Risk Factors Comparison 2024-02-20 to 2023-02-21 Form: 10-K

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We operate in a complex and rapidly changing global environment that involves numerous known and unknown risks and uncertainties that could materially adversely affect our business, financial condition, results of operations, and stock price. The risks described below highlight some of the factors that have affected and could affect us in the future. We may also be affected by unknown risks or risks that we currently think are immaterial. If any such events actually occur, our business, financial condition, results of operations, and stock price could be materially adversely affected. Summary Risk Factors The following summarizes the risks and uncertainties that could materially adversely affect our business, financial condition, results of operation and stock price. You should read this summary together with the more detailed description of each risk factor contained below. Risks Related to our Operations • We are vulnerable to the cyclical nature of the markets we serve. • Our revenue and earnings are largely dependent on new awards ~~, which are driven by our clients~~ . • The nature of our contracts, particularly our lump- sum contracts, subject us to risks associated with delays and cost overruns, which may not be recoverable and may result in reduced profits or losses that could have a material impact on us. • Intense competition in the EPC industry can impact our revenue and profits. • Our ability to grow requires us to hire and retain qualified personnel. • The success of teaming arrangements and joint ventures depends on the satisfactory performance by our venture partners over whom we may have little or no control, and the failure of those partners to perform their obligations could impose additional obligations on us that could have a material impact on us. • We are dependent upon suppliers and subcontractors to complete many of our contracts. • Cybersecurity breaches of our systems and IT could adversely impact us. • Systems and IT interruption, as well as new systems implementation, could adversely impact our ability to operate. • We have international operations that are subject to foreign economic and political uncertainties and risks. Unexpected and adverse changes in the foreign countries in which we operate could result in project disruptions, increased cost and potential losses. • Our backlog is subject to unexpected adjustments and cancellations. • Our employees work on projects that are inherently dangerous and in locations where there are high security risks, and a failure to maintain a safe work site could result in significant losses. • Our businesses could be materially and adversely affected by events outside of our control. • ~~We must successfully manage the demands, supply and operational challenges associated with the effects of widespread health concerns, such as COVID. •~~ Our actual results could differ from the ~~assumptions and~~ estimates used to prepare our financial statements. • If we experience delays or defaults in client payments, we could be negatively impacted. • Our U. S. government contracts and contracting rights may be terminated or otherwise adversely impacted at any time, and our inability to win or renew government contracts during regulated procurement processes could harm our operations and reduce our projects and revenues. • Our effective tax rate and tax positions may vary. • It can be very difficult and expensive to obtain the insurance we need for our business operations. • If we do not have adequate indemnification for our nuclear services, it could adversely affect our business and financial condition. • Foreign currency risks could have an adverse impact on us. • The loss of one or a few clients could have an adverse effect on us. • Our business may be negatively impacted if we are unable to adequately protect intellectual property rights. • ~~Our results of operations could be adversely affected as a result of asset impairments. •~~ Climate change **, natural disasters** and related environmental issues could have a material adverse impact on **us** ~~our business, financial condition and results of operation~~ . • Increasing scrutiny and changing expectations from ~~investors~~ **stakeholders** with respect to sustainability practices may impose additional costs on us or expose us to reputational or other risks **. • We may be unsuccessful in implementing our strategic initiatives** . Risks Related to Indebtedness and other Credit Related Risks • Adverse credit and financial market conditions, including increasing **or continued high** interest rates, could impair our clients', our partners' and our own borrowing capacity, which could negatively affect us. • Our indebtedness could lead to adverse consequences or adversely affect our financial position and prevent us from fulfilling our obligations under such indebtedness, and any refinancing of this debt could be at significantly higher interest rates. • We may be unable to win new contract awards if we cannot provide clients with financial assurances. Legal and Regulatory Risks • We are involved in litigation and regulatory proceedings, potential liability claims and contract disputes that may have a material impact on our financial condition and results of operations. • Our failure to recover adequately on claims against project owners, subcontractors or suppliers for payment or performance could have a material effect on our financial results. • We could be adversely affected by violations of the U. S. Foreign Corrupt Practices Act and similar worldwide anti- bribery laws. • We could be adversely impacted if we fail to comply with domestic and international import and export laws. • Employee, agent or partner misconduct or our overall failure to comply with laws or regulations could impair our ability to compete for contracts. • New or changing legal requirements could adversely affect us. • Past and future environmental, safety and health regulations could impose significant additional costs on us. Risks Related to ~~Strategic Plans and Mergers & Acquisitions • We may be unsuccessful implementing our strategic and operational initiatives. • We may be unsuccessful integrating acquisitions or capitalizing on investments we make. Risks Related to our Preferred Stock and~~ our Equity ~~• Conversion of our CPS will dilute the ownership interest of existing common stockholders or may otherwise depress the price of our common stock. • Our CPS has rights, preferences~~ and **Corporate Governance Documents** ~~privileges that are not held by, and are preferential to the rights of, our common stockholders, which could adversely affect the value of the common stock, our liquidity and our financial condition. • Provisions attendant to our CPS may deter or prevent a business combination that may be favorable to our common stockholders.