

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 April 3, 2026
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
(State of incorporation)

20-4536774
(I.R.S. Employer Identification No.)

601 Jefferson Street, Suite 3400 Houston Texas
(Address of principal executive offices)

77002
(Zip Code)

(713) 753-2000
(Registrant's telephone number including area code)

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

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
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 April 22, 2026, there were 126,789,957 shares of KBR, Inc. Common Stock, par value \$0.001 per share, outstanding.

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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, and include information related to the proposed spin-off of our Mission Technology Solutions business into a stand-alone, publicly traded company.

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
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
DoW	Department of War
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
HomeSafe	HomeSafe Alliance
JKC	JKC Australia LNG, an Australian joint venture executing the Ichthys LNG Project
LNG	Liquefied natural gas
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
MoD	Ministry of Defence
MTS	Mission Technology Solutions
NASA	National Aeronautics and Space Administration
NCI	Noncontrolling interests
PFI	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	
	April 3, 2026	April 4, 2025
Revenues	\$ 1,923	\$ 2,018
Cost of revenues	(1,658)	(1,718)
Gross profit	265	300
Equity in earnings of unconsolidated affiliates	51	42
Selling, general and administrative expenses	(133)	(140)
Other	(3)	—
Operating income	180	202
Interest expense	(37)	(41)
Other non-operating income	—	3
Income from continuing operations before income taxes	143	164
Provision for income taxes	(40)	(43)
Net income from continuing operations	103	121
Net loss from discontinued operations, net of tax	(2)	(6)
Net income	101	115
Less: Net income attributable to noncontrolling interests included in continuing operations	—	1
Less: Net loss attributable to noncontrolling interests included in discontinued operations	(1)	(2)
Net income attributable to KBR	\$ 102	\$ 116
Net income attributable to KBR per share		
Basic earnings per share from continuing operations	\$ 0.81	\$ 0.91
Basic loss per share from discontinued operations	\$ (0.01)	\$ (0.03)
Basic earnings per share attributable to KBR	\$ 0.80	\$ 0.88
Diluted earnings per share from continuing operations	\$ 0.81	\$ 0.91
Diluted loss per share from discontinued operations	\$ (0.01)	\$ (0.03)
Diluted earnings per share attributable to KBR	\$ 0.80	\$ 0.88
Basic weighted average common shares outstanding	127	132
Diluted weighted average common shares outstanding	127	132
Cash dividends declared per share	\$ 0.165	\$ 0.165

See accompanying notes to condensed consolidated financial statements.

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

	Three months ended	
	April 3, 2026	April 4, 2025
Net income	\$ 101	\$ 115
Other comprehensive income (loss):		
Foreign currency translation adjustments	(16)	29
Pension and post-retirement benefits	4	1
Changes in fair value of derivatives	4	(18)
Other comprehensive income (loss)	(8)	12
Income tax (expense) benefit:		
Pension and post-retirement benefits	(1)	—
Changes in fair value of derivatives	(1)	4
Income tax (expense) benefit	(2)	4
Other comprehensive income (loss), net of tax	(10)	16
Comprehensive income	91	131
Less: Comprehensive income attributable to noncontrolling interests included in continuing operations	—	1
Less: Comprehensive loss attributable to noncontrolling interests included in discontinued operations	(1)	(2)
Comprehensive income attributable to KBR	\$ 92	\$ 132

See accompanying notes to condensed consolidated financial statements.

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

	April 3, 2026 (Unaudited)	January 2, 2026
Assets		
Current assets:		
Cash and cash equivalents	\$ 380	\$ 500
Accounts receivable, net of allowance for credit losses of \$5 and \$6, respectively	1,039	1,086
Contract assets	332	280
Other current assets	180	166
Current assets of discontinued operations	16	19
Total current assets	1,947	2,051
Pension assets	101	89
Property, plant and equipment, net of accumulated depreciation of \$503 and \$506 (including net PPE of \$5 and \$5 owned by a variable interest entity), respectively	227	232
Operating lease right-of-use assets	212	217
Goodwill	2,671	2,677
Intangible assets, net of accumulated amortization of \$513 and \$501, respectively	709	727
Equity in and advances to unconsolidated affiliates	216	107
Deferred income taxes	151	162
Other assets (including \$49 and \$0 of available-for-sale debt securities at fair value, respectively)	391	322
Total assets	\$ 6,625	\$ 6,584
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 706	\$ 712
Contract liabilities	330	331
Accrued salaries, wages and benefits	349	342
Current maturities of long-term debt	49	49
Other current liabilities	232	235
Current liabilities of discontinued operations	18	19
Total current liabilities	1,684	1,688
Employee compensation and benefits	134	144
Income tax payable	94	83
Deferred income taxes	94	95
Long-term debt	2,534	2,547
Operating lease liabilities	228	236
Other liabilities	268	279
Total liabilities	5,036	5,072
Commitments and Contingencies (Notes 5, 10 and 11)		
KBR shareholders' equity:		
Preferred stock, \$0.001 par value, 50,000,000 shares authorized, none issued	—	—
Common stock, \$0.001 par value 300,000,000 shares authorized, 183,143,531 and 182,891,428 shares issued, and 126,789,905 and 126,454,289 shares outstanding, respectively	—	—
PIC	2,561	2,552
Retained earnings	1,778	1,697
Treasury stock, 56,353,626 shares and 56,437,139 shares, at cost, respectively	(1,817)	(1,818)
AOCL	(938)	(928)
Total KBR shareholders' equity	1,584	1,503
Noncontrolling interests	5	9
Total shareholders' equity	1,589	1,512
Total liabilities and shareholders' equity	\$ 6,625	\$ 6,584

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>	Total	PIC	Retained Earnings	Treasury Stock	AOCL	NCI
Balance at January 2, 2026	\$ 1,512	\$ 2,552	\$ 1,697	\$ (1,818)	\$ (928)	\$ 9
Share-based compensation	7	7	—	—	—	—
Dividends declared to shareholders (\$0.165/share)	(21)	—	(21)	—	—	—
Repurchases of common stock	(4)	—	—	(4)	—	—
Issuance of ESPP shares	7	2	—	5	—	—
Distributions to noncontrolling interests	(4)	—	—	—	—	(4)
Other	1	—	—	—	—	1
Net income (loss)	101	—	102	—	—	(1)
Other comprehensive loss, net of tax	(10)	—	—	—	(10)	—
Balance at April 3, 2026	<u>\$ 1,589</u>	<u>\$ 2,561</u>	<u>\$ 1,778</u>	<u>\$ (1,817)</u>	<u>\$ (938)</u>	<u>\$ 5</u>

<i>Dollars in millions</i>	Total	PIC	Retained Earnings	Treasury Stock	AOCL	NCI
Balance at January 3, 2025	\$ 1,467	\$ 2,526	\$ 1,367	\$ (1,494)	\$ (946)	\$ 14
Share-based compensation	5	5	—	—	—	—
Dividends declared to shareholders (\$0.165/share)	(22)	—	(22)	—	—	—
Repurchases of common stock	(156)	—	—	(156)	—	—
Issuance of ESPP shares	6	3	—	3	—	—
Other	(1)	—	—	(1)	—	—
Net income (loss)	115	—	116	—	—	(1)
Other comprehensive income, net of tax	16	—	—	—	16	—
Balance at April 4, 2025	<u>\$ 1,430</u>	<u>\$ 2,534</u>	<u>\$ 1,461</u>	<u>\$ (1,648)</u>	<u>\$ (930)</u>	<u>\$ 13</u>

See accompanying notes to condensed consolidated financial statements.

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

	Three months ended	
	April 3, 2026	April 4, 2025
Cash flows from operating activities:		
Net income	\$ 101	\$ 115
Net loss from discontinued operations, net of tax	2	6
Net income from continuing operations	103	121
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	41	41
Equity in earnings of unconsolidated affiliates	(51)	(42)
Deferred income tax	12	13
Other	(4)	(2)
Changes in operating assets and liabilities:		
Accounts receivable, net of allowance for credit losses	44	(71)
Contract assets	(52)	(5)
Accounts payable	(6)	(14)
Contract liabilities	—	(8)
Accrued salaries, wages and benefits	15	20
Payments on operating lease liabilities	(21)	(19)
Payments from unconsolidated affiliates, net	5	4
Distributions of earnings from unconsolidated affiliates	73	88
Other assets and liabilities	(49)	(35)
Total cash flows provided by operating activities - continuing operations	\$ 110	\$ 91
Cash flows from investing activities:		
Purchases of property, plant and equipment	\$ (12)	\$ (2)
Investment in equity method investments, net	(115)	—
Purchases of available-for-sale debt securities	(49)	—
Purchases of other investments	(13)	—
Other	1	(1)
Total cash flows used in investing activities - continuing operations	\$ (188)	\$ (3)
Cash flows from financing activities:		
Borrowings on Revolver	\$ 141	\$ 275
Payments on short-term and long-term debt	(12)	(9)
Payments on Revolver	(141)	(95)
Payments to repurchase common stock	(4)	(156)
Payments of dividends to shareholders	(21)	(20)
Other	(6)	(1)
Total cash flows used in financing activities - continuing operations	\$ (43)	\$ (6)
Total operating cash flows from discontinued operations	(2)	7
Total investing cash flows from discontinued operations	—	(6)
Total cash flows from discontinued operations	\$ (2)	\$ 1
Effect of exchange rate changes on cash	2	9
Increase (decrease) in cash and cash equivalents	(121)	92
Cash and cash equivalents at beginning of period	505	350
Cash and cash equivalents at end of period	\$ 384	\$ 442
Less: cash and cash equivalents of discontinued operations	4	10
Cash and cash equivalents at end of period for continuing operations	\$ 380	\$ 432
Supplemental disclosure of cash flows information:		
Noncash financing activities		
Dividends declared	\$ 21	\$ 22

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 2025 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 April 3, 2026, the results of our operations for the three months ended April 3, 2026 and April 4, 2025, respectively, and our cash flows for the three months ended April 3, 2026 and April 4, 2025, respectively. Our significant accounting policies are detailed in "Note 1. Significant Accounting Policies" of our 2025 Annual Report on Form 10-K. The Company's fiscal year ends on the Friday closest to December 31. The three months ended April 3, 2026 and April 4, 2025 each contained 91 days.

As discussed further in Note 17. "Discontinued Operations", HomeSafe Alliance ("HomeSafe") informed us on June 18, 2025, that U.S. Transportation Command unexpectedly terminated HomeSafe's role in the Global Household Goods Contract. We disposed of HomeSafe during the year ended January 2, 2026 and determined that this disposal met the requirements to be reported as discontinued operations. As such, the results of HomeSafe are presented as discontinued operations in the accompanying condensed consolidated statements of operations, condensed consolidated balance sheets, condensed consolidated statements of cash flows and notes for all periods presented.

We have evaluated all events and transactions occurring after the balance sheet date but before the condensed consolidated 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 6. "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.

