



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	984 329 075
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ROSENBERG WORLEY AS
Forretningsadresse:	Bangarvågsgata 15 4077 HUNDVÅG

Regnskapsår

Årsregnskapets periode:	01.07.2022 - 30.06.2023
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Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Birgit Seim
Dato for fastsettelse av årsregnskapet:	29.09.2023

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 04.02.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Revenue	3, 4	6 668 248 315	6 004 716 298
Other income		567 750	
Sum inntekter		6 668 816 065	6 004 716 298
Kostnader			
Raw materials and consumables used		4 975 328 337	4 533 435 031
Employee benefits expense	5, 6	1 017 197 982	921 537 102
Depreciation of tangible and amortization of intangible assets	7, 8	40 106 988	36 675 371
Nedskrivning av varige driftsmidler og immaterielle eiendeler	7, 8		
Other expenses	4, 5	459 287 291	376 344 246
Sum kostnader		6 491 920 598	5 867 991 750
Driftsresultat		176 895 467	136 724 548
Finansinntekter og finanskostnader			
Income from subsidiaries	9	11 000 000	12 000 000
Renteinntekt fra foretak i samme konsern	4	37 563 899	14 256 168
Annen renteinntekt		3 711 023	683 343
Sum finansinntekter		52 274 922	26 939 511
Annen rentekostnad		53 778	32 594
Sum finanskostnader		53 778	32 594
Netto finans		52 221 145	26 906 917
Ordinært resultat før skattekostnad		229 116 611	163 631 465
Income tax expense	10	45 122 082	35 250 009
Ordinært resultat etter skattekostnad		183 994 529	128 381 456
Årsresultat		183 994 529	128 381 456
Årsresultat etter minoritetsinteresser		183 994 529	128 381 456
Totalresultat		183 994 529	128 381 456



Resultatregnskap

Beløp i: NOK	Note	2023	2022
Overføringer og disponeringer			
Ordinært utbytte	11	162 100 000	50 000 000
Other equity	11	21 894 529	78 381 456
Sum overføringer og disponeringer		183 994 529	128 381 456



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Software licences	7	652 561	3 222 443
Utsatt skattefordel	10		
Sum immaterielle eiendeler		652 561	3 222 443
Varige driftsmidler			
Buildings and land	8	67 330 804	70 186 606
Machinery and equipment	8	56 070 724	41 194 034
Ships	8		
Equipment and other movables	8	22 896 526	28 885 054
Sum varige driftsmidler		146 298 054	140 265 694
Finansielle anleggsmidler			
Investering i datterselskap	9	11 849 676	11 849 676
Investering i annet foretak i samme konsern	4, 9		
Lån til foretak i samme konsern	4		
Other long-term receivables	6	15 780 887	12 411 278
Sum finansielle anleggsmidler		27 630 563	24 260 954
Sum anleggsmidler		174 581 178	167 749 090
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	4, 12	415 811 064	556 310 259
Other short-term receivables	4	191 274 294	128 655 300
Konsernfordringer	4	1 395 981 033	1 377 661 602
Sum fordringer		2 003 066 391	2 062 627 161
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	13	25 669 359	10 986 520
Sum bankinnskudd, kontanter og lignende		25 669 359	10 986 520



Balanse

Beløp i: NOK	Note	2023	2022
Sum omløpsmidler		2 028 735 751	2 073 613 681
SUM EIENDELER		2 203 316 929	2 241 362 771

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital	11, 14	36 907 710	36 907 710
Sum innskutt egenkapital		36 907 710	36 907 710

Opptjent egenkapital

Other equity	11	183 547 200	161 652 671
Sum opptjent egenkapital		183 547 200	161 652 671

Sum egenkapital		220 454 910	198 560 381
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Gjeld

Langsiktig gjeld

Pensjonsforpliktelser	6	15 780 887	12 411 278
Utsatt skatt	10	167 039 387	121 917 305
Other provisions	15	177 363 204	130 997 663
Sum avsetninger for forpliktelser		360 183 478	265 326 246

Annen langsiktig gjeld

Other non-current liabilities			36 399
Sum annen langsiktig gjeld			36 399

Sum langsiktig gjeld		360 183 478	265 362 644
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Kortsiktig gjeld

Liabilities to financial institutions			121 941
Leverandørgjeld	4	652 936 091	550 901 523
Tax payable	10		
Public duties payable		54 488 735	52 099 786
Utbytte	11	162 100 000	50 000 000
Other current liabilities	4, 12, 15	753 153 715	1 124 316 497



Balanse

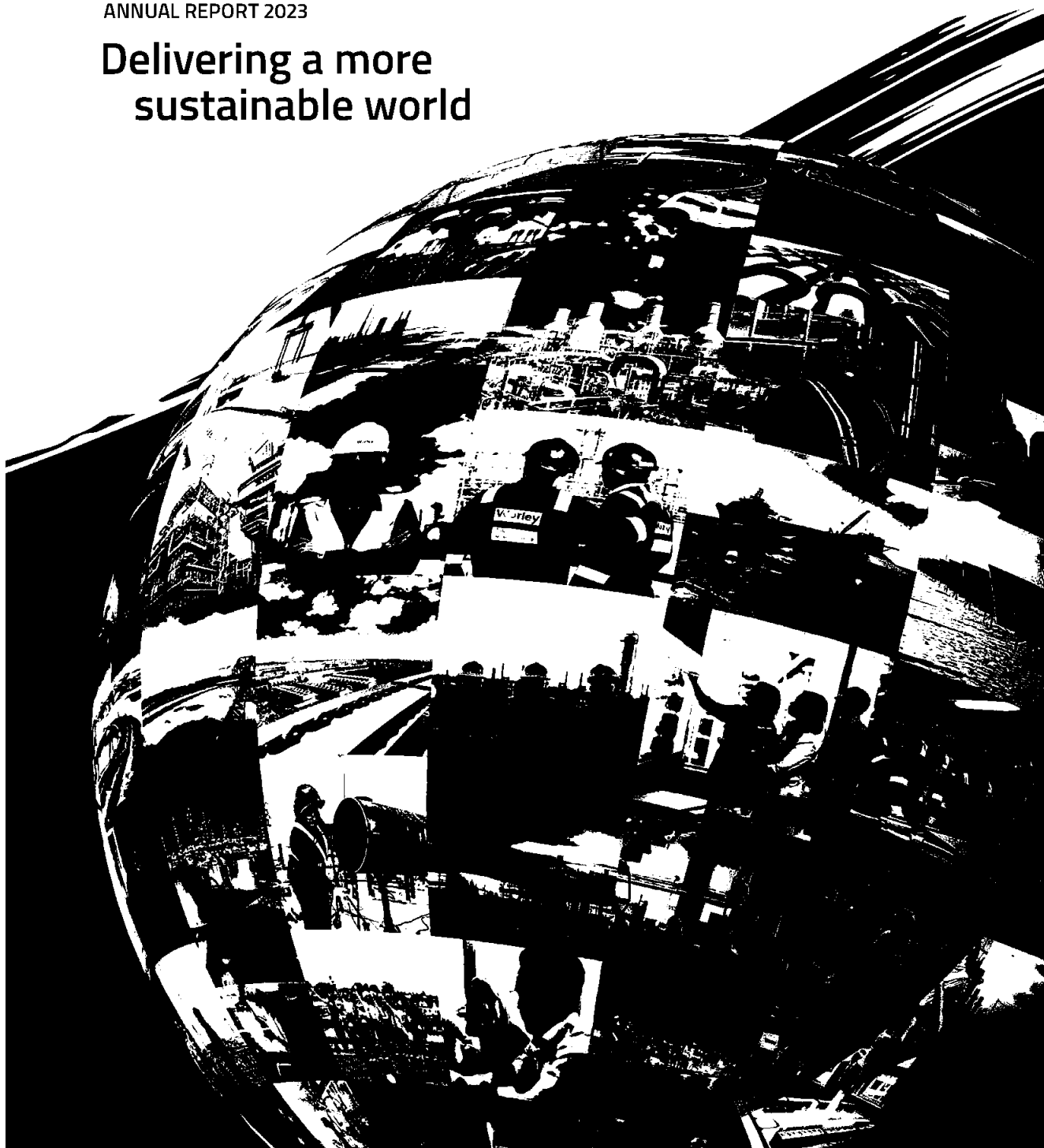
Beløp i: NOK	Note	2023	2022
Sum kortsiktig gjeld		1 622 678 541	1 777 439 747
Sum gjeld		1 982 862 018	2 042 802 391
SUM EGENKAPITAL OG GJELD		2 203 316 929	2 241 362 772



Worley
energy | chemicals | resources

ANNUAL REPORT 2023

**Delivering a more
sustainable world**





Overview

About this report

Worley Group is committed to implementing the principles of the Integrated Reporting (<IR>) Framework

We continue to improve how we communicate our story about how we create value, through the ongoing integration of the principles of integrated reporting in our annual report. The recently released International Sustainability Standards Board (ISSB) Standards from the IFRS Foundation provide us with an opportunity to further evolve our disclosures in the coming years.

Last year, we combined our sustainability content throughout the Annual Report. This year, we continue on our journey toward integrated reporting to strengthen our value creation narrative and provide a holistic view of business performance.

How we define value: Our business value drivers

Last year we introduced our business value drivers as part of our shift towards alignment with the <IR>. These business value drivers, outlined below, represent the forms of capital that we commonly depend upon to create value.

Page 22 of this report outlines how our business creates value.



People

HUMAN CAPITAL



Finance

FINANCIAL CAPITAL



Knowledge, technology and data

INTELLECTUAL CAPITAL



Equipment and fabrication

MANUFACTURED CAPITAL



Environment

NATURAL CAPITAL



Communities

SOCIAL AND RELATIONSHIP CAPITAL

Material sustainability issues

Our Annual Report contains disclosures covering all material topics relevant to the performance of Worley. In this report, you'll also find disclosure about our material sustainability issues. We conduct an annual materiality assessment to identify and prioritize the sustainability issues most relevant to us and our stakeholders.

In FY2023, our materiality assessment identified that the following four United Nations Sustainable Development Goals (UN SDGs) are material to Worley Group, and our stakeholders.



Worley acknowledges and pays respect to the past, present and future Traditional Custodians of Country throughout Australia and extends this acknowledgement and respect to First Peoples in all countries in which we operate. In Australia, it is Aboriginal and Torres Strait Islander Peoples who have cared for and sustained this land, its animals, plants and waters for more than 60,000 years. We recognize the continuation and importance of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander Peoples. Artwork by Baard Baniol artist Marlie Albert from Broome, Western Australia, for Worley.

Through this report we disclose our progress in contributing to the achievement of these UN SDGs.

See our materiality assessment (page 20) and our [website](#) for more information.

Report boundary and scope

This report is intended to explain how Worley creates value over time. It is primarily directed to providers of financial capital but is also relevant to our broader stakeholder group. We provide expanded disclosure of our Environmental, Social and Governance (ESG) performance on our website.

This report covers the period 1 July 2022 to 30 June 2023. It covers the primary activities of Worley Limited (Company) and the entities it controlled (Group or consolidated entity) at the end of, or during, the year ended 30 June 2023. This report also contains Worley Group's outlook, targets and objectives for the short, medium and long term.

Certain disclosures of sustainability performance, such as our Scope 3 greenhouse gas emissions, extend beyond this reporting boundary. Our Sustainability Basis of Preparation, available on our website, outlines any variations to the reporting boundary and accounting methodology of our sustainability performance.

We have included disclosure of sustainability-related matters through this report where we consider them to be material to our business. Our website includes expanded disclosure of our sustainability performance, including areas where we have a potential positive or negative impact on economy, environment, and people, including impacts on human rights.

Reporting frameworks and assurance

This report has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards (AAS) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). For our consolidated financial statements, including independent auditor's report, see page 97.

This report has also been prepared with reference to the International Financial Reporting Standard's <IR> Framework, the Global Reporting Initiative (GRI) 2021 Standards, and the Task Force on Climate-related Financial Disclosures (TCFD). Our website includes our complete TCFD disclosures and GRI index. For information on our verification and assurance approach for non-financial data (see page 54).

Report governance

This report was approved for release by the Board of Directors of Worley Group on 23 August 2023. See page 184 for the Directors' declaration.

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View our website for additional documents

- TCFD report
- GRI index
- 2023 CDP submission
- ESG data book
- Sustainability basis of preparation
- UN SDG table

View our website >

Disclaimer

This Annual Report 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 Annual Report, 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 Annual Report.

There are also limitations with respect to the scenario analysis which is discussed in this Annual Report, 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 on the long-time horizon which this Annual Report 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 fulfilment 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.

Overview

Worley: A global company, headquartered in Australia

We're a **leading global provider** of professional project and asset services in the energy, chemicals and resources sectors.

We're driven by a common purpose: delivering a more sustainable world.

We're Australia's largest exporter of knowledge-based services. We use this position to support our customers with solutions to the challenges they face. This is how we support sustainable development and is a consistent theme throughout our Annual Report.

We're also progressing our own sustainability commitments and strengthening our own ESG performance. Our commitments are detailed in our ESG performance summary (see page 51).



Our transformation journey

2018

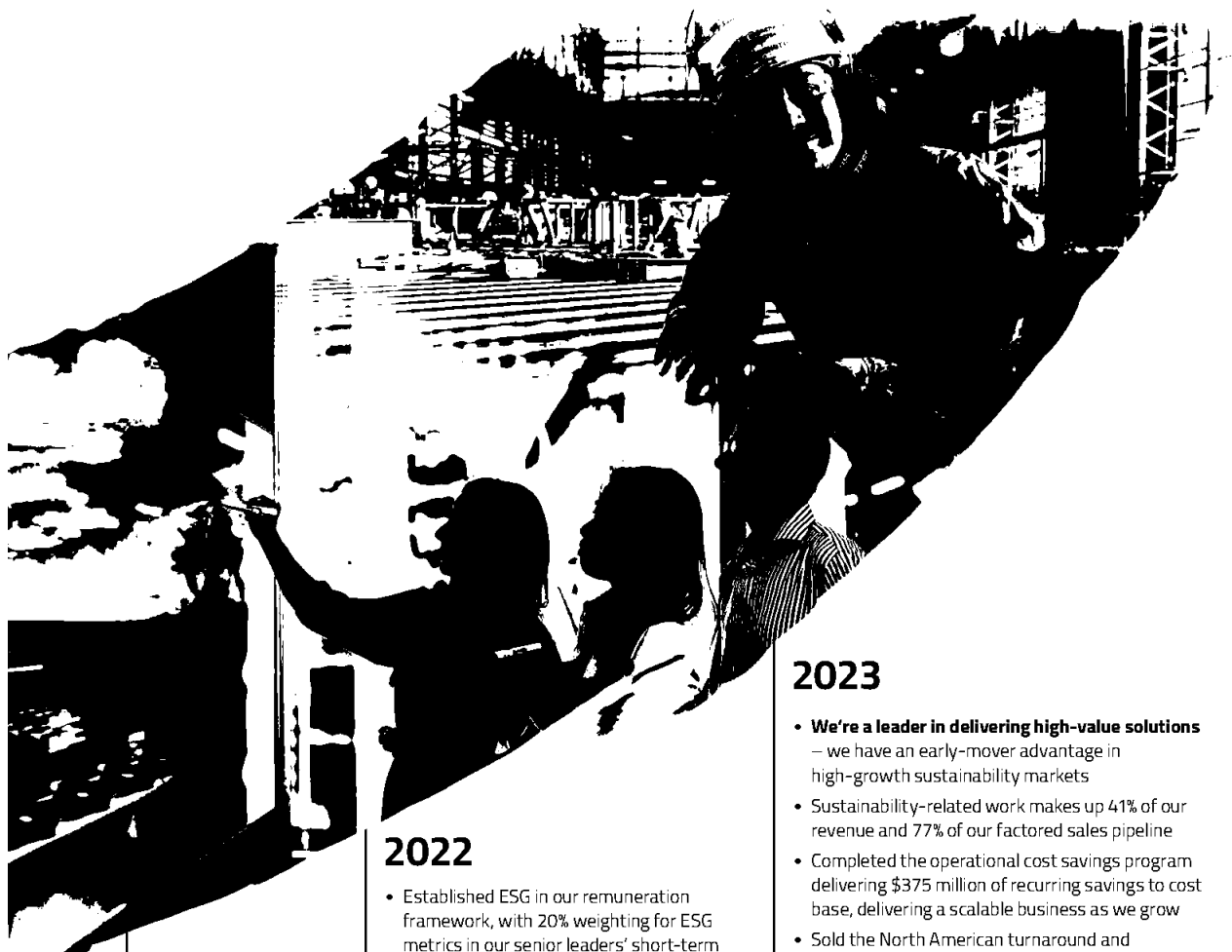
- WorleyParsons is a leading service provider on oil and gas capital projects

2019

- **Transformative acquisition** of the Energy, Chemicals and Resources (ECR) division of Jacobs Engineering, enhancing earnings diversification
- Launched our ECR acquisition Cost Synergies Program

2020

- Launched new purpose and values, linking culture and strategy: delivering a more sustainable world
- **Commenced transformation strategy** focused on sustainability, digital solutions and new ways of working
- Set our net-zero Scope 1 and Scope 2 emissions target for 2030
- Completed the successful integration of Jacobs ECR taking us onto common global platforms across the business
- Launched our operational cost savings program

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2021

- Completed the ECR cost synergies program delivering \$190 million of recurring savings to cost base
- **Commenced reporting on revenue from sustainability-related work¹** – \$1.3 billion in H1 FY2021 was 30% of total aggregated revenue
- Established our Company ambition to realize our purpose
- Set a net-zero-by-2050 target for our Scope 3 emissions
- Issued the first sustainability-linked bond for an Australian company
- Committed to \$100 million strategic investment in organic growth in targeted high-growth areas

1. Throughout this report we refer to our sustainability-related work. See page 26 for how we define this.
2. MSCI Global Industry Classification Standard.

2022

- Established ESG in our remuneration framework, with 20% weighting for ESG metrics in our senior leaders' short-term incentives business scorecard
- Launched our updated Climate Change Position Statement, strengthening our response and actions to address climate change

2023

- **We're a leader in delivering high-value solutions** – we have an early-mover advantage in high-growth sustainability markets
- Sustainability-related work makes up 41% of our revenue and 77% of our factored sales pipeline
- Completed the operational cost savings program delivering \$375 million of recurring savings to cost base, delivering a scalable business as we grow
- Sold the North American turnaround and maintenance business, in line with our strategic direction
- Increased our ambition for our interim target to a 65% reduction in net Scope 1 and Scope 2 emissions by FY2025 from an FY2020 baseline
- Strengthened our focus on leadership, culture, capability and well-being for our people

GICS² reclassification in 2023 from Energy to Industrials



Overview

Group highlights

Delivering our ambition



Our people

We energize and empower our people to drive sustainable impact

Objectives

- We foster a safe, inclusive and innovative work environment that inspires our people.
- We provide outstanding opportunities to learn, develop and drive sustainability.
- We attract and retain top talent with diverse backgrounds.

Achievements

- Launched our peer-to-peer recognition program, Appreciate. Over 32,000 recognitions to date.
- Launched our new eLearning platform in February 2023, with over 26,200 learning modules completed to date.
- Awarded 2022 LinkedIn Best Talent Acquisition team for companies with 10,000+ employees.

Key performance indicators

48%	0.03
graduates recruited were women	Serious Case Frequency Rate
↑ from 47% in FY2022	↓ by 0.03 since FY2022



Our portfolio

We are our customers' most trusted partner

Objectives

- We will accelerate our growth and aspire to derive 75% of our revenue from sustainability-related work.
- We will implement new solution-based models, enabled by data, technology and automation.
- We will expand the value we bring to our customers, share in that value and ensure a higher return on investment.

Achievements

- Underlying EBITA margin (excluding procurement) of 6.5%, up from 6.4% at 30 June 2022.
- Sustainability-related aggregated revenue of \$4.5 billion, up from \$3.2 billion at 30 June 2022.
- Backlog at \$14.1 billion, up from \$12.4 billion¹ at 30 June 2022.
- Percentage of sustainability-related factored sales pipeline is 77%, up from 56% at 30 June 2022.

Key performance indicators

41%	\$1,075m
sustainability-related aggregated revenue	gross margin delivered in sustainability projects vs a target of \$1b
↑ from 35% in FY2022	



Our planet

We partner with customers as stewards of a more sustainable world

Objectives

- We are committed to our own sustainability – reaching net-zero Scope 1 and Scope 2 emissions by 2030², Scope 3 by 2050.
- We partner with customers committed to driving sustainability; together we decarbonize value chains and steward resources.
- We are recognized globally for our leadership in sustainability.

Achievements

- On track to meet our Scope 1 and Scope 2 net-zero commitments.
- Dow Jones Sustainability Indices membership for Australia and APAC.
- Gold EcoVadis sustainability rating.
- Issued second thought leadership paper with Princeton: Measuring change in the race to deliver net zero.

Key performance indicators

85%	14%
of our top 20 customers by revenue have net-zero commitments	Scope 1 and Scope 2 emissions reduction from FY2022

1. Excludes the divested North American turnaround and maintenance business.

2. We have an interim target of 65% reduction in net Scope 1 and Scope 2 emissions by FY2025 from an FY2020 baseline.



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Financial performance at a glance

\$10,928m

Aggregated revenue

\$635m

Underlying EBITA

\$104m

NPATA

\$260m

Cash flow from operations

\$m	2019	2020 ³	2021 ³	2022	2023	% change
Aggregated revenue ¹	6,439	11,249	8,774	9,065	10,928	21%
EBITA	308	481	319	449	345	(23%)
EBITA margin	4.8%	4.3%	3.6%	5.0%	3.2%	(1.8pp)
Underlying EBITA	413	726	463	547	635	16%
Underlying EBITA margin excluding procurement	7.6%	8.8%	6.3%	6.4%	6.5%	0.1pp
NPATA	173	239	157	243	104	(57%)
Cash flow from operations ²	236	829	533	316	260	(18%)
Basic EPS (cents)	36.4	30.3	15.7	32.8	7.0	(79%)
Underlying basic EPS (cents)	62.2	53.8	53.0	62.8	66.2	5%
Dividends (cents per share)	27.5	50	50	50	50	—

1. Aggregated revenue is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin, pass-through revenue at nil margin and interest income. The Directors believe the disclosure of revenue attributable to associates provides additional information in relation to the financial performance of the Group.
2. FY2020 cash flow excludes lease liability payments (\$147 million) in accordance with AASB 16 Leases, adopted on 1 July 2019.
3. FY2020 and FY2021 prior periods have been restated.
4. All figures are statutory unless noted as underlying.

Operational highlights



Operational excellence

- Quality of earnings improvement
- Utilization targets
- Resource management
- Working capital management

Achievements

- Utilization above target (87%+).
- 16% growth in GID hours; GID headcount up 23% from FY2022.
- 63 days DSO, remaining similar as at 30 June 2022 (63.3 days).
- 80% of aggregated revenue from reimbursable contract types.



Capital management

- Focus on conversion of profit to cash
- Capital management strategy supports growth plans

Achievements

- Cash conversion of 86.6%¹ within our target range.
- Refinanced syndicated bank facilities, securing improved terms and pricing.
- Successfully issued second sustainability-linked bond for \$350 million.
- Maintained leverage at levels supportive of future growth (leverage 2.2 times at FY2023).



Transformation

- \$100 million organic investment in our growth

Achievements

- \$1.8+ billion increase in backlog at FY2023 over FY2022, from investment in strategic growth areas (see page 28).
- Trained over 21,000 people through growth unit learning modules.
- Active portfolio management in line with our strategic direction - completed sale of North American turnaround and maintenance business.



Cost base

- Maintain cost discipline
- Operational leverage through growth

Achievements

- Delivered annualized operations savings of \$375 million by 30 June 2023.
- Maintained cost discipline as the business scales up to meet market growth.

1. Adjusted to include working capital recovery for the 1-month post-completion of the North American turnaround and maintenance business divestment (\$43m) and prepayment of software costs (\$25m).



Overview

Chair's letter

Growth delivered and momentum continuing

John Grill AO

Chair and Non-Executive Director

“

This year, we've delivered on our growth outlook, with momentum building strongly in the markets we serve.

With our significant experience in shaping the global energy transition, we're delivering some of the world's largest and most innovative assets.

We're partnering with our customers to deliver infrastructure and integrated solutions that drive economic growth in Australia and around the world.

”



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Throughout the year we've seen continued growth in our end-markets as energy security, climate change and supply chain constraints drive increased investment in new infrastructure and technologies across the energy, chemicals and resources sectors.

Central to our success are the over 48,200 **people** who embody our purpose of "delivering a more sustainable world" by finding solutions to our customers' most complex challenges. In doing so, they create value not just for our shareholders, but a broad range of stakeholders across the countries and **communities** in which we work.

Our purpose, underpinned by our values, continues to inspire our team. It drives our commitment to building a culture where our people can be at their best every day – a culture that values diversity, equity and inclusion, and is founded on mutual respect and a deep desire for learning and innovation.

We've delivered a strong financial performance in line with our expectations

In FY2023, we have delivered 21% growth in aggregated revenue and 16% growth in underlying EBITA. We've seen an increase in our sustainability-related work, which now accounts for 41% of our aggregated revenue, up from 35% in FY2022. These results reflect the growing demand for our services and our customers' confidence in our capabilities as they look to us to develop their traditional and sustainability-related projects.

Throughout the year we improved our capital management position. We have good liquidity and access to flexible, competitively priced debt capital sources. In FY2023 we issued a new sustainability-linked bond, and we renewed our syndicated bank facility at an improved corporate margin. We've extended our debt maturity and our long-term strategy includes having maturities with less concentration by year. Our capital management strategy is structured around funding our growth and delivering increased value to our shareholders.

Our cash conversion was 86.6%¹ and is within our target range of 85% to 95%. We distributed a dividend of 25 cents per share to our shareholders.

We're partnering with our customers to accelerate their transition to a more sustainable future

In our view, the most significant contribution we can make to delivering a more sustainable world is helping our customers navigate their transition to a lower-carbon future.

We're bridging two worlds as we move towards more sustainable energy sources while also helping our customers to reduce emissions from existing assets and become more efficient in their businesses. In this context, there continues to be much discussion about the future of traditional energy sources, including gas, and hard-to-abate sectors. We have an important role to support our customers in these sectors to decarbonize where possible, recognizing that they have a role to play as economies balance the pace of the energy transition with the immediate requirements of energy security, independence and affordability.

The growth of our sustainability-related work demonstrates how we're applying our capabilities and solutions to our customers' most complex challenges.

We've seen several of our world-first sustainability-related projects progress into engineering, procurement and construction phases (see page 14). We're using breakthrough approaches in supply chain management and modularization, showing how our **equipment and fabrication** capability is contributing to a paradigm shift in delivering critical infrastructure across the world.

We use our global **knowledge, technology and data** to bring value to our customers anywhere in the world. This, combined with our innovative mindset and culture of shared success, is a key differentiator for us.

"Our business is very different to what it was historically. Our earnings base is diversified across geographies, sectors and customer spend. We're unlocking long-term value from our diversified markets. Our improved performance is in line with the execution of our strategy."

Key metrics

↑21%

aggregated revenue
\$10,928 million in FY2023,
from \$9,065 million
FY2022

41%

of aggregated revenue
is sustainability-related,
up from 35% at FY2022

↑16%

underlying EBITA
from FY2022

25c

final dividend paid

1. Adjusted to include working capital recovery for the 1-month post-completion of the North American turnaround and maintenance business divestment (\$43m) and prepayment of software costs (\$25m).



Worley Future Leaders 2022 cohort attending the Inaugural Future Leaders Forum and Industry Leadership Forum – The Hague, March 2023

We're committed to our people, the environment and the communities in which we work

We prioritize our environmental, social and governance performance. Our commitment to inclusion and diversity and a culture of equality and respect is implicit in our values and critical to our future. We've increased our ambition on net Scope 1 and Scope 2 emissions to a 65% reduction by FY2025 from an FY2020 baseline, in line with our strategic direction.

We continued making substantial impacts in the communities where our customers operate. This year, we achieved a Phase 2 Progressive Aboriginal Relations certification under the Canadian Council for Aboriginal Business.

We've invested in upskilling our people through development in our sustainability-related growth areas, and our attraction and retention metrics remain strong.

↓ 14%

reduced our Scope 1 and Scope 2 emissions from FY2022

Embedded psychosocial factors into our Life programs

Commenced our Respect at Work program to further help prevent bullying and harassment (including sexual harassment)

48%

graduates recruited were women, up from 47% in FY2022

20%

weighting for ESG metrics in our senior leaders' short-term incentives business score card



We operate responsibly

We recognize our responsibilities to shareholders, customers, our people and suppliers, as well as to the communities in which we operate.

Our governance and operational controls reinforce a culture of acting lawfully, ethically and responsibly.

We've made significant progress on our ESG commitments in FY2023.

Our Responsible Business Assessment Standard guides us to align our portfolio of customers and projects with responsible business practice.

In October 2022, we issued our second Group Modern Slavery Statement, which shows our commitment to combating human rights abuses.

Our Data Protection Office governs compliance of our cybersecurity program with global data protection requirements, as specified in Australia, Europe, the US and other jurisdictions in which we work.

Maintaining and enhancing our reputation for integrity, honesty and ethical practices is important to the Board and underpins our future success. We comply with all applicable laws and conduct our business to the highest standard. We engage with partners and agents that apply the same high standard. We act when we become aware of non-compliance with these practices.

Board and Committee Governance

At the end of this financial year, we said farewell to Chris Haynes, who is retiring after 11 years on the Worley Board. I sincerely thank Chris for his long and dedicated service.

We welcome Joseph (Joe) Geagea, who joined the Board from 1 July 2023. Joe previously held the role of Executive Vice President and senior advisor to the Chairman and CEO of Chevron Corporation. He also served as Executive Vice President of Technology, Projects and Services.

In February 2023, Anne Templeman-Jones stepped down as Chair of the Audit and Risk Committee. She remains a member of the Audit and Risk Committee and the Nominations Committee.

Effective 22 February 2023, Sharon Warburton has assumed responsibilities as Chair of the Audit and Risk Committee.

These changes demonstrate our focus on Board succession and renewal. To support the Board's succession planning, we have commenced an external Board review led by independent consultants. The review is underway and will be completed in this calendar year.

We have a strong governance program

The Board seeks to ensure the Group meets all safety, performance and governance standards. It has ultimate authority over the Group and sees corporate governance as critical to meeting its objectives. For these reasons, the Board has adopted appropriate charters, codes and policies and established various committees to discharge its duties.

Finally, thank you

In October last year, we celebrated 20 years of being listed on the Australian Securities Exchange. This important milestone provided an opportunity to reflect on our progress and our contribution to the social and economic well-being of the communities in which we operate.

In those 20 years, change has been a constant and is likely to persist for some time. We are embracing this and using the knowledge from our past to shape the future, while following the clear growth trajectory we see as a leader in sustainability solutions.

We look forward to turning challenges into opportunities, familiarity into innovation. We're partnering with our customers, communities and stakeholders to become the changemakers the world needs now, to turn our shared ambition of net zero into a reality.

With this in mind, we'd like to thank you, our shareholders, for your continued support during this time. We'd also like to extend our thanks to our directors, leadership team, our customers and partners, and importantly, our people, who have been instrumental to our successes.

John Grill AO

Chair and Non-Executive Director

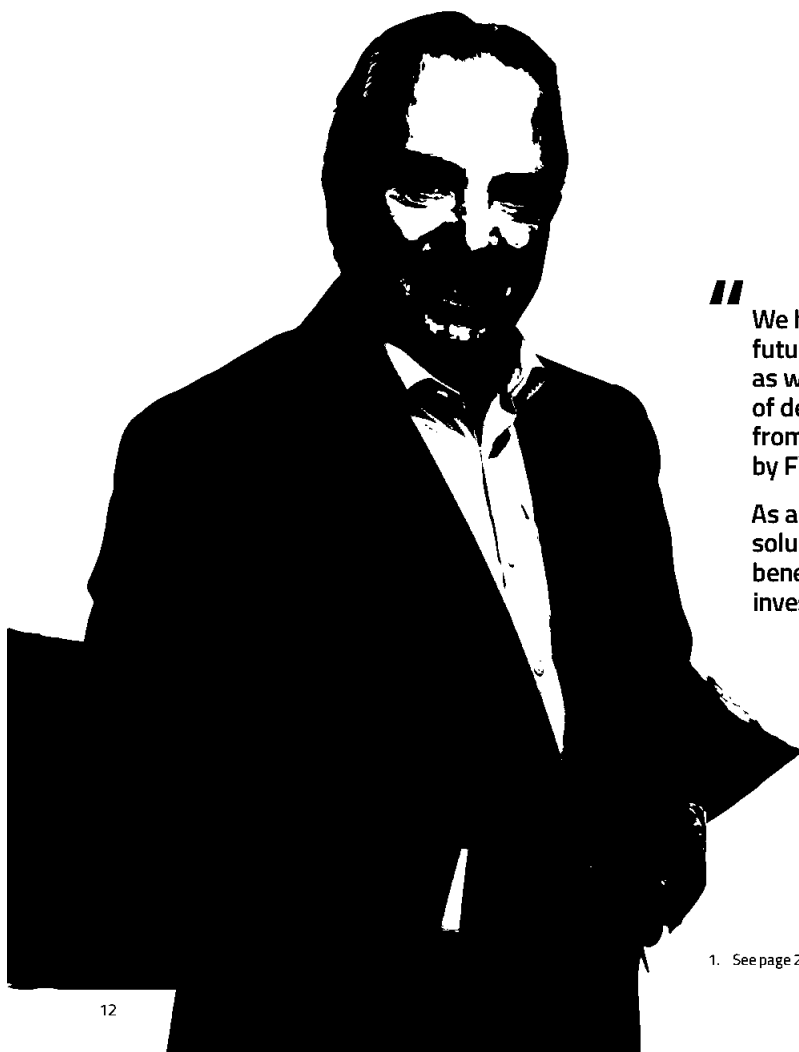


Overview

CEO's letter

Unlocking long-term value across our diversified markets

Chris Ashton
Chief Executive Officer



“

We have a clear vision for the future. Our strategy is delivering as we move towards our ambition of deriving 75% of our revenue from sustainability-related work¹ by FY2026.

As a trusted provider of high-value solutions to our customers, we're benefiting from increasing customer investment in sustainability.

”

1. See page 26 for how we define this.



Since stepping into the role of CEO three years ago, I've overseen the transformation of the company. We've strengthened our culture around our purpose of "delivering a more sustainable world" and set a strategic direction that has established Worley as a recognized global leader in sustainability solutions. In my view, our pivot to sustainability has given us an early-mover advantage in providing sustainability solutions for both existing and emerging customers.

Most importantly, we live our purpose and values. This is what sets us apart. We want our people to be energized and empowered, and we're building a values-inspired culture that amplifies big picture thinking, is open to possibilities and demonstrates collaboration and innovation.

We're facing into an extended period of increased investment in our sectors

As a leader in the sectors we serve, we have a compelling value proposition, as we face into what we believe will be a prolonged upcycle. We maintain leading positions in the traditional sectors we serve and are growing our natural share of new and emerging sustainability-related opportunities.

We know that when it comes to achieving net zero, the investment required is significant. The Financing the Transition paper,¹ released in March by the Energy Transitions Commission, tells us that "around US\$3.5 trillion a year of capital investment will be needed on average between now and 2050 to build a net-zero global economy."

Today, global spending has just reached one trillion dollars per annum. That's less than a third of what it needs to be.²

The rate of investment continues to accelerate, as governments look to create the right conditions for our customers to be more ambitious in their own sustainability goals. For example, the US Inflation Reduction Act and the EU Green Deal Industrial Plan have accelerated investment in carbon capture use and storage, low-carbon hydrogen and battery materials.

We've consistently delivered improved performance in line with our expectations

Over the past two years, we've consistently delivered and improved our performance. Our disciplined approach to delivering our strategy has led to increased earnings and margin improvement for FY2023. Our underlying EBITA of \$635 million is up 16% compared to FY2022. Our EBITA margin excluding procurement has improved and is now 6.5%,³ up from 6.4% at FY2022.

Our aggregated revenue is \$10.9 billion, up from \$9.1 billion in FY2022. We're seeing evidence from our customers that this trend is expected to continue, as we solve their complex challenges in traditional and sustainability-related work, using innovative solutions.

Sustainability-related work has been a key driver of our growth. With sustainability-related work now accounting for 41% of our aggregated revenue, we're confident we'll continue to make strong progress towards our ambition to have 75% of our revenue from sustainability-related work by FY2026.

In FY2023, we won \$6.3 billion of new sustainability-related work, which is almost double the previous year. This is reflective of our differentiated position in accelerating growth markets.

At the same time, we're committed to supporting our customers with their traditional work, as they move towards a lower-carbon future, helping them bring to life projects that are less carbon intensive, more efficient and digitally enabled. Traditional work in our revenue has grown over FY2023. This remains an important priority for our business, recognizing the important role these customers, and their assets, play in providing stability as our global economies transition.

Growth in sustainability-related work

↑41%

\$3.2 billion to \$4.5 billion sustainability-related revenue since FY2022

45%

of backlog is sustainability-related work, up 56%³, from \$4.1 billion to \$6.4 billion, since FY2022

77%

vs 56% at FY2022 sustainability-related opportunities in the factored sales pipeline

1. Energy Transitions Commission, Financing the Transition: How To Make The Money Flow For A Net-Zero Economy, March 2023.
2. International Renewable Energy Agency, Global Landscape of Renewable Energy finance 2023, February 2023.
3. Excludes the North American turnaround and maintenance business.



Overview



Breaking ground on the first commercial-scale development using Carbon Engineering's direct air capture technology. See our case study on page 34.

Our total backlog has grown 14%¹ in the past year. This demonstrates that we have been able to convert growth in our factored sales pipeline into backlog and revenue. Meanwhile, our total factored sales pipeline has continued to increase, up 46% during the year and is a leading indicator of future growth. We expect around two-thirds of our factored sales pipeline to be awarded in the next 12 months.

We're leading the way in completing some of the world's most ambitious and large-scale sustainability projects, setting us apart as leaders in the industry

Delivering these projects requires innovative delivery models that include digital solutions, automation and a "design one build many" approach. Some of these projects are progressing to both detailed engineering and construction phases. For example 1PointFive's first commercial scale Direct Air Capture (DAC) plant in the US and Northvolt's battery cathode active material facility as part of its battery gigafactory development in Sweden.

We see a clear path to increasing earnings and margins

We're delivering on our strategy and building a sustainable growth business. Market growth, increased market share and margin expansion are the building blocks to delivering sustained double-digit annualized earnings growth in the medium term. We will drive margin expansion through our effective project delivery, automation, digitalization and streamlined operations.

We also expect to benefit from further operating leverage in the medium term, having reached our cost savings run rate target of \$375 million per annum.

We're already realizing the benefits of our \$100 million strategic investment in organic growth and gaining market share. In FY2023, we spent \$37 million to further accelerate our growth areas, focusing on capability building and digital enablement, new solution development, and partnerships. We're seeing a return on investment through key awards and pipeline growth in areas such as low-carbon hydrogen, battery materials and carbon capture, use and storage (CCUS).

We continue to invest in technology and digitalization to enhance asset efficiency and business productivity. We're increasing the automation of engineering deliverables to drive productivity gains and to allow our people to focus on high-value, high-margin work.

We're actively managing our portfolio in line with our strategy and ambition. The sale of our North American maintenance and turnaround business in May, allows us to focus on those businesses and capabilities that support our strategy to deliver high-value solutions in growth markets and our ambition to grow our professional services revenue from sustainability-related work.

180%

growth in average sustainability-related project size won vs FY2022, indicating that more projects are moving into subsequent phases

47%

sustainability-related revenue across project wins in FY2023 vs 33% in FY2022

\$1.8b+

increase in backlog at FY2023 over FY2022 from investment in strategic growth areas (see page 28).

1. Excluding the impact of the sale of the North American turnaround and maintenance business.



People-based initiatives



Development and re-skilling

We've issued over 86,500 digital and sustainability-related learning accreditations in FY2023.

Our new Learning at Worley online platform offers flexible everyday learning, enabling our people to follow their curiosity as well as develop critical skills and experience.



Values and behaviors

We're building on the strong foundation of our values and behaviors by amplifying key behaviors that drive our culture and help to achieve our ambition.



Safety and well-being

We embedded psychosocial factors into our Life programs in line with ISO 45003:2021.

Our Respect at Work project sets out a program that focuses holistically on the prevention of and response to sexual harassment and harmful behaviors in the workplace.



Attraction and retention

We launched Appreciate, our recognition platform. This program facilitates peer-to-peer recognition and has been embraced by our people with over 32,000 recognitions given to date.

We saw significant growth of followership and hiring through our Worley LinkedIn profile. Our engagement through LinkedIn increased by 164% over the last 12 months.

We're investing in our people

"Our values guide us as we support our people to live healthy lives, respect one another and feel included. We prioritize the health, safety and well-being of our people. Without this, nothing else matters."

Throughout the year we've continued to invest in our people in two key areas. The first is strengthening the Worley experience. We're proud of our culture, and it is a competitive advantage for our business. We're focused on building a respectful environment where our people feel a strong sense of belonging and can be their best selves every day. With this in mind, we launched our leadership principles which outline the role of a leader at Worley. Our Respect at Work initiative also focuses on respectful and inclusive workplace behaviors for everyone.

Our second area of focus is on building the right environment to attract and retain critical capabilities at scale. To ensure our people can innovate and grow, we have invested in meaningful programs and the digital platforms that will allow us to work in a more agile and collaborative way. We continue to be successful in attracting and retaining the people we need to deliver our portfolio of projects. Our people are deeply committed and demonstrate great levels of discretionary effort. With that in mind, we continue to invest in supporting the mental health and well-being of our people as well as their physical health and safety. Our Total Recordable Case Frequency Rate for employees for the 12 months to June 2023 was 0.14 (per 200,000 man-hours) which has decreased from 0.16 at 30 June 2022.

Thank you to our people, our customers and our shareholders

In closing, this is an exciting time for our business and our people. We have the right strategy, right structure and the right team. We're delivering our strategy and unlocking new opportunities as momentum in our markets continues to build and our customers increasingly look to us to solve some of their most complex challenges. Our purpose, values and our leadership will continue to ensure we have the right culture and create rewarding experiences for everyone who works for Worley.

Our continued success is, without doubt, because of the extraordinary efforts of our people and their desire to leave a positive mark through the work we do. I thank each and every one of them.

I also extend this thanks to our shareholders, customers and partners for their continued support of our business and for working with us to make a difference and progress our collective ambition for a future of net zero.

Chris Ashton
Chief Executive Officer



Overview

Group Executive

The Group Executive is our senior leadership team reporting into our Chief Executive Officer. It comprises the leaders of our regions and functions. The Group Executive advises the Chief Executive Officer about the planning, development and efficient functioning of our global business.



Chris Ashton
Chief Executive Officer



Tiernan O'Rourke
Chief Financial Officer



Vikki Pink
Chief People Officer



Mark Brantley
Group President,
EMEA APAC and Global Project
Delivery, HSE & Quality



Sue Brown
Executive Group Director,
Sustainability



Andy Hemingway
Executive Group Director,
Growth



Larry Kalban
Group General Counsel,
Legal



Laura Leonard
Executive Group Director,
Technology Solutions



Nuala O'Leary
Group Company Secretary



Adrian Smith
Executive Group Director,
Transformation



Geeta Thakorlal
Executive Group Director,
Information and Digital Delivery



Mark Trueman
Group President,
Americas



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“ We live our purpose and values. This is what sets us apart. We energize, develop and empower our people to drive sustainable impact. ”

Context & strategy

The world we operate in

Our world is changing, and we continue to anticipate and respond to these changes. The markets we serve are changing as macro trends and shifts shape the way our customers position themselves in the energy, chemicals and resources sectors. Below, we outline five macro trends of specific importance to our business, presenting both challenges and opportunities.

Energy transition gains momentum

New policies and regulatory frameworks (e.g. US Inflation Reduction Act) are creating the right conditions for our customers to be more ambitious in their sustainability investments and goals.

In February 2023, the European Commission announced the Green Deal Industrial Plan. This plan builds on the €1 trillion European Green Deal to scale up the EU's technology development, manufacturing capacity and installation of net-zero technologies and products. In Australia, legislation passed in September 2022 to achieve net zero by 2050, with more aggressive targets for 2030 than the previous government.

Energy transition investment has reached more than US\$1 trillion for the first time according to BloombergNEF's latest Energy Transition Investment Trends 2023. It forecasts that investment will need to triple between now and 2030 to be on a pathway to net zero by 2050.

There is a surge in demand for critical minerals driven by the energy transition, which the International Energy Agency (IEA) forecasts to quadruple by 2050.

We're partnering with our customers to develop innovative solutions to address their needs in delivering the energy transition (see page 60).

Independent and diverse energy supply is in demand

The response to the energy crisis in Europe shows a significant ability to react quickly with new policy settings, which included an energy security and energy transition focus.

Inflation in energy prices, particularly in Europe, is renewing short-term reliance on established energy and resources. The increased investment in liquefied natural gas (LNG) infrastructure, driven by energy security concerns, is elevating gas as a globally traded commodity.

Resource nationalism is also driving investments in critical infrastructure. The Inflation Reduction Act in the US has launched America's largest ever investment in decarbonization – directing US\$370 billion towards investment in clean energy (such as hydrogen, CCUS and low-carbon fuels).¹ In parallel, the US government has called on US oil refiners to produce more gasoline and diesel to help mitigate price pressures due to the Russia-Ukraine crisis.

Our strategy addresses how we're tackling the criticality of near-term affordable energy, and energy security, while addressing the challenge of decarbonizing energy and industry (see page 24).

Sustainable investment is growing and requires a complex balance of multiple factors

After decades of promise, global sustainable investments are set to exceed US\$53 trillion by 2025², representing more than a third of the US\$140.5 trillion in projected total assets under management. This is driven by investor demand, government regulation and societal pressure.

There have been significant developments in ESG regulations, including litigation of operators and institutional investors for "greenwashing."

1. IEA, Inflation Reduction Act of 2022, April 2023.

2. Bloomberg Intelligence, ESG assets may hit \$53 trillion by 2025, a third of global AUM, February 2023.

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Image taken by Rodolfo Castro, as part of our Earth Day photo competition.

These developments are increasing the transparency and quality of corporate disclosures as well as accountability for delivery against public statements. The introduction of the ISSB standards by the IFRS Foundation marks significant progress in financial disclosure norms. This shift underscores the growing emphasis on risks and opportunities related to sustainability, supporting businesses that prioritize sustainable practices.

An emerging concept is “environmentalism that builds,” leveraging economic growth to propel the necessary scale and speed of sustainable development. Maintaining trust as companies take the lead in ESG efforts is vital, transitioning from intentions to tangible actions. Amidst challenges like inequality, climate change, and conflicts, regulatory bodies and investors are increasingly focused on driving responsible actions and accountability.

Participating in programs like the UN Global Compact Business and Human Rights Accelerator demonstrates our commitment to addressing human rights concerns and operating ethically (see page 53).

Tightening talent market continues to demand focus

The World Economic Forum¹ states that without a new paradigm of leadership and an associated talent strategy, the global energy crisis will never be solved. They’ve noted that a sustainable supply of talent is needed, together with the billions of dollars of capital and government support, to achieve a greater energy supply.

It’s critical we ensure a pipeline of people with skills and experience to meet these needs. Our people have fungible skills as they work across both traditional and sustainability-related work.

Our purpose and our attraction and retention strategies enable us to navigate competition for talent (see page 76), but we expect the demand for our expertise to outweigh supply at some point in the future. As such, we’re increasing use of existing and developing technologies, digitalization and automation to enhance talent attraction and transform how we deliver solutions for our customers (see page 60).

Digital innovation has the potential to revolutionize project delivery and asset management

To deliver projects at pace and scale, the world needs to increase use of existing and developing technologies, digitization and automation. Using data, automation and artificial intelligence (AI) is critical to deliver mid-century net-zero outcomes. The World Economic Forum notes that US\$1.3 trillion can be saved on clean energy generation investment between 2020 and 2050 by implementing automation and AI alone². It also estimates that project costs and implementation schedules could reduce by 30 to 50%, more than doubling project returns through digital innovation.

Additionally, customers are driving step-change improvements in existing infrastructure and assets through big data and digital asset management. Customers can use advanced analytics to significantly lower costs and risks, reduce preventative maintenance expenses and increase reliability.

We’re helping customers make autonomous industrial assets a reality by driving innovation in project delivery, generative AI and automation (see page 63).

1. World Economic Forum: [Talent is the next energy crisis. Here's what we can do about it.](#)

2. World Economic Forum, [Artificial Intelligence is critical enabler of the energy transition, study finds.](#)

Context & strategy

Material sustainability issues

This chapter presents the material sustainability issues that inform our business strategy. For disclosure of all material enterprise risks and opportunities, see our risk management section (page 86).

We conduct an annual materiality assessment to identify the sustainability issues that matter most to our business and the world around us. We view these issues through the lens of the UN SDGs. Our material sustainability issues are reviewed and approved by the Board Health, Safety and Sustainability Committee.

We conduct our assessment in line with the principle of double materiality.

Financial materiality – We consider a topic material if it could affect our ability to create value in the short, medium or long term.

Impact materiality – We also consider topics as material where our business activities have significant impacts on the economy, environment and people. These include impacts on human rights.

We've considered the results of our materiality assessment in how we manage our enterprise risks and opportunities.

Stakeholder engagement

Engagement helps us understand our stakeholders' expectations and find ways to improve.

Our people

We engage through our check-ins, leadership talks, People Network Groups, and our annual sustainability survey.

Our customers

We conduct project, account, portfolio and management engagement with our customers. We monitor their business needs, market trends and feedback on our own performance.

Our investors

We engage through our investor engagement program, and conduct investor and results presentations, analyst briefings and annual general meetings.

ESG frameworks

We actively participate in a range of ESG questionnaires.

Suppliers

We actively engage with our supply chain and monitor for potential risks.

Communities

We engage through a variety of channels, including the Worley Foundation and Corporate Affairs.

See page 83 to find out more about how we engage with our stakeholders.

FY2023 material sustainability issues

Our material issues for FY2023 remain unchanged from FY2022: good health and well-being (SDG 3), affordable and clean energy (SDG 7), industry, innovation and infrastructure (SDG 9) and climate action (SDG 13).

We integrate our material sustainability issues into business governance, strategy, risk management and performance.

SDG	Business value drivers	Integration into our business
		Governance Sustainability governance (see page 54) <u>Corporate Governance Statement</u>
		Strategy Ambition (see page 21) Strategy (see page 24) Value creation (see page 22)
		Risk management <u>Task Force on Climate-related Financial Disclosures</u>
		Modern slavery risk process (see page 81) Risk management framework (see page 86) Performance ESG performance summary (see page 51) Value creation (see page 22)

We support the UN SDGs and uphold the principles of the UN Global Compact.

There are a number of additional UN SDGs of relevance to our business: gender equality (SDG 5), decent work and economic growth (SDG 8) and responsible consumption and production (SDG 12).

In light of the capital spend we expect as the energy transition gathers place, our impact on decent work and economic growth is of particular importance. Our human rights program increases our focus on this issue (see page 81).

Our [GRI content index](#) provides further detail about our materiality assessment and material sustainability issues.



Our purpose, ambition and values

The industries in which we operate are facing a period of significant disruption. They are dealing with complex geopolitical challenges, socio-economic pressures and the urgent need to address the climate emergency.

In response, many of our customers are evolving their businesses to fulfill their sustainability commitments. We have a leading role in supporting our customers with the solutions they need. Our purpose – delivering a more sustainable world – is central to our transformation.

Last year, we announced our ambition to become the global leader in sustainability solutions. Our values underpin both our purpose and ambition.

Purpose

Delivering a more sustainable world.

Ambition

We will be recognized as a global leader in sustainability solutions.

Values

We value Life

We believe in the safety, health and well-being of our people, communities and the environment. Without it, nothing else matters.

We Rise to the challenge

We love a challenge. We go the extra mile, delivering new and better solutions to complex problems.

We are Stronger together

We thrive in real relationships and partnerships. We nurture networks and collaboration. We recognize our differences make us stronger.

We Unlock brilliance

We are passionate about innovating and learning. We value, share and grow our expertise.

Our ambition is based on three measurable pillars: our People, our Portfolio and our Planet.



Our People

We energize and empower our people to drive sustainable impact

We foster a safe, inclusive and innovative work environment that inspires our people.

We provide outstanding opportunities to learn, develop and drive sustainability.

We attract and retain top talent with diverse backgrounds.



Our Portfolio

We are our customers' most trusted partner, providing best-in-class solutions

We accelerate our growth and aspire to derive 75% of our revenue from sustainability-related work by FY2026.

We implement new solution-based models, enabled by data, technology and automation.

We expand the value we bring to our customers, share in that value and ensure a higher return on investment.



Our Planet

We partner with customers as stewards of a more sustainable world

We commit to our own sustainability – reaching net-zero Scope 1 and Scope 2 emissions by 2030¹ and Scope 3 by 2050.

We partner with customers committed to driving sustainability: together we decarbonize value chains and steward resources.

We seek to be recognized globally for our leadership in sustainability.

We're investing in line with these pillars as we build on our transformation. We're taking deliberate actions aligned with our purpose and underpinned by our values. Our ambition guides our strategy.

1. We have an interim target of 65% reduction in net Scope 1 and Scope 2 emissions by FY2025 from an FY2020 baseline.



Context & strategy

How we create value

Our value map shows the range of resources and relationships we rely on to create value today and tomorrow.

The use of business value drivers is part of our shift towards alignment with the International Integrated Reporting <IR> Framework. They represent the forms of capital that we commonly depend upon to create value for our business and for our stakeholders.

Inputs



People

Energized and empowered people with the capacity and experience to deliver our purpose.

48,223 people employed
20.8% women



Finance

Active capital management from diverse and competitive sources, driving business growth and value for our investors.

\$14.1 billion¹ backlog as at 30 June 2023
\$37 million strategic investment in organic growth in FY2023



Knowledge, technology and data

What we know – our brand, execution methodologies, intellectual property, data, technology, knowledge and insights – together driving efficiency and productivity.

4,900+ people in our GID centers
100+ automation bots and workflows



Equipment and fabrication

Manufacturing, constructing, operating and maintaining equipment and assets for the energy, chemicals and resources sectors.

15,100 blue collar workers
4 main construction and field services centres



Environment

The natural resources we use and the work we do, together enabling us to steward environmental sustainability for our business and our customers.

85% of top 20 customers (by revenue) with net zero commitments²
211,640 MWh energy use



Communities

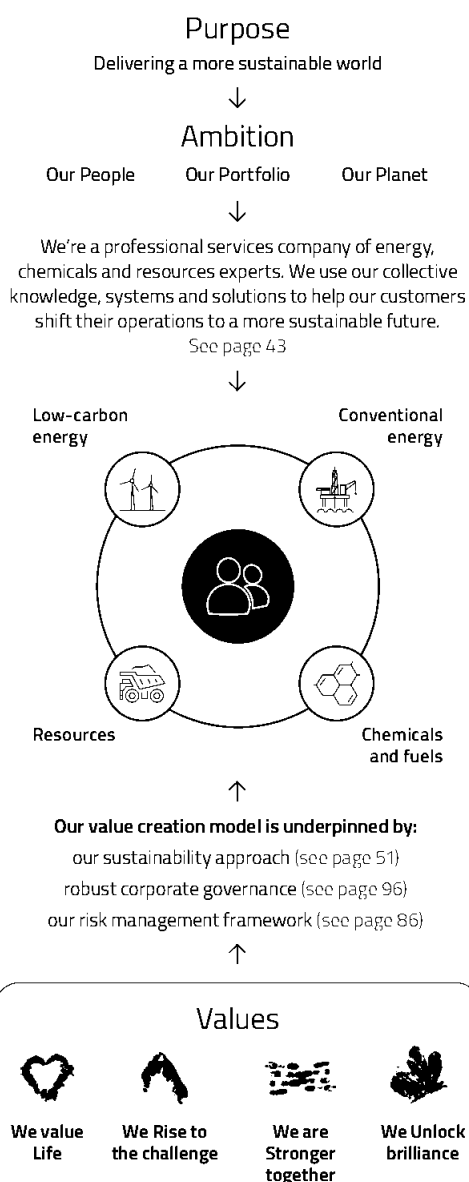
Strong relationships within our sectors - with our people, customers, investors, communities and governments – building trust and license to operate.

2,671 customers³
45 countries

1. Excludes the divested North American turnaround and maintenance business.
2. Customers with net-zero Scope 1 and Scope 2 commitments by 2050 or sooner.
3. Customers we secured work from in FY2023.



Value creation



Outcomes

We deliver value for our stakeholders, including our customers, people, investors and communities. We also reinvest value created back into our business to support our continued growth.



People

0.14 Total Recordable Case Frequency Rate

48% women graduates hired

[Read more on page 74](#)



Finance

\$348 million underlying NPATA

\$1,075 million GM delivered in sustainability projects

[Read more on page 55](#)



Knowledge, technology and data

7.18 million hours using GID to deliver projects

Productivity up 11% (underlying EBITA/headcount)

[Read more on page 59](#)



Equipment and fabrication

80+ EPCM projects delivered

600+ large modules fabricated

[Read more on page 65](#)



Environment

\$6.4 billion sustainability-related backlog

41,422 tCO₂e (Scope 1 and 2)

[Read more on page 67](#)



Communities

21 Worley Foundation projects

\$11,170 million economic value generated and distributed

[Read more on page 78](#)



Context & strategy

Our strategy

We are facing two realities in our energy system:

1. We're tackling the criticality of near-term affordable energy and energy security.
2. We're addressing the challenge of decarbonizing energy and industry to deliver net zero by 2050¹, against a landscape that is ever more complex.

Our customers are making substantial capital investments in both areas. We're right at the heart of it.

We have a bold ambition that by FY2026, 75% of our aggregated revenue will come from sustainability-related work. Traditional energy markets remain important to us, and investment in these areas will increase due to energy security, affordability and depleting reserves.

We're helping customers in traditional hard-to-abate markets decarbonize, while also shaping the future of sustainability in the markets where we operate.

We're partnering with our customers – not just delivering projects – to create value over the life of their portfolio of assets. We're also working with them to address the challenges of bringing new sustainable technologies to market.

Our strategy places us at the center of accelerating sustainability investment with existing and emerging customers.

We've set our strategy to capitalize on profitable growth

Our market environment

We're bridging two worlds as we accelerate towards more sustainable energy sources.

Substantial capital investments will drive growth in the energy, chemical and resources sectors over the long term as the world addresses energy security, affordability and sustainability needs.

Our customers require trusted partners with proven experience to minimize risk and deliver lifetime value for their portfolio of assets.

Our core beliefs

Where we play: we're leading by supporting customers in traditional **hard-to-abate** markets to decarbonize while **shaping the future** of our markets in sustainable development (mature, establishing and breakthrough markets).

How we play: we're actively managing our portfolio of businesses and focusing on growth markets, capabilities and offerings that **drive value creation** for our broader set of stakeholders.

How we will win: we're a **one-stop solutions provider** for our customers, with a particular focus on **digitally-driven consulting services** for the whole asset life cycle as well as **"next-generation"** project delivery and execution services.

Our Ambition

We will be recognized as the global leader in sustainability solutions.

Target 75% of aggregated revenue from sustainability-related work by end of FY2026

Double-digit medium-term EBITA CAGR

EBITA % (excluding procurement) to be within a range of 7.5-8% in FY2024²

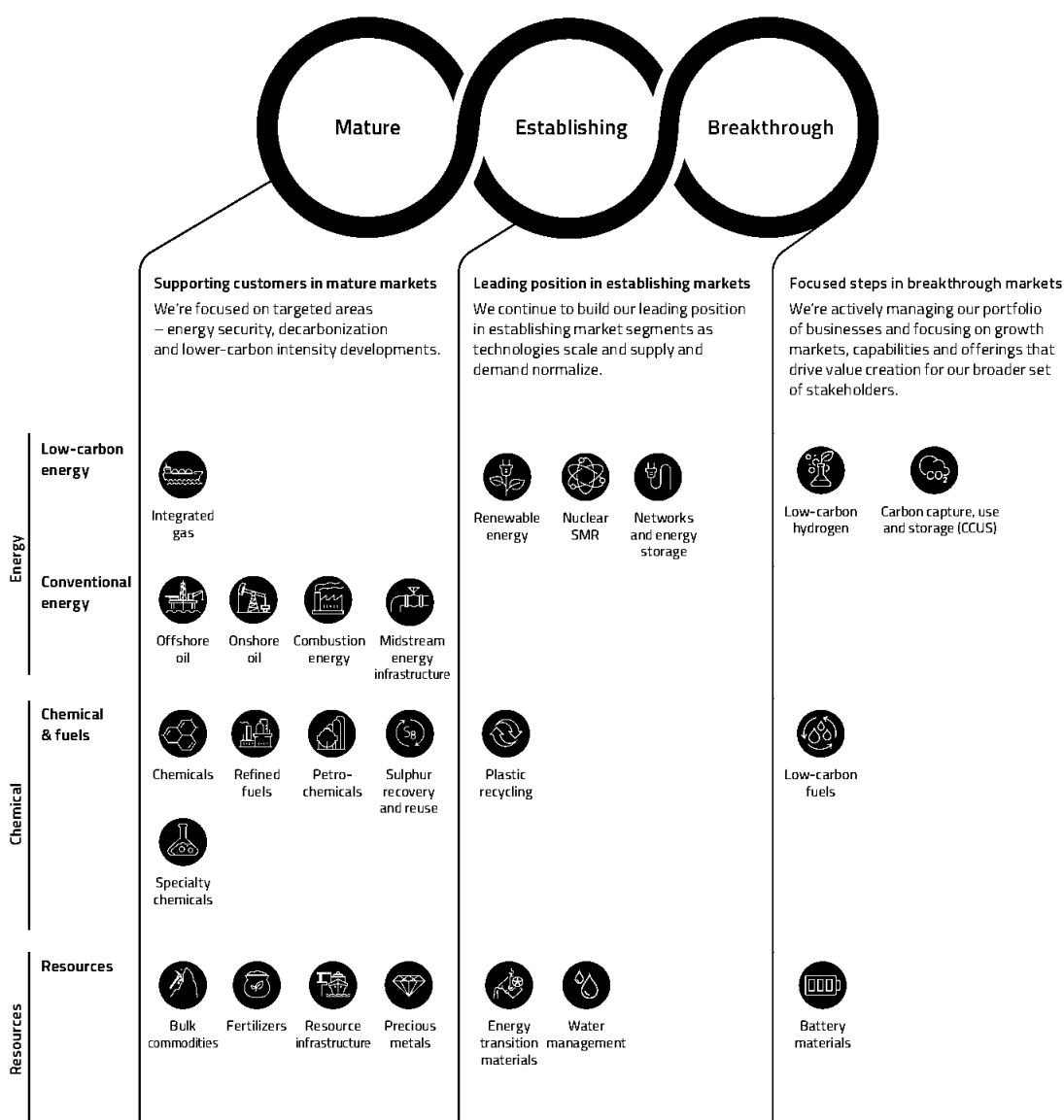
1. United Nations, Paris Agreement 2015.

2. All forward looking statements, including the FY2024 Group outlook, remain subject to no material deterioration in current market conditions. See page 3 for more information.



Where we play

We're actively managing our portfolio of businesses. We do this by pursuing growth in a structured way in target markets with significant growth opportunities at higher margins.



Context & strategy

How we define sustainability-related work

Our traditional business remains steady, while our sustainability-related work is growing at a faster rate.

We currently report our sustainability-related work through four pathways: Decarbonization, Resource stewardship, Environment & Society, and Asset sustainability. We calculate these based on two measures.

1. The work we conduct that relates to the following markets



Decarbonization

- Energy transition materials
- Nuclear energy
- Renewable energy
- Low-carbon fuels
- Integrated gas¹



Resource stewardship

- Bio-based materials
- Metals recovery
- Plastics recovery
- Sulphur recovery

2. The work we conduct that provides the following sustainability solutions, which we can apply across all markets



Decarbonization

- Carbon management
- Decarbonization infrastructure
- Energy efficiency
- Electrification



Resource stewardship

- Recycling
- Process efficiency
- Waste management
- Water stewardship



Environment & society

- Environmental management
- Social performance
- Policy & regulatory
- Remediation & liability management



Asset sustainability

- Sustainable design
- Development and commercialization
- Performance optimization
- Decommissioning & restoration

We refer to all business falling outside of sustainability-related work as traditional work.

Globally recognized frameworks are emerging relating to sustainability disclosure, such as the EU taxonomy for sustainable activities and the ISSB standards for disclosure. These provide guidance on how to classify transitional and sustainable economic activities and help us identify, assess, respond to and disclose sustainability-related risks, opportunities and metrics. We're monitoring these and will continue to evolve our sustainability reporting to meet leading practice.

1. We consider integrated gas as a transitional energy necessary to achieve net-zero emissions.

Our sustainability-related work today makes up a significant proportion of our revenue, backlog and pipeline.

