

# Sustainability basis of preparation 2023



# 1. About this document

This document details the basis of preparation and reporting criteria for select quantitative sustainability metrics disclosed in Worley's 2023 Annual Report and website.

## Principles of reporting

Our reporting principles are guided by the International Standard on Assurance Engagement (ISAE) 3000. In preparation of this report, we have sought to ensure that the reported metrics are:

- **relevant**; supporting the needs of users of our 2023 Annual Report
- **complete**; having been developed considering all material factors
- **reliable**; allowing consistent measurement and evaluation of performance
- **neutral**; being free from bias as appropriate, and
- **understandable**; allowing correct interpretation of performance.

We strive to achieve consistency in our reporting year-on-year. To access our historical data, please refer to our ESG Databook on our [website](#). Any restatements or repositioned sustainability data from previous financial years are disclosed as part of our annual Global Reporting Initiative (GRI) disclosures and are re-stated in our ESG Databook.

## Disclaimer

This basis of preparation contains forward-looking statements, including statements regarding climate change and other environmental and energy transition scenarios. While these forward-looking statements reflect the Group's expectations at the date of this basis of preparation, they are not guarantees or predictions of future performance or outcomes. They involve known and unknown risks and uncertainties, which may cause actual outcomes and developments to differ materially from those expressed in the statements contained in this basis of preparation.

There are also limitations with respect to the scenario analysis which is discussed in this basis of preparation, and it is difficult to predict which, if any, of the scenarios might eventuate. Scenario analysis is not an indication of probable outcomes and relies on assumptions that may or may not prove to be correct or eventuate.

The Group cautions readers against reliance on any forward-looking statements or guidance, particularly in light of the long-time horizon which this basis of preparation discusses and the inherent uncertainty in policy, market and technological developments in the future. The Group makes no representation, assurance or guarantee as to the accuracy, completeness or likelihood of fulfillment of any forward-looking statement, any outcomes expressed or implied in any forward-looking statement or any assumptions on which a forward-looking statement is based.

Except as required by applicable laws or regulations, the Group does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events.

## External assurance

Third-party limited assurance has been conducted over select metrics, outlined below:

- environment (energy use, Scope 1 emissions and Scope 2 market-based emissions)
- diversity (women employees, women Senior Leaders, women Group Executives, women Board members)
- safety (Total Recordable Case Frequency Rate, Lost Workday Case Frequency Rate, Serious Case Frequency Rate)

## Internal verification

All our sustainability disclosures undergo a comprehensive internal preparation, verification, and approval process. We have adopted a process to verify material statements in these documents before they are released to the market. This includes a process to verify key pieces of non-financial information as well as management review and sign-off prior to Board approval.

## Reporting boundary and period

Unless otherwise stated the reporting boundary for metrics included in this report includes Worley Limited and the entities it controlled (Group or consolidated entity) for the period 1 July 2022 to 30 June 2023 (FY2023).

## Definitions

The reporting criteria and definitions of each sustainability metric are provided in relevant sections of this document.

## 2. Assurance statement



To the Directors of Worley Limited

### Independent Limited Assurance Report on identified Subject Matter Information in Worley Limited's ESG Databook for the year ended 30 June 2023

The Board of Directors of Worley Limited engaged us to perform an independent limited assurance engagement in respect of the identified Subject Matter Information listed below in Worley Limited's ESG Databook for the year ended 30 June 2023 (the 'Subject Matter Information').

#### Subject Matter Information and Criteria

We assessed the Subject Matter Information against the Criteria. The Subject Matter Information needs to be read and understood together with the Criteria. The Subject Matter Information and the Criteria are as set out below:

#### Workforce demographics, diversity and engagement:

- Women Board Members: **33%**
- Women Group Executives: **45%**
- Women Senior Leaders: **16%**
- Women Employees: **20.8%**

#### Workforce health and safety:

- Total Recordable Case Frequency Rate (TRCFR): **0.14**
- Lost Workday Case Frequency Rate (LWCFR): **0.03**
- Serious Case Frequency Rate (SCFR): **0.03**

#### Energy & Emissions:

- Total energy use: **211,640 MWh**
- Scope 1 GHG emissions: **22,334 tCO<sub>2</sub>e**
- Scope 2 market-based GHG emissions: **19,088 tCO<sub>2</sub>e**

The criteria used by Worley Limited to prepare the subject matter information was prepared by Worley Management and is titled "Worley Sustainability Basis of Preparation 2023 Annual Report" (the 'Criteria').

The maintenance and integrity of Worley Limited's website is the responsibility of Worley management; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Criteria when presented on Worley Limited's website.

Our assurance conclusion is with respect to the year ended 30 June 2023 and does not extend to information in respect of earlier periods or to any other information included in, or linked from, the ESG Databook.

#### Responsibilities of Worley Management

Worley management are responsible for the preparation of the Subject Matter Information in accordance with the Criteria. This responsibility includes:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Subject Matter Information;
- ensuring that those criteria are relevant and appropriate to Worley Limited and the intended users; and

PricewaterhouseCoopers, ABN 52 780 433 757  
One International Towers Sydney, Watermans Quay, Barangaroo NSW 2000, GPO BOX 2650 Sydney NSW 2001  
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

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- designing, implementing and maintaining systems, processes and internal controls over information relevant to the evaluation or measurement of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error, against the Criteria.