Recent Accounting Pronouncements

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

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. ASU 2024-03 requires disclosure of additional information about certain income statement expense categories. ASU 2024-03 will be effective for our fiscal year ending December 31, 2027. Early adoption is permitted and the amendments can be applied on a prospective or retrospective basis. We expect this ASU to only impact our disclosures with no impacts to our results of operations, cash flows and financial condition.

In September 2025, the FASB issued ASU 2025-06, Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. This guidance removes all references to project stages throughout ASC 350-40 and clarifies the threshold entities apply to begin capitalizing costs. Under the new standard, cost capitalization should only commence when an entity has committed to funding a software project and it is probable the project will be completed and the software will be used for its intended function. The amendments are effective for annual reporting periods beginning after December 15, 2027 and interim reporting periods within those annual reporting periods. Entities may apply the guidance using a prospective, retrospective or modified transition approach. Early adoption is permitted as of the beginning of an annual reporting period. We are currently determining the preferred transition approach and assessing the impact of the ASU on our disclosures and financial statements, including the timing of its adoption.

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. Effective for fiscal 2026, a portion of a business unit within our Mission Technology Solutions segment became part of our Sustainable Technology Solutions segment. All information in this Quarterly Report on Form 10-Q is presented in accordance with the realigned reportable segments and all prior period information was recast to reflect the realigned reportable segments. We are organized into two core business segments, Mission Technology Solutions and Sustainable Technology Solutions and one non-core business segment as described below:

Mission Technology Solutions. Our Mission Technology 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 full-spectrum solutions span research and development, advanced prototyping, acquisition support, systems engineering, C5ISR, cyber analytics, space domain awareness, test and evaluation, data analytics and integration, systems integration and program management, global supply chain management, operations readiness and support and professional advisory services across the defense, energy security and transition and critical infrastructure sectors. The disposal of HomeSafe is reported as discontinued operations and the operations are excluded from Mission Technology Solutions results reflected within our tables below. See Note 17. "Discontinued Operations" for additional information regarding the HomeSafe disposal.

Sustainable Technology Solutions. Our Sustainable Technology Solutions business segment is anchored by our portfolio of over 85 innovative, proprietary, sustainability-focused process technologies that reduce emissions, increase efficiency and/or 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 energy security, broad-based emission solutions, high-end engineering, infrastructure, 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. Included in Sustainable Technology Solutions is the business of Infrastar Limited acquired on May 17, 2025. See Note 16. "Acquisition" to our condensed consolidated financial statements for additional information on this acquisition.

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

In its operation of our business, our management, including our chief operating decision maker ("CODM"), evaluates the performance of our business segments based on operating income. Our CODM, who is our chief executive officer, utilizes operating income to evaluate segment results and is a factor considered in determining capital allocation among the segments. Our CODM analyzes selected segment balance sheet information for our business segments and for the Company as a whole. Information on each of our business segments and reconciliation to net income (loss) attributable to KBR from continuing operations within our condensed consolidated statements of operations is presented in the tables below.

Operations by Reportable Segment

<i>Dollars in millions</i>	Three months ended April 3, 2026			
	MTS	STS	Corporate	Total
Revenues	\$ 1,296	\$ 627	\$ —	\$ 1,923
Cost of revenues	(1,127)	(531)	—	(1,658)
Gross profit	169	96	—	265
Equity in earnings of unconsolidated affiliates	10	41	—	51
Selling, general and administrative expenses	(67)	(23)	(43)	(133)
Other	(1)	(1)	(1)	(3)
Operating income (loss)	111	113	(44)	180
Interest expense	—	—	(37)	(37)
Income (loss) from continuing operations before income taxes	111	113	(81)	143
Provision for income taxes	—	—	(40)	(40)
Net income (loss) from continuing operations	111	113	(121)	103
Net income (loss) attributable to KBR from continuing operations	\$ 111	\$ 113	\$ (121)	\$ 103
Supplemental Disclosures:				
Depreciation and amortization	\$ 25	\$ 10	\$ 6	\$ 41
Purchases of property, plant, and equipment	\$ (7)	\$ (1)	\$ (4)	\$ (12)
Total assets as of April 3, 2026	\$ 3,780	\$ 1,908	\$ 937	\$ 6,625

<i>Dollars in millions</i>	Three months ended April 4, 2025			
	MTS	STS	Corporate	Total
Revenues	\$ 1,381	\$ 637	\$ —	\$ 2,018
Cost of revenues	(1,212)	(506)	—	(1,718)
Gross profit	169	131	—	300
Equity in earnings of unconsolidated affiliates	7	35	—	42
Selling, general and administrative expenses	(64)	(39)	(37)	(140)
Other	1	—	(1)	—
Operating income (loss)	113	127	(38)	202
Interest expense	—	—	(41)	(41)
Other non-operating income (expense)	(1)	—	4	3
Income (loss) from continuing operations before income taxes	112	127	(75)	164
Provision for income taxes	—	—	(43)	(43)
Net income (loss) from continuing operations	112	127	(118)	121
Less: Net income attributable to noncontrolling interests included in continuing operations	—	1	—	1
Net income (loss) attributable to KBR from continuing operations	\$ 112	\$ 126	\$ (118)	\$ 120
Supplemental Disclosures:				
Depreciation and amortization	\$ 26	\$ 9	\$ 6	\$ 41
Purchases of property, plant, and equipment	\$ —	\$ —	\$ (2)	\$ (2)
Total assets as of January 2, 2026	\$ 3,848	\$ 1,769	\$ 967	\$ 6,584

Note 3. Revenue

Disaggregated Revenue

We disaggregate our revenue from customers by customer type, 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 customer type was as follows:

<i>Dollars in millions</i>	Three months ended					
	April 3, 2026			April 4, 2025		
	MTS	STS	Total	MTS	STS	Total
U.S. Government Defense and Intelligence Clients	\$ 816	\$ —	\$ 816	\$ 906	\$ —	\$ 906
U.S. Government Federal Civilian Clients	262	—	262	281	—	281
International Government Clients	192	46	238	167	52	219
Commercial and Infrastructure Clients	26	581	607	27	585	612
Total revenue	\$ 1,296	\$ 627	\$ 1,923	\$ 1,381	\$ 637	\$ 2,018

Revenue by geographic destination was as follows:

<i>Dollars in millions</i>	Three months ended					
	April 3, 2026			April 4, 2025		
	MTS	STS	Total	MTS	STS	Total
Total by Countries/Regions						
United States	\$ 950	\$ 82	\$ 1,032	\$ 976	\$ 133	\$ 1,109
Europe	215	151	366	293	164	457
Middle East	31	192	223	26	152	178
Australia	63	86	149	50	82	132
Africa	19	38	57	18	33	51
Asia	4	35	39	3	41	44
Other countries	14	43	57	15	32	47
Total revenue	\$ 1,296	\$ 627	\$ 1,923	\$ 1,381	\$ 637	\$ 2,018

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

<i>Dollars in millions</i>	Three months ended April 3, 2026			Three months ended April 4, 2025		
	MTS	STS	Total	MTS	STS	Total
Cost-Reimbursable	\$ 771	\$ 7	\$ 778	\$ 891	\$ —	\$ 891
Time-and-Materials	200	363	563	207	384	591
Fixed Price	325	257	582	283	253	536
Total revenue	\$ 1,296	\$ 627	\$ 1,923	\$ 1,381	\$ 637	\$ 2,018

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 or claim being resolved. We recognized revenue from performance obligations satisfied in previous periods for such matters of \$12 million for the three months ended April 3, 2026.

On April 3, 2026, we had \$13.6 billion of transaction price allocated to remaining performance obligations. We expect to recognize approximately 36% of our remaining performance obligations as revenue within one year, 41% in years two through five and 23% 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

April 3, 2026.

We recognized revenue of \$171 million and \$151 million for the three months ended April 3, 2026 and April 4, 2025, respectively, which was previously included in the contract liability balance at the beginning of each period.

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 commercial and legal matters, including any new or ongoing disputes with our business partners and others in our supply chain. We recognize revisions of revenues, costs and equity in earnings 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. During the three months ended April 3, 2026 and April 4, 2025 we recognized a favorable change in operating income of \$52 million and \$21 million, respectively, as a result of changes in estimates on an LNG project.

Accounts Receivable

<i>Dollars in millions</i>	April 3, 2026	January 2, 2026
Unbilled	\$ 559	\$ 520
Trade & other	480	566
Accounts receivable, net	<u>\$ 1,039</u>	<u>\$ 1,086</u>

Note 4. 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:

<i>Dollars in millions</i>	April 3, 2026		
	International (a)	Domestic (b)	Total
Cash and cash equivalents	\$ 170	\$ 135	\$ 305
Short-term investments (c)	16	—	16
Cash and cash equivalents held in consolidated joint ventures and Aspire Defence subcontracting entities (d)	59	—	59
Total	<u>\$ 245</u>	<u>\$ 135</u>	<u>\$ 380</u>

<i>Dollars in millions</i>	January 2, 2026		
	International (a)	Domestic (b)	Total
Cash and cash equivalents	\$ 226	\$ 199	\$ 425
Short-term investments (c)	12	11	23
Cash and cash equivalents held in consolidated joint ventures and Aspire Defence subcontracting entities (d)	52	—	52
Total	<u>\$ 290</u>	<u>\$ 210</u>	<u>\$ 500</u>

(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. Includes cash and cash equivalents held by our wholly owned captive insurance company of \$10 million and \$15 million as of April 3, 2026 and January 2, 2026, respectively, which is generally not available to KBR to support its other operations.

(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 \$11 million as of April 3, 2026 and January 2, 2026.

Note 5. Unapproved Change Orders and Claims Against Clients

The amounts of unapproved change orders and claims against clients included in determining the profit or loss on contracts that has been recorded to date are as follows:

<i>Dollars in millions</i>	Three months ended	
	April 3, 2026	April 4, 2025
Amounts included in project estimates-at-completion at beginning of fiscal year	\$ 25	\$ 104
Net increase in project estimates	4	57
Ending balance of amounts included in project estimates-at-completion	\$ 29	\$ 161
Amounts recognized over time based on progress	\$ 15	\$ 114

The balance as of April 3, 2026 relates to estimated recoveries of claims associated with certain U.S. government projects in our Mission Technology Solutions segment.

