")

The payment of a TSR Performance Unit will be determined based on the comparison of (i) the average of the TSRs (as defined below) of the Company's common stock measured at the end of each calendar quarter during the Performance Period, with each quarter's TSR indexed back to the beginning of the calendar year in which such calendar quarter occurs, to (ii) the average of the TSRs of each of the common stocks of the members of the Peer Group measured at the end of each calendar quarter during the Performance Period, with each quarter's TSR indexed back to the beginning of the calendar year in which such calendar quarter occurs.

"TSR" or "Total Shareholder Return" shall mean, with respect to a calendar quarter, the change in the price of a share of common stock from the beginning of the calendar year in which such calendar quarter occurs (as measured by the simple average of the closing prices of a share of such stock trading during regular trading hours for the last twenty trading days preceding the beginning of such calendar year) until the end of the applicable calendar quarter to be measured during the Performance Period (as measured by the simple average of the closing prices of a share of such stock trading during regular trading hours for the last twenty trading days of the calendar quarter), adjusted to reflect the reinvestment of dividends (if any) through the purchase of common stock at the closing price on the corresponding dividend payment date, which shall be the ex-dividend date, and rounded to the first decimal place. Dividends per share paid other than in the form of cash shall have a value equal to the amount of such dividends reported by the issuer to its shareholders for purposes of Federal income taxation.

A. Average TSR

The average TSR for a company for the Performance Period shall be the sum of the TSRs of the company measured at the end of each calendar quarter during the Performance Period, divided by 12. The average TSR for a company during the Performance Period shall be calculated based on the following formula:

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT A)

2024 TSR Formula - Sustained Performance

$$\text{Average indexed performance} = \frac{\sum_{q=1}^{q=12} (x_q / x)}{12}$$

where:

- x = share price at beginning of calendar year in which the applicable calendar quarter occurs (measured by simple average of the closing prices of a share trading during regular trading hours for the last twenty trading days preceding the beginning of such calendar year)
- closing share price at the end of each quarter (measured by simple average of the closing prices of a share trading during regular trading hours for the last twenty trading days of such calendar quarter, and adjusted for dividends paid (where the dividend payment date is the ex-dividend date))
- q = quarter number (1 through 12)

Example 1:

Date	Share price *	Index
	(x)	(x _q / x)
1/1/2024	\$ 20.00	
3/31/2024	\$ 22.00	110.0
6/30/2024	\$ 24.00	120.0
9/30/2024	\$ 21.00	105.0
12/31/2024	\$ 20.00	100.0
3/31/2025	\$ 18.00	90.0
6/30/2025	\$ 22.00	110.0
9/30/2025	\$ 25.00	125.0
12/31/2025	\$ 28.00	140.0
3/31/2026	\$ 31.00	110.7
6/30/2026	\$ 33.00	117.9
9/30/2026	\$ 30.00	107.1
12/31/2026	\$ 28.00	100.0

$$\sum_{q=1}^{q=12} (x_q / x) = 1,335.7$$

$$\frac{\sum_{q=1}^{q=12} (x_q / x)}{12} = 111.3$$

* Average price adjusted for dividends paid in the period, where the dividend payment date is the ex-dividend date.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT A)

B. Peer Group and TSR Payout

Once the average TSR for the Company during the Performance Period is calculated, the average TSR for each company in the Peer Group shall be calculated.

The Peer Group shall consist of the following companies (including KBR, Inc.):

BAE Systems plc Jacobs Solutions Inc.
Booz Allen Hamilton Holding Corporation L3Harris Technologies, Inc.
CACI International Inc Leidos Holdings, Inc.
Conduent Incorporated Parsons Corporation
Dover Corporation Science Applications International Corporation
Flowserve Corporation Teradata Corporation
Fluor Corporation Tetra Tech, Inc.
Gartner, Inc. Textron Inc.
Hubbell Incorporated The Timken Company
Huntington Ingalls Industries, Inc.

No company shall be added to, or removed from, the Peer Group during the Performance Period, except that a company shall be removed from the Peer Group if during such period (i) such company ceases to maintain publicly available statements of operations prepared in accordance with GAAP, (ii) such company is not the surviving entity in any merger, consolidation, or other reorganization (or survives only as a subsidiary of an entity other than a previously wholly owned entity of such company), or (iii) such company sells, leases, or exchanges all or substantially all of its assets to any other person or entity (other than a previously wholly owned entity of such company).

