



BABCOCK  
& WILCOX

# SUSTAINABILITY 2024

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

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CLIMATE ADAPTATION & RESILIENCE



## Climate Adaptation & Resilience

*Sustainable development is happening now.*

As a participant in the United Nations Global Compact, B&W is committed to playing a leading role in a world-wide community that promotes greater environmental responsibility and important initiatives in the areas of human rights, labor and anti-corruption, and we align our strategy, culture and day-to-day operations to support these critical imperatives.

That commitment is demonstrated each day by employees throughout our global operations who collaborate across industries and regions to increase sustainability, reduce emissions and decarbonize, and can be seen in the progress of our transformational BrightLoop™ carbon capture and hydrogen production technology as we execute multiple projects in various stages of development.

The implementation of the global transition to clean energy and Net Zero will not happen instantly, and B&W is well-positioned to help customers move over time to using cleaner fuels for their facilities. For example, we are helping power producers and industrial customers implement fuel conversions to switch their plants to sustainably sourced renewable and cleaner-burning fuels, or a combination of fuels.

Climate adaptation and resilience requires focus and dedication, a vision for now and the future, and the readiness and agility to adapt to a complex and evolving energy landscape. We are excited and empowered by our successes in helping to make the world a better place for centuries to come, and we are mindful of our responsibility to our customers, our business partners, and as corporate citizens.

Read on to learn more about B&W's sustainability principles and the processes that govern our activities and our interactions with our employees, customers, investors, suppliers, communities and people worldwide in support of our planet and its ecosystems.



**Kenneth M. Young**  
Chairman and Chief Executive Officer  
Babcock & Wilcox



## Our Purpose & Mission

We are committed to sustainable and responsible energy system innovation and progress for our planet, its people and its ecosystems.

We understand the importance of aligning our operations, strategy, culture and day-to-day operations to support the Ten Principles of Human Rights, Labor, Environment and Anti-Corruption as a participant of the **United Nations Global Compact**.

Additionally, B&W's business activities support the **Sustainability Accounting Standards Board** framework for Construction and Engineering Services.

## Environmental

B&W is committed to helping to preserve our earth's natural resources while meeting the growing demand for clean energy, decarbonization, renewable waste-to-energy, biomass and environmental technologies and services.

## Social

We are a company built and sustained by employees with curious minds and persevering wills. We work hard to earn the trust of our customers, investors and the communities we serve by safely delivering value with the highest level of ethics and integrity.

## Governance

We continue to implement sustainable business practices into the strategy, culture and day-to-day operations of our company.



## Principles for a Sustainable Future

The United Nations Global Compact is the world’s largest corporate sustainability initiative, bringing together more than 20,000 participants from more than 160 countries. The Global Compact’s *Ten Principles* serve as universal values in support of responsible, sustainable business practices.

B&W believes there is great strength in collaboration with other organizations, institutions and peers who share a vision for a better tomorrow. Our leadership team has voiced commitment and encourages employees to embrace these values and actively join forces to respect and support human rights, ensure integrity in business, and help build a sustainable future for all.

## TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

### Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

### Labor

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; and
6. the elimination of discrimination in respect of employment and occupation.

### Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.



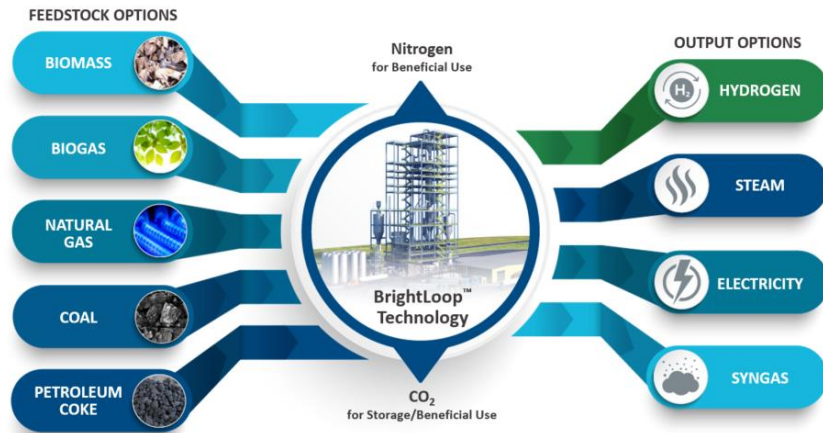
Learn more about the United Nations Global Compact, The Ten Principles and Sustainable Development Goals



**Since 1867** Babcock & Wilcox founders were committed to delivering a better and safer way to generate power. The company's first customers included Thomas Edison and his Pearl Street Station in New York, USA – the first public utility. Since then, B&W technologies have been installed in approximately 90 countries around the world.

## The Energy Transition

During the past four decades, Babcock & Wilcox – in collaboration with universities, industry and government partners – has developed oxy-coal combustion, regenerable solvent absorption scrubbing and chemical looping technologies while continuing our commitment to advancements in steam generation and combustion efficiencies. These technologies formed the foundation of B&W's ClimateBright™ suite of carbon capture systems and breakthrough BrightLoop™ decarbonization and hydrogen production technology.



**A Bright Future** The commercialization of B&W's ClimateBright and BrightLoop carbon capture and hydrogen technologies is in progress, comprising more than \$1.5 billion of the company's total of \$9 billion in project opportunities over the next three years. For BrightLoop hydrogen production, B&W targets approximately \$1 billion in bookings by 2030, representing less than 1% of the estimated global hydrogen production market.