~~ • If we issue additional equity securities, stockholders' ownership percentages would be diluted. • Delaware law and our charter documents may impede or discourage a takeover or change of control. The demand for our services is dependent upon **our** ~~the existence of~~ clients ~~with~~ **'** capital investments. Our clients' interest in approving new projects, budgets for capital expenditures and need for our services have in the past been, and may in the future be, adversely affected by, among other things, poor economic conditions (including inflation, slow growth or recession, changes to governments' fiscal or monetary policy and higher interest rates), low oil prices, political uncertainties and currency ~~devaluations~~ **fluctuations** . Clients have been and remain selective in how they allocate their capital, especially the larger scale projects in which we specialize. For example, in our Energy Solutions segment, capital expenditures by our clients are influenced by factors such as prevailing hydrocarbon prices and expectations about future prices for underlying commodities, technological advances, the costs of exploration, production and delivery of product, domestic and international political, military, regulatory and economic conditions and other similar factors. There is no guarantee that current oil prices will be ~~sustained~~ **sufficient to justify clients' capital expenditures** , and the timing and extent of any future improvements in demand remain uncertain. Industries served by that segment and many of the others we serve have historically been and will continue to be vulnerable to general downturns, which in turn could materially and adversely affect the demand for our services. The awarding and timing of projects is unpredictable and driven by our clients. Awards, including expansions of existing projects, often involve complex and lengthy negotiations and competitive bidding processes. These processes can be impacted by a wide variety of factors including a client' s decision to not proceed with the development of a project, governmental approvals, financing contingencies, oil prices, environmental conditions and overall market and economic conditions. We may not win contracts that we have bid on due to price, a client' s perception of our ability to perform and / or perceived technology advantages held by others. Many of our competitors may be more inclined to take greater risks or include terms and conditions that we might not deem acceptable, especially when the markets for the services we typically offer are relatively soft. Because a significant portion of our revenue is generated from large projects, our results can fluctuate depending on whether and when large project awards occur and the commencement and progress of work under large contracts already awarded. As a result, we are subject to the risk of losing new awards to competitors or the risk that revenue may not be derived from awarded projects as quickly as anticipated. Additionally, uncertain economic and political conditions may make it difficult for our clients, our vendors and us to accurately forecast and plan future business activities. For example, changes to U. S. policies related to global trade and tariffs in recent years, and responsive changes in policy by foreign jurisdictions, have resulted in uncertainty surrounding the future of the global economy as well as retaliatory trade measures implemented by other countries. We cannot predict the outcome of changing trade policies or other unanticipated economic or political conditions, nor can we predict the timing, strength or duration of any worldwide economic recovery or downturn or in the markets that we serve. Because our projects are often technically complex, with multiple phases occurring over several years, we incur risks in our project execution activities. These risks could result in project delays, cost overruns or other problems and can include the following: • ~~Incorrect assumptions~~ **Evolving estimates** related to productivity, scheduling estimates or future economic conditions, including with respect to the impacts of inflation on lump-sum contracts; • Unanticipated technical problems, including design or engineering issues; • Inaccurate representations of site conditions and unanticipated changes in the project execution plan; • Project modifications creating unanticipated costs or delays and failure to properly manage project modifications; • Inability to achieve guaranteed performance or quality standards with regard to engineering, construction or project management obligations; • Insufficient or inadequate project execution tools and systems needed to record, track, forecast and control cost and schedule; • Reliance on historical cost and / or execution data that is not representative of current economic and / or execution conditions; • Failure to accurately estimate the timing and cost of projects, including due to inflation, supply chain disruption, rising construction costs or unforeseen increases in the cost of labor; • Unanticipated increases in the cost of raw materials, components or equipment, including due to inflation or the imposition of import tariffs; • Failure to properly make judgments in accordance with applicable professional standards, including engineering standards; • Failure to properly assess and update appropriate risk mitigation strategies and measures; • **Poor** ~~Difficulties related to the~~ performance of our clients, partners, subcontractors, suppliers or other third parties; • Delays or productivity issues caused by weather; and • Changes in local laws or difficulties or delays in obtaining permits, rights of way or approvals. These and other risks have in the past **,** and may in the future **,** result in our failure to achieve contractual cost or schedule commitments, safety performance, overall client satisfaction or other performance criteria. As a result, we may receive lower fees or