If one or more Peer Group companies are removed from the Peer Group, then the percentiles and TSR payouts will adjust for the change in "n" of the formula provided below; provided, however, that the adjustment must require at least a 90.0 percentile to receive the maximum TSR payout and at least a 20.0 percentile to receive the threshold TSR payout. After the average TSR is determined for the Company and each company in the Peer Group, the Company's average TSR rank among the average TSRs for the Peer Group for the Performance Period and the Company's applicable "TSR Payout Percentage" shall be determined by the following formula:

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT A)

TSR Peer Group Percentile and TSR Payout Percentage Table

		Threshold	Target	Maximum
Percentile	<20%	20%	50%	≥90%
TSR Payout Percentage	0%	25%	100%	200%
LTI TSR Calculation Method				
	Ranking	Percentile *	TSR Payout Percentage**	
Maximum	1	100.0%	200.0%	
	2	94.7%	200.0%	
	3	89.5%	198.8%	
	4	84.2%	185.5%	
	5	78.9%	172.3%	
	6	73.7%	159.3%	
	7	68.4%	146.0%	
	8	63.2%	133.0%	
	9	57.9%	119.8%	
	10	52.6%	106.5%	
Target	11	47.4%	93.5%	
	12	42.1%	80.3%	
	13	36.8%	67.0%	
	14	31.6%	54.0%	
	15	26.3%	40.8%	
	16	21.1%	27.8%	
	17	15.8%	0.0%	
	18	10.5%	0.0%	

	19	5.3%	0.0%
	20	0.0%	0.0%

* Rounded to 1 decimal place.

** For a Percentile ranking between Threshold and Target or Target and Maximum, the TSR Payout Percentage earned shall be determined by linear interpolation between maximum and threshold based on the Percentile ranking achieved. Rounded to 1 decimal place.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT A)

Percentile for TSR purposes

$$\text{Percentile} = \frac{(n - r)}{(n - 1)} * 100\%$$

where:

n = number of Peer Group companies (including KBR)

r = KBR ranking in the list of companies (including KBR)

Example 1

KBR ranked 3rd out of 20 companies

$$\frac{(20 - 3)}{(20 - 1)} * 100\% = 89.5\%$$

Example 3

KBR ranked 5th out of 19 companies

$$\frac{(19 - 5)}{(19 - 1)} * 100\% = 77.8\%$$

Example 2

KBR ranked 11th out of 20 companies

$$\frac{(20 - 11)}{(20 - 1)} * 100\% = 47.4\%$$

Example 4

KBR ranked 9th out of 18 companies

$$\frac{(18 - 9)}{(18 - 1)} * 100\% = 52.9\%$$

$$(18 - 1)$$

The TSR Payout Percentage and related payout shall be subject to reduction as provided in Paragraph 3 of the Agreement.

Notwithstanding any of the foregoing, (a) unless otherwise provided in an agreement pursuant to Paragraph 14 of the Agreement, the TSR Payout Percentage shall equal 200% for payment in connection with a Double Trigger Event as provided in Paragraph 2(d) of the Agreement, and (b) if on the Grant Date you are an employee of the Company or any employing Subsidiary of the Company who is either the Company's Chief Executive Officer or a direct report to the Company's Chief Executive Officer, if such direct report is an officer of the Company required to file reports with the Securities and Exchange Commission under Section 16 of the Securities Exchange Act of 1934 and the Company's average TSR (as determined pursuant to Part II.A. of this Exhibit A) at the end of the Performance Period is negative (i.e., an index below 100), then no payment hereunder with respect to the TSR performance measure will exceed the Target (100%) payout under the TSR Peer Group Percentile and TSR Payout Percentage Table above; provided, however, that this clause (b) shall not apply if, pursuant to the first sentence of Paragraph 2(d) of the Agreement, your outstanding Performance Units become fully vested at the maximum earned percentage provided in Exhibit A (200%) upon a Double Trigger Event occurring during the Performance Period.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT A)

III. Book-to-Bill

A. Book-to-Bill Determinations in General

The payment of a Book-to-Bill Performance Unit will be determined based on the Average Book-to-Bill Payout Ratio as determined under Part III. of this Exhibit A.

For purposes of Part III. of this Exhibit A, the following terms shall have the following meanings:

"Average Book-to-Bill Payout Ratio" means the quotient obtained by dividing (i) the sum of the Book-to-Bill Payout Ratios for each of the three calendar years in the Performance Period by (ii) three.

"Book-to-Bill Payout Ratio" means, with respect to a calendar year during the Performance Period, the amount determined in accordance with the following table:

		Threshold	Target	Maximum
Book-to-Bill Ratio for the calendar year	< Threshold Ratio for the calendar year	Threshold Ratio for the calendar year	Target Ratio for the calendar year	≥Maximum Ratio for the calendar year
Book-to-Bill Payout Ratio for the calendar year*	0%	25%	100%	200%

* If the Book-to-Bill Ratio for the calendar year is between the Threshold Ratio and the Target Ratio under the first row of the table above, then the Book-to-Bill Payout Ratio for such calendar year shall be determined by linear interpolation between Threshold (25%) and Target (100%) based on the Book-to-Bill Ratio result. If the Book-to-Bill Ratio for the calendar year is between the Target Ratio and the Maximum Ratio under the first row of the table above, then the Book-to-Bill Payout Ratio for such calendar year shall be determined by linear interpolation between Target (100%) and Maximum (200%) based on the Book-to-Bill Ratio result. Each Book-to-Bill Payout Ratio determined by linear interpolation shall be rounded to one decimal place.

