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ASX release

WORLEY LIMITED (WORLEY)

(ASX: WOR)

AGM Addresses

The following addresses will be delivered today at the 2021 Annual General Meeting:

- Chair's Address – Mr John Grill
- Chief Executive Officer's Address – Mr Chris Ashton
- People and Remuneration Committee Chair's Address – Mr Thomas J. Gorman

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About Worley: Worley is a global company headquartered in Australia and our purpose is delivering a more sustainable world. Worley is a leading global provider of professional project and asset services in the energy, chemicals and resources sectors. As a knowledge-based service provider, we use our knowledge and capabilities to support our customers to reduce their emissions and move towards a low carbon future.

Worley Limited is listed on the Australian Securities Exchange (ASX: WOR).

2021 Annual General Meeting

Chair's address

As we gather for this meeting, I would like to acknowledge the Traditional Owners of the lands on which we all meet today.

For me here in this place we now call North Sydney it is the Cammeraygal of the Eora Nation.

We acknowledge the Elders – past, present and emerging of all the lands we work and live on, and extend our respect to other Aboriginal and Torres Strait Islander people present.

This year, our people, customers and business have been impacted by the global health and economic circumstances. Many countries around the world including Australia are still dealing with the impacts of COVID-19. We want to express our deep gratitude for the ongoing resilience, agility and professionalism of our global team who have supported each other while continuing to support our customers in the delivery of their projects and maintaining operations on their critical infrastructure.

We will continue to take all appropriate actions to protect our people while ensuring business continuity.

The safety and well-being of our people is what matters most. In what has been a difficult period, we have maintained our industry leading safety performance. This year, our Total Recordable Case Frequency Rate was 0.16 across the Group. We are committed to providing a respectful, safe and healthy environment – one where we support each other and our communities. The COVID-19 impacts on site access and travel created an opportunity to develop new and enhanced site practices using technology and innovation. A number of these have been so successful that we are embedding them as leading practice and using them across all the industries in which we work across the world.

I'd now like to focus on our results for financial year 2021.

Our business has felt the impact of the global economic circumstances, including COVID-19 which have affected our customers – particularly in demand in their end markets. The Group reported an underlying net profit after tax of \$206 million and a positive operating cash flow of \$533 million. Our full year aggregated revenue was \$8.8 billion. We've delivered an underlying EBITA of \$468 million.

However, this year has been a story of two halves and I'm pleased to say that we've delivered a better second half in line with our expectations.

The Board declared a final dividend payment of 25 cents per fully paid ordinary share, unfranked. This is in addition to the interim dividend of 25 cents per share for a total dividend of 50 cents per share for the full year.

We've maintained our financial strength during a period of subdued economic activity. We've focused and taken early and deliberate action in the areas we can control. These efforts contributed to the improved result in the second half and have set our business up for future growth.

We have driven successful outcomes for both of our cost savings initiatives.

We have completed the ECR acquisition cost synergies program – delivering a total of \$190 million in annualized savings by April 2021. At the time of the acquisition, we identified \$130 million of annualized savings, and we have exceeded our original target by \$60 million within the expected timeframe.

As part of our operational savings program, we have simplified our business. The result is that we can better support our customers in innovative ways and fast track execution of our strategy. We are on schedule to deliver our increased savings target of \$350 million annualized savings by 30 June 2022.

These programs represent permanent structural change and will deliver benefits long into the future.

We continue to maintain a strong balance sheet. Our gearing is at 21.7% and leverage is 2.0 times which is within our target range. We extended our long-term debt maturity profile with the completion of a 500 million Euro Sustainability-Linked bond under a Euro Medium Term Note program. This was Australia's first Sustainability-Linked bond and we're proud that the bond aligns Worley's financing with our purpose. The bond is linked to our Scope 1 and Scope 2 emissions target reduction of just over 57,000 tonnes of carbon equivalent by 2025.

Our earnings base is more diversified across geographies, sectors and customer spend. Our diversification will continue to be important as different sectors and regions recover at different rates. We are driving long-term value for our shareholders, underpinned by our strong balance sheet to support growth initiatives and shareholder returns.

As a global leader delivering high-value solutions for our energy, chemicals and resources customers, we are well positioned to benefit from the megatrend towards sustainability.

Over the year, we have seen momentum continuing to build in response to climate change. The release of the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report provides further impetus for industry, regulators and government to work together in accelerating the energy transition. As leaders of the world come together for COP26, we expect to see further commitments and outcomes that will accelerate action, lift ambition and encourage the flow of capital to less carbon intensive assets whilst seeking nature-positive outcomes.