 SUSTAINABLE ENERGY TECHNOLOGY





## Advancing the Energy Transition

B&W's pipeline includes a wide range of clean energy projects, agreements and service work in high-growth and essential industries. We continue to work alongside our customers and partners as they navigate the energy transition to help them meet fast-changing environmental compliance requirements. Recent B&W clean energy developments and agreements include:

- Particulate emissions control technology rebuilds for utility and industrial facilities in the U.S. and Europe
- Coal-to-biomass power plant conversion and carbon capture project in Michigan U.S. using B&W's SolveBright™ technology
- Environmental equipment for a Middle East industrial plant
- Municipal and commercial renewable energy boiler upgrades in Southeast Asia
- Fuel conversion, from coal to cleaner-burning natural gas, of a power plant in North America
- Emissions reduction equipment and services for a petroleum refinery in North America
- EPC services for 75 megawatts of utility-scale solar in Pennsylvania U.S.
- New particulate control, flue gas pre-treatment systems and rebuild services for U.S. industrial facilities
- Biomass-to-energy plant for a net-zero CO<sub>2</sub> hydrogen project in West Virginia, U.S.
- The agreement of key terms for sale of carbon-negative hydrogen and CO<sub>2</sub> produced from biomass at a Louisiana U.S. plant
- BrightLoop hydrogen generation technology for a Wyoming, U.S. clean energy and CO<sub>2</sub> capture project, including a state grant to support development
- Community solar EPC services in Illinois, U.S.
- Cooling systems for a green hydrogen project in the Middle East
- Environmental equipment for multiple U.S. industrial facilities
- Highly efficient cooling systems for U.K. waste-to-energy plants
- Support of Phillips 66 carbon capture project in the U.K.
- Strengthened environmental offerings with the addition of Hamon Research-Cottrell technologies





## Clean Energy Generation for Generations

Globally, our power and industrial customers are reinforcing the growing demand for safe, secure and reliable steam generation from a range of fuels – including renewable sources. From the initial patent for the world’s first inherently safe water-tube boiler to diverse technologies using the latest advanced steam cycles, our robust thermal energy solutions deliver reliability, availability and long-term operation.

## Environmental Systems

We are committed to safe, reliable and efficient steam generation and continue to design, engineer and deploy technologies proven to help preserve our earth’s natural resources. These include carbon capture, cooling systems, ash handling and state-of-the-art emissions control solutions for reducing particulate, mercury, nitrogen oxides, sulfur dioxides, acid gas and other greenhouse gases. Environmental controls are in high demand, not only to reduce flue gas emissions, but also as a “pre-treatment” to prepare the flue gas for optimal performance with a carbon capture system.

## ClimateBright Carbon Capture

With nearly 100 active patents for carbon capture, B&W has been a leader in the research and development of decarbonization technologies for more than four decades. Now B&W’s ClimateBright CO<sub>2</sub> capture and hydrogen technologies are leading the way to low-carbon fuel utilization for power and industrial applications.

For our customers across power and industrial sectors, we develop and deploy technologies that support a responsible, sustainable clean energy transition:

- Carbon capture
- Clean, safe hydrogen fuel production and use
- Biomass- and waste-to-energy systems
- Reduction of SO<sub>x</sub>, NO<sub>x</sub>, mercury, particulate and other hazardous air pollutants
- Fuel conversion from coal-to-natural gas or natural gas-to-hydrogen firing
- Steam generation efficiency
- Dry cooling, flue gas condensation and other industrial water conservation solutions
- Photovoltaic solar generation
- Long duration energy storage



Discover ClimateBright [Decarbonization Technologies](#)

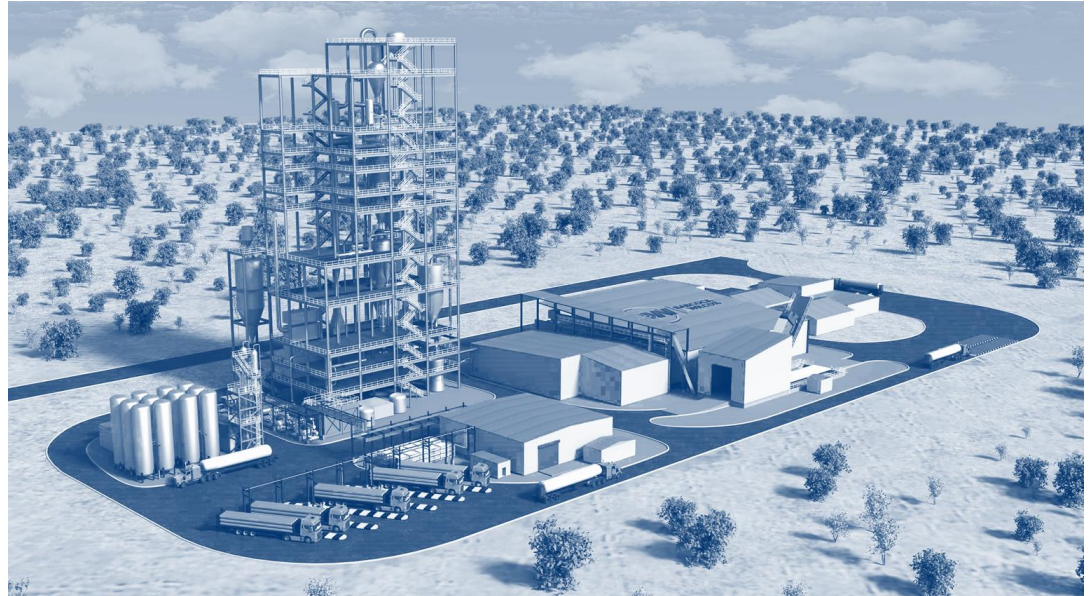


### Fueling the Future

As the world advocates for decarbonization, B&W is responding by looking for innovative ways to contribute to the energy transition and a cleaner tomorrow. The safe combustion of hydrogen yields zero emissions, making it a viable, desirable fuel option for energy-intensive industries.