#### Our independence and quality control

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management ASQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements (ASAE 3000) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*. Those standards require that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria, for the year ended 30 June 2023.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.

In carrying out our limited assurance engagement we:

- considered the appropriateness of the Subject Matter Information and suitability of the Criteria;
- made inquiries of the persons responsible for the Subject Matter Information;
- obtained an understanding of the process for collecting and reporting the Subject Matter Information;
- performed analytical review procedures over the Subject Matter Information and obtained explanations from management regarding unusual or unexpected variations;
- reconciled the Subject Matter Information with underlying records;
- assessed the reasonableness of any material estimates made in preparing the Subject Matter Information;
- tested the arithmetical accuracy of the GHG emission calculations;
- performed limited substantive testing on a selective basis of the Subject Matter Information to assess that data had been appropriately measured, recorded, collated and reported;
- reviewed the Subject Matter Information to assess whether it has been prepared as described in the criteria; and
- considered the disclosure and presentation of the Subject Matter Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



**Inherent limitations**

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the Subject Matter Information with the Criteria, as it is limited primarily to making enquiries of Worley management and applying analytical procedures.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time. In addition, Greenhouse Gases ('GHG') quantification is subject to inherent uncertainty because of evolving knowledge and information used in estimating emissions factors.

The limited assurance conclusion expressed in this report has been formed on the above basis.

**Our limited assurance conclusion**

Based on the procedures we have performed, as described under 'Our responsibilities' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria for the year ended 30 June 2023.

**Use and distribution of our report**

We were engaged by the board of directors of Worley Limited on behalf of Worley Limited to prepare this independent assurance report having regard to the criteria specified by Worley Limited and set out in this report. This report was prepared solely for Worley Limited in accordance with the agreement between us, to assist the directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Subject Matter Information.

We accept no duty, responsibility or liability to anyone other than Worley Limited in connection with this report or to Worley Limited for the consequences of using or relying on it for a purpose other than that referred to above. We make no representation concerning the appropriateness of this report for anyone other than Worley Limited and if anyone other than Worley Limited chooses to use or rely on it they do so at their own risk.

This disclaimer applies to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute and even if we consent to anyone other than Worley Limited receiving or using this report.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*John Tomac*

John Tomac  
Partner

Sydney  
22 August 2023

## 3. Energy and emissions reporting criteria

### 3.1 Key definitions

**Carbon dioxide emissions equivalent (CO<sub>2</sub>e):** The universal unit of measurement used to express and compare emissions from various greenhouse gases based on their global warming potential, converted to the equivalent amount of carbon dioxide. The six key greenhouse gases recognized by the Kyoto Protocol and adopted by Worley are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), and sulfur hexafluoride (SF<sub>6</sub>).

**Greenhouse gas (GHG) emissions:** Aggregate total greenhouse gas emissions (reported as Scope 1, Scope 2, and Scope 3 emissions) generated by Worley activities, expressed in carbon dioxide emissions equivalent (CO<sub>2</sub>e).

**IBM Envizi:** Worley uses IBM Envizi as its digital system to capture all corporate environmental metrics and activity data. IBM Envizi houses the emission factors which are applied to the activity data to calculate energy usage, Scope 1 and Scope 2 (market-based and location-based emissions).

**Operational control:** Worley uses the operational control approach to account for Scope 1 and Scope 2 emissions in line with the [GHG Protocol Corporate Reporting and Accounting Standard](#). Worley defines operational control as where Worley has full authority to introduce and implement its operating policies, right up to the top level of management procedures. In practice, this means Worley holds the site operating license (including development approval in the pre-operational phase) or is the appointed operator and is responsible to the regulators and local authorities for the formal regulatory reporting requirements.

This typically includes all Worley offices, fabrication yards, and vehicles, including joint venture offices where Worley has operational control. It typically excludes construction sites where Worley does not hold the operating license, even if it has day-to-day oversight and control of activities on site.

### 3.2 Total energy use

Refers to the total energy consumed by sources within Worley's operational control.

**Reporting boundary:** All assets, activities and business lines where Worley had operational control for the FY2023 reporting period.

**Unit:** Megawatt hours (MWh).

**Calculation methodology:** IBM Envizi is used to report Worley's energy consumption. Source data includes electricity, district heating, district cooling, natural gas, propane, stationary fuel, and transport fuel consumed.

Source data is entered into IBM Envizi. This can be either entered manually or through an automated data connector. IBM Envizi applies appropriate factors to convert source data into MWh. Sources of factors used include:

- United Kingdom Department for Environment, Food and Rural Affairs (DEFRA)
- US EPA (Environmental Protection Agency)
- Australian National Greenhouse and Energy Reporting (NGER) Measurement Determination

These factors are sourced from governmental and non-governmental bodies which are qualified data sources under the GHG Protocol.

#### Assumptions, estimates and accruals:

- A proactive approach is taken to ensure data is present in IBM Envizi before reporting is undertaken. This includes system reminders prior to year-end, and gap analysis for missing data. If actual data is not available, data is estimated.
- For offices, the gas usage is estimated based on the average usage per floor space for other offices in the same region with similar climate conditions.
  - For vehicles, where data is available on distance travelled, an average factor of liters per kilometer is applied to estimate fuel used. Where data is available on fuel cost, an average factor of cost per liter is applied in the local currency to estimate fuel used.