Note 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:

<i>Dollars in millions</i>	Three months ended	Year ended
	April 3, 2026	January 2, 2026
Beginning balance	\$ 107	\$ 192
Equity in earnings of unconsolidated affiliates	51	210
Distributions of earnings of unconsolidated affiliates (a)	(39)	(165)
Payments from unconsolidated affiliates, net	(5)	(9)
Investment in (return of) equity method investments, net (b)	115	(82)
Foreign currency translation adjustments	(1)	4
Other (c)	(12)	(43)
Ending balance	\$ 216	\$ 107

- (a) 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. During the year ended January 2, 2026, joint ventures within our STS segment declared a distribution of earnings of \$34 million that was not received by KBR until the three months ended April 3, 2026. During the year ended January 3, 2025, a joint venture within our STS segment declared a distribution of earnings of \$39 million that was not received by KBR until the year ended January 2, 2026.
- (b) During the three months ended April 3, 2026, BRIS closed on an agreement to acquire a welding and turnaround services provider. We contributed \$115 million in cash to BRIS as part of this agreement, which has been reflected as "investment in equity method investments, net" within the investing section of our condensed consolidated statements of cash flows. During the year ended January 2, 2026, we received a return of investment from BRIS of approximately \$82 million. In October 2025, our joint venture partner in BRIS sold its ownership interest to a third party which resulted in funds being distributed by BRIS prior to the closing of this sale to return capital to its owners. Of the funds distributed, KBR received \$79 million.
- (c) During the three months ended April 3, 2026, Other included a reduction to the net liability position of \$12 million related to a joint venture within our STS business segment. During the year ended January 2, 2026, Other included a reduction to the net liability position of \$43 million related to a joint venture within our 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 three months ended April 3, 2026 and April 4, 2025, our revenues included \$146 million and \$173 million, respectively, related to the services we provided primarily to the Aspire Defence Limited joint venture within our MTS business segment and a joint venture within our STS business segment.

During the three months ended April 3, 2026 we purchased available-for-sale debt securities for \$34 million from Mura Technology ("Mura"), a company in which we have an aggregate investment of approximately 17%. Refer to *Other Investments* within Note 15. "Fair Value of Financial Instruments and Risk Management" for further detail on the available-for-sale debt securities.

Amounts included in our condensed consolidated balance sheets related to services we provided to our unconsolidated joint ventures as of April 3, 2026 and January 2, 2026 are as follows:

<i>Dollars in millions</i>	April 3, 2026	January 2, 2026
Accounts receivable, net of allowance for credit losses	\$ 56	\$ 59
Contract liabilities	\$ 32	\$ 41

Note 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. The components of net periodic pension benefit related to the frozen U.K. pension for the three months ended April 3, 2026 and April 4, 2025, respectively, were as follows:

<i>Dollars in millions</i>	Three months ended	
	April 3, 2026	April 4, 2025
Components of net periodic pension benefit		
Interest cost	\$ 16	\$ 15
Expected return on plan assets	(29)	(26)
Recognized actuarial loss	4	1
Net periodic pension benefit	<u>\$ (9)</u>	<u>\$ (10)</u>

In 2024, the Trustee of the U.K. defined benefit pension plan commenced the triennial actuarial valuation of the plan which was finalized during the year ended January 2, 2026. At this time, we do not anticipate contributing additional funding to this plan at least until the next triennial valuation occurs.

Note 8. Debt and Other Credit Facilities

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

<i>Dollars in millions</i>	April 3, 2026	January 2, 2026
Term Loan A	\$ 977	\$ 989
Term Loan B	980	983
Senior Notes	250	250
Revolver	395	395
Unamortized debt issuance costs and discounts	(19)	(21)
Total debt	2,583	2,596
Less: current portion	49	49
Total long-term debt, net of current portion	<u>\$ 2,534</u>	<u>\$ 2,547</u>

Senior Credit Facility

Our existing Credit Agreement, dated as of April 25, 2018, as amended ("Credit Agreement"), consists 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 Term Loan B ("Term Loan B" and together with the Revolver and Term Loan A, the "Senior Credit Facility").

We had cash borrowings of \$141 million on our Revolver that occurred during the three months ended April 3, 2026. We had cash repayments of \$141 million on our Revolver, \$9 million on our Term Loan A and \$3 million on our Term Loan B that occurred during the three months ended April 3, 2026. The interest rates with respect to the Revolver, Term Loan A and Term Loan B are based on, at our option, the applicable adjusted reference rate plus an additional margin or base rate plus additional margin. Additionally, there is a commitment fee applicable to available amounts under the Revolver.

The applicable interest rate per annum of the Term B loan facility is term SOFR plus 2.00% (or base rate plus 1.00%). The details of the applicable margins and commitment fees under the Revolver, Term Loan A-1 and Term Loan A-3 are based on our consolidated net leverage ratio as follows:

Consolidated Net Leverage Ratio	Revolver, Term Loan A-1 and Term Loan A-3		Commitment Fee
	Reference Rate (a)	Base Rate	
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-1 is SOFR plus 10 basis points Credit Spread Adjustment and the British pound sterling tranche of Term Loan A-3 is SONIA plus 12 basis points Credit Spread Adjustment.

The details of the applicable margins and commitment fees under Term Loan A-2 are based on our consolidated net leverage ratio as follows:

Consolidated Net Leverage Ratio	Term Loan A-2		Commitment Fee
	Reference Rate (a)	Base Rate	
Greater than or equal to 4.25 to 1.00	2.13 %	1.13 %	0.33 %
Less than 4.25 to 1.00 but greater than or equal to 3.25 to 1.00	1.88 %	0.88 %	0.30 %
Less than 3.25 to 1.00 but greater than or equal to 2.25 to 1.00	1.63 %	0.63 %	0.28 %
Less than 2.25 to 1.00 but greater than or equal to 1.25 to 1.00	1.38 %	0.38 %	0.25 %
Less than 1.25 to 1.00	1.13 %	0.13 %	0.23 %

- (a) The reference rate for Term Loan A-2 is SOFR.

Both Term Loan A-1 and Term Loan A-3 provide for quarterly principal payments of 0.625% of the aggregate principal amount, increasing to 1.25% starting with the quarter ending April 3, 2026. Term Loan A-2 provides for quarterly principal payments of 0.625% of the aggregate principal amount and Term Loan B provides for quarterly principal payments of \$3 million. Each of Term Loan A-1, Term Loan A-3 and the Revolver matures in February 2029, Term Loan A-2 matures in August 2027 and Term Loan B matures in January 2031.

The Senior Credit Facility contains financial covenants providing for 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 4.25 to 1 in 2023, 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 April 3, 2026, we were in compliance with our financial covenants under our Senior Credit Facility.

Senior Notes

We have \$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 and the principal is due on September 30, 2028.

We have the ability to 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. 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 April 3, 2026, we had a \$1 billion committed line of credit on the Revolver under our Senior Credit Facility and \$488 million of bilateral and uncommitted lines of credit. As of April 3, 2026, with respect to our Revolver, we had \$395 million of outstanding borrowings. We also have \$17 million of outstanding letters of credit on our Senior Credit Facility. With respect to our \$488 million of bilateral and uncommitted lines of credit, we utilized \$288 million for letters of credit as of April 3, 2026. The total remaining capacity of these committed and uncommitted lines of credit was approximately \$788 million as of April 3, 2026, all of which 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, \$99 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 9. Income Taxes

The effective tax rate was approximately 28% and 26% on income from continuing operations for the three months ended April 3, 2026 and April 4, 2025, respectively. The effective tax rate of 28% for the three months ended April 3, 2026, as compared to the U.S. statutory rate of 21%, was affected by the rate differential on our foreign earnings, the impact of state and local taxes in the U.S. and discrete activity for the quarter. The effective tax rate of 26% for the three months ended April 4, 2025, as compared to the U.S. statutory rate of 21%, was primarily affected by the rate differential on our foreign earnings and the impact of state and local taxes in the U.S.

On July 4, 2025, the reconciliation bill H.R. 1 was enacted into law in the U.S. H.R.1 includes a broad range of tax reform provisions, including the elective deduction for domestic Research and Development ("R&D"), a reinstatement of elective 100% first-year bonus depreciation and changes to the interest limitation calculation under 163(j), among other provisions. The Company is currently evaluating the impact of the H.R. 1 tax provisions which could affect the Company's effective tax rate and deferred tax assets in 2026 and future periods. A quantitative estimate of the specific financial effects cannot be reasonably determined at this time due to the complexity of the changes in the tax reform and optionality of voluntary elections.

The valuation allowance for deferred tax assets as of April 3, 2026 and January 2, 2026 was \$123 million and \$124 million, respectively. 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 \$19 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 \$838 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 was \$85 million and \$76 million as of April 3, 2026 and January 2, 2026, respectively, and was primarily included within income tax payable on our condensed consolidated balance sheets.

Note 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 in Note 11. "U.S. Government Matters", 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 11. U.S. Government Matters

We provide services to various U.S. governmental agencies, including the U.S. DoW, NASA, Department of State and other agencies within the Intelligence Community. 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.

We accrued for probable and reasonably estimable unallowable costs associated with open government matters related to our MTS business in the amounts of \$39 million as of April 3, 2026 and \$37 million as of January 2, 2026, 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 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 administratively closing the individual task orders issued under the contract. We continue to work with the U.S. government to resolve the issues to close the remaining task orders, which includes ongoing litigation of third-party vendor disputes. We also have matters related to ongoing litigation or investigations involving U.S. government contracts. We anticipate billing vendor resolution and vendor litigation costs as we resolve the open matters in the future.

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. 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. 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 June 2025, the appellate court affirmed the judgment in KBR's favor and then, in July 2025, denied FKTC's petition for a rehearing en banc. The deadline for FKTC to file a writ to the Supreme Court was October 13, 2025, which passed without any additional filing by FKTC. In addition, in March 2022, FKTC filed a 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. FKTC refiled its case and, in November 2024, served KBR. We filed responsive pleadings, motions to dismiss, and defenses with the Court in December 2025. In March 2026, the lower Court issued a judgment in FKTC's favor in the amount of \$41 million, without regard to KBR's defenses of lack of jurisdiction and other defenses. KBR filed an appeal on April 1, 2026. 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 April 3, 2026.

Note 12. Accumulated Other Comprehensive Loss

Changes in AOCL, net of tax, by component

<i>Dollars in millions</i>	Accumulated foreign currency translation adjustments	Accumulated pension liability adjustments	Changes in fair value of derivatives	Total
Balance at January 2, 2026	\$ (248)	\$ (688)	\$ 8	\$ (928)
Other comprehensive income (loss) adjustments before reclassifications	(16)	—	5	(11)
Amounts reclassified from AOCL	—	3	(2)	1
Net other comprehensive income (loss)	(16)	3	3	(10)
Balance at April 3, 2026	<u>\$ (264)</u>	<u>\$ (685)</u>	<u>\$ 11</u>	<u>\$ (938)</u>

<i>Dollars in millions</i>	Accumulated foreign currency translation adjustments	Accumulated pension liability adjustments	Changes in fair value of derivatives	Total
Balance at January 3, 2025	\$ (320)	\$ (655)	\$ 29	\$ (946)
Other comprehensive income (loss) adjustments before reclassifications	29	—	(10)	19
Amounts reclassified from AOCL	—	1	(4)	(3)
Net other comprehensive income (loss)	29	1	(14)	16
Balance at April 4, 2025	<u>\$ (291)</u>	<u>\$ (654)</u>	<u>\$ 15</u>	<u>\$ (930)</u>

Reclassifications out of AOCL, net of tax, by component

<i>Dollars in millions</i>	Three months ended		Affected line item on the Condensed Consolidated Statements of Operations
	April 3, 2026	April 4, 2025	
Accumulated pension liability adjustments			
Recognized actuarial loss	\$ (4)	\$ (1)	See (a) below
Tax benefit	1	—	Provision for income taxes
Net pension and post-retirement benefits	<u>\$ (3)</u>	<u>\$ (1)</u>	Net of tax
Changes in fair value for derivatives			
Interest rate swap settlements	\$ 3	\$ 5	Interest expense
Tax expense	(1)	(1)	Provision for income taxes
Net changes in fair value of derivatives	<u>\$ 2</u>	<u>\$ 4</u>	Net of tax

- (a) This item is included in the computation of net periodic pension benefit. See Note 7. "Retirement Benefits" to our condensed consolidated financial statements for further discussion.