### BrightLoop Technology for Hydrogen Production

B&W's BrightLoop technology is one of B&W's four ClimateBright decarbonization solutions gaining worldwide attention as a viable, sustainable, effective solution for carbon capture and hydrogen production. This chemical looping process produces desirable outputs such as hydrogen, while isolating carbon dioxide for capture and storage or beneficial use. The technology can use a vast array of feedstock, such as natural gas, biomass, petroleum coke, coal, municipal solid waste and syngas. With projects in various stages of commercial development, we're excited about this transformational technology and advancements in the hydrogen economy.



*This B&W BrightLoop project will generate **net-negative carbon intensity** hydrogen from biomass which can then be used as fuel for transportation, energy and hard-to-abate industries. (Louisiana, U.S.).*



Learn more about [BrightLoop Technology](#)

### Waste to Energy and Landfill Methane

Fully complementary to recycling, waste to energy is a cost-effective and ecologically sound way to convert municipal and industrial solid waste into electricity and/or heat for the local community.

B&W was a pioneer in waste incineration when, in 1931, Vølund™ technology powered Denmark's Gentofte incineration plant. The plant processed waste from local municipalities for decades until growing demand necessitated two inter-municipal plants (which also included Vølund process equipment). Since then, we've provided technology for more than 650 waste-to-energy installations in 30 countries.

From a global perspective, we must also consider the impact landfill methane has on our climate. Methane has roughly 84 times the global warming potential of carbon dioxide (when calculated on a 20-year basis). When waste is diverted to a waste-to-energy facility, the combustion process reduces the volume of waste to be landfilled by 90 percent – and its methane global warming potential by 99.97 percent.

### Bioenergy with Carbon Capture and Sequestration

As a highly scalable technology, bioenergy with carbon capture and sequestration (BECCS) is an innovative solution to decarbonize emission-intensive industries and enable net negative CO<sub>2</sub> emissions from energy production. B&W is excited to have these important types of projects in our pipeline and in development. By pairing sustainably sourced biomass fuel with carbon capture, our customers will be able to produce clean energy while eliminating the environmental impact of greenhouse gas emissions.

### Solar Energy

With more than 100 operational installations of clean solar power production, the Babcock & Wilcox solar construction company team provides experienced leadership in commercial, industrial and community solar projects. We are committed to providing forward-thinking solar solutions, outstanding service, and quality construction with safety as a top priority. Our expertise is demonstrated in the reliability of our system design and construction, verified solar production, optimized system integration, and satisfied customers.



*As a member of the International Solid Waste Association, B&W is on the working group for its book on Energy-from-Waste Technologies, which provides a comprehensive overview of the technical, economic, legislative, institutional, social, and environmental aspects of technologies which produce energy from waste.*

*Featured on the cover is Amager Bakke, Copenhill, the globally renowned ski slopes power plant which operates with B&W waste-to-energy and environmental systems.*

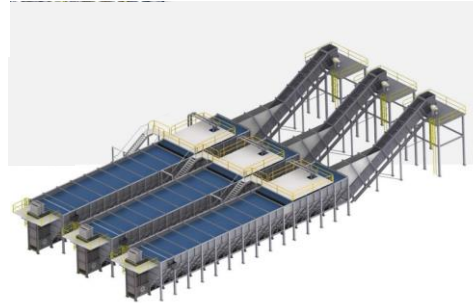


### Water-Efficient Technologies

Water is an integral part of steam generation and its auxiliary processes. To help our customers reduce water usage and wastewater impurities, we provide a range of water-efficient technologies to help reduce water waste and improve quality:

*SPIG™ dry cooling systems* – designed with water preservation in mind. Environmentally sound dry cooling uses only the ambient air for cooling without the need for water.

*Allen-Sherman-Hoff® technologies* – B&W has two technologies to meet effluent limitation guidelines on plant wastewater. Our submerged grind conveyor is a simplified, heavy-duty, flexible design for zero-discharge bottom ash removal requirements. Our pugmill recycler enables wastewater from flue gas desulfurization systems to be blended into the ash for processing and provides a beneficial use by conditioning the fly ash for transport and preventing fugitive dusting at the landfill.



*Flue gas condensation for energy recovery* – a proven and cost-effective method of recovering energy for a district or local heating grid is achieved by condensing the water in flue gases. The amount of energy recovered depends on the district heating water temperature, and can be improved by using a heat pump, which can increase recovery by approximately five percent.





HEALTH, SAFETY & HUMAN RIGHTS



**Environmental, Health and Safety**

B&W is committed to the protection of the environment, health, safety and security of our employees, visitors, customers, suppliers, contractors and the communities where we operate. B&W’s environmental affairs program is comprised of several focus areas that support regulatory compliance and environmental sustainability and includes:

- Environmental, health and safety policies
- Project and construction site environmental initiatives
- Hazardous material/dangerous goods protocols
- Waste and recycling protocols
- Facility auditing and performance tracking
- Waste vendor audits
- Subcontractor screening
- Procedural manuals, training and programs

Our waste management requirements are robust to support regulatory compliance and the safety of employees, contractors, visitors, the general public, company assets and our environment.