The pace and scale of investment in sustainability is predicted to greatly exceed that which we have seen before. This is supported by ESG focussed capital markets, social licence-to-operate, and the geopolitical environment.

Our purpose is delivering a more sustainable world and as a leading provider of professional project and asset services, we are uniquely positioned to enable industry to deliver the sustainability imperative. We are a critical part of the solution as our customers transition to a low-carbon future.

Our traditional work in energy, chemicals and resources continues to be an important part of our future, with sustainability providing a higher rate of growth. Our customers will continue to invest in their traditional businesses given ongoing demand while also investing in decarbonization of existing assets and potential new markets.

While the biggest impact we can have is providing our customers with solutions to meet their sustainability commitments, we are also committed to operating in line with our purpose. Our Climate Change Position Statement aligns us with the Paris Agreement and the UN Sustainable Development Goals.

I am proud to share that we have made significant progress on reducing our emissions and we have set a new interim Scope 1 and Scope 2 emissions target to complement our net zero target. We've committed to a 50% reduction of our Scope 1 and Scope 2 emissions by 2025, in line with our Sustainability-Linked bond.

We will also reduce emissions in our value chain. We have committed to set a science-based target to reach net zero Scope 3 emissions by 2050.

We are constantly improving our Task Force on Climate-related Financial Disclosures. This year, we have integrated climate risk into our business strategy development process and further embedded sustainability metrics in our remuneration framework.

We also continually assess our potential involvement in carbon-intensive projects, and run ethics checks on prospective customers and suppliers in line with our Responsible Business Assessment process.

We support our people and the communities in which we operate. We are working to create an even more diverse and inclusive environment – one free of discrimination and bias where everyone has equal opportunity, is valued, respected and supported. We take a holistic approach to diversity and inclusion and recognize that our diversity is our strength.

We are further strengthening the governance and operational controls we have in place to reinforce a culture of acting lawfully, ethically and responsibly. We have an Ethical Supply Chain and Modern Slavery Statement which includes a supply chain risk assessment and due diligence process. Our Data Protection Office governs compliance of our cyber security 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. This will continue to be critical to our future success as we transform our business.

We comply with all applicable laws and conduct our business to the highest standard and we hold our partners and agents to the same high standard.

I'd now like to turn to changes we've made to the Board and the executive this financial year.

In December 2020, we welcomed Emma Stein as an independent non-executive director to the Board. Since 2003, Emma has worked as a non-executive director for ASX200 companies as well as private and government-owned companies – in Australia and in New Zealand. Her skills and qualifications complement those of the existing Board.

In October 2020, Chris Haynes stepped down from the positions of Lead Independent Director and Chair of the Health, Safety and Sustainability Committee. He continues to serve on the Board as well as on the People and Remuneration Committee, the Nominations Committee and the Health, Safety and Sustainability Committee.

Andrew Liveris has taken on the role of Lead Independent Director. He remains Deputy Chair and also Chair of our Transformation Strategy, a special purpose committee to provide guidance for the development and implementation of our transformational strategy.

Roger Higgins has assumed responsibilities as Chair of the Health, Safety and Sustainability Committee.

Tom Gorman is stepping down from the position of Chair of the People and Remuneration Committee today. He remains a non-executive director and member of the People and Remuneration Committee, the Nominations Committee and the Health, Safety and Sustainability Committee.

Emma Stein will assume responsibilities as Chair of the People and Remuneration Committee going forward.

The Board undertakes appropriate evaluation, succession and renewal processes to ensure we maintain the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. Our directors generously allocate the necessary time required to carry out their duties and work to create value for our shareholders.

I'd like to take this opportunity to sincerely thank Tom Honan for his significant contribution to the Group as Chief Financial Officer. Tom retired on 21 June this year. I wish him and his family all the best for his retirement.

Charmaine Hopkins was appointed as Interim Chief Financial Officer of the Group. Charmaine brings an in-depth understanding of public company reporting requirements and capital structure and has a strong understanding of our business based on her experience at Worley over recent years.

We announced the appointment of Tiernan O'Rourke to the position of Chief Financial Officer of the Group. Tiernan will commence on 29 November and brings more than 30 years' experience in financial, commercial and planning roles across a range of industries, sectors and regions. We welcome Tiernan to Worley.

Finally, I want to thank shareholders for their continued support. I also want to thank our directors, leadership team and, most importantly, our people. In this past year, we have overcome great challenges and actively positioned our business for the future. We are delivering on our commitments in line with our expectations and continue to accelerate our strategic transformation. I look forward to working with you to create an exciting future for our Company.