Note 13. Share Repurchases

Authorized Share Repurchase Program

On February 25, 2014, the Board of Directors authorized a plan to repurchase our outstanding shares of common stock, which replaced and terminated the August 26, 2011 share repurchase program. On February 20, 2025, the Board of Directors authorized \$454 million of share repurchases to be added to the prior authorizations, which increased the total amount authorized and available for repurchase under the share repurchase program to \$750 million. As of April 3, 2026, \$427 million remained available for repurchase under this authorization. The authorization does not obligate 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 our current and future cash flows and the authorization does not have an expiration date.

Withhold 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 April 3, 2026		
	Number of Shares	Average price per share	Dollars in Millions
Withhold to cover shares	89,129	\$ 42.26	\$ 4
Total	89,129	\$ 42.26	\$ 4

	Three months ended April 4, 2025		
	Number of Shares	Average price per share	Dollars in Millions
Repurchases under the authorized share repurchase program	3,009,087	\$ 49.83	\$ 150
Withhold to cover shares	113,683	48.97	6
Total	3,122,770	\$ 49.80	\$ 156

Note 14. Income per Share

Basic income per share is based upon the weighted average number of common shares outstanding during the period. Diluted income per share includes additional common shares that would have been outstanding if potential common shares with a dilutive effect had been issued using the treasury stock method.

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

	Three months ended	
	April 3, 2026	April 4, 2025
<i>Dollars and shares in millions, except per share data</i>		
Net income attributable to KBR from continuing operations:		
Net income from continuing operations	\$ 103	\$ 121
Less: Net income attributable to noncontrolling interests included in continuing operations	—	1
Net income attributable to KBR from continuing operations	103	120
Basic net income attributable to KBR from continuing operations	103	120
Diluted net income attributable to KBR from continuing operations	\$ 103	\$ 120
Net loss attributable to KBR from discontinued operations:		
Net loss from discontinued operations, net of tax	\$ (2)	\$ (6)
Less: Net loss attributable to noncontrolling interests included in discontinued operations	(1)	(2)
Net loss attributable to KBR from discontinued operations	(1)	(4)
Basic net loss attributable to KBR from discontinued operations	(1)	(4)
Diluted net loss attributable to KBR from discontinued operations	\$ (1)	\$ (4)
Weighted average common shares outstanding:		
Basic weighted average common shares outstanding	127	132
Diluted weighted average common shares outstanding	127	132
Net income (loss) attributable to KBR per share:		
Basic income per share		
Continuing operations	\$ 0.81	\$ 0.91
Discontinued operations	\$ (0.01)	\$ (0.03)
Total basic income per share attributable to KBR	\$ 0.80	\$ 0.88
Diluted income per share		
Continuing operations	\$ 0.81	\$ 0.91
Discontinued operations	\$ (0.01)	\$ (0.03)
Total diluted income per share attributable to KBR	\$ 0.80	\$ 0.88

For the three months ended April 3, 2026 and April 4, 2025, the diluted net income attributable to KBR per share calculation excluded the following weighted-average potential common shares because their inclusion would have been anti-dilutive: 0.3 million related to our restricted stock awards and 0.2 million related to our stock options and restricted stock awards, respectively.

Note 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. 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.

<i>Dollars in millions</i>		April 3, 2026		January 2, 2026	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Liabilities (including current maturities):					
Term Loan A	Level 2	\$ 977	\$ 977	\$ 989	\$ 989
Term Loan B	Level 2	980	981	983	989
Senior Notes	Level 2	250	245	250	246
Revolver	Level 2	395	395	395	395

The carrying value of the debt instruments listed above exclude debt issuance costs for the respective instrument. See Note 8. "Debt and Other Credit Facilities" for the debt issuance costs of our debt instruments and further discussion of our term loans, Senior Notes and Revolver.

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 currency exchange forwards and option contracts to hedge exposures associated with forecasted future cash flows, to hedge exposures present on our balance sheet and to mitigate certain operational exposures.

As of April 3, 2026, the gross notional value of our foreign currency exchange forwards and option contracts used to hedge balance sheet exposures was \$224 million, all of which had durations of 28 days or less. The fair value of our balance sheet hedges are included in other current assets and other current liabilities on our condensed consolidated balance sheets at April 3, 2026 and January 2, 2026. The fair values of these derivatives are considered Level 2 under ASC Topic 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 and 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 income on our condensed consolidated statements of operations.

<u>Dollars in millions</u>	Three months ended	
	April 3, 2026	April 4, 2025
Balance Sheet Hedges - Fair Value	\$ —	\$ (2)
Balance Sheet Position - Remeasurement	2	(1)
Net gain (loss)	\$ 2	\$ (3)

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.

Our portfolio of interest rate swaps consists of the following:

<i>Dollars in millions</i>	Notional Amount at April 3, 2026*	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	£ 102	3.81 %	Term SONIA	Monthly through November 2026
September 2024 Interest Rate Swaps	\$ 200	3.27 %	Term SOFR	Monthly through August 2027
April 2025 Interest Rate Swaps	\$ 270	3.39 %	Term SOFR	Monthly through August 2027
April 2025 Forward Interest Rate Swaps	\$ 150	3.38 %	Term SOFR	Monthly from August 2027 through December 2030

*Includes the April 2025 Forward Interest Rate Swaps that become effective August 14, 2027.

Our interest rate swaps are reported at fair value using Level 2 inputs. The fair value of the interest rate swaps at April 3, 2026 was a \$13 million asset, of which \$12 million is included in other current assets and \$1 million is included in other assets. The fair value of the interest rate swaps at January 2, 2026 was a \$10 million net asset, of which \$11 million is included in other current assets and \$1 million is included in each of other assets, other current liabilities and other liabilities.

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 three months ended April 3, 2026, we derecognized \$264 million of accounts receivables from the balance sheet under these agreements, of which certain receivables totaling \$250 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 income on the condensed consolidated statements of operations.

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

<i>Dollars in millions</i>	Three months ended	
	April 3, 2026	April 4, 2025
Beginning balance	\$ 65	\$ 106
Sale of receivables	264	811
Settlement of receivables	(265)	(812)
Cash collected, not yet remitted	—	(3)
Outstanding balances sold to financial institutions	\$ 64	\$ 102

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. During the three months ended April 3, 2026, we recorded a cash outflow of \$49 million within investing activities, reflected as “purchases of available-for-sale debt securities” in our condensed consolidated statements of cash flows. Of this amount, \$34 million relates to our investment in Mura, which is discussed in more detail below, and the remaining \$15 million relates to aggregate purchases of available-for-sale debt securities in other privately held investments. Additionally, during the three months ended April 3, 2026, we recorded a cash outflow of \$13 million within investing activities, reflected as “purchases of other investments” in our condensed consolidated statements of cash flows related to the aggregate funding for other investments.

Mura Technology. KBR's aggregate investment in Mura is approximately 17%. The carrying value of our investment in Mura was \$133 million and \$136 million at April 3, 2026 and January 2, 2026, respectively.

On March 23, 2026, we purchased a Convertible Note security ("Convertible Note") with a principal amount of \$34 million. The Convertible Note accrues interest at a rate of 12.00% per year, with interest payable in March and September of each year, and matures in March 2029. The Convertible Note security included a conversion option and warrants that allows settlement in additional equity interests in Mura in lieu of cash settlement.

The Convertible Note is classified as an available-for-sale debt security in accordance with ASC Topic 320 *Investments – Debt Securities* and is included in other assets at fair value of \$34 million on our condensed consolidated balance sheets as of April 3, 2026. The Convertible Note, including accrued interest, had an amortized cost basis of \$20 million as of April 3, 2026. The detachable warrants were accounted for as an equity instrument, with a carrying value of \$14 million as of April 3, 2026. As of April 3, 2026, the effective interest rate of the Convertible Note was 32.27%. Subsequent changes related to the fair value of the Convertible Note are recognized as an unrealized gain or loss recorded to accumulated other comprehensive loss on the condensed consolidated balance sheets. Debt securities classified as available-for-sale are measured using quoted market prices when quoted market prices are available. If quoted market prices for those debt securities are not available, the fair value is determined using an income valuation approach. As of April 3, 2026 the fair value of the available-for-sale debt security, valued using the income valuation approach, approximated the fair value on date of purchase due to no significant changes in market conditions or credit risk between the transaction date and quarter-end date of April 3, 2026. In future periods, the fair value of the Convertible Note will include significant unobservable inputs that are classified within Level 3 of the fair value hierarchy.

Note 16. Acquisition

Infrastar Limited

On May 17, 2025, we acquired Infrastar Limited for \$35 million, which consisted of \$15 million of cash and contingent consideration with an estimated fair value of \$20 million that is contingent upon the achievement of certain performance targets through May 2027. The contingent consideration could result in cash payments aggregating up to approximately \$24 million. Within our STS segment, as of April 3, 2026, we recognized \$2 million of cash, \$11 million of intangible assets related to customer relationships and goodwill of \$24 million primarily related to future growth opportunities. As of April 3, 2026, the estimated fair values of net assets acquired were preliminary. There were no changes to the fair value of assets acquired and liabilities assumed as reported in our 2025 Annual Report on Form 10-K. For U.S. tax purposes, the transaction is treated as a stock deal. As a result, there is no step-up in tax basis and the goodwill recognized is not deductible for tax purposes.

Note 17. Discontinued Operations

HomeSafe, a joint venture with Tier One Relocation, informed us on June 18, 2025, that U.S. Transportation Command unexpectedly terminated HomeSafe's role in the Global Household Goods Contract. KBR owns a 72% interest in HomeSafe. The HomeSafe joint venture is a VIE that is consolidated for financial reporting purposes. As of April 3, 2026, all of HomeSafe's operations, including run-off operations, have ceased. We disposed of HomeSafe during the year ended January 2, 2026 and determined that this disposal met the requirements to be reported as discontinued operations under ASC Subtopic 205-20 *Discontinued Operations*. We classified the disposal of HomeSafe as discontinued operations because it represents a strategic shift that significantly impacted our long-term operations plan. As such, the results of HomeSafe are presented as discontinued operations in the accompanying condensed consolidated statements of operations, condensed consolidated balance sheets and condensed consolidated statements of cash flows for all periods presented. HomeSafe was previously reported within our MTS business segment.