"Book-to-Bill Ratio" means, with respect to a calendar year, the quotient obtained by dividing (i) the aggregate dollar amount of the Company's and its consolidated subsidiaries new orders for projects awarded during such year (which shall include, without limitation, new projects for such year, options exercised during such year with respect to projects (including new projects), and the expansion during such year of the scope of projects (including new projects); however, any contraction during such year of the scope of a project (including a new project) shall reduce the amount described in this clause (i)), by (ii) the aggregate dollar amount of the Company's and its consolidated subsidiaries revenues for projects completed during such calendar year. The Book-to-Bill Ratio for each calendar year shall be determined by the Committee in its sole discretion.

"Maximum Ratio" means, with respect to a calendar year during the Performance Period, a Book-to-Bill Ratio established by the Committee as the Maximum Ratio for such calendar year, which ratio shall be greater than the Target Ratio established by the Committee for such calendar year.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT A)

"Target Ratio" means, with respect to a calendar year during the Performance Period, a Book-to-Bill Ratio established by the Committee as the Target Ratio for such calendar year, which ratio shall be greater than the Threshold Ratio and less than the Maximum Ratio established by the Committee for such calendar year.

"Threshold Ratio" means, with respect to a calendar year during the Performance Period, a Book-to-Bill Ratio established by the Committee as the Threshold Ratio for such calendar year, which ratio shall be less than the Target Ratio established by the Committee for such calendar year.

B. Determination of the "Earned" Value of Book-to-Bill Performance Units

The "target" value of a Book-to-Bill Performance Unit is \$1.00; its maximum value is \$2.00 per unit, and its minimum value will be zero per unit. The value of an "earned" Book-to-Bill Performance Unit shall be determined by multiplying its "target" value of \$1.00 by the Average Book-to-Bill Payout Ratio for the Performance Period, subject to reduction as provided in Paragraph 3 of the Agreement.

Notwithstanding the foregoing, unless otherwise provided in an agreement pursuant to Paragraph 14 of the Agreement, the Average Book-to-Bill Payout Ratio shall be deemed to have been met at the maximum level (200%) in connection with a Double Trigger Event as provided in Paragraph 2(d) of the Agreement.

IV. Adjustments to Performance Measurements for Significant Events

If, after the beginning of the Performance Period, there is a change in accounting standards required by the Financial Accounting Standards Board, the performance results shall be adjusted by the Company's independent accountants as appropriate to disregard such change. In addition, the results of the Company or a peer group company shall be adjusted to reflect any stock splits or other events described in Article XIII of the Plan.

V. Committee Certification

As soon as reasonably practical following the end of the Performance Period, but in no event later than the March 15th following the end of the Performance Period, the Committee shall review and determine the performance results for the Performance Period and certify those results in writing. No Performance Units earned and vested shall be payable prior to the Committee's certification; provided, however, Committee certification shall not apply in the event of a Double Trigger Event, unless otherwise provided in an agreement pursuant to paragraph 14 of the Agreement.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

EXHIBIT B

KBR, INC.

Terms and Conditions of Performance Unit Grant

SPECIAL PROVISIONS OF PERFORMANCE UNITS IN CERTAIN COUNTRIES

This Exhibit B includes special country-specific terms that apply to residents in countries listed below. This Exhibit B is part of the Agreement. Unless otherwise provided below, capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Agreement.

This Exhibit B also includes information regarding exchange controls and certain other issues of which you should be aware with respect to your participation in the Plan. The information is based on the exchange control and other laws in effect in the respective countries as of February 2024. Such laws are often complex and change frequently. Note certain individual exchange control reporting requirements may apply upon vesting of the Performance Units and results may be different based on the particular facts and circumstances. As a result, the Company strongly recommends that you do not rely on the information noted herein as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date at the time your Performance Units vest or your Performance Units are settled under the Plan.

In addition, the information is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the relevant laws in your country may apply to your situation.

If you are a citizen or resident of a country other than the country in which you are working or if you transfer employment after the Performance Units are granted to you, the information contained in this Exhibit B for the country you work in at the time of grant may not be applicable to you and the Company, in its discretion, may determine to what extent the terms and conditions contained herein shall be applicable to you. If you transfer residency and/or employment to another country or are considered a resident of another country listed in this Exhibit B after the Performance Units are granted to you, the terms and/or information contained for that new country (rather than the original grant country) may be applicable to you.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

AUSTRALIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information. This offer is being made under Division 1A, Part 7.12 of the Australia Corporations Act 2001 (Cth).

Tax Information.

The Plan is a plan to which subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

Exchange Control Information.

Exchange control reporting is required for cash transactions exceeding AUD10,000 and for international fund transfers. The Australian bank assisting with the transaction will file the report for you. If there is no Australian bank involved in the transfer, you will have to file the report.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

AZERBAIJAN

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Payment of Vested Performance Units.