lose our ability to earn incentive fees. In other cases, our fee will not change but we will have to continue to perform work without additional fees until the performance criteria is achieved. We may also **incur** ~~be required to pay~~ liquidated damages if we fail to complete a project on schedule. In addition, if we fail to meet guaranteed performance or quality standards, we may be held responsible under the guarantee or warranty provisions of our contract for cost impact to the client, generally in the form of contractually agreed- upon liquidated damages or an obligation to re- perform work. To the extent these events occur, the total cost to the project (including any liquidated damages ~~we become liable to pay~~) could be material and could, in some circumstances, equal or exceed the full value of the contract. In such events, our financial condition or results of operations could be materially and negatively impacted. In circumstances where the contract is lump- sum or the revenue is otherwise fixed, we bear significant risk for delays and cost overruns. Reimbursable contract types, such as those that include negotiated hourly billing rates, may restrict the kinds or amounts of costs that are reimbursable, therefore exposing us to the risk that we may incur certain costs in executing these contracts that are above our estimates and not recoverable from our clients. We serve markets that are highly competitive and in which a large number of multinational companies compete. These markets require substantial resources ~~and~~ **,** investment in technology and skilled personnel. We ~~also~~ **have** ~~see~~ **seen** a continuing influx of non- traditional competitors offering below- market pricing while accepting greater risk. Competition places downward pressure on our contract prices and profit margins, and could cause us to accept contractual terms and conditions that are not normal or customary, thereby increasing the risk of losses on such contracts. Intense competition is expected to continue in our markets, presenting us with challenges to maintain acceptable profit margins. To the extent we are unable to meet these competitive challenges, we could ~~lose revenue and~~ experience reduced profitability. The success of our business is dependent upon being able to attract, develop and retain personnel, including engineers, project management, craft employees and management, who have the necessary and required experience and expertise, and who will perform these services at a reasonable and competitive rate. Competition for ~~these and other~~ experienced personnel is intense. It may be difficult to attract and retain qualified individuals with the expertise and in the timeframe demanded by our clients. In certain geographic areas, for example, we may be unable to satisfy the demand for our services because of our inability to deploy qualified personnel. Also, it may be difficult to replace personnel who hold government required credentials. Loss of the services of, or failure to recruit, qualified technical and management personnel, including a preference ~~for~~ **by** some candidates to work remotely, could limit our ability to successfully complete existing projects and compete for new projects. In addition, as costs related to our workforce are dependent on market conditions, inflationary pressure has increased, and may continue to increase, labor costs in certain geographic areas. As some of our executives and other key personnel approach retirement age or otherwise leave the company, we need to provide for smooth transitions, which requires succession planning to identify and integrate new personnel into leadership roles. Changes in our management team may disrupt our business and the failure to successfully transition and assimilate executives or other key personnel could adversely affect our results. If we are unable to employ a sufficient number of skilled personnel or effectively implement appropriate succession plans, our ability to pursue projects may be adversely affected, the costs of executing our existing and future projects may increase. In addition, the cost of providing our services, including the extent to which we utilize our workforce, affects our profitability. For example, the uncertainty of contract award timing can present difficulties in matching our workforce size with project needs. If an expected contract award is delayed or not received, we could incur costs resulting from excess staff, reductions in staff, or redundancy of facilities that could have a material adverse impact on us. **Increased labor costs can also impact our customers' decision making with respect to the viability or timing of certain projects, which could result in project delays or cancellations and in turn have a material adverse impact on us.** In the ordinary course of business in our industry, we execute specific projects and otherwise conduct certain operations through joint ventures, ~~consortiums,~~ partnerships and other collaborative arrangements (collectively," ventures"). We have various ownership interests in these ventures, with such ownership typically being proportionate to our decision- making and distribution rights. The ventures generally contract directly with our client; however, services may be performed directly by the venture, or may be performed by us, our partners, or a combination thereof. Our success in many markets is impacted by the presence or capability of our partners. If we are unable to compete alone, or with a quality partner, our ability to win work and successfully complete our contracts may be impacted. Differences in opinions or views between venture partners can result in delayed decision- making or failure to agree on material issues, which could adversely affect the business and operations of our ventures. In many of the countries in which we engage in joint ventures, it may be difficult to enforce our contractual rights under the applicable joint venture agreement. At times, we also participate in ventures ~~where we are not a controlling party or where we team~~ with ~~unaffiliated~~ **other** parties ~~on a particular project~~ . In such instances, we may have limited control over venture decisions and actions, including ICFR, which may have an impact on our business. If internal control problems arise within a venture, or if our venture partners have financial or operational issues, there could be a material impact