That concludes my review of financial year 2021.

I would now like to make a few comments regarding our ongoing relationship with Dar Group. We continue to maintain open and positive discussions, and we've agreed on the types of projects or opportunities where we would assess working together. While there is no global agreement, we will evaluate opportunities on a case-by-case basis. The main area we can support Dar Group's projects is by bringing our sustainability skills and expertise to their markets, where it aligns with our purpose and is in the best interests of the company and all shareholders.

2021 Annual General Meeting

Chief Executive Officer's address

Hello everyone.

This past year has been one of dynamic global change. Through the COVID-19 pandemic and challenging economic circumstances, I couldn't be more proud of how the whole Worley team has responded and continues to live our values. Our values are that we value Life, we Rise to the challenge, we are Stronger together and we Unlock brilliance. We've prioritized the safety and well-being of our people and acted with agility to set our business up for the future. Our people have wholeheartedly embraced our purpose: delivering a more sustainable world. They're energized and motivated to help solve some of the world's most complex challenges.

We've seen some great examples of our global teams being Stronger together despite the challenges of global lockdowns. Our people have combined innovation and capability across regions to win strategically important contracts. They've solved complex problems for our customers, all while collaborating virtually.

We have a business that holds leadership positions across diverse end markets, and we are transforming into a high-value solutions provider enabled by data, technology and automation, particularly in areas of increasing investment in sustainability.

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

It has been over a year since our safety, health and well-being approach - Life was introduced, and more than 50% of our people surveyed report that it "made a positive impact and changed their work behavior". We've stayed focused on our people's mental and physical wellbeing as the world has moved in and out of COVID-19 related lockdowns.

Let's take a look at some of the results for the year.

Our business, like most, has felt the impact of the pandemic. The impact of project deferrals and site access restrictions led to a decrease in our aggregated revenue and underlying EBITA in FY21 compared to FY20. We've seen the business begin to stabilize over the second half with activity levels starting to return on long term contracts and strategic new awards in early phases. I'm pleased to report we improved our performance in the second half of FY21, in line with our expectations.

When faced with the global economic circumstances, we took decisive action to accelerate our strategic transformation and recast the cost base of the business. John shared earlier on how we've delivered against our cost savings programs, and it's important to note that the benefits of these programs will flow for years to come. The result of this is a business that is now in better shape than 12 months ago and will support our growth while maintaining a lower cost base. These actions were a main factor in delivering the improved second half result, delivering a second half underlying EBITA of \$261 million, which was up 26% on the first half.

I'm pleased with how we've delivered against our strategic transformation over the year. We delivered \$2.8 billion of revenue associated with sustainability or around 32% of Group aggregated revenue, and at more favorable margins compared to our traditional services. Sustainability is growing and now represents nearly half of the global factored sales pipeline. Our traditional business continues to be an important part of our future, and sustainability provides opportunities for growth beyond this. The outlook presented at the time of full year results remains consistent with what we are expecting for this financial year. As we've previously stated, we expect the first half to remain in line with recent performance. We are however seeing positive indicators for improved performance in the second half of this financial year and beyond. We expect projects in our sustainability pathways to become the largest proportion of our revenue in the medium to long term.

We have an important role to play in delivering a more sustainable world – both in partnership with our customers on their projects and in the way we run our business.

We are rated as a leader, both for our ESG performance, and in our industry for the energy transition services we provide.

In caring for our planet, we're taking strategic action on climate change. In terms of our commitments, we are making good progress against our Scope 1 and Scope 2 targets and are committed to achieving net zero Scope 3 emissions by 2050 via science-based targets. We've joined the Business Ambition for 1.5°C campaign, aligning our emissions reductions with the aims of the Paris Agreement.

We've transitioned our Houston and Perth offices to renewable energy, with more offices to come. We've updated our property leasing criteria to include sustainability and our vehicle fleet in Brazil has transitioned to operate on biofuels.

For our people and communities, we are working to create an even more diverse and inclusive environment. We're improving the gender and race diversity of our team. We have a gender-balanced executive team and 46% of our graduates starting during the year were women, up from 28% in FY20.

This year we held our first Global Inclusion survey. While many of our people told us they have a strong sense of belonging and inclusion, the results of the survey also provided us with some clear actions as we deepen our focus on inclusion and diversity.