The following supplements Paragraph 3 of the Agreement:

Notwithstanding anything in the Agreement, any payment in connection with the vesting of the Performance Units will be paid to you in cash through local payroll. Further, you agree to bear any currency fluctuation risk between the time the Performance Units vest and the time the cash payment is distributed to you.

Securities Law Information.

You understand that the Agreement, the Plan and all other materials you may receive regarding your participation in the Plan do not constitute advertising or offering of securities in Azerbaijan. The offering of the Performance Units pursuant to the Plan has not been and will not be registered in Azerbaijan.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

BAHRAIN

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or the offering of securities in Bahrain, nor do they constitute an allotment of securities in Bahrain. Any Stock issued upon settlement of the Performance Units will be deposited into a Company-designated brokerage account outside Bahrain. In no event will Stock be issued or delivered in Bahrain. The issuance of Stock pursuant to the Performance Units described herein has not and will not be registered in Bahrain and, hence, the Stock described herein may not be admitted or used for offering, placement or public circulation in Bahrain. Accordingly, you may not make any public advertising or announcements regarding the Performance Units or Stock in Bahrain, promote Stock to legal entities or individuals in Bahrain, or sell Stock directly to other legal entities or individuals in Bahrain. Any disposition or sale of Stock must take place outside Bahrain.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

BRITISH INDIAN OCEAN TERRITORY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

CANADA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

You may be required to report your specified foreign property on Form T1135 (Foreign Income Verification Statement) if the total cost of your specified foreign property exceeds C\$100,000 at any time in the year. Foreign specified property includes cash, any shares of Stock issued to you upon vesting and settlement of your Award as well as the Performance Units. Performance Units must be reported - generally at a nil cost - if the C\$100,000 cost threshold is exceeded because of other foreign property that you hold. If shares of Stock are acquired, their cost generally is the adjusted cost base ("ACB"). The ACB would normally equal the fair market value of the shares of Stock issued to you upon vesting and settlement of your Award, but if you own other shares, this ACB may have to be averaged with the ACB of the other shares. The Form T1135 is required for every year during which your foreign specified property exceeds C\$100,000 and must be filed with your annual tax return.

Termination of Employment.

The following provision supplements Paragraph 8(j) of the Agreement and supplements the balance of the Agreement:

For purposes of this Award, in the event of your termination of employment for any reason (regardless of the reason for such termination and whether or not the termination is later found to be invalid, unlawful or in breach of employment laws in the jurisdiction where you are providing services or the terms of your employment agreement, if any), unless otherwise provided in this Agreement or the Plan, your right to vest in the Performance Units, if any, will terminate effective as of the date that is the earliest of (1) the date you are no longer actually providing services to the Company or any of its Subsidiaries; or (2) the date you receive (or provide) written notice of termination of employment. Subject to the below, on and after such date, you will no longer be considered to be an "employee" or "employed" for the purposes of this Agreement. Unless explicitly required by applicable legislation, such date will exclude and will not be extended by any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, contract, common/civil law or otherwise. Furthermore, you will not earn, or be entitled to earn, any pro-rated vesting for that portion of time before the date on which your right to vest terminates, nor will you be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the Performance Units, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

The following provisions shall apply if you are a resident of Ontario:

Post-Employment Non-Competition - Ontario

If you are employed in the Province of Ontario and you are not an Executive within the meaning of Section 67.2(4) of the *Employment Standards Act, 2000*, the covenant in Paragraph 6(b)(i) shall not apply to you.

The following provisions shall apply if you are a resident of Quebec:

Data Privacy.

This provision supplements Paragraph 10 of the Agreement:

You hereby authorize the Company and representatives of any Subsidiary to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. You further authorize the Company and any Subsidiary and the

administrators of the Plan to disclose and discuss the Plan with their advisors. You further authorize the Company and any Subsidiary to record such information and to keep such information in your file.

French Language Documents (Documents en Langue Française).

A French translation of this document and the Plan will be made available to you as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless you indicate otherwise, the French translation of this document and the Plan will govern your participation in the Plan.

Une traduction française de ce document et du Plan sera mise à votre disposition dès que raisonnablement possible. Nonobstant toute disposition contraire de l'Entente, et sauf indication contraire de votre part, la traduction française de ce document et du Plan régiront votre participation au Plan.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

CHINA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Payment of Vested Performance Units.