on our business, financial condition or results of operations. The success of our ventures also depends, in large part, on the satisfactory performance by our venture partners of their obligations, including their obligation to commit working capital, equity or credit support as required by the venture and to support their indemnification and other contractual obligations. If our venture partners fail to satisfactorily perform their obligations, the venture may be unable to adequately perform or deliver its contracted services. Under these circumstances, we may be required to make additional investments and provide additional services to ensure the adequate performance and delivery of the contracted services and to meet any performance guarantees. From time to time, in order to establish or preserve a relationship, or to better ensure venture success, we may accept risks or responsibilities for the venture that are not necessarily proportionate with the reward we expect to receive or that may differ from risks or responsibilities we would normally accept in our own operations. We may also be subject to joint and several liability under the contracts for venture projects. These additional obligations could result in reduced profits or, in some cases, increased liabilities or significant losses for us with respect to the venture, and in turn, our business and operations. In addition, a failure by a venture partner to comply with applicable regulations could negatively impact our business and reputation and could result in fines, penalties, suspension or, in the case of government contracts, even debarment. Some of the work performed under our contracts is performed by third- party subcontractors. We also rely on third- party suppliers to provide much of the equipment and materials used for projects. If we are unable to hire qualified subcontractors or find qualified suppliers, our ability to successfully or timely complete a project could be impaired. If the amount we are required to pay for subcontractors or equipment and supplies exceeds what we have estimated, especially in ~~a~~ lump- sum ~~contract~~ **contracts** , we may suffer losses on **them** ~~these contracts~~ . If a supplier or subcontractor fails to provide supplies, technology, equipment or services as required under a contract to us, our joint venture partner, our client or any other party involved in the project for any reason, or provides supplies, technology, equipment or services that are not an acceptable quality, we may be required to source those supplies, technology, equipment or services on a delayed basis or at a higher price than anticipated, which could impact our profitability. In addition, faulty workmanship, equipment or materials could impact the overall project, resulting in claims against us for failure to meet required project specifications. These risks may be intensified during an economic downturn if these suppliers or subcontractors experience financial difficulties or find it difficult to obtain sufficient financing to fund their operations or access to bonding, and are not able to provide the services or supplies necessary for our business. A failure by a third- party subcontractor or supplier to comply with applicable laws, rules or regulations could negatively impact our business and reputation and could result in fines, penalties, suspension, or in the case of government contracts, even debarment. **We face risks related to** ~~Cybersecurity~~ **cybersecurity threats, which could adversely affect us. Our business is dependent on the secure processing, storage, and transmission of confidential and sensitive information, including personal data of our employees, subcontractors, suppliers, business partners and clients. While we have implemented various measures to protect our systems and data from unauthorized access, cyber- attacks, and other security** breaches ~~of our systems~~ and **have endeavored** ~~IT could~~

~~adversely impact our ability~~ to **require our vendors to adhere to industry recognized** ~~operate. We utilize, develop, install and maintain a number of IT systems. Various privacy and~~ security ~~laws require us~~ **standards, these measures may be insufficient** to ~~protect sensitive and confidential information from disclosure~~ **prevent all security breaches or cyber- attacks** . In addition, ~~we are bound by our contracts, as well as our own business practices, to protect confidential and proprietary information. Our computer systems, as well as those of our clients, partners, contractors and other vendors, face the threat of unauthorized access, computer hacking, viruses, malicious code, cyber attacks, phishing and other security incursions and system disruptions. As many of our employees use our computer systems to collaborate with colleagues in different geographic locations and access our systems remotely, we may be subject to heightened risks, including the risk of cyber attacks. While we endeavor to maintain or exceed industry- accepted security measures and technology to secure our computer systems and while we endeavor to ensure our cloud vendors that store our data maintain similar measures, these systems and the information stored on these systems are still subject to threats. There can be no assurance that our efforts, including cybersecurity training for our employees, will protect us against all threats. Further, as these security threats continue to evolve, we may be required to devote additional resources to protect, detect and respond against such threats. Because~~ **because** the techniques used to obtain unauthorized access to IT systems change frequently, we may be unable to anticipate these techniques or implement adequate preventative measures. ~~A party who circumvents~~ **For example, the rapid evolution and increased adoption of artificial intelligence may intensify** our **cybersecurity risks. In the event of a** security **breach or cyber- attack, we may experience operational disruptions, financial losses, legal claims, and reputational damage. We may also incur significant costs to remediate the effects of such incidents, including costs associated with investigating the incident, repairing or replacing damaged systems and compensating affected parties. We may also be subject to legal and regulatory actions, investigations, and penalties related to cybersecurity incidents, which may result in significant fines, sanctions, and