Most of the June activity data is accrued based on the average monthly data for that location. This is because actual source data for June is generally not available in time to meet end of year reporting requirements. In FY2023, approximately 90% of Worley's energy consumption was calculated using actual data and 10% was calculated using estimated or accrued data.

**Target:** Not applicable.

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

### 3.3 Scope 1 emissions

Direct greenhouse gas emissions from sources within Worley's operational control.

**Reporting boundary:** All assets, activities and business lines where Worley had operational control for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** IBM Envizi is used to report Worley's Scope 1 GHG emissions. Source data includes petrol, diesel, propane, natural gas, ethanol, and refrigerants (R22, R410A, R134a) consumed.

Source data is entered into IBM Envizi. IBM Envizi applies appropriate factors to convert source data into tCO<sub>2</sub>e. Sources of factors used include:

- United Kingdom Department for Environment, Food and Rural Affairs (DEFRA)
- US EPA (Environmental Protection Agency)
- Australian National Greenhouse and Energy Reporting (NGER) Measurement Determination
- New Zealand Ministry for the Environment

These factors are sourced from governmental and non-governmental bodies which are qualified data sources under the GHG Protocol.

#### Assumptions, estimates and accruals:

- If actual data is not available, it is estimated or accrued consistent with the approach outlined in Section 3.2.

In FY2023, approximately 90% of Worley's Scope 1 GHG emissions were calculated using actual data and 10% were calculated using estimated or accrued data.

**Target:**

- Net-zero Scope 1 and Scope 2 (market-based) emissions by 2030
- 65% reduction in net Scope 1 and Scope 2 (market-based) emissions by FY2025 from an FY2020 baseline<sup>1</sup>

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

## 3.4 Scope 2 emissions

Indirect greenhouse gas emissions from generation of purchased energy consumed at sites owned or controlled by Worley. Scope 2 emissions are reported using both location-based and market-based accounting.

### 3.4.1 Market-based Scope 2 emissions

Scope 2 greenhouse gas emissions from electricity procured by Worley. This accounting method derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attributed claims.

**Reporting boundary:** All assets, activities and business lines where Worley had operational control for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** IBM Envizi is used to report Worley's market-based Scope 2 GHG emissions. Source data includes electricity, district heating and district cooling used.

Source data is entered into IBM Envizi. Where Worley's electricity consumption is supported by renewable energy claims (for example, through the purchase of renewable energy certificates) Green Power is entered as activity data in kWh, and a 0 tCO<sub>2</sub>e emissions factor is applied.

For remaining electricity consumption, IBM Envizi applies residual mix emissions factors (or location-based factors as per section 3.4.2, if residual mix factors are not available) to calculate Scope 2 market-based GHG emissions in tCO<sub>2</sub>e. Sources of residual mix factors used include:

- AIB (Association of Issuing Bodies) European Residual Mixes
- Green-e Residual Mix Emissions Rates
- Australian Clean Energy Regulator

These factors are sourced from governmental and non-governmental bodies which are qualified data sources under the GHG Protocol.

**Assumptions, estimates and accruals:**

A proactive approach is taken to ensure data is present in IBM Envizi before reporting is undertaken. This includes system reminders prior to year-end, and gap analysis for missing data. If actual data is not available, data is estimated.

- For offices, the energy usage (including electricity, purchased heat and cooling) is estimated based on the average usage per floor space for other offices in the same region with similar climate conditions.

Most of the June activity data is accrued based on the average monthly data for that location. This is because actual source data for June is generally not available in time to meet end of year reporting requirements. In FY2023, approximately 90% of Worley's Scope 2 emissions were calculated using actual data and 10% were calculated using estimated or accrued data.

**Target:**

- Net-zero Scope 1 and Scope 2 (market-based) emissions by 2030
- 65% reduction in net Scope 1 and Scope 2 (market-based) emissions by FY2025 from an FY2020 baseline

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

### 3.4.2 Location-based Scope 2 emissions

Worley's Scope 2 greenhouse gas emissions are based on average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

**Reporting boundary:** All assets, activities and business lines where Worley had operational control for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** IBM Envizi is used to report Worley's location-based Scope 2 GHG emissions. Source data includes electricity, district heating and district cooling used.

Source data is entered into IBM Envizi. IBM Envizi applies appropriate factors to convert source data into tCO<sub>2</sub>e. Sources of factors used include:

- International Energy Agency (IEA)
- UNFCCC (United Nations Framework Convention on Climate Change) National Inventory Submissions
- US EPA (Environmental Protection Agency)
- New Zealand Ministry for the Environment
- United Kingdom Department for Environment, Food and Rural Affairs (DEFRA)
- Australian National Greenhouse and Energy Reporting (NGER) Measurement Determination

These factors are sourced from governmental and non-governmental bodies which are qualified data sources under the GHG Protocol.

**Assumptions, estimates and accruals:**

- If actual data is not available, it is estimated or accrued consistent with the approach outlined in Section 3.4.1.

In FY2023, approximately 90% of Worley's Scope 2 emissions were calculated using actual data and 10% were calculated using estimated or accrued data.

**Target:** Not applicable.

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

<sup>1</sup> Worley's FY2020 baseline for Scope 1 and Scope 2 (market-based) emissions is 114,241 tCO<sub>2</sub>e.