The following supplements Paragraph 3 of the Agreement:

Notwithstanding anything in the Agreement, any payment in connection with the vesting of the Performance Units will be paid to you in cash through local payroll. Further, you agree to bear any currency fluctuation risk between the time the Performance Units vest and the time the cash payment is distributed to you.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

DJIBOUTI

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

FINLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country specific provisions.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

GERMANY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

Cross-border payments in excess of €12,500, must be reported monthly to the German Federal Bank. If you make or receive a payment in excess of this amount (including if you acquire shares of Stock with a value in excess of this amount or sell Stock via a foreign broker, bank or service provider and receive proceeds in excess of this amount) and/or if the Company withholds or sells shares of Stock with a value in excess of this amount to cover Tax-Related Items, you must report the payment and/or the value of the shares of Stock withheld or sold to Bundesbank, either electronically using the "General Statistics Reporting Portal" ("Allgemeines Meldeportal Statistik") available on the Bundesbank website (www.bundesbank.de) or via such other method (e.g., by email or telephone) as is permitted or required by Bundesbank. The report must be submitted monthly or within other such timing as is permitted or required by Bundesbank.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

INDIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

You must repatriate (i) the proceeds from the settlement of your Performance Units, (ii) the proceeds from the sale of shares of Stock and/or (iii) any cash dividends paid on such Stock within the period of time required under applicable regulations. You will receive a foreign inward remittance certificate ("FIRC") from the bank where you deposit the foreign currency. You should maintain the FIRC received from the bank as evidence of the repatriation of the funds in the event that the Reserve Bank of India or the Employer requests proof of repatriation. You agree to provide any information that may be required by the Company or the Employer to make any applicable filings under exchange control laws in India. It is your responsibility to comply with applicable exchange control laws in India.

Foreign Account/Asset Tax Reporting Information.

You are required to declare in your annual tax return (a) any foreign assets held by you or (b) any foreign bank accounts for which you have signing authority. *Indian residents are responsible for complying with applicable exchange control and reporting laws in India and should consult with a personal advisor in this regard.*

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

INDONESIA

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Language Consent and Information (Persetujuan dan Pemberitahuan Bahasa).

By accepting the grant of Performance Units, you (i) confirm having read and understood the documents relating to this grant (i.e., the Plan and the Agreement (including Exhibits A and B)) which were provided in the English language, (ii) accept the terms of those documents accordingly, and (iii) agree not to challenge the validity of this document based on Law No. 24 of 2009 on National Flag, Language, Coat of Arms and National Anthem or the implementing Presidential Regulation (when issued).

Dengan menerima pemberian Unit Saham Terbatas ini, Peserta (i) memberikan konfirmasi bahwa dirinya telah membaca dan memahami dokumen-dokumen berkaitan dengan pemberian ini (yaitu, Program dan Perjanjian) yang disediakan dalam Bahasa Inggris, (ii) menerima persyaratan di dalam dokumen-dokumen tersebut, dan (iii) setuju untuk tidak mengajukan keberatan atas keberlakuan dari dokumen ini berdasarkan Undang-Undang No. 24 Tahun 2009 tentang Bendera, Bahasa dan Lambang Negara serta Lagu Kebangsaan ataupun Peraturan Presiden sebagai pelaksanaannya (ketika diterbitkan).

Exchange Control Information.

For foreign currency transactions exceeding a certain threshold (currently, US\$25,000), the document(s) underlying that transaction will have to be submitted to the relevant local bank. If Indonesian residents repatriate funds (e.g., proceeds from the sale of shares of Stock acquired under the Plan) into Indonesia, the Indonesian bank through which the transaction is made will submit a report of the transaction to the Bank of

Indonesia. For transactions of a certain threshold (currently, US\$10,000) or more (or its equivalent in other currency), a more detailed description of the transaction must be included in the report and Indonesian residents may be required to provide information about the transaction to the bank in order to complete the transaction.

In addition, if there is a change of position (i.e., sale of shares of Stock) in any foreign assets you hold (including shares of Stock acquired under the Plan), Indonesian residents must report this change to the Bank of Indonesia no later than the 15th day of the month following the change in position.

Foreign Account/Asset Tax Reporting Information.

Indonesian residents must report worldwide assets (including foreign accounts and shares of Stock acquired under the Plan) in their annual individual income tax return.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

IRAQ

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

JAPAN

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

You are required to report details of any assets held outside Japan as of December 31 (including shares of Stock acquired under the Plan), to the extent such assets have a total net fair market value exceeding ¥50,000,000. Such report will be due by March 15 each year. You should consult with your personal advisor(s) regarding any personal foreign asset/foreign account tax obligations you may have in connection with your participation in the Plan.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

KUWAIT

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The Plan does not constitute the marketing or offering of securities in Kuwait pursuant to Law No. 7 of 2010, as amended (establishing the Capital Markets Authority) and its implementing regulations. The grant of Performance Units under the Plan are made only to qualified employees of the Company and its Subsidiaries.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

MEXICO

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Acknowledgement of the Agreement.

In accepting the award of Performance Units, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Agreement in their entirety and fully understand and accept all provisions of the Plan and the Agreement. You further acknowledge that you have read and specifically and expressly approve the terms and conditions of Paragraph 7 of the Agreement, in which the following is clearly described and established:

- (1) Your participation in the Plan does not constitute an acquired right.
- (2) The Plan and your participation in the Plan are offered by the Company on a wholly discretionary basis.
- (3) Your participation in the Plan is voluntary.

Labor Law Acknowledgement and Policy Statement.