Aggregated revenue



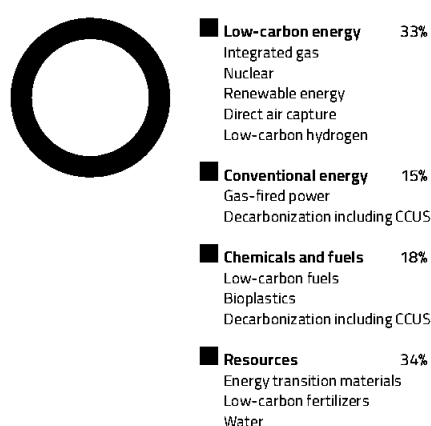
Backlog



Factored sales pipeline



FY2023 sustainability-related aggregated revenue (%)





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Context & strategy

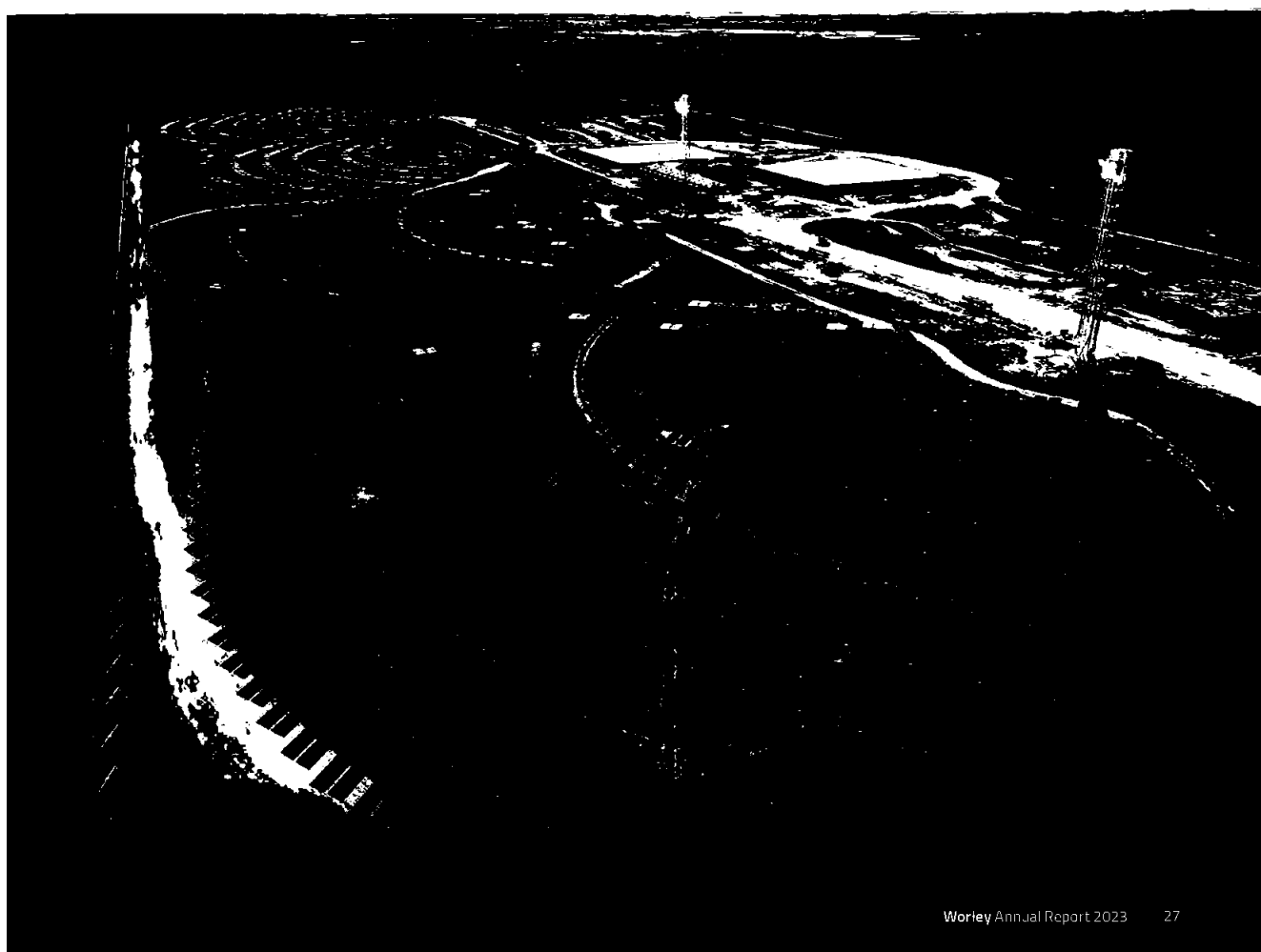
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Enabling emerging technologies in solar energy.

See our case study on page 30.



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Context & strategy

Incubating and developing solutions for our chosen high-growth markets

We're benefiting from our \$100 million strategic investment in organic growth and our early-mover advantage

We're targeting the right areas and making progress towards our ambition, evident through key awards and pipeline growth in these areas. We're harnessing the strengths of our current business and building strategic partnerships, focusing on accelerating growth in sustainability-related work.

Our strategic investment in FY2023 of \$37 million was spent across:

- 20% on market assessments and planning
- 45% on capability building through strategic hires, agile teams and industry and customer partnerships
- 20% on digital enablement and solutions
- 15% on internal training and development.

Copper

Become the trusted partner of leading copper producers to accelerate the design and delivery of solutions for complex copper assets to support electrification required by the energy transition.

Achievements

Value of wins in FY2023

\$270 million

vs \$261 million in FY2022

- We partnered with an Australian equipment provider to deliver an innovative solution for copper tailings reclamation.
- We partnered with a prominent global equipment provider to develop a standardized solution for tailings dewatering.

Networks and energy storage

Become the key integrator providing solutions for energy system optimization, long-duration energy storage, demand response technology, and transmission and distribution networks across the asset life cycle.

Achievements

Value of wins in FY2023

\$191 million

vs \$89 million in FY2022

- We completed a market assessment of solutions and pathways for sustainable development.
- We helped industrial customers proactively manage their electrical consumption and sustainability initiatives.

See our energy storage case study on page 30.

Water

Become an integrated water solutions provider, with solutions across multiple parts of the water envelope and project life cycle.

Achievements

Value of wins in FY2023

\$441 million

vs \$217 million in FY2022

- We completed a market assessment and focused interviews with industry partners, with an initial focus on the US.
- We're working on solutions to integrate our water proposition across the value chain.

See our water case study on page 40.





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\$37m

investment in strategic growth areas in FY2023

\$1.8b+

increase in backlog at FY2023 over FY2022 from investment in strategic growth areas

Low-carbon hydrogen

Become the leading partner in low-carbon hydrogen by developing repeatable, scalable and digitally enabled advisory and project delivery solutions.

Achievements

Value of wins in FY2023

\$138 million

vs \$89 million in FY2022

- We established asset optimization demonstration centers in The Hague and Houston in collaboration with IBM and ABB.
- We developed the first Worley Repeatable Accelerated Product (WRAP), a 100-megawatt low pressure alkaline unit.

See our low-carbon hydrogen case study on page 31.

Carbon capture, use and storage

Become the leader in providing solutions for our customers' CO₂-emitting assets that sustainably and economically capture, use and store emissions.

Achievements

Value of wins in FY2023

\$1.5 billion

vs \$84 million in FY2022

- We're developing new solutions and we've established our carbon policy advisory team.
- We've secured two projects within the cement industry, expanding into a new market segment for us.

See our CCUS case studies on page 34.

Low-carbon fuels

Capitalize on our role as the market leader (e.g. in sustainable aviation fuels and biofuels) to expand our customer base from early concept into new parts of the value chain.

Achievements

Value of wins in FY2023

\$292 million

vs \$311 million in FY2022

- We established global market development agreements with leading technology providers, with an initial focus on the US.
- We've collaborated with methanation and methanol synthesis technology providers to develop mass-deployable standardized, modularized and replicable process plants.

See our low-carbon fuels case study on page 37.

Battery materials

Build on our leading market share in battery active materials by expanding the customer base, increasing delivery capacity and developing repeatable, scalable and digitally enabled capital deployment and asset management solutions.

Achievements

Value of wins in FY2023

\$1 billion

vs \$100 million in FY2022

- We created repeatable, scalable and digitally enabled capital deployment and asset management solutions.
- We were awarded 144 projects including six battery recycling projects, six anode projects, six cathode projects and expanded our customer base with 13 new customers.



Context & strategy

Sector outlook

Energy

We report on the energy sector with respect to both low-carbon energy and conventional energy. We support our existing and emerging customers across both their traditional businesses and their sustainability investments. Refer to page 43 for how we define our sectors.

Low-carbon energy

Power and low-carbon hydrogen

Strong market growth continues in low-carbon energy to meet net-zero targets. According to BloombergNEF's Energy Transition Investment Trends 2023, supply-side investment has reached US\$500 billion for the first time, with additional US\$275 billion investment in power grids. Most low-carbon energy technologies saw record investments last year. BloombergNEF forecasts that investment will need to triple for the remaining years to 2030 to achieve a pathway to net zero.

Increasing investment has been supported by some regions establishing key enabling legislative frameworks and financial and tax incentives. For example:

- the US Inflation Reduction Act (IRA) was signed into law in August 2022
- the EU Green Deal Industrial Plan launched in January 2023
- Australia passed legislation in September 2022 to achieve net zero by 2050, with more aggressive targets for 2030 than the previous government
- the UK announced its spring budget 2023 which includes government's support for CCS and nuclear
- according to BloombergNEF, as at January 2023, 42 countries have published hydrogen strategies (vs 35 countries as at June 2022)
- Germany held its first auction of its H2Global green hydrogen import scheme in December 2022.

We're focused on high-value market segments, including:

- low-carbon hydrogen and power-to-X (i.e. converting electricity into carbon-neutral synthetic fuels)
- renewable energy – emerging technology, integrated projects at scale, offshore transmission and floating wind
- networks and energy storage – integrated projects, grid connections of renewables and hydrogen
- nuclear – large scale nuclear and small modular reactors.

We're seeing critical hydrogen and power-to-X projects with our key customers progressing from early phases to FEED or FID. Our average project size has more than doubled in the last 12 months as we've leveraged our early engagement through Advisian to secure subsequent phases of work.

We're driving innovation for the asset life cycle through our Asset Optimization Center for low-carbon hydrogen.

This aims to drive new emerging technology down the cost curve to achieve faster commerciality.

We're increasingly seeing renewable developments being integrated into broader industrial developments. We're uniquely positioned to provide an integrated offering in more complex markets, combining our cross-sector expertise from mining, chemicals and fuels and our offerings in environmental services and supporting infrastructure.



CASE STUDY | Low-carbon energy | Solar and energy storage

Enabling emerging technologies in solar energy

We're supporting RayGen, an Australian technology provider, in partnership with Photon Energy, an EU-listed renewable energy project developer, with their plans to build a utility-scale, grid-connected solar plant with a world-leading GWh-scale storage capacity in South Australia. The Yadnarie project is on track for state and grid connection approval.

This project is the first of a growing pipeline of utility-scale projects that will deliver RayGen's groundbreaking solar-plus-long-duration energy storage technology.

We're providing early engineering and FEED, supporting RayGen to reach final investment decision. RayGen's technology combines high-efficiency, tower-mounted photovoltaics with water-based long-duration energy storage and is backed by investment from AGL, Equinor, SLB, Chevron and Photon Energy.

UN SDGs:



Business value drivers:





CASE STUDY | Low-carbon energy | Hydrogen

Unlocking hydrogen potential in the UK with Cadent Gas

We're delivering a study for Cadent Gas (Cadent), as part of the East Coast Hydrogen Project (ECHP), to understand how to transition natural gas supply into hydrogen, including sizing and routing of a pipeline that is to be converted from gas to hydrogen service.

The project led by East Coast Hydrogen (ECH2) will connect 10 GW of hydrogen production from Humber and Teesside industrial hubs to the gas network. With this project, Cadent aims to connect hydrogen supplies between Humberside and Northampton, potentially creating a 240-kilometer network.

ECH2 comprises a collaborative partnership with Cadent, Northern Gas Networks and National Gas Transmission.

When completed, the project will accelerate the industrial decarbonization for the UK and is also estimated to create tens of thousands of jobs in the future hydrogen economy.

"This is a major milestone not only in the first stage of design but also puts down another marker in Cadent's ambitions and efforts to transition the gas grid from natural gas to low-carbon hydrogen. We look forward to starting this journey with Worley, who shares our vision and strives for a sustainable energy future," says Adam Knight, Project Director at ECHP.

UN SDGs:



Business value drivers:



Context & strategy

Integrated gas

Our subsector, Integrated gas, includes all upstream and midstream elements of the natural gas value chain from extraction, production through gas processing, storage, liquefaction and regasification. It also includes the emerging renewable natural gas. We see gas as an important bridging source of energy, which emits less carbon than most other fossil fuels.¹

Growth in integrated gas investment is primarily driven by return of activity levels following the global pandemic, energy security impacts from the Russia-Ukraine conflict and global trends towards lower-carbon intensity fuels.

Rystad Energy forecasts a 29% growth in investment from pre-pandemic levels through to 2025, peaking at around US\$200 billion for several years. There may then be some softening of investment through to 2030 but it is expected to remain at or above 2023 levels.

Shell's LNG Outlook 2023 forecasts strong economics to add new LNG capacity over the medium term, where there are low-cost, plentiful gas supplies. For example, Venture Global CP2 and Western LNG are progressing towards final investment decision in 2023.

The Middle East is very active in gas-related projects. Both Saudi Aramco and ADNOC have active programs to increase gas production capacity, with spend forecast to be above 2022 levels by at least 50% for the next several years.

There is strong demand for LNG regasification and midstream pipeline expansion in import markets, mainly fueled by the reduction in Russian gas to Europe. Germany contracted five floating storage and regasification units (FSRU's), and projects are underway to install this capacity. This will continue across Europe to ensure energy security in the medium term.

Customers are responding to regulatory and social license pressures to decarbonize their operations. There is a particular focus on the most commercially viable carbon capture and selective electrification projects.

Renewable Natural Gas (RNG) is a large and growing market. RNG is biogas that has been upgraded for use in place of fossil natural gas. The Global Newswire reported that this area is expected to grow at 28% compound annual growth rate (CAGR) over the next ten years. Developing technology and increasing the use of standardization and digital tools to improve yields and economics will be key.

1. IEA Natural Gas, August 2023, [iea.org](https://www.iea.org).

[Overview](#)[Context & strategy](#)[Operating & financial review](#)[Financial statements](#)**CASE STUDY | Low-carbon energy | Integrated gas**

Working with Venture Global on its Calcasieu Pass 2 LNG terminal project

We've agreed substantive terms for a reimbursable engineering, procurement and construction (EPC) contract for Venture Global's Calcasieu Pass 2 LNG export facility in Louisiana, USA.

Construction of Phase 1 will focus on speed to market. The plant uses a highly modularized approach to enhance construction efficiency and safety.

Under the contract, we will provide full EPC execution, including engineering, procurement, direct-hire construction, management of subcontracted services, commissioning and start up for Phase 1 of the terminal. The reimbursable EPC contract, once signed, will be led by our Houston and Reading offices and supported by our GID offices in India.

The full notice to proceed is expected to be issued after Venture Global takes a final investment decision. Construction is expected to commence late in 2023 once Federal Energy Regulatory Commission (FERC) approval is achieved.



3D rendered images of CP2

UN SDGs:



Business value drivers:



Context & strategy

We're working on some of the largest CCUS projects in the world.

~75 mtpa 100+

CO₂ expected to be captured from active CCUS projects

subject matter experts for CCUS



CASE STUDY | Conventional energy | CCUS

Collaborating with the supply chain to deliver carbon capture

As part of a consortium with Mitsubishi Heavy Industries Group and Tecnicas Reunidas, we've been awarded a FEED contract by SSE Thermal and Equinor for a new low-carbon power station in Peterhead, UK. We'll project manage and provide engineering and design services to integrate the carbon capture technology with the power unit. Work will be delivered by our teams in the UK.

The Peterhead Carbon Capture Project could become one of the UK's first power stations equipped with carbon capture technology. It aims to remove up to 1.5 million tonnes of CO₂ emissions annually, approximately 5% of the UK Government's 2030 target.

Located on the same site as the current Peterhead Power Station, the project will gradually replace older, carbon-intensive generation in the electricity system and back up renewable energy with flexible, low-carbon power.

Carbon capture units will be integrated into a power turbine with a generating capacity of up to 910 megawatts.

The project will not only make a significant contribution to the UK's carbon targets, but it will boost local and national economies. It's reported that upon completion, the power station will contribute £50 million to the UK economy annually and support 560 jobs.

UN SDGs:



Business value drivers:



CASE STUDY | Low-carbon energy | CCUS

Breaking ground on Occidental and 1PointFive's first commercial-scale direct air capture plant

This year, we signed the EPC contract for Stratos, Occidental's and 1PointFive's first direct air capture plant currently under construction in Texas. In April 2023, we joined Occidental and 1PointFive to celebrate a groundbreaking for the plant, a milestone that follows our long involvement with the world's first commercial-scale DAC plant using Carbon Engineering's DAC technology.

Stratos is located in the US Permian Basin and will capture and remove large volumes of carbon dioxide from the atmosphere, which can be safely and securely stored deep underground or used to produce low-carbon products. This plant provides a way to remove CO₂ that is currently in the atmosphere and addresses emissions from hard-to-decarbonize industries, such as aviation, maritime and long-haul trucking.

To put the scale of the project into perspective, currently globally, only 10,000 metric tons of CO₂ per year are captured through direct air capture. Once operational, Stratos is expected to capture up to 500,000 metric tons of CO₂ per year.

UN SDGs:



Business value drivers:



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Conventional energy

Global investment in upstream oil production increased in FY2023, returning to pre-global pandemic levels in nominal terms according to Rystad Energy.

Investment is expected to remain elevated in the short term, as producing nations and international energy companies manage the balance of near-term energy security and net-zero objectives. Medium and long-term outlooks are variable, depending on various factors, including ongoing levels of low-carbon energy investment and electric vehicle adoption.

In general, the European operators have been moving towards diversification and transformation into broader energy companies, while the US operators have retained a strong focus on decarbonization of their core upstream operations.

Rystad Energy predicts that future investments will likely be biased towards lower-cost, lower-carbon intensity developments. This offers greater resilience under varying energy transition scenarios.

Our customers are looking for economic ways of reducing carbon intensity. We are advising them on decarbonization pathways that will address Scope 1 and Scope 2 emissions at production sites. Key opportunities include efficiency improvements, reduction in venting, flaring and fugitive emissions of associated gas, electrification and decarbonization of heat and power through carbon capture or hydrogen fueling.

For example, we're working with a US operator to apply carbon capture and sequestration and hydrogen blending to existing cogeneration units and with a North Sea operator to electrify offshore operations.



CASE STUDY | Conventional energy | Upstream

Supporting Shell in the Gulf of Mexico

We're providing the engineering and design services for the Sparta project, a floating production development approximately 270 kilometers off the Louisiana coast. The development is owned by Shell (51%) and Equinor (49%), who are progressing the project toward a final investment decision expected later in 2023.

The project builds on our efficient design for a lightweight floating production unit, previously developed on two other Shell projects. We'll be implementing a full suite of digital tools for the project. In addition to the engineering and design services, we're providing procurement support, construction and commissioning support for the FEED, detailed design and follow-on phases of the project.

Our Houston and Metairie offices will be supported by our GID team in India to deliver the project.

UN SDGs:



Business value drivers:



Context & strategy

Chemicals and fuels

Chemicals

In the near term, high inflation, rising energy costs (particularly in Europe) and a declining rate of GDP growth have slowed the growth in the global chemicals industry.

However, the long-term outlook is positive with customers making investment decisions today to secure future markets. Future oil and gas demand is largely driven by growth in chemicals usage, as the need for fossil-based transportation fuels declines. Large oil-to-chemicals and gas-to-chemicals programs by Middle Eastern national oil companies have restarted this year as they look to secure long-term markets for their hydrocarbon reserves.

Our strong relationships with key customers, who continue to invest through the current short-term headwinds, positions us well for this market.

Top chemical companies have increased their decarbonization commitments over the last year. Of S&P Global's top-100-ranked chemical makers (with publicly disclosed revenues), 76% have committed to carbon neutral or net-zero goals by 2050 and 88% of them have set interim reductions for 2030.

We're working closely with some of the world's largest chemical companies to help decarbonize their operations through energy efficiency, bio-based and recycled carbon feedstocks, electrification, carbon capture and alternative energy sources (e.g. low-carbon hydrogen or nuclear power).

In plastics, consumer demand and regulatory pressures in some regions are driving investment in technologies and capacity that will enable an increase in recycled content. We're supporting our customers across the asset life cycle, including materials handling of used plastics, technology development support and engineering services for key technologies, such as waste pyrolysis.

Fuels

Refiners have benefited from high margins and high-utilization rates, with diesel production being particularly lucrative. While margins reduced during the year, they remain strong from an historical perspective and support continued investment.

In developed economies, investment is focused on decarbonizing existing production, whereas in developing economies, investment is also focused on adding capacity in addition to decarbonizing.

The energy transition reduces the demand for gasoline, however the growing demand for petrochemicals means refineries need to change what they produce.

We're seeing an increase in refineries converting to biomass feedstock and producing renewable diesel and sustainable aviation fuels. BloombergNEF indicates annual growth rates of 54% in sustainable aviation fuel and 19% in renewable diesel are expected by 2027 via hydroprocessing pathways.

Our extensive US experience in refinery conversions and our strong relationships with refiners in the US and Europe have given us a leading position in decarbonizing these assets.

We're working with our customers and leading technology providers in new technologies and processes, (e.g. using sustainable biomass and municipal wastes as feedstock) helping them reach commercial scale and deploy globally.

Shipping companies are increasing the use of marine methanol to navigate the transition toward net-zero shipping. The Methanol Institute forecasts that lower-carbon methanol production capacity is expected to grow to 8 million tonnes per year by 2027. We're collaborating with leading methanol synthesis technology providers and biogenic CO₂ producers to develop rapidly deployable small and medium-sized standardized solutions, initially in the US. Lower-carbon methanol projects bring together our capabilities in carbon capture, low-carbon hydrogen and process technology.



CASE STUDY | Chemicals & fuels | Chemicals

Developing Shell's world-scale chemical project in the US

We're providing FEED services to expand Shell's linear alpha olefins (LAO) capacity in the US Gulf Coast. This will position Shell's Geismar facility as the largest alpha olefins producer in the world.

Alpha olefins are used to produce household detergents, plastics, synthetic lubricants and drilling fluids, among other useful products.

The new LAO facility will use proprietary technology to add an additional 550 tons of capacity at the Geismar facility. Our scope includes the LAO facility, as well as supporting utilities and infrastructure, including product logistics.

UN SDGs:



Business value drivers:





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CASE STUDY | Chemicals & fuels | Low-carbon fuels

Supporting bp to deliver sustainable aviation fuels and renewable diesel

We're supporting bp on the Kwinana, Australia, refinery conversion to produce sustainable aviation fuel (SAF) and renewable diesel (HVO). bp is repurposing the 65-year-old oil refinery (previously used as a fuel import terminal), creating a low-capital opportunity to repurpose the hydrotreating units and infrastructure to produce SAF and HVO.

Renewable fuels are produced from sustainable bio and waste-based feedstock such as tallow, used cooking oil and palm oil mill effluent. Renewable feed will be imported via both vessel unloading at the existing jetties and road tanker unloading within the site.

We completed the optimization phase of the project and are now completing the FEED and engineering and procurement.

UN SDGs:



Business value drivers:





Context & strategy

Resources

The resources market continues to grow, driven by the demand for metals that are essential for the energy transition, the need to decarbonize mining operations and a desire in western economies to bring greater diversity to the supply chain for critical minerals. IEA's Energy Technology Perspective 2023 estimates that US\$450 billion of global investment is required between 2022 and 2030 for mining of critical minerals to achieve the target of the Net Zero Emissions (NZE) scenario 2030.

We continue to see strong investment in sustaining capital across all commodities. There's renewed confidence and activity in greenfield projects, particularly in copper, fertilizers and battery materials.

By the end of the decade we'll be entering a tighter copper market. Miners are strengthening their position in this market, evident by the mergers and acquisitions activity across the industry. All our major miners are focused on developing a pipeline of projects and prioritizing spend to meet this market. Greenfield investment is being studied and brownfield capital is being accelerated to meet future demand. We're currently undertaking feasibility work on several large underground mines.

European markets have moved swiftly to decouple from the supply of fertilizer products from Russia, which is driving strong capital growth in phosphate production from Morocco, where our JESA joint venture with OCP is expanding. They're moving to decarbonize operations and improve water stewardship and operational efficiencies.

The major iron ore companies continue to invest in replacement mines and associated infrastructure, with the additional spend associated with decarbonization of assets and improved water stewardship across operations adding to our substantial portfolio of work with our customers in Australia.

US and EU policy settings for the critical minerals industry are proving to be a catalyst for investment, with project developers from across the globe positioning strongly in these markets. The US Department of Energy has recently added copper to the critical minerals list which will likely signal an additional shift in investment towards this already key market. A large number of lithium refining, active materials and recycling opportunities are coming quickly to market. We're well positioned to provide localized delivery solutions to a broad cross section of customers in Europe, North and South America, and Australia across the entire value chain, from mine to battery recycling.

Capital investment by our key customers is growing at a faster pace than the overall market, and our bookings indicate that we're increasing market share across all our target markets. A key point of differentiation for us is our ability to offer a fully integrated service which minimizes interfaces and provides holistic mine to market solutions.

We have a strong presence in all dominant mining jurisdictions across the globe. In addition, we have existing offices in key emerging areas, presenting growth opportunities in locations such as the Middle East, North Africa and Central Asia.

We recognize that human rights is a risk issue for the resources sector. We manage this risk by a rigorous process of customer selection and through our dedicated program of work on human rights (see page 81).

We continue to see exponential growth in the fast moving subsector of battery active materials, which are key to large scale battery manufacturing. Importantly, we've taken a market-leading position in European cathode and anode production plants and have now successfully entered the North American market with our innovative delivery offering. We're working together with our customers to help secure a supply chain of both raw and active materials as we deliver across the entire value chain of battery materials from mine, processing of brines and ores, through to both cathode and anode active materials and recycling materials.

Across commodities, we're assisting our customers to develop comprehensive roadmaps towards decarbonizing their operations and most notably we're developing innovative cost-effective hybrid solutions to allow miners to accelerate electrification of haulage fleets and reduce water consumption across operations.

We're using our regulatory, environmental and water capability to help our customers:

- decarbonize operations
- provide greater water stewardship
- invest in areas associated with their social license.

What often sets us apart from our competitors is our ability to offer our customers environmental and water management solutions in conjunction with providing innovative process and process infrastructure solutions.

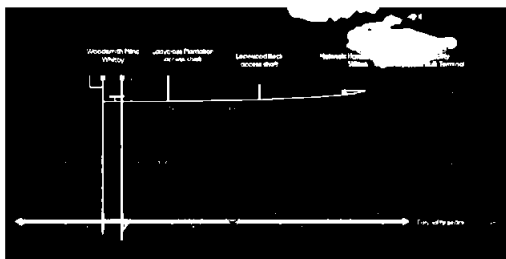
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CASE STUDY | Resources | Low-carbon fertilizers

Setting the standard for sustainable mining

We've been awarded the program management agreement (PMA) for the entire scope of the Woodsmith Project - a unique development comprising a mine site south of Whitby in North Yorkshire, with a 37-kilometer tunnel to transport a naturally occurring mineral, polyhalite, to processing and shipping facilities in Teesside.

The mine has been designed to be sympathetic to its location in the North York Moors National Park. The number and size of buildings has been reduced to a minimum, which together with extensive landscaping and planting will ensure the site is screened and blends in with the surrounding area. In recognition of the area's sensitivity, mined ore will be transported underground to the materials handling facility in Teesside, ensuring that no mineral comes to the surface in the protected park.



Bringing this world-class mine to fruition will help meet the world's ever-increasing need for food by mining polyhalite and producing and shipping POLY4, Anglo American's flagship multi-nutrient fertilizer product, across the world.

POLY4 will allow farmers to maximize crop yields, increase crop quality and improve soils with one simple product, naturally containing four of the six most important plant nutrients: potassium, sulphur, magnesium and calcium, plus various micronutrients. The North Yorkshire coast contains the highest-grade resource of polyhalite anywhere in the world.

To support safety, efficiency and flexibility, the operations will be integrated and automated from mine to port. The PMA follows our involvement in the study phase of the project and includes substantive terms to provide engineering, procurement and construction management (EPCM) services, which will be completed under separate agreements as the project progresses.

We're taking a global approach to project delivery. Our team will be led by our people based at Anglo American's Wilton and Woodsmith Mine sites, with support from Stockton, Brisbane, Santiago and South Africa.

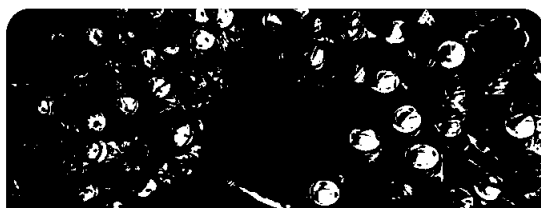
UN SDGs:



Business value drivers:



Context & strategy



CASE STUDY | Resources | Energy transition materials

Unlocking one of the world's largest underground copper resources

Oyu Tolgoi contains one of the world's largest known copper-gold resources.

Our involvement with the Oyu Tolgoi Underground Project began in April 2015, when we provided mine restart support services. In June 2016, we were appointed to provide EPCM services for Oyu Tolgoi's materials-handling systems and associated surface and underground infrastructure.

In 2023, the project celebrated the commencement of underground production from the mine. This achievement is testament to the collaboration of the project team to overcome some unique challenges, including working in a harsh work environment with sub-zero temperatures, a complex underground scope and collaboration between a multilingual, multinational workforce.

Supporting social license drivers was another key achievement. The project focused on diversity targets, with women accounting for 28% of our workforce. In addition, the drive to maximize local resourcing resulted in over 90% of the construction workforce being Mongolian citizens.

Once fully operational, the underground mine will be the fourth-largest copper mine in the world, producing more than 500,000 tonnes per annum of copper, a commodity essential for securing a lower-carbon future.

UN SDGs:



Business value drivers:



CASE STUDY | Resources | Water stewardship

Delivering water security for OCP and the people of Morocco

Through our JESA joint venture, established in 2010, we are delivering a fast-tracked desalination solution for OCP.

Morocco is facing critical water stress due to a severe drought over the past two years. We're working with OCP, the world's largest supplier of mined phosphate fertilizer products, to deliver their industrial water needs for the Safi and Jorf Lasfar sites and drinking water for surrounding communities.

The first phase of the emergency water program aims to deliver 110 million m³ per year to supply the industrial water needs at the Jorf Lasfar and Safi sites and supplement drinking water to El Jadida and Safi. It aims to supply the Khouribga site with 80 million m³ per year of desalinated water via a 200-kilometer pipeline from Jorf.

The fast-tracked program focuses on using available capacities or quickly deployable options (e.g. containerized, modularized skids). It maximizes the use of the existing infrastructure in Jorf and Safi (specifically for sea water) to feed the desalination units. It will progressively bring capacity online.

A more ambitious water program has launched which aims to gradually increase desalination capacities to 300 million m³ per year at the Jorf site, 200 million m³ per year at the Safi site and 60 million m³ per year in the Laayoune region. This will secure all OCP industrial water needs as well as urban and irrigation water for Jorf, SAFI, Gantour and Khouribga regions by 2030.

UN SDGs:



Business value drivers:



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CASE STUDY | Resources | Biodiversity

Advisian

Worley Group

Building large-scale biodiversity for the Iona Island restoration project

ʔəyeyst/Iona Island has a large diversity of ecosystems, providing an important habitat for numerous species. It's also home to the Iona Island Wastewater Treatment Plant (IIWWTP) and the Iona Beach Regional Park. The causeway connecting Iona Island to Richmond has disconnected the marine and freshwater aquatic environments. To help re-establish this important connection, restore fish habitat and foster ecosystem resilience to sea level rise, Advisian is:

- developing preliminary designs for 10 foreshore ecological restoration projects, including a breach of the Iona Island Causeway, to help restore mixing of fresh and salt water, re-establish sediment transport processes and help migrating aquatic species, like juvenile salmon, acclimatize to saltwater conditions
- using nature-based climate-resilient solutions to achieve the ecological priorities for the project, help tidal habitats adapt to sea-level rise and protect the park and the plant. Ecological priorities are focused on the improved health of the Salish Sea and enhanced biodiversity within the Fraser River Estuary
- collecting biophysical baseline data and preparing a long-term monitoring plan for the ecological restoration projects.

Designing projects to be climate resilient and support biodiversity is a challenge many of our customers are facing. We're participating in this large-scale project to achieve those goals, working together with Metro Vancouver in collaboration with Musqueam Indian Band and with guidance from academics, regulators and specialists across Canada.

Metro Vancouver is a federation of 21 municipalities, one electoral area, and one treaty First Nation that collaboratively plans for and delivers regional-scale services. Its core services are drinking water, wastewater treatment and solid waste management.

UN SDGs:



Business value drivers:



Nature-based solutions can provide over one-third of the cost-effective climate mitigation needed between now and 2030 to stabilize warming to below 2°C, achieving nature's mitigation potential of 10-12 gigatons of CO₂ per year.

- United Nations Global Compact





Operating & financial review

Operating & financial review

Our value proposition

Total business is growing

Factored sales pipeline



Backlog



Aggregated revenue



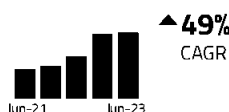
As a global leader in energy, chemicals and resources, we leverage our knowledge, technology and data to deliver world-class solutions.

Increasing proportion of sustainability work gaining momentum

Factored sales pipeline



Backlog



Aggregated revenue



We're a global business of experts with over 48,200 people with transferable skills across traditional and sustainability-related work.

Earnings and margin expansion¹

$$\text{Market growth} + \text{Increased market share} + \text{Margin expansion (EBITA margins to be within a range of 7.5-8% in FY24 (excluding procurement))} = \text{Double digit medium-term EBITA CAGR ambition}$$

We're growing our natural share of the market and actively prioritizing higher margin work.

Capital management position supports growth plans

- ✓ Maintenance of strong credit ratings
- ✓ Access to well-priced debt capital
- ✓ Strong free cash flow for accretive reinvestment and reduction in leverage

Risk-adjusted approach and low-risk appetite

- ✓ 80% reimbursable
- ✓ No material competitively-tendered lump sum turnkey projects

We're recognized for our ESG commitments and actions

Dow Jones Sustainability Index – recognized as a global leader 2022 (Australia and Asia Pacific)

Recognized by CDP – as a Climate Change Supplier Engagement Leader 2022

ISS ESG Corporate Prime Rating – upgraded from C- to C+, which means our tradeable bonds and shares qualify for responsible investment

Climate Change Business Journal (CCBJ) – recognized with the 2022 Industry Leadership Award for Climate & Infrastructure

Gold EcoVadis sustainability rating – places us in top 10% of industry peers

Our recognition is underpinned by sustained progress across our material sustainability programs of work.

1. All forward looking statements, including the FY2024 Group outlook, remain subject to no material deterioration in current market conditions. See page 3 for more information.



1. Operations

1.1 Overview

Worley is an ASX-listed company of national significance, providing global, high-value solutions for a diverse range of end markets in energy, chemicals and resources.

We bring our customers data- and technology-driven solutions at every stage of the project life cycle, from initial concepts to sustaining and enhancing their assets.

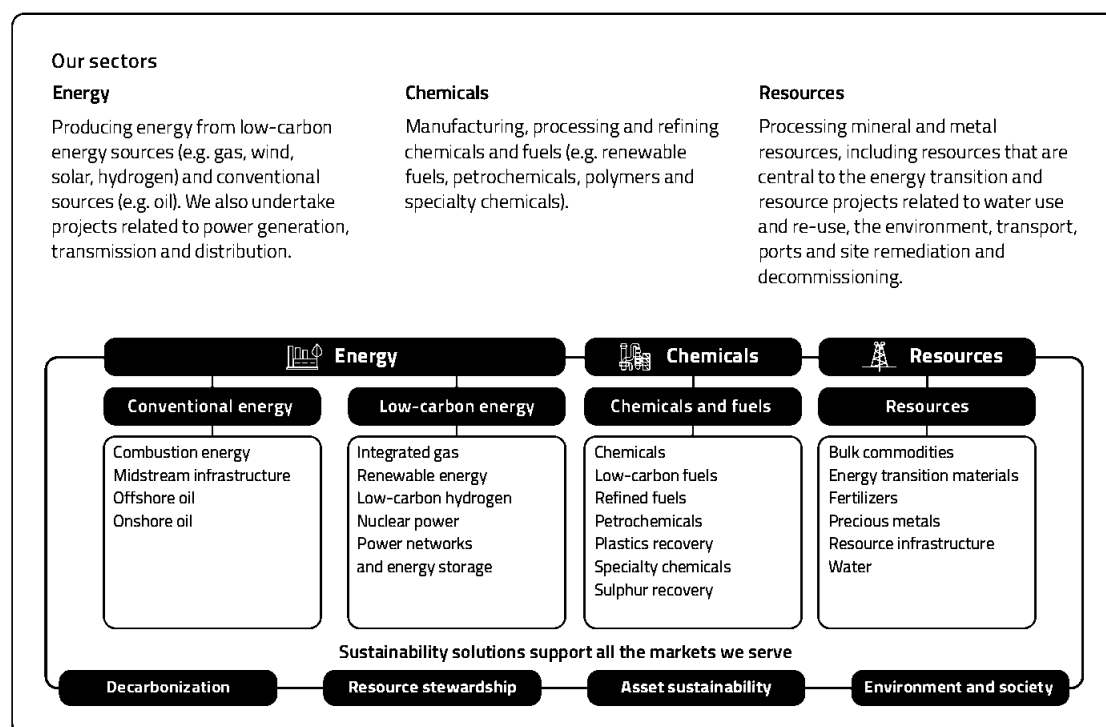
Our experience has established us as a global leader in sustainability solutions. We're partnering with our customers to deliver infrastructure and integrated solutions to some of the most ambitious, innovative and large-scale projects in the world.

Internationally, we're a global leader in integrated gas, low-carbon fuels and carbon capture, use and storage, nuclear power technology design and project management delivery.

We own proprietary technology and deliver 80% of the world's sulphur removal facilities. We deliver these solutions, in Australia and around the world.

We hold leadership positions across the industries we serve, helping customers to achieve their commitments across both their traditional businesses and their sustainability investments.

Our existing and emerging customers include multinational energy, chemicals and resources companies. We serve regionally and locally focused companies, national oil companies and government-owned utilities. Our ten largest customers account for 40% of our aggregated revenue. Of our 20 largest customers by aggregated revenue, 85% have net-zero Scope 1 and Scope 2 targets by 2050 or sooner. This supports our ambition to partner with customers committed to decarbonization. It also highlights that our continued involvement in traditional markets presents us with an opportunity to lower the carbon impact of remaining carbon-intensive assets.



Operating & financial review

1. Operations

1.2 Business model

We generate earnings by performing professional, construction and field-based services. We also generate earnings through fabrication of equipment and providing procurement services. We offer a suite of digital products and proprietary technologies. We engage via alternative low-risk commercial models which reward us for the value we bring. Our risk-adjusted approach and low-risk appetite is a key differentiator for us over our competitors. We do not competitively bid for material lump sum turnkey (LSTK) work.

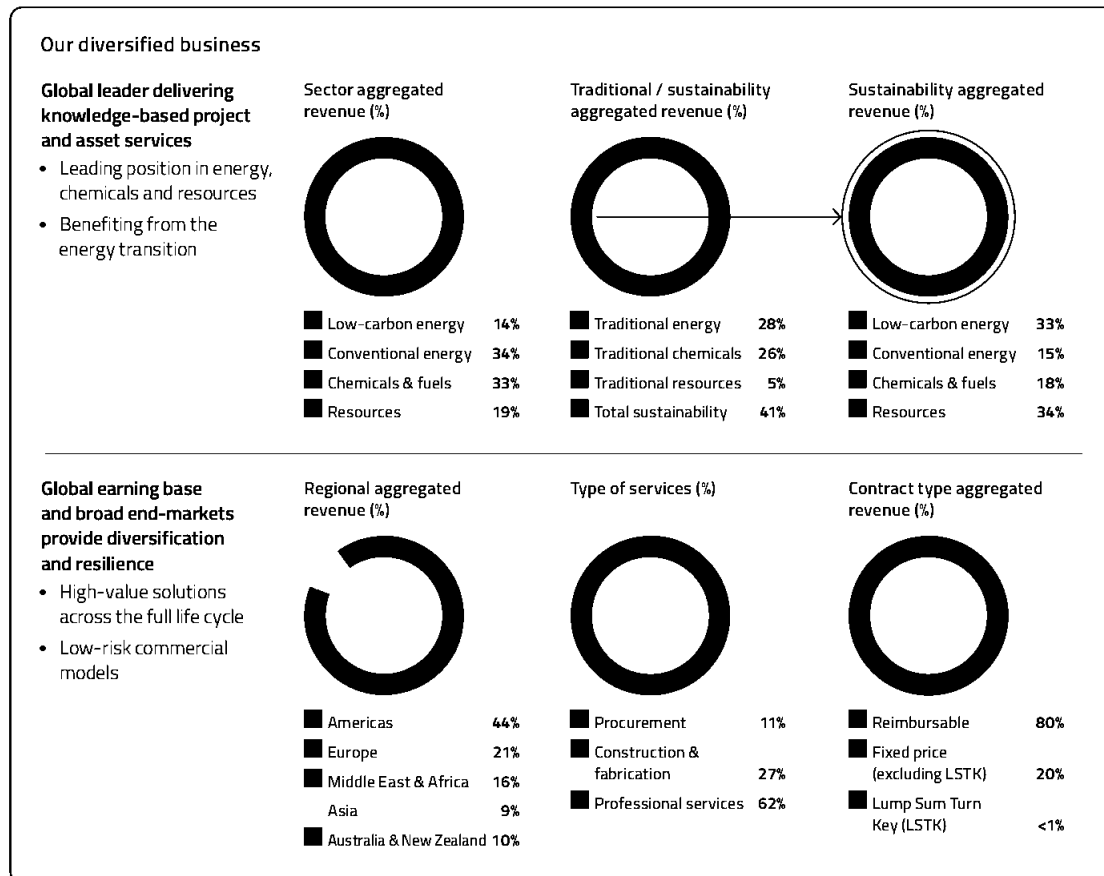
Our contract types include reimbursable and fixed-price contracts.

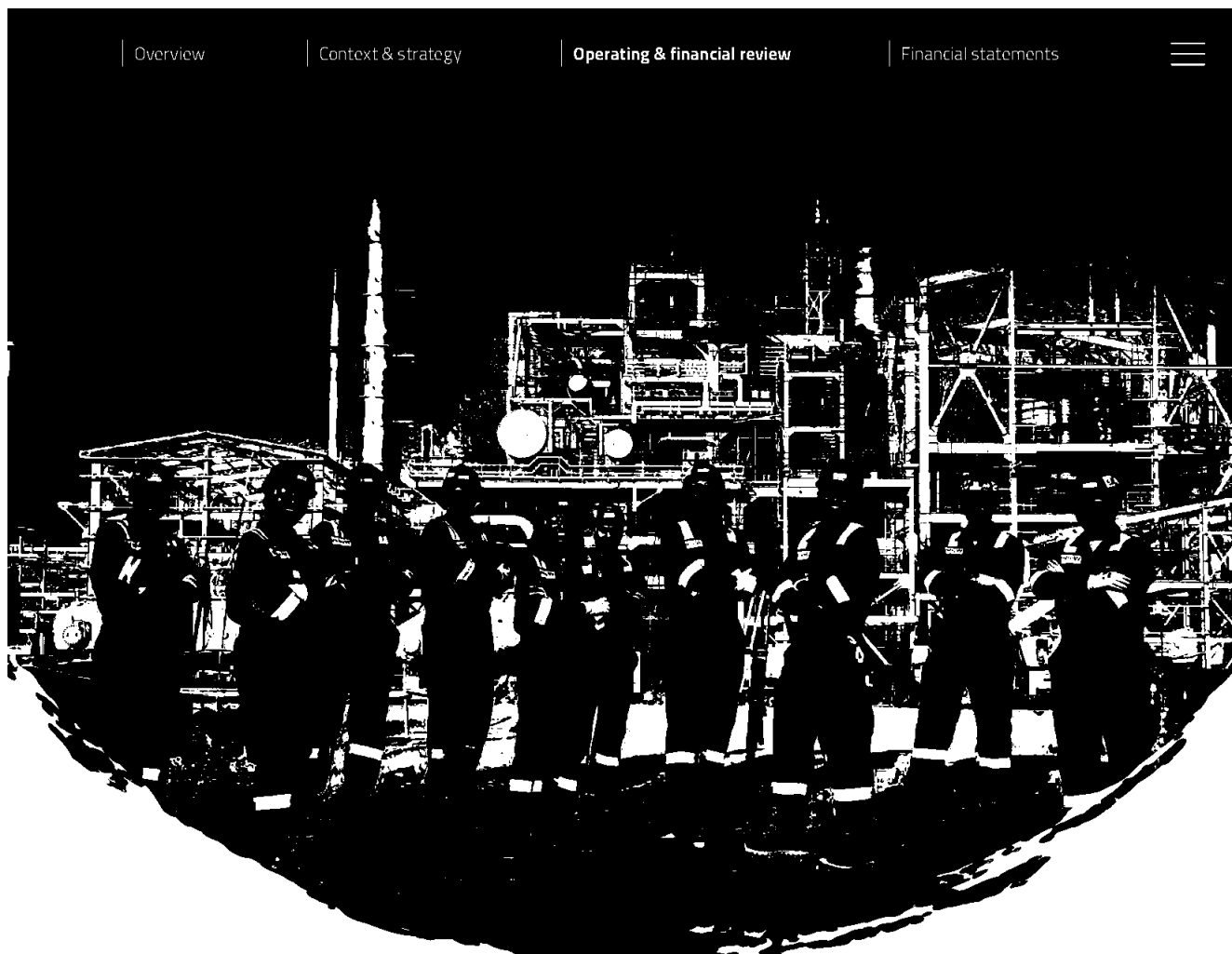
Reimbursable contracts, 80% of our revenue in FY2023:

These contracts are based on reimbursement of reasonable and allowable actual costs plus profits. In addition to the base profits these contracts generate, we may earn further incentives from creating enhanced value for the customer, depending on the individual contract terms and conditions. When negotiating with our customers, we're typically able to adjust our contracts in line with inflation and wage increases.

Fixed-price contracts, 20% of our revenue in FY2023:

- Lump sum services contracts, where we can control the outcomes. These typically have a short duration (on average, under six months) and would generally take into consideration inflationary expectations.
- Lump sum engineering, procurement and construction (EPC), typically where we've completed the preceding phases and are confident of the scope. We could see an increase in these types of contracts in the future if they present the opportunity for higher margins while minimizing risk.
- Construction lump sum contracts. For example, some of our construction projects are lump sum.
- Lump sum turnkey (LSTK), where we take on some of the risk for the plant start-up and achieving normal operations. This constitutes a very minor portion of our revenue (significantly less than 1%). We only take on LSTK contracts when we're involved in the project from the start, clearly understand any risks and are confident we can manage them.



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We have minimal direct exposure to supply chain risk as we typically purchase materials on behalf of our customers.

We use a controlled framework to guide and determine the type of projects we bid and work on. This includes our Responsible Business Assessment Standard.

We use a remuneration program for our Senior Leaders (approximately 1,100 people) to drive our strategic objectives and transformation (see page 108).

Aggregated revenue and profit: We generate our sources of revenue and profit from many customers. As a result, we don't depend on any one customer for a significant portion of our revenue or profit. Aggregated revenue doesn't include revenue that has nil margin. (Revenue with nil margin typically relates to procurement revenue where we procure on our customers' behalf, with no exposure to financing costs or warranty obligations.)

We include revenue attributable to associates within aggregated revenue. We believe disclosing this revenue provides more information about the financial results of the Group.

Costs: Our largest costs are people, technology, reimbursable expenses and administration, which includes office leases.

Assets and liabilities: The significant items on our balance sheet are mainly project related, such as trade receivables, unbilled contract revenue, and provisions and borrowings.

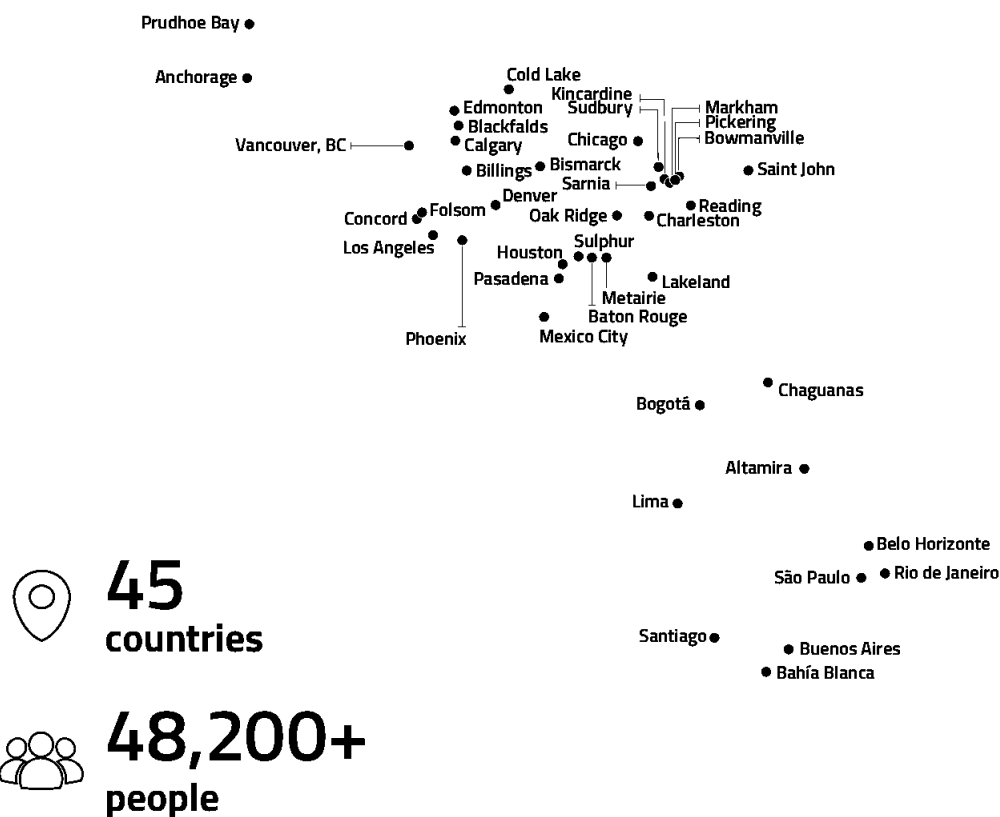
We hold several intangible assets, generated from previous acquisitions. Our working capital is not capital intensive. Our customers pay us at longer intervals than we pay some of our expenses (for example, people). This time difference, including the time from incurring costs to invoicing customers, makes up the majority of our working capital requirements. During the current growth phase of the business, additional working capital will be invested as the volume of work increases. We continue to maintain discipline over managing this investment.



Operating & financial review

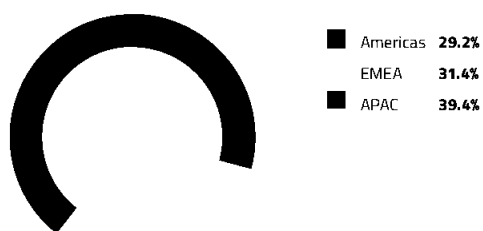
1. Operations

1.3 Global operations



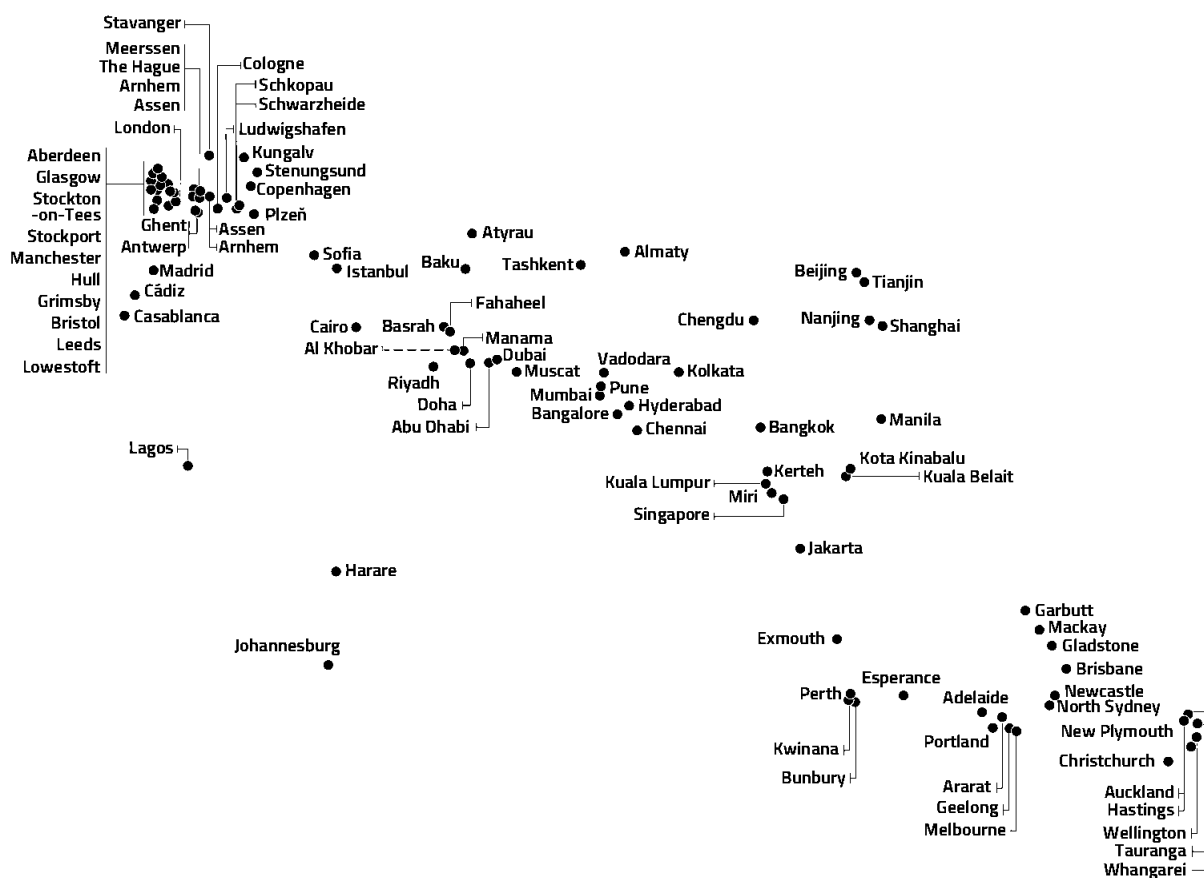
Our workforce

Employee distribution by region

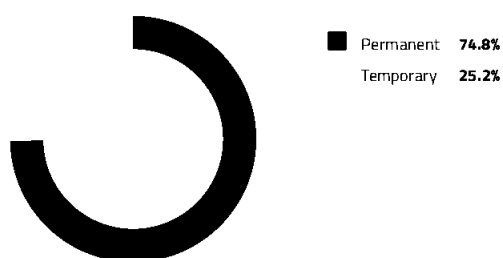


Employees male / female



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Employees permanent / temporary





Operating & financial review

1. Operations

1.4 Review of operations

We manage operations in two regions: the Americas as one region and the combination of Europe, Middle East and Africa (EMEA) and Asia Pacific, Australia and China (APAC) as the other. This structure simplifies how we engage with our customers. It allows us to collaborate across the business and bring the best of our capability to help our customers find solutions to their most complex challenges. When reporting these two regions, we disclose activities in three parts: the Americas, EMEA and APAC, and by three sectors: energy, chemicals and resources.

This year, we've seen activity accelerate as customers across all our sectors have increased their capital investments. Global challenges such as inflation and supply chain disruptions are not currently causing many delays to projects.

We're focused on providing a safe work environment, both physically and psychologically, for our office and field-based teams. We're investing in our people to strengthen the Worley experience and to attract and retain critical capabilities. Meanwhile, our people's transferable skills and development are enabling us to accelerate our work in new markets. Attrition and gender disparity remain a key focus for continued improvement. For more information on our people value driver, see page 74.

We've enhanced our focus on areas such as modern slavery to combat issues all too prevalent in our industries. For more information on our communities value driver, see page 78.

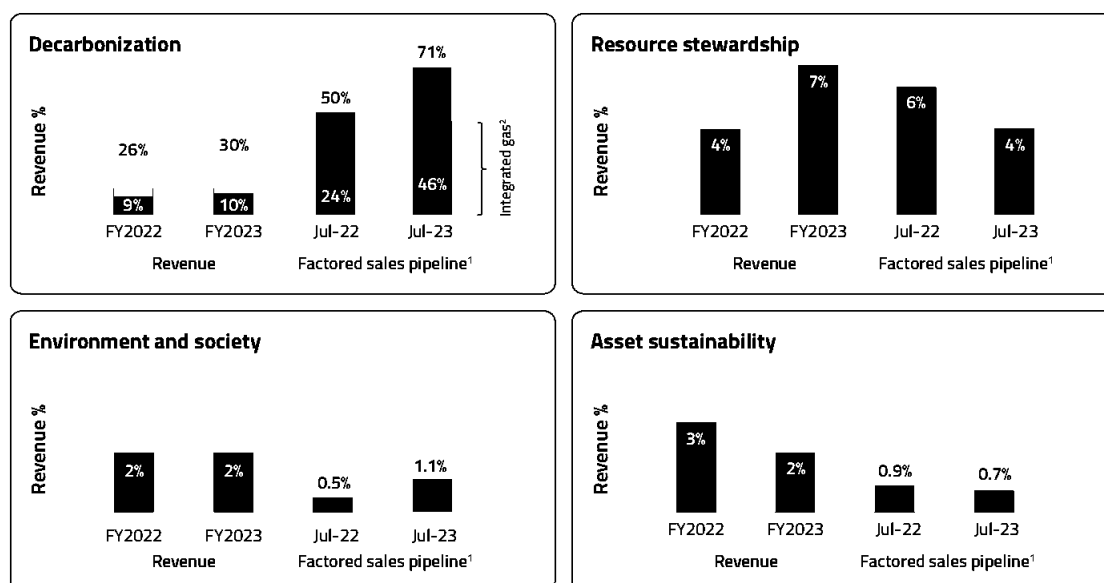
We're well positioned as a scalable business and continue to benefit from our cost-savings initiatives. We've delivered our target of \$375 million annualized savings by the end of June 2023. FY2023 costs in relation to this program have been less than half of FY2022.

The result for FY2023 was a net profit after tax, excluding the post-tax impact of amortization on intangible assets acquired through business combinations, NPATA, of \$104 million, compared with \$243 million in FY2022. This was impacted by the loss on sale of the North American turnaround and maintenance business, including the impairment of purchased goodwill associated with it. Underlying NPATA was \$348 million for FY2023, up 6% or \$19 million on the previous corresponding period.

Our aggregated revenue increased by 21% to \$10,928 million, compared to \$9,065 million in FY2022. This was supported by growth in our regions, with the Americas aggregated revenue up by 16% and EMEA and APAC up by 21%. For more information on our Finance value driver, see page 55.

Underlying EBITA of \$635 million increased 16% compared to the prior corresponding period, predominantly driven by margin improvement. The underlying EBITA margin however decreased slightly to 5.8% from 6.0% due to an increase in overall procurement revenue which has more than doubled from FY2022 levels. Margin excluding procurement is 6.5% at FY2023 compared to 6.4% at FY2022, which is in line with the outlook provided at H1 FY2023.

Our sustainability-related work breakdown



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We're working on a large-scale biodiversity project in Canada.

See our case study on page 41.



On a proforma basis (adjusting for the sale of the North American turnaround and maintenance business) our EBITA margin excluding procurement was 7% at FY2023. The main drivers of EBITA margin improvement were rate improvements and the increase of professional services work. With disciplined pricing, we're seeing rate improvements continue to come through the backlog and this trend is sustained in the factored sales pipeline.

Our rate improvements were partially offset by growth costs, which represent ongoing investment needed as we grow the business, and the investment spend of \$37 million for our strategic investment in targeted growth areas. This is part of a \$100 million commitment to accelerate our transformation.

Sustainability-related work has been a key driver of our growth. In FY2023, sustainability-related work represented 41% of our aggregated revenue. \$4.5 billion of aggregated revenue was from sustainability-related work, up from \$3.2 billion in FY2022. Sustainability opportunities represent 77% of our factored sales pipeline (factored for likelihood of project proceeding and being awarded to Worley). See page 26 for how we define our sustainability-related work. We've partnered with customers committed to decarbonization and we've embedded mitigating and adapting to climate change in the way we deliver work. For more information on our environment value driver, see page 67.

The statutory operating cash flow is \$260 million versus the FY2022 operating cash flow of \$316 million. Our cash conversion is 86.6% (adjusted to include working capital recovery for the 1-month post-completion of the North American turnaround and maintenance business divestment, \$43 million, and prepayment of software costs \$25 million), which is in our 85% to 95% target range. The days sales outstanding (DSO) fell by 0.3 to 63.0 days over FY2023.

Our capital management strategy is structured around funding our growth and delivering increased value to our shareholders. We've maintained our strong financial position through stronger liquidity, longer debt duration with lower maturity towers and a stable cost of debt capital. Our leverage is 2.2 times, down from 2.5 times at 30 June 2022 and is at levels supportive of future growth. We issued a new \$350 million sustainability-linked bond, and we renewed our syndicated debt facility at an improved corporate margin.

Our leading indicators show continued momentum. Our backlog and factored sales pipeline are increasing. Backlog is \$14.1 billion, up 14%, compared to \$12.4 billion at 30 June 2022 (excluding the sale of the North American turnaround and maintenance business). Sustainability backlog has increased by 56% from FY2022. We've seen key projects progress to later phases, and we continue to win work in line with our expectations. Our factored sales pipeline (factored for likelihood of project proceeding and being awarded to Worley) is up 58% in FY2023.



Operating & financial review

1. Operations

In FY2023 we saw a significant increase in sole-sourced work, demonstrating the confidence our customers have in our capabilities and experience.

We're being recognized for the value we bring. We're increasing value through effective project delivery, increasing automation and digitization, and streamlined operations. We use our depth of experience and extensive resources across multiple sectors and technologies to deliver integrated solutions and complex projects at scale.

We've made progress on our Scope 1 and 2 commitments, achieving an 14% reduction in our Scope 1 and Scope 2 emissions from FY2022. We've also strengthened our ESG disclosures in line with leading practice. For more information on our own ESG performance, see page 51.

Our headcount is 48,223 people, and we have a presence in 45 countries, compared with our 51,000+ people across 46 countries as at 30 June 2022. Our headcount was impacted by the sale of the North American turnaround and maintenance business. Our professional services headcount is up 15% from FY2022.

Our Global Integrated Delivery (GID) grew by 23% in FY2023. Our GID team in India work on projects all over the world and seamlessly transition between projects. GID combined with increased levels of automation are allowing us to achieve high rates of utilization and consistently high-quality work. For more information on our knowledge, technology and data value driver, see page 59.

Women make up 20.8% of our workforce and we have specific gender targets we continue to consider and progress (see page 77). Our commitment to human rights encompasses our people and those we partner with in our supply chain and the communities in which we operate (see page 80).

Business continuity and resilience

The nature and breadth of our business mean that we are exposed to situations that impact the well-being of our people, disrupt our business and could stop us achieving our strategic objectives. We support our people and business to address situations of uncertainty, including natural disasters and geopolitical conflict.

Our R3 (Ready, Response and Recovery) management system helps us to protect our people and maintain business continuity in the face of major disruption events. Our R3 systems includes a dedicated intelligence function to increase our geopolitical insight and enhance our risk management focus on disruptive events, including cybersecurity threats. We commit to extensive training of our multiple response and recovery teams to make sure we're prepared to address the vast array of foreseeable and unforeseen incidents.

1.5 Significant changes in operations

Active portfolio management – sale of North American turnaround and maintenance business

We sold our turnaround and maintenance business in North America, part of Worley North American Field Services, to CAM Industrial Solutions. Our North American construction and fabrication business was not included in the sale. For more information on our equipment and fabrication value driver, see page 65.

The North American Field Services turnaround and maintenance business was our operating and shutdown maintenance craft work (non-professional services) in the USA and Canada. This business predominantly supported oil refineries and petrochemical plants, with most of its revenue derived from traditional work.

The transaction reflects our commitment to actively managing our portfolio in line with our ambition and purpose. This supports our strategy of delivering high-value solutions in growth markets and our ambition to grow our revenue from sustainability-related work.

Changes to the Group Executive, effective 1 July 2023

To maintain a leading position across our markets and continue to deliver projects at the scale and pace required to meet the needs of our customers, we must think differently about how we deliver the work we do for them. Geeta Thakorlal will move into a role to drive transformational project delivery, including using technologies, such as rapidly emerging generative AI capabilities.

Anup Sharma will take on the role of Executive Group Director, Information and Digital Delivery, effective 1 July 2023. Anup brings a deep understanding of the information technology and digital/data landscape. He has a track record of leading high-performing teams and has been successful in driving digital innovation.

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2. ESG performance summary

In this chapter, we summarize our ESG performance. Our website provides a detailed view of our ESG approach.¹



Through our ESG approach, we seek to make a positive impact on people and the environment, and operate responsibly.

We've made good progress in the past year. We increased our ambition on Scope 1 and Scope 2 emissions and are working to decouple these emissions from our energy usage.

We're also focused on other areas, such as our commitment to phase-out the provision of single-use plastics in our offices and our nature roadmap.

Our people are integral to solving these challenges, both for our business and for our customers. We consider them central to how we create value.

Sue Brown
Executive Group Director,
Sustainability



1. Our website provides a full view of our ESG performance. This includes disclosures to a range of voluntary reporting frameworks, such as the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD) and CDP.

Visit the website at: [worley.com/sustainability](https://www.worley.com/sustainability)



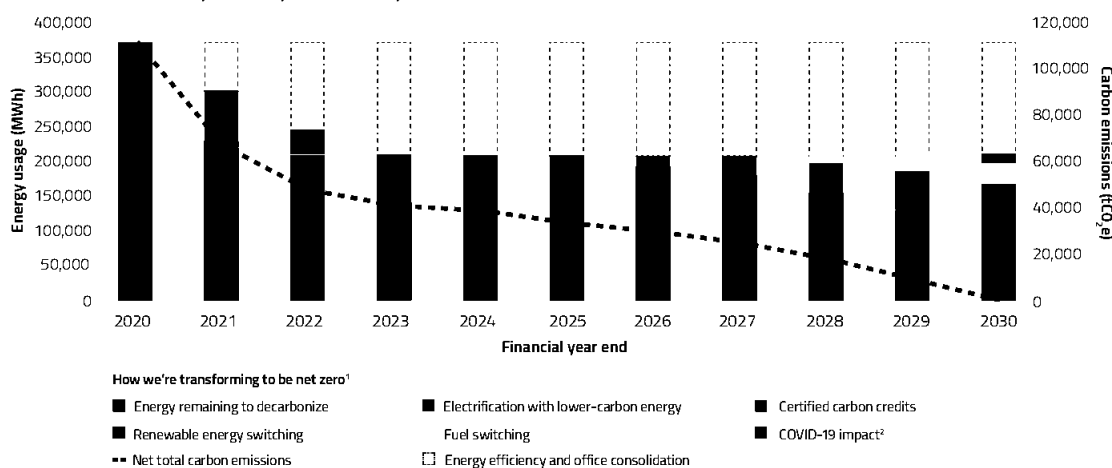
Operating & financial review

2. ESG performance summary

2.1 Environment

We are committed to sustainable practices, support of the Paris Agreement and being a leader in our industries.

Our net-zero roadmap for Scope 1 and Scope 2 emissions



Progressing climate action

Our Climate Change Position Statement (CCPS) sets out our response to climate change. Our net zero journey is well underway and we've reduced our Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 14% over the past year, and by 64% since our baseline year. We've continued our focus on energy efficiency and procuring renewable energy. This has allowed us to start decoupling our emissions from our energy usage.

Over the next few years we're focusing on decarbonizing the more challenging elements of our business, such as our vehicle fleet. Achievement of this is subject to some uncertainties, such as the availability of electric vehicles where we operate (see page 68).

Acting on nature

In support of the recent Kunming-Montreal Global Biodiversity Framework, we've outlined a roadmap to supporting biodiversity and nature in our project work and business more broadly.