As a global business we are inclusive and we continued to work with First Nations people in the communities in which we operate - for example in Canada through the Progressive Aboriginal Relations Certification, and in Australia with our Reconciliation Action Plan.

In line with our strategic transformation, we're committed to the continuous development of our people. We're aligning learning opportunities to our growth strategy and developing our people with targeted transferable skills through both on-the-job experience and employee-led learning.

Beyond the strategic actions we're taking in our own business, we're using our skills and partnering with others to Unlock brilliance and catalyze breakthrough thinking at an industry and government level. This is the decade of action; it will require collaboration across sectors to realize the UN Sustainable Development Goals.

We expect further global commitments and elevated ambition as a result of multi-lateral negotiations this month at COP26 for climate change and last month at COP15 for biodiversity.

Recently we launched a joint thought leadership paper with Princeton University's Andlinger Center for Energy and the Environment exploring the five key shifts in thinking needed to deliver the infrastructure required to achieve net zero by 2050 and discuss the critical role of companies like Worley.

We describe a new paradigm to enable delivery of engineered solutions at the pace and scale demanded by mid-century net zero targets.

Our biggest contribution to delivering a more sustainable world is in the work we do for our customers. Our skills and services are required to solve some of the biggest challenges on the planet and we are working with our customers to do just that.

Our strategy places us at the center of future investment. Our major customers and the investment community are increasing their commitments to net zero targets by 2050 and are announcing very large transition-related investments to get there.

We're well positioned to support our customers as they address the magnitude of the transition to achieve a low-carbon future. Our customers are choosing to work with us because of our global scale, our strong expertise in technology assessment, extensive experience in scaling up first-of-a-kind facilities and our reliability as a delivery partner.

I want to sincerely thank Tom Honan who retired as Chief Financial Officer in June 2021. Tom joined us in 2015 and he's made a significant, lasting contribution to the business. He's stewarded Worley through challenging market conditions. He's embedded a highly focused and disciplined approach which will benefit us for years to come. I wish Tom and his family all the best for his retirement.

As John mentioned, Tiernan O'Rourke will be joining us as Chief Financial Officer on 29 November and I look forward to welcoming him to the team. I'd also like to take the opportunity to thank Charmaine Hopkins, our Interim CFO, who remains a valued member of our team.

In closing, I'm proud of our people and optimistic for the future. We've made great strides this year in executing our accelerated transformation and making sure our business is 'future fit', and we've done it despite challenging global economic circumstances.

I want to acknowledge our remarkable people who've brought us to this position. The agility and resilience they've shown, and continue to show, exemplifies the spirit of Worley; we Rise to the challenge. I'd like to thank each and every one of them for their dedication.

To you, our shareholders, I want to say thank you for all your support and for the confidence you have in your Company.

2021 Annual General Meeting

People and Remuneration Committee Chair's address

Good afternoon, morning or evening everyone.

My name is Tom Gorman and as Chair of the People and Remuneration Committee I have been the lead non-executive director responsible for the development of this year's Remuneration Report. This report explains in detail how we approach remuneration at Worley and the remuneration outcomes for financial year 2021.

I would encourage you to read the entire Remuneration Report as it provides context and background to the matters I will cover today.

Let me begin by saying that we are pleased with the performance outcomes in what has been a very challenging year. We have been very focused on supporting our people and customers throughout this difficult period. We are also now well positioned for our transformation and sustainability journey.

Our people are navigating constant change as our customers and markets are changing rapidly. Our customers face new challenges and we're working with them to solve complex problems. At the same time, new customers are emerging. Rising demand for renewable and more sustainable solutions are shifting dynamics in the marketplace. We are excited about the significant opportunity for our work and our people.

As markets and opportunities evolve, we need to adapt and learn quickly. In July 2020, we introduced a simplified operating model, with improved customer interfaces and agility. This positions us for growth in new sectors and increases our focus on digitalization and the energy transition.

We also saw some changes to our executive leadership with Vinayak Pai leading Europe, Middle East, Africa and Asia Pacific and Karen Sobel leading the Americas. Tom Honan announced his decision to retire in July 2021 and we thank Tom for his contribution to Worley.

The safety and wellbeing of our people is our top priority. Our people have gone above and beyond to care for, and help each other, through COVID-19. We've provided practical support and care to our people through a range of actions, such as:

- providing greater flexibility to work remotely; and
- mental health assistance through our Employee Assistance Program for all our people.