### 3.5 Scope 3 emissions

Indirect greenhouse gas emissions other than Scope 2 emissions. Worley calculates Scope 3 emissions using methodologies consistent with the following GHG Protocol documents:

- [A Corporate Accounting and Reporting Standard](#)
- [Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard](#), and
- [Technical Guidance for Calculating Scope 3 Emissions \(Scope 3 Technical Guidance\)](#).

As of FY2023, Worley does not disclose the following Scope 3 categories:

- *Category 10: Processing of sold products* (Not material to Worley)
- *Category 11: Use of sold products* (Not yet quantified)
- *Category 12: End-of-life treatment of sold products* (Not yet quantified)
- *Category 14: Franchises* (Not material to Worley)

#### 3.5.1 Category 1: Purchased Goods and Services

The upstream (cradle-to-gate) emissions of Worley's purchased goods and services including corporate procurement, IT procurement, and procurement Worley does on behalf of clients on Worley's projects where we have operational control.

**Reporting boundary:** Worley's purchased goods and services for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Source data is Worley's procurement data, which is collected from all countries where available.

Emissions are calculated using spend-based emission factors from CEDA (Comprehensive Environmental Data Archive) which assumes procurement is based in the United States, in 2020. To project the FY2023 emissions for each region, factors are adjusted by the inflation rate, currency conversion, and power purchasing parity percentages. Emissions are calculated using the hybrid method, spend-based method, and average-data method as described in the Scope 3 Technical Guidance.

#### Assumptions, estimates and accruals:

Considering the time required for data collection and calculation of Scope 3 emissions, Worley's Scope 3 emissions use data from the reporting period 1 February 2022 to 31 January 2023. Worley's Scope 3 emissions for the FY2023 reporting period was estimated using this data. Specific to Category 1, Purchased Goods & Services:

- where procurement data is not available, data is extrapolated by assuming the type of items procured are the same as the previous period and using a ratio of either people numbers or procurement spend
- Worley procures a significant amount of goods and services on behalf of customers over which it has limited control. To adjust for this, the total Scope 3 emissions for Purchased Goods & Services are multiplied by the proportion of spend on Worley's paper of which Worley has operational control. For this reporting period, this is estimated to be 50%.

#### Target:

- Net-zero Scope 3 emissions by 2050<sup>1</sup>

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

#### 3.5.2 Category 2: Capital Goods

The upstream (cradle-to-gate) emissions of Worley's capital goods, which include IT equipment, vehicles, and construction and field equipment.

**Reporting boundary:** Worley's purchased capital goods for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Source data is Worley's procurement data. The use of physical unit-based emission factors (EFs) is prioritized and used as follows:

- where spend data is available with item descriptions, it is converted to physical data and emissions are calculated using physical EFs
- physical EFs for Capital Goods are used for cradle-to-gate, i.e., manufacturing and transportation only (excluding use and end-of-life)

- for Purchased Goods & Services leased items, the same emission factor is used, and then divided by the lifetime of the device.

The supplier-specific method, hybrid method, average-product method and average spend-based methods, as described in the Scope 3 Technical Guidance, are used to calculate these emissions.

#### Assumptions, estimates and accruals:

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1). Specific to Category 2, Capital Goods:

- procurement data received from Worley's IT supplier (which represented 20% of the emissions from this category) is categorized as either "purchased" or "leased". For this data, it is assumed that "purchased" devices are considered under Category 2, Capital Goods and "leased" devices are considered under Category 1, Purchased Goods & Services
- data received from individual countries under capital goods is assumed to be purchased, not leased.

#### Target:

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

#### 3.5.3 Category 3: Fuel and Energy-Related Activities

The upstream (cradle-to-gate) emissions of purchased fuels, purchased electricity, and transmission and distribution (T&D) losses.

**Reporting boundary:** Worley's fuel and energy and energy related activities not included in Scope 1 and 2 emissions for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Source data includes Scope 1 and Scope 2 activity data. Emissions are calculated using a direct calculation of Scope 1 and Scope 2 activity data. Location-based electricity emissions are used in the total figures. The average-data method is used to calculate the emissions from this category as described in the Scope 3 Technical Guidance.

<sup>1</sup> Worley's FY2021 baseline for Scope 3 emissions is 585,850 tCO<sub>2</sub>e.

**Assumptions, estimates and accruals:**

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1). Specific to Category 3, Fuel and Energy-Related Activities:

- data with negative values are excluded from the calculation.

**Target:**

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

**3.5.4 Category 4: Upstream Transportation and Distribution**

The Scope 1 and Scope 2 emissions of transportation and distribution providers that occur during transport of Worley's purchased goods and services between Worley's tier 1 suppliers and Worley's operations.

**Reporting boundary:** Worley's upstream transportation and distribution emissions for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Data relating to purchased goods and services, and their origin, are used to calculate upstream transportation and distribution emissions. Items assigned as goods are considered for the upstream transportation and distribution calculations. The hybrid method, spend-based method, and distance-based method are used to calculate the emissions from this category as described in the Scope 3 Technical Guidance. Sources of emissions factors:

- UK BEIS (Department of Business, Energy and Industrial Strategy) 2022
- CEDA 6

**Assumptions, estimates and accruals:**

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1). Specific to Category 4, Upstream Transportation and Distribution:

- the weight of goods is assumed based on desktop research on the weight per price from related goods. Where weight information is available, this is used instead of researched values

- ship transportation is assumed to be the mode of transportation for international freight
- domestic transportation is assumed to use truck transportation.