The roadmap considers activities where we have a material impact on nature and includes our commitment to phase-out the provision of single-use plastics in our offices. It covers both our own operations and how we deliver work for our customers (see page 71).

Environmental performance

We've provided a summary of our own environmental performance below. For detailed information, please visit our [website](#).

Indicator ³	FY2022	FY2023	Change
Energy use			
Energy use (MWh)	212,345	211,640	-0.3%
Energy productivity (\$ million revenue / GWh)	42.7	51.6	+21%
Scope 1 and Scope 2 GHG emissions			
Scope 1 emissions (tCO ₂ e)	22,238	22,334	+0.4%
Scope 2 emissions ⁴ (tCO ₂ e)	25,973	19,088	-27%
Scope 1 + Scope 2 emissions (tCO ₂ e)	48,211	41,422	-14%
Scope 3 GHG emissions			
Upstream Scope 3 emissions (tCO ₂ e)	578,417	781,213	+35%
Downstream Scope 3 emissions (tCO ₂ e)	7,433	10,794	+45%
Total Scope 3 emissions (tCO ₂ e)	585,850	792,007	+35%
Nature and biodiversity			
Total water withdrawals (ML)	592	539	-9%
Water withdrawals in regions of significant water scarcity risk ⁵ (ML)	134	128	-4%
Total waste recycled (t)	5,404	3,423	-37%
Total waste via waste-to-energy (t)	1,855	1,415	-24%
Total waste to landfill (t)	8,470	8,281	-2%

1. Our net-zero roadmap contains forward-looking statements, including estimates of our future energy use. These statements are not guarantees or predictions of future performance or outcomes. Refer to our disclaimer (see page 3).
2. Over 2021 and 2022, a significant portion of our workforce was working from home due to COVID-19 restrictions. This reduced our Scope 1 and Scope 2 emissions.
3. We disclose the reporting criteria for select metrics in our sustainability basis of preparation.
4. Scope 2 emissions are disclosed as market-based Scope 2 emissions. We also disclose our location-based Scope 2 emissions, see our [CDP submission](#).
5. Significant water risk is defined as areas with high or extremely high baseline water stress, according to the World Resources Institute Aqueduct Water Risk Atlas tool.



2.2 Social

Holistic safety, health and well-being

This year, we recorded strong physical safety performance. We received several safety awards in FY2023, including:

- the Chevron Commitment to Safety Award from their OASIS Program in the US
- the Royal Society for the Prevention of Accidents (RoSPA) Gold Award for our acrylics / oxo-alcohol project in India, and Worley Field Services in the UK
- the Land Transport Authority (LTA) of Singapore Safety Award at the Safety, Health and Environment Convention 2022.

We're embedding psychosocial factors into our existing health and safety framework, and we align with ISO 45003 psychological health and safety at work standard. We see this as essential to building a safe and healthy workforce. Psychosocial safety will continue to be a priority through FY2024, and we will give our people the tools and culture to help manage this.

We're also acting on sexual harassment. Guided by the Australian Respect@Work framework, our Respect at Work project focuses on preventing and responding to sexual harassment and harmful behaviors (see page 77).

Transforming our workforce

Labor, employment, inflation and skills shortages continue to impact our sectors. We remain focused on attracting the right people and providing the right experience.

To meet the growing demand for sustainability-related work, we're investing in our people, particularly their digital and sustainability-related competencies. In February, we invested in a new e-learning program to help our people expand their knowledge and capabilities (see page 76).

We're also continuing to focus on gender diversity and are making progress toward our FY2025 targets. We've maintained our performance in the Board and Group Executive but have not been successful with increasing the percentage of our women Senior Leaders (see page 77).

We're now targeting specific areas to strengthen our processes and pipeline. We also remain focused on progressing cultural diversity and reconciliation in the countries where we operate.

Elevating human rights and modern slavery

This year, we've introduced a dedicated program of work on human rights and modern slavery. We've set up an Executive Human Rights and Diversity and Inclusion Committee. We've also developed a business and human rights framework which translates the UN principles into action.

We're proud to take part in the UN Global Compact Business and Human Rights Accelerator Program. This is a six-month program to support our commitment to human rights and labor rights and to establish human rights due diligence processes (see page 81).

Social performance

We've provided a summary of our own social performance below. For detailed information, please visit our [website](#).

Indicator ¹	FY2022	FY2023	Change
Safety			
Total Recordable Case Frequency Rate (TRCFR)	0.16	0.14	-0.02
Lost Workday Case Frequency Rate (LWCFR)	0.04	0.03	-0.01
Serious Case Frequency Rate (SCFR)	0.06	0.03	-0.03
Fatalities	0	1	+1
People development			
Digital learning accreditations issued (total)	21.7k	41.8k	+93%
Sustainability learning accreditations issued (total)	10.5k	44.7k	+326%
Workforce training on data privacy (% of total workforce)	85	98	+13
Gender²			
Board composition (%)	33	33	-
Group Executive (%)	45	45	-
Senior Leaders (%)	16	16	-
Graduate intake (%)	47	48	+1
Total workforce (%)	18.6	20.8	+2.2

We provide demographic and employment data on page 46 of this report.

1. We disclose the reporting criteria for select metrics in our sustainability basis of preparation.

2. We have a suite of FY2025 targets to improve our gender performance. For the purposes of our gender diversity targets, we report the percentage of women only. Our HR system of record does, in some locations, track non-binary status. See page 77 for more information.

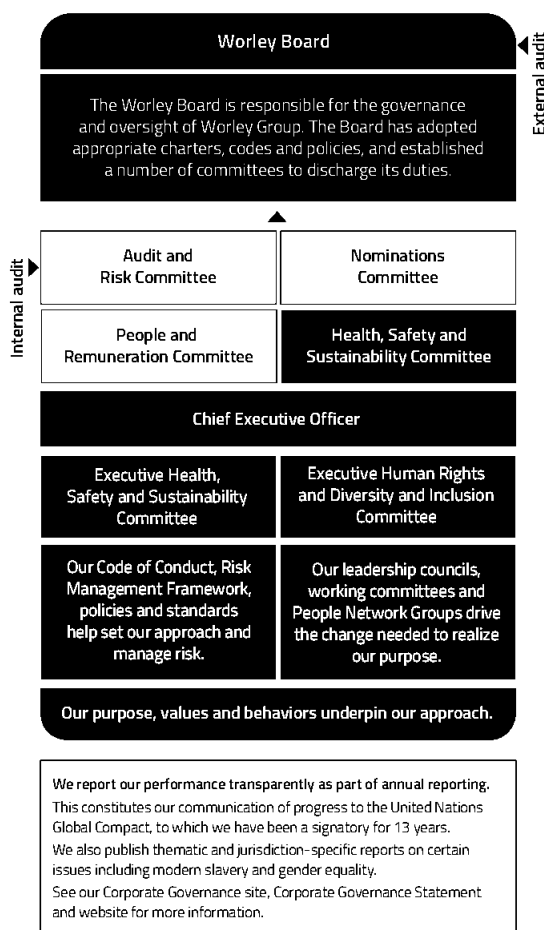
Operating & financial review

2. ESG performance summary

2.3 Governance

Our sustainability governance framework helps us provide strong governance over sustainability-related matters.

The Worley Board is responsible for the ESG governance of Worley Group. Our governance systems and operational controls ensure we operate lawfully, ethically and responsibly.



Continuing our focus on ethics and integrity

This year, we ran our Code of Conduct refresher training. This reinforces our zero-tolerance approach to bribery, fraud, corruption and modern slavery. It also outlines our data privacy obligations and how to identify and report modern slavery concerns and sexual harassment.

The code is available in 16 languages and applies to everyone, including employees, Board members and representatives of the company, including contractors and part-time employees.

We've also updated our Supply Chain Code of Conduct to cover a range of sustainability-related topics. We expect the same standard from our suppliers that we apply to ourselves.

Governance performance

We've provided a summary of our own governance performance below. For detailed information, please visit our [website](#).

Indicator	FY2022	FY2023	Change
Code of Conduct			
Code of Conduct training completion (total)	40,000+	43,800+	+3,800
Ethics helpline			
Reports in progress	30	13	-17
Reports partially or fully substantiated	61	70	+9
Reports unsubstantiated	89	117	+28
Total reports	180	200	+20
Due diligence checks			
Customers	4,335	4,313	-0.5%
Suppliers	6,660	5,498	-17%
Other partners ¹	83	112	+35%

This year, independent third-party auditors have provided limited assurance on our select ESG performance metrics (shown below). This has been done in accordance with the International Standard on Assurance Engagements ISAE 3000. This includes:

- diversity (women employees, women Senior Leaders, women Group Executives, women Board members)²
- safety (TRCFR, LWCFR, SCFR)²
- environmental (energy use, Scope 1 and Scope 2 greenhouse gas emissions)².

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 having management review and sign-off prior to Board approval.

Our Group's ESG performance is governed at Board level. All standing committees have clearly defined remits and charters. All Committees interface with ESG-related topics. In particular, the Health, Safety and Sustainability Committee governs the Group's health, safety and sustainability performance. We introduce the individuals who make up the Board and their sustainability competencies in our [Corporate Governance Statement](#).

1. Due diligence checks on other partners, such as agents, joint ventures and sponsorship opportunities.
2. We disclose the reporting criteria for select metrics in our [sustainability basis of preparation](#).



3. Performance

In this section, we provide a review of performance against the business value drivers shown below. Our value map (see page 22) shows the definitions of our business value drivers and their relevance to our business.

 3.1 Finance Active capital management from diverse and competitive sources, driving business growth and value for our investors (see below).	 3.4 Environment The natural resources we use and the work we do, together enabling us to steward environmental sustainability for our customers and our business (see page 67).
 3.2 Knowledge, technology and data What we know – our brand, execution methodologies, intellectual property, data, technology, knowledge and insights – together driving efficiency and productivity (see page 59).	 3.5 People Energized and empowered people with the capability and experience to deliver our purpose (see page 74).
 3.3 Equipment and fabrication Manufacturing, constructing, operating and maintaining equipment and assets for the energy, chemicals and resources sectors (see page 65).	 3.6 Communities Strong relationships within our sectors – with our people, customers, investors, communities and governments – building trust and license to operate (see page 78).

3.1 Finance

Our finance business value driver refers to active capital management from diverse and competitive sources, driving business growth and value for our investors.

The following table shows the reconciliation of the underlying earnings before interest, tax and amortization on intangible assets we've acquired through business combinations (EBITA) and underlying net profit after tax and before amortization of intangible assets acquired through business combinations (NPATA) results to the EBITA. It also shows NPATA attributable to members of Worley Limited.

These three measures are the key to understanding our results:

1. aggregated revenue
2. EBITA (earnings before interest, tax and amortization) and
3. NPATA (net profit after tax and before amortization) attributable to members of Worley Limited.



Operating & financial review

3. Performance

Finance

	FY2023 \$m	FY2022 \$m
EBITA	345	449
Costs in relation to cost saving programs	50	67
Loss on sale of disposal group and related expenses	240	–
Net impact of historical legal matter	–	16
Impact of withdrawal from Russia	–	14
All other items	–	1
<i>Total of underlying adjustments to EBITA</i>	<i>290</i>	<i>98</i>
Underlying EBITA	635	547
Net finance costs	(110)	(60)
Income tax expense	(100)	(117)
Net tax expense on items excluded from underlying earnings	(46)	(12)
Tax on acquired intangibles	(22)	(24)
Underlying tax adjustments	–	–
Non-controlling interests	(9)	(5)
Underlying NPATA attributable to members of Worley Limited	348	329
Total of underlying adjustments to EBITA	(290)	(98)
Net tax expense on items excluded from underlying earnings	46	12
Underlying tax adjustments	–	–
Amortization of acquired intangible assets	(89)	(95)
Tax on acquired amortization	22	24
NPAT attributable to members of Worley Limited	37	172

	FY2023 \$m	FY2022 \$m	Comments	Movement
1. Aggregated revenue	10,928	9,065	We define aggregated revenue as: - our revenue and income calculated in accordance with relevant accounting standards - plus our share of revenue earned by our associates - less procurement revenue at nil margin, pass-through revenue at nil margin and interest income.	Our aggregated revenue increased by 21% in FY2023 when compared with that in FY2022, driven by volume growth across all three regions.
2. EBITA (statutory)	345	449	EBITA means earnings before interest, tax and amortization on intangible assets acquired through business combinations.	Our statutory EBITA decreased by 23% in FY2023 when compared with that in FY2022, driven by one-off impact of the divestment of the North American turnaround and maintenance business, including the impairment of purchased goodwill associated with it.
(underlying)	635	547		Our underlying EBITA increased by 16% in FY2023 when compared with that in FY2022, driven by professional services in our business mix increasing and a continuing improvement in rate.
3. NPATA (statutory)	104	243	NPATA means net profit after tax and before amortization on intangible assets acquired through business combinations.	Our statutory NPATA decreased by 57% in FY2023 when compared with that in FY2022.
(underlying)	348	329		Our underlying NPATA increased by 6% in FY2023 when compared with that in FY2022.



3.1.1 Operating performance

Americas

The Americas region, comprising the United States, Canada and Latin America, reported aggregated revenue of \$4,846 million and segment EBITA of \$297 million (FY2022: aggregated revenue of \$4,187 million and segment EBITA of \$271 million). The Americas EBITA increase was driven by an improved second half with a ramp up of key projects and improved margins in professional services from the first half. The segment margin excluding procurement decreased to 6.6% from 6.7%. The Americas margin excluding North American turnaround and maintenance business is 7.8%.

		FY2023	FY2022	Variance%
Aggregated revenue	\$m	4,846	4,187	15.7
Contribution to Group aggregated revenue	%	44	46	
Segment EBITA	\$m	297	271	9.6
Segment margin	%	6.1	6.5	
Segment margin (excluding procurement)	%	6.6	6.7	

EMEA

The Europe, Middle East and Africa region reported aggregated revenue of \$4,023 million and segment EBITA of \$329 million (FY2022: aggregated revenue of \$3,168 million and segment EBITA of \$283 million). The segment margin excluding procurement increased to 10.0% from 9.7% due to an increase in the mix towards professional services.

		FY2023	FY2022	Variance%
Aggregated revenue	\$m	4,023	3,168	27.0
Contribution to Group aggregated revenue	%	37	35	
Segment EBITA	\$m	329	283	16.3
Segment margin	%	8.2	8.9	
Segment margin (excluding procurement)	%	10.0	9.7	

APAC

The Australia, Pacific, Asia and China region reported aggregated revenue of \$2,059 million and segment EBITA of \$222 million (FY2022: aggregated revenue of \$1,710 million and segment EBITA of \$181 million). The segment margin excluding procurement increased to 11.4% from 11.3% due to rate improvements.

		FY2023	FY2022	Variance%
Aggregated revenue	\$m	2,059	1,710	20.4
Contribution to Group aggregated revenue	%	19	19	
Segment EBITA	\$m	222	181	22.7
Segment margin	%	10.8	10.6	
Segment margin (excluding procurement)	%	11.4	11.3	



Operating & financial review

3. Performance



Finance

3.1.2 Sector performance

Energy

The energy sector reported aggregated revenue of \$5,192 million and segment EBITA of \$360 million (FY2022: aggregated revenue of \$4,477 million and segment EBITA of \$327 million). The sector benefited from market growth due to global energy security requirements and sustainability-related investments. The segment margin excluding procurement is 7.6% and remains steady on the prior period.

		FY2023	FY2022	Variance%
Aggregated revenue	\$m	5,192	4,477	16.0
Contribution to Group aggregated revenue	%	48	49	
Segment EBITA	\$m	360	327	10.1
Segment margin	%	6.9	7.3	
Segment margin (excluding procurement)	%	7.6	7.7	

Chemicals

The chemicals sector reported aggregated revenue of \$3,645 million and segment EBITA of \$318 million (FY2022: aggregated revenue of \$3,308 million and segment EBITA of \$302 million). The sector delivered steady EBITA growth of 5% with the the segment margin excluding procurement decreased to 9.3% from 9.5%, driven by project mix.

		FY2023	FY2022	Variance%
Aggregated revenue	\$m	3,645	3,308	10.2
Contribution to Group aggregated revenue	%	33	37	
Segment EBITA	\$m	318	302	5.3
Segment margin	%	8.7	9.1	
Segment margin (excluding procurement)	%	9.3	9.5	

Resources

The resources sector reported aggregated revenue of \$2,091 million and segment EBITA of \$170 million (FY2022: aggregated revenue of \$1,280 million and segment EBITA of \$106 million). The segment margin excluding procurement increased to 10.9% from 9.4%. The resources sector margin improvement was driven by project performance in EMEA, and rate improvements with higher volumes of professional services during the year.

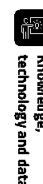
		FY2023	FY2022	Variance%
Aggregated Revenue	\$m	2,091	1,280	63.4
Contribution to Group aggregated revenue	%	19	14	
Segment EBITA	\$m	170	106	60.4
Segment margin	%	8.1	8.3	
Segment margin (excluding procurement)	%	10.9	9.4	



3.2 Knowledge, technology and data

Our knowledge, technology and data business value driver refers to what we know – our brand, execution, methodologies, intellectual property, data, technology, knowledge and insights – together driving efficiency and productivity.

Our standards and integrated processes enable us to provide consistent and insightful solutions to our customers. We have over 48,200 people to develop, analyze and deliver leading solutions. As our teams engage with our customers, we actively work to identify opportunities to innovate and deliver value.



We leverage our global knowledge, technology and data to bring value for our customers anywhere in the world.



Knowledge and advisory

We're providing expert solutions focused on solving complex challenges.

- We create value from the knowledge we gain across thousands of engagements and projects each year.
- We provide insights across the full asset life cycle, from market and technology analysis to early-stage project development, asset optimization and repurposing/remediation.
- Our knowledge is delivered as studies, reports, engineering and integrated solutions to drive project delivery.



Technology

We're building on our process technology intellectual property (IP) portfolio in growth sectors to support overall business growth.

- Our Comprimo® business brings more than 60 years of proven experience and expertise in developing, applying and managing sulphur removal technology.
- Through Chemetics® we offer technology and solutions for sulphuric acid and other specialty chemicals facilities.
- We build, scale, invest and partner with others in new ventures that have the potential to transform the way we work today.



Digital and data analytics

We're enhancing our digital technology to create high-value solutions, enhance quality and drive margin improvement.

- We provide integrated, data-centric delivery platforms.
- We're increasing productivity through process automation bots.
- We're developing artificial intelligence tools to drive smart and repeatable engineering solutions.
- Our digital products help our customers improve their project and operational performance and reduce their safety and environmental risk.



Cybersecurity

Protecting our own and our customers' data safeguards the value we bring. Our Information Security Management System is ISO 27001 certified.

We've based our strategy on the National Institute of Standards and Technology (NIST) Cyber Security Framework and the Australian Cyber Security Centre Essential Eight Maturity Model.

Operating & financial review

3. Performance



Knowledge,
technology and data

3.2.1 Knowledge and advisory

We use our collective knowledge, gained from thousands of engagements and projects each year, to create value for our customers.

The energy transition and other macro-trends are transforming our customers' organizations. We're enhancing our collective knowledge to meet our customers' needs through this transformation. See page 75 for how we're upskilling our global team, helping them to drive impact.

Management and Knowledge Systems

Our people's knowledge and experience is our most valuable intangible asset. We capture and store these assets in our Management and Knowledge Systems.

Our Management System tells us "what to do", and our Knowledge System tells us "how to do" the work. This includes our standards and policies, go-bys and lessons learned. We have over 2,500 lessons in our lessons learned library and over 18,000 documents in our go-bys library.

Our Management System provides us with a robust framework of controls. Our new Scalable Engineering solution allows us to scale the requirements in the Management System to match the complexity of each project. Our Management System is ISO 9001 certified and compliance with this system is mandatory for all our projects and operations.

In FY2023, we delivered refresher training of our Management and Knowledge Systems to over 4,600 of our leaders. Our leaders play a significant role in driving the right behaviors to achieve consistency and standardization across our projects and operations. Additionally, our people contributed over 500 improvement suggestions this year, supporting the continued enhancement of our systems.

Project delivery

Our project delivery capability is flexible enough to accommodate small-scale through to multi-billion dollar projects.

Our past performance shows our ability to deliver projects for customers facing a variety of challenges. These include tight schedules and remote sites where we've needed to consider environmental and technological factors. See page 68 for how we're embedding Sustainable Design into all our projects.

We're delivering some of the most complex projects in the world, using cutting edge digital tools and fast-tracked project delivery.

This year, we delivered the Brunsbüttel floating LNG import terminal in Germany in under nine months. This was from contract award through to first gas. Ordinarily, a fast-tracked project of this type would take 18 to 24 months. Using innovative project delivery and digital tools, we delivered this significant achievement of ultra fast-tracked delivery for our customer. The fabricated modular elements for this project were completed within our Rosenberg facility (see page 66).

RoSPA Gold Award 2023

Our acrylics/oxo-alcohol project in India won a RoSPA Gold Award in 2023, one of the most prestigious and internationally recognized awards in the field of occupational health and safety. This project was delivered with over 25 million safe work hours.

Advisian

Our Advisian business comprises more than 2,000 consultants, scientists, strategists and engineers all dedicated to solving the world's critical infrastructure, environmental, energy and resource challenges. By seeing things from a different perspective, Advisian enhances our ability to serve our customers. We leverage this knowledge anywhere in the world through our global talent pool and integrated data platforms.

Engineering

Our people are central to what we do

Our engineers have fungible skills, enabling them to work across both traditional and sustainability-related work. We have strength across a diverse range of engineering disciplines. We also have established centers of excellence throughout the globe which we use to deliver specific expertise on any project in the world.

We're continually investing in our people to build on their capabilities and deliver sustainable outcomes (see page 75).

This year, we've made it easier for people across the business to gain access to and connect with our subject-matter experts (SMEs) through our digital platforms. We have over 400 people identified as SMEs across a variety of traditional and sustainability-related areas.

We're standardizing and automating our engineering

Engineering standardization is the path to repeatable design, with less effort and better quality. This approach uses our intellectual property and knowledge assets to standardize project delivery across different markets and work types.

Our partnership publication with Princeton highlighted standardization as a paradigm shift required to meet the pace and scale of delivering net zero (see page 78).

We have several initiatives to increase standardization, including cataloging our knowledge. This year we cataloged several historic designs in the form of building blocks to enhance the reference data used by our design teams. An example of this was cataloging our copper concentrator designs.

We're also increasing the use of our Replic8 software which mass produces engineering deliverables, solving the challenge of "design one, build many", see below for more details. We now have a catalog of over 100 automation bots deployed across our projects, driving efficiencies through automation. We also plan to use artificial intelligence to improve search functionality to identify the appropriate standardized approach for each project.

[Overview](#)[Context & strategy](#)[Operating & financial review](#)[Financial statements](#)

Replic8

A robotic process automation tool to drive smart engineering solutions

Replic8 automates the mass reproduction of similar deliverables. The tool can achieve up to 60% schedule improvements and 30% reduction in total installed cost.

By reducing the time and risks from manual, repetitive tasks, our customers save significant costs allowing us to share in the value created and increase our competitive edge.

In the last 12 months, Replic8 has delivered:

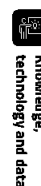
- 60,000+ drawings
- 3 million+ updated data points
- 50,000+ hours saved.

"It's not the nimble speed to market or the notable reduction in cost that impresses us as much as the absolute quality achieved with Replic8 techniques executed by Worley project teams."

- Worley customer

Global Integrated Delivery

Our Global Integrated Delivery (GID) team in India enables us to ramp up quickly in response to customer demand. It is a central place where teams of talented engineers and designers help to complete hundreds of projects around the world. They are an extension of our home office teams who usually oversee the project. We use a number of digital tools to offer connected delivery between multiple locations. Our GID also improves our overall productivity and utilization, with engineers quickly moving from project to project.



6,600+

people in our India offices, up from 5,600+ in last year

7.8 million+

FY2023 GID hours, up from 6.6 million in FY2022

4,500+

projects supported via GID working with over 95 other home offices in FY2023

Members of the Information & Digital Delivery leadership team at the Gartner Symposium in Orlando, Florida.

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3. Performance



Knowledge,
technology and data

3.2.2 Technology

Technology solutions

Energy systems continue to change and consumer demands are shifting. In an ever-evolving world, meeting global sustainability goals requires us to continually develop our technology. Through our technology business, ventures and products, we provide solutions that transform challenges into opportunities. Our suite of technologies turn ideas into reality and support our customers from conception to completion and beyond. By diversifying operations and emphasizing technology development, we empower our customers to work more efficiently and adapt to change.

Our Chemetics® and Comprimo® businesses are crucial in our efforts, delivering proprietary technology solutions to multiple sectors worldwide. For more than 60 years, we've used our technologies to reduce environmental impacts and health concerns associated with sulphur emissions by converting them into essential products. More than 60% of the existing sulphur recovery units across the world carry a Worley Comprimo® design license. Reducing sulphur emissions has important implications, such as reducing acid rain and respiratory illnesses, and improving air quality. We've provided ongoing support for decades to ensure optimum performance and longevity, enabling our customers to benefit from our solutions in the long term.

Our value delivery approach is centered on identifying industry challenges, developing innovative technology and delivering tangible solutions in the form of proprietary processes, equipment and plants. To meet the new and evolving needs of our customers, we evaluate how to expand and diversify our technology portfolio with novel solutions. This is a natural way to further monetize our expertise.

For example, we've continued to develop our pseudo dry gas technology through FY2023, and we expect this technology will be ready for commercial deployment in FY2024.

Comprimo® awarded licensor services for onshore gas plant

Comprimo® has been awarded licensor services to deliver gas treating and sulphur recovery technology by PTTEP HK Offshore Limited for its new Onshore Gas Plant. This new plant will be part of the Sarawak integrated sour gas evacuation system project in Bintulu, Sarawak, Malaysia.

The services will be provided by our teams in the UK and the Netherlands, with support from our GID team.

152

number of active patents

6,600+

metric tons per day of SO₂ emissions prevented from entering the atmosphere from new licenses sold in FY2023

5,000+

globally installed units of Chemetics proprietary equipment



Our proprietary sodium chlorate electrolyzer, which produces green hydrogen as a by-product.

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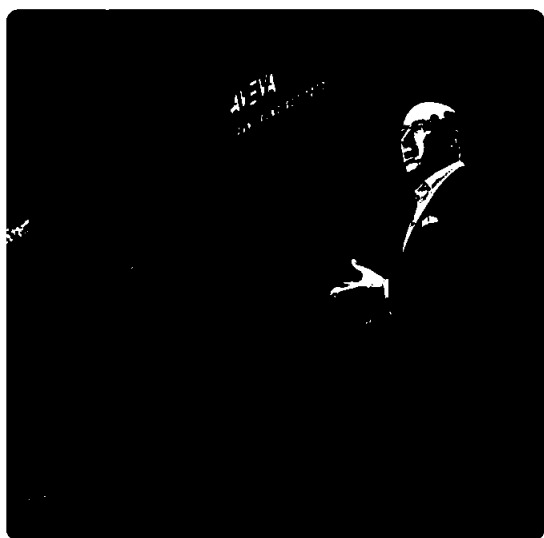


3.2.3 Digital and data analytics

Our data-centric and digital technology-enabled future helps connect assets and improve the efficiency and speed of project delivery. We continue to focus on standardization, integration, automation and efficiencies across processes, tools and technology.

An example of this is our project in a box (PiB) approach. This is an automated configuration methodology for our digital tools, reducing project initiation set-up time by up to 40%.

A global engineering software boot camp was held in April this year, using an innovative repeatable learning approach developed in collaboration with a software provider. This increased our capability globally to deploy and sustainably scale to meet current and future project demand.



Joe Bonett, Group Director, Engineering, spoke at a San Francisco conference in November 2022. He spoke about our journey of delivering a more sustainable world through our evolving digital thread.

We have more than 100 project information management (PIM) practitioners working across our projects. We're using a learning and development framework to position our PIM capability as a competitive advantage.

Digital innovation

Our digital innovation team uses emerging technologies to solve business problems. We're using an established framework, internal expertise and technology partners to add value to our customers. Since its inception in January 2023, the team has completed four internal pilots and minimum viable product development for new technology.

Our Digital Experience Center was a key focus this year. We have teamed up with strategic technology partners to develop digital solutions in sustainability, new energy and data-centric delivery. We cover areas such as:

- Asset Optimization Center (AOC)
- WorleyVerse, which applies gaming-grade visualization along with physics and chemistry models for design simulation
- end-to-end data-centric execution from engineering to operational support
- smart contracts to support digitalization of various contract-based use cases
- drones and AI technologies for progress measurement and HSE support
- generative AI and its applicability for EPCM.

This year, we developed 21 new automation bots to add to the nearly 100 active bots available for use in our newly upgraded digital store. The bots have been used by our people more than 100,000 times, with an estimated time saving of over 154,000 hours this year.

Our newly formed data and AI team expanded significantly in FY2023 and is focused on using our data as a strategic asset to deliver on our ambition. The team achieved five times the number of planned data and systems integration into our data hub. Finally, we created a supply chain dashboard to optimize spend by supplier, with significant first year estimated savings forecast.

Digital literacy

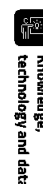
We're continually developing and delivering learning content to support our people. This year we delivered five modules of the Data Centric Engineering training to more than 3,500 global attendees. Our learning modules continue to be used globally, with more than 16,000 digital passports complete, along with over 9,200 digital science stamps, 8,500 AI stamps and 7,800 data literacy stamps completed since we launched these modules.

Customer solutions

Our customer solutions team are working with industry leaders, such as BHP, Rio Tinto and Vale, on ground-breaking projects that shape the industry. We're developing solutions for our customers that have a particular focus on automation, remote operations and the use of digital assets. These solutions leverage digital and data assets to give comprehensive insights into operations and facilitate safer, more efficient and cost-effective systems.

This year, we've worked with our customers to increase the use of digital twins with operations and maintenance teams. These digital replicas of physical systems allow teams to leverage real-time insights for smarter decision-making.

This year, we launched our first Scope 3 emissions monitoring project in partnership with a leading European battery manufacturing operator. This project underscores our commitment to aligning our operations with global climate goals.





Operating & financial review

3. Performance



Knowledge,
technology and data

3.2.4 Cybersecurity, data protection and incident response

Our Information Security and Cyber Risk Management Strategy drives our approach to data security risk.

The objective of our strategy is to protect our own data and our customers'. We've based our strategy on the National Institute of Standards and Technology (NIST) Cyber Security framework and the Australian Cyber Security Centre Essential Eight Maturity Model. We continue to evolve our program to stay ahead of the curve in the ever dynamic cyber-threat landscape.

Information security and cyber risk governance

The Chief Information Security Officer (CISO) leads our Information Security and Cyber Risk Management Program and Strategy. The CISO reports to the Group Executive Director, Information and Digital Delivery. Information security key risk indicators are presented to the Audit and Risk Committee and our Executive Group regularly throughout the year. Detailed reports on information security and disaster recovery are also presented. We disclose the experience and skills of the Board in our Corporate Governance Statement.

We run an awareness program for our people, which includes yearly mandatory training on our cybersecurity policy, email phishing campaigns and Yammer posts, as well as customer training programs and other initiatives.

Information Security Management System (ISMS)

Our ISMS is ISO 27001 certified, which covers the management of our IT infrastructure, operations and data center services.

We implement our ISMS using the company's ISO 9001 certified Management and Knowledge Systems. This specifies the minimum security requirements for our activities and contains the policies, processes, standards and procedures required to implement them. We publicly disclose our information security and data protection policies on our corporate governance site.

To make sure our control environment is transparent and robust, independent internal and external parties continually monitor and assess our ISMS and audit once a year. They also test our independent controls multiple times a year.

Incident response

Our Cyber Security Operations Center follows a formal and documented incident response plan, which contains clear escalation procedures. We have multiple standard operating procedure documents that enable us to respond to specific types of attacks or incidents. We partner with top-tier cybersecurity firms to test these processes at least five times per year. We also have an internal ethical hacking and threat intelligence group that run monthly tests and preparation exercises.



3.3 Equipment and fabrication

Our equipment and fabrication business value driver refers to manufacturing, constructing, operating and maintaining equipment and assets for the energy, chemicals and resources sectors.

3.3.1 Construction and fabrication

A major part we play in delivering solutions for our customers is across:

- engineering, procurement and construction (EPC)
- engineering, procurement and construction management (EPCM)
- construction management
- stand-alone construction projects.

One of our differentiators is our ability to deliver any of these solutions for highly complex projects, where our role also includes being the integrator of all sections of the facility. We deliver these solutions with our people (via direct hire) or working with others through joint ventures or partnering arrangements.

Our construction approach includes modularization, and stick-built and pre-fabrication methodologies. We manufacture bespoke pipework, metalwork, joinery and control and electrical panels through our fabrication yards in the UK, Europe and the Americas.

Ensuring safety and quality in construction

We capture any defect- and safety-related rework through our assurance system via non-conformance reporting. Considering the amount of non-conformance that is reported, we do not consider associated costs to be a material figure.

3.3.2 Field services

We deliver field services for our customers in a variety of complex facilities in greenfield and brownfield assets globally. Our services include maintenance, modification, operations, fabrication, construction, management, start-up and commissioning. These services are provided as an integrated offering with engineering or standalone depending on the project and customer requirements. Our integrated approach to maintenance, modifications and operations reduces risk and costs.

As part of portfolio management in FY2023, we divested part of our field services business: North American turnaround and maintenance business. This business predominantly supported oil refineries and petrochemical plants with most of its revenue derived from traditional work (see page 50).

The transaction supports our strategy of delivering high-value solutions in growth markets across the energy, chemicals and resources sectors, and our ambition to grow our revenue from sustainability-related business across the portfolio.

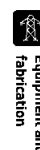
In the Americas we continue to provide field services in projects, fabrication and construction. We have more than 2,000 people and four fabrication locations.

3.3.3 Our delivery centers

Modularization and fabrication – Gulf Coast hub

Our direct hire and construction management business in the US comprises around 8,000 people. In FY2023, this included around 2,000 construction workers, mostly direct-hire craft, working on-site. Additionally, we are responsible for managing the construction of large greenfield and brownfield facilities as part of the EPC phases of projects. In FY2023 we:

- built 600 large modules
- used robotic welding which is three times faster than manual welding
- delivered the early stages of over 1 GW of solar generation with future EPC execution prospects for this generation.



Operating & financial review

3. Performance

Equipment and fabrication

WorleyCord – Canada

Our fabrication and field services business in Canada comprises around 2,000 people. Around 300 are in our three fabrication facilities. Our fabrication work is mostly lump sum. The remainder of our people are across sites, mostly industrial facilities. These include welders, pipers and electrical and instrumentation technicians. In FY2023 we:

- continued our partnership with Women Building Futures, resulting in nine new apprentices hired
- continued to build on our proactive Indigenous engagement approach (see below).

Proactive and meaningful Indigenous engagement

WorleyCord is working with our customers to provide meaningful engagement with Indigenous, local and diverse communities prior to mobilizing onto any project. This effort is guided by and aligned with both our Indigenous, Diverse and Local Participation Plan and our customers' commitment to local communities. We have an extensive list of prequalified companies with Indigenous ownership or Indigenous participation via partnerships or joint ventures. We seek to preferentially engage these Indigenous companies where they meet our health, safety, environment, quality, schedule and cost requirements.

In FY2023, over 42% of all subcontract opportunities are being awarded to Indigenous businesses. On one project, 56% of the total dollar value of site services purchase orders have been awarded to Indigenous communities and their partners to date.

Worley field services – UK

In the UK, we provide field services across fabrication, site services (maintenance and turnarounds) and construction. We're playing an important role in the energy transition in the Humber region. Our fabrication offering includes plating, welding, machining, structural steelwork, pipework, and electrical and instrumentation site services. The facilities encompass over 4,000 m² of workshop space. In FY2023 we:

- received Apprentice Employer of the Year award from the Grimsby Institute of Further and Higher Education
- were sole provider for mechanical and electrical maintenance at the Phillips66 Humber Refinery with 120 employees onsite.



Rosenberg – Norway

In Norway, Rosenberg Worley AS operates in a fully integrated engineering, fabrication and construction environment. Designing and building assets for offshore industries, Rosenberg has a strong focus on new markets, including offshore floating wind, electrification and hydrogen. In FY2023 we:

- had 5,000+ people (engineering, fabrication and project management) and 35 apprentices
- carried out the Jotun FPSO re-float in June after around 1.7 million worked hours for Vår Energi
- delivered fabrication for the fast-track Brunsbüttel LNG import terminal (see page 60)
- completed more than 2 million worked hours for Neptune Energy's two Gjøa platform tie-back projects
- added a hands-on hazard hunting exercise via our Certified Training Center
- installed 1,020 solar panels on our main office building.



Our Rosenberg facility in Norway



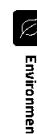
3.4 Environment

Our environment business value driver refers to the natural resources we use and the work we do, together enabling us to steward environmental sustainability for our business and our customers.

3.4.1 Climate

Our Climate Change Position Statement (CCPS) sets out our response to climate change. It includes both the work we do for our customers and how we run our business. We structure our disclosures through these two lenses.

The CCPS considers both climate change mitigation and adaptation. The Executive Group Director, Sustainability executes the CCPS, which is ultimately governed by the Board Health, Safety and Sustainability Committee.



Climate Change Position Statement

As the world seeks to urgently reduce greenhouse gas emissions to net zero, our role is clear. We're increasing our focus on the decarbonization of the Energy, Chemicals and Resources sectors.

We're also making assets more resilient to climate change. Supporting the protection of biodiversity. Accelerating the deployment of technology. And transforming the way we design, build and operate assets to ensure we're delivering a more sustainable world.

There's a lot of work to be done this decade. But we're not doing it alone. Collaboration is central to our approach.

We're working with our customers and creating partnerships to find solutions that enable sustainable growth. And we're supporting our people and communities to ensure an inclusive transition.

The actions behind our words

What we're doing to support our climate change position statement.

We're progressing well on our five strategic actions:



Reduce our emissions to net zero
See page 52.



Grow our sustainability-related business
See page 26.



\$100m investment over three years
See page 28.



Transform our culture
See page 75.



Plan for nature and biodiversity
See page 71.

Climate and our customers

Supporting customers committed to decarbonization

As the energy transition continues apace, our dialogue with customers is evolving. With 85% of our top 20 customers by revenue having net zero commitments, conversations are focusing on how this can be done.¹ These are transformative changes to existing business models and skill sets.

Countries are moving at different speeds, influenced by economic uncertainty, energy security pressures and supply constraints. Clear policy levers, such as the Inflation Reduction Act in the US, Australia's Safeguard Mechanism and the European Green Deal, have been instrumental in catalyzing progress.

1. This includes customers with net-zero Scope 1 and Scope 2 commitments by 2050 or sooner.

We're winning a significant number of early-phase projects (feasibility and FEED) in sustainability-related work. We're also increasingly seeing the early phase work progress into later phases.

We're partnering with our customers to deliver infrastructure and integrated solutions to some of the most ambitious decarbonization projects in the world (see page 30).

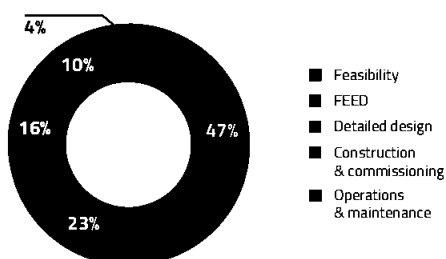
Operating & financial review

3. Performance



Environment

FY2023 sustainability-related work¹



Embedding climate thinking in the way we deliver work

Our Safe and Sustainable Engineering for Asset Lifecycle (SEAL) Framework guides us to deliver safe and sustainable engineering outcomes to our customers.

This year, we expanded our Sustainable Design (SD) pillar and trained our people to deliver more sustainable outcomes on every project. Some of our SD resources include:

- our Sustainable Solutions Standard – helps us quantify and record ideas using tools, such as our value creation database
- our Value Improvement Practices (VIP) Standard for energy optimization – recently expanded across all operations
- our basis of design template used on project delivery prompts users to consider implications of climate change on the design as part of climate adaptation.

Climate change continues to grow as a material issue in engineering design and delivery. In particular, climate-resilient design is emerging as critical in supporting the adaptation of critical infrastructure to climate hazards. We're continually looking to evolve the way we design and deliver projects to support this.

Climate and our business

Energy and Scope 1 and Scope 2 emissions

We've reduced our Scope 1 and Scope 2 emissions to 41,422 tCO₂e. We are now decoupling our energy usage from Scope 1 and Scope 2 emissions.

We've continued to focus on energy efficiency and procurement of renewable energy. We've:

- installed rooftop solar panels at our offices in Stavanger, Map Ta Phut and Antwerp
- purchased renewable energy for our operations in US, Canada, Australia, India, New Zealand and Bulgaria
- improved energy efficiency in our Saudi Arabia offices by switching off lights and air conditioning when not in use
- begun switching to hybrid and electric vehicles to reduce our fuel use.

1. Number of wins in FY2023 for sustainability-related projects, sorted by project phase.

2. We are working through system limitations with a view to also offset our billable travel with carbon credits.

3. We disclose the reporting criteria for select metrics in our sustainability basis of preparation. Scope 2 emissions are disclosed as market-based Scope 2 emissions. We also disclose our location-based Scope 2 emissions, see our [CDP submission](#). In FY2023 our Scope 3 emissions increased due to increased business activity (primarily in procurement) and updates to emissions factors.

In the short term (2023-2025), we are focusing on renewable energy procurement, office consolidation and energy efficiency. We are also beginning to electrify our vehicle fleet where viable. In the longer term (2025-2030), we will focus on the global decarbonization of our vehicle fleet and heavy equipment, and phasing out natural gas for heating where possible.

Achieving our net-zero Scope 1 and Scope 2 target has several uncertainties, including the ability to procure zero-emissions electricity, heating and cooling, the accessibility of zero-emission vehicles and charging infrastructure, and the ability to source high-quality accredited carbon credits for our residual emissions. We are managing these uncertainties by monitoring and choosing fully renewable energy procurement options, fully electrified buildings and electric vehicles in the countries we operate in. Where available, we work closely with local teams to implement these initiatives. We expect that sourcing these options will become more accessible as we get closer to 2030, however, it is likely we will not be able to remove all of our Scope 1 and Scope 2 emissions. We will offset these residual emissions using high quality carbon credits to achieve net-zero Scope 1 and Scope 2 emissions by 2030.

Scope 3 emissions

We have a target for net-zero Scope 3 emissions by 2050 and are now disclosing 11 of the 13 applicable Scope 3 categories to us, as defined in the Greenhouse Gas Protocol. We are using our Scope 3 data to inform the short- and medium-term actions we'll take to progress toward our net zero target. We continue to focus on improving our Scope 3 emissions data quality.

As expected, our air travel emissions increased as travel returned closer to pre-COVID-19 levels. We have purchased 10,558 tCO₂e worth of carbon credits to offset the 35% of our air travel that is non-billable². Our carbon credits are accredited to Gold Standard and Verified Carbon Standard climate projects that distribute efficient cookstoves, protect forests and develop renewable energy infrastructure. These projects simultaneously reduce carbon emissions and improve the quality of life of people threatened by the impacts of climate change.

We disclose our detailed Scope 3 GHG emissions in our [CDP submission](#).

Climate performance

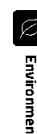
Indicator ³	FY2022	FY2023
Our customers		
% of top 20 customers (by revenue) with net zero Scope 1 and Scope 2 commitments	80	85
% of aggregated revenue that is sustainability-related	35	41
Our business		
Energy use (MWh)	212,345	211,640
Scope 1 + Scope 2 GHG emissions (tCO ₂ e)	48,211	41,422
Scope 3 GHG emissions – total (tCO ₂ e)	585,850	792,007



3.4.2 Task Force on Climate-related Financial Disclosures (TCFD)

We continue to align our climate-related disclosures with the recommendations set out by the TCFD.

Below is a summary of our 2023 TCFD disclosures. Our [TCFD report](#) provides full disclosure on how we manage climate-related risks and opportunities.



Governance

TCFD recommendation:

- describe the board's oversight of climate-related risks and opportunities
- describe management's role in assessing and managing climate-related risks and opportunities.

Our response:

Our business model, purpose and ambition are centered around sustainability, decarbonization and the energy transition. We have a strong governance structure to oversee our approach, including climate-related risks and opportunities. This involves members of the Board and senior management, who oversee our climate change response.

Board standing committees relevant to climate-related risks and opportunities include the Health, Safety and Sustainability Committee (HSSC), the Audit and Risk Committee (ARC), and the People and Remuneration Committee (PRC).

The HSSC has company-wide oversight of health, safety and sustainability. This includes oversight of our climate change approach and climate-related risks and opportunities. The ARC is responsible for monitoring climate-related risks and opportunities as part of our enterprise risk strategy. The PRC reviews and makes recommendation to the Board on the Group's remuneration policy, including climate-related indicators. It also monitors key risk indicators related to climate change.

At a management level, our Group Executive, reporting directly to the CEO, are responsible for delivering the strategic direction and goals as determined by the Board. This includes climate-related strategy, risk management and disclosure.

Detailed disclosure:

- [TCFD report](#)

Other key resources:

- ESG performance summary (see page 52)
- Directors' Report (see page 96)
- [Corporate Governance Statement](#)

Strategy

TCFD recommendation:

- describe the climate-related risks and opportunities the organization has identified over the short, medium and long term
- describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning
- describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Our response:

Each year, we identify and manage these risks and opportunities over the short, medium and long term. We use our enterprise risk management process to identify financial and strategic climate-related impacts across all our operations. We have a range of climate-related risks and opportunities relevant to our business.

	Description	Potential impacts
Transition climate risks	Managing the potential economic and reputational risks associated with the global transition to a lower-carbon economy.	- Changing demand for fossil fuel and lower-carbon markets - Rapid technology development - Adverse reputation
Physical climate risks	Managing the physical impacts of climate change on our operations as well as the work we deliver for our customers.	- Business continuity and productivity - Supply chain interruption
Climate-related opportunities	Increasing our efforts to mitigate and adapt to climate change and capturing building market demand.	- Growth in lower-carbon products and services - Business growth in emerging markets - Reduced carbon footprint of our operations

When developing our strategy, we assessed the resilience of our business strategy across a range of scenarios, ranging from green (1.5°C), burnt orange (2°C) and red alert (3°C). These scenarios consider:

- scenarios from the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report (AR6)
- scenarios from the International Energy Agency (IEA).

We develop adaptation and mitigation strategies based on each possible scenario, considering both risks and opportunities. By integrating these scenarios into our decision-making, we ground our investments, including investments into new markets and technology. See our full [TCFD report](#) and [CDP submission](#) for more information.

Detailed disclosure:

- [TCFD report](#)

Other key resources:

- Risk management (see page 86)
- Climate Change Position Statement (see page 67)
- [CDP submission](#)
- Strategy and sector outlook (see page 24)



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Environment

Risk management

TCFD recommendation:

- describe the organization's processes for identifying and assessing climate-related risks
- describe the organization's processes for managing climate-related risks.

Our response:

We manage climate risks and opportunities consistent with our risk management framework. For details of how we manage all risks and opportunities (see page 86).

We consider climate-related risks and opportunities through the lens of principal and emerging risks¹. We've disclosed principal risks for climate change in our Annual Report (see page 93). We use a risk matrix approach with relevant likelihood and consequence criteria that covers a range of risk types, including climate change. Our risk management framework sets our overarching approach and applies to all areas of our business, such as product delivery and corporate functions.

We use our business risk processes and tools to identify climate-related risks and opportunities. These include climate (transition and physical) risk workshops, our risk taxonomy, and our Responsible Business Assessment Standard.

Various groups and processes within the business contribute to managing our climate-related risks and opportunities. Key groups include project delivery, growth, internal audit, R3, our people and supply chain management.

Detailed disclosure:

- [TCFD report](#)

Other key resources:

- Risk management (see page 86)

Metrics and targets

TCFD recommendation:

- disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process
- disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks
- disclose the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Our response:

We use a range of metrics to measure our progress in addressing climate-related risks and opportunities. Through our ambition, we have climate-related targets relating to both the work we do for our customers and the way we run our business. These include:

Supporting our customers:

- ambition to derive 75% of our revenue from sustainability-related work by FY2026

Our own performance:

- Scope 1 and Scope 2 GHG emissions
 - net zero by 2030
 - reduce net emissions by 65% by FY2025 from a FY2020 baseline
- Scope 3 emissions
 - net zero by 2050
- energy productivity
 - improve our energy productivity by 25% by 2030 from our baseline energy productivity in 2020 of \$30.4 million revenue/GWh

See page 68 for our performance against our climate-related targets.

The Short-Term Incentive (STI) Plan applies to ~1,100 Senior Leaders. As part of its framework, the STI Plan includes metrics we use to track climate-related performance (see page 122). The Deferred Equity Plan (DEP) also includes climate-related performance metrics for the Group Executive (see page 124).

Detailed disclosure:

- [TCFD report](#)

Other key resources:

- [CDP submission](#)
- Remuneration Report (see page 108)
- Climate (see page 67)

1. We define current risks as risks that can be identified, assessed and managed. Emerging risks are potentially new, growing or changing risks that are difficult to assess. Emerging risks are monitored as they develop, and potentially transition to become a current risk.



3.4.3 Nature

We've developed a roadmap to seek positive outcomes for nature. This includes how we deliver work for our customers and how we run our business. We structure our disclosures through these two lenses.

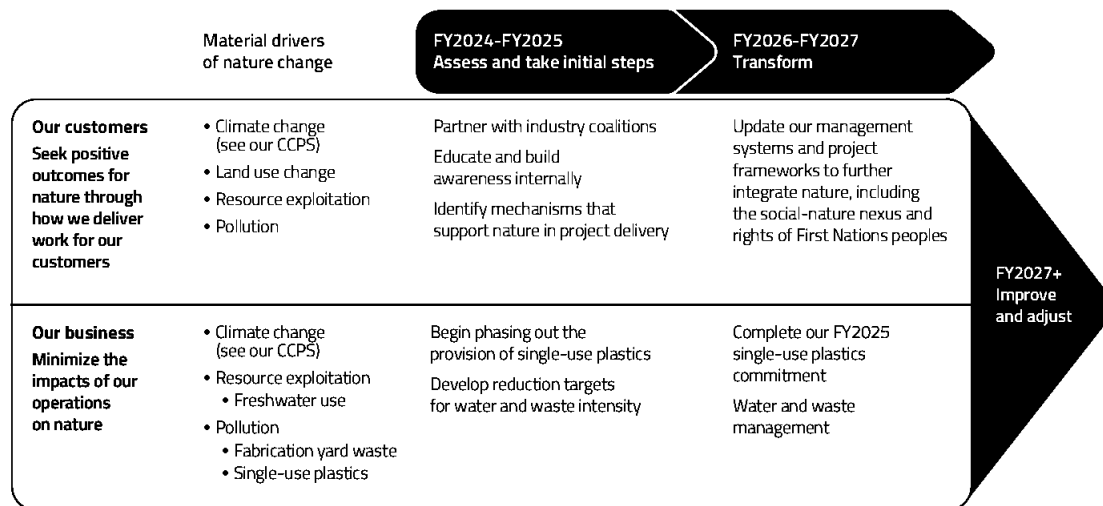
We seek to evolve our business, guided by the Kunming-Montreal Global Biodiversity Framework (GBF) and in support of the GBF's 2030 mission.

We've shown this plan through the lens of four of the five drivers of nature change that are material to our business and customers: climate change, land use change, resource exploitation and pollutants. These are as outlined in the Taskforce on Nature-related Financial Disclosures (TNFD).

The greatest impact we can have on nature, and biodiversity, is through how we deliver work for our customers. Through our engineering delivery systems and processes, we can support positive outcomes for nature in the energy, chemicals and resources sectors. In each of these sectors there are associated impact drivers and dependencies on natural capital. An example of this is water scarcity - many of our customers are looking to improve their water efficiency and reduce their dependency on freshwater withdrawals.

At the same time, our operations (such as our fabrication yards) have a material interface with nature through our water consumption and waste production.

Our roadmap to seek positive outcomes for nature



To develop our roadmap, we engaged with external stakeholders and our own people. The TNFD recognizes that engaging stakeholders is crucial, so we will continue to do so to help guide and implement our nature roadmap.

Our reporting

After the 15th Conference of the Parties to the Convention on Biological Diversity (COP 15), the GBF outlined a target for companies to monitor, assess and disclose risks, dependencies and impacts. We will seek to align our disclosure with the GBF and will do the same with the TNFD's recommendations once they are finalized. We'll also monitor other nature and biodiversity reporting standards as they evolve.



Operating & financial review

3. Performance



Environment

Nature and our customers

We've been involved in some ambitious projects that focus on nature restoration and rehabilitation within our sectors (see page 41).

Embedding nature into project delivery

The way we deliver our work can influence nature-related outcomes. The SD pillar of our SEAL framework forms the basis for how we consider environmental sustainability in our project planning and design. We have SD standards for each of our engineering disciplines, which cover a range of factors, including:

- water withdrawal, usage and efficiency
- emissions and discharges, including waste production
- material selection and life cycle impacts
- land use change, including construction, groundworks, site activities, etc.

As we take steps toward the Kunming-Montreal GBF, we will seek to evolve our own project delivery processes and support achieving these goals.

Environmental risk management

Our Environmental Management System is part of our Management and Knowledge Systems. Through this, we manage our environmental aspects and impacts in a structured manner, aligned with principles of the internationally recognized standard, ISO 14001:2015.

We undertake environmental impact and risk assessments at the project planning stage to identify sensitive environmental areas that require protection. This helps us to form a strategy to manage all significant risks to the environment. Our Environmental Management System covers environmental conservation and management, land control measures and site reclamation and remediation. Our assurance system captures environmental incidents that are reportable to regulatory or statutory bodies. We use this to monitor our environmental performance at sites where we are in operational control.

We hold ISO 14001 certification in parts of our business. The certified offices / site as of 30 June 2023 are in Australia (Worley Power Services) (9), Bulgaria (1), Malaysia (Ranhill Worley) (1), Norway (1) and the United Kingdom (7).

Our Environmental Management System applies to all our sites and activities. It includes a series of procedures, outlined below, that support management of environmental risk in the way we deliver work for our customers.

Our Environmental Management System			
Environment	Field site establishment and preparation	Dangerous and hazardous substances	Demolition and decommission
• Environmental management • Environmental plan • Air quality control • Liquid effluent and discharge control • Waste management	• Camp accommodation facilities • Site traffic management • Barricade hoarding and barrier • Occupied facility siting • Field HSE induction orientation • Site-specific HSE induction • Site-specific HSE orientation	• Hazardous substances and dangerous goods • Chemical communication • Hazardous chemicals information • Asbestos containing materials • Working with radioactive materials • Management of naturally occurring radioactive materials	• HSE decommission and demolition



Nature and our business

Phasing out single-use plastics

We've developed and started executing our plan to phase out the provision of single-use plastic in all our owned and managed sites by end of FY2025.¹

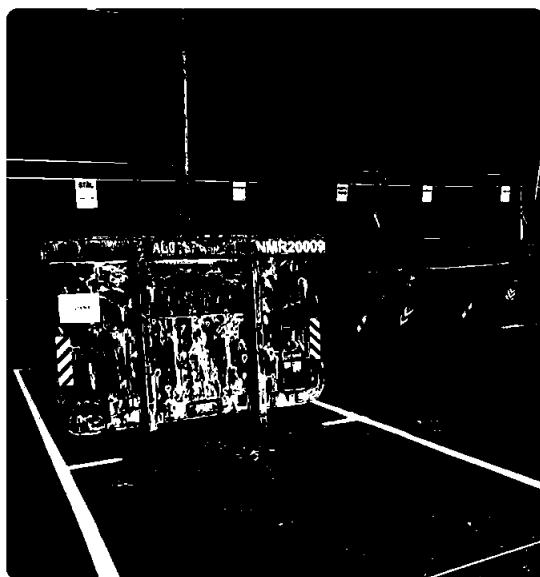
Our plan was guided by the draft recommendations of the TNFD and its mitigation hierarchy. We'll use a three-step scheme to make decisions, comprising the principles of avoidance, reuse and substitution.

Whilst we endeavour to avoid single-use plastics whenever possible by the end of FY2025, in cases where we can't, we'll select a substitute sustainable material, where available.

This year, we:

- rolled out our company communications, including the banned list of items to be phased out and associated guidelines
- appointed sustainability champions in our locations across the globe. Their role is to help build awareness and provide location-based tools to manage this change and measure the phase-out throughout the company
- took actions in pilot locations, commencing the phase-out of single-use plastic at our London office.

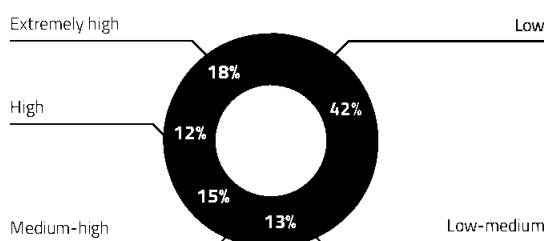
Our primary focus for FY2024 will be on countries with the most sites and pre-existing plastic regulations. These include Canada, Australia, the UK, the US and New Zealand.



Waste collection station at our Rosenberg facility in Norway.

Freshwater use

We operate in many regions across the globe. As such, water scarcity poses a potential risk to our business.



Each time we lease a new building, we review its sustainability features. This review includes water efficiency considerations. We're working to occupy sites that are water efficient through, for example, a focus on water-efficient appliances.

Waste management

Our fabrication yards in Canada, Norway, the US and the UK are our most significant locations when it comes to waste generation.

In Norway, at our Rosenberg facility, we have implemented a new waste collection system and have partnered with a waste management service for recycling of our metal waste. As our waste production is closely tied to our level of business activity, we're focusing on how we can reduce our waste intensity at this location.

This year, we used our sustainability performance system to audit locations with out-of-date waste data. We've also been raising awareness on waste management through our sustainability champions as part of our zero single-use plastics initiative.

We also joined the Resource Wise Business Program in our New Zealand office. This is a four-year behavior-change program aimed at helping businesses reduce waste in landfill.

We're improving our water and waste data quality and increasing the proportion of our data that is measured rather than estimated.

Nature performance

Indicator	FY2022	FY2023
Total water withdrawn (ML)	592	539
Freshwater withdrawn in regions of high or very high water scarcity risk (ML) ²	134	128
Total waste produced (t)	15,729	13,119
Hazardous waste produced (t)	652	298
Waste recycled (t)	5,404	3,423



Environment

1. We define single-use plastics as plastics that are used once, or for a short period of time, before being discarded.

2. Significant water risk is defined as areas with high or extremely high baseline water stress, according to the [World Resources Institute Aqueduct Water Risk Atlas](#) tool.



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3.5 People

Our people business value driver refers to energized and empowered people with the capability and experience to deliver our purpose. Our people are at the center of what we do.

3.5.1 Health, safety and well-being

Well-being

Our well-being strategy focuses on creating healthy people, environments and relationships. This year, we've solidified our existing foundations, taking targeted actions across four areas.

Psychological safety

Psychological safety fosters an inclusive workplace culture, empowers our people, inspires innovation, creativity and ideas, and enhances employee engagement.

We've started embedding psychosocial factors into our health and safety framework and align with ISO 45003 psychological health and safety at work standard. This will extend into FY2024, as we strengthen our Life Programs to provide our people with the tools to identify and manage psychosocial risks in their work environment.

In step with our focus on psychological safety, we have established a dedicated program of work on human rights (see page 81).

Education, training and communications

Our Mental Health Champions network continues to grow, with 307 Champions in over 31 countries. We explored what psychosocial safety means in practice through Mental Health Week 2022 and Safety Week 2023 and will continue to develop this work.

Leadership, policy and culture

We built a formalized global committee for well-being, with a defined purpose and KPIs, overseen by an executive sponsor.

We're helping our managers support well-being. We've been delivering mental health resources for our managers through our Employee Assistance Program, eLearning platform and pilot workshops.

Our Ambassador program includes a well-being assessment and establishes a support network in each location. We've piloted the program in South Africa and plan to roll it out to nine more locations by the end of FY2024.

Maximizing and leveraging our rewards

We launched our global recognition program, Appreciate. This gives people an opportunity to shine a light on their colleagues when they see our values and behaviors in action. So far, we've seen 32,111 recognition moments.

Physical health and safety

Our commitment to safety is underpinned by our Life value, which encourages people to be curious, speak up, act and share lessons.

We recorded strong physical safety performance in FY2023. We're deeply saddened to have lost a member of our team through a work-related fatality this year. One of our people was killed in a commercial plane crash in Tanzania whilst travelling to site.

Management system

Our Life approach includes a safety, health and well-being management system. Our people work across different environments including managed sites, customer and joint-venture managed sites, remote working, working from home, virtual operations and global delivery.

We continue to uphold the minimum standards that the Worley management system must meet. Our management system is certified to ISO 9001 and parts of our business hold ISO 45001 certification. We conduct third-party audits of our management systems and metrics.

Our expectations of contractors

When it comes to safety, health and well-being, we hold contractors to the same high standard.

When we consider project risks, we look at how we manage contractor health and safety. It's important to get the messaging right at the start and set the right culture. We invite our contractors to take part in our Life programs such as Life conversations, Take5 for Safety, Life-saving rules and the White Hat Program for site supervisors.

Safety performance

Indicator ¹	FY2022	FY2023
TRCFR (total)	0.16	0.14
Company employees	0.13	0.12
Contractors and sub-contractors	0.21	0.18
Partners and customers	0.06	0
LWCFR (total)	0.04	0.03
Company employees	0.03	0.03
Contractors and sub-contractors	0.06	0.03
Partners and customers	0	0
SCFR (total)	0.06	0.03
Company employees	0.05	0.03
Contractors and sub-contractors	0.07	0.04
Partners and customers	0.06	0
Fatalities (total)	0	1
Company employees	0	1
Contractors and sub-contractors	0	0
Partners and customers	0	0

1. We disclose the reporting criteria for select metrics in our [sustainability basis of preparation](#).





3.5.2 People development and performance

Our people remain at the heart of delivering our ambition and our purpose. We believe that energizing and empowering our people is key to delivering our business strategy.



The right people, the right experience

We operate in a challenging labor market, with high employment, wage growth and some key skill shortages. Despite this, our attraction efforts remain focused and effective. Our time to hire has remained relatively steady through FY2023.

We reward our people's contribution and achievements through our Appreciate Program. We have invested in strengthening our employer brand and telling our story in a way that attracts people who are energized by our purpose and ambition. This is particularly important in a challenging labor market.

We're also turning our attention to becoming a skill-powered organization. When skills are central to how we think about roles and people, it opens new opportunities for reskilling and career mobility. It also brings a new perspective to how we help people see ways to apply their skills in energy transition opportunities.

We also are investing in pilots to strengthen the identification of our talent and obtain more insights on their performance, potential and readiness for new experiences and opportunities.

Our culture is a key enabler of our growth and strategy and we're focusing on behaviors that will help achieve our ambition. We're also focused on well-being and making sure we provide the best experience to attract and retain the right people (see page 74).

Our leadership principles

During FY2023, we activated our leadership principles: create meaning, embrace possibility and deliver what matters. These principles outline our expectations of leaders and help them bring our purpose, ambition and values to life and lead through our transformation.

Each principle is underpinned by habits that build inspirational leadership. To bring them to life, close to 900 leaders from 41 countries took part in a Leadership Wave Experience from October to December 2022. This helped leaders:

- understand and experience the leadership principles
- become clear on their role in activating these principles.

The overall feedback on the experience was encouraging, with continued visits from our leaders to our leadership online tools.

We're also reimagining our approach to leadership development and building opportunities that are:

- personalized: offering people the choice to learn what they need, when they need it and in a variety of formats
- stackable: where they can take advantage of smaller, learning moments to add to their toolkit
- scalable: using technology so it's accessible to more people and in-the-flow of work every day, 'anywhere and anytime'.

We've made good progress in FY2023 with a range of program designs and pilots. We've commenced a monthly series of leadership masterclasses for our people to learn and develop their leadership skills.



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Improving coaching

Coaching capability is at the heart of our leadership principles and a key skill for today's leaders. To build this skill, we delivered a pilot training program in Australia during FY2023 in conjunction with digital coaching prompts.¹

These prompts combine behavioral-science insights with the latest technology to create a new kind of coaching experience for leaders.

The results of our pilot show that:

- managers who acted on the nudges saw higher levels of happiness, retention and connection with our values within their teams
- managers who used the platform improved across the leadership principles
- employees indicated that 15% of managers became more effective in the six months of using the nudges.

Our leaders' engagement with prompts was within the top quartile across our partner platform's customer base.

We intend to expand the prompt platform to all our leaders over the coming years.

Everyday learning

A key component of our People Strategy is building a culture and tools to support everyday learning. We've focused on development that's flexible, accessible, sparks curiosity and builds the skills and experiences that make our people future fit.

In February 2023, we launched our new Learning at Worley initiative. Our eLearning platform, powered by Go1, offers learning modules that our people can access anywhere and anytime. To date, our people have completed over 26,000 learning modules with over half of our learners completing more than two modules.

Learning at Worley gives access to a range of learning areas, specializations, Worley-created content, compliance training and records all in one place.

We continue to build the sustainability and digital competencies of our people through our Transformation Program. We've now issued over 44 thousand sustainability learning accreditations, covering topics such as green hydrogen, offshore wind and environment and society consulting.

Digital and data informed

Having the right systems is central to achieving our strategy and ambition.

We completed a comprehensive review of people-related technology across four streams that have significant impact on attraction, retention and engagement, organization and people intelligence, and data and insight-led decision making.

We're making good progress with establishing a shared services platform. This platform helps support the delivery of our people operations across Worley. This is an important part of our People Strategy that unlocks our ability to strengthen the experience, effectiveness and efficiency of our people.

People performance

Indicator	FY2022	FY2023
Training and development		
Digital learning accreditations issued (total)	21.7k	41.8k
Sustainability learning accreditations issued (total)	10.5k	44.7k
Workforce training on data privacy (% of total workforce)	85	98
Other		
Utilization (%)	90	90



Image from our Houston field office

1. A digital prompt is personalized coaching provided to our leaders through email or SMS, nudging their behaviors to be aligned to our leadership principles and values.



3.5.3 Diversity and inclusion

Building safe, respectful and compliant workplaces

We've strengthened our approach to building a safe and respectful workplace for everyone. This is key to empowering our people. Our Respect at Work project focuses on preventing and responding to sexual harassment and harmful behaviors in the workplace. The Respect@Work framework, recommended by the Australia Human Rights Commission, guides our roadmap. This roadmap has three streams of work:

- leadership and culture
- report and support
- risk and assurance.