legal fees, as well as damage to our reputation and customer relationships. In addition, data protection and cybersecurity laws are continuously evolving at a rapid pace and on a global level, which add heightened risk and additional costs in assessing, implementing and managing compliance** measures ~~, or~~ **that affect business operations. Any failure to comply with** ~~those~~ **these laws and regulations** ~~of our clients, contractors or other vendors,~~ could **have a negative impact on us** ~~misappropriate confidential or proprietary information, improperly manipulate data, or cause damage or interruptions to systems~~ . While ~~to date we have not experienced any material impact as a result of cyber attacks, the ultimate impact of these and similar events remains unknown, and additional vulnerabilities may arise in the future. Any of these events could damage our reputation, result in litigation and regulatory fines and penalties, impact our operations (including our ability to report our financial results), or have a material adverse effect on our business, financial condition or results of operations. Furthermore, while~~ we maintain insurance that specifically covers cybersecurity threats, our coverage may not sufficiently cover all types of losses or claims that **we might experience** ~~may arise. In addition, new or evolving laws and regulations governing data privacy and the unauthorized disclosure of confidential information, including the European Union General Data Protection Regulation (" GDPR"), the California Consumer Privacy Act, the California Privacy Rights Act, and other U. S. state and global emerging privacy laws, pose increasingly complex compliance challenges and could potentially elevate our compliance costs. Any failure to comply with these laws and regulations could result in significant penalties and legal liability, which could have a negative impact on our results of operation. Systems and IT interruption, as well as new systems implementation, could adversely impact our ability to operate and our operating results~~ . We are heavily reliant on computer, information and communications technology and related systems, some of which are hosted by third party providers. From time to time, we experience system interruptions and delays that may be planned for upgrades or that may be unplanned. Unplanned interruptions could result from natural disasters, power loss, telecommunications failures, acts of war or terrorism, computer viruses, **malicious code,** physical or electronic ~~break- ins~~ **security breaches, intentional or inadvertent user misuse or error** and similar events or disruptions. Any of these or other events could cause system interruptions, delays, loss of critical or sensitive data (including personal or financial data) or loss of funds; could delay or prevent operations (including the processing of transactions and reporting of financial results); and could adversely affect our reputation or our operating results. While we have and require the maintenance of reasonable safeguards designed to protect against unavailability or loss of data, these safeguards may not be sufficient. We may be required to incur significant costs to protect against or alleviate damage caused by systems interruptions and delays, which could have a material adverse effect on our business and results of operations. We continue to evaluate the need to upgrade and / or replace our systems and network infrastructure to protect our computing environment, to stay current on vendor supported products, to improve the efficiency of our systems and for other business reasons. The implementation of new systems and IT could adversely impact our operations by imposing substantial capital expenditures, demands on management time and risks of delays or difficulties in transitioning to new systems. Our systems implementations also may not result in productivity improvements at the levels anticipated. ~~Systems implementation disruption~~ **Disruptions** ~~and any other IT disruption~~ , if not anticipated and appropriately mitigated, could have a material adverse effect on our business. Our business is subject to international economic and political conditions that change (sometimes frequently) for reasons that are beyond our control. We expect that a significant portion of our revenue and profits will continue to come from non- U. S. projects for the foreseeable future. Operating in the international marketplace exposes us to a number of risks including: • abrupt changes in government policies, laws, treaties (including those impacting trade), regulations or leadership; • embargoes or other trade restrictions, including sanctions; • restrictions on currency movement; • tax or tariff changes and withholding requirements; • currency exchange rate fluctuations; • changes in labor conditions and difficulties in staffing and managing international operations, including logistical and communication challenges; • U. S. government trade or other policy changes in relation to the foreign countries in which we operate; • other regional, social, political and economic instability, including recessions and other economic crises; • natural disasters and public health crises, including pandemics; • expropriation and nationalization of our assets; • international hostilities, such as the ongoing conflict between Russia and Ukraine, which has resulted in the imposition by the U. S. and other nations of restrictive actions against Russia and certain banks, companies and individuals; and • unrest, civil strife, acts of war, terrorism and insurrection. ~~During the first quarter of 2022, we suspended any new investment in our Russian operations. Our backlog on projects in the impacted region is not significant to future revenue or margin. We continue to monitor the circumstances in Eastern Europe and are winding down our existing contractual obligations while complying with all regulatory limitations placed on new and existing business for projects and clients based in the region.