Financial Information of Discontinued Operations

The key components of net loss attributable to KBR from discontinued operations for the three months ended April 3, 2026 and April 4, 2025 were as follows:

<i>Dollars in millions</i>	Three months ended	
	April 3, 2026	April 4, 2025
Revenues	\$ —	\$ 37
Cost of revenues	(1)	(39)
Gross loss	(1)	(2)
Selling, general and administrative expenses	(1)	(5)
Operating loss	(2)	(7)
Loss from discontinued operations before income taxes	(2)	(7)
Provision for income taxes	—	1
Net loss from discontinued operations, net of tax	(2)	(6)
Less: Net loss attributable to noncontrolling interests included in discontinued operations	(1)	(2)
Net loss attributable to KBR from discontinued operations	\$ (1)	\$ (4)

The following table summarizes the major classes of assets and liabilities of discontinued operations that were included in the Company's condensed consolidated balance sheets as of April 3, 2026 and January 2, 2026:

<i>Dollars in millions</i>	April 3, 2026	January 2, 2026
Assets		
Cash and cash equivalents	\$ 4	\$ 5
Accounts receivable, net of allowance for credit losses	—	1
Other current assets	12	13
Total current assets of discontinued operations	\$ 16	\$ 19
Liabilities		
Accounts payable	\$ 6	\$ 8
Contract liabilities	2	2
Accrued salaries, wages and benefits	—	1
Other current liabilities	10	8
Total current liabilities of discontinued operations	\$ 18	\$ 19

Note 18. Spin-off

Mission Technology Solutions Spin-off

In September 2025, we announced our intention to spin off our Mission Technology Solutions business (the "Planned Spin-Off") into a separate, U.S. publicly-traded company. The Planned Spin-Off is intended to be tax-free to us and our shareholders for U.S. federal income tax purposes and targeting completion on January 4, 2027, which is the first business day of fiscal 2027. The spin-off will be subject to final approval by our Board of Directors and other customary conditions, including receipt of a favorable opinion of legal counsel and/or a private letter ruling from the U.S. Internal Revenue Service with respect to the tax treatment of the transaction for U.S. federal income tax purposes, the effectiveness of a registration statement on Form 10 filed with the SEC, satisfactory completion of financing and other regulatory approvals. Because the intended transaction is a spin-off, the Mission Technology Solutions business is not classified as held for sale and will be reported as continuing operations.

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 2025 Annual Report on Form 10-K.

HomeSafe, a joint venture with Tier One Relocation, informed us on June 18, 2025, that U.S. Transportation Command unexpectedly terminated HomeSafe's role in the Global Household Goods Contract. KBR owns a 72% interest in HomeSafe. As of April 3, 2026 all of HomeSafe operations, including run-off operations, have ceased. The financial results and financial position of HomeSafe are presented as discontinued operations in the condensed consolidated statements of operations, condensed consolidated balance sheets and condensed consolidated statements of cash flows for all periods presented. See Note 17. "Discontinued Operations" to our condensed consolidated financial statements in Part 1, Item 1 of this Quarterly Report on Form 10-Q for more information. Unless otherwise indicated, any reference to statements of operations items in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" refers to results from continuing operations.

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 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:

- Leading national security and defense systems engineering; rapid prototyping; test and evaluation; aerospace acquisition support; data analytics and systems and platform integration; and sustainment engineering;
- Operational expertise in areas such as space domain awareness; C5ISR; human spaceflight and satellite operations; integrated supply chain and logistics; and military aviation support;
- Advanced digital, artificial intelligence, machine learning and information operations solutions in areas such as cyber analytics and cybersecurity; space and air dominance; connected battlespace; national security intelligence; data analytics; mission planning systems; virtual/augmented reality and technical training; and artificial intelligence and machine learning;
- Scientific research such as quantum science and computing; health and human performance; materials science; life science research; and earth sciences;
- Engineering and project management solutions to advance energy security, sustainable decarbonization; energy transition and asset optimization; proprietary, sustainability-focused process licensing; energy transition and security advisory services; and digitally-enabled asset optimization solutions; and
- Professional advisory services across the defense, renewable energy and critical infrastructure sectors.

KBR's strategic growth vectors include:

- Defense modernization;
- National security space superiority;
- Health and human performance;
- Sustainable energy and industrial technology;
- High-end defense engineering;
- Energy security and energy transition; and
- Digital asset modernization and optimization.

Key customers include U.S. DoW agencies such as the U.S. Army, Navy, Air Force, Space 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 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. 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 safer, more secure and more sustainable global future.

Business Environment and Trends

Mission Technology Outlook

On February 3, 2026, the Consolidated Appropriations Act of 2026 was passed, which finalized defense appropriations for fiscal year 2026. This legislation provides for \$839 billion in discretionary defense spending. In December 2025, the National Defense Authorization Act ("NDAA") was signed into law. The NDAA authorizes programs, projects and policies to be carried out with funds appropriated by Congress as part of the annual budgetary process. The NDAA supports up to approximately \$901 billion in fiscal year 2026 funding for national defense. Additionally, the approved fiscal year 2026 budget for NASA is \$24 billion. Additionally, current and future funding requirements related to the ongoing conflict in the Middle East have impacted our customers' budgets and spending priorities.

On April 3, 2026, the Administration provided a proposed fiscal 2027 budget for the U.S. Government which includes approximately \$2.2 trillion in base discretionary spending, \$1.5 trillion related to defense spending and \$0.7 trillion for non-defense spending. The proposed defense spending is 44% higher than the enacted fiscal 2026 defense spending when including mandatory funding. We anticipate the federal budget will continue to be subject to debate and compromise shaped by, among other things, the Administration and Congress, efficiency initiatives, the global security environment, inflationary pressures including tariffs and macroeconomic conditions. Thus far, the Administration's directives have resulted in federal government staff reductions and hiring freezes and may result in delays in contract awards.

Internationally, our government work is performed primarily for the U.K. MoD and the Australian Department of Defence. In June 2025, leaders of the North Atlantic Treaty Organization ("NATO") agreed to invest 5% of their countries' gross domestic product ("GDP") on defense and security-related spending by 2035. In June 2025, the Strategic Defence Review was completed in the U.K. with plans to increase defense spending to 2.50% of GDP by 2027 and additional increases in following years to reach defense spending of 3.00% of GDP. In 2026, the U.K. Prime Minister reiterated his goal to continue to increase U.K defense spending in future years. 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. In April 2026, the Australian Minister for Defence announced that the Australian defense budget will increase to 3.00% of GDP by 2033.

A shift in funding priorities in the U.S. government or internationally could have material impacts on defense spending broadly and our programs. 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 related 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. The global energy shortage experienced in recent years and geopolitical disruptions of energy flows from key producing regions further highlighted the need for affordable and reliable fuel sources, supporting continued strong structural demand growth. Energy security concerns have been heightened in response to various conflicts around the world, which has caused countries to evaluate their investment strategy in energy markets. Countries are pursuing increases to their investments in diverse geographical areas and energy sources to ensure grid stability.

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. 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 and reduce unplanned downtime. 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 energy security 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 more secure future. While we have not had any material impact to our cost structure or ability to operate, we are monitoring the evolving macroeconomic environment due to

ongoing tariffs and the Middle East conflicts including how those tariffs, any inflationary pressure and supply chain disruptions may impact investment decisions from our core client base.

Our Business

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

Core business segments

- Mission Technology Solutions
- Sustainable Technology Solutions

Non-core business segment

- Corporate

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

Mission Technology Solutions Spin-off

In September 2025, we announced our intention to spin off our Mission Technology Solutions business into a separate, U.S. publicly-traded company. The Planned Spin-Off is intended to be tax-free to us and our shareholders for U.S. federal income tax purposes and targeting completion on January 4, 2027, which is the first business day of fiscal 2027. The spin-off will be subject to final approval by our Board of Directors and other customary conditions, including receipt of a favorable opinion of legal counsel and/or a private letter ruling from the U.S. Internal Revenue Service with respect to the tax treatment of the transaction for U.S. federal income tax purposes, the effectiveness of a registration statement on Form 10 filed with the SEC, satisfactory completion of financing and other regulatory approvals. Because the intended transaction is a spin-off, the Mission Technology Solutions business is not classified as held for sale and will be reported as continuing operations.

Results of Operations

Three months ended April 3, 2026 compared to the three months ended April 4, 2025

The information below is an analysis of our consolidated results for the three months ended April 3, 2026 compared to the three months ended April 4, 2025. See *Results of Operations by Business Segment* below for additional information describing the performance of each of our reportable segments.

	Three months ended		Change	
	April 3,	April 4,	2026 vs. 2025	
	2026	2025	\$	%
<i>Dollars in millions</i>				
Revenues	\$ 1,923	\$ 2,018	\$ (95)	(5) %
Cost of revenues	(1,658)	(1,718)	(60)	(3) %
Gross profit	265	300	(35)	(12)%
Equity in earnings of unconsolidated affiliates	51	42	9	21 %
Selling, general and administrative expenses	(133)	(140)	(7)	(5) %
Other	(3)	—	(3)	n/m
Operating income	180	202	(22)	(11)%
Interest expense	(37)	(41)	(4)	(10) %
Other non-operating income	—	3	(3)	(100) %
Income from continuing operations before income taxes	143	164	(21)	(13)%
Provision for income taxes	(40)	(43)	(3)	(7) %
Net income from continuing operations	103	121	(18)	(15)%
Net loss from discontinued operations, net of tax	(2)	(6)	(4)	(67)%
Net income	101	115	(14)	(12)%
Less: Net income attributable to noncontrolling interests included in continuing operations	—	1	(1)	(100) %
Less: Net loss attributable to noncontrolling interests included in discontinued operations	(1)	(2)	(1)	(50) %
Net income attributable to KBR	\$ 102	\$ 116	\$ (14)	(12)%

n/m - not meaningful

Revenues. The decrease in overall revenue of \$95 million, or 5%, to \$1,923 million for the three months ended April 3, 2026 from \$2,018 million for the three months ended April 4, 2025 is primarily due to reduced contingent activity within the European command in our MTS segment.

Gross profit. The decrease in overall gross profit of \$35 million, or 12%, was primarily driven by items decreasing revenues discussed above and changes in licensing mix within our STS segment.

Equity in earnings of unconsolidated affiliates. Equity in earnings of unconsolidated affiliates increased by \$9 million, or 21%, to \$51 million in earnings for the three months ended April 3, 2026, compared to \$42 million in earnings for the three months ended April 4, 2025. The increase is primarily attributed to equity in earnings from services on an LNG project within our STS segment.

Selling, general and administrative expenses. Selling, general and administrative expenses in the three months ended April 3, 2026 were \$7 million lower, a 5% decrease compared to the three months ended April 4, 2025, which was primarily driven by a favorable closeout in the first quarter of 2026. This was offset by increased expenses incurred related to the Planned Spin-Off.