Under the people components of the plan, we developed initiatives to implement across FY2023 and FY2024:

- a new Respectful Behavior Policy, promoting positive workplace behavior
- a revised Code of Conduct training, which includes a specific module on sexual harassment
- dedicated training for all our people: employee upstanders 'speak up' (prevention) and leadership (response)
- an enhanced governance framework, with a new Human Rights and Diversity and Inclusion Council to oversee the program
- a trauma-informed and people-centered process for responding to workplace sexual harassment
- specialist training workshops for our People and Compliance teams
- system updates to enhance our ethics reporting portal
- increased support with our Employee Assistant Program (EAP) partner and
- group-wide communications to promote awareness.

The importance of our People Network Groups

Our People Network Groups (PNGs) continue to create opportunities for our people to build awareness and create community. These PNGs are key to our culture and contribute to a workplace where everyone feels welcome.

Continuing our focus on gender

We're pleased to have maintained our targets for women on the Board and within our Group Executive. This year we've improved the gender balance of our graduates and our intake in FY2023 is 48 %, up from 47% in FY2022.

We remain challenged on our progress of increasing the percentage of women Senior Leaders. We're currently reviewing our approach and resetting our priorities. Attracting women into core business roles such as project delivery remains a significant challenge to which we're applying strategies to improve. We are now resetting our approach through adoption of a more evidenced-based approach to representation. We are focusing on current, effective interventions grounded in behavioral science.

During the year, we addressed gender pay gaps during our annual salary review process and intend to continue with this approach. We're training our leaders on how to reduce bias when making remuneration decisions.

Pay equity remains an area of focus in our remuneration approach and we apply learnings from our reporting in various jurisdictions. We released a pay equity learning module for all our leaders. It is designed to improve their understanding of pay equity and the role they play, and equip them with the tools to support them making better informed pay decisions.

We are proud to continue our involvement with the Champions of Change Coalition in Australia.

As part of this, we co-sponsored Shifting Expectations, a report on how more flexible frontline roles benefit business and diversity. Our representative, Gillian Cagney, President ANZ, attended the United Nations Commission on the Status of Women 67th Session in New York as part of the Champions of Change Coalition. During the session, Gillian contributed to round table discussions and shared gender equality practices.

Reconciliation and cultural engagement

As an ASX-listed company with a large geographic spread, race, ethnicity and cultural issues vary where we operate. Our approach is specific to both our business and our locations (see page 84).

Gender performance

Indicator ¹	Targets	FY2022	FY2023
Board	30% women by FY2025	Achieved (33%)	Achieved (33%)
Group Executive	Retain gender diversity by FY2025 ²	Achieved (45%)	Achieved (45%)
Senior Leaders	20% by FY2025	16%	16%
Graduate intake	50% by FY2025	47%	48%
Entire workforce ³	—	18.6%	20.8%

1. We disclose the reporting criteria for select metrics in our sustainability basis of preparation. For the purposes of our gender diversity targets, we report the percentage of women only. Our HR system of record does, in some locations, track non-binary status.

2. Gender diversity is defined as 40% women, 40% men and 20% either women or men or other.

3. In FY2023, the % women of our entire workforce increased. This was largely due to the sale of our North American turnaround and maintenance business. See page 50 for more information.



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3.6 Communities

Our communities business value driver refers to strong relationships within our sectors - with our people, customers, investors, communities and governments - building trust and license to operate.

3.6.1 Relationships and influence

Building our voice

We've extended our role and influence across the sustainability spectrum by convening forums and thought leadership and holding discussions with our customers. Key highlights include:

- **London:** our net-zero executive round-table event, bringing together senior executives, influencers, government and the media. Topics covered included the infrastructure pathway to net zero and the competing interests of energy security
- **Europe:** our Industry Leadership Forum, convening customers to share industry knowledge and learnings. This was our inaugural European version of the event, with a strong sustainability focus, including issues of inclusion and decarbonization
- **Egypt (COP27):** our participation in the Blue Zone executive roundtable with Australian and French governments and other panel discussions
- **Globally:** our participation at multiple events, including New York Climate Week, the Sydney Energy Forum, the AFR Energy and Climate Summit, and the APAC Industry Leadership Forum and the International Business, Environment and Climate Conference.

Our thought leadership pushes the boundaries of sustainability thinking. We've published a range of articles on diverse sustainability topics, including floating offshore wind technology, battery storage materials, energy transition and mining, workforce diversity and power-to-X.

We continue to represent sustainability issues in diverse forums, challenging ourselves and audiences on how to respond. This year, we:

- participated in the UN Global Compact Business and Human Rights Accelerator Program
- contributed to the [Net Zero Australia study](#)
- helped establish the Engineering Leadership Group, bringing an engineering voice to global sustainability issues
- recommit our support to the Energy Transitions Commission, the World Economic Forum and the Oil and Gas Climate Initiative
- contributed to the [Australian Climate Leaders Coalition Scope 3 roadmap](#).

Our Donation, Community Investment, Sponsorship and Membership Standard sets the principles and expectations for any industry memberships we enter in. We list our significant membership associations in our [GRI content index](#).

From Ambition to Reality

Our From Ambition To Reality series, in partnership with Princeton University's Andlinger Center for Energy and the Environment, continues to build traction.

The first papers, published in 2021 and 2022, considered the scale of that challenge, identifying five key shifts in infrastructure delivery needed to build at the unprecedented scale and pace required. We've committed to measure and report on how well infrastructure practitioners are responding to these shifts.

The third paper, published in August 2023, focuses on the actions infrastructure participants can take now to increase the pace of net-zero development, which continues to lag behind what is needed.

Translating our words into action

We're implementing the From Ambition to Reality recommendations, with around 20 aligned initiatives either active with customers already or in development. These include:

- accelerated development, design and execution models for assets
- the role of design and procurement standardization
- new partnership and alliance models
- the use of blockchain technology and other digital tools.

We're continuing to challenge the pace of infrastructure development and drive solutions to achieve the pace and scale needed for global decarbonization.



Download our latest

[From Ambition to Reality Paper here.](#)

Strong customer relationships

Our customer account management process includes executive-level engagement. We also have a project feedback review mechanism, led by our Assurance function. These make sure we keep up to date with the changing needs, expectations and priorities of customers at multiple levels including account, portfolio and project. At an account level, we seek customer feedback through direct engagement at multiple levels including sales and business development, project delivery, executive engagement and also through other mechanisms. Our project feedback review approach is in line with our Management & Knowledge Systems requirements, which is ISO 9001 (Quality Management Systems) certified.



3.6.2 Ethics and integrity

Our business

Our Code of Conduct establishes our commitment to high ethical standards and complying with the law. It applies to all our people, Board members and other parties as defined in the Code. The Code is available in 16 different languages. Our people must confirm in writing that they have read and understood it during their annual refresher training. We have zero tolerance for bribery, fraud and corruption. We have a conflict of interest, gifts and entertainment declaration platform to manage the requirements of the respective policies.

We launched our Code of Conduct refresher training in April 2023 with 43,800 of our people having completed this at the end of FY2023. This covers our expectations about avoiding conflicts of interest, zero tolerance for bribery, fraud and corruption, data privacy obligations and modern slavery. It outlines how to identify and report modern slavery concerns and sexual harassment.

Our people (as well as former employees, their families, suppliers, partners and customers) can report breaches and unethical behavior to our Ethics Helpline.

Our Ethics Helpline is available 24 hours a day, seven days a week. Our Whistleblower Policy encourages people to come forward with information relating to breaches and potential breaches of our Code of Conduct.

Our key policies to promote ethics and integrity include:

- **Agent Standard** – guidance for dealing with all agents, our expectations, and monitoring and compliance with Worley's Code of Conduct
- **Anti-bribery and Corruption (ABC) Policy** – defines bribery and outlines our expectations of our people and partners, and methods to prevent bribery and corruption
- **Anti-competition Policy** – defines anti-competitive behavior and how to avoid it
- **Employee Conflict of Interest Standard** – sets the requirements around disclosure of actual and potential conflicts of interest and gives guidance to prevent / mitigate them
- **Facilitation Payment Standard** – prohibits facilitation payments and explains how to prevent, resist and report such requests
- **Gifts, Entertainment, Hospitality (all "Gifts") Standard** – provides guidance on all gifts, including when to decline or register gifts in our compliance system.

Our independent Internal Audit function reports directly to the Board Audit and Risk Committee (ARC). We present an internal audit plan to the ARC for approval annually. We report the results of audits bi-monthly to the ARC and track recommendations until they are implemented. If overdue, we flag these to the ARC accordingly.

An audit or control self-assessment reviews all operations annually. We fully audit key functions and controls within a three-year cycle. These include, but are not limited to, anti-bribery and corruption, sanctions and trade compliance and modern slavery. All audit scopes include relevant ESG and compliance components.

During the execution of internal audits, we perform a control culture survey. The survey involves all employees within operations and investigates the culture behind key controls and behavioral expectations. It assesses areas of ethics, safety and risk management and awareness of other internal controls. We report the results to management and the ARC.

Our customers

Our team has performed our due diligence process, with the number of checks conducted relatively stable compared to FY2022. To make our due diligence more effective, we use third-party research tools and external analysts when appropriate.

Our sales and due diligence teams maintain centralized communication to quickly identify and address any potential issues. We've also incorporated location-based alerts that notify our sales team of any compliance concerns. This allows us to offer immediate guidance and support.

When we encounter red flags related to bribery, corruption, human rights, sanctions, serious negative media and modern slavery, we escalate the matter to senior management. We then obtain specific approvals before continuing with the bid submission.

Our Responsible Business Assessment (RBA) Standard provides a framework to assess which projects we bid for and execute. We embed the RBA's decision-making principles into our sales and risk management processes. Projects of high risk (including ESG risks) are escalated to our Group Executive for decision-making.



Communities



Operating & financial review

3. Performance



Communities

Our suppliers

Responding to increased supply chain risk and having received feedback and recommendations from our stakeholders, we updated our Supply Chain Code of Conduct. This outlines our expectations for our suppliers, and we make it readily available to them. It covers a range of sustainability-related topics of importance to us. We remain accountable to the same standards that we expect from our suppliers. You can find the Code on our [Corporate Governance Site](#).

Our compliance teams review our suppliers for any risks of bribery, corruption, modern slavery, human rights and trade sanctions. They report negative findings to the procurement teams, who then work with the supplier to mitigate the risk appropriately. We've also updated our supplier pre-qualification questionnaire to include ESG-related criteria.

Our joint ventures

Through our Joint Venture Governance Standard, we extend our commitment to high standards of governance to joint ventures. These include due diligence, consultation and approval requirements, policies and procedures and the ongoing requirements for governance during the operating phase of the joint venture. We require all our joint ventures to complete a risk and compliance checklist annually.

Ethics performance

Indicator	FY2022	FY2023
Ethics helpline		
Reports in progress	30	13
Reports partially or fully substantiated	61	70
Reports unsubstantiated	89	117
Total number of reports	180	200
Due diligence checks		
Customers	4,335	4,313
Suppliers	6,660	5,498
Other partners ¹	83	112
Business involvement in countries with significant corruption risk²		
Number of active projects	0	0
Total backlog	0	0
Monetary losses as a result of legal proceedings associated with:		
Bribery or corruption	0	0
Professional integrity	0	0
Anti-competitive practices	0	0

1. Due diligence checks on other partners, such as agents, joint ventures and sponsorship opportunities.
2. We define significant corruption risk as the countries holding the 20 lowest ratings in [Transparency International's Corruption Perception Index](#), as of 30 June 2023.

3.6.3 Human rights and modern slavery

Our approach

Respecting, protecting and promoting human rights is fundamental to delivering a more sustainable world. Our commitment to human rights encompasses our people, those we partner with, our supply chain and the communities in which we operate.

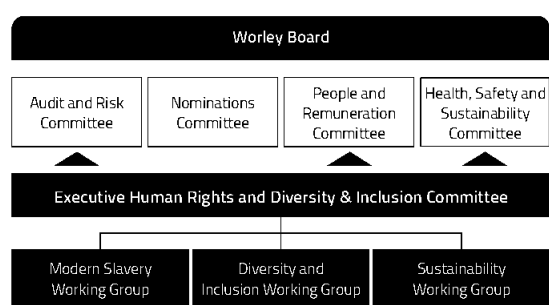
We support the protection of internationally proclaimed human rights, as set out in the United Nations Universal Declaration on Human Rights. We are guided by the UN Guiding Principles on Business and Human Rights (UNGPs) in our business practices.

As a signatory to the United Nations Global Compact, we also acknowledge the principles set out within the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We use these principles as a guide to improve our responsibilities to protect, respect and promote human rights.

We collaborate across industry to improve worker welfare. We're a member of Building Responsibly, a voluntary global set of principles that advance the safety, security and welfare of all people working in the engineering and construction sector.

Governance

We outline our commitment to respecting, protecting and promoting human rights in the Group's policies together with our governance framework. Human rights are governed by our Executive Human Rights and Diversity & Inclusion Committee, the Health, Safety and Sustainability Board Committee and the Worley Board, who are ultimately accountable for our approach to human rights.



See page 54 for our sustainability governance program.

We embed our commitment to human rights in the following policies and standards:

- Human Rights Policy
- Modern Slavery Policy
- Code of Conduct
- Supply Chain Code of Conduct
- Whistleblower Policy
- Health, Safety and Well-being Policy
- Diversity and Inclusion Policy
- Indigenous Peoples Engagement Policy
- Sustainability Policy.

Significant risk areas

Risk identification

We operate in some industries and geographies that are considered high risk in terms of human rights and modern slavery.

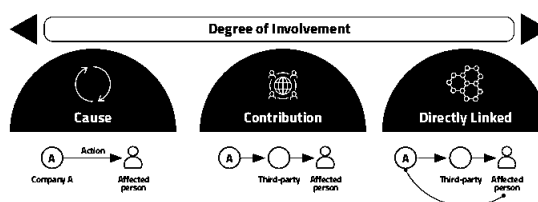
Some of these include risks to our people, services and customers, and risks in our partnerships, particularly joint ventures.

We disclose detail of these risks in our annual Modern Slavery Statement. We'll publish our third Group Modern Slavery Statement later this calendar year.

Risk management

Our policies, procedures and practices underpin how we manage our risks. These include our Group Code of Conduct, Supply Chain Code of Conduct, contract risk processes, enterprise risk management, quarterly risk reviews and our risk and assurance frameworks.

We use our company risk classification matrix to determine cause, contribution and direct linkage, as set out in the UN Guiding Principles on Business and Human Rights.



We encourage our people and stakeholders to report any human rights related grievances, concerns or issues to our Ethics Helpline. This is our confidential, anonymous and independently operated platform. Where concerns are identified, we take remediation actions. We outline these further in our Modern Slavery Statement, available on our [Corporate Governance Site](#).

Operating & financial review

3. Performance



Human rights in practice

Our business and human rights in practice framework translates the UN Guiding Principles into action and guides our program of work.

Commit

Organizational commitment and accountability to respecting, protecting and promoting human rights

Improve

Continuous evolution of best practice

Report

Transparent communication on progress



Assess

Risks to people and opportunities to improve conditions

Act

Integrate proactive prevention and remedial action

Monitor

Measure and track effectiveness

We're proud to be taking part in the UN Global Compact Business and Human Rights Accelerator program. This is a six-month program that supports our commitment to action on human and labor rights and on establishing effective due diligence processes.

Component	How we demonstrate this in practice
Commit	We commit to respecting, protecting and promoting human rights. Our leadership and governance includes our: - Executive Human Rights and Diversity and Inclusion Committee - Modern Slavery Working Group - People Network Groups. We hold ourselves accountable to our commitment and have established policies, standards and procedures that apply across our business.
Assess	We assess risks to our stakeholders, including our people, and look for opportunities to improve conditions. We do this through our risk management framework, supplier due diligence and community engagement. Our risk assessment process identifies human rights impacts we may cause, contribute to, or are directly linked to. This year, we have also undertaken a psychosocial hazard and risk assessment pilot (see page 74).
Act	We are accountable for our actions and integrate the prevention and remediation of human rights through existing business practice. This includes our: - prioritization of the safety, health and well-being of our people (see page 74) - active membership with Building Responsibly (see page 81) - modern slavery risk prevention program and roadmap, disclosed in our 2022 Modern Slavery Statement - focus on respect at work, including the workplace prevention and response to sexual harassment (see page 77) - Code of Conduct and annual refresher training (see page 79) - Whistleblower Policy and Ethics Helpline (see page 79) - governance and programs supporting data privacy and cyber security (see page 64).
Monitor	We monitor and track effectiveness of our actions through employee surveys and consultations, focus groups, grievance processes, and training completions to provide insight. We also conduct internal audits on human rights-related topics.
Report	We report our progress toward human rights through our: - Annual Report and online ESG disclosures - Modern Slavery Report - Workplace Gender Equality Act (WGEA) Report - Reconciliation Action Plan - UN Global Compact Communication on Progress See our website for more information.
Improve	We continually evolve our approach through regular review of our program and commitment, and improved reporting.



3.6.4 Community engagement and shared value

We have a global presence and strive to build stakeholder trust and social license across the communities we operate in. We do this through:

- our government engagement
- our commitment to transparent reporting
- the Worley Foundation and STEM engagement programs
- our partnerships with First Nations groups in Canada and Australia.

We also help our customers create social value. We continue to target community engagement and First Nations social investment activities for our customers.

Government engagement

We engage in political and public policy matters that impact our business. We engage in an open, responsible and evidence-based manner.

We contribute to discussions that are aligned with our business and industry interests, which benefit a range of stakeholders including our people, investors, communities and our customers.

We are also members of various trade and membership based organizations which engage with governments on issues relating to policy. Through these organizations, we seek to engage on policy and industry matters that support the transition to a lower carbon future. This includes organizations that represent transitional and hard-to-abate sectors.

Transparency in our journey

We report our performance transparently.

Authenticity remains core to how we communicate progress. We're pleased to see our progress is being reflected in improved ESG ratings. In FY2023, we were recognized as a member of the Dow Jones Sustainability Indices for Australia and Asia Pacific, and received a Gold rating from EcoVadis.

The Worley Foundation

The Worley Foundation provides help to our people and communities, making a positive social and environmental impact where we operate. This year, we are supporting 21 organizations which were nominated by our people across the world. These organizations work every day to advance STEM education, skilled volunteering and environmental and community benefits.

To keep our partnerships with organizations successful and free of ethical concerns, we undertake a thorough due diligence process. This involves assessing each organization and potential risks. We also evaluate the outcomes of all funded projects. This includes examining the progress, achievements, community development and skilled volunteering.

STEM outreach

We began our global STEM campaign in early 2022 to promote STEM as a career path within local communities.

We continue to expand our network of ambassadors and volunteers who encourage and support STEM learning. We've partnered with schools, colleges, universities and community groups to share our STEM expertise and knowledge. Our STEM events and activities include engineering workshops, mentoring programs and career events.

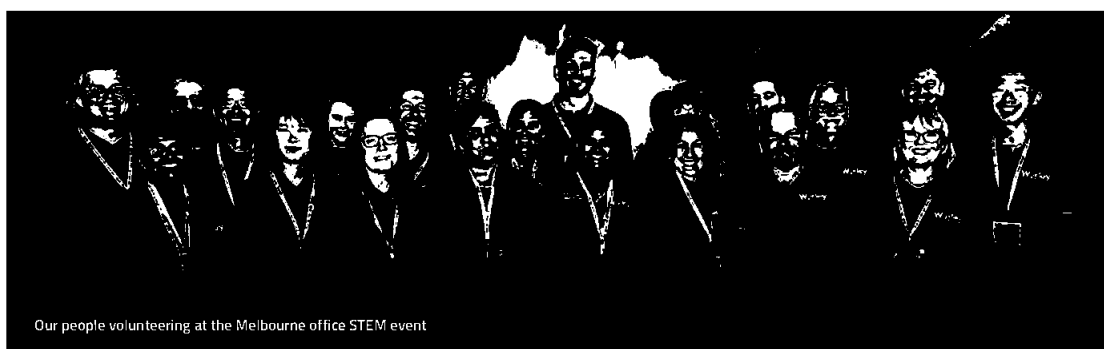
To succeed in the energy transition, we need to inspire a strong pipeline of diverse talent.



Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA



Communities



Our people volunteering at the Melbourne office STEM event

Operating & financial review

3. Performance



Reconciliation

We recognize and respect the Indigenous Peoples in the communities that we operate in.

Through our Indigenous Peoples Engagement Policy, we seek to implement engagement and consultation processes where we operate. We do this to build relationships with local communities, engage local resources and support customer-community values and commitments.

In Australia and Canada, we're taking dedicated steps towards reconciliation.

Reconciliation in Australia

In 2021, we announced our support for the Uluru Statement from the Heart and its call for a First Nations Voice enshrined in Australia's Constitution. Having executed our 'Reflect' Reconciliation Action Plan (RAP), we're now finalizing our 'Innovate' RAP, which will publicly state how we will increase First Nations engagement and participation. To achieve this, we've:

- established a RAP Working Group and RAP Champions to drive delivery and implement the 'Innovate' RAP
- targeted First Nations career and graduate programs
- trained our sales, contracts, procurement and project teams to identify First Nations suppliers to grow Indigenous participation on projects
- implemented the outcomes of the Minderoo Foundations' Woort Koorliny: Australian Indigenous Employment Index 2022 National Report, which highlighted focus areas that we could improve upon.

Reconciliation in Canada

We have an active role in truth and reconciliation with Indigenous People in Canada. We are pursuing the Canadian Council for Aboriginal Businesses' Progressive Aboriginal Relations Certification and we're currently at the 'Committed' level.

We're implementing the learning priorities outlined in the Truth and Reconciliation Commission (TRC) Final Report and TRC's 94 Calls to Action. A priority we actioned was Indigenous cultural awareness training. Training was for all Canadian staff and addressed the truth and legacy of residential schools. This is part of the healing process of reconciliation, based on inclusion, mutual understanding and respect.

We continue to explore opportunities for meaningful Indigenous Partnerships and are proud to have three linked with Advisian, our consulting business line:

- Nu Nenne Advisian Environmental (NAE) with Cold Lake First Nation
- Desika with Mikisew Cree First Nation and Fort McKay First Nation
- TRS Advisian with Norman Wells Land Corporation and Tłegóhtł Reclamation Services.

Distribution of economic value

This year we distributed \$11,170 million in payments that flowed through to our economy and communities. How this economic value was distributed is shown in the table below.

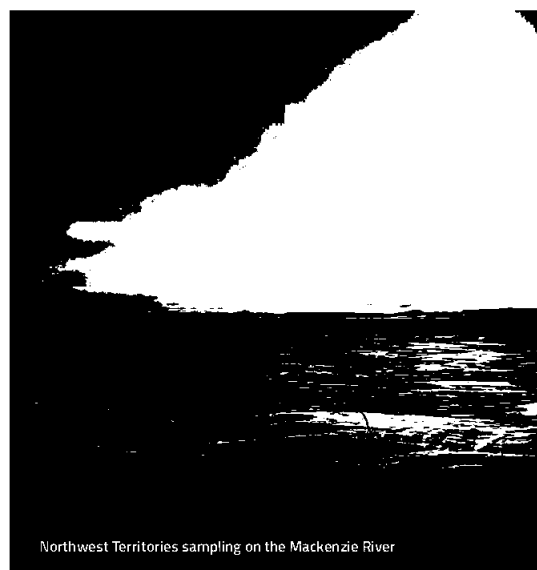
As a solutions provider to the energy, chemicals and resources sectors, we create significant indirect economic impact. We collaborate with our customers and peers to develop critical infrastructure, industry standards and government policies.

There is also an indirect economic benefit through our people's spending on the local economy.

We also make tax contributions globally and disclose these publicly. See our [tax contribution report](#) for more information.

Community performance

Indicator	FY2022	FY2023
The Worley Foundation		
Organizations pledged to support	16	21
Corporate financial donations¹		
Non-legislated contributions (\$)	1,397,483	1,359,475
Legislated contributions (\$)	855,406	892,880
Total contributions (\$)	2,252,889	2,252,355
Direct economic value generated and distributed		
Economic value generated and received (\$m) ²	9,863	11,137
Distributed to our shareholders (\$m)	262	262
Distributed to our other stakeholders (\$m) ³	9,552	10,908
Economic value retained (\$m) ⁴	49	-33
Economic value generated and distributed (\$m)	9,814	11,170



Northwest Territories sampling on the Mackenzie River

1. Our FY2022 corporate financial donations have been re-stated. See section 2-4 of our [GRI content index](#) for more information.

2. Receipts from customers (see page 137).

3. Via employee and supplier cost paid. This includes our corporate financial donations, income taxes and finance costs paid (see page 137).

4. Economic value generated less economic value distributed. In FY2023, this number is negative as we distributed more cash than we received from our operating activities.



4. Outlook

We expect FY24 aggregated revenue excluding procurement to grow (on FY23 proforma) as new and emerging customers and major projects generate further upside. We also expect procurement volumes to grow further on FY23.

We expect the underlying EBITA margin (excluding the impact of procurement) to be within a range of 7.5-8% in FY24.

4.1 Unreasonable prejudice and forward-looking statements

We've omitted information about our internal budgets and internal forecasts from this review. We've also omitted details of our business strategy. This is on the basis that doing so would have been likely to result in unreasonable prejudice towards us.

This review contains forward-looking statements. These include statements of our current intentions, opinions and expectations about our present and future operations, events and financial prospects. While these statements reflect our expectations on the date we published this review, they're not certain and are susceptible to change. We make no representation, assurance or guarantee as to the accuracy or likelihood of fulfilling any such forward-looking statements (whether express or implied) except as required by applicable law or the ASX Listing Rules. We disclaim any obligation or undertaking to publicly update such forward-looking statements.

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Operating & financial review

5. Risk management

5. Risk management

5.1 Our approach to risk management

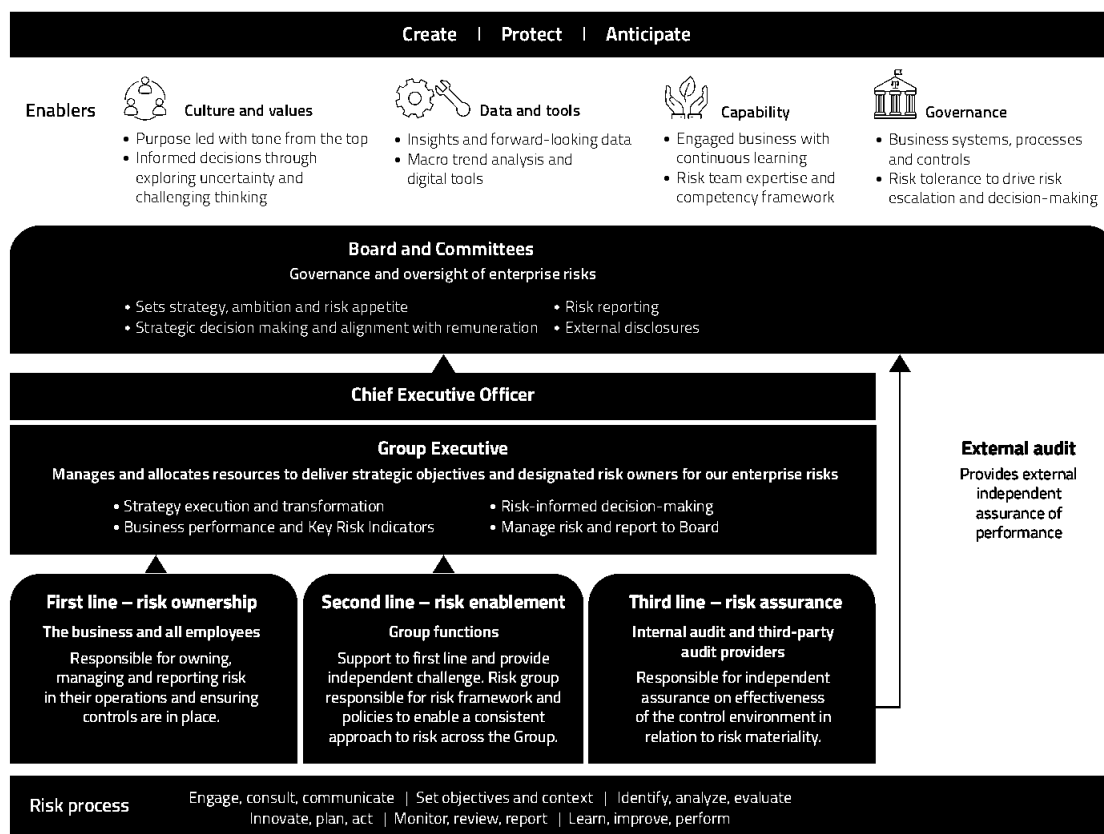
Our ability to create and protect value is underpinned by our approach to risk management and our culture of encouraging transparent communications. This involves visible leadership, identifying the material risks we face and making informed decisions – decisions that align to our ambition and values, and lead to increased value for stakeholders.

Our Board sets the Group's risk appetite and considers the amount and type of risk it's prepared to pursue, retain and take. This is operationalized within our processes and procedures. In combination with our risk management processes, we take a systematic and tailored approach to risk activities to support success and create value. The Board requires risk management performance to be monitored, reviewed and reported throughout Worley.

5.2 Our risk management framework

Our risk management framework provides the foundation for creating and protecting value and empowers our people to manage uncertainty. We align with the ISO 31000:2018 Risk Management – Guidelines Principles and Framework, and we frame our risk management roles and responsibilities around the Institute of Internal Auditors' Three-lines Model. This provides a strong governance and risk management platform for the management of all risks, including opportunities and threats. The illustration below highlights our framework and key responsibilities.

Risk management framework





5.3 Our risk management process

The International Integrated Reporting Framework guides our principal (material) risk reporting, which aims to disclose risks that substantively may affect our ability to create value. The Board Audit and Risk Committee and Group Executive regularly meet to review our principal risks, our performance and the effectiveness of our controls. They also monitor key risk indicators to assess whether operations are working within our risk appetite.

Risk identification

We adopt a top-down and bottom-up approach to identifying risks that affect or may affect our ability to create value. We view this from the perspective of the risk's effect on the Group's strategic objectives and our ability to realize them.

To help us identify risks, we work with external and internal stakeholders. This work includes, and is not limited to, existing and prospective customer engagements, town hall sessions and surveys, investor presentations and roadshows, business partner and joint venture meetings and industry, regulator and policy maker interactions.

Risk evaluation and prioritization

We conduct assessments and workshops to evaluate and prioritize risks, including emerging risks which may present us with medium to long-term risk exposure. We use qualitative and quantitative methods to define risk consequences. We view consequences across a spectrum of possible financial and non-financial impacts, such as occupational health and safety, operational, strategic, reputational and regulatory. To prioritize risks, we use our Group risk matrix to consider the combination of a risk's consequence and likelihood. This enables us to identify our most significant potential risks.

We document risks within risk registers to support communication and management. These activities are performed at all levels within the Group, from the Board to business operations and project delivery. Our risk management framework enables us to openly share and communicate significant risks to ensure appropriate management and Board oversight.

Risk disclosure and reporting

We present our risks as opportunities and threats. These have remained relatively stable over the last 12 months. The following pages disclose our principal enterprise opportunities and threats.



Operating & financial review

5. Risk management

5.4 Our principal opportunities and threats

Each year, we identify and seek to manage our threats and opportunities over the short, medium, and long term.

Short term (1 to 2 years)	S	Our short-term horizon is focused on the immediate financial planning period.
Medium term (2 to 5 years)	M	Our medium-term horizon is focused on our strategic business plan in line with our ambition.
Long term (5 to 10 years)	L	Our long-term horizon is focused on global trends and our net-zero aspirations.

Our opportunities

Delivery of strategy and ambition

Priority: High Outlook: **M L**

Context and description

This covers our ability to execute and manage our transformation and realize our purpose and ambition.

It includes investment and divestment at the pace and quality a dynamic environment requires.

Through our global footprint and diverse capabilities, we aim to achieve market leadership in delivering sustainability solutions, which represents one of our most significant opportunities.

How we are managing this opportunity

Our collaboration frameworks and partnering models guide the delivery of our ambition.

We continue to focus on:

- dedicated transformation program to accelerate new sustainability solutions for growth (see page 28)
- established multi-tier strategic architecture to align planning and execution across the Group
- enterprise-wide change management and learning program to transition towards sustainability-related business in existing or new markets
- program governance activities performed by our Venture board that support effective decision-making
- acquisitions, partnerships and divestments, which the Board assesses and approves.

Indicators

- Sustainability revenue
- Shareholder wealth
- ESG ratings
- Growth in strategic focus areas

Value drivers



Energy transition and emerging technology

Priority: Medium Outlook: **S M L**

Context and description

This covers our ability to navigate the Group's portfolio through the energy transition, using new and developing process, digital technologies and our intellectual property to help us grow value.

As the world transitions towards a lower-carbon economy, the most influential economies and companies have pledged decarbonization and electrification targets. This is accelerating the energy transition and leading to growth opportunities.

We will enable our growth through entry into new markets and technologies to deliver our sustainability commitments, diversify our services and realize our position as leaders in sustainable solutions.

How we are managing this opportunity

Our strategy guides us, and we continue to:

- explore energy transition opportunities to inform and prioritize our Transformation Program, including market data analysis, macro trends, scenario analysis and multi-dimensional deep dives (see page 24)
- keep abreast of technological, market and policy changes through our work with research institutions such as our Princeton partnership and other industry bodies (see page 78)
- pursue partnerships to support new process and digital technologies (see page 28)
- develop new commercial solution-based models and our intellectual property to help us achieve our sustainability-related revenue target (see page 28).

Indicators

- Sustainability revenue
- Gross margin

Value drivers





Our threats

Information and cybersecurity

Priority: High Outlook: S M

Context and description

This covers our ability to use IT systems and networks and ensure the confidentiality, integrity and availability of Worley and customer data.

Cybersecurity is complex and ever changing. Cyberattacks and data breaches are at an all-time high and continue to be a major threat to organizations.

Unauthorized access, cyberattacks or internal unintentional human error could all compromise our operational reliability and security. This could lead to business disruption, loss of critical, sensitive or personal data and related fines or penalties.

How we are managing this threat

We manage and support information and cybersecurity across the business with:

- regular reviews and updates of information security policies and standards in line with international standard ISO 27001 (see page 64)
- cybersecurity framework of process controls, which include automated surveillance, system, network and end-point protection, detect and respond capability and 24/7 monitoring, threat hunting and auditing (see page 64)
- employee cybersecurity education programs, including phishing awareness and testing campaigns (see page 64)
- data protection office management of employees, third parties and customers' data security (see page 64)
- regular exercises to test response and recovery procedures and ensure business continuity and resilience.

Indicators

- System availability
- Threat hunting and audits
- Security monitoring and alerting

Value drivers



Major business disruption and resilience

Priority: Medium Outlook: S M L

Context and description

This covers our ability to prepare, manage and recover operations from a major business disruptive event.

We operate in a dynamic environment subject to multiple events, including geopolitical conflict, natural hazards, global health crises and supply chain disruption.

Failure to maintain business continuity could result in diminished financial returns and loss of value.

How we are managing this threat

We continue to strengthen our resilience through:

- maintaining a diverse geographic and market footprint
- crisis response and business continuity framework led by our R3 (Ready, Response, Recovery) team. This includes processes relating to physical, personnel, supply chain and cyber risks
- simulation exercises and discussions with senior leaders
- scenario planning (strategic and financial modelling) and geopolitical analysis
- key control assessments that support and improve business continuity plans.

Indicators

- Market intelligence and scanning
- Business operational monitoring
- Internal control compliance

Value drivers





Operating & financial review

5. Risk management

Talent		Priority: High Outlook: (S) (M)
Context and description This covers our ability to retain, attract and engage diverse talent and build skills for the future. The global talent market remains challenging and requires innovative programs to source and build skills of the future. If we fail to build new capabilities and attract and retain talent, it could impact our ability to win work, deliver our contractual requirements and achieve our objectives.		
How we are managing this threat Our people enable us to realize our purpose and deliver a sustainable world. We continue to: - streamline recruitment processes and manage succession planning (see page 75) - recognize and reward performance and maintain competitive remuneration frameworks - provide hybrid working arrangements that involve a mix of working from home, office and site - strive towards our diversity and inclusion targets and enhance associated programs (see page 77) - encourage continuous learning through self-directed and structured learning programs.		Indicators - Diversity and inclusion metrics - Engagement - Turnover Value drivers 
Project delivery		Priority: Medium Outlook: (S) (M)
Context and description This covers our ability to execute quality projects on time and within budget, meet contractual obligations and customer expectations, and maintain core operations while growing our sustainability portfolio. We have a globally diverse skill set to deliver value to our customers across all major energy sectors. This enables us to deliver specialist consultancy advice through to delivering large complex projects. If we fail to manage our contracts or deliver poor quality work, we could find ourselves in disputes with our customers around fees, costs or delays. This could lead to legal action and reputational damage, and reduce future significant project awards.		
How we are managing the threat We support our consultants, engineers, construction workers and other project delivery specialists with: - project delivery framework to support execution through knowledge and management systems, standardized delivery applications and global specialist capability networks (see page 60) - project risk exposure assessments to determine management seniority for bid decision-making - project delivery group support during project initiation for our key projects and embed lessons learnt into execution strategy - commercial management framework that ensures our contracts are compliant and we manage and approve scope and contract variations effectively - no engagement in material lump sum turnKey EPC projects.		Indicators - Cash collection - EBITA - Margin protection and growth - Customer feedback Value drivers   



Safety, health and well-being

Priority: Medium Outlook: S M

Context and description

This covers our ability to ensure the safety, health and well-being of our people when working.

We sometimes work in high-risk geographies, travel long distances by road and engage in construction and operating activities. This heightens the risk of injury, illness and loss of life. Our working environment has the potential to have an impact on the mental, emotional and social well-being of our people.

Our work may also positively or adversely impact the safety, health and well-being of the communities in which we operate.

How we are managing this threat

The safety, health and well-being of our people is our main priority. Without this, nothing else matters. We continue our:

- health, safety and well-being standards and Life programs (see page 74)
- security and emergency planning via our R3 (Ready, Response, Recovery) processes and subject-matter experts (see page 50)
- programs to support diversity, inclusion, psychological safety and well-being
- alignment with ISO 45001 Occupational Health and Safety Management Systems and ISO 45003, which covers psychological health and safety requirements
- sexual harassment awareness and learning programs (see page 77)
- commitment to safe and responsible presence in the communities in which we operate. We outline more details in the ethical and business practices and social value risks.

Indicators

- Safety metrics
- Learning program uptake

Value drivers



Ethics and business practices

Priority: Medium Outlook: S M

Context and description

This covers our ability to comply with the law and do our business to the highest standards.

This includes working with customers, partners and suppliers, aligning with our values and ethically managing areas of focus such as supply chain and human rights practices.

Our behavior is defined through our words and actions. Our Code of Conduct sets out standards of professional behavior, our responsibilities and the ethical standards we uphold.

If we fail to work ethically or within local laws and regulations, it could lead to a non-compliance or a regulatory breach. This may result in an investigation, fines, penalties and reputational damage.

How we are managing this threat

We work with our customers, suppliers and partners to enable respectful and responsible business practices. The following supports us in this:

- ethics, compliance and integrity activities, including our ethics helpline, customer and supplier due diligence, and code of conduct training (see page 79)
- human rights and modern slavery processes, which include our supplier code of conduct, supplier due diligence checks, and third-party recruitment provider and agent monitoring (see page 81)
- Data Protection Office to lead our data privacy compliance program – we outline further mitigations in the cybersecurity and information technology risk.

Indicators

- Ethics hotline
- Code of conduct training
- Supplier and customer due diligence

Value drivers





Operating & financial review

5. Risk management

Social value		Priority: Medium Outlook:  
Context and description This covers our ability to maintain stakeholder (shareholder, customer, community, employees, partners) trust by acting in line with our purpose and values. Our reputation ensures we win and retain work, attract and retain employees and secure lines of credit and access to capital. We collaborate with stakeholders to deliver a more sustainable world. If we fail to maintain trust among stakeholders, it could lead to negative media attention. It may damage our reputation or social value, reduce our influence in government and industry groups or lose investor confidence.		
How we are managing this threat Our leadership helps us maintain our relationships. These are underpinned by: - transparent investor engagement and ESG disclosures (see page 83) - engagement with customers, governments and local communities to support sustainable and just transition, for example projects supported by the Worley Foundation (see page 83) - engagement in political and public policy matters that impact our business. We engage in an open, responsible and evidence-based manner (see page 83) - work with Indigenous and First Nations communities (see page 84) - partnership between Worley and Princeton (see page 78) - internal programs and support networks, including Pride@Worley, Women of Worley, Kuumba, Sustainability Champions networks (see page 77).		Indicators - ESG disclosures - Direct and indirect economic development - Ongoing media monitoring Value drivers  
Liquidity		Priority: Medium Outlook:  
Context and description This covers our ability to maintain sufficient liquidity through cash and borrowing to enable us to meet our payment obligations as and when they are due. We take a diversified portfolio approach, sourcing debt capital from different markets. Our global operations focus on customer engagement to support timely issuance of invoices and cash collection. If we are unable to generate and maintain sufficient liquidity, we may not be able to fund some or all of our operations and/or achieve our ambition partially or in full. This may also impact our ability to service debt and lead to challenges in meeting the terms of our banking covenants.		
How we are managing this threat We manage and support cashflow across the business by: - dedicated Treasury function that manages group liquidity through funding and investments; this includes financial risks such as foreign exchange, inflation, interest and financial counterparty credit - Treasury Standards and processes to support working capital management, cash flow and monitoring, including a set of Board-approved authority limits - diversified debt facilities enabling access to debt beyond traditional banking groups, including two sustainability-linked bonds - project and business operation procedures to support timely and effective cash collection.		Indicators - Leverage - Cash flow Value drivers 



Climate change

Priority: Medium Outlook: S M L

Context and description

This covers our ability to manage the physical and transitional risks of climate change for our business and the industries we serve.

For example, extreme weather events could impact our operations and employees as well as our customers.

We seek to use our collective experience and knowledge to help our customers on their journey to reduce the carbon intensity of their assets. The energy transition gives us opportunities to guide and support our customers and industry. We discuss these further under the energy transition and emerging technology risk.

We're committed to playing our part. We have targets for our Scope 1, Scope 2 and Scope 3 emissions (see page 68). We report how we're managing our climate-related risk and opportunity in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We provide our TCFD disclosures in detail on our website and abridged on page 69.

How we are managing this threat

We've embedded climate change considerations within core risk and strategy processes.

We also assess climate-related risks and opportunities. We rely upon the following:

- our Climate Change Position Statement, which sets out our response to climate change – this includes the work we do for our customers, and our own business (see page 67)
- our net-zero roadmap has carbon reduction initiatives – we reduced our Scope 1 and Scope 2 emissions by 14% in FY2023, compared to FY2022
- our risk identification and treatment plans for physical and transitional risks for climate change
- our incorporation of scenario planning for extreme weather events into our R3 and resilience.

We will strive to reduce emissions in our value chain. We are disclosing 11 of the 13 Scope 3 emissions categories from the GHG protocol relevant to Worley.

Indicators

- GHG emissions
- Severe weather events
- Growth in sustainability-related revenue

Value drivers



Nature

Priority: Medium Outlook: S M L

Context and description

This covers our ability to manage the physical, transitional and systemic risks nature poses to our business and the industries we serve.

Issues of biodiversity loss, pollution (waste) and resource over-extraction (e.g. water) are combining, threatening the natural systems and ecosystem services they provide.

This poses risks to our business and the ecosystems we operate in. It could lead to acute and chronic events that impact our people, operations and supply chains. These include restricted site access and the inability to conduct day-to-day business. Our reputation could be compromised due to our involvement in certain projects that might significantly degrade natural capital.

How we are managing this threat

Our risk management system helps us to identify and act on nature-related risk and opportunity. The following supports our efforts:

- we launched our nature roadmap to seek positive outcomes for nature (see page 71)
- we have committed to phase out provision of single-use plastics from our owned and managed offices by the end of FY2025
- we review the water scarcity risk for our operations, using the World Resources Institute Aqueduct tool
- we disclose our water and waste use at our fabrication yards and offices we own
- we'll continue to review developments and align with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) in future reporting.

Indicators

- Implementation of nature roadmap
- Water and waste
- Water scarcity
- Growth in sustainability-related revenue

Value drivers



Operating & financial review

5. Risk management

ESG performance and access to capital

Priority: Low Outlook: **S** **M** **L**

Context and description

This covers our ability to raise capital effectively through demonstrating our ESG performance.

As our customers and the rest of the world invest in decarbonization, our portfolio is shifting towards a larger component of sustainability related work – 35% of aggregated revenue for FY2022 and 41% for FY2023. This allows us to access capital markets and investors where the cost of capital is reduced for companies with strong ESG credentials.

If we don't deliver our ESG commitments in line with our purpose and ambition, our ability to access traditional finance channels will be compromised.

How we are managing this threat

Sustainability is core to our business, and our purpose is at the heart of all we do. Our focus is to support:

- continuous improvement in our ESG performance (see page 83)
- Responsible Business Assessment (RBA) Standard to evaluate unacceptable referred reputation risk (see page 79)
- retention of investment-grade ratings with credit agencies, showing our strong credit value proposition (see page 42)
- debt and equity investor relationship engagement with existing and prospective investors and banks, including issuance of sustainability-linked debt facilities.

Indicators

- ESG rating agencies
- Sustainability linked loans

Value drivers



Financial disclosures

Priority: Low Outlook: **S**

Context and description

This covers our internal reporting systems may not accurately reflect economic and geopolitical uncertainty. This could result in us not meeting financial forecasts indicated to the market.

We operate a complex business, which provides a wide range of services straddling multiple jurisdictions, regulatory frameworks and currencies.

Inaccurate forecast may adversely affect investor confidence and our share price.

How we are managing this threat

We scan our horizon for emerging risks and hold regular discussions and reviews. The following supports our efforts:

- centralizing data and systems to increase transparency and accuracy
- budgeting and regular reforecasting
- complying with continuous disclosure requirements
- analyzing scenarios (financial and non-financial)
- broadening our risk management framework to capture emerging risks that identify the medium- to long-term outlook.

Indicators

- Quarterly business review updates
- Half and full year reporting

Value drivers





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Notes to the financial statements

These notes include information you'll need to understand the financial statements. This information is material and relevant to the operations, financial position and performance of the Group. We consider information material and relevant if, for example:

- the amount is significant because of its size or nature
- it's important for understanding our results.

We've organized the notes into the following sections:

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Key numbers

Here we break down the most relevant individual line items in the financial statements. We also summarize the accounting policies you'll need to be familiar with to understand these line items.

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Risk

This section discloses our exposure to various financial risks. It also covers their potential impact on our financial position and performance, and how we manage these risks.

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Structure

This section defines the different aspects of our Group structure.

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Unrecognized items

This section includes information about items that aren't recognized in the financial statements but could potentially have a significant impact on our financial position and performance.

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Other

This section includes notes required by Australian Accounting Standards and other regulatory pronouncements. It also includes important information for understanding our results.

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Financial statements
Directors' Report

Directors' Report

The Directors present their report on Worley Limited (Company) and the entities it controlled (Group or consolidated entity) at the end of, or during, the year ended 30 June 2023.

Directors' message

Principal activities

We're consistently delivering improved results, and we're on track to deliver our ambition that we announced in 2021.

We've set out details of our operations and activities in the Operating and financial review, from page 43.

Significant changes in the state of affairs

On 1 July 2022, Mark Trueman commenced as Group President - Americas as Karen Sobel stepped down from the role.

Following the receipt of shareholders' approval at our annual general meeting on 21 October 2022, we announced the appointment of PricewaterhouseCoopers (PwC) as the Company's external auditor.

On 30 May 2023, we announced completion of the sale of our turnaround and maintenance business in North America. This includes the power operations and maintenance business, which is part of our Americas Field Services, for a cash consideration of approximately AUD \$180 million.

On 24 October 2022, we announced that the High Court declined special leave in the shareholder class action. The class action will return to a further hearing by a single judge of the Federal Court, in line with the previous orders made by the Full Federal Court. We will continue to defend all allegations in the class action. Our defense of the class action continues to be funded by our insurers.

Matters subsequent to the end of the financial year

Since the end of the financial year, the directors have resolved to pay a final dividend of 25 cents per fully paid ordinary share. This includes exchangeable shares, unfranked (2022: 25 cents per share). In line with AASB 137 Provisions, Contingent Liabilities and Contingent Assets, the aggregate amount of the proposed final dividend of \$131 million isn't recognized as a liability as at 30 June 2023.

As part of its ongoing portfolio management, subsequent to the year ended 30 June 2023, Worley has entered into an agreement to sell Energy Resourcing Group, another of its remaining non-core businesses. This transaction is subject to regulatory approval, customary closure conditions and Worley completing the separation of this business. The transaction is expected to close within first half FY2024. The sale is not expected to have a significant impact on Worley's financial results.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect:

- the consolidated entity's operations in future financial years
- the results of those operations in future financial years
- the consolidated entity's state of affairs in future financial years.

Earnings per share

	2023 cents	2022 cents
Basic earnings per share	7.0	32.8
Diluted earnings per share	7.0	32.6

The underlying basic earnings per share was 66.2 cents. This is an increase of 5% from last financial year's result of 62.8 cents.

We determine underlying basic earnings per share by dividing the underlying profit attributable to members of Worley Limited (as set out on page 97) by the weighted average number of ordinary shares outstanding during the financial year (as set out in note 17 to the financial statements).

Dividends – Worley Limited

Details of dividends in respect of the current and previous financial years are as follows:

	2023 \$'M	2022 \$'M
Final dividend for the full year 2023 of 25 cents per ordinary share, to be paid on 27 September 2023 (unfranked)	131	—
Interim ordinary dividend for the half year – of 25 cents per ordinary share, paid on 29 March 2023 (unfranked)	131	—
Final dividend for the full year 2022 of 25 cents per ordinary share, paid on 28 September 2022 (unfranked)	—	131
Interim ordinary dividend for the half year 2022 of 25 cents per ordinary share, paid on 30 March 2022 (unfranked)	—	131
Total dividends paid/to be paid	262	262



Financial performance summary

Review of operations

You'll find a detailed review of our operations and the results of those operations in the Operating and financial review on page 43. The Operating and financial review is incorporated into, and forms part of, this report.

A summary of the consolidated revenue and results for the current and previous financial years are as follows:

	Consolidated	
	2023 \$'M	2022 \$'M
Revenue and other income	11,333	9,705
Depreciation	(51)	(54)
Amortization	(114)	(113)
Earnings before interest, tax and amortization (EBITA)	345	449
Net interest expense	(110)	(60)
Amortization of acquired intangible assets	(89)	(95)
Profit before income tax expense	146	294
Income tax expense	(100)	(117)
Statutory profit after income tax expense	46	177
Non-controlling interests	(9)	(5)
Statutory profit after income tax expense attributable to members of Worley Limited	37	172
Costs in relation to cost saving programs	50	67
<i>Impact of transformation and restructuring:¹</i>		
Shared services transformation	50	53
Payroll and other restructuring costs	–	15
Other transformation and transition costs	–	(1)
Loss on sale of disposal group and related expenses ²	240	–
Net impact of historical legal matters	–	16
Impact of withdrawal from Russia	–	14
Other	–	1
Net tax expense on items excluded from underlying earnings	(46)	(12)
Underlying profit after income tax expense attributable to members of Worley Limited	281	258
Amortization of intangible assets acquired through business combinations	89	95
Tax effect on amortization of intangible assets acquired through business combinations	(22)	(24)
Underlying profit after income tax expense and before amortization of acquired intangible assets ³ attributable to members of Worley Limited	348	329

1. Impact of transformation and restructuring costs comprise of shared service transformation and in the prior year also comprised payroll ,other restructuring and transition cost.
2. The Group has excluded Loss on disposal and related expenses (refer to note 21(C)) of the Annual Financial report for further details and a resulting tax impact from the underlying results.
3. The Directors consider underlying profit information is important to understand the sustainable performance of the Company by excluding selected significant items and amortization on acquired intangible assets.



Financial statements Directors' Report

	Consolidated	
	2023 \$'M	2022 \$'M
Revenue and other income	11,333	9,705
Less: Procurement revenue at nil margin (including share of revenue from associates)	(1,192)	(946)
Add: Share of revenue from associates	794	310
Less: Interest income	(7)	(4)
Aggregated revenue¹	10,928	9,065

	Aggregated Revenue ¹		Segment EBITA		Segment EBITA margin	
	2023 \$'M	2022 \$'M	2023 \$'M	2022 \$'M	2023 %	2022 %
APAC	2,059	1,710	222	181	10.8	10.6
EMEA	4,023	3,168	329	283	8.2	8.9
Americas	4,846	4,187	297	271	6.1	6.5
	10,928	9,065	848	735	7.8	8.1
Global support costs ²			(164)	(154)		
Strategic costs ³			(37)	(30)		
Interest and tax for associates			(12)	(4)		
Underlying EBITA			635	547	5.8	6.0

Aggregated revenue was \$10,928 million. This is an increase of 21% on the previous financial year. Underlying EBITA of \$635 million was up 16% from the last financial year result of \$547 million.

The underlying EBITA margin on aggregated revenue for the Group, decreased to 5.8% compared with 6.0% in 2022. After tax, the members of Worley Limited earned an underlying profit⁴ margin on aggregated revenue of 3.2%, compared with a margin of 3.6% in 2022.

The underlying effective tax rate (underlying NPAT) rose to 33.5%, compared with 32.9% in 2022. The key driver of this increase is an increase in certain non-deductible costs under US tax law.

The Group decreased its cash position to \$436 million (2022: \$519 million) with gearing (net debt/net debt plus total equity) at financial year end of 24.6% (2022: 22.6%).

Operating cash inflow for the period was \$260 million, compared with \$316 million in 2022. Cash inflow from investing activities was \$65 million (2022: outflow of \$62 million).

Review of operations

We've set out the likely developments in our operations in future financial years, and the expected outlook of those operations in Context and strategy on page 18.

Rounding of amounts

In line with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, we've rounded off amounts to the nearest million dollars, unless we state otherwise. We've represented amounts under \$500,000 that we've rounded down with a 0.0.

1. Aggregated revenue is defined as statutory revenue and other income plus the share of revenue from associates, less procurement revenue at nil margin, pass-through revenue at nil margin, and interest income. The Directors of Worley Limited believe the disclosure of the relevant share of revenue from associates provides extra information about the financial performance of Worley Limited Group.
2. Excluding global support-related restructuring costs (refer to note 3(E) to the financial statements).
3. Strategic costs comprise costs for strategic hires and agile team development in targeted sustainability growth areas, digital enablement, internal training and development, and strategic partnerships creation and building to deliver sustainable solutions at scale.
4. The Directors consider underlying profit information important to understand the sustainable performance of the Company by excluding selected significant items and amortization on acquired intangible assets.



Board governance

Corporate governance statement

You can access the Company's Corporate Governance Statement for the year ended 30 June 2023 on the corporate governance page in the investor relations section, of our website.

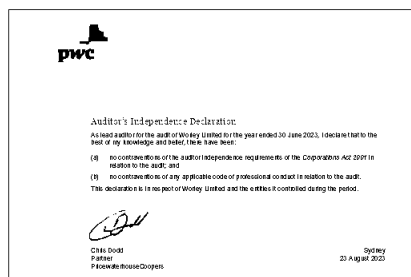
Non audit services

Following the receipt of shareholders' approval at Worley's annual general meeting on 21 October 2022, we announced the appointment of PricewaterhouseCoopers (PwC) as the Company's external auditor. PwC was responsible for the FY2023 external audit. Chris Dodd, PwC partner, was appointed as Worley's external audit engagement partner, following the retirement of Matthew Lunn. PwC performed non-audit services in addition to its statutory audit duties. Ernst & Young, our outgoing auditor, performed non-audit services in addition to its statutory audit duties up to 21 October 2022. The total fees for non-audit services for the period amounted to \$4,157,806.

The Board has a policy governing the provision of non-audit services by the auditor. The Audit and Risk Committee has reviewed the total non-audit services for the period provided by Ernst & Young until 21 October 2022 and then by PwC. The Board has accepted the recommendation from the Audit and Risk Committee that the total non-audit services was compatible with the general standard of independence for auditors imposed by the Corporations Act 2001 (Cth) (the Act). The Directors are satisfied that the non-audit services the auditor provided did not compromise the auditor independence requirements of the Act for the following reasons:

- the Audit and Risk Committee reviewed all non-audit services to make sure they did not impact the integrity and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence in Accounting Professionals and Ethical Standards (APES) 110 *Code of Ethics for Professional Accountants*. This includes:
 - not reviewing and auditing the auditor's own work
 - not acting in a management or decision-making capacity for the Group
 - not acting as advocate for the Group
 - not jointly sharing economic risk and rewards.

A copy of the auditor's independence declaration, as required under Section 307C of the Act, is as follows:



Indemnities and insurance

Under the Company's Constitution, we indemnify each current and former officer of the Group against certain liabilities and costs they might incur as an officer of the Group.

We also indemnify each current and former officer of the Group against certain liabilities and costs they might incur by acting as an officer of another body corporate at the Company's request.

This indemnity does not cover any liabilities or costs that we're prohibited from indemnifying under the Act.

We've also entered into deeds of access, indemnity and insurance with certain officers of the Group. Under those deeds, we agree (among other things) to:

- indemnify the officer to the extent permitted by law and the Company's Constitution
- maintain a directors' and officers' insurance policy
- give officers access to Board papers.

We maintain a directors' and officers' insurance policy that, subject to certain exemptions, covers former and current officers of the Group. During the financial year, we paid insurance premiums to insure those officers. The insurance contracts prohibit us from disclosing the amounts of the premiums we paid and the nature of the liability covered.

Environmental regulation

The majority of our customers are responsible for obtaining environmental licenses for their projects and assets. We typically help customers, who own or operate plant and equipment or have obligations over natural resources, to manage their environmental licenses and responsibilities.

We do have environmental responsibilities, which relate to complying with environmental controls and exercising reasonable care and skill in our design, construction management, operation and supervising activities. We manage the risks associated with environmental issues through our risk management and assurance systems.

We comply with all environmental regulations that apply to us and our work. The Company confirms, for the purposes of Section 299(1)(f) of the Act, that it is not aware of any environmental regulations under the laws of the Commonwealth of Australia, or of a State or Territory of Australia that the Group has breached.



Financial statements Directors' Report

Directors

The directors who served at any time during FY2023 or up to the date of this report are listed below:

- John Grill (Chair)
- Andrew Liveris (Deputy Chair and Lead Independent Director)
- Thomas Gorman
- Christopher Haynes (retired 30 June 2023)
- Roger Higgins
- Martin Parkinson
- Emma Stein
- Juan Suárez Coppel
- Anne Templeman-Jones
- Wang Xiao Bin
- Sharon Warburton
- Chris Ashton (Chief Executive Officer and Managing Director)
- Joseph Geagea (appointed 1 July 2023)

Directors' shares and rights

As at the date of this report, the relevant interests of the Directors in the shares and rights of the Company were:

Directors	Number of shares	Number of rights
John Grill	34,336,128	—
Andrew Liveris	17,870	—
Thomas Gorman	29,000	—
Christopher Haynes ¹	18,922	—
Roger Higgins	34,000	—
Martin Parkinson	17,000	—
Emma Stein	20,840	—
Juan Suárez Coppel	18,197	—
Anne Templeman-Jones	17,382	—
Wang Xiao Bin	11,000	—
Sharon Warburton	22,500	—
Chris Ashton	176,606	731,320
Joseph Geagea	0	—

You'll find more details about the rights issued by the Company in the Remuneration report and notes 15 and 16 to the financial statements.

The number of Board and standing Board Committee meetings held during the financial year, and the number of meetings each Director attended is below:

	Board		Audit and Risk Committee		Nominations Committee		People and Remuneration Committee		Health, Safety and Sustainability Committee	
	Meetings held while a member	Number attended	Meetings held while a member	Number attended	Meetings held while a member	Number attended	Meetings held while a member	Number attended	Meetings held while a member	Number attended
John Grill	6	6			6	6	6	6	6	6
Andrew Liveris ²	6	6			6	6	4	4		
Thomas Gorman	6	6			6	6	6	5	6	5
Christopher Haynes	6	6			6	6	6	6	6	6
Roger Higgins	6	6			6	6			6	6
Martin Parkinson	6	6	6	6	6	6				
Emma Stein	6	6			6	6	6	6	6	6
Juan Suárez Coppel	6	6	6	6	6	6				
Anne Templeman-Jones	6	6	6	6	6	6				
Wang Xiao Bin	6	6	6	6	6	6				
Sharon Warburton	6	6	6	6	6	6				
Chris Ashton	6	6								

Special purpose Board Committee meetings and briefings convened during the financial year. The Board also convened regular Board briefings. All non-executive directors are invited to and have access to the papers for the standing Board Committee meetings. During the financial year, the Lead Independent Director chaired six meetings of the independent non-executive directors.

1. Balance at date of retirement, 30 June 2023.

2. Andrew Liveris retired as a member of the People and Remuneration Committee (PRC), effective 23 March 2023.



Information on directors and Group Company Secretary



John Grill

AO, BSc, BEng (Hons), Hon DEng (Sydney),
Hon DEng (UNSW)

Chair and non-executive director since March 2013

Previously Chief Executive Officer and Managing Director from listing in November 2002 until October 2012.

Director of the company before listing and Director of its predecessor entities from 1971.

Country of residence: Australia

John was appointed to the Board effective 1 March 2013. He's Chair of the Board and Chair of the Nominations Committee, a member of the People and Remuneration Committee and a member of the Health, Safety and Sustainability Committee.

John has over 40 years' experience in the resources and energy industry, starting his career with Esso Australia. In 1971, he became Chief Executive Officer of Wholohan Grill and Partners, the entity that ultimately became owned by Worley Limited. John has expertise in every aspect of project delivery in the resources and energy industry. He maintains strong relationships with the Group's major customers and was closely involved with the Group's joint ventures at a Board level.

John was awarded an honorary doctorate by the University of Sydney in 2010 in recognition of his contribution to the engineering profession.

He was appointed an Officer of the Order of Australia in 2014 for distinguished service to engineering and business in the minerals, energy and power supply industries, and as a supporter of advanced education and training. In 2019, John was awarded an honorary doctorate from the University of New South Wales.

John is also Chairman of the Mindgardens Neuroscience Network – a partnership between the Black Dog Institute, Neuroscience Research Australia (NeuRA), South Eastern Sydney Local Health District (SESLHD) and the University of New South Wales.



Andrew Liveris

AO, BEng (Hons), PhD

Deputy Chair, Lead Independent Director and non-executive director, Director since September 2018

Countries of residence: Australia and United States of America

Andrew was appointed to the Board effective 5 September 2018. He's the Deputy Chair, Lead Independent Director and a member of the Nominations Committee.

Andrew is a director of IBM, Saudi Aramco, and NOVONIX Limited – a company supporting lithium-ion battery technologies. Andrew is the President of Brisbane 2032 Organising Committee for the Olympic Games (OCOG).

Andrew was formerly the Chairman and Chief Executive Officer of the Dow Chemical Company and the former Executive Chairman of DowDuPont. He has over 40 years' global leadership experience with the Dow Chemical Company with roles in manufacturing, engineering, sales, marketing, business and general management around the world.

Andrew was formerly the Vice Chair of the Business Roundtable and was the Chairman of the United States Business Council. He has held previous Australian Government roles as Chair of the National COVID-19 Coordination Commission (NCCC) Manufacturing Taskforce and Co-Chair of the Territory Economic Reconstruction Commission.

Andrew is a chartered engineer, a fellow of the Institution of Chemical Engineers and a fellow of the Australian Academy of Technological Sciences and Engineering (now Australian Academy of Technology and Engineering). He earned a bachelor's degree (first class honors) in Chemical Engineering from the University of Queensland and was awarded the University Medal. In 2005, he was awarded an Honorary Doctorate in Science by his alma mater and was named alumnus of the year. He was appointed an Officer of the Order of Australia in 2014 for his services to international business and was awarded an Honorary Doctorate in Engineering from Michigan State University in 2015.

Australian listed company directorships

Listed company name	Nature of directorship	Date of commencement	Date of cessation
NOVONIX Limited	Non-executive director	1 July 2018	n/a

Financial statements Directors' Report



Joseph Geagea
BEng, MEng

Non-executive director, Director since July 2023

Country of residence: United States of America

Joseph was appointed to the Board effective 1 July 2023. He's a member of the People and Remuneration Committee and the Nominations Committee.

Joseph had a 40-year career with the Chevron Corporation before retiring in June 2022 as Executive Vice President and Senior Advisor to Chevron's Chairman and CEO. During his time with Chevron, Joseph's roles included Executive Vice President of Technology, Projects and Services and President of Chevron Gas and Midstream. Joseph was also responsible for Chevron's upstream activities in Bangladesh, Cambodia, China, Myanmar, Thailand and Vietnam and led Chevron's downstream operations in East Africa, the Middle East and Pakistan.

Joseph is on the board of trustees of Houston Grand Opera. He was previously a director of the National Action Council for Minorities in Engineering and served on the board of trustees of the San Francisco Ballet Association.

Joseph holds a Bachelor of Civil Engineering and a Master of Civil Engineering from the University of Illinois. He is a member of the American Society of Civil Engineers.



Thomas Gorman
BA, MBA, MA

Non-executive director, Director since December 2017

Country of residence: United States of America

Thomas was appointed to the Board effective 18 December 2017. He's a member of the Health, Safety and Sustainability Committee, the People and Remuneration Committee and the Nominations Committee.

Thomas' appointment follows his 30-year career in executive positions at Ford Motor Company and Brambles Limited. He retired as Chief Executive Officer of Brambles in February 2017. He's worked in multiple functions including finance, operations, logistics, marketing and business development across the United States, England, France and Australia.

Thomas is a director of Orora Limited, Sims Limited and Alcoa Corporation.

Thomas graduated cum laude from Tufts University with degrees in economics and international relations.

He obtained an MBA with distinction from Harvard Business School and an MA in international relations from the Fletcher School of Law and Diplomacy at Tufts University.

Australian listed company directorships

Listed company name	Nature of directorship	Date of commencement	Date of cessation
Orora Limited	Non-executive director	2 September 2019	n/a
Sims Limited	Non-executive director	15 June 2020	n/a

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Christopher Haynes

OBE, FREng, BSc (Hons), DPhil, CEng, FIMechE, FIEAust

Non-executive director, Director since January 2012

Country of residence: United Kingdom

Christopher was appointed to the Board effective 1 January 2012. He's a member of the Health, Safety and Sustainability Committee, the People and Remuneration Committee and the Nominations Committee.

Christopher had a 39-year career with the Shell Group of Companies and their affiliates. He's lived in many countries, working in oil and gas, LNG and chemicals businesses, primarily in project development, delivery and operations. Christopher was seconded to Woodside from 1999 to 2002 where he was General Manager of the North West Shelf Venture. He then became Managing Director of Shell's operations in Syria and of Nigeria LNG Limited. In 2008, Christopher assumed responsibility for the delivery of Shell's major upstream projects worldwide. He retired from Shell in August 2011. Christopher was a non-executive director of Woodside Energy Group Limited from 2011 to 2023.