**Target:**

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

**3.5.5 Category 5: Waste Generated in Operations**

The Scope 1 and Scope 2 emissions of waste management suppliers that occur during disposal or treatment of waste generated in Worley's offices and fabrication yards.

**Reporting boundary:** Worley's emissions from waste generated in operations for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** The average-data method and waste-type-specific method are used to calculate the emissions, as described in the Scope 3 Technical Guidance. These emissions also include the wastewater treatment emissions calculated from the water data.

**Assumptions, estimates and accruals:**

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1). Specific to Category 5, Waste Generated in Operations:

- where site-specific data is not available, the amount of waste is estimated by headcount as follows:
- the headcount per office is calculated using Worley's desk booking system
- the total waste generation and its treatment per capita are estimated for each country, using a World Bank database
- the amounts of waste are then multiplied by the waste-specific emissions factors.

**Target:**

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

**3.5.6 Category 6: Business Travel**

The Scope 1 and 2 emissions of transportation carriers that Worley uses for business travel. This includes air travel, rail travel, and all road travel not counted in Scope 1 or Scope 2, including short-term car rental, taxi and rideshare.

**Reporting boundary:** Worley's business travel emissions for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:**

For air travel:

- air travel data is obtained from Worley's travel agencies to calculate the total miles traveled
- DEFRA emissions factors are used to calculate the greenhouse gas emissions from these flights.

For rail and ground travel:

- rail activity data is multiplied by distance-based emissions factors by BEIS (Department for Business, Energy & Industrial Strategy)
- ground travel emissions are calculated from Worley's expense system using the spend-based method.

**Assumptions, estimates and accruals:**

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1). Specific to Category 6, Business Travel:

- 54% of the data is obtained from Worley's business travel agents
- the remainder is calculated using the spend-based method.

**Target:**

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).



### 3.5.7 Category 7: Employee Commuting

The Scope 1 and Scope 2 emissions of employees traveling between their homes and workplaces. This also includes emissions from employee teleworking, which is optional, however Worley has chosen to account for these emissions on the basis that a significant part Worley's workforce works from home.

**Reporting boundary:** Employee commuting emissions for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Employee data (cleansed to remove personally identifiable information) from Worley's people system, Worley's hotdesking software, previous years' employee commuting survey results and Worley's energy management system are used to calculate the following:

- the proportion of employees working from home and in the office
- one-way distance between employees' homes and the office employee commuting pattern for employees on customer sites.

With this information, the average data method and distance-based method are used to calculate the emissions from this category. Sources of emissions factors include:

- UK BEIS 2022
- UNFCC 2022
- IEA 2022
- Tra kverket 2019
- Naturvårdsverket 2021
- Department of Industry, Science, Energy and Resources - NGA Factors Workbook (2021)
- SIRENE 2021, CNE 2021
- UPME 2021
- EI 2022
- Mobitool 2020
- RENE 2022
- Indonesia Ministry of Energy and Mineral Resources 2019
- eGrid 2020,
- Anthesis 2020

#### Assumptions, estimates and accruals:

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1).

Specific to Category 7, Employee Commuting:

- a conservative approach is followed with higher working-from-office ratio to account for post-COVID, pre-COVID statistics and the nature of operations for Worley
- for commuting patterns (i.e., the split between different modes of transport), research-based data is used for the countries where reliable sources are found, and regional averages are calculated for the rest.

#### Target:

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

### 3.5.8 Category 8: Upstream Leased Assets

The Scope 1 and Scope 2 emissions of assets leased by Worley, that are not included in Worley's Scope 1 and Scope 2 boundary. For Worley this includes base building emissions for its offices.

**Reporting boundary:** Worley's upstream leased assets emissions for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Source data includes asset-specific base building emissions data. Emissions are calculated using the average data method. Sources of emissions factors include:

- Austrian Umweltbundesamt 2022
- AIB 2022
- SIRENE 2021
- UNFCCC 2022
- CNE 2021
- IEA 2022
- UPME 2021
- IMN 2021
- EI 2022
- Ecoinvent v.3.9.1
- UK BEIS 2022
- IPCC 2014

- RENE 2023
- National Environment Agency Singapore
- eGrid 2021

#### Assumptions, estimates and accruals:

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1).

Specific to Category 8, Upstream Leased Assets:

- actual data is available from property managers in Australia and China, which account for 10% of the emissions in this category
- for the remainder of Worley's properties, emissions from base building electricity, natural gas, and refrigerant consumption are estimated based on the area of each office
- it is assumed that all facilities have stationary combustion from a diesel generator set, electricity consumption, natural gas consumption for heating and use of refrigerant in air conditioners.

#### Target:

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

### 3.5.9 Category 9: Downstream Transportation and Distribution

The Scope 1 and Scope 2 emissions from transportation and distribution of products sold by Worley that occur between Worley's operations and the end customer if not paid for by Worley. This includes only transport and distribution in vehicles/facilities which are not owned or controlled by Worley.

**Reporting boundary:** Worley's downstream transportation and distribution emissions for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Data is obtained from downstream transportation and distribution of products sold from Worley's Chemetics business based in Canada in vehicles or facilities that are not owned or controlled by Worley, or where freight costs are not covered by Worley. Based on the origin and destination port data, average sea distance traveled is calculated. The distance-based method is used to estimate the emissions from this category.