~~ The lack of a well- developed legal system in some of the countries where we operate may make it difficult to enforce our contractual rights or to defend ourself against claims made by others. We operate in locations where there is a significant amount of political risk. In addition, nationalization, military action or continued unrest could impact the supply or pricing of oil, disrupt our operations in the region and elsewhere, and increase our security costs. Our level of exposure to these risks may vary with each project, depending on the location of the project and its stage of completion. For example, our risk exposure with respect to a project in an early development phase, such as engineering, will generally be less than our risk exposure on a project that is in the construction phase. To the extent that our international business is affected by unexpected and adverse foreign economic and political conditions and risks, we may experience project disruptions and losses. Our backlog generally consists of projects for which we have an executed contract or commitment with a client and reflects our expected revenue from the contract or commitment, which is often subject to revision over time. We cannot guarantee that the revenue projected in our backlog will be realized or profitable or will not be subject to delay or suspension. Project cancellations, scope adjustments or deferrals, or foreign currency fluctuations may occur with respect to contracts reflected in our backlog and could reduce the value of our backlog and the revenue and profits that we actually earn; or, may cause the rate at which we perform on our backlog to decrease. Most of our contracts have termination for convenience provisions in them allowing clients to cancel projects. Our contracts typically provide for the payment of fees earned through the date of termination and the reimbursement of costs incurred including demobilization costs. In addition, projects may remain in our backlog for an extended period of time. During periods of economic slowdown, or decreases and / or instability in oil prices, the risk of projects being suspended, delayed or canceled generally increases. Finally, poor project or contract performance could also impact our backlog and profits. Such developments could have a material adverse effect on our business and our profits. We often work on complex projects, frequently in geographically remote or high- risk locations that are subject to political, social or economic risks, or war or civil unrest. In those locations where we have employees or operations, we may expend significant efforts and incur substantial security costs to maintain safety. In addition, our project sites can place our employees and others near large equipment, dangerous processes or substances or highly regulated materials, and in challenging environments. Safety is a primary focus of our business and is critical to our reputation and performance. Many of our clients require that we meet certain safety criteria to be eligible to bid on contracts, and some of our contract fees or profits are subject to satisfying safety criteria. Unsafe work conditions also have the potential of increasing employee turnover, increasing project costs and raising our operating costs. If we fail to implement appropriate safety procedures and / or if our procedures fail, our employees or others may suffer injuries or loss of life, the completion of a project could be delayed and we could experience investigations or litigation. Although we have a safety function to implement effective health, safety and environmental procedures throughout our company, the failure to comply with such procedures, client contracts or applicable regulations could subject us to losses and liability. Despite these activities we cannot guarantee the safety of our personnel, nor can we guarantee our work, equipment or supplies will be free from damage. Extraordinary or force majeure events beyond our control, such as natural or man- made disasters, severe weather conditions, public health crises ~~such as COVID~~ , supply chain disruption, political crises or other catastrophic events, could negatively impact our ability to operate or increase our costs to operate. Such events may result in disruptions to our operations; evacuation of personnel; increased labor and material costs or shortages; inability to deliver materials, equipment and personnel to jobsites in accordance with contract schedules; and loss of productivity. We may remain obligated to perform our services after any such events, unless a contract provision provides us with relief from our obligations. The extra costs incurred as a result of these events may not be reimbursed by our clients. If we are not able to react quickly to such events, or if a high concentration of our projects are impacted by such an event, our operations may be adversely affected. In addition, if we cannot complete our contracts on time, we may be subject to potential liability claims by our clients, which may reduce our profits and result in losses. ~~Our business operations, results of operations and financial position has been and may continue to be negatively impacted by epidemics, pandemics and similar widespread public health concerns, such as COVID, including as a result of the actions taken by international federal, state and local public health and governmental authorities in response, including vaccine mandates, quarantines, government restrictions on movement, distancing, business closures and suspensions, canceled events and activities, isolation, and other voluntary or mandated changes in behavior. The outbreak of COVID and actions in response thereto created significant uncertainty and economic volatility and disruption, which have impacted and may continue to impact our workforce and operations and have and materially adversely affected and may continue to materially adversely affect our results of operations and financial performance, including, but not limited to, the following: • We may experience reductions in demand for our services and the delay or abandonment of ongoing or anticipated projects due to our clients', suppliers' and other third parties' diminished financial conditions or financial distress, as well as governmental budget constraints. • Some clients have been, and may in the future be, unable to meet their payment obligations to us in a timely manner. Further, other third parties, such as suppliers, subcontractors, joint venture partners and other outside business partners, have experienced significant disruptions in their ability to satisfy their obligations with respect to us, or they may be unable to do so in the future altogether. • Many of our employees continue to work remotely. While many of our employees can effectively perform their responsibilities while working remotely, some work may not be completed as efficiently as if it were performed on site. • Various vaccine mandates issued by clients or governments could negatively impact our ability to attract and retain qualified employees, increase costs and administrative burden and make us subject to fines. • Illness, travel restrictions or other workforce disruptions have affected, and may continue to affect, our supply chain, our ability to timely and satisfactorily complete our clients' projects, our~~