**Sustainable Facility Management**

B&W strives to identify and implement environmentally sustainable practices in our offices, shops and service centers with the goal of reducing environmental impacts associated with air emissions, wastewater discharges and the generation of waste. Examples include:

- Recycling of paper, cardboard, metals and other materials
- Use of energy efficient lighting including automatic light switches
- Facilitating the reduction of automobile travel through work-from-home policies
- Minimizing the use of paper and digitizing records
- Reuse of process water
- Installation of charging stations for electric vehicles
- Selection of less hazardous materials for use in processes

**2023 Environmental Metrics**

Incident of non-compliance with environmental permits, standards, or regulations	0
Electric Usage	19,258 MWh
Natural Gas	321,844 MCF
Water Usage	4.98 Mgal
Non-hazardous Waste	735.45 tons
Hazardous Waste	80.5 tons
Recycled Materials	1,480.8 tons
Recycling Income Earned	\$463,530.38 USD

*Data includes shops, service centers and medium-to-large office locations*

### Environmentally Sound Project Approach

B&W's project development is continually evolving as we refine best practices and further empower our teams to embrace sustainability outside of the office workspace and during the life of the project. Individual sites, owner specifications, project size, duration and available resources vary, yet our project approach supports a sustainable and responsible model.

Examples include:

- Incorporating sustainability into feasibility studies, project siting, design, subcontracting, and construction planning
- Reducing environmental impact on land and local ecosystems
- Limiting waste materials, chemicals and water use
- Using sustainable and repurposed construction materials when appropriate and in consideration of engineering standards

- Reducing the use of gas and diesel equipment
- Reducing disruption and hazards to local communities, and making a positive impact through community engagement
- Using sustainable businesses as subcontractors, when possible
- Actively engaging employees as environmental stewards
- Training employees and customers on relevant regulations
- Recycling stations at B&W offices and shops



*B&W's Diamond Power Services S.E.A. Ltd. subsidiary in Thailand was recognized by a customer in its yearly ESG comprehensive assessment for meeting high standards of environmental, social and corporate governance.*



### Four thousand trees planted

*B&W employees helped raise money to plant 4,171 trees as part of its 2023 campaign for One Tree Planted, an organization committed to the reforestation, conservation and protection of endangered forests.*

## Health, Safety and Security

Our vision is to finish each and every day incident- and injury-free. Babcock & Wilcox is committed to creating an accident-free workplace at all locations and job sites and to ensuring all company business is conducted in an environmentally friendly and safe manner. We value the health and safety of each employee, contractor and visitor and will never be satisfied until the workplace is free of accidents and injuries. Our program incorporates:

- Comprehensive Target Zero program
- Formalized safety commitment
- Pre-task planning and hazard controls
- Stop Work authority
- Inspections, audits and ISO accreditations
- Contractor qualification and management
- Data-driven focus campaigns
- Investigations and sharing of lessons learned
- Health practices and industrial hygiene sampling
- Global travel guidance

## 2023 Safety Metrics

Total recordable incident rate (TRIR) <i>Industry average = 1.34*</i>	<b>1.21</b>
Days away restricted or transferred (DART) <i>Industry average = 0.54*</i>	<b>0.40</b>
Fatalities – direct employees	<b>Zero</b>
Fatalities – contracted employees	<b>Zero</b>

*\* Industry averages are comprised of a composite of OSHA BLS data for B&W's NAICS codes.*



## Each and Every Person

B&W employees and contractors are pillars of the company's Target Zero program and its guiding principles. Through commitment, accountability, and communication, we are successfully preventing accidents and averting, eliminating or mitigating unsafe acts and conditions.



*Our Monterrey, Mexico, offices and manufacturing team celebrated an important and well-deserved milestone: achieving 200 consecutive days (345,000 work hours) without a recordable injury.*



### Target Zero's Stop Work Authority

As a core tenet of Target Zero, Stop Work Authority provides employees and contractors the authority, responsibility and obligation to stop work if faced with a perceived hazard or unsafe conditions.

Seasoned workers can overlook or not recognize hazards or developing situations. New workers may hesitate to speak up about a concern. Whoever is doing the work and however small the concern, the Stop Work Authority is designed to help prevent incidents and injuries.



When Stop Work is initiated, the team follows a process that includes engaging a supervisor, accessing the situation, fixing the problem, resuming work and conducting follow-up.

### Stop Work in Action

As an example, a B&W project site team initiated Stop Work Authority to address execution of work involving lead-based paint.

Exposure to lead on the jobsite can put workers' and even their families' health at risk. According to the U.S. CDC, lead poisoning or lead toxicity requires immediate medical attention and children are especially in danger because of their small size and developing brains.

After the B&W project site team initiated Stop Work Authority, key parties were engaged to assist with compliance needs and ensure that the team would not be exposed. Correcting safety hazards like this is not only responsible, but also demonstrates our commitment to Target Zero transformational leadership.



**15,087** *Caring conversations initiated and completed*



**2,499** *Stop Work Authority procedures put into action*



**1,916** *Target Zero management inspections completed*



*PT Babcock & Wilcox Asia's site-based service team at a power plant in Indonesia was recognized for achieving 1 million hours worked without lost-time accident. The group performs maintenance and outage project services for the 2x615MW plant on a long-term contract basis. Congratulations to the site team for reaching this milestone and more importantly for ensuring that all employees return home safely each and every day.*

**Inspiration at Work**

We are privileged to employ some of the most knowledgeable and experienced people in the industries we serve. We are committed to our employees' success and well-being, to their continued career and skills development, and to recruiting, retaining and rewarding our outstanding team.

**A Place to Grow**

We value our people, we believe in the importance of teamwork, and our high retention rate is a testament to our great culture.

Programs, benefits and perks include:

- Purpose-driven work
- Work-life balance
- Hybrid/remote work options
- Leadership and career development
- Culture of transparent, two-way communication
- Team events, remote or otherwise
- Community outreach and volunteering

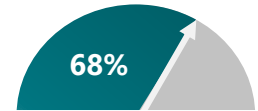
**Responsible and Flexible Workplace**

B&W's Responsible and Flexible Workplace Program (ReFlex Program) extends voluntary work-from-home options for all employees who are in roles that don't require being in the office on a full-time basis. The program provides employees with more autonomy and promotes work-life balance.