Our people and their capabilities are our competitive advantage. We are committed to best in class capabilities to deliver for our customers and grow our position in target sectors. More than ever, we are supporting our people to develop their skills and leadership, so they can adapt and thrive. We are also dedicated to creating a diverse and inclusive culture that truly unlocks brilliance. Throughout 2021 our people demonstrated how they rise to the challenge and deliver innovative solutions to complex problems.

Executive remuneration supports our global strategy and culture. Our remuneration strategy is designed to support our strategy and drive sustainable outperformance over the short, medium and long term. It supports Worley's purpose, values, strategic objectives and risk appetite. We are a global business with

significant operations and people in multiple countries, with nearly half of our senior leaders in North America. Our remuneration strategy must therefore be internationally competitive to attract, motivate, retain and mobilize the best people in the increasingly competitive global markets we serve.

Our strategy creates strong shareholder alignment by incorporating significant equity components to encourage executives to behave like owners, focus on creating long-term value and stay with us through business cycles.

For FY2021, we made changes to the remuneration framework to eliminate elements our shareholders did not support and strengthen the performance focus of our plans. We introduced a performance condition and extended the performance period for the deferred equity plan. We also extended the Long Term Incentive period by one year and reviewed the comparator group for relative Total Shareholder Return.

I will now turn to the performance and remuneration outcomes for the year. The executive team worked tenaciously to support customers as the market conditions and COVID-19 impacted their businesses. Notwithstanding the many market challenges, people numbers and utilization have remained strong. A dedicated focus on cash management has ensured a strong liquidity position. The Board is pleased with the continued performance of the business throughout this difficult period and commends the executive team.

We highlight the following performance results compared to the objectives set by the Board in the STI scorecard:

- the underlying NPATA result was \$281m, reflecting the market challenges experienced throughout the year;
- cash received was greater than statutory revenues;
- health and safety expectations were met, and leadership in Health, Safety and Sustainability was strong;
- operating model changes delivered strong cost savings;
- we made good progress in diversity and inclusion; and
- despite challenging business conditions, new business won in strategic priority sectors was excellent. This positions us well to grow our business in sustainability in FY2022.

In making decisions regarding FY2021 remuneration, we carefully reviewed the performance results compared to the stretch targets set at the beginning of the year. The Board has a policy to review underlying earnings measures for remuneration purposes to ensure executives are:

- being appropriately held to account for their actions and delivering the annual target; and
- considering investment and transformational opportunities without bias.

For FY2021, we excluded costs related to the ECR transition, transformation and restructuring costs, gains and losses from sales of business units, impairment of investments and government payments or subsidies in relation to COVID-19. Worley did not receive JobKeeper or other COVID-related support from the Australian government.

Additionally, we considered a number of factors to determine the remuneration outcomes for the Chief Executive Officer (CEO) and other executives and the extent to which any general Board discretion would be applied. This covered broader measures of performance and outcomes for our people, customers, shareholders, suppliers and communities.

The Board did not apply discretion to remuneration outcomes. The Board considers the overall outcomes are a fair reflection of FY2021 performance. This has resulted in the CEO and other executives receiving a STI payout of 71% of target. Our long-term performance outcomes are disappointing. Earnings Per Share growth was negative 15.6% compound per annum above inflation over the last three years and TSR relative to Worley peers was 46th percentile over the same period. As a result, no equity rights will vest under the FY2019 Long Term Incentive plan.

We will evolve the executive remuneration framework further in FY2022 to ensure it strongly aligns to:

- our remuneration strategy and principles;
- our strategy to transform and grow our business with our customers in sustainability; and
- creating our desired culture.

Our remuneration framework will continue to have the same variable remuneration components and vesting timeframes. A performance condition was introduced for the DEP in FY2021 and this will be retained. However, we will strengthen the framework by making the following key changes in FY2022:

- Rebalance the remuneration mix to reduce the maximum cash STI to 150% of target and increase equity, with the majority weighted towards LTI. These changes improve the alignment and competitiveness of our remuneration mix to both the Australian and global peer groups; and
- We will evolve the STI framework to drive our sustainability focus and enable our transformation.

As we transform our business, we will be very focused on delivering sustainable long-term returns to shareholders and positive outcomes for all our stakeholders. Next year, we will review the LTI plan further to ensure it is well positioned to support this focus. We are committed to engage and communicate clearly with shareholders on the framework and any key changes we make.

We continue to focus on keeping our people safe, satisfying our customers and ensuring our business remains strong for many years to come. Our purpose, delivering a more sustainable world, is clear, and at the center of everything we do.

Finally, I want to thank you, our shareholders, for your support over the year. I am pleased to engage with all shareholders about the matters set out in this report.