~~ability to provide services to our clients or our other business processes. • Jurisdictions where we have operations may impose prolonged quarantines or further restrict travel and business activity, which could materially impair our ability to conduct our operations, to source supplies through the global supply chain and to identify, pursue and capture new business opportunities. The extent to which COVID or other significant disease outbreaks will impact us depends on numerous evolving factors and future developments that we are not currently able to predict and may also exacerbate other risks discussed in this 2022 10- K, any of which could have a material adverse effect on us, our business operations, results of operations and financial position.~~ In preparing our financial statements, we make estimates and assumptions that affect the reported values of assets, liabilities, revenue and expenses, and the disclosure of contingent assets and liabilities. Areas requiring significant estimates by our management include: • ~~recognition~~ **determination** of **profitability** ~~revenue, costs, profits or losses~~ ; • recognition of ~~revenue related to~~ project incentives, awards **, change orders, claims** or other variable consideration we expect to receive ~~; • recognition of recoveries under contract change orders or claims~~ ; • estimated amounts for project losses, warranty costs, contract close- out or other costs; • collectability of receivables and the need and amount of any allowance; • ~~asset valuations; •~~ income tax provisions and related valuation allowances; • determination of ~~expense and~~ potential liabilities under pension and other post- retirement benefit programs; and • accruals for other estimated liabilities, including litigation and insurance reserves and receivables. Estimates are based on management' s reasonable assumptions and experience, but are only estimates. Our actual business and financial results could differ from our estimates of such results due to changes in facts and circumstances, which could have a material negative impact on our financial condition and ~~reported~~ results of operations. Further, we recognize contract revenue as work on a contract progresses. The cumulative amount of revenue recorded on a contract at any point is that percentage of total estimated revenue that costs incurred to date bear to estimated total costs. Accordingly, contract revenue and total cost estimates are reviewed and revised as the work progresses. Adjustments are reflected in contract revenue in the period when such estimates are revised. Such adjustments could be material and could result in reduced profitability. Because of the nature of our contracts, we sometimes commit resources to projects prior to receiving payments from clients in amounts sufficient to cover expenditures as they come due. Some of our clients have found it difficult to pay our invoices timely, increasing the risk that our accounts receivable could become uncollectible and ultimately be written off. In certain cases, our clients for our large projects are project- specific entities that do not have significant assets other than their interests in the project. From time to time, it is difficult for us to collect payments owed to us by these clients. In addition, clients may request extension of the payment terms otherwise agreed to under our contracts. Delays in client payments may require us to make a working capital investment, which could impact our cash flows and liquidity. If a client fails to pay invoices on a timely basis or defaults, there could be a material adverse effect on our results of operations or liquidity. We have a significant portfolio of government contracts, including those that we have in place with the DOE and U. S. Department of Defense. U. S. government contracts are subject to various uncertainties, restrictions and regulations, including oversight audits by government agencies and profit and cost controls, which could result in withholding or delay of payments to us. U. S. government contracts are also subject to uncertainties associated with congressional funding, including the potential impacts of budget deficits, government shutdowns and federal sequestration. **A significant reduction in federal government spending or a change in budgetary priorities could reduce demand for our services, cancel or delay federal projects, and result in the closure of federal facilities and significant personnel reductions.** Changes in U. S. government priorities, which can occur due to policy changes or economic changes, could adversely impact our revenues. The U. S. government is under no obligation to maintain program funding at any specific level, and funds for a program may even be eliminated. Our U. S. government clients may terminate or decide not to renew our contracts with little or no prior notice. In addition, U. S. government contracts are subject to specific regulations such as the Federal Acquisition Regulation (" FAR"), the Truth in Negotiations Act, the Cost Accounting Standards (" CAS"), the Service Contract Act and Department of Defense security regulations. Failure to comply with any of these regulations and other government requirements may result in contract price adjustments, financial penalties or contract termination. Our U. S. government contracts are also subject to audits, cost reviews and investigations by U. S. government oversight agencies such as the U. S. Defense Contract Audit Agency (the" DCAA"). The DCAA reviews the adequacy of, and our compliance with, our internal controls and policies (including our labor, billing, accounting, purchasing, estimating, compensation and management information systems). The DCAA also has the ability to review how we have accounted for costs under the FAR and CAS. The DCAA presents its findings to the Defense Contract Management Agency (" DCMA"). Should the DCMA determine that we have not complied