**B&W Employee Satisfaction**



*"I am proud to work for B&W."*



*"I could see myself working at B&W 5 years from now."*



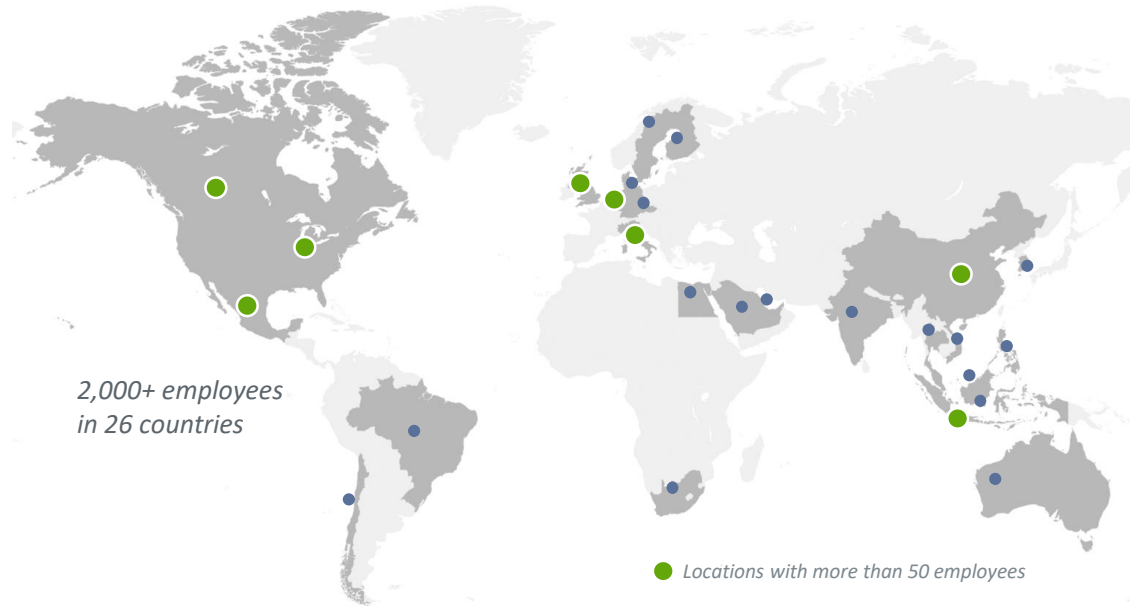
*B&W employees in Italy were recognized by ASL of Novara for providing focused training and promoting good health and nutrition in the workplace during the year 2023.*



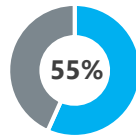
# OUR PEOPLE WORLDWIDE

## Committed to Working Together

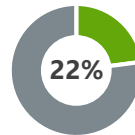
We're proud of our diverse, global workforce of more than 2,000 employees from a wide variety of disciplines across 26 countries. Our employees are the keys to our success. We're committed to working together to learn from each other and make a difference as a leader in the world's energy transition.



NORTH AMERICA



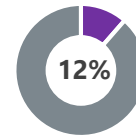
EUROPE



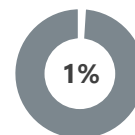
LATIN AMERICA



ASIA & OCEANIA



MIDDLE EAST & AFRICA




## Diversity at B&W

We embrace diversity of thought, value individuality, encourage new perspectives, and provide equal opportunity in employment for all qualified employees and applicants without regard to race, color, religion, gender, sexual orientation, age, national origin, disability, veteran status, genetic information, or any other category protected by applicable law.

B&W will continue to strive to build a diverse workforce by having employment and personnel practices that welcome ideas and encourage our employees to build teams, develop skills and advance careers.

 [Read B&W's Diversity Statement](#)

 [Read more about our \*business ethics for diversity and employment practices\*](#)

## Recruiting a Diverse Global Workforce

B&W further demonstrates its emphasis on diversity through its hiring process that minimizes bias and amplifies opportunities for candidates from various backgrounds. Through targeted efforts and partnerships, including with eQuest, we can ensure that our job postings are directly sent and promoted to national and local OFCCP/US Diversity.

Through proactive effort, B&W embraces remote and flexible working opportunities for most professional roles which allows the organization to broaden job searches to global, diverse populations, rather than restrict hiring to local candidates.

We continually are expanding and growing our workforce and find that our business has benefited greatly from the new influx of diverse talent.

## Opportunities for Women and Minorities

Employee diversity is an important part of B&W's business today and into the future. In fact, women represent approximately 30% of our leadership. The company's Women's Employee Resource Group, now in its third year, connects the women of B&W, encouraging them to be empowered and contribute to their fullest potential. Additionally, B&W partners with ExecOnline for access to the world's top business schools to support career development opportunities for women and underrepresented minorities.





### Making a Difference

Babcock & Wilcox employees are proud to enthusiastically embrace the chance to serve others, make a difference and help better the communities we call home. Our employees want to provide hope and help for the less fortunate and shape the workforce of tomorrow, and they willingly support organizations that lead the way in these efforts.

In addition to providing financial support, B&W employees willingly give their time, talent, good ideas and enthusiasm to support community causes. You'll find them serving on boards of non-profit organizations, helping package and distribute food for children and adults in need, volunteering in classrooms and providing guidance for STEM-related school events, supporting local hospitals, working with the Italian League Against Cancer, donating blood to the American Red Cross and much more.