In accepting the award of Performance Units, you expressly recognize that KBR, Inc., with registered offices at 601 Jefferson Street, Suite 3400, Houston, Texas 77002, U.S.A., is solely responsible for the administration of the Plan and that your participation in the Plan and receipt of Performance Units does not constitute an employment relationship between you and KBR, Inc. since you are participating in the Plan on a wholly commercial basis and your sole employer is a Subsidiary of the Company in Mexico ("KBR-Mexico"), not KBR, Inc. in the U.S. Based on the foregoing, you expressly recognize that the Plan and the benefits that you may derive from participation in the Plan do not establish any rights between you and your Employer, KBR-Mexico, and do not form part of the employment conditions and/or benefits provided by KBR-Mexico and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the Plan is as a result of a unilateral and discretionary decision of KBR, Inc.; therefore, KBR, Inc. reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

Finally, you hereby declare that you do not reserve to yourself any action or right to bring any claim against KBR, Inc. for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and you therefore grant a full and broad release to KBR, Inc., its Subsidiary, affiliates, branches, representation offices, its shareholders, officers, agents or legal representatives with respect to any claim that may arise.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

Reconocimiento del Convenio.

Aceptando este Premio(Award),¹ el Participante reconoce que ha recibido una copia del Plan, que lo ha revisado como así también el Convenio en el Participante totalidad, y comprende y está de acuerdo con todas las disposiciones tanto del Plan como del Convenio. Asimismo, su reconoce que ha leído y específicamente y expresamente manifiesta la conformidad del Participante con los términos y condiciones establecidos en la cláusula 7 le dicho Convenio, en el cual se establece claramente que:

- (1) La participación del Participante en el Plan de ninguna manera constituye un derecho adquirido.
- (2) Que el Plan y la participación del Participante en el mismo es una oferta por parte de KBR, Inc. de forma completamente discrecional.
- (3) Que la participación del Participante en el Plan es voluntaria.

Reconocimiento de Ausencia de Relación Laboral y Declaración de la Política.

Aceptando este Premio, el Participante reconoce que KBR, Inc. y sus oficinas registradas en 601 Jefferson Street, Suite 3400, Houston, Texas 77002, U.S.A., es el único responsable de la administración del Plan y que la participación del Participante en el mismo y la adquisición de Acciones no constituye de ninguna manera una relación laboral entre el Participante y KBR, Inc., toda vez que la participación del Participante en el Plan deriva únicamente de una relación comercial con KBR, Inc., reconociendo expresamente que el único empleador del Participante es la Subsidiaria de la Compañía en Mexico ("KBR-Mexico")), no es KBR, Inc. en los Estados Unidos. Derivado de lo anterior, el Participante

expresamente reconoce que el Plan y los beneficios que pudieran derivar del mismo no establecen ningún derecho entre el Participante y su empleador, KBR-México, y no forman parte de las condiciones laborales y/o prestaciones otorgadas por KBR-México, y expresamente el Participante reconoce que cualquier modificación al Plan o la terminación del mismo de manera alguna podrá ser interpretada como una modificación de las condiciones de trabajo del Participante.

Asimismo, el Participante entiende que su participación en el Plan es resultado de la decisión unilateral y discrecional de KBR, Inc., por lo tanto, KBR, Inc. se reserva el derecho absoluto para modificar y/o terminar la participación del Participante en cualquier momento, sin ninguna responsabilidad para el Participante.

Finalmente, el Participante manifiesta que no se reserva ninguna acción o derecho que origine una demanda en contra de KBR, Inc., por cualquier compensación o daño en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia el Participante otorga un amplio y total finiquito a KBR, Inc., sus Entidades Relacionadas, afiliadas, sucursales, oficinas de representación, sus accionistas, directores, agentes y representantes legales con respecto a cualquier demanda que pudiera surgir.

Securities Law Information.

The Performance Units granted, and any shares of Stock acquired, under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, Agreement and any other document relating to the Performance Units may not be publicly distributed in Mexico. These materials are addressed to you because of your existing relationship

¹ El término "Premio" se refiere a la palabra "Performance Units."

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities, but rather a private placement of securities addressed specifically to individuals who are present service providers made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

POLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

If you hold foreign securities (including shares of Stock) and maintains accounts abroad, you may be required to file certain reports with the National Bank of Poland. Specifically, if the value of securities and cash held in such foreign accounts exceeds PLN 7 million, you must file reports on the transactions and balances of the accounts on a quarterly basis. Further, any fund transfers in excess of €15,000 (or PLN 15,000 if such transfer of funds is connected with business activity of an entrepreneur) into or out of Poland must be effected through a bank in Poland. Polish residents are required to store all documents related to foreign exchange transactions for a period of five years.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

QATAR

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

There are no country-specific provisions.

ROMANIA**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Language Consent.**

By accepting the grant of Performance Units, you acknowledge that you are proficient in reading and understanding English and fully understand the terms of the documents related to the grant (the Agreement and the Plan), which were provided in the English language. You accept the terms of those documents accordingly.