Interest expense. The decrease in interest expense was primarily driven by decreases in the U.S. federal reserve funds rate from the three months ended April 4, 2025 to the three months ended April 3, 2026.

Provision for income taxes. The provision for income taxes for income from continuing operations for the three months ended April 3, 2026 and April 4, 2025 reflects a 28% tax rate and a 26% tax rate, respectively. The effective tax rate of 28% for the

three months ended April 3, 2026, as compared to the U.S. statutory rate of 21%, was affected by the rate differential on our foreign earnings, the impact of state and local taxes in the U.S. and discrete activity for the quarter. The effective tax rate of 26% for the three months ended April 4, 2025, as compared to the U.S. statutory rate of 21%, was primarily affected by the rate differential on our foreign earnings and the impact of state and local taxes in the U.S. See Note 9. "Income Taxes" to our condensed consolidated financial statements for further discussion on income taxes.

Net loss from discontinued operations, net of tax. Net loss from discontinued operations, net of tax, was \$2 million and \$6 million during the three months ended April 3, 2026 and April 4, 2025, respectively, due to the disposal of HomeSafe.

Net loss attributable to noncontrolling interests included in discontinued operations. Net loss attributable to noncontrolling interests included in discontinued operations was \$1 million and \$2 million during the three months ended April 3, 2026 and April 4, 2025, respectively, due to the disposal of HomeSafe.

Results of Operations by Business Segment

<i>Dollars in millions</i>	Three months ended		Change	
	April 3,	April 4,	2026 vs. 2025	
	2026	2025	\$	%
Revenues:				
Mission Technology Solutions	\$ 1,296	\$ 1,381	\$ (85)	(6) %
Sustainable Technology Solutions	627	637	(10)	(2) %
Total revenues	\$ 1,923	\$ 2,018	\$ (95)	(5)%
Operating income (loss):				
Mission Technology Solutions	\$ 111	\$ 113	\$ (2)	(2) %
Sustainable Technology Solutions	113	127	(14)	(11) %
Corporate	(44)	(38)	6	16 %
Total operating income	\$ 180	\$ 202	\$ (22)	(11)%

Mission Technology Solutions

MTS revenues decreased by \$85 million, or 6%, to \$1,296 million for the three months ended April 3, 2026, compared to \$1,381 million for the three months ended April 4, 2025. The decrease in revenue is primarily due to reduced contingent activity within the European command in our MTS segment.

MTS operating income decreased by \$2 million, or 2%, to \$111 million for the three months ended April 3, 2026, compared to \$113 million for the three months ended April 4, 2025. The decrease in operating income was primarily driven by the item discussed above and increased selling, general and administrative expenses.

Sustainable Technology Solutions

STS revenues were materially consistent for each of the three months ended April 3, 2026 and April 4, 2025, decreasing by \$10 million, or 2%, to \$627 million for the three months ended April 3, 2026, compared to \$637 million for the three months ended April 4, 2025.

STS operating income decreased by \$14 million, or 11%, to \$113 million for the three months ended April 3, 2026, compared to \$127 million for the three months ended April 4, 2025. The decrease in operating income is primarily due to changes in licensing mix, offset by a favorable closeout in the three months ended April 3, 2026 and increased equity in earnings from services on an LNG project.

Corporate

Corporate operating loss increased by \$6 million, or 16%, to \$44 million for the three months ended April 3, 2026, compared to \$38 million for the three months ended April 4, 2025. The increase in operating loss was primarily due to increased selling, general and administrative expenses related to the Planned Spin-Off.

Backlog of Unfilled Orders

Backlog 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 include total 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 or changes in our recognition of revenue from our backlog versus amounts we book as backlog. 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 and probable 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 MTS 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 MTS 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 \$2.9 billion and \$2.8 billion at April 3, 2026 and January 2, 2026, respectively.

The following table summarizes our backlog by business segment as of April 3, 2026, and January 2, 2026, respectively.

<i>Dollars in millions</i>	April 3, 2026	January 2, 2026
Mission Technology Solutions	\$ 12,622	\$ 12,552
Sustainable Technology Solutions	4,700	4,312
Total backlog	\$ 17,322	\$ 16,864
Award options	5,861	6,347
Total backlog and options	\$ 23,183	\$ 23,211

We estimate that as of April 3, 2026, 37% of our backlog will be executed within one year. Of this amount, we estimate that 81% will be recognized in revenues on our condensed consolidated statements of operations and 19% will be recorded by our unconsolidated joint ventures. As of April 3, 2026, \$98 million of our backlog relates to active contracts that are in a loss position.

As of April 3, 2026, 14% of our backlog was attributable to fixed-price contracts, 39% was attributable to PFIs, 23% was attributable to cost-reimbursable contracts and 24% was attributable to time-and-materials contracts. PFI arrangements are predominantly fixed-price in nature, and therefore the PFI portion of backlog primarily reflects fixed-price contractual structures. 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 April 3, 2026, \$9.0 billion of our MTS backlog was currently funded by our customers. Excluding PFIs, 39% of our MTS backlog is currently funded by our customers. As of April 3, 2026, we had approximately \$5.9 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 Topic 606, *Revenue from Contracts with Customers*, of \$13.6 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

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 management, 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 up to but not in excess of the joint venture's percent complete on its scope of work. 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 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 5. "Unapproved Change Orders and Claims Against Clients", 10. "Commitments and Contingencies" and 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), sale or divestiture of assets 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 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.

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 April 3, 2026, we are in compliance with all financial covenants related to our debt agreements.

Cash and cash equivalents totaled \$380 million at April 3, 2026, and \$500 million at January 2, 2026, and consisted of the following:

<i>Dollars in millions</i>	April 3, 2026	January 2, 2026
Domestic U.S. cash	\$ 135	\$ 210
International cash	186	238
Joint venture and Aspire Defence project cash	59	52
Total	<u>\$ 380</u>	<u>\$ 500</u>

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. Additionally, domestic cash and cash equivalents includes \$10 million and \$15 million held by our wholly owned captive insurance company as of April 3, 2026 and January 2, 2026, respectively, which is generally not available to KBR to support its other operations.

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 \$10 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 April 3, 2026, 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:

<u>Dollars in millions</u>	Three months ended	
	April 3, 2026	April 4, 2025
Cash flows provided by operating activities - continuing operations	\$ 110	\$ 91
Cash flows used in investing activities - continuing operations	(188)	(3)
Cash flows used in financing activities - continuing operations	(43)	(6)
Total cash flows from discontinued operations	(2)	1
Effect of exchange rate changes on cash	2	9
Increase (decrease) in cash and cash equivalents	\$ (121)	\$ 92

Operating Activities - continuing operations. Cash provided by operations totaled \$110 million and \$91 million for the three months ended April 3, 2026 and April 4, 2025, respectively, as compared to net income from continuing operations of \$103 million and \$121 million for the three months ended April 3, 2026 and April 4, 2025, 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 our 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.

During the three months ended April 3, 2026, cash flows increased primarily due to changes in the primary components of our working capital. 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. These increases were offset by decreases in distributions of earnings from unconsolidated affiliates.

Investing Activities - continuing operations. Cash used in investing activities totaled \$188 million for the three months ended April 3, 2026 primarily due to an investment within the BRIS joint venture for \$115 million associated with BRIS closing on an agreement to acquire a welding and turnaround services provider. Additionally, we had purchases of available-for-sale debt securities of \$49 million, purchases of other investments of \$13 million and capital expenditures of \$12 million. See Note 6. "Equity Method Investments and Variable Interest Entities" to our condensed consolidated financial statements for further discussion on the investment in equity method investment to BRIS and Note 15. "Fair Value of Financial Instruments and Risk Management" to our condensed consolidated financial statements for further discussion on the available-for-sale debt securities. Cash used in investing activities totaled \$3 million for the three months ended April 4, 2025, primarily related to capital expenditures.

Financing Activities - continuing operations. Cash used in financing activities totaled \$43 million for the three months ended April 3, 2026. The primary uses of cash in financing activities were \$141 million in payments on the Revolver, \$21 million of dividend payments to common shareholders, \$9 million in payments on our Term Loan A, \$3 million in payments on our Term Loan B and \$4 million for the repurchase of common stock under our "withhold to cover" program. These decreases were offset by \$141 million in borrowings on our Revolver.

Cash used in financing activities totaled \$6 million for the three months ended April 4, 2025. The primary uses of cash in financing activities were \$150 million for the repurchase of common stock under our share repurchase program, \$6 million for the repurchase of common stock under our "withhold to cover" program, \$95 million in payments on the Revolver and \$20 million of dividend payments to common shareholders. These decreases were offset by \$275 million in borrowings on our Revolver.

Cash flows from discontinued operations. Cash flows from discontinued operations are associated with the disposal of HomeSafe. Cash provided by (used in) operations totaled \$(2) million and \$7 million for the three months ended April 3, 2026 and April 4, 2025, respectively. Changes in HomeSafe's working capital accounts were the primary components of operating cash flows for the three months ended April 3, 2026 and April 4, 2025. Cash used in investing activities totaled \$6 million for the three months ended April 4, 2025 which is related to capital expenditures. See Note 17. "Discontinued Operations" to our condensed consolidated financial statements for additional information.

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.

We anticipate that, in connection with and prior to the completion of the Planned Spin-Off, the Mission Technology Solutions business will make a cash distribution to KBR using proceeds received from its anticipated financing transactions to be undertaken as part of its transition to an independent, publicly traded company. We intend to use the cash distributed to KBR by the Mission Technology Solutions business to reduce our level of indebtedness.

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 \$95 million (calculated as the difference between the fair value of plan assets and the projected benefit obligations as of April 3, 2026) for our frozen U.K. defined benefit pension plan. 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. 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 2024, the Trustee of the U.K. defined benefit pension plan commenced the triennial actuarial valuation of the plan which was finalized during the year ended January 2, 2026. At this time, we do not anticipate contributing additional funding to this plan at least until the next triennial valuation occurs. 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 under a Master Accounts Receivable Purchase Agreement, 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 to meet our capital needs. Refer to Note 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 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 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 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 2025 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 Subtopic 460-10, *Guarantees*, and, as of April 3, 2026, we had no material guarantees of the work or obligations of third parties recorded.