 BUSINESS ETHICS



## A Reputation for Honesty and Integrity

Integrity and commitment to ethics have long been at the forefront of B&W's business, and the conduct of our employees shapes B&W's reputation for delivering outstanding products, responsive service and innovative solutions to our customers around the world.

B&W's continued commitment to the highest standards of integrity is an essential part of our business and is integral to our long-term success. That's why all employees are expected to read, understand and strictly abide by B&W's Code of Business Conduct, which is available in 11 languages.

B&W's Code of Business Conduct outlines B&W's expectations for all directors, officers and all full-time, part-time, and temporary employees of the company, and for all B&W's suppliers, vendors, contractors, agents, representatives, and consultants.

In addition to the B&W Code of Business Conduct, B&W's Chief Executive Officer and all senior financial officers are subject to B&W's Code of Ethics for Chief Executive Officer and Senior Financial Officers.

B&W's Suppliers (including contractors, subcontractors and vendors) and Third Party Intermediaries (including sales representatives, resellers and process agents) are further subject to B&W's Supplier Code of Conduct.

B&W is also committed to protecting employees who act responsibly when they see or suspect, and subsequently report, behavior that falls outside B&W's guidelines and expectations by maintaining a culture where employees can seek advice, voice concerns and report misconduct without fear of retaliation.



[Code of Business Conduct](#)



[Code of Ethics for CEO and Senior Financial Officers](#)



[Supplier Code of Business Conduct](#)



Access [translated documents](#) in the following languages.



ENGLISH  
BAHASA INDONESIA  
DANSK  
DEUTSCH  
ESPAÑOL  
FINNISH  
ITALIANO  
PORTUGUÊS  
SVENSKA  
THAI  
中文

## Responsibilities to One Another

### *Respect for Diversity*

We are committed to providing a professional atmosphere for all employees that promotes productivity and encourages creativity and innovation. B&W works to maintain a diverse workforce where employees are hired, retained, compensated, disciplined and promoted based on their contribution to the company and their performance.

### *Fair Employment Practices*

B&W offers equal employment opportunities to qualified individuals regardless of race, color, religion, gender, age, sexual orientation, national origin, citizenship status, disability, veteran status, genetic information, or any other category protected by applicable law. These policies apply not only to hiring decisions, but to all aspects of employment.

### *Harassment*

B&W does not tolerate harassment in any form. Submission to harassing behavior is unnecessary and never a term or condition of employment for any person at B&W.

### *Personal Data Privacy*

B&W's strong and fundamental commitment to personal data privacy has been in place for decades. Our privacy principles include a commitment to be transparent in our privacy practices, to offer meaningful privacy choices, and to responsibly manage the data we store and process.

We were early supporters of not only the European Union's General Data Protection Regulation (GDPR), but also its predecessor legislation, as well as other applicable privacy laws from around the world.

Our employees are trained to understand the regulations and the importance of protecting sensitive data, and are guided by B&W policies addressing personal privacy and data protection.

### *Health and Safety*

We aim to provide a safe, secure and healthy work environment where zero injuries are the norm. We believe that all occupational health, safety and environmental incidents can be prevented, and we have established the Target Zero program to help us achieve our environmental, health and safety goals.

 [Read more about Target Zero safety](#)





## Responsibilities to Our Customers and Business Partners

### *Integrity in Business Relationships*

We conduct due diligence on third parties to ensure that their reputation, background and abilities are appropriate and meet our ethical standards. Conducting due diligence also ensures that we are permitted to do business with each third party in the countries they are located.

### *Conflicts of Interest*

Conflicts of interest expose B&W to increased scrutiny and criticism and can undermine our credibility and the trust that others place in us. We have a fundamental obligation to make sound business decisions in the best interest of B&W independent of personal interests

### *Integrity of Records and Accounting Procedures*

All entries in the company's books, records and accounts must be complete, accurate, and fairly reflect our business transactions conforming to applicable accounting standards and legal requirements.

## Responsibilities as Corporate Citizens

### *Fair Business Competition*

B&W believes in free and fair markets and we compete in a legal and ethical manner on the basis of quality of our services. We are committed to compliance with fair competition and anti-trust laws that apply in the markets in which we operate.

### *Corruption and Anti-bribery*

Bribery and corruption are not tolerated as they will harm the company and our reputation in the marketplace. All employees, agents or representatives of B&W must comply with the Foreign Corrupt Practices Act of the United States, the U.K. Bribery Act, as well as the laws of any other countries that prohibit bribery.

### *Environmental Stewardship*

B&W is committed to the protection of the natural environment and its use. We work to promote environmentally friendly practices that respect our environment and our natural resources both in the



products we sell and in our offices and facilities where we are implementing procedures to reduce waste to landfill, increase recycling and to monitor and reduce our water, fuel and electricity consumption.

### B&W Integrity Line

B&W employees have several options for raising questions and concerns, including the B&W Integrity Line. The B&W Integrity Line is available through web reporting or by calling the toll free number associated with the employee's geographical location. The B&W Integrity Line is available 24 hours a day, seven days a week.

Calls to the B&W Integrity Line are answered by a third party, and interpreters are available for the various languages spoken by our employees.

The B&W Integrity Line offers our employees the option to report their concerns anonymously. While anonymous reporting is available for our employees, B&W's non-anonymous reporting rate is 72 percent well above NAVEX Global's latest reporting benchmark of 44 percent. This suggests that B&W employees feel comfortable identifying themselves when filing a report without fear of retaliation.

### Training and Annual Certification

To reinforce understanding of the B&W Code of Business Conduct, all B&W directors, officers and full-time, part-time, and temporary employees participate in annual training. They also complete an Annual Certification which documents the employee's acknowledgment of the Code of Business Conduct, confirms their compliance with its provisions and offers an additional resource for employees to report noncompliance they may become aware of throughout the year.