Consimtămant cu privire la limba.

Prin acceptarea acordării Unităților de Performanță, recunoașteți că aveți competență în citirea și înțelegerea limbii engleze și înțelegeți pe deplin termenii documentelor legate de grant (Acordul și Planul), care au fost furnizate în limba engleză. Acceptați termenii acestor documente în consecință.

Exchange Control Information.

If you remit foreign currency into Romania (e.g., the payout of the Performance Units, proceeds from the sale of shares of Stock), you may be required to provide the Romanian bank through which the foreign currency is transferred with appropriate documentation explaining the source of the funds.

SAUDI ARABIA**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Securities Law Information.**

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult your own advisor or an authorized financial advisor.

SINGAPORE**AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN****Securities Law Information.**

The grant of Performance Units is being made in reliance of section 273(1)(i) of the Securities and Futures Act 2001 ("SFA") for which it is exempt from the prospectus and registration requirements under the SFA and is not made to you with a view of the Performance Units being subsequently offered to any other party. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that the Performance Units are subject to section 257 of the SFA and you will not be able to make (i) any subsequent sale of the

shares of Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Stock subject to the Performance Units in Singapore, unless such sale or offer is made (a) more than six months after the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA, or pursuant to, and in accordance with the condition of, any other applicable provisions of the SFA.

Director Notification Information.

If you are a director of a Singapore Subsidiary, you must notify the Singapore Subsidiary in writing within two business days of receiving or disposing of an interest (e.g., Performance Units, shares of Stock, etc.) in the Company or any Subsidiary or within two business days of you becoming a director if such an interest exists at the time. This notification requirement also applies if you are an associate director of the Singapore Subsidiary or a shadow director of the Singapore Subsidiary (i.e., an individual who is not on the board of directors of the Singapore Subsidiary but who has sufficient control so that the board of directors of the Singapore Subsidiary acts in accordance with the "directions and instructions" of the individual).

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

SOUTH KOREA AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Foreign Account/Asset Tax Reporting Information.

You must declare all of your foreign financial accounts (i.e., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report with respect to such accounts if the value of such accounts exceeds a certain threshold (currently, KRW 500 million (or an equivalent amount in foreign currency)) on any month-end date during the year.

Domestic Broker Requirement.

Korean residents currently are not permitted to sell foreign securities (including shares of Stock) through non-Korean brokers (such as Morgan Stanley) or deposit funds resulting from the sale of shares of Stock in an account with an overseas financial institution. If you wish to sell shares of Stock acquired under the Plan, you may be required to transfer the shares of Stock to a domestic investment broker in Korea and to effect the sale through such broker. You are solely responsible for engaging the domestic broker in Korea. However, on December 29, 2023, the Financial Services Commission issued an advance notice of legislative action which may allow Korean residents to dispose of overseas-listed securities without using Korean licensed brokers as early as March 2024. *You should consult a personal legal advisor to ensure compliance with applicable requirements.*

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

SPAIN AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Nature of Grant.

This provision supplements Section 8 of the Agreement:

In accepting the Performance Units, you consent to participate in the Plan and acknowledge that you have received a copy of the Plan and the Agreement.

You understand and agree that, as a condition of the grant of the Performance Units, termination for any reason (including the reasons listed below) will automatically result in the loss of the Performance Units that may have been granted to you and that have not vested as of date that you are no longer actively employed, as described in Section 8 of the Agreement. In particular, you understand and agree that any unvested Performance Units as of the date that you are no longer actively employed will be forfeited without entitlement to the underlying shares of Stock or to any amount of indemnification in the event of a termination by reason of, but not limited to, resignation, retirement, disciplinary dismissal

adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause, individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer and under Article 10.3 of the Royal Decree 1382/1985. You acknowledge that you have read and specifically accept the conditions referred to in Section 8 of the Agreement.

You understand that the Company has unilaterally, gratuitously and discretionally decided to grant Performance Units under the Plan to individuals who may be employees of the Company or a Subsidiary throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Subsidiary on an ongoing basis other than as set forth in this Agreement. Consequently, you understand that the Performance Units are granted on the assumption and condition that the Performance Units and any shares of Stock issued upon vesting of the Performance Units are not part of any employment contract (either with the Company or any Subsidiary) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, you understand that the Performance Units would not be granted to you but for the assumptions and conditions referred to herein; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the grant of this Performance Units and any right to the Performance Units shall be null and void.

Exchange Control Information.

You are required to electronically declare to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including shares of Stock acquired under the Plan), and any transactions with non-Spanish residents (including any payments of shares of Stock made to you pursuant to the Plan) if the balances in such accounts together with the value of such instruments as of December 31, or the volume of transactions with non-Spanish residents during the prior or current year, exceed €1,000,000. Once the €1,000,000 threshold has been surpassed in either respect, you will generally be required to report all foreign accounts, foreign instruments and transactions with non-Spanish residents, even if the relevant threshold has not been crossed for an individual item. Generally, you will only be required to report on an annual basis.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

Foreign Account/Asset Tax Reporting Information.