Christopher graduated from the University of Manchester with a Bachelor of Science with honors in mechanical engineering. He obtained a Doctor of Philosophy in Applied Sciences from the University of Sussex. He's a chartered engineer and fellow of the Institution of Mechanical Engineers in the United Kingdom and, in 2015, was elected a fellow of the Royal Academy of Engineering in the United Kingdom. He is a fellow of the Institution of Engineers, Australia.

Christopher was appointed to the Order of the British Empire in June 2009 for his services to the British oil and gas industry in Nigeria.

Australian listed company directorships

Listed company name	Nature of directorship	Date of commencement	Date of cessation
Woodside Energy Group Ltd	Non-executive director	1 June 2011	28 April 2023



Roger Higgins

BE (Hons), MSc, PhD, FIEAust, FAusIMM

Non-executive director, Director since February 2019

Country of residence: Australia

Roger was appointed to the Board effective 20 February 2019. He's Chair of the Health, Safety and Sustainability Committee and a member of the Nominations Committee.

Roger's experience is in mining and operations. He's a non-executive director of Newcrest Mining Limited and Hillgrove Resources Limited. He is an adjunct professor with the Sustainable Minerals Institute at the University of Queensland.

Roger has previously held senior executive positions with Teck Resources Limited, BHP Billiton and Ok Tedi Mining Limited. He is a former Chair and non-executive director of Demetallica Limited.

Roger holds a Bachelor of Civil Engineering with honors from the University of Queensland, a Master of Science in hydraulics from the University of Aberdeen and a PhD in Water Resources from the University of New South Wales. He is a fellow of the Institution of Engineers Australia and the Australasian Institute of Mining and Metallurgy.

Australian listed company directorships

Listed company name	Nature of directorship	Date of commencement	Date of cessation
Newcrest Mining Limited	Non-executive director	1 October 2015	n/a
Minotaur Exploration Limited	Non-executive director and Chairman	1 July 2016 31 January 2017	25 February 2022
Demetallica Limited	Non-executive director and Chairman	16 December 2021 (ASX listed on 26 May 2022)	6 December 2022
Hillgrove Resources Limited	Non-executive director	6 June 2023	n/a

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Martin Parkinson
AC, BEc, MEc, MA, PhD

Non-executive director, Director since February 2020

Country of residence: Australia

Martin was appointed to the Board effective 24 February 2020. He is a member of the Audit and Risk Committee and the Nominations Committee.

Martin is a director of O'Connell Street Associates, North Queensland Airports and Champions of Change Coalition – a group of executive leaders committed to achieving gender equality and advancing women into senior leadership positions in the private and public sectors. Martin is also the Chancellor of Macquarie University and Co-Chair of the Great Barrier Reef Foundation.

Martin previously served as Secretary for the Australian Government's Department of the Prime Minister and Cabinet, Australian Treasury and Department of Climate Change. Martin is a former director of Orica, the Cranlana Program for Ethical Leadership and the German-Australian Chamber of Industry and Commerce. He's been a member of the Board of the Reserve Bank of Australia, Infrastructure Australia, the Council of Financial Regulators, the Board of Taxation and the Territory Economic Reconstruction Commission. He was previously Chair of the Australian Office of Financial Management.

Martin holds a PhD and an MA from Princeton University, an MEc from the Australian National University and a BEc (first class honors) from the University of Adelaide. Martin was awarded the degree of Doctor of the University (honoris causa) by the University of Adelaide.

Martin was awarded a Companion of the Order of Australia and has a Public Service Medal. He is a fellow of the Academy of Social Sciences in Australia, the Institute of Public Administration Australia and the Australian National Institute of Public Policy. He is a life member of the Australian Business Economists.



Emma Stein
BSc (Hons), MBA, FAICD

Non-executive director, Director since December 2020

Country of residence: Australia

Emma was appointed to the Board effective 10 December 2020. She is Chair of the People and Remuneration Committee and a member of the Health, Safety and Sustainability Committee and Nominations Committee.

Emma currently serves as a non-executive director of Adbri Limited.

Emma is a former non-executive director of Alumina Limited, Cleanaway Waste Management Limited, Programmed Maintenance Services Limited, Transfield Services Infrastructure Fund, Clough Limited, the Diversified Utilities Energy Trust (DUET) Group and Iberdrola Australia Limited.

Before moving to Australia in 2003, Emma gained international experience in management and leadership, and strategy development and implementation in global industrial, energy and utilities markets. Her career included roles in strategic planning and operational management in the fuels sectors, specifically, as UK Managing Director at Gaz de France Energy and UK Gas Divisional Managing Director at British Fuels.

Emma holds tertiary qualifications in science from the University of Manchester and a Master of Business Administration (MBA) from Manchester Business School. Emma is an honorary fellow of the University of Western Sydney and a fellow of the Australian Institute of Company Directors.

Australian listed company directorships

Listed company name	Nature of directorship	Date of commencement	Date of cessation
Adbri Limited	Non-executive director	4 October 2019	n/a
Cleanaway Waste Management Limited	Non-executive director	1 August 2011	31 December 2020
Alumina Limited	Non-executive director	3 February 2011	25 May 2021
Infigen Energy Limited	Non-executive director	21 September 2017	21 October 2020 (acquired by Iberdrola and delisted)



Juan Suárez Coppel

BE, PhD

Non-executive director, Director since May 2019

Country of residence: Mexico

Juan was appointed to the Board effective 27 May 2019. He's a member of the Audit and Risk Committee and the Nominations Committee.

Juan has extensive experience in energy and resources in the Americas. He was previously Chief Financial Officer and then Chief Executive Officer of Petróleos Mexicanos (PEMEX). He was also a senior executive with Grupo Modelo and an independent non-executive director of Jacobs Engineering Group Inc.

During the 1990s, Juan was Chief of Staff to the Minister of Finance, Mexico, a senior executive with Banamex (now Citi), and Head of Corporate Finance and then Treasurer of Grupo Televisa, Mexico.

Juan has a PhD in Economics from the University of Chicago. During the 1980s, he held various academic roles. These include as a full-time professor in the ITAM Department of Economics, visiting professor at the Universidad Autónoma de Barcelona Department of Economics and associate professor at Brown University in Rhode Island.



Anne Templeman-Jones

BCom, MRM, EMBA, CA, FAICD

Non-executive director, Director since November 2017

Country of residence: Australia

Anne was appointed to the Board effective 1 November 2017. She is a member of the Audit and Risk Committee and the Nominations Committee.

Anne is a non-executive director of Commonwealth Bank of Australia, New South Wales Treasury Corporation, Trifork Holding AG and Cyber Security Cooperative Research Centre.

Anne is a former Chair and non-executive director of Blackmores Limited. She is also a former non-executive director of GUD Holdings Limited, the Citadel Group Limited, HT&E Limited, Cuscal Limited, HBF Health Limited, Pioneer Credit Limited, TAL Superannuation Fund, Notre Dame University and the McCusker Foundation for Alzheimer's Research.

Anne has executive experience in institutional and commercial banking, wealth management, insurance, strategy and risk. She previously held several senior executive roles with ANZ and Westpac.

Anne has a Master of Risk Management from the University of New South Wales, an Executive MBA from the AGSM at the University of New South Wales and a Bachelor of Commerce from the University of Western Australia. She is a Chartered Accountant and a Fellow of the Australian Institute of Company Directors.

Australian listed company directorships

Listed company name	Nature of directorship	Date of commencement	Date of cessation
Commonwealth Bank of Australia	Non-executive director	5 March 2018	n/a
Blackmores Limited	Non-executive director and Chair	28 October 2020	25 November 2022
GUD Holdings Limited	Non-executive director	1 August 2015	31 August 2021

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Wang Xiao Bin
BCom, CPA, GDip

Non-executive director, Director since December 2011

Country of residence: Hong Kong, China

Xiao Bin was appointed to the Board effective 1 December 2011. She's a member of the Audit and Risk Committee and the Nominations Committee.

Xiao Bin is a non-executive director of Hang Seng Bank Limited. She was previously an Executive Director and Senior Vice President of China Resources Power Holdings Company Limited and a director of Corporate Finance (Asia Pacific) at ING Investment Banking, responsible for execution of capital markets and merger and acquisition transactions in the region. Xiao Bin formerly worked at PricewaterhouseCoopers in Australia in the Audit and Business Advisory division.

Xiao Bin has over 18 years' experience in the power industry including its major shift towards a low-carbon future and meeting industrial and consumer demand for clean, reliable and affordable energy.

Xiao Bin qualified as a chartered accountant and certified practising accountant (CPA) in Australia. She holds a Bachelor of Commerce from Murdoch University, Australia, and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (now FINSIA).



Sharon Warburton
BBus, FCA, FAICD

Non-executive director, Director since February 2019

Country of residence: Australia

Sharon was appointed to the Board effective 20 February 2019. She's the Chair of the Audit and Risk Committee and a member of the Nominations Committee.

Sharon has predominantly worked in the construction, mining and infrastructure sectors. She's a chartered accountant with experience in strategy and accounting, holding senior executive positions at Rio Tinto, Brookfield Multiplex, Aldar Properties PJSC, Multiplex and Citigroup.

Sharon is a non-executive director of Wesfarmers Limited and Northern Star Resources Limited and a part-time member of the Takeovers Panel. She's an Independent Director of Karlka Nyiyaparli Aboriginal Corporation RNTBC.

Sharon was formerly the Co-Deputy Chairman of Fortescue Metals Group Limited, Chairman of the Australian Government's Northern Australia Infrastructure Facility and a non-executive director of NEXTDC Limited.

Sharon holds a Bachelor of Business (accounting and business law) from Curtin University. She's a fellow of Chartered Accountants Australia and New Zealand, and the Australian Institute of Company Directors.

Sharon was awarded the Telstra Business Woman of the Year (Western Australia) in 2014 and was a finalist for the Australian Financial Review's Westpac 100 Women of Influence in 2015.

Australian listed company directorships

Listed company name	Nature of directorship	Date of commencement	Date of cessation
Wesfarmers Limited	Non-executive director	1 August 2019	n/a
Blackmores Limited	Non-executive director	28 April 2021	10 August 2023
Northern Star Resources Limited	Non-executive director	1 September 2021	n/a
Gold Road Resources Limited	Non-executive director	9 May 2016	30 September 2021

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Chris Ashton

BEng (Hons), MBA, MAICD

Chief Executive Officer and Managing Director since February 2020

Country of residence: United States of America

Chris was appointed Chief Executive Officer and Managing Director on 24 February 2020.

Chris joined Worley in 1998 and has held many leadership roles across the Company as it evolved through acquisition and organic growth. Before becoming CEO, Chris was Chief Operating Officer responsible for the integration of the ECR business and setting the strategy for Worley's transformation.

Before this, he was Group Managing Director for Major Projects and Integrated Solutions with accountability for growth and performance.

This included Worley's fabrication businesses, WorleyCord and Rosenberg Worley, and the Global Delivery Center. He's also held executive roles with responsibility for operations in Europe, the Middle East and Africa and the power sector globally.

Chris holds a degree in electrical and electronic engineering with honors from the University of Sunderland and a Master of Business Administration from Cranfield School of Management. He has completed the Executive Management Program at Harvard Business School and the Company Directors Course at the Australian Institute of Directors.



Nuala O'leary

LLB, BA

Group Company Secretary appointed August 2016

Country of residence: Australia

Nuala was appointed Group Company Secretary in August 2016. She's responsible for corporate governance for the Board and the Group Executive.

Nuala is also responsible for the legal and governance matters relevant to Worley Limited. These include the capital structure and regulatory obligations, with Group accountabilities for continuous disclosure. Nuala has a background in private legal practice, specializing in corporate litigation and corporate governance. Nuala holds degrees in law and arts from the University of Sydney and a Graduate Diploma of Applied Corporate Governance. Nuala is a solicitor of the Supreme Court of New South Wales.



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Dear shareholders

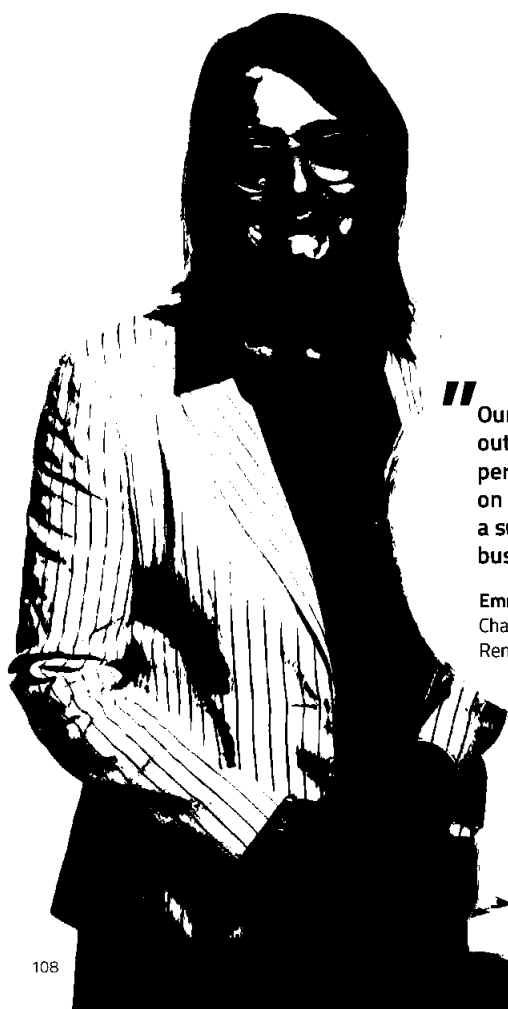
On behalf of the Board of Directors, I'm pleased to present our remuneration report for the financial year ended 30 June 2023.

Our over 48,200 people are at the center of what we do, and our results reflect their dedication and hard work. We have a strong remuneration and governance framework that supports our people strategy, drives performance and holds our leaders accountable for demonstrating our values, building our culture and keeping our people safe.

Our executive remuneration outcomes in FY2023 reflect our strong performance in line with executing our strategy and delivering on our Ambition: to be recognized globally as a leader in sustainability solutions.

We're competing in global talent markets

We operate in over 45 countries across thousands of projects. To attract, retain and engage the right people, our executive remuneration must be competitive in the talent markets in which we operate. For example, there's a higher level of participation in equity programs in the US market, where many of our senior leaders are based, including our KMP. We're proactive in competing for talent and use local industry benchmarking and trend information to inform our decisions. We discuss this further in section 6.2.



“ Our executive remuneration outcomes reflect our strong performance as we deliver on our strategy: building a sustainable, growth business into the future. ”

Emma Stein
Chair, People and
Remuneration Committee

\$348m

Underlying NPATA
(5.8% growth on FY2022)

41%

Sustainability revenue
(+6pp growth on FY2022)

97.3%

STI business scorecard
outcome
(89% in FY2022)



Culture and governance

Our remuneration framework rewards not just the “what” but the “how”. We’ve embedded multiple ESG Key Performance Indicators (KPIs) in our Short-Term Incentive (STI) plan, recognizing our commitment to environmental, social and governance principles.

Our executives must achieve individual KPIs that measure performance and leadership in their areas of responsibility and demonstrate our values and behaviors.

Our Board has discretion over final incentive outcomes and undertakes rigorous reviews of our results, which may include:

- overall financial performance, e.g. quality of earnings
- operational security and risk management
- health and safety
- the experience and conduct of our people
- environmental and community responsibility
- customer satisfaction
- outcomes for our shareholders.

Our approach makes sure payouts are appropriate, reflect real performance in line with our values and strategy, and avoid unintended remuneration outcomes. See section 5 for more detail.

Performance and remuneration outcomes

We’ve delivered strong financial performance in FY2023, resulting in favorable outcomes for our shareholders. This includes a year-on-year increase in share price of 10.9% and a 5.4% increase in our underlying NPATA earnings per share (EPS). Our dividend payments have remained consistent over the past four years. We’ve summarized our remuneration outcomes for FY2023 below.

Short-Term Incentive (STI)

Our FY2023 business scorecard results include:

- An underlying Net Profit After Tax and excluding Amortization (NPATA) result of \$348m, which is 5.8% growth on FY2022.
- Strong safety outcomes. Our Serious Case Frequency Rate (SCFR) was 0.03, an improvement on FY2022.
- Ongoing reductions in Scope 1 and Scope 2 carbon emissions. We are on track to meet our FY2025 reduction targets.
- Progress in diversity and inclusion compared to FY2022.
- Exceeding our target for sales in sustainability projects, measured through gross margin sold.
- Our cash conversion ratio, which measures underlying operating cash before interest and tax over underlying group EBITA, was within the range set.

Our executives demonstrated strong leadership in line with our values to deliver improved outcomes, inspire our people and create value for our customers. This is reflected in our **STI payouts of 81.1% of maximum for the CEO and other Executive KMP**. For more detail, see section 3.2.

The Board considers the FY2023 STI outcomes to be a fair and reasonable reflection of executive performance and the results delivered for shareholders.

Equity outcomes

We acknowledge shareholder requests for additional disclosure of our Deferred Equity Plan (DEP) targets. The performance outcome for our FY2022 DEP was \$1,075m in gross margin delivered from sustainability-related work against a target of \$1,000m, exceeding the target by 7.5%. The Board approved a vesting outcome of 100%.

We didn’t test any Long-term Incentive (LTI) grants this year following the change from a three-year to a four-year performance period in 2020.

Remuneration changes this year

In FY2022, we changed the remuneration mix of our executives to strengthen alignment with shareholders and market practice. We reduced the maximum STI to 150% of target and increased the equity components by a commensurate amount.

During FY2023 we reviewed the equity incentive components of our framework. The review found our framework continues to meet our objectives and there will be no significant changes to the structure or performance measures of Worley’s incentive plans for FY2024.

As disclosed in the 2022 notice of meeting, we increased fixed remuneration by 14% for our CEO Chris Ashton from 1 October 2022 – the first increase since his appointment to the role in February 2020. This reflects Mr Ashton’s leadership in positioning Worley as a leader in global sustainability solutions, his performance in the role and stewarding the business through challenging times.

Mr Ashton’s revised total remuneration is above the median against the ASX comparator group of companies and below the median against global comparators. The Board is satisfied that his total remuneration has been set fairly and is appropriate.

There were no changes to Non-Executive Director fees in FY2023, which have remained the same since July 2019.

Final thoughts

Growing sustainability-related work has underpinned our results and reflects the dedication and hard work of all of our talented people. We’re focused on creating value for all our stakeholders: customers, each other, shareholders, partners and communities.

We’ll continue to review the remuneration framework to ensure it remains competitive in the global market, aligned to our strategy and shareholder outcomes, and drives long-term performance.

I look forward to ongoing engagement with our shareholders and welcome your feedback.

Emma Stein
Chair, People and Remuneration Committee



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1. Key management personnel and leadership changes

1.1 Key management personnel

We've prepared this report in accordance with section 300A of the Corporations Act 2001 (Cth) (Act) and Accounting Standards. It outlines our remuneration strategy for the financial year ended 30 June 2023 and gives detailed information on the remuneration arrangements for Key Management Personnel (KMP). KMP are responsible for planning, directing and controlling the Group's activities, directly and indirectly. The KMP this report covers are listed below.

Name	Position	Term	Country of residence
Non-Executive Directors			
John Grill	Chair	Full year	Australia
Andrew Liveris	Non-Executive Director and Deputy Chair	Full year	Australia and United States of America
Juan Suárez Coppel	Non-Executive Director	Full year	Mexico
Thomas Gorman	Non-Executive Director	Full year	United States of America
Christopher Haynes	Non-Executive Director	Full year	United Kingdom
Roger Higgins	Non-Executive Director	Full year	Australia
Martin Parkinson	Non-Executive Director	Full year	Australia
Emma Stein	Non-Executive Director	Full year	Australia
Anne Templeman-Jones	Non-Executive Director	Full year	Australia
Sharon Warburton	Non-Executive Director	Full year	Australia
Wang Xiao Bin	Non-Executive Director	Full year	Hong Kong, China
Other executive KMP			
Chris Ashton	Chief Executive Officer	Full year	United States of America
Tiernan O'Rourke	Chief Financial Officer	Full year	Australia
Mark Brantley	Group President, EMEA and APAC	Full year	Netherlands
Mark Trueman	Group President, Americas	Full year	United States of America

1.2 FY2023 leadership changes

Mark Trueman commenced as Group President, Americas on 1 July 2022, replacing Karen Sobel. Mark was previously Executive Group Director, Growth, responsible for strategy development and sector leadership. Mark joined Worley in 1994 and has led operations in numerous locations including Singapore and Latin America. Mark is an exceptional leader, and we're pleased he is leading the growth of the Americas business.

Christopher Haynes retired from the Board of Directors after 11 years service, effective 30 June 2023.

Joseph Geagea was appointed to the Board as an Independent Non-Executive Director, effective 1 July 2023. He is a member of the Nominations Committee and the People and Remuneration Committee.


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2. Remuneration report snapshot

Our purpose

Delivering a more sustainable world

Our ambition

We will be recognized globally as a leader in sustainability solutions

Supported by our strategic pillars



Our people - We energize and empower our people to drive sustainable impact.



Our portfolio - We are our customers' most trusted partner, providing best-in-class solutions.



Our planet - We partner with customers as stewards of a more sustainable world.

Our remuneration principles



Globally competitive



Clearly aligned to our ambition



Create strong shareholder alignment



Drive sustainable outperformance

Our remuneration framework

Component	Purpose	Link to strategy and performance
Fixed salary		
Cash and benefits 1 year	Reflects the accountabilities and expectations of the role	- Attracts, motivate and retains executives - Benchmarked against global industry peer companies and Australian companies with global operations of similar size and complexity
Short-Term Incentive (STI)		
Cash award 1 year	Motivates and rewards strong performance	- Is subject to achieving financial, ESG, strategic, business scorecard and individual performance KPIs - Requires stretch performance for at-target payout. Maximum payout requires outstanding performance above already stretched targets
Deferred Equity Plan (DEP)		
Performance rights 2 and 3 year	Rewards executives for strategy execution over the medium term	- Creates strong shareholder alignment - Attracts, motivates and retains executives - Is subject to strategy execution performance hurdle measured over two years
Long-Term Incentive (LTI)		
Performance rights 4 years	Rewards executives for long-term growth in shareholder value	- Create strong shareholder alignment - Is subject to two performance hurdles, measured over four years: 50% subject to earnings per share (EPS) hurdle 50% subject to relative total shareholder return (TSR) hurdle

Variable remuneration outcomes snapshot

FY2023 STI

Results 97.3% business scorecard outcome Full details in section 3.2	Payout CEO payout: 121.6% of target 81.1% of maximum Other executive KMP payouts: 121.6% of target 81.1% of maximum	FY2022 DEP Results \$1,075m Gross Margin delivered in sustainability-related work, which is 7.5% above our growth target of \$1,000m. Full details in section 3.3	Payout 100% vesting
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LTI: No LTI grants were tested this year



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3. FY2023 remuneration outcomes

3.1 Fixed remuneration changes in FY2023

We increased our CEO, Chris Ashton's fixed remuneration by 14% to USD 1.4 million, the first increase since his appointment to CEO in February 2020. We reviewed his fixed and total remuneration against external benchmark data. See section 6.2 for further information on our benchmarking approach. Mr Ashton's revised total remuneration is above the median against our ASX comparator group and below the median against our global comparators. The increase reflects Mr Ashton's leadership in positioning Worley as a leader in global sustainability solutions, demonstrated performance in the role and stewarding the business through challenging times. His FY2023 incentive opportunity levels, as a percentage of his fixed pay, remained unchanged.

Mark Trueman's fixed remuneration was set at USD 538,000 when he was appointed as Group President, Americas, effective 1 July 2022. The fixed remuneration of other executive KMP did not change in FY2023. We'll continue to review our executives' remuneration, considering market conditions and relevant benchmarks, along with individual factors including their experience, capability, performance and potential.

3.2 STI outcomes in FY2023

Our STI framework includes a business scorecard comprising goals that apply to all STI participants, and an individual scorecard comprising individual goals and behavioral assessments in line with our values and Health, Safety and Sustainability (HSS).



3.2.1 STI business scorecard outcomes

Measure	Target description ¹	Weighting	FY2023 Performance			Weighted payout outcome
			Min	Target	Max	
Financial ²						
Underlying NPATA	Deliver budget	50%		▼		49.3%
Cash conversion ratio	Deliver target range	10%		▼		10.0%
Environment, social and governance (ESG) ⁴						
Scope 1 and Scope 2 carbon emissions	Reduce tons of carbon emitted				▼	
Safety	Serious case frequency rate (SCFR) within range				▼	
Diversity and inclusion	17% of Senior Leaders are women	20%	▼			18.0%
	60% of total global graduate intake are women		▼			
	Progress against agreed inclusion actions				▼	
Strategic ³						
New business (gross margin sold) in sustainability	Deliver sales plan to grow new business	10%			▼	10.0%
Professional services revenue (PSR)	Increase gross margin % in total professional services revenue	10%			▼	10.0%
The Board did not apply discretion to the business scorecard outcomes.						
FY2023 business scorecard outcome: 97.3%						

1. For further detail on targets, refer to table 3.2.2 on the following page.

2. We cap the maximum STI payout on financial measures at 150% of target. We typically award this for performance of 120% or greater of target.

3. The maximum STI payout on ESG and strategic KPIs is 100% of target.


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3.2.2 STI business scorecard explanatory notes

Measure	Definition and adjustments	Performance and comments
Financial		
Underlying NPATA	Net profit after tax excluding post-tax impact of amortization of intangible assets acquired through business combinations. Underlying means profit after adjusting for significant/non-operational items not considered part of our performance. We used underlying NPATA for remuneration purposes, including the impact of actual currency movements compared to budget. The FY2023 outcome includes 12 months of the North American Turnaround and Maintenance business on a proforma basis.	\$348m underlying NPATA This is slightly below target, however it represents growth of 5.8% from FY2022. This is the result of managing costs, delivering projects well and winning new business.
Cash conversion ratio	Cash conversion ratio measures underlying operating cash before interest and tax over underlying group EBITA. This measure replaced days sales outstanding (DSO) for Executive KMP in FY2023, as the Board felt this was a more robust measure of both cash inflows and outflows, measuring the conversion of earnings to operating cash. The FY2023 outcome has been adjusted to include working capital recovery for the 1-month post-completion of the North American turnaround and maintenance business divestment (\$43m) and prepayment of software costs (\$25m).	86.6% cash conversion ratio This is within our target range.
Environment, social and governance (ESG)		
Carbon emissions	Measured as reduction of Scope 1 and Scope 2 tons of carbon emitted. For further information, see page 68.	41,422t CO₂e Scope 1 and 2 carbon emissions This is a reduction of 14% from FY2022 and exceeded our target. This is largely due to switching a significant number of our operations to renewable energy.
Safety	Measured as a Serious Case Frequency Rate (SCFR). A serious case is a fatality or permanent disabling injury or illness, or an event with the potential to result in a fatality or a permanent disabling injury or illness. The frequency rate is based on the number of cases per 200,000 hours worked and is a 12-month rolling average.	0.03 SCFR This is within the range set and an improvement on FY2022. Sadly, this included the loss of one of our people, who was killed in a commercial plane crash in Tanzania while travelling to a project site.
% of women Senior Leaders	We use our Organizational Role Framework (typically tiers one to three) to define senior leader roles. This includes our Group Executive and other managers who have leadership accountabilities for business units (profit and loss) and functions.	16.3% of senior leader roles held by women The percentage held steady compared to FY2022. We met the threshold but fell short of the target. This will continue to be an area of priority focus.
% of women hired in total global graduates	Target a minimum of 60% women hires to support gender diversity in the general workforce. We set a very challenging target to increase the focus on building a pipeline for gender diversity.	48% women graduate hires This is an improvement of 1% on FY2022, but fell short of our target.
Inclusion action plan	Progress in global action areas following inclusion survey results.	Progress made across all areas. Highlights are: • completing the piloted inclusive leadership programs • completing the review of four key policies • completing our project to strengthen governance for diversity and inclusion via council and people network groups.
Strategic		
New business in sustainability	Measured as Gross Margin Sold in defined sustainability-related work (decarbonization, resource stewardship, asset sustainability, environment and society). For further information, see page 26.	Gross Margin Sold in sustainability projects exceeded the target.
Professional services revenue	Measured as increase in gross margin percentage in total group professional services revenue (PSR).	Gross margin percentage in PSR revenue exceeded the target.



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3.2.3 Board discretion regarding STI business scorecard outcomes

Each year, the Board reviews Executive reward outcomes to ensure alignment with business and individual performance, the shareholder experience, the relativity with the broader employee population and market, and community expectations. As a result of this review, the Board determines whether any discretion is warranted. Discretion can be applied to the STI scorecard outcome (impacting all Group Executive members) and on the individual outcomes. Discretion can be applied in either an upward or downward direction.

The Board believes the business scorecard assessment for FY2023 is a fair and accurate reflection of overall performance and has not applied discretion to payment outcomes.

3.2.4 STI individual scorecards

Individual scorecards comprise financial, ESG and strategic KPIs aligned with the executive's area of accountability, personal leadership and expected behaviors. KPIs include quantitative and qualitative measures. We differentiate these from business scorecard targets to avoid rewarding executives twice for the same outcomes. The Board assess performance, considering outcomes and evidence of behaviors, and determine individual scorecard modifiers.

Below is a summary of the individual scorecard assessment for the CEO.

CEO Key performance comments	Individual scorecard modifier
Chris Ashton has continued to lead Worley to achieve very strong business outcomes to position us as a globally recognised leader in sustainability services. Key highlights for FY2023 are: • achieved strong financial results indicative of increased momentum: • aggregated revenue increased by 21% to \$10.9 billion with \$4.5 billion in sustainability aggregated revenue, up 41%. • Underlying EBITA increased by 16% to \$635 million and margins by 1pp to 6.5% • 41% of overall aggregated revenue is for sustainability-related work, with 77% in our factored sales pipeline. • developed, implemented, and embedded the enterprise risk uplift program, bringing greater focus and improved discipline to how we manage risks. • further progressed the development of our culture through identifying our cultural aspirations to drive growth and deliver the strategy, developing the culture journey and approach. • oversaw significant development of the Technology Solutions business with the appointment of a new leader, and the development of a strategic roadmap to grow this segment of the business. The new Technology Solutions business will strengthen and grow the existing business, establishing a proprietary technology portfolio for target segments, and accelerating the scale up of emerging low carbon technologies. • delivered improvement in margins through a range of business measures with demonstrable results.	125%

Performance for other Executive KMP has been rigorously assessed by the CEO against individual financial and non-financial KPIs and behaviours. The Board, based on recommendations from the CEO, carefully considered the individual assessments, taking into account each KMP's performance in their areas of accountability. In FY2023, there was strong performance in all regions and evidence of each Executive KMP's contribution to delivering our Ambition across our strategic pillars: our portfolio, our people and our planet. The Board applied an individual modifier of 125% for all Executive KMP outcomes, as shown below.


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3.2.5 FY2023 individual STI outcomes

Name	Business scorecard (A)	Individual scorecard ¹ (B)	Total as a % of target (A x B = C)	Actual STI awarded ² \$000	Maximum potential STI ³ \$000	STI paid as a % of maximum	STI forfeited as a % of maximum
Chief Executive Officer							
Chris Ashton	97.3%	125%	121.6%	2,528	3,118	81.1%	18.9%
Other Executive KMP							
Tiernan O'Rourke	97.3%	125%	121.6%	1,022	1,260	81.1%	18.9%
Mark Brantley	97.3%	125%	121.6%	777	958	81.1%	18.9%
Mark Trueman	97.3%	125%	121.6%	777	958	81.1%	18.9%

1. Individual scorecard outcomes can range between 0% and 125%.

2. This is typically paid in October.

3. The minimum potential STI is nil.

3.3 Deferred Equity Plan (DEP) outcomes in FY2023

The DEP is a grant of performance rights, with a performance hurdle measured at the end of year two. Following feedback from our shareholders, we have disclosed the performance against the targets below.

3.3.1 FY2022 DEP (granted October 2021)

Following the end of the performance period on 30 June 2023, the Board determined the performance hurdle was met in full, as described below. Tranche 1 will vest and convert to shares on 30 September 2023. Tranche 2 will vest and convert to shares on 30 September 2024. Both tranches remain subject to continued service and individual performance up to the vesting date.

KPI	Performance measure	Performance	Vesting outcome
Growth in Gross Margin Delivered from projects in defined sustainability-related work	Growth in Gross Margin Delivered in sustainability-related work, measured from June 2021 to June 2023 on a constant currency basis. For further information on how we define sustainability-related work see page 26.	\$1,075m Gross Margin Delivered in sustainability-related work, which is 7.5% above our target of \$1,000m.	100%
Vesting outcome			100%

3.4 Long-Term Incentive (LTI) plan outcomes

We didn't test any LTI grants in FY2023, following the change from a three-year to a four-year performance period. We'll test the FY2021 LTI grant on 30 June 2024.



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3.5 Remuneration received in FY2023 (non-IFRS disclosure)

The table below summarizes the face value of remuneration executive KMP received during FY2022 and FY2023. This differs from the statutory remuneration table in section 9.1, which presents remuneration in accordance with applicable accounting standards.

Fixed salary	Comprises base salary plus superannuation or retirement contributions, paid for FY2023.
Cash STI	Comprises cash STI for FY2023, generally paid in October.
DEP and LTI	DEP amounts shown represent the face value of the FY2021 DEP tranche 2 and FY2022 DEP tranche 1, following confirmation of performance outcomes. Executives must be employed at the 30 September 2023 vesting date (or be a confirmed good leaver) in order for their equity rights to vest. No LTI grants are due to vest in 2023, following the change from a three-year to a four-year performance period in 2020. We valued the equity grants using the closing price up to and including 30 June for each financial year: \$14.24 for FY2022 and \$15.79 for FY2023. Actual value received will depend on final individual vesting outcomes and share price at exercise.
Benefits	Local benefits provided in line with market practice and items to support international assignments, such as medical insurance and housing allowances and where applicable, the gross-up of these expatriate benefits for tax purposes. Leave accruals are no longer shown in this table as they aren't considered remuneration received – refer to section 9.1.

Name	Year	Fixed salary \$000	Cash STI \$000	DEP \$000	LTI \$000	Benefits \$000	Total remuneration received \$000	Variable remuneration received as a % of total
Executive Director								
Chris Ashton	FY2023	2,018	2,528	1,586	–	55	6,187	66%
	FY2022	1,707	1,626	754	–	38	4,125	58%
Other Executive KMP								
Tiernan O'Rourke ¹	FY2023	1,055	1,022	254	–	3	2,334	55%
	FY2022	588	504	–	–	1	1,093	46%
Mark Brantley ²	FY2023	826	777	454	–	513	2,570	48%
	FY2022	524	350	159	–	241	1,274	40%
Mark Trueman ³	FY2023	802	777	286	–	556	2,421	44%
	FY2022	–	–	–	–	–	–	–
Total Remuneration	FY2023	4,701	5,104	2,580	–	1,127	13,512	
	FY2022	2,819	2,480	913	–	280	6,492	

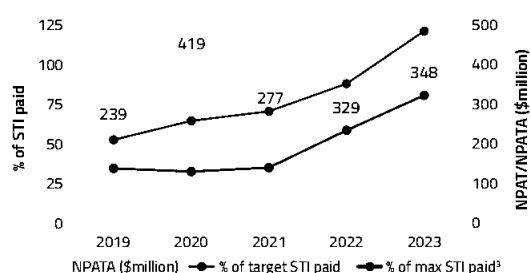
1. Tiernan O'Rourke started as CFO on 29 November 2021 and amounts shown for FY2022 reflect this. He was granted FY2022 equity on a pro-rata basis.
2. Mark Brantley started as Group President, EMEA and APAC and became a KMP on 1 November 2021. In the FY2022 remuneration report, remuneration received from STI and equity was not apportioned for the period he was a KMP. The FY2022 comparatives have been restated to reflect the apportioned remuneration received. A proportion of the benefits stated include tax gross-ups for both the US and Netherlands. Tax settlements will occur up to a year after the reporting period, following tax filing which occurs on a calendar tax year basis for both the US and Netherlands.
3. Mark Trueman started as Group President, Americas and became a KMP on 1 July 2022. Therefore there are no amounts shown for FY2022. A proportion of the benefits reported includes relocation expenses and gross-ups for tax purposes.


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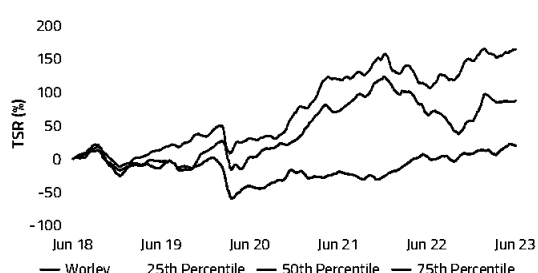

4. Performance and remuneration outcomes over five years

Category	Measure	FY ending 30 June						Annualized growth over five years ¹
		2018	2019	2020	2021	2022	2023	
Earnings	Underlying NPAT (\$million) ²	171	239	338	202	258	281	10.44%
	Underlying NPATA (\$million) ²	182	260	419	277	329	348	13.84%
	Underlying NPAT EPS (cents)	62.4	57.3	64.9	38.6	49.2	53.5	(3.03%)
	Underlying NPATA EPS (cents)	66.2	62.2	80.4	53.0	62.8	66.2	0.00%
Shareholder value	Share price (\$) ³	16.86	14.71	8.72	11.96	14.24	15.79	(1.30%)
	Dividends paid (cents)	25	27.5	50	50	50	50	14.87%

Underlying NPATA² results vs STI outcomes



TSR performance relative to our peer comparator group



Category	Measure	Tested FY ending 30 June				
		2019	2020	2021	2022	2023
STI	Average % of target STI paid to executive KMP	53.0%	65.0%	71.0%	88.4%	121.6%
	Average % of maximum STI paid to executive KMP ⁴	35.0%	33.0%	35.5%	59.0%	81.1%
DEP	Performance period (years) ⁵	—	—	—	2	2
	Payout outcome	—	100%	100%	100%	100%
LTI EPS	Performance period (years) ⁶	4	3	3	3	—
	EPS % achieved ⁷	(12.6%)	9.7%	(14.8%)	0.3%	—
	Payout outcome ⁸	nil	100%	nil	nil	—
LTI TSR	Performance period (years) ^{6,9}	4	4	3	3	—
	TSR % achieved	47.6%	40.0%	(11.4%)	(18.7%)	17.5%
	Relative TSR percentile achieved ¹⁰	76.2	71.4	50.0	46.2	35.0
	Payout outcome	100%	92.9%	50%	nil	—

1. Annualized growth over five years is calculated starting from the 30 July 2018 final values.

2. From FY2020, financial measures for earnings are based on underlying NPATA for remuneration purposes. The measure changed from NPAT to NPATA, following the acquisition of ECR, to make sure remuneration continues to focus on operational performance.

3. Closing price for Worley shares on June 30 each year.

4. Maximum STI payout was 150% of fixed salary for FY2019, 200% for FY2020 and FY2021, and 150% from FY2022 onwards.

5. The DEP was first granted in 2019 and first vested in 2020. From FY2021, we included a performance hurdle, assessed after two years. Under the current plan structure, 50% of equity rights vest at year two and 50% at year three. See section 6.7 for details.

6. We didn't test any LTI grants in FY2023, following the change from a 3-year to a 4-year performance period. We'll test the FY2021 LTI grant in July 2024.

7. Previously, we've reported EPS % achieved above CPI. From FY2022, we report EPS % achieved excluding CPI for all years.

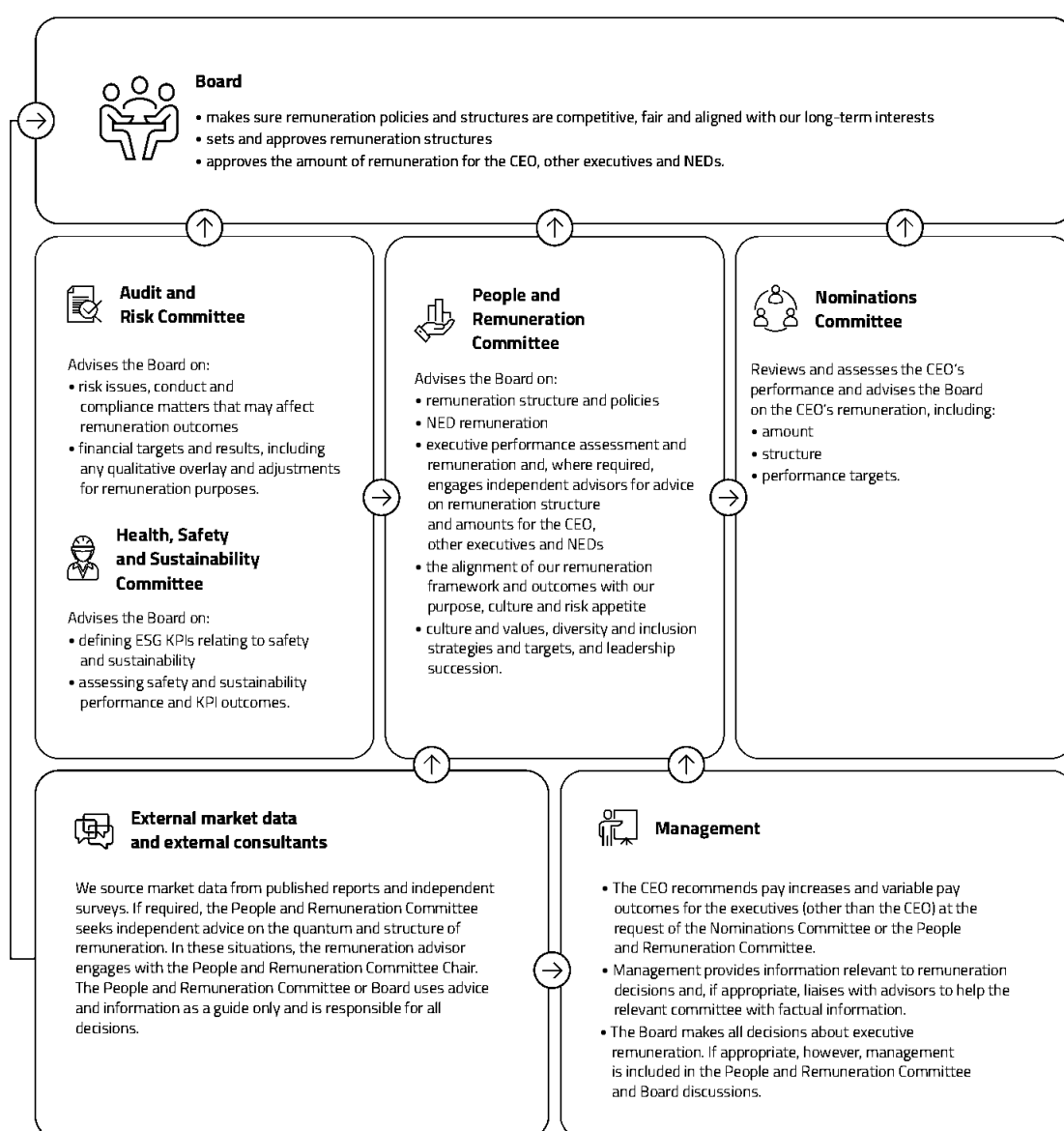
8. The payout for FY2020 was calculated on the EPS outcome at the time, prior to a restatement relating to FY2020 and FY2021. For details, refer to the FY2022 Annual Report financial statements note 2E. The payout following the restatement would have been 99.1%.

9. We tested two separate LTI TSR tranches in 2020. The FY2017 LTI and FY2018 LTI grants had four- and three-year performance periods respectively.

10. Worley's TSR performance is measured relative to Worley's peer group for each grant, see section 6.8 for further detail.

5. Remuneration governance

The diagram below shows the process we follow to make remuneration decisions and explains the roles various stakeholders play.



During FY2023, we engaged external consultants for market practice information and advice. This did not include remuneration recommendations. The People and Remuneration Committee is satisfied that the information provided was free from undue influence by any executive.



5.1 Minimum shareholding requirement (MSR)

Our MSR aligns executives and NEDs to shareholders, encouraging them to behave like owners and focus on building long-term shareholder value.

Executives must retain equity received through incentive plans until their holding is equivalent to two times their fixed salary (or four times for the CEO). They must maintain that multiple. The value of their holding includes all Worley shares held plus 50% of the value of unvested rights. We show the position of each executive at 30 June 2023 in section 9.3.

NEDs must acquire Worley ordinary shares equivalent in value to their annual base fee. NEDs are expected to meet the requirements within their first three-year term. We show the MSR position of each NED on 30 June 2023 in section 9.6.

For all MSR calculations, we value shares using the higher of the acquisition price or the five-day volume-weighted average price (VWAP) for Worley shares up to and including 30 June 2023: \$15.69.

5.2 Other equity provisions

Equity rights granted to executives carry:

- no voting or dividend entitlements; and
- no entitlement to participate in new share issues other than bonus issues and capital reorganizations, where the Board may adjust the number of rights in accordance with the ASX Listing Rules. This makes sure there's no advantage or disadvantage to the executive.

5.3 Hedging

Our Securities Dealing Policy prohibits NEDs and executives from hedging unvested equity rights or shares that count towards their MSR. This makes sure they:

- can't limit the risk associated with these instruments
- are subject to the same fluctuations in share price as all other shareholders.

5.4 Clawback and malus provisions

These provisions enable the Board to claw back or lapse an executive's equity rights if they believe the executive:

- has acted fraudulently or dishonestly
- has breached their obligations to the Company or another Group Company, including those outlined in Worley's Code of Conduct
- received grants based on financial accounts which were later restated
- is responsible, through negligence or intentional disregard for procedures and policy, for a serious event that resulted in, or had the potential to result in, significant harm to people or our environment.

5.5 Exercise of rights and allocation of shares

Once an executive has satisfied all vesting conditions, including performance hurdles, their equity rights are automatically exercised and they acquire shares at a nil exercise price, net of any tax withholding.

Shares allocated to executives at the point of exercise rank equally with all other ordinary shares. Executives have unencumbered ownership of vested shares, subject to compliance with Worley's Securities Dealing Policy and MSR.

5.6 Cessation of employment

Our policy for termination benefits and entitlements treats leaving executives fairly and in accordance with the law and market practice. The policy covers discretion the Board may exercise, and was most recently approved by shareholder vote at the 2022 AGM.

Where an executive leaves, the Board may exercise its discretion to determine that the executive retain some or all of a cash incentive or unvested equity rights. This is known as being a good leaver. The Board decides the conditions and timing of any payment or vesting, considering relevant factors including an assessment of the executive's contribution and performance. The Board generally exercises this discretion only in circumstances such as death, permanent disability, retirement and redundancy.

Typically, good leavers retain a pro-rata portion of their awards relative to the time they were employed during the performance period. Cash incentives paid are subject to Worley's performance and the executives' performance. Retained unvested equity rights remain subject to applicable performance and time vesting requirements. The Board believes this discretion is in our best interests.

5.7 Change of control

In a change of control event (where a third party unconditionally acquires more than 50% of the issued share capital of the Company), the Board will determine whether to vest any or all unvested equity rights. The Board would consider pro-rata performance against applicable performance hurdles, up to the date of the change of control.

5.8 Dilution limit

The Board has determined that the number of securities we issue under our equity plans should be capped at 5% of the Company's issued share capital over a five-year period. Currently, the number of securities issued and held in accordance with the equity plans represents 2.85% of the Company's issued share capital (FY2022: 2.77%).

6. Executive remuneration structure in detail

Our remuneration framework supports our purpose and strategy. It drives high performance in line with our values, strategic objectives and risk appetite that can be sustained over time. It must be globally competitive to attract, motivate and retain top talent. It creates shareholder alignment by incorporating significant equity components. This encourages executives to behave like owners, focus on building long-term value and stay with us through business cycles.

We're on a journey to transform both what we deliver for our customers and how we do it. We're focused on growing our business with our customers in sustainability and building on our capabilities and technology solutions. We're also creating a more sustainable organization through care for our planet, care for our people and communities, and responsible operations.

6.1 FY2023 review

In FY2023, the Board undertook a full review of our executive remuneration framework, with a particular focus on our mid-term and long-term equity plans: the DEP and LTI. The review was conducted with reference to our remuneration principles: to be globally competitive, aligned to our Ambition, create strong shareholder alignment and drive sustainable outperformance.

The Board concluded that our framework continues to meet our objectives, and there will be no significant changes to the structure or performance measures of Worley's incentive plans for FY2024. We'll continue to review our remuneration framework to ensure it remains competitive in the global market and aligned to our purpose, ambition and strategy.

6.2 Benchmarking

We engage independent external consultants to provide benchmark data and trend insights that support our decision-making and help keep our remuneration levels competitive. Our benchmarking approach considers the size and nature of our business and the global talent markets we operate in. We analyze individual role benchmarks, including the experience and capability of the executive, their location, the economic and wages environment, and trends in executive remuneration. We'll continue to review our benchmarking approach to make sure it reflects the companies we compete with for talent and the markets we operate in.



Our global comparator groups are:

1. peer companies in our TSR comparator group under our LTI (see section 6.8); and
2. companies of similar size in the energy, chemicals and resources sector in markets in which we operate (as relevant for each executive), notably North America, the UK and Europe.



Our Australian comparator groups are:

ASX companies operating in the energy, materials or industrial sector, with a market capitalization between 50% and 200% of ours, and those with similar global operations and complexity to our business.

6.3 Fixed remuneration

We pay our executives competitive fixed remuneration, reflecting the accountabilities and expectations of the role. We set fixed remuneration relative to market conditions and relevant benchmarks, along with individual factors including their experience, capability, performance and potential.

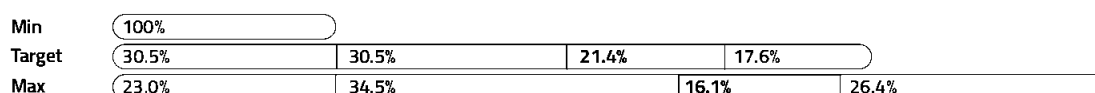
Fixed remuneration includes cash base salary or allowances, retirement contributions and any salary-sacrificed components. Executives are eligible for certain benefits in line with the policies of their local Worley employer and compliance with local legislation. Benefits are locally competitive to attract and retain executives and support their well-being. Typically, these include retirement contributions (such as statutory superannuation) and basic insurances (such as disability, life and medical), where they are provided as local market practice. We may also provide benefits to support the global mobilization of executive talent. We aim to have competitive global mobility policies and support the safety and well-being of our people and their families.

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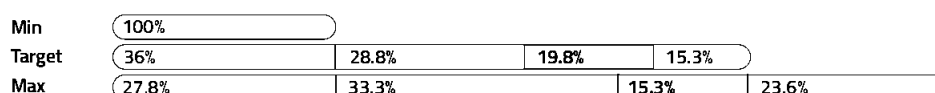
6.4 Remuneration mix

Most executive reward is variable and at risk. We incorporate high levels of equity-based remuneration to create strong shareholder alignment. This graph shows the mix of pay opportunity at minimum, target and maximum performance. At-target vesting assumes 100% vesting for DEP and 50% (i.e. threshold) for LTI. Maximum values assume 100% vesting for all equity.

CEO



Other Executive KMP¹

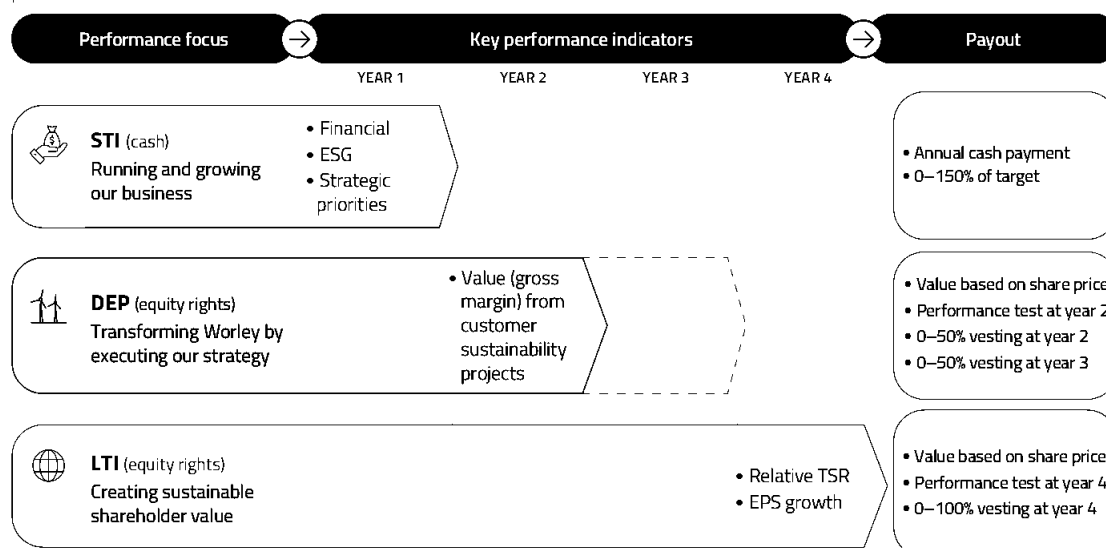


Fixed salary STIP DEP LTI

1. The pay mix for all other executive KMP is the same.

6.5 Variable remuneration summary

Our executive remuneration framework has three variable components (STI, DEP and LTI), each with a clearly distinguished performance focus.





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6.6 FY2023 Short-Term Incentive (STI)

Feature	Description
Purpose and link to strategy	The STI Plan focuses executives' efforts to deliver financial, ESG and strategic priorities relevant to the financial year, motivating them to achieve outperformance against stretch targets.
Eligibility	All executive KMP are eligible to participate. Generally, they need to have been employed for at least three months of the financial year.
Opportunity	STI targets are 100% of fixed salary for the CEO and 80% of fixed salary for other executive KMP.
Delivery	Cash
Performance period	One year
Setting performance conditions and targets	The Board sets robust annual KPIs and performance levels (minimum, target and maximum). Executives need to achieve a high minimum (threshold) level of performance before we pay any STI. At-target payout represent stretch performance over and above day-job performance. Maximum payout for financial targets is 150% and represents outstanding performance.
Performance conditions	We measure performance through a business scorecard with Group-wide measures that apply to all executives, and individual scorecards with specific individual measures. Business scorecard We set ambitious stretch targets against financial, ESG and strategic KPIs fundamental to the long-term sustainability and transformation of the business: - Financial KPIs (60% weighting): underlying NPATA (50%) and cash conversion ratio (10%). These focus executives on annual operating profit and cash flow management. In FY2023, we replaced the days sales outstanding (DSO) measure with a cash conversion ratio for our Group Executive, as the Board felt this was a more robust measure of both cash inflows and outflows, measuring the conversion of earnings to operating cash. - ESG KPIs (20% weighting): aligned to areas such as climate actions, sustainability, safety, diversity and inclusion, and risk management. - Strategic KPIs (20% weighting): priorities that will have the most impact on our transformation. We may measure performance by quantitative outcomes or qualitative indicators which need more judgement. The business scorecard is formulaic, with defined metrics and targets for performance levels. Weighting exists for all KPIs except ESG KPIs. The Board determines an outcome for the entire ESG component, considering the performance against each KPI target. Individual scorecard This comprises KPIs aligned with each executive's area of accountability and may include financial, ESG and strategic measures. There are clear quantitative and qualitative measures and indicators, differentiated from the targets in the business scorecard to avoid rewarding executives twice for the same outcomes. The individual scorecard also includes expectations for HSS leadership and behaviors in line with our values.
Performance assessment and payout	Following the end of the financial year, the Board assesses achievement of each KPI relative to the targets set. The Board also reviews underlying NPATA results for remuneration purposes to make sure executives are: - being held to account for their actions and delivering the annual target - considering potential acquisitions or investment and transformational opportunities for their strategic importance and not the impact on their remuneration outcomes. For the NPATA KPI, threshold performance is 80% of budget or target. For each 1% increase in performance between threshold and target, the payout rises 5%. Above target, each 1% increase in performance results in the payout rising 2.5%. Payout is capped at 150% for performance of 120% of target. For the cash conversion ratio KPI, the minimum performance is the bottom of the budget range. Target performance is within the budget range, which pays out at 100%. For performance above the budget range, payout may increase up to a maximum of 150%. The ESG and strategic KPIs, which are typically non-financial measures, have a maximum payout of 100% of target. The executives' individual scorecard outcome can modify the business scorecard outcome by between 0% and 125%. Final STI payouts are capped at a maximum of 150%. The Board assesses achievement of individual scorecard KPIs, relative to the targets set, and behaviors demonstrated to determine the final individual scorecard modifier. The Board may adjust individual scorecard outcomes relating to risk or conduct.

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Feature	Description																
Board discretion	The Board assesses the funding available for the STI Plan and determines whether to apply discretion to the STI outcomes. It considers factors over and above performance measured in the business and individual scorecards, including:																
	<table><tr><th>Category</th><th>Example considerations</th></tr><tr><td>Finance</td><td>Quality of earnings and forecasting, strength of balance sheet and cashflow management</td></tr><tr><td>Operations</td><td>Performance of internal controls, digital security and risk management</td></tr><tr><td>Health and safety</td><td>Any adverse health and safety outcomes over and above the SCFR outcomes</td></tr><tr><td>People</td><td>Voluntary attrition, experience of our people and Code of Conduct breaches</td></tr><tr><td>Planet</td><td>Supporting our customers in reducing their CO2 intensity, and environmental and community responsibility</td></tr><tr><td>Customers</td><td>Customer satisfaction, including undesired loss of major accounts/projects</td></tr><tr><td>Shareholders</td><td>Dividend payouts, reputational damage negatively impacting share price</td></tr></table>	Category	Example considerations	Finance	Quality of earnings and forecasting, strength of balance sheet and cashflow management	Operations	Performance of internal controls, digital security and risk management	Health and safety	Any adverse health and safety outcomes over and above the SCFR outcomes	People	Voluntary attrition, experience of our people and Code of Conduct breaches	Planet	Supporting our customers in reducing their CO2 intensity, and environmental and community responsibility	Customers	Customer satisfaction, including undesired loss of major accounts/projects	Shareholders	Dividend payouts, reputational damage negatively impacting share price
	Category	Example considerations															
	Finance	Quality of earnings and forecasting, strength of balance sheet and cashflow management															
	Operations	Performance of internal controls, digital security and risk management															
	Health and safety	Any adverse health and safety outcomes over and above the SCFR outcomes															
	People	Voluntary attrition, experience of our people and Code of Conduct breaches															
	Planet	Supporting our customers in reducing their CO2 intensity, and environmental and community responsibility															
	Customers	Customer satisfaction, including undesired loss of major accounts/projects															
	Shareholders	Dividend payouts, reputational damage negatively impacting share price															
The Board may also consider:																	
• guidance and recommendations from external stakeholders, including proxy advisors, ASIC, and legislative bodies in the markets we operate in • feedback from our people, customers, suppliers, shareholders and communities we operate in • consultation with independent external advisors as necessary.																	
The Board believes this approach is rigorous and objective, and avoids unintended outcomes.																	
Leaver provisions	Executives generally need to be employed on the payment date to receive an STI payment. In certain circumstances, the Board may allow good leavers to receive a payment. See section 5.6 for further detail.																



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6.7 Deferred Equity Plan (DEP) – FY2023 Grant

Feature	Description						
Purpose and link to strategy	The DEP is designed to attract, motivate and retain staff globally, with particular emphasis on the United States, where nearly half our executives are located. It further aligns our executives with shareholder interests and encourages decision-making focused on the mid-to-long term. The performance hurdle rewards executives for achieving business growth in defined sustainability related work, directly supporting our ambition: to be recognized globally as a leader in sustainability solutions.						
Eligibility	All executive KMP are eligible to participate. They generally need to have been employed at the beginning of the performance period (1 July in the year of grant).						
Opportunity	DEP targets are 70% of fixed salary for the CEO and 55% of fixed salary for other executive KMP.						
Delivery	Performance rights. Each performance right that vests entitles executives to one Worley share. Rights are granted at no cost to executives and no exercise price is payable by executives to acquire shares at the time of vest.						
Number of performance rights	We divide the DEP target value by the VWAP of Worley shares over 10 trading days following the release of our prior-year financial results. For FY2023 this was \$14.51.						
Performance period	Two years: for the FY2023 grant, the performance period runs from 1 July 2022 to 30 June 2024.						
Summary of performance condition	The FY2023 performance hurdle measures progress in our strategy to deliver growth and help our customers achieve their sustainability goals.						
	<table><tr><th>Weight</th><th>KPI</th><th>Target</th></tr><tr><td>100%</td><td>Growth in gross margin delivered from customer projects in defined sustainability-related work.</td><td>\$1,400m</td></tr></table>	Weight	KPI	Target	100%	Growth in gross margin delivered from customer projects in defined sustainability-related work.	\$1,400m
	Weight	KPI	Target				
100%	Growth in gross margin delivered from customer projects in defined sustainability-related work.	\$1,400m					
Performance against the KPI, including the rationale for the vesting percentage, will be disclosed in the Remuneration report following the end of the performance period.							
Performance assessment and vesting	The grant vests in two equal tranches at two and three years. The Board determines the outcome of the strategic execution condition at the end of the performance period, considering the results against the KPI(s). The Board determines a nil, partial or full performance outcome. There is no re-testing. Any rights that don't vest lapse immediately. Vested rights are automatically exercised immediately following the vesting date. Vesting of equity rights is subject to ongoing service with Worley and satisfactory individual performance up to each vesting date. It is also subject to individual malus and clawback provisions. Refer to section 5.4.						
Board discretion	The Board considers the quality of the result to make sure the outcome reflects performance in line with our values and avoids unintended outcomes. Where relevant, the Board may also consider: • guidance and recommendations from external stakeholders, including proxy advisors, ASIC and legislative bodies in the markets we operate in • feedback from our people, customers, suppliers, shareholders and communities we operate in • consultation with independent external advisors as necessary.						
Leaver provisions	If an executive resigns before the vesting date, they will normally forfeit their performance rights. In certain circumstances, the Board may allow good leavers to retain a pro-rata amount of their unvested performance rights. See section 5.6 for more detail.						

6.8 Long-Term Incentive (LTI) – FY2023 Grant

Feature	Description
Purpose and link to strategy	The LTI encourages executives to commit to Worley and focus on creating long-term value. The performance metrics reward executives for creating sustained shareholder wealth above that of peer companies and absolute long-term earnings performance above a minimum threshold.
Eligibility	All executive KMP are eligible to participate. They generally need to have been employed at the beginning of the performance period (1 July in the year of grant).
Opportunity	LTI targets are 115% of fixed salary for the CEO and 85% for other executive KMP.
Delivery	Performance rights: each performance right that vests entitles executives to one Worley share. Rights are granted at no cost to executives and no exercise price is payable by executives to acquire shares at the time of vest.
Number of performance rights	We divide the LTI target value by the VWAP of Worley shares over the 10 trading days following the release of our prior year financial results. For the FY2023 grant, this was \$14.51.
Performance period	Four years: for the FY2023 grant, the performance period runs from 1 July 2022 to 30 June 2026.

Feature	Description										
Summary of performance conditions	We assess the LTI against two equally weighted, independent performance targets:										
	Relative Total Shareholder Return (TSR) performance hurdle – 50% weighting										
	The TSR measure represents change in the value of our share price over a period, including reinvested dividends. This is expressed as a percentage of the opening value of the shares. We chose relative TSR because we believe this provides the most direct measure of shareholder return and reflects an investor's choice to invest in us or our direct competitors. For the FY2023 grant, performance is measured by ranking Worley's TSR against two peer groups:										
	1. companies that compete against Worley for customers, people and projects today (80% weighting): Aker Solutions, Fluor Corp, KBR, Petrofac, SNC Lavalin, Technip Energies and Wood										
	2. companies aligned to our strategy of delivering value to customers in sustainability pathways by leveraging knowledge, technology and digital solutions (20% weighting): AECOM, Arcadis, Jacobs, Parsons, Stantec, Sweco, Tetra Tech and WSP Global.										
	The vesting schedule for rights subject to the relative TSR hurdle is as follows:										
	<table><tr><th>Relative TSR Percentile Ranking</th><th>Percentage of Rights that may be Exercised if the Relative TSR Hurdle is met</th></tr><tr><td>Less than 50th percentile</td><td>0%</td></tr><tr><td>At 50th percentile</td><td>50%</td></tr><tr><td>Between 50th percentile and 75th percentile</td><td>Pro-rated vesting between 50% and 100%</td></tr><tr><td>At 75th percentile or greater</td><td>100% (i.e. maximum available under the plan)</td></tr></table>	Relative TSR Percentile Ranking	Percentage of Rights that may be Exercised if the Relative TSR Hurdle is met	Less than 50th percentile	0%	At 50th percentile	50%	Between 50th percentile and 75th percentile	Pro-rated vesting between 50% and 100%	At 75th percentile or greater	100% (i.e. maximum available under the plan)
	Relative TSR Percentile Ranking	Percentage of Rights that may be Exercised if the Relative TSR Hurdle is met									
	Less than 50th percentile	0%									
	At 50th percentile	50%									
Between 50th percentile and 75th percentile	Pro-rated vesting between 50% and 100%										
At 75th percentile or greater	100% (i.e. maximum available under the plan)										
Earnings Per Share (EPS) growth performance hurdle – 50% weighting											
To measure EPS, we divide the Group underlying NPATA by the weighted average number of Worley's ordinary shares on issue during the financial year. To measure growth in EPS, we compare the EPS in the financial year immediately before the grant with the EPS in the measurement year. The Board chose EPS growth because it provides a clear line of sight between executive performance and Worley's financial performance. It's a well-recognized and understood measure within and outside the organization.											
The vesting schedule for rights subject to the EPS growth hurdle is as follows:											
<table><tr><th>EPS annual compound growth</th><th>Percentage of rights that may be exercised if the EPS hurdle is met</th></tr><tr><td>Less than 4% p.a.</td><td>0%</td></tr><tr><td>4% p.a.</td><td>50%</td></tr><tr><td>Between 4% p.a. and 8% p.a.</td><td>Pro-rated vesting between 50% and 100%</td></tr><tr><td>8% p.a. or greater</td><td>100% (i.e. maximum available under the plan)</td></tr></table>	EPS annual compound growth	Percentage of rights that may be exercised if the EPS hurdle is met	Less than 4% p.a.	0%	4% p.a.	50%	Between 4% p.a. and 8% p.a.	Pro-rated vesting between 50% and 100%	8% p.a. or greater	100% (i.e. maximum available under the plan)	
EPS annual compound growth	Percentage of rights that may be exercised if the EPS hurdle is met										
Less than 4% p.a.	0%										
4% p.a.	50%										
Between 4% p.a. and 8% p.a.	Pro-rated vesting between 50% and 100%										
8% p.a. or greater	100% (i.e. maximum available under the plan)										
Performance assessment and vesting	An independent external consultant is used to calculate the TSR outcomes for all peer companies, including any adjustments required in certain scenarios (e.g. capital raising activities, mergers, divestments or bankruptcies) and the final ranking list for both comparator groups.										
	EPS performance is calculated internally in accordance with Australian Accounting Standards. The Board may adjust the Group underlying NPATA used for remuneration purposes, where appropriate, to better reflect operating performance.										
	The Board reviews all calculations and recommendations and determines final performance and vesting outcomes for both tranches. There is no re-testing. Any rights that don't vest lapse immediately. Vested rights are automatically exercised immediately following the vesting date. Vesting of equity rights is subject to ongoing service with Worley and satisfactory individual performance. It is also subject to individual malus and clawback provisions. See section 5.4 for further detail.										
Board discretion	The Board considers the quality of the result to make sure the outcome reflects performance in line with our values and avoids unintended outcomes. The Board may also consider: - guidance and recommendations from external stakeholders, including proxy advisors, ASIC and legislative bodies in the markets we operate in - feedback from our people, customers, suppliers, shareholders and communities we operate in - consultation with independent external advisors as necessary.										
Leaver provisions	If an executive resigns before the vesting date, they will normally forfeit their performance rights. In certain circumstances, the Board may allow good leavers to retain a pro-rata amount of their unvested performance rights. See section 5.6 for more detail.										