As of April 3, 2026, we had a \$1 billion committed line of credit on the Revolver under our Senior Credit Facility and \$488 million of bilateral and uncommitted lines of credit. As of April 3, 2026, with respect to our Revolver, we had \$395 million of outstanding borrowings. We also have \$17 million of outstanding letters of credit on our Senior Credit Facility. With respect to our \$488 million of bilateral and uncommitted lines of credit, we utilized \$288 million for letters of credit as of April 3, 2026. The total remaining capacity of these committed and uncommitted lines of credit was approximately \$788 million as of

April 3, 2026, all of which can be used toward issuing letters of credit. Information relating to our letters of credit is described in Note 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. 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 2025 Annual Report on Form 10-K, for the year ended January 2, 2026, 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 and to mitigate certain operational exposures. We do not enter into derivative financial instruments for trading purposes or make speculative investments in foreign currencies. Each period, these 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 gain of \$2 million and a net loss of \$3 million during the three months ended April 3, 2026 and April 4, 2025, respectively, in other non-operating income on our condensed consolidated statements of operations. The fair value of these derivatives was not material to our condensed consolidated balance sheets as of April 3, 2026. Information relating to fair value measurements is described in Note 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 \$395 million of borrowings issued under the Revolver as of April 3, 2026. Additionally, we had \$1,957 million outstanding under the term loan portions of the Senior Credit Facility as of April 3, 2026. Borrowings under the Senior Credit Facility bear interest at variable rates as described in Note 8. "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. Our portfolio of interest rate swaps consists of the following:

<i>Dollars in millions</i>	Notional Amount at April 3, 2026*	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	£ 102	3.81 %	Term SONIA	Monthly through November 2026
September 2024 Interest Rate Swaps	\$ 200	3.27 %	Term SOFR	Monthly through August 2027
April 2025 Interest Rate Swaps	\$ 270	3.39 %	Term SOFR	Monthly through August 2027
April 2025 Forward Interest Rate Swaps	\$ 150	3.38 %	Term SOFR	Monthly from August 2027 through December 2030

*Includes the April 2025 Forward Interest Rate Swaps that become effective August 14, 2027.

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 April 3, 2026 was a \$13 million asset, of which \$12 million is included in other current assets and \$1 million is included in other assets. Information relating to our portfolio of interest rate swaps is described in Note 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 April 3, 2026, we had fixed rate debt aggregating \$1,813 million and variable rate debt aggregating \$789 million, after taking into account the effects of the interest rate swaps that were effective at April 3, 2026. Our weighted average interest rate net of the impact from our swap agreements for the three months ended April 3, 2026 was 4.94%. If interest rates were to increase by 50 basis points, pre-tax interest expense would increase by approximately \$4 million in the next twelve months net of the impact from our swap agreements, based on outstanding borrowings as of April 3, 2026.

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 April 3, 2026, 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 an enterprise resource planning ("ERP") system within our Sustainable Technology Solutions business and made changes to related internal controls. There have been no other changes in our internal control procedures over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting during the three months ended April 3, 2026.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Information relating to various commitments and contingencies is described in Notes 5, 10 and 11 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 January 2, 2026.

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

On February 25, 2014, the Board of Directors authorized a plan to repurchase our outstanding shares of common stock, which replaced and terminated the August 26, 2011 share repurchase program. On February 20, 2025, the Board of Directors authorized \$454 million of share repurchases to be added to the prior authorizations, which increased the total amount authorized and available for repurchase under the share repurchase program to \$750 million. As of April 3, 2026, \$427 million remained available for repurchase under this authorization. The authorization does not obligate 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 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 April 3, 2026 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
January 3, 2026 - January 30, 2026	—	\$ —	—	\$ 427,131,280
January 31, 2026 - February 27, 2026	82,906	\$ 42.42	—	\$ 427,131,280
February 28, 2026 - April 3, 2026	6,223	\$ 40.13	—	\$ 427,131,280
Total	89,129	\$ 42.26	—	\$ 427,131,280

- (1) Included within the shares repurchased herein are 89,129 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 \$42.26 per share.

Item 5. Other Information

During the three months ended April 3, 2026, 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+	<u>Form of revised Restricted Stock Unit Agreement (US/UK Employee) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended</u>
*10.2+	<u>Form of revised Performance Stock Unit Agreement (US/UK Employee) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended</u>
*10.3+	<u>Form of revised Performance Award Agreement (US/International Employee Cash/Stock) pursuant to Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended</u>
*31.1	<u>Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
*31.2	<u>Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
**32.1	<u>Certification Furnished Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
**32.2	<u>Certification Furnished Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
***101	The following financial information from this Quarterly Report on Form 10-Q of KBR, Inc. for the quarter ended April 3, 2026 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/ Shad E. Evans

Shad E. Evans

Executive Vice President and Chief Financial Officer

/s/ Jennefer T. Taylor

Jennefer T. Taylor

Vice President, Chief Accounting Officer

Dated: May 5, 2026

Dated: May 5, 2026

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 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 ⅓%
2nd Anniversary of Grant Date	66 ⅔%
3rd Anniversary of Grant Date	100%

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.

(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, 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 Fidelity Stock Plan Services, LLC, 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. 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 bases for the transfer of Data include (1) Employee's consent, (2) contractual necessity, and, as applicable, appropriate adequate measures such as (3) the EU-U.S. Data Privacy Framework (and its UK Extension) and (4) the use of Standard Contractual Clauses.*

(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 subsection (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 Plan is operated and the Restricted Stock Units are granted solely by the Company and only the Company is a party to this Agreement; accordingly, any rights Employee may have under this Agreement may be raised only against the Company but not any Subsidiary (including, but not limited to, the Employer);
- (c) no Subsidiary (including, but not limited to, the Employer) has any obligation to make any payment of any kind to Employee under this Agreement;
- (d) 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;
- (e) all decisions with respect to future Restricted Stock Units or other grants, if any, will be at the sole discretion of the Company;
- (f) 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 and shall not interfere with the ability of the Employer to terminate Employee's employment or service relationship (if any);
- (g) Employee's participation in the Plan is voluntary;
- (h) 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;
- (i) 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;

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

(k) 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;

(l) 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);

(m) 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;

(n) 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

(o) neither the Company, the Employer nor any Subsidiary 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 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, unless otherwise required by law.

(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.; and

(iii) if prohibited by: (1) other state law bans of non-competition or non-solicitation laws in Minnesota, North Dakota, Oklahoma, Wyoming or Colorado; (2) any income-based restrictions of any state; or (3) any industry-based bans not otherwise referenced, the covenants set forth in Paragraphs 10(b)(i) and 10(b)(ii) shall not apply to any activities conducted within the states referenced within 10(c)(iii), including the individuals' performance of work within;

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. **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.

15. **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.

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. **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.

18. **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.

19. **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.

20. **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.

21. **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: Stuart J. B. Bradie

Title: Chair of the Board, President and CEO

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 March 2026. 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.

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

Responsibility for 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 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.

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 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, 2026, if the Committee that administers the Plan (the “Committee”) determines, in its sole discretion, that calendar year 2026 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 $\frac{1}{3}$%
2nd Anniversary of Grant Date	66 $\frac{2}{3}$%
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 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. 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
- (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, 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, 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 Fidelity Stock Plan Services, LLC, 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. 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 bases for the transfer of Data include (1) Employee's consent, (2) contractual necessity, and, as applicable, appropriate adequate measures such as (3) the EU-U.S. Data Privacy Framework (and its UK Extension) and (4) the use of Standard Contractual Clauses.

*(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 subsection (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 Plan is operated and the Performance Stock Units are granted solely by the Company and only the Company is a party to this Agreement; accordingly, any rights Employee may have under this Agreement may be raised only against the Company but not any Subsidiary (including, but not limited to, the Employer);

(c) no Subsidiary (including, but not limited to, the Employer) has any obligation to make any payment of any kind to Employee under this Agreement;

(d) 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;

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

(f) 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 and shall not interfere with the ability of the Employer to terminate Employee's employment or service relationship (if any);

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

(h) 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;

(i) 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;

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

(k) 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;

(l) 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);

(m) 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;

(n) 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

(o) neither the Company, the Employer nor any Subsidiary 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, unless otherwise required by law.

(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.; and

(iii) if prohibited by: (1) other state law bans of non-competition or non-solicitation laws including, but not limited to those in

Minnesota, North Dakota, Oklahoma, Wyoming or Colorado; (2) any income-based restrictions of any state; or (3) any industry-based bans of any state, the covenants set forth in Paragraphs 10(b)(i) and 10(b)(ii) shall not apply to any activities conducted within the states referenced within 10(c)(iii), including the individuals' performance of work within;

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 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. **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.

15. **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.

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. **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.

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

19. **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.

20. **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.

21. **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: Stuart J. B. Bradie

Title: Chair of the Board, President and CEO

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 March 2026. 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.

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

Responsibility For 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 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.

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, 2026, if the Committee that administers the Plan (the “Committee”) determines, in its sole discretion, that calendar year 2026 was not a successful year for the Company. Any such determination by the Committee shall be made on or before March 31, 2027.

- (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 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.

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 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, unless otherwise required by law.

- (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.; and

- (iii) if prohibited by: (1) other state law bans of non-competition or non-solicitation laws including, but not limited to those in Minnesota, North Dakota, Oklahoma, Wyoming or Colorado; (2) any income-based restrictions of any state; or (3) any industry-based bans of any state not otherwise referenced, the covenants set forth in Paragraphs 6(b)(i) and 6(b)(ii) shall not apply to any activities conducted within the states referenced within 16(c)(III), including the individuals' performance of work within;

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.
 - (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 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 Plan is operated and the Performance Units are granted solely by the Company and only the Company is a party to this Agreement; accordingly, any rights you may have under this Agreement may be raised only against the Company but not any Subsidiary (including, but not limited to, the Employer); (c) no Subsidiary (including, but not limited to, the Employer) has any obligation to make any payment of any kind to you under this Agreement; (d) 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; (e) all decisions with respect to future Performance Units or other grants, if any, will be at the sole discretion of the Company; (f) 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); (g) you are voluntarily participating in the Plan; (h) the Performance Units, and the income and value of same, are not intended to replace any pension rights or compensation; (i) 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; (j) 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; (k) 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; (l) 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); (l) 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; (m) 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; (n) if you are requested to make repayment under Paragraph 4, you will make repayment immediately; and (o) 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>.*

(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. 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 bases for the transfer of Data include (1) Employee's consent, (2) contractual necessity, and, as applicable, appropriate adequate measures such as (3) the EU-U.S. Data Privacy Framework (and its UK Extension) and (4) the use of Standard Contractual Clauses.

(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 unless otherwise required by applicable law.
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 ("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 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.]

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: Stuart J. B. Bradie

Title: Chair of the Board, President and CEO

EMPLOYEE:

—

Date:___

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, 2026, and ending December 31, 2028.

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:

2026 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)

x_q = 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 * (x)	Index (x _q / x)
1/1/2026	\$20.00	
3/31/2026	\$22.00	110.0
6/30/2026	\$24.00	120.0
9/30/2026	\$21.00	105.0
12/31/2026	\$20.00	100.0
3/31/2027	\$18.00	90.0
6/30/2027	\$22.00	110.0
9/30/2027	\$25.00	125.0
12/31/2027	\$28.00	140.0
3/31/2028	\$31.00	110.7
6/30/2028	\$33.00	117.9
9/30/2028	\$30.00	107.1
12/31/2028	\$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.