To the extent that you hold rights or assets (e.g., cash or shares of Stock held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset as of December 31 each year, you are required to report information on such rights and assets on your tax return for such year (or at any time during the year in which you sell or dispose of such right or asset). After such rights or assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

SWITZERLAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

Neither this document nor any other materials relating to Performance Units (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA"), (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company, or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to Article 51 of FinSA or any other Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

THAILAND

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Exchange Control Information.

If the cash proceeds received in connection with the payout of the Performance Units, the proceeds from the sale of shares of Stock and/or any cash dividends received in relation to such shares of Stock exceed USD 1,000,000 (or its equivalent amount) in a single transaction, you are required to immediately repatriate the funds to Thailand, unless you can rely on any applicable exemptions (e.g., where the funds will be used offshore for any permissible purposes under exchange control regulations) and the relevant form and supporting documents have been submitted to a commercial bank in Thailand. Any foreign currency repatriated to Thailand must be converted to Thai Baht or deposited into a foreign currency deposit account opened with any commercial bank in Thailand acting as the authorized agent within 360 days from the date the funds are repatriated to Thailand. You are also required to inform the authorized agent of the details of the foreign currency transaction, including identification information and the purpose of the transaction.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

TURKEY

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

Under Turkish law, you are not permitted to sell any shares of Stock acquired under the Plan in Turkey. The shares of Stock are currently traded on the New York Stock Exchange, which is located outside of Turkey, under the ticker symbol "KBR" and the shares of Stock may be sold through this exchange.

Exchange Control Information.

Exchange control regulations require Turkish residents to conduct any activity related to investments in foreign securities through a bank or financial intermediary institution licensed by the Turkish Capital Markets Board.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

UNITED ARAB EMIRATES

AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Securities Law Information.

The Plan is only being offered to qualified employees and is in the nature of providing equity incentives to employees in the United Arab Emirates ("UAE"). Any documents related to the Plan, including the Plan, Plan prospectus and other grant documents ("Plan Documents"), are intended for distribution only to such employees and must not be delivered to, or relied on by, any other person. Prospective stockholders should conduct their own due diligence on the securities. If you do not understand the contents of the Plan Documents, you should consult an authorized financial adviser.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor taken steps to verify the information set out in them, and thus, are not responsible for such documents.

US/INTERNATIONAL EMPLOYEE (CASH/STOCK) (EXHIBIT B)

UNITED KINGDOM
AMENDED AND RESTATED KBR, INC. 2006 STOCK AND INCENTIVE PLAN

Withholding of Taxes.

This section supplements Paragraph 6 of the Agreement:

Without limitation to Paragraph 6 of the Agreement, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company or the Employer, as applicable, or by HM Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and the Employer, as applicable, for any Tax-Related Items that they are required to pay or withhold or have paid or will pay on your behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if you are an officer or executive director (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In this case, the amount of any income tax not collected from or paid by you within 90 days of the end of the U.K. tax year in which an event giving rise to the Tax-Related Items occurs may constitute a benefit to you on which additional income tax and national insurance contributions may be payable. You acknowledge that you ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as appropriate) for the value of any national insurance contributions due on this additional benefit. You acknowledge that the Company or the Employer may recover any such additional income tax and national insurance contributions at any time thereafter by any of the means referred to in Paragraph 6 of the Agreement.

B-32

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Stuart J. B. Bradie, certify that:

1. I have reviewed this quarterly report on Form 10-Q of KBR, Inc. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **November 2, 2023** April 30, 2024

/s/ Stuart J. B. Bradie

Stuart J. B. Bradie

Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Mark W. Sopp, certify that:

1. I have reviewed this quarterly report on Form 10-Q of KBR, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2023 April 30, 2024

/s/ Mark W. Sopp

Mark W. Sopp

Chief Financial Officer

EXHIBIT 32.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
UNDER SECTION 906 OF THE SARBANES OXLEY ACT OF 2002, 18 U.S.C. 1350**

The undersigned, the Chief Executive Officer of KBR, Inc. (the "Company"), hereby certifies that to his knowledge, on the date hereof:

- a) the Form 10-Q of the Company for the period ended September 29, 2023 March 29, 2024, filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Stuart J. B. Bradie

Stuart J. B. Bradie

Chief Executive Officer

Date: November 2, 2023 April 30, 2024

EXHIBIT 32.2

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
UNDER SECTION 906 OF THE SARBANES OXLEY ACT OF 2002, 18 U.S.C. 1350**

The undersigned, the Chief Financial Officer of KBR, Inc. (the "Company"), hereby certifies that to his knowledge, on the date hereof:

- a) the Form 10-Q of the Company for the period ended September 29, 2023 March 29, 2024, filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark W. Sopp

Mark W. Sopp

Chief Financial Officer

Date: November 2, 2023 April 30, 2024

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2024, Refinitiv. All rights reserved. Patents Pending.