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7. Executive KMP employment agreements

We've outlined the key aspects of executive employment agreements (EAs) below:

	Duration	Non-compete Clauses	Notice periods
Executive Director			
Chris Ashton	Unlimited	6 months	6 months
Other Executive KMP			
Tiernan O'Rourke	Unlimited	6 months	6 months
Mark Brantley	Unlimited	6 months	6 months
Mark Trueman	Unlimited	6 months	6 months

Executive KMP EAs include the components of remuneration we pay. The EA includes an annual remuneration review but doesn't prescribe how we'll modify remuneration from year to year. If we terminate an Executive KMP's EA, they'll receive their statutory leave entitlements. If an executive resigns, we only pay their variable pay if they're employed on the date of payment or vesting (which is after the end of the performance period). In certain circumstances, the Board may allow a good leaver to retain eligibility for variable pay. We've outlined this further in section 5.6.



8. Non-Executive Director (NED) remuneration

We set NED fees at a market competitive level to attract and retain the caliber of directors required to address our strategic and operational challenges. The Board reviews NED fees annually, comparing them to fees paid by other ASX listed companies of similar size, industry and global scope. It also considers the number of NEDs we need for the business. We don't pay retirement benefits to NEDs unless required to by legislation. NEDs don't receive any performance-related incentives or participate in Worley equity programs. During FY2023 we made no changes to the NED fee policy. Fees have remained the same since 1 July 2019.

We cap the amount we can pay to NEDs in any year. This includes Board and committee fees, and travel allowances. Our shareholders approve this cap. The current maximum aggregate fee pool is \$3.25 million per annum, set at the 2012 AGM. We paid 92% (\$2.98 million) of the aggregate fee pool during FY2023, compared to 90% (\$2.91 million) in FY2022. This includes FY2023 travel allowances of \$95,000.

Feature	Description																
Board fees	Board fees (inclusive of superannuation where relevant) are: <table> <tr> <th>Role</th><th>Fee P.A.</th></tr> <tr> <td>Chair</td><td>\$520,000</td></tr> <tr> <td>Lead Independent Director</td><td>\$269,000</td></tr> <tr> <td>Other NED base fee</td><td>\$194,000</td></tr> </table> The Chair and Lead Independent Director roles have fixed fees. They don't receive additional fees for membership of any committees.	Role	Fee P.A.	Chair	\$520,000	Lead Independent Director	\$269,000	Other NED base fee	\$194,000								
Role	Fee P.A.																
Chair	\$520,000																
Lead Independent Director	\$269,000																
Other NED base fee	\$194,000																
Committee fees	Committee fees recognize the additional responsibilities, time and commitment required. The annual committee fees are: <table> <tr> <th>Role</th><th>Fee P.A.</th></tr> <tr> <td>Chair of Audit and Risk Committee</td><td>\$47,000</td></tr> <tr> <td>Member of Audit and Risk Committee</td><td>\$26,000</td></tr> <tr> <td>Chair of People and Remuneration Committee</td><td>\$40,000</td></tr> <tr> <td>Member of People and Remuneration Committee</td><td>\$21,000</td></tr> <tr> <td>Chair of Health, Safety and Sustainability Committee</td><td>\$40,400</td></tr> <tr> <td>Member of Health, Safety and Sustainability Committee</td><td>\$21,000</td></tr> <tr> <td>Chair/member of Nominations Committee</td><td>nil</td></tr> </table>	Role	Fee P.A.	Chair of Audit and Risk Committee	\$47,000	Member of Audit and Risk Committee	\$26,000	Chair of People and Remuneration Committee	\$40,000	Member of People and Remuneration Committee	\$21,000	Chair of Health, Safety and Sustainability Committee	\$40,400	Member of Health, Safety and Sustainability Committee	\$21,000	Chair/member of Nominations Committee	nil
Role	Fee P.A.																
Chair of Audit and Risk Committee	\$47,000																
Member of Audit and Risk Committee	\$26,000																
Chair of People and Remuneration Committee	\$40,000																
Member of People and Remuneration Committee	\$21,000																
Chair of Health, Safety and Sustainability Committee	\$40,400																
Member of Health, Safety and Sustainability Committee	\$21,000																
Chair/member of Nominations Committee	nil																
Other benefits	NEDs are eligible for \$5,000 per trip for additional time incurred on overseas business travel when attending Board meetings and site visits. NEDs are also entitled to reimbursement for business expenses they incur while working. From time to time, the Board may determine special fees for additional duties directors undertake.																

We've set out NEDs' remuneration outcomes in section 9.5, and beneficial interests in Worley shares in section 9.6.



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9. Remuneration tables (statutory disclosures)

We've prepared this section according to the relevant statutory requirements and accounting standards. All amounts are in Australian dollars. We discuss the service and performance criteria for the equity grants vesting in FY2023 in sections 3.3 and 3.4, and equity grants made in FY2023 in sections 6.7 and 6.8.

9.1 Statutory remuneration outcomes

The values in this table are reported in accordance with the relevant statutory requirements and accounting standards. Equity amounts are the amortized accounting expense of equity held by executive KMP for FY2023 and are not indicative of the actual value realized by Executive KMP. The face value of equity due to vest in 2023 is detailed in Section 3.5.

Name	Year	Cash salary \$000	Cash incentive/ cash STI ¹ \$000	Other benefits ² \$000	Total short-term cash and benefits \$000	Super-annuation benefits \$000	Annual and long service leave \$000	Termination benefits \$000	Equity incentives ³ \$000	LTI equity settled ⁴ \$000	Total \$000	Variable pay % of total
Executive Director												
Chris Ashton	FY2023	1,996	2,528	55	4,579	22	32	–	1,018	548	6,199	66.0%
	FY2022	1,692	1,626	38	3,356	15	33	–	735	504	4,643	61.7%
Other Executive KMP												
Tiernan O'Rourke⁵	FY2023	1,029	1,022	3	2,054	26	41	–	336	244	2,701	59.3%
	FY2022	576	504	1	1,081	12	44	–	82	56	1,275	50.3%
Mark Brantley⁶	FY2023	802	777	513	2,092	24	9	–	325	187	2,637	48.9%
	FY2022	515	350	241	1,106	9	26	–	157	88	1,386	42.9%
Mark Trueman⁷	FY2023	802	777	556	2,135	–	9	–	244	137	2,525	45.9%
	FY2022	–	–	–	–	–	–	–	–	–	–	–
Former Executive KMP												
Vinayak Pai⁸	FY2023	–	–	–	–	–	–	–	–	–	–	–
	FY2022	326	–	127	453	29	–	151	(159)	(306)	168	(276.8%)
Karen Sobel⁹	FY2023	–	–	–	–	–	–	–	–	–	–	–
	FY2022	753	405	20	1,178	15	–	–	337	155	1,685	53.2%
Total remuneration	FY2023	4,629	5,104	1,127	10,860	72	91	–	1,923	1,116	14,062	57.9%
	FY2022	3,862	2,885	427	7,174	80	103	151	1,152	497	9,157	49.5%

1. This relates to the STI Plan. The FY2023 STI will be paid to executives in October 2023.
2. Includes expatriate benefits (such as housing, home leave and tax advisory services) and local benefits (such as health insurance, car parking, company cars or car allowances, fringe benefits tax and life insurance). Expatriate benefits will typically be reported grossed-up for tax purposes in one or more countries (home/host) and may be subject to tax reconciliations which typically occur up to a year after the reporting period, once tax returns are filed in all relevant jurisdictions.
3. Equity Incentives include grants made under the DEP and any other special performance grants made from time to time.
4. The FY2022 LTI equity settled expense was calculated using a methodology inconsistent with the methodology used to calculate the expense recognised in the statement of financial performance. We've restated the comparatives to align to the treatment under AASB 2, resulting in a decrease of \$165,000 for Chris Ashton and \$127,000 for Karen Sobel. Additionally, in FY2022 it was agreed that Karen Sobel would be a good leaver on her retirement in FY2023, retaining a pro-rated amount of unvested equity on her departure. This was not reflected in the FY2022 reporting. We've restated her FY2022 equity incentive and LTI equity settled amounts to reflect the acceleration of expense relating to her retained equity, resulting in an increase of \$67,000 and \$33,000 respectively.
5. Tiernan O'Rourke started as CFO on 29 November 2021 and amounts shown for FY2022 reflect this. He was granted FY2022 equity on a pro-rata basis. We've restated his FY2022 amounts to reflect the vesting period of his FY22 equity awards from his start date, resulting in a decrease in expense of \$35,000 for equity incentives and \$30,000 for LTI equity settled.
6. Mark Brantley started as Group President, EMEA and APAC and became a KMP effective 1 November 2021. His FY2022 STI, equity incentive and LTI equity settled amounts were not apportioned for the period he was a KMP. We've restated his FY2022 comparatives to reflect the appropriate apportioned expense, resulting in a decrease of \$133,000 for STI, \$96,000 for equity incentives and \$45,000 for LTI equity settled. Mr. Brantley's benefits reported in FY2022 have also been restated to include an expatriate tax amount of \$140,000 that was processed after the reporting period.
7. Mark Trueman started as Group President, Americas and became a KMP on 1 July 2022.
8. Vinayak Pai ceased to be a KMP on 31 October 2021 and terminated employment with Worley on 31 December 2021. He forfeited all unvested equity rights upon termination and we reversed the full cumulative expense accrued to that point.
9. Karen Sobel ceased to be a KMP on 30 June 2022 and retired on 31 March 2023.



9.2 Executives' interests in shares and performance rights

We've detailed beneficial interests in shares and performance rights held during FY2023 below.

Name	Type	Balance at 1 July 2022	Rights granted	Rights lapsed ¹	Rights vested	Vested rights withheld for tax ²	Vested rights exercised/ Shares delivered	Shares disposed ³	Balance at 30 June 2023 ⁴
Executive Director									
Chris Ashton	Rights	586,714	239,634	(41,754)	(53,274)	(20,964)	(32,310)	–	731,320
	Shares	144,296	–	–	–	–	32,310	–	176,606
Other Executive KMP									
Tiernan O'Rourke	Rights	81,760	101,309	–	–	–	–	–	183,069
	Shares	–	–	–	–	–	–	–	–
Mark Brantley	Rights	143,206	72,806	–	(16,997)	(5,159)	(11,838)	–	199,015
	Shares	32,607	–	–	–	–	11,838	–	44,445
Mark Trueman	Rights	87,243	72,806	(6,952)	(11,048)	(320)	(10,728)	–	142,049
	Shares	121,070	–	–	–	–	10,728	–	131,798
Totals	Rights	898,923	486,555	(48,706)	(81,319)	(26,443)	(54,876)	–	1,255,453
	Shares	297,973	–	–	–	–	54,876	–	352,849

1. Rights lapsed due to executives not meeting performance hurdles and/or ceasing employment.

2. Where an executive has a tax withholding obligation payable at immediately at vest/exercise, we cancel a number of rights equal to the value of any withholding tax paid by Worley on their behalf. The executive is issued a number of shares net of this amount.

3. May include shares sold, transferred or otherwise disposed of.

4. No executives have nominally held shares.

9.3 Executive Minimum Shareholding Requirement (MSR)

Executives must retain all equity received through incentive plans until they've met their MSR target. The MSR value is calculated as:

- the number of shares held at 30 June 2023, multiplied by the VWAP over the five trading days to 30 June 2023 - \$15.69, plus
- 50% of unvested equity rights held at 30 June 2023, multiplied by the higher of the 30 June VWAP or the allocation price.

Name	Weighted number of shares	Current MSR value \$000	Annual fixed salary \$000	Target multiple of fixed salary	% of MSR target achieved
Executive Director					
Chris Ashton	542,268	8,508	2,078	4x	102.3%
Other Executive KMP					
Tiernan O'Rourke	91,535	1,436	1,050	2x	68.4%
Mark Brantley	143,956	2,259	799	2x	141.4%
Mark Trueman	202,825	3,182	799	2x	199.2%



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9.4 Details of vested, exercised, lapsed and outstanding rights

We've summarized the details of equity awards granted, vested, lapsed and outstanding in FY2023 below. Information about awards granted in prior years is set out in the Remuneration Report of the relevant reporting period.

Name	Grant date	Vest date	Rights granted ¹	Fair value per right (AUD) ²	Rights vested	Rights exercised	Rights withheld for tax ³	Rights lapsed ⁴	% Of rights vested	% Of rights lapsed	Max value of rights yet to vest \$000 ⁵
Executive Director											
Chris Ashton⁶											
FY20 DEP Tranche 3	31-Oct-19	30-Sep-22	9,278	\$12.10	(9,278)	(5,627)	(3,651)	–	100%	–	–
FY21 DEP Tranche 1	31-Oct-20	30-Sep-22	43,996	\$8.58	(43,996)	(26,683)	(17,313)	–	100%	–	–
FY21 DEP Tranche 2	31-Oct-20	30-Sep-23	43,996	\$8.08	–	–	–	–	–	–	28
FY22 DEP Tranche 1	31-Oct-21	30-Sep-23	56,398	\$9.89	–	–	–	–	–	–	62
FY22 DEP Tranche 2	31-Oct-21	30-Sep-24	56,398	\$9.37	–	–	–	–	–	–	204
FY23 DEP Tranche 1	31-Oct-22	30-Sep-24	45,336	\$13.34	–	–	–	–	–	–	337
FY23 DEP Tranche 2	31-Oct-22	30-Sep-25	45,336	\$12.88	–	–	–	–	–	–	405
FY20 LTI (TSR Tranche) ⁷	31-Oct-19	30-Sep-23	20,877	\$7.78	–	–	–	(20,877)	–	100%	–
FY20 LTI (EPS Tranche) ⁷	31-Oct-19	30-Sep-23	20,877	\$12.10	–	–	–	(20,877)	–	100%	–
FY21 LTI (TSR Tranche)	31-Oct-20	30-Sep-24	74,793	\$5.60	–	–	–	–	–	–	124
FY21 LTI (EPS Tranche)	31-Oct-20	30-Sep-24	74,793	\$7.67	–	–	–	–	–	–	–
FY22 LTI (TSR Tranche)	31-Oct-21	30-Sep-25	92,654	\$5.86	–	–	–	–	–	–	288
FY22 LTI (EPS Tranche)	31-Oct-21	30-Sep-25	92,654	\$8.92	–	–	–	–	–	–	438
FY23 LTI (EPS Tranche)	31-Oct-22	30-Sep-26	74,481	\$12.44	–	–	–	–	–	–	709
FY23 LTI (TSR Tranche)	31-Oct-22	30-Sep-26	74,481	\$8.07	–	–	–	–	–	–	460
Other Executive KMP											
Tiernan O'Rourke⁸											
FY22 DEP Tranche 1	31-Oct-21	30-Sep-23	16,060	\$9.89	–	–	–	–	–	–	22
FY22 DEP Tranche 2	31-Oct-21	30-Sep-24	16,060	\$9.37	–	–	–	–	–	–	66
FY23 DEP Tranche 1	31-Oct-22	30-Sep-24	19,900	\$13.34	–	–	–	–	–	–	148
FY23 DEP Tranche 2	31-Oct-22	30-Sep-25	19,900	\$12.88	–	–	–	–	–	–	178
FY22 LTI (TSR Tranche)	31-Oct-21	30-Sep-25	24,820	\$5.86	–	–	–	–	–	–	85
FY22 LTI (EPS Tranche)	31-Oct-21	30-Sep-25	24,820	\$8.92	–	–	–	–	–	–	130
FY23 LTI (TSR Tranche)	31-Oct-22	30-Sep-26	30,755	\$8.07	–	–	–	–	–	–	190
FY23 LTI (EPS Tranche)	31-Oct-22	30-Sep-26	30,754	\$12.44	–	–	–	–	–	–	293
Mark Brantley⁹											
FY20 DEP Tranche 3	31-Oct-19	30-Sep-22	7,292	\$12.10	(7,292)	(5,078)	(2,214)	–	100%	–	–
FY21 DEP Tranche 1	31-Oct-20	30-Sep-22	9,705	\$8.58	(9,705)	(6,760)	(2,945)	–	100%	–	–
FY21 DEP Tranche 2	31-Oct-20	30-Sep-23	9,705	\$8.08	–	–	–	–	–	–	7
FY22 DEP Tranche 1	31-Oct-21	30-Sep-23	19,072	\$9.89	–	–	–	–	–	–	21
FY22 DEP Tranche 2	31-Oct-21	30-Sep-24	19,072	\$9.37	–	–	–	–	–	–	69
FY23 DEP Tranche 1	31-Oct-22	30-Sep-24	14,301	\$13.34	–	–	–	–	–	–	106
FY23 DEP Tranche 2	31-Oct-22	30-Sep-25	14,301	\$12.88	–	–	–	–	–	–	128
FY21 LTI (TSR Tranche)	31-Oct-20	30-Sep-24	9,705	\$5.60	–	–	–	–	–	–	16
FY21 LTI (EPS Tranche)	31-Oct-20	30-Sep-24	9,705	\$7.67	–	–	–	–	–	–	–
FY22 LTI (TSR Tranche)	31-Oct-21	30-Sep-25	29,475	\$5.86	–	–	–	–	–	–	92
FY22 LTI (EPS Tranche)	31-Oct-21	30-Sep-25	29,475	\$8.92	–	–	–	–	–	–	139
FY23 LTI (EPS Tranche)	31-Oct-22	30-Sep-26	22,102	\$12.44	–	–	–	–	–	–	210
FY23 LTI (TSR Tranche)	31-Oct-22	30-Sep-26	22,102	\$8.07	–	–	–	–	–	–	136


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Name	Grant date	Vest date	Rights granted ¹	Fair value per right (AUD) ²	Rights vested	Rights exercised	Rights withheld for tax ³	Rights lapsed ⁴	% Of rights vested	% Of rights lapsed	Max value of rights yet to vest \$000 ⁵
Mark Trueman⁶											
FY20 DEP Tranche 3	31-Oct-19	30-Sep-22	2,896	\$12.10	(2,896)	(2,835)	(61)	–	100%	–	–
FY21 DEP Tranche 1	31-Oct-20	30-Sep-22	8,152	\$8.58	(8,152)	(7,893)	(259)	–	100%	–	–
FY21 DEP Tranche 2	31-Oct-20	30-Sep-23	8,152	\$8.08	–	–	–	–	–	–	5
FY22 DEP Tranche 1	31-Oct-21	30-Sep-23	9,953	\$9.89	–	–	–	–	–	–	11
FY22 DEP Tranche 2	31-Oct-21	30-Sep-24	9,952	\$9.37	–	–	–	–	–	–	36
FY23 DEP Tranche 1	31-Oct-22	30-Sep-24	14,301	\$13.34	–	–	–	–	–	–	106
FY23 DEP Tranche 2	31-Oct-22	30-Sep-25	14,301	\$12.88	–	–	–	–	–	–	128
FY20 LTI (TSR Tranche) ⁷	31-Oct-19	30-Sep-23	3,476	\$7.78	–	–	–	(3,476)	–	100%	–
FY20 LTI (EPS Tranche) ⁷	31-Oct-19	30-Sep-23	3,476	\$12.10	–	–	–	(3,476)	–	100%	–
FY21 LTI (TSR Tranche)	31-Oct-20	30-Sep-24	8,152	\$5.60	–	–	–	–	–	–	13
FY21 LTI (EPS Tranche)	31-Oct-20	30-Sep-24	8,152	\$7.67	–	–	–	–	–	–	–
FY22 LTI (TSR Tranche)	31-Oct-21	30-Sep-25	12,441	\$5.86	–	–	–	–	–	–	39
FY22 LTI (EPS Tranche)	31-Oct-21	30-Sep-25	12,441	\$8.92	–	–	–	–	–	–	59
FY23 LTI (EPS Tranche)	31-Oct-22	30-Sep-26	22,102	\$12.44	–	–	–	–	–	–	210
FY23 LTI (TSR Tranche)	31-Oct-22	30-Sep-26	22,102	\$8.07	–	–	–	–	–	–	136

1. May include rights granted before the executive became a KMP.

2. Fair value per right at grant is determined by external consultants using an option-pricing model in accordance with the AASB 2 Share-based Payments standard. A Monte Carlo simulation is applied to LTI tranches subject to a TSR performance hurdle. The Black-Scholes model is utilized for all other tranches. These take into account the:

- share price at grant date
- exercise price
- expected dividend yield
- term of the right
- expected price volatility of the underlying share
- non-tradeable nature of the right
- vesting and performance criteria
- risk-free interest rate for the term of the right
- impact of dilution.

The fair value is expensed evenly over the service period ending at the vesting date.

3. Where an executive has a tax withholding obligation payable at immediately at vest/exercise, we cancel a number of rights equal to the value of any withholding tax paid by Worley on their behalf. The executive is issued a number of shares net of this amount.

4. These are rights lapsed due to executives not meeting performance hurdles and/or ceasing employment.

5. This is the total fair value at grant (number of rights granted multiplied by fair market value) that is yet to be expensed following 30 June 2023. The minimum value is nil if performance hurdles or other vesting conditions aren't met.

6. Chris Ashton's FY2023 LTI and DEP grants were approved at the 2022 annual general meeting, under ASX Listing Rule 10.14.

7. Neither tranche of the FY2020 LTI grant met the minimum performance requirements for vesting. These rights will lapse in full on the vesting date.

8. Tiernan O'Rourke started with Worley as a KMP on 29 November 2021. He was granted rights under the FY2022 DEP and LTI plans on a pro-rata basis.

9. Mark Brantley started as a KMP on 1 November 2021. His rights include equity granted to him prior to becoming a KMP.

10. Mark Trueman started as a KMP on 1 July 2022. His rights include equity granted to him prior to becoming a KMP.



Financial statements Remuneration report

9.5 Non-Executive Director remuneration outcomes

We've set out NEDs' remuneration outcomes for FY2023 below.

Name	Year	Short term employee benefits		Post-employment benefits	
		Fees \$000	Travel allowances \$000	Superannuation ¹ \$000	Total \$000
John Grill	FY2023	497	10	25	532
	FY2022	500	5	22	527
Andrew Liveris	FY2023	246	5	24	275
	FY2022	247	5	23	275
Juan Suárez Coppel	FY2023	221	5	–	226
	FY2022	221	5	–	226
Thomas Gorman	FY2023	237	5	–	242
	FY2022	243	–	–	243
Christopher Haynes	FY2023	237	10	–	247
	FY2022	237	5	–	242
Roger Higgins	FY2023	235	10	–	245
	FY2022	235	5	–	240
Martin Parkinson	FY2023	200	10	21	231
	FY2022	201	5	20	226
Emma Stein	FY2023	232	10	24	266
	FY2022	211	5	21	237
Anne Templeman-Jones	FY2023	212	10	22	244
	FY2022	242	5	–	247
Sharon Warburton	FY2023	227	10	1	238
	FY2022	221	5	–	226
Wang Xiao Bin	FY2023	221	10	–	231
	FY2022	221	–	–	221
Totals	FY2023	2,765	95	117	2,977
	FY2022	2,779	45	86	2,910

1. Superannuation contributions are made on behalf of NEDs in accordance with the Company's statutory superannuation obligations.



9.6 Non-Executive Director interests in shares

NED beneficial interests in Worley shares on 30 June 2023 are shown below. This includes shares held solely in the Directors' name, jointly with another person, in a self-managed superannuation plan, or where Directors are able to establish they have a beneficial entitlement.

NEDs are required to hold the equivalent of 100% of the annual NED base fee in Worley shares. They have three years from their date of appointment to meet the MSR. The MSR value is the number of shares held at 30 June 2023, multiplied by the higher of:

- the VWAP over the five trading days to 30 June 2023 - \$15.69, or
- the price at which the shares were acquired.

Name	Type	Balance at 1 July 2022	Other transactions	Balance at 30 June 2023	MSR achieved
John Grill	Shares	34,336,128	–	34,336,128	>100%
Andrew Liveris	Shares	17,870	–	17,870	>100%
Juan Suárez Coppel	Shares	18,032	165	18,197	>100%
Thomas Gorman	Shares	29,000	–	29,000	>100%
Christopher Haynes	Shares	18,922	–	18,922	>100%
Roger Higgins	Shares	34,000	–	34,000	>100%
Martin Parkinson	Shares	16,000	1,000	17,000	>100%
Emma Stein	Shares	20,840	–	20,840	>100%
Anne Templeman-Jones	Shares	17,382	–	17,382	>100%
Sharon Warburton	Shares	22,500	–	22,500	>100%
Wang Xiao Bin	Shares	11,000	–	11,000	>100%

This Directors' Report (including the Remuneration Report) is made in accordance with a resolution of the directors.

John Grill AO
Chair



Financial statements

Consolidated statement of financial performance and other comprehensive income

For the financial year ended 30 June 2023

		CONSOLIDATED	
	NOTES	2023 \$'M	2022 \$'M
REVENUE AND OTHER INCOME			
Professional services revenue		6,397	5,444
Construction and fabrication revenue		3,004	2,806
Procurement revenue		1,923	1,445
Other income		2	6
Interest income		7	4
Total revenue and other income	4	11,333	9,705
EXPENSES			
Professional services costs		(5,815)	(4,954)
Construction and fabrication costs		(2,905)	(2,693)
Procurement cost		(1,882)	(1,429)
Global support costs	3(E)	(164)	(154)
Transition, transformation and restructuring costs	5	(50)	(65)
Strategic costs	5	(37)	(30)
Loss on sale of disposal group and related expenses	21(C)	(240)	-
Other costs	5	-	(30)
Finance costs		(117)	(64)
Total expenses		(11,210)	(9,419)
Share of net profit of associates accounted for using the equity method	22(B)	23	8
Profit before income tax expense		146	294
Income tax expense	6(A)	(100)	(117)
Profit after income tax expense		46	177
Profit after income tax expense attributable to:			
Members of Worley Limited		37	172
Non-controlling interests		9	5
Other comprehensive income			
Items that may be reclassified in future periods to the Consolidated Statement of Financial Performance, net of tax			
Net movement in foreign currency translation reserve		141	209
Net movement in hedge reserve		2	(5)
Items that will not be reclassified in future periods to the Consolidated Statement of Financial Performance, net of tax			
Net movement in defined benefit reserve		(11)	14
Total comprehensive income net of tax		178	395
Total comprehensive income net of tax, attributable to:			
Members of Worley Limited		172	390
Non-controlling interests		6	5
Basic earnings per share (cents)	17	7.0	32.8
Diluted earnings per share (cents)	17	7.0	32.6

The above Consolidated Statement of Financial Performance and Other Comprehensive Income should be read in conjunction with the accompanying notes.


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Consolidated statement of financial position

As at 30 June 2023

		CONSOLIDATED	
	NOTES	2023 \$'M	2022 \$'M
ASSETS			
Current assets			
Cash and cash equivalents	7	425	507
Trade receivables and contract assets	8	1,973	1,952
Procurement assets	27	177	164
Other current assets	8	348	215
Income tax receivable		62	107
Prepayments		157	99
Derivatives	19(B)	7	3
Total current assets		3,149	3,047
Non-current assets			
Trade receivables and contract assets	8	135	128
Intangible assets	10	6,068	6,155
Property, plant and equipment and right of use (ROU) assets	28	633	617
Deferred tax assets	29(A)	253	192
Equity accounted associates	22(B)	196	189
Other non-current assets		84	68
Total non-current assets		7,369	7,349
TOTAL ASSETS		10,518	10,396
LIABILITIES			
Current liabilities			
Trade and other payables	9	1,429	1,350
Procurement payables	27	211	199
Provisions	11	637	610
Interest bearing loans and borrowings and lease liabilities	13	90	564
Income tax payable		45	38
Derivatives	19(C)	13	32
Total current liabilities		2,425	2,793
Non-current liabilities			
Trade and other payables	9	50	53
Interest bearing loans and borrowings and lease liabilities	13	2,158	1,605
Defined benefit plans	30	56	51
Deferred tax liabilities	29(B)	82	90
Provisions	11	146	121
Total non-current liabilities		2,492	1,920
TOTAL LIABILITIES		4,917	4,713
NET ASSETS		5,601	5,683
EQUITY			
Issued capital	15	5,351	5,341
Reserves	16	(159)	(302)
Retained profits		415	640
Members of Worley Limited		5,607	5,679
Non-controlling interests		(6)	4
TOTAL EQUITY		5,601	5,683

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.



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Consolidated statement of changes in equity

For the financial year ended 30 June 2023

CONSOLIDATED										
	ISSUED CAPITAL \$'M	RETAINED PROFITS \$'M	FOREIGN CURRENCY TRANSLATION RESERVE \$'M	HEDGE RESERVE \$'M	PERFORMANCE RIGHTS RESERVE \$'M	DEFINED BENEFIT RESERVE \$'M	ACQUISITION RESERVE \$'M	MEMBERS OF WORLEY LIMITED \$'M	NON- CONTROLLING INTERESTS \$'M	TOTAL \$'M
As at 1 July 2022	5,341	640	(301)	(3)	60	14	(72)	5,679	4	5,683
Profit after income tax expense	-	37	-	-	-	-	-	37	9	46
Foreign exchange movement on translation of foreign controlled entities and associates	-	-	144	-	-	-	-	144	(3)	141
Fair value loss on mark to market of forward exchange contracts, net of tax	-	-	-	2	-	-	-	2	-	2
Remeasurement gain on defined benefit plans, net of tax	-	-	-	-	-	(11)	-	(11)	-	(11)
Total comprehensive income/(loss), net of tax	-	37	144	2	-	(11)	-	172	6	178
<i>Transactions with owners</i>										
Share based payments expense	-	-	-	-	25	-	-	25	-	25
Transfer to issued capital on issuance of shares to satisfy performance rights	10	-	-	-	(17)	-	-	(7)	-	(7)
Decrease in ownership	-	-	-	-	-	-	-	-	(7)	(7)
Increase in ownership of controlled entities	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	(262)	-	-	-	-	-	(262)	(9)	(271)
As at 30 June 2023	5,351	415	(157)	(1)	68	3	(72)	5,607	(6)	5,601

For the financial year ended 30 June 2022

CONSOLIDATED										
	ISSUED CAPITAL \$'M	RETAINED PROFITS \$'M	FOREIGN CURRENCY TRANSLATION RESERVE \$'M	HEDGE RESERVE \$'M	PERFORMANCE RIGHTS RESERVE \$'M	DEFINED BENEFIT RESERVE \$'M	ACQUISITION RESERVE \$'M	MEMBERS OF WORLEY LIMITED \$'M	NON- CONTROLLING INTERESTS \$'M	TOTAL \$'M
As at 1 July 2021	5,321	730	(510)	2	67	-	(64)	5,546	38	5,584
Profit after income tax expense	-	172	-	-	-	-	-	172	5	177
Foreign exchange movement on translation of foreign controlled entities and associates	-	-	209	-	-	-	-	209	-	209
Fair value loss on mark to market of cross currency hedge, net of tax	-	-	-	(5)	-	-	-	(5)	-	(5)
Remeasurement gain on defined benefit plans, net of tax	-	-	-	-	-	14	-	14	-	14
Total comprehensive income/(loss), net of tax	-	172	209	(5)	-	14	-	390	5	395
<i>Transactions with owners</i>										
Share based payments expense	-	-	-	-	20	-	-	20	-	20
Transfer to issued capital on issuance of shares to satisfy performance rights	20	-	-	-	(27)	-	-	(7)	-	(7)
Increase in ownership of controlled entities	-	-	-	-	-	-	(8)	(8)	(36.0)	(44)
Dividends paid	-	(262)	-	-	-	-	-	(262)	(3)	(265)
As at 30 June 2022	5,341	640	(301)	(3)	60	14	(72)	5,679	4	5,683

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.


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Consolidated statement of cash flows

For the financial year ended 30 June 2023

		CONSOLIDATED	
	NOTES	2023 \$'M	2022 \$'M
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		11,137	9,863
Payments to suppliers and employees		(10,744)	(9,443)
Net Income		393	420
Dividends received from associates		25	1
Interest received		6	4
Finance costs paid		(94)	(51)
Income taxes paid		(70)	(58)
Net cash inflow from operating activities	7	260	316
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of controlled entities and other investments, net of cash acquired		(26)	(23)
Payments for purchase of property, plant and equipment and other intangibles		(82)	(53)
Proceeds from disposals of investments	21(C)	172	12
Proceeds from sale of property, plant and equipment		1	2
Net cash inflow /(outflow) from investing activities		65	(62)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of loans and borrowings		(10,429)	(5,047)
Proceeds from loans and borrowings		10,401	5,184
Lease liability payments		(107)	(110)
Costs of bank facilities		(5)	(6)
Net loans to related parties		(1)	(6)
Dividends paid to members of Worley Limited	18(B)	(262)	(262)
Dividends paid to non-controlling interests		(9)	(3)
Net cash outflow from financing activities		(412)	(250)
Net (Decrease)/increase in cash		(87)	4
Cash and cash equivalents at the beginning of the financial year		519	493
Effects of foreign exchange rate changes on cash		4	22
Cash and cash equivalents at the end of the financial year	7	436	519

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



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Notes to and forming part of the consolidated financial statements

For the financial year ended 30 June 2023

1. CORPORATE INFORMATION

The financial report of Worley Limited (the "Company" or "Parent Entity") for the financial year ended 30 June 2023 was authorized for issue in accordance with a resolution of the directors on 23 August 2023. The financial report is for the Group consisting of Worley Limited and its subsidiaries.

Worley Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX: WOR). Worley Limited is a for-profit entity for the purposes of preparing these consolidated financial statements.

The nature of the operations and principal activities of the Company are described in notes 3 and 4.

CHANGE OF AUDITOR

The Company appointed a new auditor, PricewaterhouseCoopers ('PwC') to audit the 30 June 2023 Annual Financial Report. This was approved at the Annual General Meeting and is a change from the previous auditor, Ernst & Young ('EY') who audited the 30 June 2022 Annual Financial Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF ACCOUNTING

(i) Basis of preparation

This general purpose financial report has been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards (AAS) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

The Group is of a kind referred to in ASIC Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports) issued by the Australian Securities and Investments Commission which relates to the "rounding off" of amounts in the Directors' Report and consolidated financial statements. Unless otherwise expressly stated, amounts have been rounded off to the nearest one million dollars in accordance with that Instrument. Amounts shown as 0 represent amounts less than AUD \$500,000 which have been rounded.

(ii) Statement of compliance

The consolidated financial report complies with International Financial Reporting Standards and interpretations as issued by the International Accounting Standards Board (IASB).

(iii) Historical cost convention

The financial statement has been prepared on a historical cost basis, except for derivative financial instruments, unlisted equity instruments, defined benefit plans and assets held for sale, where applicable, that have been measured at fair value. The carrying values of recognized assets and liabilities that are hedged with fair value hedges are adjusted to record changes in the fair values attributable to the risks that are being hedged.

(iv) Critical accounting estimates

In the application of AAS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Management has identified the following critical accounting policies for which significant judgments, estimates and assumptions are made:

- revenue recognition, refer note 4;
- expected credit loss allowance, refer note 8;
- goodwill and intangible assets with identifiable useful lives, refer note 10;
- project, warranty and other provisions, refer note 11;
- inclusion and classification of contingent liabilities, refer note 25;
- recovery and valuation of deferred tax assets and liabilities, refer note 29; and
- measurement of assets and liabilities of the disposal group, refer note 21(C).

Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Adoption of new and amended accounting standards and interpretations

New and revised accounting standards, amendments or AASB interpretations which became applicable for the current reporting period as disclosed below did not have any impact on the Group:

Applicable 1 July 2022 (FY2023)

Onerous Contracts - Costs of Fulfilling a Contract - Amendments to IAS 37

(vi) New accounting standards not yet applicable

The AASB has issued a number of standards and interpretations, which are not effective until future reporting periods as disclosed below:

Applicable 1 July 2023 (FY2024)

- AASB 17 Insurance Contracts (AASB 17)
- Disclosure of Accounting Policies and Definition of Accounting Estimates (Amendments to AASB 101, 108 and AASB Practice Statement 2)
- Deferred Tax relating to Assets and Liabilities arising from a Single Transaction (Amendments to AASB 112)

Applicable 1 July 2024 (FY2025)

- Lease liability in a Sale and Leaseback (Amendments to AASB 16 Leases)

The Group has not early adopted any standards or interpretations which are not yet applicable; however notwithstanding that, the estimated impact on adoption is not expected to have a material impact on the Group.

Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules (Amendments to AASB112)

The AASB has issued AASB 2023-2, which provides temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD's) international tax reform. This Standard amends AASB 112 to introduce a mandatory temporary exception to accounting for deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD); and targeted disclosure requirements to help financial statement users better understand an entity's exposure to income taxes arising from the reform, particularly in periods before legislation implementing the rules is in effect.

This Standard applies to annual periods beginning on or after 1 January 2023 that end on or after 30 June 2023. Earlier application is permitted. The Group has applied the exception from recognizing and disclosing information regarding deferred tax assets and liabilities related to Pillar Two income taxes.

(B) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Worley Limited as at 30 June 2023 and the results of all controlled entities for the financial year then ended. Worley Limited and its controlled entities together are referred to in this financial report as the consolidated entity or Group. Investments in associates are equity accounted and are not part of the consolidated entity (refer note 22).

The impact of all transactions between entities in the consolidated entity is eliminated. Non-controlling interests in the results and equity of controlled entities are shown separately in the Consolidated Statement of Financial Performance and Other Comprehensive Income and Consolidated Statement of Financial Position.

Non-controlling interests not held by the Company are allocated their share of net profit after tax and total comprehensive income net of tax in the Consolidated Statement of Financial Performance and Other Comprehensive Income and are presented within equity in the Consolidated Statement of Financial Position separately from the equity of members of Worley Limited.

(C) FOREIGN CURRENCY TRANSLATION

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the Group's presentation currency.

(ii) Translation of foreign currency transactions

Transactions denominated in a foreign currency are converted at the foreign exchange rate at the date of the transaction. Foreign currency denominated receivables and payables at balance date are translated at foreign exchange rates at balance date. Foreign exchange gains and losses are brought to account in determining the profit and loss for the financial year.

(D) OTHER ACCOUNTING POLICIES

Significant and other accounting policies that summarize the measurement basis used and are relevant to the understanding of the consolidated financial statements are provided throughout the notes.



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3. SEGMENT INFORMATION

(A) IDENTIFICATION OF OPERATING SEGMENTS

The Group's operating segments are reported on a regional basis as follows:

- Americas;
- EMEA; and
- APAC.

The Group has also included additional information segmented according to its market sector Groups. These segments are consistent with those reported at 30 June 2022.

(B) OPERATING SEGMENTS

	AMERICAS		EMEA		APAC		TOTAL	
	2023 \$'M	2022 \$'M	2023 \$'M	2022 \$'M	2023 \$'M	2022 \$'M	2023 \$'M	2022 \$'M
Professional services revenue	2,201	1,860	2,578	2,300	1,952	1,594	6,731	5,754
Construction and fabrication revenue	2,283	2,198	721	608	-	-	3,004	2,806
Procurement revenue at margin	360	129	724	260	107	110	1,191	499
Other income	2	-	-	-	-	6	2	6
Total aggregated revenue ¹	4,846	4,187	4,023	3,168	2,059	1,710	10,928	9,065
Segment EBITA ²	297	271	329	283	222	181	848	735
Segment margin	6.1%	6.5%	8.2%	8.9%	10.8%	10.6%	7.8%	8.1%
Segment margin (excluding procurement revenue at margin) ³	6.6%	6.7%	10.0%	9.7%	11.4%	11.3%	8.7%	8.6%
<i>Other segment information</i>								
Depreciation and amortization expense ⁴	48	47	67	80	50	40	165	167
Share of net profits of associates accounted for using the equity method	(5)	(1)	23	8	5	1	23	8
Carrying value of equity accounted associates	22	29	152	145	22	15	196	189
Purchase of non-current assets	21	11	14	22	47	20	82	53

(C) MARKET SECTOR GROUPS

	ENERGY		CHEMICALS		RESOURCES		TOTAL	
	2023 \$'M	2022 \$'M	2023 \$'M	2022 \$'M	2023 \$'M	2022 \$'M	2023 \$'M	2022 \$'M
Professional services revenue	2,888	2,523	2,356	2,157	1,487	1,074	6,731	5,754
Construction and fabrication revenue	1,861	1,719	1,075	1,032	68	55	3,004	2,806
Procurement revenue at margin	441	229	214	119	536	151	1,191	499
Other income	2	6	-	-	-	-	2	6
Total aggregated revenue	5,192	4,477	3,645	3,308	2,091	1,280	10,928	9,065
Segment EBITA	360	327	318	302	170	106	848	735
Segment margin	6.9%	7.3%	8.7%	9.1%	8.1%	8.3%	7.8%	8.1%
Segment margin (excluding procurement revenue at margin)	7.6%	7.7%	9.3%	9.5%	10.9%	9.4%	8.7%	8.6%

¹ Aggregated revenue represents segment revenue, which is defined as statutory revenue and other income plus share of revenue from associates, less procurement revenue at nil margin and less interest income. The directors believe that this disclosure of provides additional information in relation to the financial performance of the Group.

² Segment earnings before interest, tax and amortization of acquired intangible assets (EBITA) is aggregated revenue less segment expenses and excludes the items listed in note 3(G). It is the key financial measure that is presented to the chief operating decision maker.

³ The Group delivers value to customers by providing engineering and construction expertise. In delivering such services, the Group will procure goods or services and earn margin on the subsequent sale to customers. Procurement at Margin is considered a key value added service which would not occur without the engineering or construction services. Consequently, Segment EBITA margin (excluding procurement revenue at margin) is calculated as Segment EBITA / (Total Aggregated Revenue less Procurement Revenue at Margin).

⁴ Excludes amortization on acquired intangible assets and impairments, but includes amortization of leased right of use assets.


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3. SEGMENT INFORMATION (CONTINUED)

(D) RECONCILIATION OF AGGREGATED REVENUE TO TOTAL REVENUE AND OTHER INCOME PER THE CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

	TOTAL	
	2023 \$'M	2022 \$'M
Aggregated revenue	10,928	9,065
Procurement revenue at nil margin (including share of revenue from associates)	1,192	946
Share of revenue from associates ¹	(794)	(310)
Interest income	7	4
Total revenue and other income per the Consolidated Statement of Financial Performance	11,333	9,705

(E) RECONCILIATION OF SEGMENT EBITA TO PROFIT AFTER INCOME TAX EXPENSE PER THE CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

	TOTAL	
	2023 \$'M	2022 \$'M
Segment EBITA	848	735
Global support costs	(164)	(154)
Strategic costs ²	(37)	(30)
Interest and tax for associates	(12)	(4)
Total underlying earnings before interest, tax and amortization of intangibles acquired through business combinations (underlying EBITA)	635	547
Total underlying EBITA margin on aggregated revenue for the Group	5.8%	6.0%
Total underlying EBITA margin on aggregated revenue for the Group (excluding procurement revenue at margin)	6.5%	6.4%
Costs in relation to cost saving programs	(50)	(67)
Impact of transformation and restructuring:³		
Shared services transformation	(50)	(53)
Payroll and other restructuring costs	-	(15)
Other transformation and transition costs	-	1
Loss on sale of disposal group and related expenses	(240)	-
Net impact of historical legal matters	-	(16)
Impact of withdrawal from Russia	-	(14)
Other	-	(1)
Total EBITA	345	449
EBITA margin on aggregated revenue for the Group (excluding procurement revenue at margin)	3.2%	5.0%
Amortization of acquired intangible assets	(89)	(95)
Net finance costs	(110)	(60)
Income tax expense	(100)	(117)
Profit after income tax expense per the Consolidated Statement of Financial Performance	46	177

¹ Calculated on an aggregate revenue basis.

² Strategic costs comprise of costs for strategic hires and agile team development in targeted sustainability growth areas, digital enablement, internal training and development, and creating and building strategic partnerships to deliver sustainable solutions at scale.

³ Impact of transformation and restructuring costs comprise of shared service transformation and in the prior year also comprised payroll, other restructuring and transition cost



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3. SEGMENT INFORMATION (CONTINUED)

(F) GEOGRAPHIC SEGMENTS¹

Revenue from external customers²

	AGGREGATED REVENUE \$'M	ADD: PROCUREMENT REVENUE AT NIL MARGIN \$'M	ADD: PASS- THROUGH REVENUE AT NIL MARGIN \$'M	LESS: SHARE OF REVENUE FROM ASSOCIATES \$'M	LESS: OTHER INCOME \$'M	TOTAL REVENUE FROM EXTERNAL CUSTOMERS \$'M
2023						
Europe, Middle East and Africa	4,023	481	-	(687)	-	3,817
United States of America	2,453	511	-	(45)	(2)	2,917
Other Americas	2,393	163	-	(5)	-	2,551
Australia, Pacific, Asia and China	2,059	37	-	(57)	-	2,039
Total	10,928	1,192	-	(794)	(2)	11,324
Other income per Segment						2
Interest income						7
Total revenue and other income per the Consolidated Statement of Financial Performance						11,333

	AGGREGATED REVENUE \$'M	ADD: PROCUREMENT REVENUE AT NIL MARGIN \$'M	ADD: PASS- THROUGH REVENUE AT NIL MARGIN \$'M	LESS: SHARE OF REVENUE FROM ASSOCIATES \$'M	LESS: OTHER INCOME \$'M	TOTAL REVENUE FROM EXTERNAL CUSTOMERS \$'M
2022						
Europe, Middle East and Africa	3,168	478	-	(250)	-	3,396
United States of America	1,956	341	-	(26)	-	2,271
Other Americas	2,231	115	-	(6)	-	2,340
Australia, Pacific, Asia and China	1,710	12	-	(28)	(6)	1,688
Total	9,065	946	-	(310)	(6)	9,695
Other income per Segment						6
Interest income						4
Total revenue and other income per the Consolidated Statement of Financial Performance						9,705

	2023 \$'M	2022 \$'M
Non-current assets by geographical location: ³		
Europe, Middle East and Africa	316	227
United States of America	1,146	1,343
Other Americas	115	83
Australia, Pacific, Asia and China	99	100
Non-current assets by geographical location	1,676	1,753

¹ Geographic locations are presented across all business lines.

² Revenue is attributed to the geographic location based on the entity providing the services.

³ Excludes goodwill, deferred tax assets and derivative financial instruments.



3. SEGMENT INFORMATION (CONTINUED)

(G) ACCOUNTING POLICIES AND INTER-SEGMENT TRANSACTIONS

Segment revenues and expenses are those that are directly attributable to a segment and the relevant portion can be allocated to the segment on a reasonable basis.

Segment revenues, expenses and results include transactions between segments incurred in the ordinary course of business. These transactions are priced on an arm's length basis and are eliminated on consolidation.

The accounting policies used by the Group in reporting segments internally are the same as those contained in these consolidated financial statements and are consistent with those in the prior period.

The segment EBITA includes the allocation of overhead that can be directly attributed to an individual business segment. The following items and associated assets and liabilities are not allocated to segments as they are not considered part of the core operations of any segment:

- global support costs;
- strategic costs;
- interest expense;
- amortization of acquired intangible assets;
- costs in relation to cost saving programs;
- other non-recurring gains and losses as described in note 3(E); and
- income tax expense.

	CONSOLIDATED	
	2023 \$ M	2022 \$ M
4. REVENUE AND OTHER INCOME		
Professional services revenue	6,397	5,444
Construction and fabrication revenue	3,004	2,806
Procurement revenue at margin	731	499
Procurement revenue at nil margin	1,192	946
Revenue	11,324	9,695
Other income	2	6
Interest income	7	4
Total revenue and other income	11,333	9,705

The amount of revenue recognized in the financial year 2023 from performance obligations satisfied (or partially satisfied) in previous periods is nil (2022: \$6 million) and is mainly due to the changes in the estimate of the stage of completion.

In addition to billings in advance balances, which represent amounts billed for which the relevant performance obligation has yet to be satisfied, a further \$569 million (2022: \$605 million) of revenue (lump sum projects with an expected duration of one year or more) is expected to be recognized in the future, relating to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.



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4. REVENUE AND OTHER INCOME (CONTINUED)

RECOGNITION AND MEASUREMENT

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognized and disclosed net of trade allowances, duties and taxes paid.

The Group utilizes a five-step approach to revenue recognition which requires the Group to identify contracts and performance obligations, determine the transaction price, allocate the transaction price to each performance obligation and recognize revenue as each performance obligation is satisfied.

The Group exercises judgment, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with its customers.

The Group's main revenue streams are as follows:

Professional services revenue

- The Group performs engineering design and project delivery services. These activities are usually highly integrated and accordingly, where appropriate, are accounted for as a single performance obligation. Performance obligations are fulfilled over time as the services are delivered, as the Group has a right of payment for services delivered to date together with the highly customized nature of the services provided. Consequently, the Group recognizes revenue for these service contracts over time. Payment terms depend on the contract's specifics and usually are within 30 to 60 days.

Construction and fabrication revenue

- The Group performs construction and fabrication services. These activities are highly integrated and accordingly, where appropriate, are accounted for as a single performance obligation. Performance obligations are fulfilled over time as the services are delivered, as the Group has a right of payment for services delivered to date together with the highly customized nature of the services provided. Consequently, the Group recognizes revenue for these construction contracts over time. Payment terms are usually based on milestones achieved and are within 30 to 60 days from the date of the invoice.

Procurement revenue

- Procurement revenue represents services from contracts entered into with the customers to acquire, on their behalf, equipment produced by various suppliers and/or services provided by different subcontractors. The Group executes procurement services as a principal and as an agent. Where the Group controls the promised goods or services before transferring them to the customer, the Group is a principal and records revenue and costs on a gross basis. If the Group does not control the promised goods and services before transferring to the customer, i.e. the Group's role is to arrange for another entity to provide the goods or services, then the Group is an agent and records revenue and costs at the net amount that it retains for its agency services (margin). The performance obligation is satisfied over time and payment is usually due upon receipt of the equipment by the customer or as subcontractor services are performed, depending on the terms of the contract. Payment terms are usually within 30 to 60 days.

The Group measures revenue on the basis of the effort expended relative to the total expected effort to complete the service. Revenue on reimbursable contracts is recognized in the same period as the associated costs based on agreed rates in accordance with the timing of work performed as it reflects the expected effort to fulfil the performance obligation. For lump sum contracts, the Group considers the terms of the contract, internal models and other sources when estimating the projected total cost and stage of completion.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Therefore, the Group does not adjust any of the transaction prices for the time value of money.

KEY ESTIMATES

The percentage of completion is estimated by qualified professionals within the project teams. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change.

Variable consideration, including performance incentives, is recognized from the outset of the contract but only to the extent that it is highly probable that a significant revenue reversal will not occur. This estimate takes into account the facts and circumstances of each individual contract and historical experience and is reassessed throughout the life of the contract.

The Group provides assurance warranties for general rework which are accounted for in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Interest

Interest income is recognized as it accrues using the effective interest rate method including interest income on subleases that are classified as finance leases under AASB 16 *Leases*.

Dividends

Revenue is recognized when the Group's right to receive the payment is established.

Contract costs

Costs to obtain or fulfil a contract (contract costs) include all costs directly related to specific contracts that are specifically chargeable to the customer under the terms of the contract, and an allocation of overhead expenses incurred in connection with the Group's activities in general. The Group's contract costs are expensed as incurred, unless they are allowed for capitalization under the accounting standards.


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5. EXPENSES AND LOSSES/(GAINS)

Profit before income tax expense includes the following specific expenses and losses/(gains):

	NOTES	CONSOLIDATED	
		2023 \$'M	2022 \$'M
EXPENSES AND LOSSES/(GAINS)			
Short term employee benefits		6,028	5,401
Post-employment benefits		113	108
Share based payments		25	20
Total staff costs		6,166	5,529
Costs in relation to cost saving programs		50	67
<i>Impact of transformation and restructuring¹</i>			
Shared services transformation		50	53
Payroll and other restructuring costs		-	15
Other transformation and transition costs ²		-	(1)
Other		-	(2)
Transition, transformation and restructuring costs		50	65
Strategic costs		37	30
Loss on sale of disposal group and related expenses	21(C)	240	-
Net impact of historical legal matters	8	-	16
Impact of withdrawal from Russia	21(D)	-	14
Other costs		-	30
Short term, low-value and variable leases expense		29	23
Amortization of intangible assets, right of use (RoU) assets and leasehold improvements		203	208
Depreciation		51	54
MOVEMENTS IN PROVISIONS ³			
Employee benefits		412	355
Insurance		(9)	4
Onerous contracts		3	(3)
Warranty		21	13
Project losses and other		15	(14)

Shared services transformation and payroll and other transformation and restructuring costs comprise the costs of restructuring and redundancy payments in the planning and execution of transformation.

Strategic costs comprise of costs for strategic hires and agile team development in targeted sustainability growth areas, digital enablement, internal training and development, and creating and building strategic partnerships to deliver sustainable solutions at scale.

RECOGNITION AND MEASUREMENT

Employee benefits

Employee benefits expenses are charged against profit on a net basis in their respective categories.

Share based payments – equity and cash settled rights

Equity rights (rights) over the ordinary shares of Worley Limited are granted to executive directors and other executives of the consolidated entity for nil consideration in accordance with performance guidelines approved by the Board. The fair values of the rights are amortized on a straight line basis over their performance period. For share settled rights, the fair value of the rights is the share price at grant date adjusted for the impact of performance hurdles and other vesting or exercise criteria attached to the right. For cash settled rights, the fair value of the rights is recalculated at the end of each reporting period and amortized on a straight line basis over their vesting period. The accounting estimates and assumptions relating to equity settled rights would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

¹ Impact of transformation and restructuring costs comprise of shared service transformation and in the prior year also comprised payroll ,other restructuring and transition cost

² Reversal of impairment of right of use assets and the related onerous property maintenance contract component \$ 1 million

³ Excludes amounts utilized and forex



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5. EXPENSES AND LOSSES/(GAINS) (CONTINUED)

Fair value per right at grant date is independently determined using an appropriate option pricing model that takes into account the exercise price, the term of the right, the vesting and performance criteria, the impact of dilution, the non-traded nature of the right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the right. This amount represents the actual cost to the Company. A Monte Carlo simulation is applied to fair value the TSR component and the strategic hurdle rights. For the EPS, EBIT and "continuous employment" condition, the Black-Scholes model is utilized. Total fair value at grant date is calculated by multiplying the fair value per right by the number of rights granted. This does not represent the actual value the executive will derive from the grant which will depend on the achievement of performance hurdles measured over the vesting period. The maximum value of the rights granted has been estimated based on the fair value per right. The minimum total value of the rights granted, if the applicable performance hurdles are not met, is nil.

Borrowing costs

Borrowing costs are recognized as expenses in the period in which they are incurred, except when they are included in the costs of qualifying assets.

Borrowing costs include:

- interest on bank overdrafts, short term and long term loans and borrowings;
- amortization of discounts or premiums relating to loans and borrowings and non-current payables; and
- interest on lease liabilities.

Amortization and depreciation

Identifiable intangible assets

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over their useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period for an intangible asset with a finite useful life is reviewed at least each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortization period. The amortization expense on intangible assets with finite lives is recognized in the Consolidated Statement of Financial Performance and Other Comprehensive Income on a straight line basis over the following periods:

- | | |
|--|----------------|
| • customer contracts and relationships | 3-15 years; |
| • trade names | 5-20 years; |
| • computer software | 2-7 years; and |
| • other | 3-10 years. |

Property, plant and equipment

Depreciation is calculated on a straight line basis to write off the net cost of each item of property, plant and equipment (excluding land) over its expected useful life to the consolidated entity. The expected useful lives for plant and equipment range from 3 to 10 years and buildings range from 30 to 40 years. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The cost of improvements to or on leasehold properties is amortized over the unexpired period of the lease or the estimated useful life of the improvement to the consolidated entity, whichever is the shorter.

Goods and services tax (GST)

Expenses are recognized net of the amount of GST, except where the GST incurred is not recoverable from the taxation authority. In these circumstances, GST is recognized as part of the expense.


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	CONSOLIDATED	
	2023	2022
	\$'M	\$'M
6. INCOME TAX		
<i>(A) INCOME TAX EXPENSE</i>		
Current tax	137	57
Deferred tax	(43)	67
Under/(over) provision in previous financial periods	6	(7)
Income tax expense	100	117
Deferred income tax expense included in income tax expense comprises:		
(Decrease)/Increase in deferred tax assets	(79)	25
Decrease in deferred tax liabilities	36	42
Deferred tax (benefit)/expense	(43)	67
<i>(B) RECONCILIATION OF PRIMA FACIE TAX PAYABLE TO INCOME TAX EXPENSE</i>		
Profit before income tax expense	146	294
Prima facie tax expense at Worley Limited's statutory income tax rate of 30% (2022: 30%)	44	88
Tax effect of amounts which are non-deductible/(non-taxable) in calculating taxable income:		
Non-deductible loss on sale of subsidiary	36	-
Certain withholding tax assets write off	12	15
Non-deductible items under US tax law	11	27
Non-deductible shared based payments expense	8	6
Under/(over) provision in previous financial periods	6	(7)
Tax losses not previously recognized	(16)	(4)
Difference in overseas tax rates and other	6	(15)
Share of profits of associates accounted for using the equity method	(7)	(2)
Valuation allowance against certain deferred tax assets	-	9
Income tax expense	100	117
<i>(C) AMOUNTS RECOGNIZED DIRECTLY IN EQUITY</i>		
Aggregate amount of tax arising in the reporting period and not recognized in profit after income tax expense but directly debited or credited to equity:		
Deferred tax - debited/(credited) directly to equity	(7)	6
<i>(D) TAX LOSSES</i>		
The Group has tax losses for which no deferred tax asset is recognized on the Consolidated Statement of Financial Position:		
Unused tax losses for which no deferred tax asset has been recognized	265	321
Potential tax benefit at 30%	80	96

The benefit for tax losses will only be recognized if:

- the relevant tax entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realized; or
- the losses are transferred to an eligible entity in the relevant tax entity; and
- the relevant tax entity continues to comply with conditions for deductibility imposed by tax legislation; and
- no changes in legislation adversely affect the relevant entity in realizing the benefit from the deductions for the losses.



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6. INCOME TAX (CONTINUED)

RECOGNITION AND MEASUREMENT

Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities as well as any adjustments required between prior periods' current tax expense and income tax returns and any relevant withholding taxes.

Current and deferred tax amounts relating to items recognized directly in equity are recognized in equity and not in the Consolidated Statement of Financial Performance.

Tax consolidation

Worley Limited and its wholly owned Australian entities elected to form a tax consolidated Group from 1 July 2003. On formation of the tax consolidated Group, the entities in the tax consolidated Group entered into a tax sharing agreement which, in the opinion of the directors, limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Worley Limited.

The entities have also entered into a tax funding agreement under which the wholly owned entities fully compensate Worley Limited for any current tax liability assumed and are compensated by Worley Limited for any current tax loss, deferred tax assets and tax credits that are transferred to Worley Limited under the tax consolidation legislation.

	CONSOLIDATED	
	2023	2022
	\$M	\$M
NOTES		
7. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents per Consolidated Statement of Financial Position	425	507
Procurement cash and cash equivalents	27	12
Cash at bank and on hand	436	519
Balance per the Consolidated Statement of Cash Flows	436	519
Reconciliation of profit after income tax expense to net cash inflow from operating activities:		
Profit after income tax expense	46	177
NON-CASH ITEMS		
Amortization	203	208
Depreciation	51	54
Impairments	-	(2)
Share based payments expense	25	20
Expected credit loss (ECL)	18	26
Share of associates' profits in excess of dividends received	3	(7)
Impairment of investments including equity accounted associates	-	1
Loss on Sale of disposal group	217	-
Other	8	9
Cash flow adjusted for non-cash items	571	486
CHANGES IN ASSETS AND LIABILITIES		
Increase in trade receivables, contract assets and other receivables	(401)	(202)
(Increase)/decrease in prepayments and other current assets	(74)	42
(Increase)/decrease in deferred tax assets	(61)	21
Decrease/(Increase) income tax receivable	45	(24)
Increase/(decrease) in trade and other payables	219	(15)
(Decrease)/Increase in billings in advance	(95)	47
Increase in income tax payable	7	3
(Decrease)/increase in deferred tax liabilities	(8)	30
Increase/(decrease) in provisions	57	(72)
Net cash inflow from operating activities	260	316



7. CASH AND CASH EQUIVALENTS (CONTINUED)

RECOGNITION AND MEASUREMENT

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash. Bank overdrafts are included within interest bearing loans and borrowings and lease liabilities in current liabilities in the Consolidated Statement of Financial Position.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts. Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities is classified as an operating cash flow.

Where cash and cash equivalents held by the Group are subject to external restrictions, the nature of the restrictions and value of cash subject to these restrictions are disclosed below.

RESTRICTED AND PROCUREMENT CASH AND CASH EQUIVALENTS

Cash and cash equivalents include restricted cash of \$9 million (2022: \$50 million) that is available for use under certain circumstances by the Group, this includes \$4 million (2022: \$16 million) held in Russian bank accounts that the Group is working to repatriate (refer to note 21(D)). In the prior period, the \$50 million restricted cash included \$29 million which was held in accounts (guarantees for legal matters) subject to court ordered restricted access. This legal matter is now resolved, and the cash moved to other cash accounts in the Group (refer to note 25(B)).

Procurement cash is held in relation to procurement activities undertaken by the Group on behalf of its customers (refer note 27). Included within procurement assets are cash and cash equivalents of \$11 million (2022: \$12 million).

		CONSOLIDATED	
	NOTES	2023 \$'M	2022 \$'M
8. TRADE RECEIVABLES, CONTRACT ASSETS, AND OTHER ASSETS			
<i>CURRENT TRADE RECEIVABLES AND CONTRACT ASSETS</i>			
Trade receivables		1,198	1,261
Unbilled contract revenue		921	843
Retentions		63	72
Expected credit loss (ECL) allowance on trade receivables		(43)	(72)
Less: procurement trade and other receivables	27	(166)	(152)
		1,973	1,952
Movement in ECL allowance in respect of trade receivables and contract assets during the year was as follows:			
Balance at the beginning of the financial year		72	30
Net remeasurement of ECL allowance		18	26
Amounts written off against the opening ECL allowance		(45)	(1)
Transfer from non-current ECL allowance		-	16
Differences arising on translation of foreign operations		(2)	1
Balance at the end of the financial year		43	72
<i>OTHER CURRENT ASSETS</i>			
Other receivables		251	143
Inventory		47	35
Amounts receivable from associates and related parties	31(B)	50	37
		348	215
<i>NON-CURRENT TRADE RECEIVABLES AND CONTRACT ASSETS¹</i>			
Trade receivables		70	67
Unbilled contract revenue		74	69
ECL allowance on trade receivables		(9)	(8)
		135	128

¹ Non - current trade receivables and unbilled contract revenue relate to projects where recovery is expected to take greater than twelve months. As at 30 June 2023, \$50m of non-current payables relate to these non-current trade receivables and unbilled contract revenue (30 June 2022: \$48m)



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8. TRADE RECEIVABLES, CONTRACT ASSETS, AND OTHER ASSETS (CONTINUED)

Significant movements in unbilled contract revenue are primarily due to normal trading activity.

RECOGNITION AND MEASUREMENT

A trade receivable is recognized when the goods and services are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Trade receivables are generally on terms of 30 to 60 days. Receivables are stated with the amount of GST included.

Unbilled contract revenue is initially recognized when the Group provides services or procures goods for a customer before the customer pays consideration or before a payment is due. Unbilled contract revenue represents the Group's contract assets at the reporting date. These assets are reclassified to trade receivables when the customer is billed as stipulated in the contract, i.e. when the rights to consideration become unconditional. Unbilled contract revenue is stated at the aggregate of contract costs incurred to date plus recognized profits less recognized losses and progress billings.

Inventory is recorded at the lower of cost and net realizable value. Costs are assigned to individual items of inventory on a weighted average costing basis.

When inventories are sold, the carrying value of inventories is recognized as an expense in the period in which the associated revenue is recognized. The amount of any write down of inventory is recognized as an expense in the period the write down occurs.

Trade and other receivables are measured at amortized cost as they are held to collect contractual cash flows that consist solely of payments of principal and interest on the principal amounts outstanding. At initial recognition, the Group measures trade and other receivables at transaction value with subsequent measurement at amortized cost.

KEY ESTIMATES

For trade receivables and unbilled contract revenue, the Group applies the simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes an allowance based on lifetime ECLs experience at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Despite any ECL booked, the Group reserves the right to collect any receivables owed to the Group at 30 June 2023.

		CONSOLIDATED	
	NOTES	2023 \$M	2022 \$M
9. TRADE AND OTHER PAYABLES			
CURRENT			
Trade payables		684	627
Accruals		392	301
Amounts payable to associates and related parties	31(B)	-	4
Billings in advance		275	369
Accrued staff costs		289	248
Less: procurement trade and other payables	27	(211)	(199)
		1,429	1,350
NON-CURRENT			
Trade payables¹		50	53
		50	53

Significant movements in billings in advance are primarily due to normal trading activity.

The Group's exposure to currency and interest rate risk for trade and other payables is disclosed in note 19.

¹ Non-current payables of \$50million (2022: \$48 million) relate to non-current trade receivables and unbilled contract revenue on projects where recovery is expected to take greater than twelve months as disclosed in note 8.


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9. TRADE AND OTHER PAYABLES (CONTINUED)

RECOGNITION AND MEASUREMENT

Liabilities for trade and other payables are measured at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group. Payables are stated with the amount of GST included.

Billings in advance or unearned revenue represent the Group's obligation to transfer goods or services to a customer for which the Group has billed the customer or received advance consideration from the customer. Billings in advance are recognized as revenue when the Group performs under the contract and are classified as amortized cost subsequent to their initial recognition at fair value.