### Local Ethics Ambassadors

Every B&W location outside of the U.S. with five or more employees is assigned a Local Ethics Ambassador (LEA). LEAs are volunteer peer contacts who assist the B&W Ethics and Compliance Department with promoting an ethical culture, preventing and detecting ethics and compliance concerns and offering support with the local languages and customs.

### Strength in Integrity

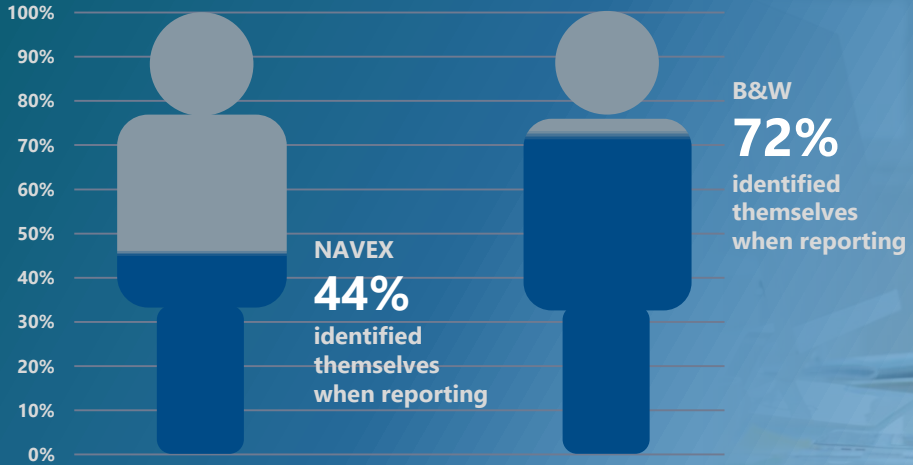
Integrity is the foundation of B&W's success.

As individuals, our personal integrity means that others can trust and respect us, and know that we will be honest, fair and forthright. As a company, integrity means that we will always honor our commitments and be a reliable business partner. Integrity protects our reputation and enables us to thrive. *There's Strength in Integrity.*

For more visibility into B&W's Ethics and Compliance Program we encourage you to review our due diligence information registered with Ethixbase360 (formerly Trace International) at [TRAC Directory](#). B&W's TRAC Registration number is: 3-21-933-7964-32.



*Trust in the reporting and investigation process is a key component of an effective Ethics and Compliance program. NAVEX Global's latest workplace reporting benchmark for anonymous reporting is 56%, indicating that over half of the people filing a report prefer to remain anonymous. However, at B&W only 28% of reports are filed on an anonymous basis, which suggests that B&W employees trust our investigation process and feel comfortable identifying themselves without fear of retaliation.*



*B&W employees have high confidence in our reporting and investigation practices.*





### Sustainable, Ethical Sourcing

We do not view ourselves as having any “principal” suppliers because none exceed 10% of the Company’s cost of goods sold. We generally purchase raw materials and components as needed for individual contracts. We do not depend on a single source of supply for any significant raw materials.

We designed our due diligence measures to conform, in all material respects, with the framework in The Organization for Economic Co-operation and Development (“OECD”) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“the Guidance”) and the related supplements for gold, tin, tantalum and tungsten.



View our [SEC Conflict Minerals Disclosure](#)

### Raw Materials

We support sourcing components and materials from suppliers that share our values regarding respect for human rights, ethics and environmental responsibility.

Our operations use raw materials such as carbon and alloy steels in various forms and components and accessories for assembly, which are available from numerous sources. We are committed to complying with the SEC disclosure requirements and are working with our suppliers to perform reasonable country of origin inquiries and due diligence in determining the potential for Conflict Minerals in our supply chain and products. We expect our suppliers to partner with us in our commitment to compliance and have designed our efforts to align with Conflict Minerals reporting rules.



View our [Modern Slavery Transparency Statement](#)

### Supply Chain Due Diligence

1. Establishing strong company management systems regarding conflict minerals
2. Identifying and assessing risks in our supply chain
3. Designing and implementing a strategy to respond to identified risks in our supply chain
4. Utilizing independent third-party audits of supply chain diligence
5. Publicly reporting on our supply chain due diligence

## High-Quality Performance Strategy

B&W maintains a reputation for designing and manufacturing high-quality, high-value engineered solutions that deliver outstanding performance year after year. Managing and continuously improving quality in aspects of our operations helps to improve efficiency, reduce waste and improve the long-term health of our company.

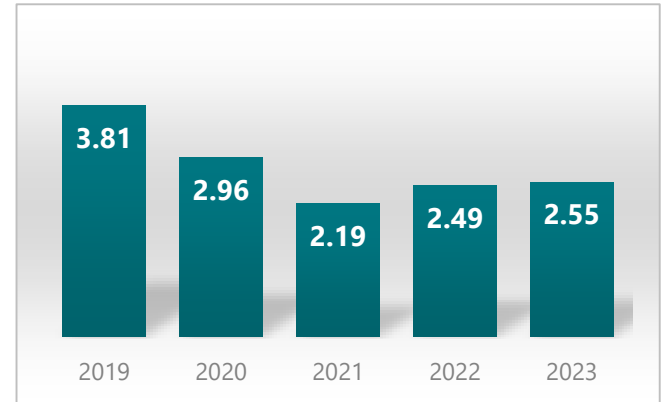
We're committed to ensuring the products we deliver meet or exceed our customers' quality expectations. Areas of focus include project development, structural integrity, workforce health and safety, in addition to the overall lifecycle impact of engineered systems and components.