**Assumptions, estimates and accruals:**

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1). Specific to Category 9, Downstream Transportation and Distribution:

- emissions are calculated using a ton-km emission factor, using the sea distance and the provided weight of transported goods.

**Target:**

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

**3.5.10 Category 13: Downstream Leased Assets**

The Scope 1 and 2 emissions from Worley's lessees.

**Reporting boundary:** Worley's downstream leased assets emissions for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Scope 1 and 2 consumption data for all downstream leased assets (including vehicles and offices) is used to calculate the Scope 3 emissions for this category.

The fuel-based method and asset-specific method are used to calculate the emissions from this category. Sources of emissions factors include:

- Department of Industry, Science, Energy and Resources - NGA Factors Workbook (2021)
- IEA 2022
- UK BEIS 2022
- eGrid 2021
- UNFCCC 2022

**Assumptions, estimates and accruals:**

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1). Specific to Category 13, Downstream Leased Assets:

- 95% of this category is calculated using actual consumption data

This category includes the emissions from Worley's vehicles in Alaska that were re-categorized from Scope 1 (FY2022) into Scope 3 (FY2023). This is because these vehicles are used on customer sites and the fuel is purchased by the customer, so Worley does not have operational control of these vehicles.

**Target:**

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

**3.5.11 Category 15: Investments**

The Scope 1 and Scope 2 emissions of Worley's investments.

**Reporting boundary:** Scope 1 and Scope 2 emissions from Worley's equity accounted investments for the FY2023 reporting period.

**Unit:** Metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e).

**Calculation methodology:** Three investments are relevant for this category: NextOre, Veckta and Requis. Emissions are calculated as follows:

- for NextOre, office energy use (heating and electricity) is calculated in using average country-level IEA energy indicators
- for Veckta, there are no material Scope 1 and 2 emissions as all employees work remotely
- for Requis, actual Scope 1 and 2 emissions data is provided by Requis. The average data method and investment-specific method are used to calculate emissions from this category.

**Assumptions, estimates and accruals:**

Worley's Scope 3 emissions use data from the period of 1 February 2022 to 31 January 2023 (see Section 3.5.1). Specific to Category 15, Investments:

- for NextOre, it is assumed that electricity is consumed from the grid and natural gas is used for heating.

In FY2022, Worley included the emissions of Worley's joint venture GIS with bp in this category. In FY2023 it was learned that emissions from this joint venture do not fall in Worley's reporting boundary, as Worley does not have a financial stake in the site where the emissions take place.

**Target:**

- Net-zero Scope 3 emissions by 2050

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

## 4. Gender diversity reporting criteria

### 4.1 Key definitions

**Contingent workers:** A worker who does not have a direct employment relationship with Worley and is typically a self-employed individual or an agency-supplied worker. Contingent workers are not paid through the Worley payroll (paid via Worley accounts payable) and are inclusive of both direct and agency contractors.

Contingent workers are also referred to as “contractors”.

**Employees:** An individual who is, according to national law or practices, employed by Worley. Employees are paid via Worley payroll.

**Graduate:** Anyone who is on a formal Worley Group graduate program or hired directly from university.

**HR system of record:** The official human resources system used by Worley Group across operations. This is either PeopleLink or otherwise.

**Senior Leaders:** Senior Leaders are defined using Worley’s Organizational Role Framework (typically tiers one to three). This includes Worley’s Group Executive and managers below the Group Executive who have leadership accountabilities for business units (profit and loss) and functions (including sub-functions).

For employees and contingent workers in locations which are enabled on the HR system of record, Senior Leaders are defined as those that have a job classified as tier one to three, per the Global Job Framework.

For employees and contingent workers in locations which are not enabled on the core HR system of record, Senior Leaders are defined as those that are eligible to participate in certain incentive programs (as those that are eligible are Tier one to three, aligned to the Global Job Framework)

### 4.2 Women employees

The percentage of Worley employees and contingent workers that are recorded as female.

**Reporting boundary:** Employees and contingent workers of Worley Group as of 30 June 2023.

**Unit:** Percentage (%).

**Calculation methodology:** Worley’s HR system of record is used to report Worley’s women employees. Source data includes all employees and contingent workers of Worley Group that are entered into the HR system of record.

Women employees are calculated on a headcount basis.

- calculation includes all employees and contingent workers with an active assignment at the time of reporting
- calculation includes the primary assignment of all employees and contingent workers with an active assignment at the time of reporting.

The number of women employees is determined by the number of employees and contingent workers that are recorded within Worley’s HR system of record as female.

**Assumptions, estimates and accruals:**

Calculation of headcount considers the primary assignment of all employees and contingent workers only. While gender is a mandatory reporting field, less than 100 employees did not have an assigned gender as of 30 June 2023. For the purposes of gender reporting, it was assumed that this group of employees were not female. There are a few circumstances that led to this, including, for example, where an employee has chosen not to provide their gender.

**Target:** Not applicable.

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

### 4.3 Women graduates

The percentage of Worley graduates recruited in FY2023 that are recorded as female.

**Reporting boundary:** Employees and contingent workers of Worley Group recruited during the FY2023 reporting period, who are classified as a graduate.

**Unit:** Percentage (%).

**Calculation methodology:** Worley’s HR system of record is used to report Worley’s women graduates. Source data includes all employees and contingent workers of Worley Group that are entered into the HR system of record, that are classified as a graduate.