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
10. INTANGIBLE ASSETS		
<i>Goodwill</i>		
At cost	5,640	5,604
Accumulated impairment	(200)	(200)
	5,440	5,404
<i>Customer contracts and relationships</i>		
At cost	869	899
Accumulated amortization	(388)	(317)
	481	582
<i>Computer software and other</i>		
At cost	656	661
Accumulated amortization	(509)	(492)
	147	169
Total intangible assets	6,068	6,155

RECONCILIATIONS

Reconciliations of intangible assets at the beginning and end of the current and previous financial years are set out below:

	CONSOLIDATED				
	GOODWILL \$'M	CUSTOMER CONTRACTS AND RELATIONSHIPS \$'M	TRADE NAMES \$'M	COMPUTER SOFTWARE AND OTHER \$'M	TOTAL \$'M
Balance at 1 July 2022	5,404	582	-	169	6,155
Additions	4	-	-	18	22
Disposals	(184)	(47)	-	(12)	(243)
Amortization	-	(81)	-	(35)	(116)
Impairment	-	-	-	-	-
Differences arising on translation of foreign operations	216	27	-	7	250
Balance at 30 June 2023	5,440	481	-	147	6,068
Balance at 1 July 2021	5,220	647	1	188	6,056
Additions	-	-	-	13	13
Disposals	-	-	-	(1)	(1)
Amortization	-	(86)	(1)	(39)	(126)
Impairment	-	-	-	(2)	(2)
Differences arising on translation of foreign operations	184	21	-	10	215
Balance at 30 June 2022	5,404	582	-	169	6,155



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10. INTANGIBLE ASSETS (CONTINUED)

RECOGNITION AND MEASUREMENT

Goodwill

Goodwill represents the excess of the purchase consideration over the fair value of identifiable net assets acquired at the time of acquisition of a business or shares in controlled entities or associates. Goodwill on acquisition of controlled entities is included in intangible assets. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Identifiable intangible assets

Intangible assets acquired separately or in a business combination have finite useful lives and are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets are not capitalized, and expenditure is recognized in the profit and loss in the year in which the expenditure is incurred.

Research costs are expensed as incurred. An intangible asset arising from development expenditure on an internal project is recognized only when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete and its ability to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the development; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Impairment of assets

Goodwill is not amortized and is instead carried at cost less accumulated impairment. Goodwill is tested at least annually for impairment; more often where impairment indicators are present.

For the purposes of impairment testing, goodwill acquired in a business combination is allocated to Groups of cash generating units (CGUs) that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those Groups of CGUs.

Impairment is determined by assessing the recoverable amount of the Groups of CGUs to which the goodwill relates. The recoverable value of each CGU is estimated based on its value in use, consistent with prior periods. When the recoverable amount of the Groups of CGUs is less than the carrying amount, an impairment loss is recognized. Where certain assets cease to be a part of a CGU (including but not limited to right of use assets), they are tested for impairment individually, and where required are written down to their recoverable value.

Impairment losses recognized for goodwill are not subsequently reversed. Impairment losses recognized for right of use assets can be subsequently reversed where it is supported by the recoverable value amount.

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

Management has assessed that the lowest level at which goodwill is monitored is the three operating regions reporting to the Chief Executive Officer being Americas, EMEA and APAC, unchanged from 30 June 2022.



10. INTANGIBLE ASSETS (CONTINUED)

Value in use calculations used for impairment testing use cash flow projections based on financial forecasts of how the business is expected to perform consistent with current and historical experience and external data. The estimation of future cash flows requires assumptions to be made regarding future uncertain events. Our strategy considers the global transition of the world's energy to renewable fuels and the continued focus on sustainability related activities across our sectors. These trends have been considered in the market data utilized to assess each CGU's growth rate for impairment testing.

KEY ESTIMATES

The goodwill allocated to the material CGUs and the key assumptions used for the value in use impairment testing are as follows:

	APAC \$'M	EMEA \$'M	AMERICAS \$'M
2023			
Opening balance	1,372	1,482	2,550
Allocated goodwill (closing balance)	1,432	1,549	2,459
Risk-weighted pre-tax discount rate	13.0%	9.7%	9.4%
Risk-adjusted growth rate beyond five years	3.3%	2.1%	2.1%
2022			
Opening balance	1,325	1,433	2,462
Allocated goodwill (closing balance)	1,372	1,482	2,550
Risk-weighted pre-tax discount rate	12.6%	9.5%	9.2%
Risk-adjusted growth rate beyond five years	3.4%	2.3%	2.1%

FORECAST CASH FLOWS

Forecast cash flows have been based on the Group's past experience and the assessment of economic and regulatory factors affecting the markets within which the Group operates. The Group's pivot to sustainability provides the structural framework for growth and we are winning work in line with our strategy. The Group is seeing sustainability opportunities across all of our sectors and is well positioned to capture these opportunities with both new and existing customers. The forecast cashflows consider the current economic environment, including global inflation rates, and geopolitical issues. The compound annual growth rates for the CGUs range from 5% to 12%.

SENSITIVITY ANALYSIS

The combined recoverable values of all CGUs exceed the carrying value by \$2 billion (2022: \$2 billion). Management recognizes that the cash flow projections, discount and growth rates used to calculate the value in use may vary from what has been estimated.

The value in use estimate is particularly sensitive to the achievement of long-term growth rates, discount rates and the forecast performance. The Group has performed detailed sensitivity analysis as part of its impairment testing to ensure that the testing results are reasonable.

Sensitivity analysis on the inputs for all CGUs is as follows:

- terminal growth rates: a 0.5% decrease (2022: 0.5% decrease) in the terminal growth rate will result in all CGUs being free of impairment at reporting date;
- post-tax discount rates: a 0.5% increase (2022: 0.5% increase) in the discount rate will result in all CGUs being free of impairment at reporting date; and
- forecast cash flows: a 5% decrease (2022: 5% decrease) in the forecast cash flows will result in all CGUs being free of impairment at reporting date.

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
11. PROVISIONS		
CURRENT		
Employee benefits	469	425
Project losses	80	76
Insurance	20	28
Onerous contracts	6	11
Warranty	25	10
Other	37	60
	637	610
NON-CURRENT		
Employee benefits	109	95
Warranty	32	25
Other	5	1
	146	121



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11. PROVISIONS (CONTINUED)

RECONCILIATIONS

Reconciliations of each class of current and non-current provision at the beginning and end of the current and previous financial years are set out below:

CONSOLIDATED						
CURRENT	EMPLOYEE BENEFITS \$'M	PROJECT LOSSES \$'M	INSURANCE \$'M	ONEROUS CONTRACTS \$'M	WARRANTY \$'M	OTHER \$'M
Balance at 1 July 2022	425	76	28	11	10	60
Additional provisions	414	18	4	4	18	27
Transfers	-	-	-	-	6	-
Release of unused provision	(20)	(12)	(13)	(1)	(12)	(18)
Amounts utilized	(368)	(7)	-	(7)	(1)	(32)
Differences arising from translation of foreign operations	18	5	1	(1)	4	-
Balance at 30 June 2023	469	80	20	6	25	37
Balance at 1 July 2021	405	126	27	19	5	84
Additional provisions	364	19	6	-	14	1
Transfers	(13)	-	-	-	-	24
Release of unused provision	(9)	(32)	(2)	(3)	(7)	(22)
Amounts utilized	(328)	(34)	(5)	(6)	(4)	(25)
Differences arising from translation of foreign operations	6	(3)	2	1	2	(2)
Balance at 30 June 2022	425	76	28	11	10	60

CONSOLIDATED				
NON-CURRENT	EMPLOYEE BENEFITS \$'M	ONEROUS CONTRACTS \$'M	WARRANTY \$'M	OTHER \$'M
Balance at 1 July 2022	95	-	25	1
Additional provisions	16	-	17	3
Transfers	-	-	(6)	-
Release of unused provision	-	-	(2)	-
Amounts utilized	(6)	-	-	-
Differences arising from translation of foreign operations	4	-	(2)	1
Balance at 30 June 2023	109	-	32	5
Balance at 1 July 2021	83	2	20	32
Additional provisions	9	-	8	-
Transfers	13	-	-	(24)
Release of unused provision	(9)	-	(2)	(7)
Amounts utilized	(6)	(1)	-	(1)
Differences arising from translation of foreign operations	5	(1)	(1)	1
Balance at 30 June 2022	95	-	25	1

RECOGNITION AND MEASUREMENT

Provisions are recognized when the consolidated entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required, and a reliable estimate can be made of the amount of the obligation.

Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, sick leave, severance pay, short term incentives and long service leave.

Liabilities arising in respect of wages and salaries, annual leave, sick leave, and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefits or liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by the employees up to the reporting date. In determining the present value of future cash outflows, the high-quality corporate bond rate with terms to maturity approximating the terms of the related liability is used.



11. PROVISIONS (CONTINUED)

Insurance

Provision for insurance liabilities is recognized in line with actuarial calculations of unsettled insurance claims, net of insurance recoveries. The provision is based on the aggregate number of individual claims incurred but not reported that are lower in value than the insurance deductible of the consolidated entity. It is based on the estimated cost of settling claims and consideration is given to the ultimate claim size, future inflation as well as the levels of compensation awarded through the courts.

Onerous contracts

Provisions for onerous contracts are recognized when the unavoidable costs of meeting contractual obligations exceed the economic benefits expected to be received under it.

KEY ESTIMATES

Project losses

Where additional costs are expected to be incurred on a project but where timing and exact magnitude are uncertain, a provision is recognized using management's best estimate based on the project circumstances. Additionally, where the outcome for a services contract is expected to result in an overall loss over the life of the project, this loss is provided for when it first becomes known that a loss will be incurred.

Warranty

The Group provides a general warranty for rework which is accounted for in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. The provision is estimated having regard to prior warranty experience. In calculating the liability at balance date, amounts were not discounted to their present value as the effect of discounting was not material. It is expected that these costs will be incurred within two years of balance date.

In determining the level of provision required for warranties, the Group has made judgments in respect of the expected performance and the costs of fulfilling the warranty. Historical experience and current knowledge have been used in determining this provision.

Other provisions

Other provisions are recognized when the Group has a present obligation (legal or constructive) other than obligations described above as a result of a past event and where it is probable that resources will be expected to settle the obligation and the amount of such obligations can be reliably estimated.

12. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on equity, which the Group defines as profit after income tax expense divided by the average total shareholders' equity, excluding non-controlling interests. The Board also determines the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Board monitors this through the gearing ratio (net debt/net debt plus total equity), the size of available banking facilities and the assessment of the outlook for the Group operations. The target for the Group's gearing ratio is between 20% and 25% (30 June 2022: 20%–30%). The gearing ratio at 30 June 2023 and 30 June 2022 was as follows:

	CONSOLIDATED	
	2023 \$ M	2022 \$ M
Total interest bearing loans and borrowings excluding lease liabilities ¹	2,005	1,914
Add: Lease liabilities	261	267
Less: cash and cash equivalents ²	(436)	(519)
Net debt	1,830	1,662
Total equity	5,601	5,683
Gearing	24.6%	22.6%

The Group's capital management policy was updated during the financial year to manage and maintain a strong capital base in the current economic conditions. The Group and its subsidiaries have complied with all externally imposed capital requirements.

¹ Excluding capitalized borrowing costs.

² Includes procurement cash and restricted cash.



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	CONSOLIDATED	
	2023 \$M	2022 \$M
13. INTEREST BEARING LOANS AND BORROWINGS AND LEASE LIABILITIES		
<i>Current</i>		
Notes payable	-	296
Unsecured bank loans	-	181
Lease liabilities	90	90
Capitalized borrowing costs	-	(3)
	90	564
<i>Non-current</i>		
Notes payable	1,170	758
Unsecured bank loans	835	679
Lease liabilities	171	177
Capitalized borrowing costs	(18)	(9)
	2,158	1,605

FY2023

In April 2023, the Group issued a \$350 million sustainability-linked bond with a coupon of 5.95% set to mature in October 2028. The sustainability linked loan conditions are linked to reduction in Scope 1 and 2 emissions for the Group. These loans are consistent with the Group's ambition and proceeds will be used for general corporate purposes and to refinance the Group's existing bank facilities. In May 2023, Worley refinanced the existing Syndicated Facility Agreement "SFA" of US\$1.2 billion (consisting of Term Loan Facility of US\$400 million for 4 years and Revolving Credit Facility of US\$800 million for 5 years). The new SFA has updated terms and pricing and significantly improves the Group's debt maturity profile.

FY2022

There were no significant changes to interest bearing loans or borrowings during the year ended 30 June 2022.

RECOGNITION AND MEASUREMENT

Interest bearing loans and borrowings

Loans and borrowings are initially recognized at fair value, net of transaction costs incurred. Loans and borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Consolidated Statement of Financial Performance over the period of the loan using the effective interest rate method.

Lease liabilities

The Group defines a lease as a contract, or part of a contract, that conveys the right to control the use of an asset (the underlying asset) for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone price.

The vast majority of the Group's leases are properties, with a small portion comprised of leases of construction equipment, vehicles and IT equipment.

As a lessee, the Group uses a single model for all incoming rentals and, at lease commencement date, recognizes a RoU asset representing the Group's right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

At the lease commencement date, the lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if that cannot be readily determined, the applicable incremental borrowing rate. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications. It is remeasured when there is a change in future lease payments arising from changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised, and under some other special circumstances. The Group applies judgment to determine the lease term for some leases in which it is a lessee that include renewal options.

Some property leases contain extension options or termination options exercisable by the Group before the end of the non-cancellable contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension or termination option. These are reassessed if there is a significant event or changes in circumstance within its control.

Finance costs

Borrowing costs are recognized as expenses in the period in which they are incurred, except when they are included in the costs of qualifying assets. A qualifying asset is defined as an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing costs include:

- interest on bank overdrafts, and short term and long term loans and borrowings;
- amortization of discounts or premiums relating to loans and borrowings and non-current payables; and
- lease liability interest.

Included in the total finance costs of \$117million (2022: \$64 million) disclosed in the Consolidated Statement of Financial Performance and Other Comprehensive Income is \$11 million recognized on lease liabilities (2022: \$12 million).


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13. INTEREST BEARING LOANS AND BORROWINGS AND LEASE LIABILITIES (CONTINUED)

TERMS AND CONDITIONS

Notes payable

Unsecured notes payable on the Group's Consolidated Statement of Financial Position as at 30 June 2023 were issued in the EURO market and in the Australian dollar debt capital market in June 2021 and April 2023 respectively, both of which are listed on the Singapore Exchange as follows:

AMOUNT, MILLION	DATE OF ISSUE	DATE OF MATURITY	FIXED COUPON PER ANNUM
EURO 500	June 2021	June 2026	0.88%
AUD 350	April 2023	October 2028	5.95%

During the financial year, unsecured notes payable of US \$205 million issued in the United States private debt capital market in September 2012 matured and were repaid in September 2022.

Unsecured bank loans

Unsecured bank loans are floating interest rate debt facilities and are subject to negative pledge arrangements which require the Group to comply with certain minimum financial requirements.

14. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The movements in financial liabilities and related financial assets are as follows:

	AS AT 1 JULY \$'M	RECLASSIFICATION \$'M	CASH FLOWS \$'M	FOREIGN EXCHANGE MOVEMENTS \$'M	OTHER ¹ \$'M	AS AT 30 JUNE \$'M
2023						
Current interest bearing loans and borrowings	477	-	(483)	6	-	-
Non-current interest bearing loans and borrowings	1,437	-	455	113	-	2,005
Lease liabilities	267	-	(121)	8	107	261
Liabilities	2,181	-	(149)	127	107	2,266
2022						
Current interest bearing loans and borrowings	135	293	48	1	-	477
Non-current interest bearing loans and borrowings	1,626	(293)	89	15	-	1,437
Lease liabilities	311	-	(110)	15	51	267
Liabilities	2,072	-	27	31	51	2,181

	CONSOLIDATED			
	2023		2022	
	NUMBER OF SHARES	\$'M	NUMBER OF SHARES	\$'M
15. ISSUED CAPITAL				
Ordinary shares, fully paid ²	525,986,955	5,351	524,644,041	5,341
Special voting share	1	-	1	-
	525,986,956	5,351	524,644,042	5,341

(A) MOVEMENTS IN SHARES

	2023		2022	
	NUMBER OF SHARES	\$'M	NUMBER OF SHARES	\$'M
Balance at the beginning of the financial year	524,644,042	5,341	523,079,822	5,321
Ordinary shares issued on redemption of exchangeable shares	30,000	1	80,000	2
Exchangeable shares exchanged for ordinary shares	(30,000)	(1)	(80,000)	(2)
Transfer from performance rights reserve on issuance of shares	1,342,914	10	1,564,220	20
Balance at the end of the financial year	525,986,956	5,351	524,644,042	5,341

¹ Represents new leases entered, interest expense not yet paid net of changes in lease term on termination options reasonably certain to be exercised.

² Included in ordinary shares are 896,193 (2022: 926,193) exchangeable shares. The issuance of the exchangeable shares and the attached special voting share replicate the economic effect of issuing ordinary shares in the Company. Accordingly, for accounting purposes, exchangeable shares are treated in the same single class of issued capital as ordinary shares. In addition, the Australian Securities Exchange (ASX) treats these exchangeable shares to have been converted into ordinary shares of the Company at the time of their issue for the purposes of the ASX Listing Rules. Ordinary shares have no par value and the Company does not have a limited amount of authorized capital. The Worley Limited Plans Trust holds nil (30 June 2022: nil) shares in the Company, which have been consolidated and eliminated in accordance with the accounting standards.



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15. ISSUED CAPITAL (CONTINUED)

RECOGNITION AND MEASUREMENT

Issued and paid up capital is recognized at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognized directly in equity as a reduction of the share proceeds received.

(B) TERMS AND CONDITIONS OF ISSUED CAPITAL

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Exchangeable shares

The exchangeable shares were issued by Worley Canada SPV Limited as part of the consideration for the acquisition of the Colt Group. Exchangeable shares may be exchanged into ordinary shares of the Company on a one for one basis (subject to adjustments) at any time by the exchangeable shareholders.

Exchangeable shares have the right to receive the same cash dividends or cash distributions as declared on the ordinary shares into which they are convertible. In the event of the winding up of the Company, the exchangeable shares would convert to ordinary shares, which would participate in the proceeds from the sale of all surplus assets pro-rata with other ordinary shares.

The exchangeable shares, through a voting trust which holds a special voting share in the Company, entitle their holders to vote at the Company's general meetings as though they hold ordinary shares. During the financial year ended 30 June 2023, 30,000 were exchanged (2022: 80,000).

Special voting share

The special voting share was issued to Computershare Trust Company of Canada Limited (Trustee) as part of the consideration for the acquisition of the Colt Group. The special voting share does not have the right to receive dividends as declared, and in the event of the winding up of the Company is unable to participate in the proceeds from the sale of all surplus assets. The special voting share has a right to vote together as one class of share with the holders of ordinary shares in the circumstances in which shareholders have a right to vote, subject to the Company's Constitution and applicable law. The Trustee must vote in the manner instructed by an exchangeable shareholder in respect of the number of votes that would attach to the ordinary shares to be received by that exchangeable shareholder on exchange of its exchangeable shares. The special voting share has an aggregate number of votes equal to the number of votes attached to ordinary shares into which the exchangeable shares are retracted or redeemed.

(C) PERFORMANCE RIGHTS

The policy in respect of performance rights is outlined in note 5.

	NUMBER OF PERFORMANCE RIGHTS	
	2023	2022
Balance at the beginning of the financial year	6,488,807	6,386,386
Rights granted	3,240,634	3,221,379
Rights exercised	(1,342,914)	(1,564,220)
Rights lapsed or expired	(1,300,868)	(1,554,738)
Balance at the end of the financial year	7,085,659	6,488,807
Exercisable at the end of the financial year	nil	nil
Weighted average exercise price	\$nil	\$nil

Performance rights

The outstanding balance as at 30 June 2023 is represented by:

- 517,876 performance rights, vesting on 30 Sep 2023 and expiring on 31 Oct 2026
- 111,149 performance rights, vesting on 30 Sep 2023 and expiring on 31 Oct 2027
- 1,556,049 performance rights, vesting on 30 Sep 2023 and expiring on 31 Oct 2028
- 67,789 performance rights, vesting on 30 Sep 2023 and expiring on 31 Oct 2029
- 494,028 performance rights, vesting on 30 Sep 2024 and expiring on 31 Oct 2027
- 640,927 performance rights, vesting on 30 Sep 2024 and expiring on 31 Oct 2028
- 1,551,697 performance rights, vesting on 30 Sep 2024 and expiring on 31 Oct 2029
- 644,447 performance rights, vesting on 30 Sep 2025 and expiring on 31 Oct 2028
- 673,795 performance rights, vesting on 30 Sep 2025 and expiring on 31 Oct 2029
- 827,901 performance rights, vesting on 30 Sep 2026 and expiring on 29 Oct 2029


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15. ISSUED CAPITAL (CONTINUED)

Weighted average remaining contractual life

The weighted average remaining life for the rights outstanding as at 30 June 2023 is 1.4 years (2022: 1.4 years).

Weighted average fair value

The weighted average fair value of rights granted during the financial year was \$12.66 (2022: \$9.42).

KEY ESTIMATES

Pricing model

The following table lists the inputs to the models used for the financial years ended 30 June 2023 and 30 June 2022:

	PERFORMANCE RIGHTS PLAN TSR, EPS AND SPPR	
	2023	2022
Dividend yield (%)	3.03-3.50	4.79-5.06
Expected volatility (%) ¹	35.0	42.5
Risk-free interest rate (%)	3.11-3.34	0.00-0.79
Expected life of rights (years)	1-4	2-4
Rights exercise price (\$)	nil	nil
Weighted average share price at measurement date (\$)	14.27-16.45	10.82

	CONSOLIDATED	
	2023 \$M	2022 \$M
16. RESERVES		
Foreign currency translation reserve	(157)	(301)
Hedge reserve	(1)	(3)
Performance rights reserve	68	60
Defined benefits reserve	3	14
Acquisition reserve	(72)	(72)
	(159)	(302)

(A) FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve is used to record foreign exchange differences arising from the translation of the financial statements of foreign controlled entities and associates, and the net investments hedged in their entities.

(B) HEDGE RESERVE

The hedge reserve is used to record gains or losses on hedging instruments used in the cash flow hedges that are recognized directly in equity. Amounts are recognized in the Consolidated Statement of Financial Performance when the associated hedged transaction affects the profit and loss.

No amount was recognized in the Consolidated Statement of Financial Performance in relation to hedge ineffectiveness for the year ended 30 June 2023 (2022: nil).

RECOGNITION AND MEASUREMENT

Specific hedges

Hedging is undertaken to avoid or minimize potential adverse financial effects of movements in foreign currency exchange rates. Gains or losses arising upon entry into a hedging transaction intended to hedge the purchase or sale of goods or services, together with subsequent foreign exchange gains or losses resulting from those transactions, are deferred up to the date of the purchase or sale and included in the measurement of the purchase or sale.

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognized directly in equity in the foreign currency translation reserve.

At each balance date, the Group measures the effectiveness of its cash flow hedges. The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, while the ineffective portion is recognized in the profit and loss. The following effectiveness criteria are applied:

- An economic relationship exists between the hedged item and hedging instrument;
- The effect of credit risk does not dominate the fair value changes; and
- The hedge ratio applied for hedge accounting purposes should be the same as the hedge ratio used for risk management purposes.

¹ The expected volatility was determined based on the historical share price volatility of the Company. The resulting expected volatility therefore reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.



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16. RESERVES (CONTINUED)

(C) PERFORMANCE RIGHTS RESERVE

The performance rights reserve is used to recognize the fair value of performance rights issued but not vested.

(D) DEFINED BENEFITS RESERVE

The defined benefits reserve is used for remeasurements of the net defined benefit liability, which comprise actual gains and losses, the return on plan assets (if applicable) and any asset ceilings where applicable.

(E) ACQUISITION RESERVE

The acquisition reserve is used to record differences between the carrying value of non-controlling interests before acquisition and the consideration paid upon acquisition of an additional shareholding, where the transaction does not result in a loss of control.

17. EARNINGS PER SHARE

	CONSOLIDATED	
	2023 CENTS	2022 CENTS
<i>ATTRIBUTABLE TO MEMBERS OF WORLEY LIMITED</i>		
Basic earnings per share	7.0	32.8
Diluted earnings per share	7.0	32.6

The following reflects the income and security data used in the calculation of basic and diluted earnings per share:

(A) RECONCILIATION OF EARNINGS USED IN CALCULATING EARNINGS PER SHARE

	\$M	\$M
Earnings used in calculating basic and diluted earnings per share	37	172

(B) WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR

	Number	Number
Weighted average number of ordinary securities used in calculating basic earnings per share	525,629,010	524,248,439
Performance rights which are considered potentially dilutive	3,974,306	2,819,755
Adjusted weighted average number of ordinary securities used in calculating diluted earnings per share	529,603,316	527,068,194

Within the total number of performance rights which are considered dilutive, the weighted average number of converted, lapsed, or cancelled potential ordinary shares used in calculating diluted earnings per share was 332,557 (2022: 85,491).

MEASUREMENT

Basic earnings per share

Basic earnings per share is determined by dividing the profit attributable to members of Worley Limited by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share is calculated as profit attributable to members of Worley Limited adjusted for:

- costs of servicing equity (other than dividends);
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognized as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.


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	CONSOLIDATED	
	2023 \$'M	2022 \$'M
18. DIVIDENDS		
<i>(A) FINAL DIVIDEND PROPOSED</i>		
Dividend in respect of the six months to 30 June 2023:		
25.0 cents per share	131	-
Dividend in respect of the six months to 30 June 2022:		
25.0 cents per share	-	131
The directors have resolved to pay a final dividend of 25.0 cents per fully paid ordinary share, including exchangeable shares, unfranked (2022: 25.0 cents per share). The Company will make total dividend payments of 50.0 cents per share for the financial year ended 30 June 2023 (2022: 50.0 cents per share). The final dividend will be paid on 27 September 2023 for shareholders on the register at the record date, being 30 August 2023. In accordance with AASB 110 <i>Events after the Reporting Period</i>, the aggregate amount of the proposed final dividend of \$ 131 million is not recognized as a liability as at 30 June 2023.		
<i>(B) DIVIDENDS PAID DURING THE FINANCIAL YEAR</i>		
25.0 cents per share (unfranked) dividend in respect of the six months to 31 December 2022	131	n/a
25.0 cents per share (unfranked) dividend in respect of the six months to 30 June 2022	131	n/a
25.0 cents per share (unfranked) dividend in respect of the six months to 31 December 2021	n/a	131
25.0 cents per share (unfranked) dividend in respect of the six months to 30 June 2021	n/a	131
	262	262



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19. FINANCIAL RISK MANAGEMENT

(A) OVERVIEW

The Group's principal financial instruments comprise receivables, payables, bank loans and overdrafts, lease liabilities, cash and short term deposits and derivatives. The Group has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Quantitative disclosures are included throughout this financial report.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Audit and Risk Committee assists the Board in overseeing the integrity of the Group's financial reporting risk management framework and internal controls. The Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Committee.

Risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(B) CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The financial assets of the Group comprise cash and cash equivalents, trade and other receivables, derivative financial instruments and guarantees and letters of credit which are presented as contingent liabilities in note 25(A). The Group's maximum exposure to credit risk is equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note. Credit exposure includes derivative instruments in an asset position at balance date.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The profiles of the Group's customer base, including the default risk of the industry and country in which customers operate, have less of an influence on credit risk. Geographically and on a customer basis, there is no concentration of credit risk.

The Group has a credit policy under which each new customer is analyzed for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, when available, and in some cases bank references.

The Group has established an allowance for expected credit losses that represents its estimate of expected credit losses in respect of trade and other receivables.

Guarantees

Details of outstanding guarantees are provided in note 25(A). The Group is, in the normal course of business, required to provide guarantees and letters of credit on behalf of controlled entities, associates and related parties in respect of their contractual performance related obligations.

Maximum credit exposure

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	CARRYING AMOUNT CONSOLIDATED	
	2023 \$M	2022 \$M
Cash and cash equivalents	436	519
Trade receivables, unbilled contract revenue and retentions, net of ECL allowance	2,274	2,232
Other receivables	247	143
Amounts receivable from associates and related parties	54	37
Derivatives	7	3
	3,018	2,934


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19. FINANCIAL RISK MANAGEMENT (CONTINUED)

The ageing of the Group's trade receivables, unbilled contract revenue and retentions at the reporting date was:

	GROSS 2023 \$M	ECL ALLOWANCE 2023 \$M	GROSS 2022 \$M	ECL ALLOWANCE 2022 \$M
0-60 days	1,886	-	1,879	-
61-120 days	105	-	95	-
Gross aged receivables 0-120 days	1,991	(10)	1,974	(10)
Gross receivables more than 121 days	335	(42)	338	(70)
Total	2,326	(52)	2,312	(80)

The Group applies the simplified approach in calculating Expected Credit Losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The allowance amounts are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point, the amount is considered irrecoverable and is written off against the financial asset directly.

(C) LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The Group has unrestricted access at balance date to the following lines of credit:

	CONSOLIDATED	
	2023 \$M	2022 \$M
UNSECURED FACILITIES		
Total facilities available:		
Loan facilities	3,342	2,730
Overdraft facilities	170	126
Lease liabilities	261	267
Bank guarantees and letters of credit	1,894	1,923
	5,667	5,046
Facilities utilized at balance date:		
Loan facilities ¹	2,005	1,914
Lease liabilities	261	267
Bank guarantees and letters of credit	1,198	1,150
	3,464	3,331
Facilities available at balance date:		
Loan facilities	1,337	816
Overdraft facilities	170	126
Bank guarantees and letters of credit	696	773
	2,203	1,715
The maturity profile in respect of the Group's total unsecured loan, overdraft facilities and lease liabilities is set out below:		
Within one year	283	809
Between one and four years	1,923	2,289
After four years	1567	25
	3,773	3,123

¹ Excludes capitalized borrowing costs.



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19. FINANCIAL RISK MANAGEMENT (CONTINUED)

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on the remaining period from balance date to the contractual maturity date. As the amounts disclosed in the table are the contractual undiscounted cash flows, their balances will not necessarily agree with the amounts disclosed in the Consolidated Statement of Financial Position.

	CONSOLIDATED					
	TRADE AND OTHER PAYABLES \$'M	AMOUNTS PAYABLE TO ASSOCIATES AND RELATED PARTIES \$'M	INTEREST BEARING LOANS AND BORROWINGS AND LEASE LIABILITIES \$'M	EXPECTED FUTURE INTEREST PAYMENTS \$'M	DERIVATIVES \$'M	TOTAL FINANCIAL LIABILITIES \$'M
As at 30 June 2023						
Due within one year	1,076	-	100	88	13	1,277
Due between one and four years	50	-	1,618	137	-	1,805
Due after four years	-	-	569	29	-	598
	1,126	-	2,287	254	13	3,680
As at 30 June 2022						
Due within one year	928	4	577	35	32	1,576
Due between one and four years	53	-	1,601	38	-	1,692
Due after four years	-	-	26	1	-	27
	981	4	2,204	74	32	3,295

(D) MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group enters into derivatives, and also incurs financial liabilities, in order to manage market risk. Generally, the Group seeks to apply hedge accounting in order to reduce volatility in the profit and loss.

(i) Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. In the ordinary course of business, the Group structures its contracts to be in the functional currency of the country where the work is performed and costs incurred.

The Group uses forward exchange contracts and foreign currency options to hedge its currency risk, most with a maturity of less than one year from the reporting date. When necessary, forward exchange contracts are rolled over at maturity.

Interest on loans and borrowings is denominated in currencies that match the cash flows generated by the underlying operations for the Group resulting in an economic hedge. Interest is primarily AUD, CAD, EURO, GBP and USD denominated.

A number of the Group controlled entities have a functional currency other than AUD. The exchange gains or losses on the net equity investment of foreign operations are reflected in the foreign currency translation reserve within the equity attributable to members of Worley Limited. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.



19. FINANCIAL RISK MANAGEMENT (CONTINUED)

(1) FORWARD EXCHANGE CONTRACTS¹

The Group is exposed to foreign exchange rate transaction risk on foreign currency sales and purchases, and loans to and from related entities. The most significant foreign exchange risk is USD receipts by Australian and other non-US entities. When required, hedging is undertaken through transactions entered into in the foreign exchange markets. Forward exchange contracts have been used for hedging purposes and are generally accounted for as cash flow hedges.

At balance date, the details of significant outstanding contracts were:

	WEIGHTED AVERAGE EXCHANGE RATE		AMOUNT RECEIVABLE/(PAYABLE)		AMOUNT RECEIVABLE/(PAYABLE)	
	2023	2022	2023 \$'M	2022 \$'M	2023 \$'M	2022 \$'M
Maturing in the next 6 months from the reporting date						
BUY AUD and Sell USD	0.67	0.73	AUD 163	AUD 11	AUD (110)	USD (7)
Buy AUD and Sell CAD	-	0.92	-	AUD 25	-	CAD (23)
Buy CAD and Sell AUD	0.90	-	CAD 12	-	AU (14)	
Buy CAD and Sell USD	1.34	-	CAD 32	-	USD (24)	
Buy NOK and Sell USD	10.26	8.93	NOK 1,105	NOK 1,070	USD (106)	USD (116)
Buy NOK and Sell AUD	6.91	6.48	NOK 200	NOK 260	AUD (28)	AUD(40)
Buy EUR and Sell USD	0.96	0.89	EUR 26	EUR 35	USD (29)	USD (41)
Buy GBP and Sell AUD	-	0.54	-	GBP 12	-	AUD (22)
Buy GBP and Sell USD	0.83	0.75	GBP 18	GBP 6	USD (21)	USD (7)
Maturing in the next 6-12 months from the reporting date						
Buy CAD and Sell USD	1.34	-	CAD 35	-	USD (26)	-
Maturing in the next 12-18 months from the reporting date						
Buy USD and Sell CAD	1.00	-	USD 8	-	CAD (11)	-

As these contracts are hedging anticipated future receipts and sales, to the extent that they satisfy hedge accounting criteria, any unrealized gains and losses on the contracts, together with the cost of the contracts, are deferred and will be recognized in the measurement of the underlying transaction provided the underlying transaction is still expected to occur as originally designated. Included in the amounts deferred are any gains and losses on hedging contracts terminated prior to maturity where the related hedged transaction is still expected to occur as designated.

The timescale (future cash flow timings) of the foreign exchange forward contracts is in line with future detailed forecast cash flows in foreign currencies. Start dates and completion dates are tracked and the transactions are based on won projects and are highly probable to occur, resulting in immaterial ineffectiveness. The change in fair values between the hedging instrument and item are materially the same, with the proportion of the risk that is hedged being at or near 100%.

The gains and losses deferred in the Consolidated Statement of Financial Position were as follows:

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
Effective hedge – unrealized gains	2	3
Effective hedge – unrealized losses	-	(8)
Net unrealized gains/(losses)	2	(5)



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19. FINANCIAL RISK MANAGEMENT (CONTINUED)

(2) FOREIGN CURRENCY RISK EXPOSURE

The Group's year end Consolidated Statement of Financial Position exposure to foreign currency risk was as follows, based on notional amounts. The following are financial assets and liabilities (unhedged amounts) in currencies other than the functional currencies of the entity in which they are recorded:

	CONSOLIDATED				
	CAD \$'M	GBP \$'M	USD \$'M	EUR \$'M	OTHER ¹ \$'M
As at 30 June 2023					
Cash and cash equivalents	-	4	61	7	26
Trade receivables	-	1	42	22	13
Trade payables	2	(1)	(15)	(18)	(7)
	2	4	88	11	32
As at 30 June 2022					
Cash and cash equivalents	25	5	79	4	37
Trade receivables	-	-	43	6	6
Trade payables	-	(2)	(38)	(9)	(4)
	25	3	84	1	39

(3) CURRENCY SENSITIVITY ANALYSIS

A 10% weakening of the Australian dollar against the following currencies at 30 June 2023 in relation to the preceding foreign currency exposures would have increased equity and profit by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

EFFECTS IN MILLIONS OF AUD	CONSOLIDATED			
	2023		2022	
	EQUITY	PROFIT	EQUITY	PROFIT
CAD	-	-	-	2
GBP	-	1	-	-
USD	-	10	-	9
EUR	-	1	-	-
Other	-	2	-	3

A 10% strengthening of the Australian dollar against the above currencies at 30 June 2023 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The following significant exchange rates against the AUD applied during the financial year:

	AVERAGE EXCHANGE RATE		REPORTING DATE SPOT EXCHANGE RATE	
	2023	2022	2023	2022
CAD	0.9014	0.9183	0.8764	0.8909
GBP	0.5598	0.5449	0.5245	0.5686
USD	0.6438	0.7256	0.6615	0.6919
EUR	0.6736	0.6436	0.6087	0.6600

¹Individually immaterial, denominated in AUD



19. FINANCIAL RISK MANAGEMENT (CONTINUED)

(ii) Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect the Group's income or the value of its holdings of financial instruments.

(1) INTEREST RATE RISK EXPOSURES

The Group's exposure to interest rate risk and the effective weighted average interest rate by maturity periods are set out in the following table:

	WEIGHTED AVERAGE INTEREST RATE % PA	FLOATING INTEREST RATE \$'M	1 YEAR OR LESS \$'M	1 TO 2 YEARS \$'M	2 TO 3 YEARS \$'M	3 TO 4 YEARS \$'M	4 TO 5 YEARS \$'M	MORE THAN 5 YEARS \$'M	NON-INTEREST BEARING \$'M	TOTAL \$'M
As at 30 June 2023										
Cash and cash equivalents	5.9	436	-	-	-	-	-	-	-	436
Bank loans ¹	5.9	-	-	30	-	605	200	-	-	835
Notes payable	2.4	-	-	-	821	-	-	349	-	1,170
Lease liabilities	4.5	-	90	72	48	31	11	9	-	261
As at 30 June 2022										
Cash and cash equivalents	2.9	519	-	-	-	-	-	-	-	519
Bank loans ²¹	3.1	-	181	679	-	-	-	-	-	860
Notes payable	1.8	-	296	-	-	758	-	-	-	1,054
Lease liabilities	4.3	-	90	69	49	34	21	4	-	267

Only bank loans in the table above are at floating interest rates with the effect of changes in interest rates of 1% changing the total interest expense of 3%. Notes payable are at fixed interest rates. Lease liabilities are recognized at the incremental borrowing rates at inception of the lease that do not change unless there are certain modifications or remeasurements to the lease.

¹ Excludes capitalized borrowing costs.



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20. FAIR VALUES

DETERMINATION OF FAIR VALUES

The Group's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions used in determining fair values is disclosed in the notes specific to that asset or liability.

Derivatives

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated cash flows based on the terms and maturity of each contract and using market interest rates for similar instruments at the measurement date.

Non-derivative financial liabilities

Fair value which is determined for disclosure purposes is the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

FAIR VALUES COMPARED TO CARRYING AMOUNTS

The fair values of financial assets and liabilities approximate their carrying values with the exception of interest-bearing loans and borrowings and lease liabilities which have a fair value of \$2,217 million (2022: \$2,145 million) and a carrying value of \$2,249 million (2022: \$2,169 million).

The Group uses the following hierarchy for determining the fair value of a financial asset or liability:

- Level 1 – the fair value is calculated using quoted prices in active markets.
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The Group's interest bearing loans and borrowings and derivative instruments including forward exchange contracts fall within Level 2 of the hierarchy.
- Level 3 – if one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity instruments.

Derivative instruments including forward exchange contracts are stated at fair values at each reporting date based on market observable inputs such as foreign exchange spot and forward rates, interest rate curves and forward rate curves.

Fair values of the Group's interest bearing loans and borrowings are determined by discounting future cash flows using period-end borrowing rates on loans and borrowings with similar terms and maturity.

There were no transfers between Level 1, 2 and 3 for the periods presented in this report.



21. INVESTMENTS IN CONTROLLED ENTITIES

		BENEFICIAL INTEREST HELD BY CONSOLIDATED ENTITY	
ENTITY	COUNTRY OF INCORPORATION	2023 %	2022 %
(A) SIGNIFICANT ENTITIES			
Worley Services Pty Limited	Australia	100	100
Worley Canada Services Ltd	Canada	100	100
Worley Cord Limited	Canada	100	100
Worley Group Inc	USA	100	100
Rosenberg Worley AS	Norway	100	100
Worley Field Services Incorporated	USA	100	100

In accordance with accounting standards, the Group discloses only significant entities identified on the basis of materiality.

(B) ACQUISITION OF CONTROLLED ENTITIES

FY2023

On 11 May 2023 the final payment of \$24m was paid for shares purchased in 2022 for Jacobs Zamil and Turbag Consulting Engineers Company and Jacobs DSCA Saudi Arabia Co Ltd

FY2022

On 9 May 2022, the Group increased its share in Jacobs Zamil and Turbag Consulting Engineers Company to 100% for cash consideration of \$26 million, of which \$13 million was paid at 30 June 2022. On the same date, the Group increased its share in Jacobs DCSA Saudi Arabia Co Ltd to 100% for cash consideration of \$19 million, of which \$10 million was paid at 30 June 2022.



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21. INVESTMENTS IN CONTROLLED ENTITIES (CONTINUED)

(C) DISPOSAL OF CONTROLLED ENTITIES

FY2023

On 26 May 2023, Worley completed the sale of the North American Maintenance, Turnaround and Power Operations & Maintenance business. A loss on sale and related expenses of \$240 million was recognized within the loss on sale of disposal group and related expenses line of the Consolidated Statement of Financial Performance and treated as an exclusion from underlying earnings.

	2023
	\$M
ASSETS	
Trade Receivables	144
Unbilled contract revenue	75
Cash	9
Total Assets	228
LIABILITIES	
Trade and other payables	(11)
Total Liabilities	(11)
Net assets disposed	217
Sales proceeds ¹	239
Carrying value of net assets disposed	(217)
Surplus of the disposal group, excluding selling costs and related expenses	22
Selling costs and other related expenses	(45)
Total deficit of the disposal group, net of selling costs and related expenses	(23)
ALLOCATION OF INTANGIBLES TO DISPOSAL GROUP	
Goodwill allocated	(184)
Customer contracts and relationship intangibles allocated	(47)
Foreign translation reversed to the statement of profit and loss	14
Loss on sale of disposal group and related expenses	(240)

As part of its ongoing portfolio management, subsequent to the year ended 30 June 2023, Worley has entered into an agreement to sell Energy Resourcing Group, another of its remaining non-core businesses. This transaction is subject to regulatory approval, customary closure conditions and Worley completing the separation of this business. The transaction is expected to close within first half FY2024. The sale is not expected to have a significant impact on Worley's financial results.

FY2022

No significant disposals of controlled entities have occurred during FY2022.

(D) WITHDRAWAL FROM RUSSIA

As announced on 10 March 2022 to the ASX, Worley is continuing to safely withdraw its services provided in and into Russia and will not enter into new contracts.

At 30 June 2023, the net assets of Russian entities is \$23 million (2022: \$17 million), \$4 million (2022: \$16 million) of which is cash in bank. This cash is classified as restricted cash (refer to note 7) due to the sanctions imposed by the Russian Federation on certain countries which include Australia. We are continuing to take all necessary steps to ensure the Group recovers the remaining investments in Russia.

¹ As of 30 June 2023, \$172m of the total sales proceeds of \$239 million was received, the remaining funds to be received during FY2024.



21. INVESTMENTS IN CONTROLLED ENTITIES (CONTINUED)

RECOGNITION AND MEASUREMENT

Controlled entities

Where control of an entity is obtained during a financial year, its results are included in the Consolidated Statement of Financial Performance and Other Comprehensive Income from the date on which control commences. Where control of an entity ceases during a financial year, its results are included for that part of the year during which control existed.

A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

Acquisition of assets and business combinations

The acquisition method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken or assumed at the date of acquisition. Transaction costs directly attributable to the acquisition are expensed as incurred. Where equity instruments are issued in a business combination, the value of the instruments is their market price as determined by market valuation at the acquisition date. Transaction costs arising on the issue of equity instruments are recognized directly in equity.

If the business combination is achieved in stages, the acquisition date fair value of the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the profit and loss.

Except for non-current assets or disposal groups classified as held for sale (which are measured at fair value less costs to sell), all identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of the business combination over the net fair value of the Group's share of the identifiable net assets acquired is recognized as goodwill. If the cost of acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognized as a gain in the Consolidated Statement of Financial Performance and Other Comprehensive Income but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of the consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

22. EQUITY ACCOUNTED ASSOCIATES

(A) DETAILS OF EQUITY ACCOUNTED ASSOCIATES

The Group's largest equity accounted investments are listed below.

			OWNERSHIP INTEREST CONSOLIDATED		CARRYING AMOUNT CONSOLIDATED	
ENTITY	PRINCIPAL PLACE OF BUSINESS	PRINCIPAL ACTIVITY	2023 %	2022 %	2023 \$'M	2022 \$'M
Significant investments						
Jacobs Engineering SA Joint Ventures	Morocco	Chemicals	50	50	145	127
Ranhill WorleyParsons Sdn Bhd	Malaysia	Energy	49	49	14	12
Other investments					37	50
					196	189

(B) CARRYING AMOUNT OF EQUITY ACCOUNTED ASSOCIATES

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
Balance at the beginning of the financial year	189	172
Share of net profit of investments accounted for using the equity method, excluding impairments	23	8
Dividends declared by equity accounted associates	(26)	(1)
Change in nature of investment and investment acquired	5	16
Movement in foreign currency translation reserve of equity accounted associates	5	(6)
Balance at the end of the financial year	196	189



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22. EQUITY ACCOUNTED ASSOCIATES (CONTINUED)

	CONSOLIDATED	
	2023 \$M	2022 \$M
<i>(C) REVENUE ATTRIBUTABLE TO EQUITY ACCOUNTED ASSOCIATES</i>		
Share of revenue from equity accounted associates ¹	794	310
<i>(D) RESERVES ATTRIBUTABLE TO EQUITY ACCOUNTED ASSOCIATES</i>		
FOREIGN CURRENCY TRANSLATION RESERVE		
Balance at the beginning of the financial year	(22)	(16)
Movement in reserve	5	(6)
Balance at the end of the financial year	(17)	(22)
<i>(E) RETAINED PROFITS ATTRIBUTABLE TO EQUITY ACCOUNTED ASSOCIATES</i>		
Balance at the beginning of the financial year	58	51
Share of net profits of investments accounted for using the equity method	23	8
Dividends declared by equity accounted associates	(26)	(1)
Balance at the end of the financial year	55	58
<i>(F) SHARE OF EQUITY ACCOUNTED ASSOCIATES' CONTINGENT LIABILITIES</i>		
Performance related guarantees issued	4	4
<i>(G) SHARE OF EQUITY ACCOUNTED ASSOCIATES' EXPENDITURE COMMITMENTS</i>		
Expenditure commitments	-	-
<i>(H) SUMMARY OF FINANCIAL POSITION OF EQUITY ACCOUNTED ASSOCIATES</i>		
The consolidated entity's share of aggregate assets and liabilities of equity accounted associates is as follows:		
Current assets	513	409
Non-current assets	70	70
Current liabilities	(390)	(290)
Non-current liabilities	3	-
Net assets	196	189
Balance at the end of the financial year	196	189

RECOGNITION AND MEASUREMENT

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under this method, the consolidated entity's share of the post-acquisition profits or losses after tax of associates is recognized in the Consolidated Statement of Financial Performance and Other Comprehensive Income, and its share of post-acquisition movements in reserves is recognized in consolidated reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment. Associates are those entities over which the consolidated entity exercises significant influence, but not control. Joint arrangements are those entities over which joint control is present with at least one other party. Joint ventures are joint arrangements where the Group is only exposed to the net assets of the investee.

¹ Revenue as defined in note 3, Operating Segments.


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23. INTERESTS IN JOINT OPERATIONS

The Group's largest joint operation is listed below. It is not individually material to the Group.

JOINT OPERATION	PRINCIPAL ACTIVITY	OWNERSHIP INTEREST CONSOLIDATED	
		2023 %	2022 %
GW Integrated Solutions JV	Energy	50	50

The consolidated entity's interests in the assets and liabilities employed in all joint operations are included in the Consolidated Statement of Financial Position under the following classifications:

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
ASSETS		
<i>Current assets</i>		
Cash and cash equivalents	16	10
Trade and other receivables	27	46
Total current assets	43	56
TOTAL ASSETS	43	56
LIABILITIES		
<i>Current liabilities</i>		
Trade and other payables	32	47
Total current liabilities	32	47
TOTAL LIABILITIES	32	47
NET ASSETS	11	9

RECOGNITION AND MEASUREMENT

The Group recognizes its proportionate interest in the assets, liabilities, revenues and expenses of any joint operations. These balances are incorporated in the consolidated financial statements under the appropriate headings.

24. COMMITMENTS FOR EXPENDITURE

(A) CAPITAL EXPENDITURE COMMITMENTS

Commitments for the minimum amount payable for the acquisition of intangible assets or property, plant and equipment are payable as follows:

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
Within one year	20	37
Later than one year and not later than five years	-	31
Commitments not recognized in the financial statements	20	68

(B) OPERATING EXPENDITURE COMMITMENTS AND LEASE COMMITMENTS

Estimated commitments for operating expenditure (primarily in relation to software and information technology) and lease commitments are payable as follows:

Within one year	85	45
Later than one year and not later than five years	114	43
Commitments not recognized in the financial statements	199	88



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25. CONTINGENT LIABILITIES

The Company and some of its subsidiaries have commitments and contingencies arising in the ordinary course of business. These includes performance guarantees and letters of credit in respect of contractual performance obligations, litigations and claims in relation to projects, taxation and environmental matters. These types of matters could result in various forms of cash outflows, including compensation for damages, cost reimbursements, taxation expense, fines, penalties, and other forms of cash outflows. The directors consider that it is not probable that the outcome of any individual matter, including the items listed below, will have a material adverse effect on the net earnings or cash flows in any particular reporting period. In performing this assessment, the directors considered the nature of existing litigations or claims, the progress of matters, existing law and precedent, the opinions and views of legal counsel and other advisors, the Group's experience in similar cases (where applicable), the experience of other companies, and other facts available to the Group at the time of assessment. The director's assessment of these factors may change over time as individual litigations or claims progress.

Where it is considered that disclosure could prejudice the Group's position in a dispute, as per the accounting standards only the general nature of the dispute has been disclosed below.

The Company has regular reviews of its litigations, claims and other contingent matters, including updates from corporate and outside legal counsel, to assess the need for accounting recognition or disclosure of these contingencies. The directors are currently of the view that the Group has adequately considered these matters for recognition in accordance with the Group's accounting policy.

Other than specifically mentioned, none of the financial implications of the matters mentioned below have been provided for in the financial statements.

KEY ESTIMATES

In performing this assessment, the directors considered the nature of existing litigations or claims, the progress of matters, existing law and precedent, the opinions and views of legal counsel and other advisors, the Group's experience in similar cases (where applicable), the experience of other companies, and other facts available to the Group at the time of assessment. The director's assessment of these factors may change over time as individual litigations or claims progress.

Where it is considered, disclosure could prejudice the Group's position in a dispute, as per the accounting standards only the general nature of the dispute has been disclosed below.

(A) GUARANTEES

The Company is, in the normal course of business, required to provide guarantees and letters of credit on behalf of controlled entities, associates and related parties in respect of their contractual performance related obligations.

These guarantees and letters of credit only give rise to a liability where the entity concerned fails to perform its contractual obligation.

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
Bank guarantees outstanding at balance date in respect of contractual performance	1,198	1,150
Commitments not recognized in the financial statements	1,198	1,150

(B) ACTUAL AND PENDING CLAIMS

In the ordinary course of business, the Company and its subsidiaries are subject to various actual and pending legal and project contract claims. The one case disclosed in the FY2022 Annual Report, where the Group was defending a claim for the amount of \$40 million in relation to a project, has since been ruled in the Group's favour, restricted cash amounts have been released and the case is considered resolved.

(C) UNCERTAIN TAX POSITION

In the ordinary course of operations, the Group takes positions in relation to its obligations under tax law in the various jurisdictions in which it operates. Where required the Group provides relevant tax authorities with the requested evidence to support our positions. We believe that the tax positions in the financial statements have been appropriately taken in line with tax legislation, accounting guidance and external tax advice.

(D) ENVIRONMENTAL

The Group is subject to various environmental regulation requirements in relation to the Group's global operations. We continue to monitor and abide by these laws. Existing or pending claims in relation to environmental matters, including asbestos related matters are not expected to have a material effect on the Group's operations and performance, however, climate change legislation could have a direct effect on the Group's customers and suppliers, which could in turn impact the Group's operations. We continue to monitor the developments in this area.



26. SUBSEQUENT EVENTS

Since the end of the financial year, the directors have resolved to pay a final dividend of 25.0 cents per fully paid ordinary share, including exchangeable shares, unfranked (2022: 25.0 cents per share).

In accordance with AASB 110 *Events after the Reporting Period*, the aggregate amount of the proposed final dividend of \$131 million is not recognized as a liability as at 30 June 2023.

Unless disclosed elsewhere in the consolidated financial statements, no other material matter or circumstance has arisen since 30 June 2023 that has significantly affected or may significantly affect:

- the consolidated entity's operations in future financial years;
- the results of those operations in future financial years; or
- the consolidated entity's state of affairs in future financial years.

27. PROCUREMENT

In certain situations, the Group enters into contracts with its customers which require the Group to procure goods and services on behalf of the customer. Where the risks and rewards associated with the procurement activities are assumed by the Group, the revenues and expenses as well as the assets and liabilities are recognized on a gross basis in the Consolidated Statement of Financial Performance and Consolidated Statement of Financial Position respectively, and are set out in the following table:

	CONSOLIDATED	
	2023 \$ M	2022 \$ M
REVENUE AND EXPENSES¹		
Procurement revenue at margin	731	499
Procurement costs at margin	(690)	(483)
Procurement revenue at nil margin	1,192	946
Procurement costs at nil margin	(1,192)	(946)
ASSETS AND LIABILITIES		
Cash and cash equivalents	11	12
Trade and other receivables	166	152
Trade and other payables	211	199

¹ Revenue and expenses exclude procurement revenue and expenses from associates.



Financial statements
Notes to and forming part of the consolidated financial statements

28.PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE (ROU) ASSETS

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
<i>Land and buildings</i>		
At cost	348	334
Accumulated depreciation	(68)	(57)
	280	277
<i>Property RoU assets</i>		
At cost	569	534
Accumulated amortization	(368)	(335)
	201	199
<i>Leasehold improvements</i>		
At cost	238	243
Accumulated depreciation	(211)	(213)
	27	30
<i>Plant and equipment and RoU assets</i>		
At cost	427	401
Accumulated amortization	(343)	(324)
	84	77
<i>IT equipment</i>		
At cost	227	208
Accumulated depreciation	(186)	(174)
	41	34
Total property, plant and equipment and RoU assets	633	617

RECONCILIATIONS

Reconciliations of the carrying amounts of each class of property, plant and equipment and RoU assets at the beginning and end of the current and previous financial years are set out below:

	CONSOLIDATED					TOTAL \$'M
	LAND AND BUILDINGS \$'M	PROPERTY ROU ASSETS \$'M	LEASEHOLD IMPROVEMENTS \$'M	PLANT AND EQUIPMENT AND ROU ASSETS \$'M	IT EQUIPMENT \$'M	
Balance at 1 July 2022	277	199	30	77	34	617
Additions	-	61	6	35	25	127
Disposal and Remeasurements	-	14	(5)	-	-	9
Impairment Reversals	-	1	-	-	-	1
Depreciation	(9)	-	(4)	(20)	(18)	(51)
Amortization	-	(77)	-	(10)	-	(87)
Differences arising on translation of foreign operations	12	3	-	2	-	17
Balance at 30 June 2023	280	201	27	84	41	633
Balance at 1 July 2021	267	199	32	82	38	618
Additions	-	60	9	25	12	106
Disposal and Remeasurements	-	-	-	(2)	-	(2)
Impairment Reversals	-	4	-	-	-	4
Depreciation	(8)	-	(11)	(19)	(16)	(54)
Amortization	-	(70)	-	(12)	-	(82)
Differences arising on translation of foreign operations	18	6	-	3	-	27
Balance at 30 June 2022	277	199	30	77	34	617



28. PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE (ROU) ASSETS (CONTINUED)

RECOGNITION AND MEASUREMENT

Property, plant and equipment and right of use assets are stated at cost less accumulated depreciation, amortization and impairment, if any.

The Group underwent a property rationalization program in FY2021 by reducing the number of offices required and increasing utilization of office space. As a result, the Group recognized impairment of certain ROUs and related property, plant and equipment. There was a net \$1 million (FY2022: \$4 million) reversal of impairment recognized as a result of a change in assumptions used in previously impaired properties.

Assets are impaired on an individual basis where they can be distinguished as a stand-alone asset (generate largely independent cash flows). Where assets cannot be individually distinguished, they are grouped and tested within the appropriate CGU as described further in note 10.

ROU impairments represent the difference between the pre-impairment carrying value at assessment date less the recoverable amount. The recoverable amounts include an assessment of potential sub-lease income which requires an element of judgement and are based on Management's best estimate.



Financial statements
Notes to and forming part of the consolidated financial statements

	CONSOLIDATED	
	2023 \$M	2022 \$M
29. DEFERRED TAX		
<i>(A) DEFERRED TAX ASSETS</i>		
The balance comprises temporary differences attributable to:		
Amounts recognized in the Consolidated Statement of Financial Performance:		
ECL allowance on trade receivables	5	5
Employee benefits provisions	111	80
Warranty provisions	11	14
Project provisions	21	32
Other provisions	133	101
Property, plant and equipment and right of use assets	61	61
Sundry accruals	11	12
Recognized tax losses	175	113
Unused foreign tax credits	3	3
Unrealized foreign exchange losses	7	14
Other	(22)	(20)
Total deferred tax assets	516	415
Deferred tax asset and liabilities offset ¹	(256)	(209)
Net deferred tax assets	260	206
Amounts recognized directly in equity:		
Foreign exchange losses	(7)	(14)
Deferred tax assets	253	192
Balance at the beginning of the financial year	192	213
Debited/(credited) to the Statement of Financial Performance	79	(25)
Charged to equity	7	(7)
Deferred tax offset movement	(47)	(15)
Differences arising on translation of foreign operations	22	26
Balance at the end of the financial year	253	192
<i>(B) DEFERRED TAX LIABILITIES</i>		
The balance comprises temporary differences attributable to:		
Amounts recognized in the Consolidated Statement of Financial Performance:		
Identifiable intangible assets and goodwill	271	233
Unbilled contract revenue	78	53
Property, plant and equipment and right of use assets	19	23
Unrealized foreign exchange gains	13	13
Prepayments	-	1
Other	(42)	(23)
Total deferred tax liabilities	339	300
Deferred tax asset and liabilities offset ²⁷	(256)	(209)
Net deferred tax liabilities	83	91
Amounts recognized directly in equity:		
Cash flow hedges	(1)	(1)
Deferred tax liabilities	82	90
Balance at the beginning of the financial year	90	60
Charged to the Consolidated Statement of Financial Performance	36	42
Charged to equity	-	(1)
Deferred tax offset movement	(47)	(15)
Differences arising on translation of foreign operations	3	4
Balance at the end of the financial year	82	90

¹ In accordance with AASB 112 Income Taxes



29. DEFERRED TAX (CONTINUED)

RECOGNITION AND MEASUREMENT

Deferred tax assets and liabilities are recognized for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognized in relation to these temporary differences if they arose in a transaction, other than a business combination that at the time did not affect either accounting profit or taxable profit and loss within the Consolidated Statement of Financial Performance.

Deferred tax assets and liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax amounts relating to items recognized directly in equity are also recognized in equity and not in the Consolidated Statement of Financial Performance.

KEY ESTIMATES

Deferred tax assets are recognized for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences. The Group assesses the recoverability of recognized and unrecognized deferred taxes on a consistent basis, using estimates and assumptions relating to projected earnings and cash flows as applied in the Group goodwill impairment testing process.

30. DEFINED BENEFIT PLANS

The Group operates defined benefit pension plans which require contributions to be made to a separately administered fund. The Group also provides certain post-employment healthcare benefits to employees (unfunded). Except for plans in Saudi Arabia, all plans are closed to new participants.

The balances in relation to defined benefit plans are as follows:

	CONSOLIDATED	
	2023 \$'M	2022 \$'M
Amounts recognized in the Consolidated Statement of Financial Position:		
Net defined benefits liability	56	41
Reclassification from employee entitlement provisions	-	10
Net defined benefits liability	56	51

RECOGNITION AND MEASUREMENT

Defined benefit obligation calculation is performed by qualified actuaries using the projected credit method.

The Group's net obligation in respect of defined benefits plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned, discounted with the fair value of the plan assets deducted.

Remeasurements of the net defined benefit liability which comprise actual gains and losses, the return on plan assets and any asset ceilings where applicable are recognized in OCI. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest expense and other expenses relating to defined benefit plans are recognized in profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized in profit and loss. Gains and losses on settlement of a defined benefit plan are recognized when settlement occurs.



Financial statements Notes to and forming part of the consolidated financial statements

31. RELATED PARTIES

(A) DIRECTORS

The names of persons who were directors of the Company at any time during the financial year were as follows:

John Grill, AO (Chair)
Andrew Liveris, AO (Deputy Chair and Lead Independent Director)
Wang Xiao Bin
Juan Suárez Coppel
Thomas Gorman
Roger Higgins
Anne Templeman-Jones
Christopher Haynes, OBE, resigned 30 June 2023
Martin Parkinson, AC
Emma Stein
Sharon Warburton
Chris Ashton (Chief Executive Officer and Managing Director)

(B) OTHER RELATED PARTIES

	CONSOLIDATED	
	2023 \$'000	2022 \$'000
Aggregate amounts brought to account in relation to other transactions with each class of other related parties were as follows:		
<i>Net loan repayments to/(from):</i>		
Associates and related parties	1,000	6,000
<i>Dividends received from:</i>		
Dividend revenue from associates	25,617	1,000
Aggregate amounts, receivable from, and payable to, each class of other related parties at balance date were as follows:		
<i>Current receivables</i>		
Associates and related parties	50,000	37,000
<i>Current payables</i>		
Associates and related parties	-	4,000

Related entities provide specific advisory services to controlled entities in the normal course of business. These transactions are made on normal terms and conditions and at market rates.

(C) CONTROLLING ENTITIES

Worley Limited is the ultimate Australian parent company.


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	CONSOLIDATED	
	2023 \$	2022 \$
32. REMUNERATION OF AUDITORS		
Remuneration for audit or review of the financial reports of the Parent Entity or any other entity in the Group:		
Fees for auditing the financial reports of the Parent and any controlled entities covering the Group	3,180,836	2,433,965
Fees for non-audit services:		
-Tax related services	347,850	3,282
-Other non-audit services	839,661	70,000
Total fees to Group Auditors (Australia)	4,368,347	2,507,247
<i>REMUNERATION OF OVERSEAS MEMBER FIRMS OF PRICEWATERHOUSECOOPERS</i>		
Fees for auditing the financial reports of the Parent and any controlled entities covering the Group	2,562,446	2,762,358
Fees for auditing the financial reports of any controlled entities excluded from the Group audit	2,809,351	2,214,571
Fees for non-audit services:		
-Tax related services	553,826	998,331
-Other non-audit services	2,416,469	1,372
Total fees to overseas member firms of Group Auditors	8,342,092	5,976,632
Total remuneration of Group Auditors	12,710,439	8,483,879
Other auditors of controlled entities	431,398	129,912
Total Audit remuneration	13,141,837	8,613,791

In the current year, PricewaterhouseCoopers replaced Ernst & Young as the Group Auditor. Comparative amounts shown above reflect audit and non-audit fees for Ernst & Young in FY 2022.

The amount of non audit services is higher in FY2023 compared to FY2022 due to certain one-off non audit services amounting to \$1,710,529 committed in FY2022 before the auditor transition. These transition services will not occur again from FY2024.

	CONSOLIDATED	
	2023 \$	2022 ¹ \$
33. KEY MANAGEMENT PERSONNEL		
Short term employee benefits	13,720,000	9,998,000
Post-employment benefits	189,000	166,000
Termination benefits	-	151,000
Other long term benefits	91,000	103,000
Share based payments	3,039,000	1,649,000
Total compensation	17,039,000	12,067,000

¹ FY2022 numbers were updated in accordance with the FY2022 disclosures update in the FY2023 Remuneration report.



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Notes to and forming part of the consolidated financial statements

34. PARENT ENTITY DISCLOSURES

(A) PARENT ENTITY

Worley Limited Parent Entity financial statements include investments in the following entities:

ENTITY	COUNTRY OF INCORPORATION	2023 \$M	2022 \$M
Worley SPV1 Pty Limited	Australia	2,977	2,977
Worley Financial Services Pty Limited	Australia	440	440
Worley Canada Holdings Pty Limited	Australia	198	198
Worley Canada Callco Ltd	Canada	121	121
Worley Engineering Pty Limited	Australia	100	100
Engineering Securities Pty Limited atf The Worley Limited Trust	Australia	94	94
		3,930	3,930

The Parent Entity's summary financial information as required by the *Corporations Act 2001* is as follows:

	2023 \$M	2022 \$M
STATEMENT OF FINANCIAL PERFORMANCE		
Profit before income tax expense	299	305
Income tax expense	(6)	6
Profit/(loss) after income tax	293	311
Profit attributable to members of Worley Limited	293	311
Retained profits at the beginning of the financial year	110	61
Net dividends paid	(262)	(262)
Retained profits at the end of the financial year	141	110
STATEMENT OF COMPREHENSIVE INCOME		
Profit after income tax expense	293	311
Total comprehensive income, net of tax	293	311
STATEMENT OF FINANCIAL POSITION		
Current assets	2,297	2,043
Total assets	6,228	5,962
Current liabilities	650	440
Total liabilities	665	447
Net assets	5,563	5,515
Issued capital	5,351	5,341
Performance rights reserve	68	60
Other reserves	3	4
Retained profits	141	110
Total equity	5,563	5,515

The Parent Entity has bank guarantees in respect of contractual performance outstanding at 30 June 2023 for the amount of nil (2022: \$nil). These commitments have not been recognized in the financial statements.

The Parent Entity has no commitments for expenditure.

(B) CLOSED GROUP

Worley Limited together with Worley No 2 Pty Limited, Worley Engineering Pty Limited, Worley Financial Services Pty Limited, Worley Services Pty Limited, Engineering Securities Pty Limited, Advisian Group Pty Limited, Advisian Pty Ltd, Worley SPV1 Pty Limited, Worley EA Holdings Pty Limited, Worley Infrastructure Holdings Pty Limited, Worley SEA Pty Limited, Worley South America Holdings Pty Limited, Worley Africa Holdings Pty Limited, Energy Resourcing Australia Pty Limited, INTECSEA Pty Ltd, Worley ECR Pty Ltd, Worley Group Pty Ltd, and TW Power Services Pty Limited entered into a Deed of Cross Guarantee. The effect of the deed is that Worley Limited has guaranteed to pay any deficiency in the event of the winding up of the abovementioned controlled entities. The controlled entities have also given a similar guarantee in the event that Worley Limited is wound up. As a result, ASIC Corporations Instrument 2016/785 relieves certain of the controlled entities from the *Corporations Act 2001* requirements for preparation, audit and lodgement of financial reports.