We measure success through the reduction of non-conformance (NCR) occurrences per 10,000 hours worked. Since 2020, our average non-conformance ratio has averaged 2.55, with an annual deviation of  $\pm 0.4$ . In 2023, a slight increase in NCRs was offset by a corresponding rise in man-hours, resulting in only a 0.06 increase in our cost of poor quality (CoPQ).


## Continuous Improvement

We fulfill quality requirements through a robust quality management system that includes:

- Independent third-party certifications for global products and services reduces travel
- Our Target Zero quality initiative
- Continuous monitoring of quality objectives and key performance indicators
- The supporting of project execution throughout the lifecycle of a project
- Identifying potential quality risks and concerns during the proposal process
- Collaboration with Project Managers to mitigate quality risks and issues during execution
- Detailed monitoring and improvement of vendor quality and inspections
- Engineering support on quality issues
- Quality plans and inspection and test plans in conjunction with manufacturing / fabrication to ensure the quality of the product
- Collaboration with field and service experts to ensure construction quality



*Reduction in non-conformance occurrences per 10,000 hours worked indicates an overall improvement in quality*

 [View our Quality, Safety and Environmental Certifications](#)

## ASME / American Society of Mechanical Engineers, National Board

- Akron B&W ASME "S" Certificate
- Akron National Board "NB" Certificate
- Akron National Board "R" Certificate
- B&W Chanute ASME "PP" Certification
- B&W Chanute ASME "S" Certification
- B&W Chanute ASME "U" Certification
- B&W Chanute National Board "NB" Certificate
- B&W Chanute National Board "R" Certificate
- B&W Copley ASME "S" Certificate
- B&W Copley ASME "U" Certificate
- B&W Copley National Board "NB" Certificate
- B&W Copley National Board "R" Certificate
- B&W de Monterrey ASME "S" Certificate
- B&W de Monterrey ASME "U" Certificate
- B&W de Monterrey National Board "NB" Certificate
- B&W de Monterrey National Board "R" Certificate
- BWCC ASME "A" Certificate
- BWCC National Board "R" Certificate
- Lancaster B&W ASME "S" Certificate
- PTBWA ASME "PP" Certification
- PTBWA ASME "S" Certification
- PTBWA ASME "U" Certification
- PTBWA National Board "NB" Certification
- PTBWA National Board "R" Certification

## ISO / International Organization for Standardization

- Akron ISO 9001
- B&W A/S ISO 9001, ISO 14001, ISO 45001
- BWCC ISO 9001
- BWM ISO 9001
- DP Dumbarton ISO 9001, ISO 14001, ISO 45001
- DP Germany ISO 9001
- DP Lancaster ISO 9001
- DP Sweden ISO 9001
- PTBWA ISO 9001, ISO 14001, ISO 45001
- SPIG S.p.A. ISO 9001, ISO 14001, ISO 45001
- SPIG Shanxi ISO 9001





## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical or current fact included in this report are forward-looking statements. You should not place undue reliance on these statements. Forward-looking statements include words such as "expect," "intend," "plan," "likely," "seek," "believe," "project," "forecast," "target," "goal," "potential," "estimate," "may," "might," "will," "would," "should," "could," "can," "have," "due," "anticipate," "assume," "contemplate," "continue" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operational performance or other events.

These forward-looking statements are based on management's current expectations and involve a number of risks and uncertainties, including, among other things: our financial condition and ability to continue as a going concern; risks associated with contractual pricing in our industry; our relationships with customers, subcontractors and other third parties; our ability to comply with our contractual obligations; disruptions at our or manufacturing facilities or a third-party manufacturing facility that we have engaged; the actions or failures of our co-venturers; our ability to implement our growth strategy, including through strategic acquisitions, which we may not successfully consummate or integrate; our evaluation of strategic alternatives for certain businesses and non-core assets may not result in a successful transaction; the risks of unexpected adjustments and cancellations in our backlog; professional liability, product liability, warranty and other claims; our ability to compete successfully against current and future competitors; our ability to develop and successfully market new products; the impacts of industry conditions and public health crises; the cyclical nature of the industries in which we operate; changes in the legislative and regulatory environment in which we operate; supply chain issues, including shortages of adequate components; failure to properly estimate customer demand; our ability to comply with the covenants in our debt agreements; our ability to refinance our 8.125% Notes due 2026 and 6.50% Notes due 2026 prior to their maturity; our ability to maintain adequate bonding and letter of credit capacity; impairment of goodwill or other indefinite-lived intangible assets; credit risk; disruptions in, or failures of, our information systems; our ability to comply with privacy and information security laws; our ability to protect our intellectual property and use the intellectual property that we license from third parties; risks related to our international operations, including fluctuations in the value of foreign currencies, global tariffs, sanctions and export controls; could harm our profitability; volatility in the price of our common stock; B. Riley's significant influence over us; changes in tax rates or tax law; our ability to use net operating loss and certain tax credits; our ability to maintain effective internal control over financial reporting; our ability to attract and retain skilled personnel and senior management; labor problems, including negotiations with labor unions and possible work stoppages; risks associated with our retirement benefit plans; natural disasters or other events beyond our control, such as war, armed conflicts or terrorist attacks and the other factors specified and set forth under "Risk Factors" in our periodic reports filed with the Securities and Exchange Commission, including, without limitation, the risks described in the Company's most recent Annual Report on Form 10-K. These factors should be considered carefully, and the Company cautions you not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation, and undertakes no obligation to update or revise any forward-looking statement, except to the extent required by applicable law.



BABCOCK  
& WILCOX

Learn more about B&W's commitment to sustainability  
and access this document on [babcock.com](https://www.babcock.com)