Women graduates are calculated on a headcount basis. Calculation includes all employees and contingent workers that commenced work on or after 1 July 2022, with an active assignment at the time of reporting. The number of women graduates is determined by the number of employees or contingent workers that are recorded within Worley’s HR system of record as female, who are classified as a graduate.

**Assumptions, estimates and accruals:**

If actual data is not available, it is estimated as per Section 4.2.

**Target:**

- Recruit a minimum of 50% women in Worley’s global graduate intake by FY2025

**Assurance:** Internal verification and management sign-off (refer to page 2 of this document).

## 4.4 Women Senior Leaders

The percentage of Worley Senior Leaders that are recorded as female.

**Reporting boundary:** Employees and contingent workers of Worley Group as of 30 June 2023, who are classified as a Senior Leader.

**Unit:** Percentage (%).

**Calculation methodology:** Worley's HR system of record is used to report Worley's women Senior Leaders. Source data includes all employees and contingent workers of Worley Group that are entered into the HR system of record, that are classified as a Senior Leader.

Women Senior Leaders are calculated on a headcount basis. Calculation includes all employees and contingent workers with an active assignment at the time of reporting.

The number of women Senior Leaders is determined by the number of employees or contingent workers that are recorded within Worley's HR system of record as female, who are classified as a Senior Leader.

**Assumptions, estimates and accruals:**

If actual data is not available, it is estimated as per Section 4.2

**Target:**

- Increase the proportion of women in our Senior Leaders to 20% by FY2025

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

## 4.5 Women Group Executives

The percentage of Worley Group Executive members that are recorded as female.

**Reporting boundary:** Members of the Group Executive of Worley Group as of 30 June 2023.

**Unit:** Percentage (%).

**Calculation methodology:** Source data includes all employees of Worley Group, that are classified as a member of the Group Executive.

The Group Executive includes direct reports to the CEO. The CEO is not a member of the Group Executive. As of 30 June 2023, members of the Group Executive of Worley Group are limited to:

- Brantley, Mark
- Brown, Sue
- Hemingway, Andrew
- Kalban, Larry
- Leonard, Laura
- O'Leary, Nuala
- O'Rourke, Tiernan
- Pink, Vikki
- Smith, Adrian
- Thakorlal, Geeta
- Trueman, Mark

The number of women Group Executive is determined by the number of Group Executive members that are female.

**Assumptions, estimates and accruals:**

If actual data is not available, it is estimated as per Section 4.2.

**Target:**

- Retain the gender diversity of the Group Executive by FY2025<sup>1</sup>

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

## 4.6 Women Board members

The percentage of Worley Board members that are recorded as female.

**Reporting boundary:** Members of the Board of Worley Group as of 30 June 2023.

**Unit:** Percentage (%).

**Calculation methodology:** Source data includes all employees of Worley Group, that are classified as a member of the Board.

The Worley Board includes executive and non-executive directors of Worley Group and includes the CEO. As of 30 June 2023, the members of the Board of Worley Group are limited to:

- Grill, John
- Ashton, Chris
- Gorman, Tom
- Haynes, Christopher
- Higgins, Roger
- Liveris, Andrew
- Parkinson, Martin
- Stein, Emma
- Suarez Coppel, Juan
- Templeman, Anne
- Wang, Xiao Bin
- Warburton, Sharon

The number of women Board is determined by the number of Board members that are female.

**Assumptions, estimates and accruals:**

If actual data is not available, it is estimated as per Section 4.2.

**Target:**

- Have a Board composition of at least 30% women by FY2025

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

<sup>1</sup> Gender diversity is defined as 40% women, 40% men and 20% either women or men or other.

## 5. Workforce health and safety reporting criteria

### 5.1 Key definitions

**Assurance system:** The official system used to capture and report Worley's health and safety data. Worley's assurance system is powered by SAI Global.

**Employees:** An individual who is, according to national law or practices, is employed by Worley. Employees are paid via Worley payroll.

**Hours worked:** Refers to the hours worked by workers included within the scope of our safety reporting (refer to Reporting categories). These are calculated as follows:

Category 1: Uploaded from Worley's payroll system monthly to the assurance system.

Categories 2 and 3: Uploaded by Assurance Directors monthly to the assurance system, in accordance with our Assurance Database Recording Standard.

**HSE:** Health, Safety and Environment.

**OSHA:** The Occupational Safety and Health Administration (USA). As a global organization, Worley has adopted OSHA to classify any work-related injuries and illnesses.

**Recordable Case:** A Recordable Case is any work-related injury or illness that results in death, days away from work, restricted work activity or job transfer, loss of consciousness, or medical treatment beyond first aid, as defined in OSHA CFR 1904.4. The following case types are considered Recordable Cases.

**Fatality:** A fatality is defined as an event which causes loss of life.

**Disability / Permanent Illness:** A disability / permanent illness is defined as a permanent disability or chronic illness (as diagnosed by the licensed treating medical practitioner).

**Lost Workday Case (LWC):** A recordable injury / illness that results in one or more days away from work at the direction of a medical professional. Worley begins counting days away on the day after the injury occurred or the illness began and each calendar day until released to return to work in some capacity by a medical professional as defined in OSHA 1904.7(b)(3)(ii).