The Statement of Financial Performance and Statement of Financial Position of the entities which are parties to the Deed of Cross Guarantee and The Worley Limited Trust (Closed Group) are as follows:


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34. PARENT ENTITY DISCLOSURES (CONTINUED)

	CLOSED GROUP	
	2023 \$'M	2022 \$'M
<i>STATEMENT OF FINANCIAL PERFORMANCE</i>		
Profit before income tax expense	131	82
Income tax expense	(33)	(17)
Profit after income tax expense	98	65
Profit attributable to members of Worley Limited	98	65
Retained profits at the beginning of the financial year	355	550
Retained profits of entities that became party to the deed during the financial year	-	2
Dividends paid	(262)	(262)
Retained profits at the end of the financial year	191	355
<i>STATEMENT OF FINANCIAL POSITION</i>		
<i>ASSETS</i>		
<i>Current assets</i>		
Cash and cash equivalents	13	40
Trade and other receivables	3,120	2,888
Other current assets	130	69
Total current assets	3,263	2,997
<i>Non-current assets</i>		
Deferred tax assets	45	46
Intangible assets	214	216
Property, plant and equipment	48	47
Other non-current assets	5,671	5,658
Total non-current assets	5,978	5,967
TOTAL ASSETS	9,241	8,964
<i>LIABILITIES</i>		
<i>Current liabilities</i>		
Trade and other payables	2,903	2,685
Interest bearing loans and borrowings and lease liabilities	10	11
Provisions	103	85
Derivatives	9	11
Total current liabilities	3,025	2,792
<i>Non-current liabilities</i>		
Trade and other payables	11	9
Interest bearing loans and borrowings and lease liabilities	591	413
Deferred tax liabilities	25	17
Total non-current liabilities	627	439
TOTAL LIABILITIES	3,652	3,231
NET ASSETS	5,589	5,733
<i>EQUITY</i>		
Issued capital	5,351	5,341
Reserves	47	37
Retained profits	191	355
TOTAL EQUITY	5,589	5,733



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Notes to and forming part of the consolidated financial statements

Directors' declaration

In accordance with a resolution of the directors of Worley Limited, I state that:

1. In the opinion of the directors:
 - (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
 - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(A);
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
 - (d) as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in note 34(B) will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.
2. This declaration has been made after receiving the declarations required to be made to the directors from the chief executive officer and chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2023.

On behalf of the Board

JOHN GRILL, AO

Chair

Sydney, 23 August 2023



Independent auditor's report to the members of Worley Limited



Independent auditor's report

To the members of Worley Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Worley Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2023
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of financial performance and other comprehensive income for the year then ended
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if

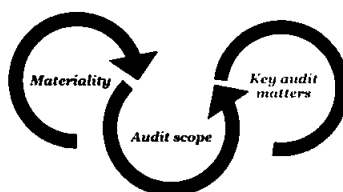
PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
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Financial statements Independent auditor's report to the members of Worley Limited

individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.



Materiality

- For the purpose of our audit we used overall Group materiality of \$90.65 million, which represents approximately 1% of the Group's aggregated revenue.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose Group aggregated revenue because, in our view, it is the benchmark against which the performance of the Group is most commonly measured.
- We utilised a threshold of approximately 1% based on our professional judgement, noting it is within the range of commonly acceptable thresholds.

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.
- Local audit firms operating under the Group audit team's instructions conducted an audit of the most significant components. The components were selected due to their significance to the Group, either by individual size or by risk. The Group audit team performed audit procedures over shared service functions such as Order to Cash, Purchase to Payables as well as centrally managed areas such as the impairment assessment of goodwill, share based payments, and the consolidation process. In addition, selected local audit firms performed targeted audit or specified procedures on selected financial statement line items for a further four components.

Further audit procedures were performed over the remaining balances and the consolidation process, including substantive and analytical procedures. The work carried out in these components, together



with those additional procedures performed at the Group level, gave us sufficient evidence to express an opinion on the financial report as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition and other related balances Refer to note 4 - Revenue and other income \$11,324 million, note 8 – Current and non-current trade receivables, contract assets and other assets \$1,973 million and \$135 million respectively As described in Note 4 to the consolidated financial statements, the Group measures revenue based on the effort expended relative to the total expected effort to complete the service. Moreover, there are certain key estimates that drive the measurement of Group's revenue and its recognition in the consolidated financial statements. These estimates include: • Percentage of completion, estimating costs or extent of progress towards completion of work; and • Variable consideration including accounting for performance incentives. Auditing these estimates requires significant judgement given the; • estimation uncertainty; and • significant complexity involved in estimating the costs or extent of progress towards completion of work.	Our audit procedures, included the following, amongst others: • Developed an understanding of the key controls associated with the recognition and measurement of revenue. • We tested the Group's control over monitoring and review of projects by attending a selection of project review meetings and inspecting relevant documentation prepared for such meetings. • We considered the appropriateness of the Group's accounting policy in relation to the recognition and measurement of revenue against the requirements of the Australian Accounting Standards. • For a selection of projects based on qualitative and quantitative factors, we performed the following procedures amongst others: ◦ We inspected the signed contract agreements to develop an understanding of key contract terms. ◦ We attended and/or inspected the documentation for the project review meetings for the projects selected based on the above criteria. ◦ We held meetings with project managers/directors and senior management



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Key audit matter	How our audit addressed the key audit matter
Therefore, recognition of revenue is considered a key audit matter. <u>Other related balances</u> The Group recognised significant trade receivables \$1,216 million and unbilled contract revenue \$995 million as of the year end. Given the geographical spread of the Group's projects and the Group's bespoke arrangements with customers, there is significant judgement applied by management in assessing the recoverability of long outstanding trade receivables and unbilled contract revenue which are overdue beyond 121 days and therefore, it is considered as a key audit matter for the current year audit.	for the selected projects to develop an understanding of the status, key changes from previous years resulting in cost estimate changes, status of unapproved change orders, recoverability of trade receivables, recoverability of unbilled contract revenue and the existence of any material claims or litigations. ○ We assessed the cost to complete estimate, which is used to calculate the percentage of completion, by: - Evaluating the Group's historical ability to forecast costs to complete by comparing the current cost estimate to the historical cost estimate prepared by the Group's qualified professionals within the project teams. - Performed sensitivity analysis and/or comparison of cost estimates to historical actual costs incurred. ○ Using the cost to complete estimate, we assessed the reasonableness of the foreseeable project loss provisions recorded as of the year end for a selection of projects. ○ We recalculated the revenue based on the input method for lump sum projects to assess the calculation of revenue recorded. ● We tested the allocation of both labour and non-labour costs to project costs to assess the accuracy of project margins. ● We assessed the competence, capabilities and objectivity of qualified professionals within the project teams who were involved in the process of preparing the cost to complete estimate. ● We tested a sample of payments and transactions recorded post year end to assess completeness of costs recorded during the



Key audit matter

How our audit addressed the key audit matter

Carrying value of goodwill

Refer to note 10 – Intangible assets; goodwill
\$5,440 million

The Group recognises assets for goodwill which are allocated to a cash generating unit (CGU). The Group has three cash generating units for goodwill which are Americas, EMEA and APAC. Under Australian Accounting Standards, the Group is required to assess the carrying value of goodwill annually for impairment, irrespective of whether there are indicators of impairment.

The Group has prepared a value-in-use (VIU) model based on discounted cashflow forecasts to calculate the recoverable amount of each CGU. Key assumptions in the VIU model include expected future cash flows, discount rates and terminal growth rates.

This was a key audit matter due to the financial significance of the goodwill balance to the consolidated statement of financial position and the significant judgement involved in determining the recoverable amount of each CGU, including expected future cash flows, discount rates and terminal growth rates.

year.

- For a selection of project related balances as of the year end, we tested the subsequent collection and subsequent billing of Trade receivables and unbilled contract revenue, respectively.
- We assessed the Group's estimates of the expected credit losses, with reference to historical losses and the ageing of trade receivables and unbilled contract revenue.
- We assessed the reasonableness of the Group's disclosures against the requirements of Australian Accounting standards, including disclosures with respect to significant estimates and judgements.

Our audit procedures, included the following, amongst others:

- Developed an understanding of the key controls associated with the preparation of the discounted cash flow models used to assess the recoverable amount of the CGUs.
- Assessed whether the allocation of the Group's goodwill to the CGUs, which are the smallest identifiable group of assets that can generate largely independent cash inflows, was consistent with our knowledge of the Group's operations and internal Group reporting.
- Assessed whether the CGUs included assets, liabilities and cash flows directly attributable to each CGU and a reasonable allocation of corporate assets and overheads.
- Assessed the Group's ability to forecast future cash flows for the business by comparing historical budgets with



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Independent auditor's report to the members of Worley Limited

Key audit matter	How our audit addressed the key audit matter
	reported actual results.
	• Compared the significant assumptions used in the VIU models to historical results, economic and industry forecasts. • Compared the forecast cash flows used in the VIU models to the most up-to-date budgets formally approved by the Board. • With the assistance of PwC valuation experts: ◦ Assessed whether the VIU model used to estimate the recoverable amount of the CGUs is consistent with the requirements of Australian Accounting Standards ◦ Assessed whether the terminal growth rates used in the VIU models were consistent with the long-term average growth rates of the industry in which the Group operates ◦ Assessed whether the discount rates appropriately reflect the risks of the CGUs by comparing the discount rates assumptions to market data, comparable companies and industry research. • Tested the mathematical accuracy of the VIU model's calculations.
	Assessed the reasonableness of the disclosures made in Note 10, including those regarding key assumptions and sensitivities to changes in such assumptions, against the requirements of Australian Accounting Standards.



Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.



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Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 108 to 133 of the directors' report for the year ended 30 June 2023.

In our opinion, the remuneration report of Worley Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

Chris Dodd
Partner

Sydney
23 August 2023


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Shareholder information

TOP 20 HOLDINGS OF FULLY PAID ORDINARY SHARES AS AT 7 AUGUST 2023

NAME	SHARES	% OF ISSUED CAPITAL	RANK
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	223,406,273	42.47	1
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	90,506,185	17.20	2
CITICORP NOMINEES PTY LIMITED	59,247,503	11.26	3
NATIONAL NOMINEES LIMITED	24,979,511	4.75	4
WILACI PTY LTD ATF THE SERPENTINE TRUST	22,390,562	4.26	5
BNP PARIBAS NOMS PTY LTD <DRP>	13,421,410	2.55	6
SERPENTINE FOUNDATION PTY LIMITED <SERPENTINE FOUNDATION A/C>	5,400,000	1.03	7
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	3,762,363	0.72	8
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	2,855,491	0.54	9
MR JOHN MICHAEL GRILL	2,826,277	0.54	10
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	2,545,989	0.48	11
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	2,377,178	0.45	12
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	2,308,861	0.44	13
MUTUAL TRUST PTY LTD	2,056,569	0.39	14
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	2,005,430	0.38	15
HAJU PTY LIMITED <HAJU A/C>	1,715,000	0.33	16
JUHA PTY LIMITED <JUHA A/C>	1,704,289	0.32	17
TAYLOR SQUARE DESIGNS PTY LTD	1,423,641	0.27	18
BNP PARIBAS NOMS (NZ) LTD <DRP>	1,408,351	0.27	19
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	1,192,515	0.23	20
Total	467,533,398	88.88	

Total number of current holders for all named classes is 24,148

The table above includes exchangeable shares. The ASX treats these shares as having been converted into ordinary shares of the Company at the time of their issue for the purposes of the ASX Listing Rules.

SUBSTANTIAL HOLDERS OF 5% OR MORE OF FULLY PAID ORDINARY SHARES AS AT 7 AUGUST 2023*

NAME	NOTICE DATE	SHARES**
Dar Al-Handasah Consultants Shair and Partners Holdings Ltd.	20 February 2023	123,794,870
T. Rowe Price Associates, Inc.	11 May 2023	34,748,359
John Grill and associated companies	16 November 2018	34,336,128

* As disclosed in substantial shareholder notices received by the Company.

** Represents the total number of votes attached to all the voting shares in the Company that the substantial holder or their associates have a relevant interest in.

RANGE OF FULLY PAID ORDINARY SHARES AS AT 7 AUGUST 2023

	HOLDERS	SHARES	% OF ISSUED CAPITAL
1 – 1,000	15,378	6,000,414	1.14
1,001 – 5,000	7,266	16,344,748	3.11
5,001 – 10,000	886	6,407,305	1.22
10,001 – 100,000	542	12,277,714	2.33
100,001 and over	76	484,956,774	92.20
Total	24,148	525,986,955	100.00

UNMARKETABLE PARCELS

	MINIMUM PARCEL SIZE	HOLDERS	SHARES
Minimum \$ 500.00 parcel at \$ 17.0900 per unit	30	652	5,589

The table above includes exchangeable shares. The ASX treats these exchangeable shares to have been converted into ordinary shares of the Company at the time of their issue for the purposes of the ASX Listing Rules. In addition to the shares set out in the table, there is one special voting share issued to Computershare Trust Company of Canada Limited as part of the consideration for the acquisition of the Colt Group.

VOTING RIGHTS

All ordinary shares carry one vote per share without restriction. In the case of the exchangeable shares, voting rights are provided through the special voting share which carries an aggregate number of votes equal to the number of votes attached to the ordinary shares into which the exchangeable shares are exchangeable.

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Glossary

This glossary provides the definitions for terms used throughout this Annual Report. Our sustainability basis of preparation provides the definitions and reporting criteria for the below metrics.

- Energy and emissions (energy use, Scope 1, Scope 2 and Scope 3 greenhouse gas emissions)
- Gender diversity (women employees, women graduates, women Senior Leaders, women Group Executive and women Board)
- Safety (LWCFR, SCFR, TRCFR)

[View the sustainability basis of preparation \(link\).](#)

\$, \$m, \$b Australian dollars unless otherwise stated, Australian millions of dollars, Australian billions of dollars.

Ambition We (Worley) will be recognized as a global leader in sustainability solutions

Americas Services business line region encompassing sub-regions of North America and Latin America.

APAC Services business line region encompassing Australia, Pacific, Asia and China.

ASIC Australian Securities and Investments Commission.

AAS Australian Accounting Standards

AASB Australian Accounting Standards Board

ASX Australian Securities Exchange.

Backlog The total dollar value of the amount of revenues expected to be recorded as a result of work performed under contracts or purchase/work orders already awarded to the Group. With respect to discrete projects an amount is included for the work expected to be received in the future. For multi-year contracts (i.e. framework agreements and master services agreements) and O&M contracts we include an amount of revenue we expect to receive for 36 months, regardless of the remaining life of the contract.

Due to the variation in the nature, size, expected duration, funding commitments and the scope of services required by our contracts and projects, the timing of when the backlog will be recognized as revenue can vary significantly between individual contracts and projects.

Board The Board of directors of the Company. This includes non-executive directors and the Chief Executive Officer. The Group Company Secretary is not included as a member of the Board.

Business Ambition for 1.5° C A campaign led by the Science Based Targets initiative in partnership with the UN Global Compact and the We Mean Business Coalition. This campaign calls on companies to set science-based emissions reduction targets in line with the most ambitious goals of the Paris Agreement.

CAGR Compound Annual Growth Rate

CAPEX Capital expenditure.

CEO Chief Executive Officer.

Chair The Chair of the Board of Worley Limited.

Champions of Change Coalition A globally recognized, innovative strategy for achieving gender equality, advancing more and diverse women in leadership, and building respectful and inclusive workforces.

Climate Leaders Coalition A cross-sectoral group of Australian corporate CEOs supporting the Paris Agreement commitments and setting public decarbonization targets.

CO2e emission factors Worley's approach to greenhouse gas emissions reporting is consistent with the reporting requirements set out in the Greenhouse Gas Protocol Corporate Standard. The CO2e emissions factors are sourced from the latest International Energy Agency (IEA) emissions factors and government sources such as the EIA (US Energy Information Agreement).

As per accepted practice, we do not restate previous year emissions based on emission factor updates.

Company or Worley Worley Limited ACN 096 090 158.

Corporate financial donations (to sustainability and corporate responsibility related activities) Comprise all community investment made by Worley corporate entities and refers to actual expenditures, not commitments.

Community investments include voluntary donations plus investment of funds in the broader community where the target beneficiaries are external to Worley. Voluntary donations and investment of funds in the broader community where the target beneficiaries are external to Worley can include:

- Contributions to charities, NGOs and research institutes (unrelated to the organization's commercial research and development);
- Funds to support community infrastructure, such as recreational facilities; or
- Direct costs of social programs, including arts and educational events.

When reporting infrastructure investments, Worley includes the costs of goods and labor, in addition to capital costs, as well as the operating costs for support of ongoing facilities or programs. We exclude legal and commercial activities or community investments where the purpose of the investment is exclusively commercial as part of this calculation.



Corporate financial donations include donations made by Worley's corporate center via the Worley Foundation, amounts invested in local communities as required by law in South Africa under the Broad-Based Black Economic Empowerment legislation requirements, and India under section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules 2014, as well as contributions by our regional operations as required by local legislation.

Memberships, some scholarships and marketing spend are generally not included within this definition. Monetary and time contributions by our people, from payroll deductions or direct giving, volunteering, and value of paid hours are not included within this definition.

The contributions (donations) are captured in the company's finance systems at the time of payment, using the following codes / category, or equivalent:

- Expenditure category = contributions
- Resource type = charitable donations

Total contributions are measured in Australian Dollars for the reporting period in which the financial transaction is made. Contributions by offices outside of Australia are converted to Australian Dollars using the average exchange rate during the month that the community initiative was undertaken.

Decarbonize / Decarbonization The reduction of carbon dioxide or other carbon compounds emitted into the atmosphere by the activities of industries, countries or individuals.

Deferred Equity Plan (DEP) Deferred equity plan is a grant of equity rights which vests over the medium term.

Diversity & Inclusion (D&I) At Worley, the diversity of our people includes factors such as race, ethnicity, gender, sexual orientation, socio-economic status, culture, age, physical ability, education, language, skill levels, family status, religious, political and other beliefs and work styles. We value and harness diversity to build an environment where people are connected and belong. Inclusion is defined as the outcome to ensure that those that are different and underrepresented feel welcome and valued.

Downstream The refining of petroleum crude oil and the processing and purifying of raw natural gas, as well as the marketing and distribution of products derived from crude oil and natural gas.

Days Sales Outstanding (DSO) The time it takes to collect cash from customers.

EBIT Earnings before interest and tax.

EBITA Earnings before interest and tax and amortization of intangible assets acquired through business combinations.

ECR Energy, chemicals and resources

EMEA Services business line region encompassing Europe, Middle East and Africa.

Energy intensity per dollar of revenue Average ratio of energy consumption relative to the aggregated revenue generated by the Company over the reporting period. This is expressed as a ratio of energy consumption per \$ million of aggregated revenue raised (MWh/\$ million).

Employee This includes both the Group's employees and contractors. For headcount purposes, this includes the following Person-type categories, as they relate to Worley Group; employees, direct contractors, agency contractors, fixed term employees, project hires, expatriate home employees, and FTS job shopper employees.

Employment contract There are two employment contract categories at Worley:

- Permanent contract: Permanent employee contract for full-time or part-time work for an indeterminate period.
- Fixed term or temporary contract: Fixed term employment contract that ends when a specific time period expires.

Employment types There are two employment types at Worley:

- Full time: A 'full-time employee' is defined according to local legislation and practice regarding working time (e.g. minimum of 30 hours per week).
- Part time: A 'part-time employee' is defined as an employee whose working hours per week, month or year is less than a 'full-time employee'.

EMTN Europe Medium Term Note Program.

Energy intensity per person Average ratio of energy consumption relative to number of personnel as at the end of the reporting period. This is expressed as a ratio of energy consumption per person (MWh/person).

EPC Engineering, Procurement and Construction.

EPC contract Under an EPC contract, we will generally be responsible for the design of, the procurement of equipment and materials for, and the construction and commissioning of an asset, such as a power station. This will generally require us to ensure that the completed asset meets certain specified performance targets. To do so, we will generally procure the necessary equipment and materials and engage various sub-contractors ourselves.

EPCM Engineering, Procurement and Construction Management.

EPCM contract Under an EPCM contract, we will generally be responsible for providing our professional services, but unlike an EPC contract, will not be responsible for delivering a completed asset to our customer. Instead, we will provide engineering and design services to our customer, procure equipment but only as agent for our customer and manage our customer's other suppliers as the customer's representative. We will generally be paid an hourly rate for the services we provide.

EPS Earnings per share. Determined by dividing the Group NPAT, or Group NPATA, by the weighted average number of the Company's ordinary shares on issue during the financial year.

ESG Environmental, social and governance.



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Executive Executives include both executive directors and group executives and have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

Factored Sales Pipeline Factored for likelihood of projects proceeding and award to Worley, as at June 2023.

Front-end engineering design (FEED) Basic engineering design providing owners and their financiers with information enabling them to determine whether or not and, if so, how to commit resources to a proposed project to maximize its projected returns.

FY2022 and FY2023 Financial year 2022 and financial year 2023.

GICS Global Industry Classification Standard

GID Global Integrated Delivery. Our GID team in India work on projects anywhere in the world and seamlessly transition between projects, allowing us to achieve high rates of utilization and consistently high quality of work.

Greenhouse gas emissions intensity per unit of energy Average ratio of greenhouse gas emissions per unit energy used (t CO₂e /MWh) during the reporting period.

GRI Global Reporting Initiative

GRIT GRIT awards - Growth, Resilience, Innovation and Transition awards issued by ALLY, a community of energy industry professionals.

Group Worley Limited and the entities it controls.

Group Executive Direct reports to the Chief Executive Officer who have executive accountabilities for managing major regional business units (P&L) and significant functions, as well as developing and executing Group strategy. The Group Company Secretary is a member of the Group Executive.

Gross Margin Sold Gross margin on projects that have been identified as 'Closed, Won' in our customer sales platform over the reporting period.

Gross Margin Delivered Gross margin on projects that have been executed and recognized in the Group's earnings over the reporting period.

HSE Health, Safety and Environment.

HSS Health, Safety and Sustainability.

IFRS Foundation The International Financial Reporting Standards Foundation is a nonprofit organization that oversees financial reporting standard-setting.

Integrated gas Our subsector Integrated Gas includes all upstream and midstream elements of the natural gas value chain from extraction, production through gas processing, storage, liquefaction and regasification. It also includes the emerging renewable natural gas.

ISSB International Sustainability Standards Board.

Key Management Personnel (KMP) Those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. KMP comprise Executives and Non-Executive Directors.

KPI Key Performance Indicator.

Latinx People who are of or relate to Latin American origin or descent.

Long-Term Incentive (LTI) Long-term incentive is a grant of performance rights which vest over the long-term, subject to performance conditions.

Low-carbon energy This includes energy derived from renewable sources, low-carbon hydrogen, nuclear, integrated gas, power networks & storage. We classify integrated gas as low-carbon energy in the context of comparison with other commercially available (at scale) energy sources.

Low-carbon fuels Refers to liquid fuels and include bioethanol, renewable diesel, sustainable aviation fuels (SAF), blue, green and e-ammonia, blue, green and e-methanol, green marine fuels and e-fuels

Low-carbon hydrogen In absence of a global definition, this includes all forms of hydrogen except those derived from fossil fuels without carbon capture and storage.

Low-carbon infrastructure Infrastructure supportive of global net-zero commitments, such as transmission networks required to integrate renewables, port infrastructure supporting export of low-carbon fuels/offshore wind etc.

Lower carbon denotes methodologies and technologies that effectively reduce carbon emissions and mitigate the discharge of greenhouse gases, thereby fostering environmental sustainability and combatting climate change

Net zero The internationally agreed upon goal for mitigating global warming in the second half of the 21st century. The International Panel on Climate Change (IPCC) concluded the need for net-zero greenhouse gas emissions by 2050, to remain consistent with global warming of 1.5 degrees Celsius above pre-industrial levels.

Non-Executive Director (NED) Non-executive directors of the entity have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

NPAT (net profit after tax) The net profit earned by the Group after deducting all expenses including interest, depreciation and tax. From time to time, for remuneration purposes, the Board may use its discretion to apply the underlying NPAT which in the Board's opinion reflects the Company's operating results.

NPATA (net profit after tax and before amortization of intangible assets acquired through business combinations) The net profit after tax and before amortization of intangible assets acquired through business combinations. From time to time, for remuneration purposes, the Board may use its discretion to apply the underlying NPATA which in the Board's opinion reflects the Company's operating results.

OPEX Operational expenditure.

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Paris Agreement An agreement within the United Nations Framework Convention on Climate Change. The aim of the Paris Agreement is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2°C above pre-industrial levels, and to pursue efforts to limit the temperature increase further to 1.5°C.

People network groups Our People network groups bring employees with shared characteristics or life experiences, such as gender, race, cultural heritage, sexual orientation and/or gender identity, disability, together in a safe space and offer varying opportunities for members. We also have People network groups which bring employees with shared passions, such as sustainability or mental health, together. These include social and development opportunities, mentoring, volunteering, sharing best practice and a chance to gain skills and experience in areas they may not get the opportunity to do in their 'day job'.

R3 Ready, Response and Recovery. Our program for business security and continuity.

Reporting period Reporting period highlights our efforts from 1 July 2022 to 30 June 2023, unless otherwise stated.

Senior Leaders 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.

Skilled volunteering At Worley, the term skilled volunteering is used when our people provide skilled services to community-based organizations in their time outside of paid working hours on a no fee basis.

STEM Science, Technology, Engineering and Mathematics.

Short-Term Incentive (STI) Cash award paid for annual performance.

Sustainability Encompasses those elements of our environmental, social and governance (ESG) performance. It also refers to our activities supporting our customers to meet sustainability objectives on their projects. As part of our Ambition, we provide disclosures on sustainability-related work. How this is defined is provided on page 26.

Sustainability-linked bond A type of bond instrument for which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined sustainability or ESG objectives. It is a forward-looking performance-based instrument with a flexible structure.

Sustainability-related project / work See sustainability and our definition on page 26.

Sustainability-related revenue Aggregated revenue derived from sustainability-related work, in line with our definition on page 26.

Sustainable Solutions Our approach to incorporating sustainable thinking into project delivery and design. Sustainable Solutions enables our people to identify and quantify sustainability ideas and savings related to carbon and energy use.

Target Represents a defined and measurable goal set to achieve environmentally and socially responsible outcomes. These targets guide actions and strategies across various sectors, helping organizations and societies work towards positive impacts on the environment, communities, and overall well-being

Total Shareholder Return (TSR) Provides a measure of the change in the value of the Company's share price over a period, including reinvested dividends, expressed as a percentage of the opening value of the shares.

Unlock your genius A STEM engagement program stewarded by Worley. It presents complex topics in a digestible format, making them easy to understand.

Upstream The searching for potential underground or underwater crude oil and natural gas fields, drilling of exploratory wells and the subsequent drilling and operation of the wells that recover and bring the crude oil and/or raw natural gas to the surface.

Worley Foundation The Worley Foundation was established in 2013 with objectives to support the execution of high impact strategic community projects; become a vehicle for direct corporate investment, fundraising and volunteering; and expand opportunities for our people to be directly or indirectly involved in foundation activities.



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Corporate information

Worley Limited
ACN 096 090 158

DIRECTORS

John Grill, AO (Chair)
Andrew Liveris, AO (Deputy Chair and Lead Independent Director)
Wang Xiao Bin
Juan Suárez Coppel
Joseph Geagea, appointed 1 July 2023
Thomas Gorman
Roger Higgins
Anne Templeman-Jones
Christopher Haynes, OBE, resigned 30 June 2023
Martin Parkinson, AC
Emma Stein
Sharon Warburton
Chris Ashton (Chief Executive Officer and Managing Director)

GROUP COMPANY SECRETARY

Nuala O'Leary

REGISTERED OFFICE

Level 17
141 Walker Street
North Sydney NSW 2060
+61 2 8923 6866

AUDITORS

PricewaterhouseCoopers ('PwC')

BANKERS

Arab Banking Corporation
Banco Bilbao Vizcaya Argentaria, S.A.
Bank of America, N.A.
Bank of China
Bardays Bank PLC
BNP Paribas
Commonwealth Bank of Australia
Deutsche Bank AG
First Abu Dhabi Bank
HSBC Bank
ING Bank N.V.
Mizuho Bank, Ltd
Royal Bank of Canada
Standard Chartered Bank
The Saudi British Bank
U.S. Bank National Association
UBS AG
Wells Fargo Bank, N.A.
Westpac Banking Corporation

LAWYERS

Herbert Smith Freehills

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney NSW 2000
Australia
Phone: 1300 850 505

ANNUAL GENERAL MEETING 2023

Worley's 2023 Annual General Meeting (AGM) will convene on Friday 20 October 2023 (AEDT). Meeting details will be included in the Notice of Meeting. The closing date for the receipt of external director nominations is Friday 1 September 2023 (AEST).



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Rosenberg Worley AS

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Notes

Auditors report



Board of Directors' report fiscal year 2023 Rosenberg Worley AS

The report covers the activities during the fiscal year 2023, running from 1 July 2022 to 30 June 2023.

The Company's activities

Rosenberg Worley AS is one of the leading suppliers to the energy industry both for conventional and renewable energy, mainly operating on the Norwegian Continental Shelf (NCS). From its base in Stavanger the Company takes on a wide range of projects including engineering and construction of modules and platform deck structures, maintenance and modifications to existing facilities, subsea templates and installations, and the fabrication of structures and pipes. The Company offers a wide range of services, such as early phase concept development, design, fabrication, testing, installation & hook-up, commissioning, operation and maintenance.

The Company's shareholder is Worley Norway AS, which is a fully owned subsidiary of Worley Limited, one of the leading professional services companies in the world. Worley Limited is listed on the Australian Stock Exchange (ASX) with ticker WOR. For more information see www.worley.com.

Going concern

In accordance with section 3-3a of the Norwegian Accounting Act, it is confirmed that the financial statements have been prepared on a going concern assumption and that the conditions for this assumption are in place. The fiscal year 2023 resulted in a profit for Rosenberg Worley AS and the Company is in a satisfactory financial position at year end. The assessment is based upon the Company's financial prognosis for the next two fiscal years, as well as the long-term expectations for the years ahead.

Working environment, risk handling, safety and security

We have had a high-risk awareness in the Rosenberg Management Group and supported the facilitation of the risk management process in the organization. A strong emphasis on safety and implementing a proactive safety culture initiative program have enabled us to improve the Total Recordable Injury Frequency. We have invested heavily in building the safety, security and risk assessment competence for Foremen, Supervisors and safety personnel. The training activities includes gamified supervisor HSE training, our HSE Observation technique training with active hazard hunting, and we have continued with the "Always Safe" Quarterly training packages with focus on the "Life Saving Rules".

The full year average sick leave was 5.9% in FY23, which is higher than last year. However, we experienced a reduction in the last part of the year. We have a close collaboration with our occupational Health Service with sick leave follow-up meetings per department, mental health courses and First Aid training with use of defibrillator.

The reporting required according to the new Norwegian legislation introduced in Transparency Act (Åpenhetsloven) is published on www.worley.com.

Equal opportunities

Rosenberg Worley AS is working actively to promote the objectives of the Norwegian Equal Opportunities Act within our operation, and the Company's objective is to be a workplace free of any discrimination. Our main office building is designed to accommodate universal access.

We believe in the benefits of a diverse and inclusive workplace. We value equal employment opportunities and are committed to promoting fairness, equality and diversity. Our workforce



consists of 47 nationalities,

There are 43% female representatives in the top management team. The overall ratio of women to men is 18% for the Company. The Board comprises 1 woman and 5 men.

In accordance with the Equality and Anti-Discrimination Act chapter 4, the company has issued an equality statement, see attachment.

The external environment

There have been no incidents with undesirable environmental emissions or discharges. Over the past year we have focused on sustainability through different initiatives, including the installation of solar panels on our roof to reduce greenhouse gas emissions. These efforts not only cut our carbon footprint but also contribute to a greener future. Our annual sustainability program aligns with the UN Sustainability Goals and includes quarterly progress monitoring. Our environmental management system lays the foundation for creating opportunities for continuous improvement in our environmental performance.

Insurance for board members and general manager

The Company maintains a directors' and officers' insurance policy covering all board members and the general manager, both former and current. The insurance policy covers liabilities and costs incurred by them as an officer of the Group under Norwegian law.

Financial performance

The Board of Directors believes that the annual report provides an accurate overview of the Company's assets, liabilities, and its financial development in fiscal year 2023.

Revenue for fiscal year 2023 was NOK 6,669 million. Profit before tax was NOK 229 million. Revenue for fiscal year 2022 was NOK 6,005 million and profit before tax was NOK 164 million.

Bank deposits amounted to NOK 25.7 million as of 30 June 2023. Liquidity is considered to be acceptable.

The Company is involved in long-term construction contracts which give rise to estimation uncertainty. Estimation uncertainty related to revenue, variations and cost to complete is evaluated and measured at the best estimate.

Over the course of the year, the Company has been engaged in minor research and development work, primarily related to internal improvement processes and methods.

Rosenberg Worley's strategic goals for fiscal year 2023 were to be a leader in the HSE field, deliver on existing contracts, win new contracts both in conventional and sustainable markets, operate within budgets, be a good employer and have satisfied customers. A summary of the year shows that the Company has made good progress against all targets.

The market and future development

It is the Board's opinion that the Company's financial position is satisfactory. The Company's equity-to-assets ratio is 10 percent.

The Company has positioned itself as an important Engineering, Procurement & Construction (EPC) player on the NCS and will continue initiatives for development. The Worley Group's ownership has strengthened the Company's ability to be awarded and execute contracts, especially within the renewable and sustainability markets, including opportunities outside of Norway.

The Company has during the last years made significant improvements to its cost base and



operational efficiency and has implemented continuous improvement as a means of increasing competitiveness and enhancing business performance. A key focus area has also been to strengthen communication of our capabilities and to further improve client relationships. This is now reflected in an increased number of clients and potential bid opportunities, especially in the sustainability market

The Company has a good medium to long term activity outlook as a result of the increasing energy prices and the increased focus on renewable energy sources, in addition to the effect of the Norwegian tax reform package

The company has increased focus on energy transition & renewables and is actively engaged in renewable technology qualification programs, e.g., water desalination, offshore wind solutions.

Financial risk

The Company is exposed to liquidity risk, credit risk, interest rate risk and foreign exchange risk in its ordinary business activities and aims towards acceptable risk in these areas. Derivatives are used to hedge financial risk where relevant. The Company had no open contracts at the fiscal year-end.

Net profit for the period and allocation of profit

The Board proposes that the net profit after tax of NOK 183.9 million allocated as follows:

Dividend	NOK 162.1 million
Transferred to other equity	NOK 21.8 million
Total allocated	NOK 183.9 million

The Company's free equity is NOK 183.5 million per 30.06.2023.



Stavanger, 27 September 2023
The Board of Rosenberg Worley AS

Bradley Andrews
Chair of the Board

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Mark Brantley;
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Mark Edwin Brantley
Member of the Board

DocuSigned by:
Erwin Geene
57CF368661D444B...

Erwin Geene
Member of the Board

Helga Skjeie
Member of the Board

Sebastian Ahlf
Member of the Board

Henrik Voerman Rysgaard
Member of the Board

Jan Trygve Narvestad
Managing Director



**Attachment to Board of Directors' report fiscal year 2023
Rosenberg Worley AS**



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Equality statement for Rosenberg Worley AS

Worley aims for a diverse and inclusive workplace, to maximize our business results and attract, recruit, engage and retain a talented workforce. We are committed to providing an environment free of discrimination and bias, where everyone has an opportunity to maximize their potential, fully participate in creating business success and where each person is valued, respected and supported for their attributes, skills and experience.

The diversity of our people includes factors such as race, ethnicity, gender, sexual orientation, socio-economic status, culture, age, physical ability, education, language, skill levels, family status, religious, political and other beliefs and work styles. We value and harness this diversity to build an environment where people are connected and belong. We will honor the culture and customs, as well as comply with law and regulation, in all jurisdictions in which we operate.

1. State of gender equality

This report applies to the financial year 2023, (June 2022 -June 2023), and the figures and calculations in reflect this period. However, for data collecting reasons, the gender wage analyses contain data for calendar year 2022. This report will contain company information related to the following areas:

- the total gender balance in the company (number)
- temporary employees (gender difference in per cent)
- employees in part-time positions (gender difference in per cent)
- average number of weeks parental leave for women and men
- wage differences at different job levels/groups (gender differences in per cent)
- wage difference in total in the enterprise (gender difference in per cent)
- gender distribution at different position levels/groups (gender differences in per cent)
- employees who work part-time involuntarily (gender difference in per cent)

1.1 Gender balance and wage differences at different position levels

% of male salary			% women
	Base salary	Total payment	
Total	107 %	89 %	20 %
Blue Collar	97 %	88 %	3 %
Salary Group 4	97 %	91 %	41 %
Salary Group 5	101 %	88 %	39 %
Salary Group 6	100 %	93 %	26 %
Salary Group 7	100 %	92 %	34 %
Salary Group 8	97 %	83 %	25 %
Salary Group 9	98 %	94 %	31 %
Salary Group 10	100 % ¹	89 %	30 %

Equality statement 1123

ROSENBERG

Gender balance		Temporary employees		Parental leave		Actual Part-time work		Involuntary part-time work	
In numbers		In % of total workforce		Average weeks		In % of total workforce		In % of total workforce	
Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
179	843	5	61	1,28	0,40	0,37 %	0,689 %	0 %	0 %

1.2 About the position levels

For the calculation of wage differences compensation is split into two categories: base salary and total compensation. Equal work and work of equal value are the basis of determining the position levels. Existing job categories are used when determining the position levels. There are a total of 14 job levels in the company.

For privacy reasons, there must be at least five of each gender in each level in order for the results to be published publicly. Therefore, wage group 4 – 10 is presented in this report. The wage group “blue-collar” is a separate wage group as all employees in this groups are compensated in accordance with a collective agreement.

1.3 Findings from analyzing the gender balance and wage differences

- Females represent 20% of the total workforce for the calendar year 2022, which reflects the industry trends. The report shows that women have a higher base salary than men on a total average. This is a result of only 3% women in the "Blue-Collar" position level, and the “Blue-collar” level representing the lower scale of the company’s pay range.
- When considering all cash benefits: *fixed salary, overtime, irregular allowances and other variable considerations*, women on average have a lower salary than men. This is especially evident in the group "Blue-Collar". The proportion of women is low, and this category has the most irregular cash benefits.
- Overtime work is a predominant factor explaining why women have lower total compensation than men. The numbers demonstrate a higher proportion of men working overtime compared to women. Men was compensated 88% more for working overtime compared to women in the calendar year 2022.

1.4 Part-time work

The company has a relatively low proportion of part-time employees with 0.37% women and 0.69% men working reduced hours. Personnel are mainly hired on full-time contracts. It is however possible to work reduced hours upon request from the employee. There is no involuntary part-time



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work.

2. Our work for equality and against discrimination

2.1 Principles, procedures and standards for equality and against discrimination

Rosenberg Worley AS has established policies and standards with supporting procedures in the company's management system. Several of these demonstrate how the company should work actively and purposefully to prevent discrimination and ensure equality in the organization. Some of these are:

- **Diversity and Inclusion Policy**- Describes the company's main principles on diversity and inclusion.
- **"People Policy"** - Describes the company's main principles on how we communicate with and treat the people in our organization – free from all forms of discrimination, bullying, harassment and slander.
- **"Talent Acquisition and Promotion Standard"** - Describes the company's standardized approach to how we recruit personnel and make promotions in an open, consistent, and fair manner. Where everyone has equal opportunities, free from discrimination.
- **"Bullying and Harassment Standard"** - The company's standard to ensure a working environment free from harassment, discrimination, bullying and violence.

2.2 How the company worked to identify the risk of discrimination and barriers to equality in financial year 2023

During 1st quarter of the 2023 financial year, we engaged in discussions with the local unions to summarize our last year's equality statement and to identify further risks for discrimination and equality. The female to male ratio of 18% female is considered to pose risk for gender discrimination being only 18 % female worker in the company. The company also consist of 69 different nationalities, lack of cultural understanding may pose a risk for equality in the company.

2.2.1 Measures initiated

- **Increasing Female Representation in Leadership:**
We have actively worked towards increasing the representation of women in leadership positions within our company. Through targeted recruitment efforts, leadership development programs, and mentorship opportunities, we have successfully elevated the number of female leaders in our organization to 43% female representation.
- **Establishing a Social Networking Arena for Young Employees:**
In line with the Act's provisions promoting inclusivity, we have established a social

Equality statement FY23

ROSENBERG

networking platform dedicated to our young employees called Young@Rosenberg. This initiative fosters a sense of belonging and encourages networking amongst our younger employees both white-collar and blue-collar workers from diverse backgrounds, disciplines, and departments, ultimately contributing to a more inclusive work environment.

- **Introducing Female Workwear:**

As a result of last year's work with diversity & inclusion, we have recognized the importance of providing comfortable and suitable workwear for all employees. As part of our commitment to gender equality, we have introduced female-specific workwear options to ensure that all employees have access to appropriate attire that meets their needs.

- **Continuous Monitoring of Recruitment Practices:**

To ensure fairness and equal opportunities, we have consistently tracked and followed key performance indicators (KPIs) related to the recruitment of female graduate engineers. Our target of achieving a 50% recruitment rate of female graduate engineers aligns with our goal of eliminating gender-based discrimination in hiring processes.

- **Celebrating Diversity with Divali:**

Embracing cultural diversity is a fundamental aspect of promoting equality. To celebrate and acknowledge the diversity of our workforce, we have incorporated cultural celebrations such as Divali into our company's events calendar. This promotes cultural awareness and inclusivity among our employees.

- **Equal Pay Initiatives:**

As a follow-up from last year's equality statement, including its gender pay analysis, we have conducted a session with the Women of Worley Network to ensure openness and create awareness regarding the gender pay in our company. As the numbers above describe, there are no systematic pay differences based on gender related to base salary. However, total pay for men is higher compared to women. During this session we displayed current figures and engaged the group in discussion on why there is a gender pay gap on total pay, and how we can work reduce this gap.

- **Salary Review**

In our annual salary review process the company established Equity Pay as one of the criteria for evaluating the individual salary. The managers were asked to assess their employee's salary and look for any potential discrimination to ensure all employees are compensated fairly based on factors such as performance, experience, and responsibilities.

2.3 Measures planned for Financial Year 24

In the coming year, we will continue to work actively for increased gender equality. We will actively involve trade unions to identify risks of discrimination based on gender, pregnancy, maternity or adoption leave, caregiving duties, ethnicity, religion, beliefs, disability, sexual orientation, gender identity, gender expression and combinations of these grounds.



Income statement

Rosenberg Worley AS

Amounts in NOK	Note	FY2023	FY2022
Operating income and operating expenses			
Revenue	2, 3	6 668 248 315	6 004 716 298
Other income		567 750	0
Total income		6 668 816 065	6 004 716 298
Raw materials and consumables used		4 975 328 337	4 533 435 031
Employee benefits expense	4, 5	1 017 197 982	921 537 102
Depreciation of tangible and amortization of intangible assets	6, 7	40 106 988	36 675 371
Other expenses	3, 4	459 287 291	376 344 246
Total expenses		6 491 920 598	5 867 991 750
Operating profit		176 895 467	136 724 548
Financial income and expenses			
Income from subsidiaries	10	11 000 000	12 000 000
Interest income from group companies	3	37 563 899	14 256 168
Other interest income		3 711 023	683 343
Other interest expenses		53 778	32 594
Net financial items		52 221 145	26 906 917
Profit (+) / loss (-) before income tax expense		229 116 611	163 631 465
Income tax expense	8	45 122 082	35 250 009
Net profit after tax		183 994 529	128 381 456
Annual net profit (+) / loss (-)		183 994 529	128 381 456
Net profit or loss for the year is distributed as follows:			
Ordinary dividend	9	162 100 000	50 000 000
Other equity	9	21 894 529	78 381 456
Total distributed		183 994 529	128 381 456



Balance Sheet

Rosenberg Worley AS

	Note	30.06.2023	30.06.2022
Assets			
Non-current assets			
Intangible assets			
Software licences	6	652 561	3 222 443
Total intangible assets		652 561	3 222 443
Property, plant and equipment			
Buildings and land	7	67 330 804	70 186 606
Machinery and equipment	7	56 070 724	41 194 034
Equipment and other movables	7	22 896 526	28 885 054
Total property, plant and equipment		146 298 054	140 265 694
Non-current financial assets			
Investments in subsidiaries	10	11 849 676	11 849 676
Other long-term receivables	5	15 780 887	12 411 278
Total non-current financial assets		27 630 563	24 260 954
Total non-current assets		174 581 178	167 749 090
Current assets			
Debtors			
Accounts receivables	3, 11	415 811 064	556 310 259
Short-term group deposits	3	1 395 981 033	1 377 661 602
Other short-term receivables	3	191 274 294	128 655 300
Total receivables		2 003 066 391	2 062 627 161
Cash and cash equivalents	12	25 669 359	10 986 520
Total current assets		2 028 735 751	2 073 613 681
Total assets		2 203 316 929	2 241 362 771



Balance Sheet

Rosenberg Worley AS

	Note	30.06.2023	30.06.2022
Equity and liabilities			
Paid-in capital			
Share capital	9, 13	36 907 710	36 907 710
Total paid-up equity		36 907 710	36 907 710
Retained earnings			
Other equity	9	183 547 200	161 652 671
Total retained earnings		183 547 200	161 652 671
Total equity		220 454 910	198 560 381
Liabilities			
Provisions			
Pension liabilities	5	15 780 887	12 411 278
Deferred tax	8	167 039 387	121 917 305
Other provisions	14	177 363 204	130 997 663
Total provisions		360 183 478	265 326 246
Other non-current liabilities			
Other non-current liabilities		0	36 399
Total of other non-current liabilities		0	36 399
Current liabilities			
Liabilities to financial institutions		0	121 941
Trade payables	3	652 936 091	550 901 523
Public duties payable		54 488 735	52 099 786
Dividends	9	162 100 000	50 000 000
Other current liabilities	3, 11, 14	753 153 715	1 124 316 497
Total current liabilities		1 622 678 541	1 777 439 747
Total liabilities		1 982 862 018	2 042 802 391
Total equity and liabilities		2 203 316 929	2 241 362 772



Balance Sheet

Rosenberg Worley AS

Stavanger, 27.09.2023

The Board of Rosenberg Worley AS

Bradley Andrews

Chair of the Board

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Mark Brantley;
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Mark Edwin Brantley

Member of the Board

DocuSigned by:
Erwin Geene
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Erwin Geene

Member of the Board

Helga Skjeie

Member of the Board

Sebastian Ahlf

Member of the Board

Jan Trygve Narvestad

Managing Director

Henrik Voerman Rysgaard

Member of the Board



Cash flow statement

Rosenberg Worley AS

Amounts in NOK		FY2023	FY2022
Cash flows from operating activities			
Profit/loss before tax		229 116 611	163 631 465
Taxes paid	8	0	-11 633 783
Loss/gain on the sale of fixed assets	7	-567 750	-95 745
Depreciation and amortization	6, 7	40 106 988	36 675 371
Changes in trade receivables		140 499 195	260 954 433
Changes in trade payables		102 034 568	-79 128 072
Changes in other accruals		-385 027 286	322 807 972
Net cash flows from operating activities		126 162 326	693 211 641
Cash flows from investment activities			
Proceeds from the sale of fixed assets	6, 7	567 750	113 000
Purchase of fixed assets	6, 7	-43 569 466	-70 543 216
Change in short term group deposits		-18 319 431	-458 424 180
Net cash flows from investment activities		-61 321 147	-528 854 396
Cash flows from financing activities			
Repayment of short term loans		-158 340	-133 012
Payment of Group contribution/dividend		-50 000 000	-170 000 000
Net cash flows from financing activities		-50 158 340	-170 133 012
Net change in cash and cash equivalents		14 682 839	-5 775 767
Cash and cash equivalents at 01.07		10 986 520	16 762 287
Cash and cash equivalents at financial year end		25 669 359	10 986 520



Notes to the accounts for FY2023

Rosenberg Worley AS

Amounts in NOK

Note 1 - Accounting principles

The annual report is prepared according to the Norwegian Accounting Act and Norwegian generally accepted accounting principles. The financial year FY2023 runs from 1 July 2022 until 30 June 2023.

Consolidation

Rosenberg Worley AS does not present consolidated Financial Statements because Rosenberg Worley AS is not the ultimate parent. Subsidiaries are exempt from consolidation according to the Norwegian Accounting Act § 3-2. The Company Group accounts are prepared by Worley Ltd, the Company's ultimate parent company registered in Australia. The annual reports are available on www.worley.com.

Foreign currency translation

Transactions in foreign currency are recognized using the exchange rate on the transaction date. Monetary items and liabilities in foreign currency are re-valued using the exchange rate on the balance sheet date. Non-monetary items measured at historical exchange rate expressed in foreign currency are re-valued using the exchange rate on the transaction date. Non-monetary items measured at fair value in foreign currency are re-valued using the exchange rate on the balance sheet date. Changes in exchange rates are recognized in the income statement during the year as Cost of materials.

Sales revenue

Revenue from sales of goods is recognized at the time of delivery. Revenue from long term construction contracts is recognized in accordance with the projects' percentage of completion, when the outcome can be estimated reliably. The percentage of completion is measured based on direct cost spent compared to total estimated direct costs or on a combination of empirical data, monitoring of efficiency and best judgement. The method applied depends on the specific project and the method which best depicts transferring control of the goods and services. When outcome cannot be estimated reliably, revenue is recognized based on the project costs incurred with a zero profit margin. When projects with an expected loss are identified the total estimated loss is recognized in the income statement immediately.

Income tax

The tax expense consists of tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is likely that the tax assets will be utilized. Taxes are recognized directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets are assets expected to be converted to cash, sold or consumed within one year from balance sheet date. Current liabilities are obligations expected to be settled within one year from balance sheet date. Assets and liabilities that are not classified as current are fixed assets and long term liabilities, respectively.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued at acquisition cost less impairment, depreciation and amortization. Long term liabilities are recognized at nominal value.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are capitalized at cost and depreciated alongside the asset. If the carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the



Notes to the accounts for FY2023

Rosenberg Worley AS

Amounts in NOK

greater of the net selling price and the value in use. Value in use is the net present value of future cash flows.

Subsidiaries

Subsidiaries are valued using the cost method. If the carrying value exceeds the estimated recoverable amount, the asset will be written down unless the reduction in value is considered temporary and a write down is not deemed necessary by generally accepted accounting principles. Write downs may be reversed if the causes of the initial write down are no longer present.

Dividends and other distributions are recognized when approval by the General Meeting is considered highly probable. If dividends exceed retained earnings after acquisition, the exceeding amount represents reimbursement of invested capital, and the distribution will be subtracted from the value of the acquisition in the balance sheet.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful receivables. Provisions for doubtful receivables are made on the basis of individual assessments.

Pensions

The Company has a defined contribution pension plan and an early retirement scheme (AFP). AFP is accounted for as if it was a defined contribution plan. Pension premium are recognized as pension cost and classified as a part of the staff cost.

Leasing

The Company has entered into lease agreements as a lessee. Lease agreements are classified as finance or operating leases on the basis of a specific assessment of each lease.

For finance lease, an amount equivalent to the lower of the fair value and the present value of the minimum lease payment is reported on the balance sheet at beginning of the lease period. The same depreciation period is used as for the Company's other depreciable assets.

Lease agreements are classified as operating leases when the lessor has the substantial risk related to the asset. Operating leases are expensed on a straight-line basis over the period of the lease.

Warranty

Obligations for future warranty work related to delivered projects and sales are estimated and accrued on the balance sheet date based on the Company's best estimate. The liability is accrued in the balance sheet and changes are recognized in the income statement.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term liquid deposits.

Intercompany balances and transactions

The Company makes many transactions with Group Companies and associates. All transactions are a part of ordinary business transactions unless specified otherwise.



Notes to the accounts for FY2023

Rosenberg Worley AS

Amounts in NOK

Note 2 - Sales revenue

Revenue is generated through field development, engineering, construction, operation, maintenance and modifications, which is considered as one segment. All revenue is generated in Norway.

Note 3 - Related parties

	FY2023	FY2022
Sales		
Subsidiaries	214 838	232 567
Associated companies	47 649 172	6 943 835
Sales to group companies	47 864 010	7 176 402
Purchases		
Subsidiaries	116 338 061	74 675 090
Associated companies	216 929 001	204 174 235
Purchases from group companies	333 267 062	278 849 325
Interest income		
Associated companies	37 563 899	14 256 168
Interest income from group companies	37 563 899	14 256 168

	FY2023	FY2022
Receivables		
Receivables subsidiaries	12 118 650	12 909 696
Receivables associated companies	14 370 242	2 995 652
Short term deposits to associated companies	1 385 001 811	1 375 001 811
Total	1 411 490 703	1 390 907 159
Payables		
Payables subsidiaries	14 474 108	1 213 381
Payables associated companies	12 434 805	102 790 075
Accrued cost against subsidiaries	14 038 922	8 358 535
Accrued cost against associated companies	10 382 752	6 149 665
Total	51 330 587	118 511 655



Notes to the accounts for FY2023

Rosenberg Worley AS

Amounts in NOK

Note 4 - Staff costs, number of employees, remuneration and auditor's fee

Staff costs	FY2023	FY2022
Salaries	794 474 742	724 470 106
Payroll tax	118 421 586	111 357 418
Pension costs	49 742 079	48 460 311
Other payments	54 559 575	37 249 267
Total	1 017 197 982	921 537 101
Full-time equivalents	984	979

Management & Board remuneration

	Managing Director
Salary	3 510 274
Pension expenses	495 000
Other remuneration	1 876 636

The Managing Director has a bonus agreement.

The Managing Director is entitled to severance pay for 12 months, including 3 months termination period. In addition to be included in the standard pension plan, the Managing Director is part of the Company's supplemental pension scheme for executive management.

Remuneration to the Board of Directors amounted to NOK 45,000.

Auditor fee (excluding VAT)	FY2023	FY2022
Statutory audit fee	758 610	710 010
Non-audit services	45 000	199 060
Tax related services	0	58 400

Note 5 - Pensions

The company is obliged to have a company pension plan in line with the Norwegian Act on Compulsory Occupational Pensions, and the Company has a pension plan that meets these requirements.

The company has a defined contribution pension plan. All employees are offered participation. There were 1021 members as of 30 June 2023.

In addition, the Company has a supplemental pension scheme for executive management accounted for as a defined contribution plan. The pension plan is recognized as both Pension liabilities and Other long-term receivables.

As protection against non-fulfilment of the Company's obligations, a pledge has been registered on the balance, at any given time, in the individual mutual fund account (recognized as Other long-term receivables) for the benefit of the employees.



Notes to the accounts for FY2023

Rosenberg Worley AS

Amounts in NOK

Note 6 - Intangible assets

	Software licenses
Acquisition cost at 01.07	14 365 191
Disposals	0
Purchased intangibles	0
Acquisition cost 30.06	14 365 191
Acc.amortization 30.06	13 712 630
Acc.write-downs 30.06	0
Acc.depreciation and write-downs as at 30.06.	13 712 630
Net carrying amount 30.06	652 561
Depreciation for the year	2 569 881

Straight-line amortization is used for all the fixed assets. The economic lifetime is estimated to 3-5 years.

Note 7 - Tangible assets

	Land, buildings and other real property	Machinery and plan	Fixture, fittings, tools and office equipment	Under construction	Total
Acquisition cost 01.07	141 422 964	105 603 532	93 917 776	3 658 761	344 603 033
Reclassification and disposals	3 437 180	-969 074	-625 000	-3 658 761	-1 815 655
Purchased tangibles	5 772 520	29 102 957	8 627 608	216 380	43 719 465
Acquisition cost 30.06	150 632 664	133 737 415	101 920 384	216 380	386 506 843
Acc.depreciation 30.06.	83 518 241	77 666 691	79 023 858	0	240 208 790
Acc.write-downs 30.06	0	0	0	0	0
Net carrying amount at 30.06	67 114 423	56 070 724	22 896 526	216 380	146 298 054
Depreciation for the year	8 623 122	14 447 848	14 466 136	0	37 537 107

Straight-line depreciation is used for all the fixed assets. The economic lifetime is estimated to 3-10 years.

The company has an operational lease for the rental of an office building with duration until 1 April 2027.

In addition the Company has an operational leasing agreement for rental of workshop area and premises. Duration without termination is 1 March 2029.

The Company is entitled to extend both rental agreements for an unlimited number of 5-year periods, subjects to notification within 12 months before the rental expires. The lease agreements are accounted for as operating lease agreement.

In addition the company has short term leases for additional office space. The total rental amount for FY2023 was NOK 84 million.



Notes to the accounts for FY2023

Rosenberg Worley AS

Amounts in NOK

Note 8 - Tax

	FY2023	FY2022
This year's tax expense		
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax	45 122 082	35 250 009
Tax expense on ordinary profit/loss	45 122 082	35 250 009
 Taxable income:		
Ordinary result before tax	229 116 611	163 631 465
Permanent differences	-24 016 239	-3 404 154
Changes in temporary differences	-425 858 183	-548 312 679
Utilisation of/ Addition to tax losses carried forward	220 757 810	388 085 367
Taxable income	0	0
 Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences.

	FY2023	FY2022	Change
Tangible assets	-12 831 680	-10 103 907	2 727 773
Production contracts	1 615 710 738	1 094 183 152	-521 527 586
Lease agreements brought to the balance	0	-8 340	-8 340
Profit and loss account	151 391	189 239	37 848
Provisions	-234 917 331	-142 005 208	92 912 123
Total	1 368 113 118	942 254 935	-425 858 183
Accumulated loss to be brought forward	-608 843 178	-388 085 367	220 757 810
Basis for deferred tax	759 269 940	554 169 568	-205 100 372
 Deferred tax (22 %)	167 039 387	121 917 305	-45 122 082

	FY2023	FY2022
Profit before tax	229 116 611	163 631 465
Calculated tax on profit before tax	50 405 654	35 998 922
Tax effect of permanent differences	-5 283 573	-748 914
Total	45 122 082	35 250 009
Effective tax rate	19,7 %	21,5 %



Notes to the accounts for FY2023

Rosenberg Worley AS

Amounts in NOK

Note 9 - Equity

	Share capital	Other equity	Total
Equity 01.07	36 907 710	161 652 671	198 560 381
Profit for the year	0	183 994 529	183 994 529
Dividend	0	-162 100 000	-162 100 000
Equity 30.06	36 907 710	183 547 200	220 454 910

Note 10 - Investments in subsidiaries

Name	Acquisition date	Location	Share owners	Voting rights	Net profit	Equity	Book value
Instefjord Services AS	01.01.2006	Hundvåg	100%	100%	10 132 615	2 883 367	3 461 354
Worley Origo Process AS	23.03.2012	Hundvåg	100%	100%	2 741 934	2 707 472	8 388 322

Subsidiaries are exempt from consolidation according to the Norwegian Accounting Act §3-2. The Company Group accounts are prepared by Worley Ltd, the Company's ultimate parent company registered in Australia. The annual reports are available on www.worley.com.

Note 11 - Long term construction contracts

The revenue on long term construction contracts is recognized in accordance with the projects' percentage-of-completion.

Project progress is measured based on direct costs spent compared to total estimated direct costs or on a combination of empirical data, monitoring of efficiency and best judgement. The method applied depends on the specific project and the method which best depicts transferring control of the goods and services. Long-term contracts with lump-sum compensation elements give rise to estimation uncertainty. Estimation uncertainty related to revenue, variations and cost to complete is evaluated and measured at the best estimate. Recoverable amounts from variation orders and incentive payments are recognized when they are measurable and deemed likely to result in revenue. This evaluation is adjusted by management's judgment of claims to be imposed by customers usually relating to contractual delivery terms. Judgements are continuously reviewed and are based on past experiences and expectations of future events. The resulting accounting estimates will, by definition, rarely precisely match actual results.

Projects under construction are shown as the net amount of earned revenue less amounts invoiced or prepaid from customers and accrued cost.

Projects under construction - net assets	29 677 874
Projects under construction - net liability	-259 943 843
Net asset (+)/liability (-) all projects	-230 265 969



Notes to the accounts for FY2023

Rosenberg Worley AS

Amounts in NOK

Note 12 - Bank deposits, mortgages and guarantees

The Company has a bonding/guarantee facility with Atradius for up to NOK 640 million. Security for the guarantees is provided from Worley Ltd, the Company's ultimate parent company registered in Australia.

Handelsbanken has issued a tax withholding guarantee for up to NOK 40 million. Per 30 June 2023 the tax withholding exceeded the guaranteed amount by NOK 0.2 million. Hence, this amount is restricted cash balance.

On July 15th 2019 the Company entered into an agreement to accede as guarantor for external group facilities. This is related to Worley Ltd's debt financing arrangements.

Note 13 - Share capital and shareholder information

The Company has only one class of shares.

Share capital:

	Number of shares	Par Value	Book value
A-Shares	36 907 710	NOK 1	36 907 710

Shareholders per 30.06.2023:

	Ordinary shares	Ownership shares	Voting rights
Worley Norway AS	36 907 710	100 %	100 %

Note 14 - Warranty

	FY2023	FY2022
Warranty provisions	177 363 204	130 997 663
Total long-term provisions	177 363 204	130 997 663

	FY2023	FY2022
Warranty provisions	39 184 740	8 654 345
Total provisions included in other short term	39 184 740	8 654 345

Note 15 - Claims and contingencies

In November 2021, the Company received a notification that local authorities are considering to require the Company to clean up historical pollution in the seabed near its site in Stavanger. It is uncertain if this notification will lead to a claim. Neither a claim nor a resolution on the abovementioned consideration has been received as of the date of this report. The Company's position is that the Company is not responsible for the alleged pollution, and as such, this notification will not have a material impact to the financial statements.



To the General Meeting of Rosenberg Worley AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Rosenberg Worley AS (the Company), which comprise the balance sheet as at 30 June 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

PricewaterhouseCoopers AS, Kanalsletta 8, Postboks 8017, NO-4068 Stavanger

T: 02316, org. no.: 987 009 713 MVA, www.pwc.no

Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Stavanger, 27 September 2023
PricewaterhouseCoopers AS

Roy Henrik Heggelund
State Authorised Public Accountant
(This document is signed electronically)



Revisjonsberetning

Signers:

Name	Method	Date
Heggelund, Roy Henrik	BANKID	2023-09-27 22:06

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Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 17.10.2013	Vår dato 05.11.2013
Telefon 22078139	Deres referanse Kristin Færøvik	Vår referanse 2013/817299

ROSENBERG WORLEYPARSONS AS
Postboks 54
4086 HUNDVÅG

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Rosenberg WorleyParsons AS, org. nr. 984 329 075

- Det vises til deres brev 17. oktober 2013 samt telefonsamtale i sakens anledning. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Rosenberg WorleyParsons AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Rosenberg WorleyParsons AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Bakgrunn

Rosenberg WorleyParsons AS inngår i det internasjonale konsernet WorleyParsons Group. Konsernspissen er det australske selskapet WorleyParsons Ltd. Rosenberg WorleyParsons AS tilbyr tjenester innen innrednings- og installasjonsarbeid utført på borerigger og moduler. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Det interne arbeidsspråket er engelsk og all intern rapportering skjer på dette språket. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper

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Telefaks
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vil også gjøre det vanskeligere for markedsdeltakere å ta ut speulasjonsgevinster med basis i skjevt fordelt informasjon.”

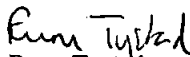
Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et datterselskap til et utenlandsk selskap og inngår i et internasjonalt konsern. Eierkretsen er begrenset. Arbeidsspråket er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen


Rune Tystad

seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet


Torstein Kinden Helleland



Skattedirektoratet

Saksbehandler
Geir Johannessen

Deres dato
04.10.2013

Vår dato
28.10.2013

Telefon
22 66 11 14

Deres referanse
Jan Kvalvik

Vår referanse
2013/764923

ERNST & YOUNG AS
Postboks 8015
4068 STAVANGER



Fritak for konsernregnskapsplikt for WorleyParsons Norway AS, org.nr. 999 665 950

- Det vises til deres brev av 4. oktober 2013 der det søkes om fritak fra plikten til å utarbeide konsernregnskap for WorleyParsons Norway AS fra og med regnskapsåret 2013.

Skattedirektoratet finner med hjemmel i regnskapsloven av 17. juni 1998 nr. 56 § 3-7 fjerde ledd å kunne gi tillatelse til at det gjøres unntak for konsernregnskapsplikten for WorleyParsons Norway AS.

Bakgrunn

WorleyParsons Norway AS inngår i WorleyParsons konsernet. Konsernets morselskap, WorleyParsons Limited, er hjemmehørende i Australia. Det norske selskapet er et heleid datterselskap av WorleyParsons EA Holding Ltd., som eies med 100 % av WorleyParsons Limited. WorleyParsons Limited utarbeider konsernregnskap som omfatter WorleyParsons Norway AS og dets datterselskaper. Konsernregnskapet avlegges i henhold til International Financial Reporting Standards (IFRS) og på engelsk språk.

Forutsetninger for vedtaket

Det forutsettes at WorleyParsons Limited utarbeider konsernregnskap som omfatter den regnskapspliktige og dennes datterselskaper. Det legges til grunn at dette konsernregnskapet utarbeides i samsvar med IFRS. Videre legges til grunn at kravene i regnskapsloven § 3-7 for øvrig følges.

Bestemmelsene i regnskapsloven kapittel 8 gjelder tilsvarende for dette konsernregnskapet. Morselskapet kan etter forskrift av 7.9.2006 nr. 1062 til utfylling og gjennomføring mv. av regnskapsloven § 3-7-1 utarbeide konsernregnskapet på norsk, svensk, dansk eller engelsk.

Kopi av dette brev må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

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22 17 08 60



2013/764923 Side 2 av 2

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad

seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet

Geir Johannessen



VEDLEGG TIL SKJEMA

RR-0002 ÅRSREGNSKAP FOR SMÅ, STORE OG ØVRIGE SELSKAP

Rosenberg Worley AS, org. Nr. 984 329 075, benytter seg av unntaket til å utarbeide konsernregnskap i underkonsern jf. regnskapslovens § 3-7. Rosenberg Worley AS er 100 % eid av Worley Norway AS, org. nr. 999 665 950. Worley Norway AS har fått innvilget søknad om fritak for konsernregnskapsplikten. Dette vedtaket er vedlagt i eget dokument. Konsernspiss er Worley Limited, hjemmehørende i Australia. Det vedlagte konsernregnskapet til Worley Group omfatter Rosenberg Worley AS.