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.
Dover Corporation Parsons Corporation
Flowserve Corporation Science Applications International Corporation
Fluor Corporation Teradata Corporation
Gartner, Inc. Tetra Tech, Inc.
Hubbell Incorporated Textron Inc.
Huntington Ingalls Industries, Inc. The Timken Company

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:

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	94.4 %	200.0 %
	3	88.9 %	197.3 %
	4	83.3 %	183.3 %
	5	77.8 %	169.5 %
	6	72.2 %	155.5 %
	7	66.7 %	141.8 %
	8	61.1 %	127.8 %
Target	9	55.6 %	114.0 %
	10	50.0 %	100.0 %
	11	44.4 %	86.0 %
	12	38.9 %	72.3 %
	13	33.3 %	58.3 %
Threshold	14	27.8 %	44.5 %
	15	22.2 %	30.5 %
	16	16.7 %	0.0 %
	17	11.1 %	0.0 %
	18	5.6 %	0.0 %
	19	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 19 companies

$$\frac{(19 - 3)}{(19 - 1)} * 100\% = 88.9\%$$

$$(19 - 1)$$

Example 3

KBR ranked 5th out of 18 companies

$$\frac{(18 - 5)}{(18 - 1)} * 100\% = 76.5\%$$

$$(18 - 1)$$

Example 2

KBR ranked 11th out of 19 companies

$$\frac{(19 - 11)}{(19 - 1)} * 100\% = 44.4\%$$

$$(19 - 1)$$

Example 4

KBR ranked 9th out of 17 companies

$$\frac{(17 - 9)}{(17 - 1)} * 100\% = 50.0\%$$

$$(17 - 1)$$

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 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.

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:

		<u>Threshold</u>	<u>Target</u>	<u>Maximum</u>
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’, and its proportionate share of unconsolidated subsidiaries’ and investees’, 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’,

and its proportionate share of unconsolidated subsidiaries' and investees', 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 and the Committee shall have the ability to make appropriate adjustments to the calculation of the Book-to-Bill Ratio in respect of any calendar year that, in the Committee's sole judgment, ensures that the Book-to-Bill Ratio for such calendar year accurately reflects the Company's overall performance and the achievement of its business objectives (including, without limitation, excluding certain projects such as private finance initiative projects (PFIs) in the UK and large liquefied natural gas projects or excluding the impact of certain extraordinary, unforeseen or non-recurring events that, in the Committee's determination, may distort the Book-to-Bill Ratio calculation, such as mergers, acquisitions, significant one-time transactions, impairments, restructurings or other significant events).

"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.

"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.

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 March 2026. 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.

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 a certain threshold (currently, 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.

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

Securities Law Notification.

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 Performance Units pursuant to the Plan has not been and will not be registered in Azerbaijan.

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.

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

Danish Stock Options Act.

In accepting the Performance Units, you acknowledge that you have received an Employer Statement translated into Danish attached hereto as Annex A, which is being provided to comply with the Danish Stock Option Act (the “Act”). You also acknowledge any grant of Performance Units under the Plan made on or after January 1, 2019, is subject to the rules of the amended Act. Accordingly, you agree that the treatment of Performance Units upon your termination of employment is governed solely by Paragraph 8(k) of the Agreement and any corresponding provisions in the Plan. The relevant termination provisions are also detailed in the Employer Statement.

Please be aware that as set forth in Section 1 of the Act, the Act only applies to “employees” as that term is defined in Section 2 of the Act. If you are a member of the registered management of a Subsidiary in Denmark or otherwise does not satisfy the definition of employee, you will not be subject to the Act and the Employer Statement will not apply to Employee.

Foreign Account/Asset Tax Reporting Information.

If you establish an account holding cash or shares of Stock outside Denmark, you must report the account to the Danish Tax Administration in your tax return under the section related to foreign affairs and income.

(Annex A on the next page.)

ANNEX A

**SPECIAL NOTICE FOR EMPLOYEES IN DENMARK
EMPLOYER STATEMENT**

Pursuant to Section 3(1) of the Act on Stock Options in employment relations, as amended effective January 1, 2019 (the “Stock Option Act”), you are entitled to receive the following information regarding participation in the Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended and restated (the “Plan”) in a separate written statement.

This statement contains only the information mentioned in the Stock Option Act, while the other terms and conditions of your performance unit (“PU”) grant are described in detail in the Plan, the Performance Award Agreement (the “Agreement”) and the applicable country-specific supplement, which have been made available to you.

1. Date of grant of unfunded right to receive stock upon satisfying certain conditions

The Grant Date of your PUs is the date that the Company approved a grant for you, which is set forth in the Agreement.

2. Terms or conditions for grant of a right to future award of stock

Only persons identified in Section 6 of the Plan are eligible to participate in the Plan. The grant of PUs under the Plan is offered at the sole discretion of the Company and is intended to achieve the purposes identified in Section 1 of the Plan, including (among other things) encouraging share ownership in the Company by employees of the Company and any parents and subsidiaries that exist now or in the future. The Company may decide, in its sole discretion, not to make any PU grants to you in the future. Under the terms of the Plan, the Agreement and the applicable country-specific supplement, you have no entitlement or claim to receive future PU grants or awards in lieu of PUs.

3. Vesting Date or Period

Generally, your PUs will vest in accordance with the vesting terms, as provided in the Agreement. Your PUs shall be converted into an equivalent number of shares of the common stock of the Company upon vesting.

4. Exercise Price

No exercise price is payable upon the vesting of your PUs and the issuance of shares of the Company’s common stock to you in accordance with the vesting terms, as set forth in the Agreement.

5. Your rights upon termination of employment

The treatment of your PUs upon termination of employment will be determined in accordance with the termination provisions in the Agreement, pursuant to which your unvested PUs will be cancelled and forfeited upon termination of employment. In the event of a conflict between the terms of the Agreement and the summary here, the terms set forth in the Agreement will govern your PUs.

6. Financial aspects of participating in the Plan

The grant of PUs has no immediate financial consequences for you. The value of the PUs is not taken into account when calculating holiday allowances, pension contributions or other statutory consideration calculated on the basis of salary.

Shares of stock are financial instruments and investing in stock will always have financial risk. The future value of Company shares is unknown and cannot be predicted with certainty.

KBR, Inc.
601 Jefferson Street, Suite 3400
Houston, TX 77002
U.S.A.

**SÆRLIG MEDDELELSE TIL MEDARBEJDERE I DANMARK
ARBEJDSGIVERERKLÆRING**

I henhold til § 3, stk. 1, i lov om brug af køberet eller tegningsret m.v. i ansættelsesforhold som ændret pr. 1. januar 2019 ("Aktieoptionsloven") er du berettiget til i en særskilt skriftlig erklæring at modtage følgende oplysninger om deltagelse i *KBR, Inc.'s incitamentsordning – Amended and Restated KBR, Inc. 2006 Stock and Incentive Plan, as amended and restated* ("Planen").

Denne erklæring indeholder kun de oplysninger, der er nævnt i Aktieoptionsloven, mens de øvrige vilkår og betingelser for din tildeling af performance unit ("PU") er nærmere beskrevet i Planen, *Performance Award Agreement* ("Aftalen") og det gældende landespecifikke tillæg, som du har modtaget.

1. Tidspunkt for tildeling af den vederlagsfri ret til at modtage aktier mod opfyldelse af visse betingelser

Tildelingsdatoen for dine PU'er er den dato, hvor virksomheden godkendte et tilskud til dig, som er angivet i Aftalen.

2. Kriterier og betingelser for tildeling af retten til senere at få tildelt aktier

Kun de i Planens pkt. 6 anførte personer kan deltage i Planen. Tildelingen af PU i henhold til Planen sker efter Selskabets eget skøn med henblik på at gennemføre de i Planens pkt. 1 anførte formål, herunder bl.a. at tilskynde medarbejdere i Selskabet samt dets nuværende og fremtidige datterselskaber og moderselskab til at eje aktier i Selskabet. Selskabet kan frit vælge ikke at tildele dig PU fremover. I henhold til Planen, Aftalen og det gældende landespecifikke tillæg har du ikke nogen ret til eller noget krav på fremover at få tildelt PU eller modtage øvrige tildelinger stedet for PU.

3. Modningstidspunkt eller -periode

Generelt vil dine PU'er optjenes i overensstemmelse med optjeningsvilkårene, som anført i Aftalen. På modningstidspunktet konverteres dine PU til et tilsvarende antal ordinære aktier i Selskabet.

4. Udnyttelseskurs

Der betales ingen udnyttelseskurs i forbindelse med modning af dine PU og Selskabets udstedelse af ordinære aktier til dig i overensstemmelse med den ovenfor beskrevne modningstidsplan, som angivet i Aftalen.

5. *Din retsstilling i forbindelse med fratræden*

PU'erne vil i tilfælde af din fratræden blive behandlet i overensstemmelse med Aftalens bestemmelser, hvorefter ikke-modnede PU'er bortfalder og fortabes ved ophøret af dit ansættelsesforhold. I tilfælde af uoverensstemmelse mellem bestemmelserne i Aftalen og dette sammendrag gælder Aftalens bestemmelser for PU'erne.

6. *Økonomiske aspekter ved at deltage i Planen*

Tildelingen af PU har ingen umiddelbare økonomiske konsekvenser for dig. Værdien af PUs indgår ikke i beregningen af feriepenge, pensionsbidrag eller øvrige lovpligtige, vederlagsafhængige ydelser.

Aktier er finansielle instrumenter, og investering i aktier vil altid være forbundet med en økonomisk risiko. Den fremtidige værdi af Selskabets aktier er ukendt og kan ikke forudsiges med sikkerhed.

KBR, Inc.

601 Jefferson Street, Suite 3400
Houston, TX 77002
U.S.A.

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

Exchange Control Information.

Cross-border payments in excess of a certain threshold (currently, €50,000), 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*.

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.*

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.

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. 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.

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 a certain threshold (currently, ¥50,000,000). Such report will be due by June 30 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.

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 in 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).

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

Exchange Control Information.

Korean residents who sell shares of Stock acquired under the Plan and/or receive cash dividends on the shares of Stock, must file a report with a Korean foreign exchange bank if the proceeds exceed a certain threshold (currently, USD 5,000 per transaction) and are deposited into a non-Korean bank account. The report is not required if proceeds are deposited into a non-Korean brokerage account. *You should consult a personal legal advisor to ensure compliance with applicable requirements.*

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.

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

Withholding of Tax.

The following provision supplements Paragraph 7 of the Agreement:

Employee authorizes the Company and/or the Employer to satisfy any liability Employee may have for Tax-Related Items, regardless of whether the Company and/or the Employer have any statutory or regulatory obligation to withhold such Tax-Related Items.

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.

**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.

**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 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.

**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: May 5, 2026

/s/ Stuart J. B. Bradie

Stuart J. B. Bradie
Chief Executive Officer

**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, Shad E. Evans, 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: May 5, 2026

/s/ Shad E. Evans

Shad E. Evans
Chief Financial Officer

**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 April 3, 2026, 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: May 5, 2026

**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 April 3, 2026, 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/ Shad E. Evans

Shad E. Evans
Chief Financial Officer

Date: May 5, 2026