**Medical Treatment Case (MTC):** The management and care of a patient to combat disease or disorder as defined in OSHA CFR 1904.7 (b) (5). Treatment beyond first aid is Medical Treatment.

**Restricted Workday Case (RWC):** Restricted work occurs when, as the result of a work-related injury or illness:

- The employee is kept from performing one or more of the routine functions of his or her job, or from working the full workday that he or she would otherwise have been scheduled to work OSHA 1904.7(b)(4)(i)(A); or
- A physician or other licensed health care professional recommends that the employee not perform one or more of the routine functions of his or her job, or not work the full workday that he or she would otherwise have been scheduled to work. OSHA 1904.7(b)(4)(i)(B).
- Worley begins counting restricted workdays on the day after the injury occurred or the illness began and each calendar day until released to return to full routine duties.

**Reporting categories:** The category assigned to each event based on work relatedness and Worley's contractual role.

**Category 1 (Company employees):** Includes 'Employees' as defined in this table.

**Category 2 (Contractors and sub-contractors):** Includes 'Contingent workers' as defined in Section 4.1.

**Category 3 (Partners and customers):** Includes personnel other than Category 1 or Category 2 who are assigned to work with Worley, or a Worley Joint Venture at a Worley controlled work location. This includes partner and customer personnel working under shared premises, shared systems and reporting within a project or alliance structure where Worley has control over HSE outcomes.

These categories are used to describe Worley's statistical performance and are not intended to reflect duty of care or legal obligations.

**Serious Case:** Any fatality or disability / permanent illness or any HSE event with a potential consequence to result in a fatality or a disability / permanent illness.

**Total Recordable Cases:** Total Recordable Cases are Fatalities + Disability/Permanent Illness + LWC + MTC + RWC.

### 5.2 Lost Workday Case Frequency Rate (LWCFR)

The Lost Workday Case Frequency Rate for sites where Worley has control over health and safety outcomes.

**Reporting boundary:** Lost Workday Cases for Reporting Categories 1, 2 and 3, where Worley has control over health and safety outcomes for the FY2023 reporting period.

**Unit:** N/A

**Calculation methodology:** Worley's assurance system is used to report LWCFR. Source data includes all Lost Workday Cases entered into the assurance system.

Lost Workday Cases, as defined in Chapter 5.1, is multiplied by 200,000 and divided by the number of hours worked. This calculation approach is aligned to OSHA Standard CFR 1904. 200,000 hours represents the total number of hours 100 employees would log in 50 weeks based on a 40-hour work week.

**Assumptions, estimates and accruals:**

Source data is confirmed by locations following the first business week of July, before being extracted from the assurance system for verification and assurance. Closer to the reporting date, safety data is re-extracted to confirm frequency rates. If a material change in results is observed, results are updated based on the latest data available in the system.

A proactive approach is taken to ensure data is present in the assurance system before reporting is undertaken. This includes system reminders prior to year-end, and gap analysis for missing data. Occasionally, there may be delayed reporting of hours and cases. This typically occurs due to operational issues (e.g., contractors not having hours available yet). Where this happens, hours are accrued from the prior month (where there have been no drastic changes on site) and are reconciled when available. Small deviations generally have negligible impact on the Total Recordable Case Frequency Rate.

**Target:** Not applicable.

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

### 5.3 Serious Case Frequency Rate (SCFR)

The Serious Case Frequency Rate for sites where Worley has control over health and safety outcomes.

**Reporting boundary:** Serious Cases for Reporting Categories 1, 2 and 3, where Worley has control over health and safety outcomes for the FY2023 reporting period.

**Unit:** N/A

**Calculation methodology:** Worley's assurance system is used to report SCFR. Source data includes all events nominated as Serious Cases for Reporting Categories 1, 2 and 3 entered into the assurance system.

Serious Cases, as defined in Chapter 5.1, is multiplied by 200,000 and divided by the number of hours worked. This calculation approach is aligned to OSHA Standard CFR 1904. 200,000 hours represents the total number of hours 100 employees would log in 50 weeks based on a 40-hour work week.

**Assumptions, estimates and accruals:**

If actual data is not available, it is estimated as per Section 5.2.

**Target:** Not applicable.

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).

### 5.4 Total Recordable Case Frequency Rate (TRCFR)

The Total Recordable Case Frequency Rate for sites where Worley has control over health and safety outcomes. Our definitions of Fatalities, Disability / Permanent Illness, LWC, RWC and MTC are aligned to the U.S. Occupational Safety and Health Administration guidance on work-related injuries and illnesses. For this reason, TRCFR follows the same definition as Total Recordable Injury Rate (TRIR) and is an equivalent disclosure.

**Reporting boundary:** Total Recordable Cases for Reporting Categories 1, 2 and 3, where Worley has control over health and safety outcomes for the FY2023 reporting period.

**Unit:** N/A

**Calculation methodology:** Worley's assurance system is used to report TRCFR. Source data includes all Recordable Cases entered into the assurance system.

Total Recordable Cases, as defined in Chapter 5.1, is multiplied by 200,000 and divided by the number of hours worked. This calculation approach is aligned to OSHA Standard CFR 1904. 200,000 hours represents the total number of hours 100 employees would log in 50 weeks based on a 40-hour work week.

**Assumptions, estimates and accruals:**

If actual data is not available, it is estimated as per Section 5.2.

**Target:** Not applicable.

**Assurance:** Third party limited assurance (refer to statement on page 3 of this document).