with the terms of our contract and applicable statutes and regulations, or if they believe that we have engaged in inappropriate accounting or other activities, payments to us may be disallowed or we could be required to refund previously collected payments. Additionally, we may be subject to criminal and civil penalties, suspension or debarment from future government contracts, and qui tam litigation brought by private individuals on behalf of the U. S. government under the False Claims Act, which could include claims for treble damages. These suits may remain under seal (and hence, be unknown to us) for some time while the government decides whether to intervene on behalf of the qui tam plaintiff. Furthermore, if we have significant disagreements with our government clients concerning costs incurred, negative publicity could arise, which could adversely affect our industry reputation and our ability to compete for new contracts in the government arena or otherwise. Most U. S. government contracts are awarded through a rigorous competitive process. The U. S. government has increasingly relied upon multiple- year contracts with pre- established terms and conditions that generally require those contractors that have been previously awarded the contract to engage in an additional competitive bidding process for each task order issued under the contract. Such processes require successful contractors to anticipate requirements and develop rapid- response bid and proposal teams as well as dedicated supplier relationships and delivery systems to react to these needs. We face rigorous competition and significant pricing pressures in order to win these task orders. If we are not successful in containing costs or able to timely respond to government requests, we may not win additional awards. Moreover, even if we are qualified to work on a government contract, we may be impacted in our pursuit of work by government policies designed to protect small businesses and under- represented minority contractors. Many of our U. S. government contracts require security clearances. Depending upon the level of clearance required, security clearances can be difficult and time- consuming to obtain. If we or our employees are unable to obtain or retain necessary security clearances, we may not be able to win new business, and our existing government clients could terminate their contracts with us or decide not to renew them. ~~Under the Budget Control Act of 2011, an automatic sequestration process, or across- the- board budget cuts, was triggered when the Joint Select Committee on Deficit Reduction failed to agree on a deficit reduction plan for the U. S. federal budget. The Budget Control Act of 2011 remains in place, extended through 2029, and absent additional legislative or other remedial action, the sequestration could require reduced U. S. federal government spending through 2029. A significant reduction in federal government spending or a change in budgetary priorities could reduce demand for our services, cancel or delay federal projects, and result in the closure of federal facilities and significant personnel reductions, which could have a material adverse effect on our results of operations and financial condition.~~ We are subject to income taxes where we do business. A change in tax laws, treaties or regulations, or their interpretation, in any country in which we operate could change our overall tax rate, which could have a material impact on our results of operations. In addition, significant judgment is required in determining our worldwide provision for income taxes and our judgments could prove inaccurate. There are many transactions and calculations where the ultimate tax determination is uncertain. We are regularly under audit by tax authorities, and our tax estimates and tax positions could be materially affected by many factors including the final outcome of tax audits and related litigation, the introduction of new tax accounting standards, legislation, regulations and related interpretations, our global mix of earnings, our ability to realize deferred tax assets and changes in uncertain tax positions. Future changes in our tax rate or adverse changes in tax laws could have a material adverse effect on our profitability and liquidity. We may also be exposed to limitations on our ability to reinvest earnings from operations in one country to fund our operations in other countries due to tax laws in different jurisdictions. We maintain insurance both as a corporate risk management strategy and to satisfy the requirements of many of our contracts. Although we have been generally able to cover our insurance needs, there can be no assurances that we can secure all necessary or appropriate insurance in the future, or that such insurance can be economically secured. For example, catastrophic events can result in decreased coverage limits, more limited coverage, increased premium costs or deductibles. We also monitor the financial health of our insurance. Our insurance is purchased from a number of leading providers, often in layered insurance or quota share arrangements. If any of our third party insurers fail, abruptly cancel our coverage or otherwise cannot satisfy their obligations to us, then our overall risk exposure and operational expenses could increase and our business operations could be interrupted. We provide services to the DOE and the nuclear energy industry in the on- going maintenance and modification of nuclear facilities as well as decontamination and decommissioning activities of nuclear plants. The Price- Anderson Act generally indemnifies parties performing services to nuclear power plants and DOE contractors; however, not all of our activities are covered. Thus, if the Price- Anderson Act indemnification protections do not apply to our services, or if the exposure occurs outside of the U. S. in a region that does not have protections comparable to the Price- Anderson Act, our business and financial condition could be adversely affected by our client' s refusal to contract with us, by our inability to obtain commercially reasonable insurance or third party indemnification, or by the potentially significant monetary damages we could incur. ~~Foreign currency risks could have an adverse impact on revenue, earnings and / or backlog.~~ Our contracts may subject us to foreign currency risk, particularly when project revenue is denominated in a currency different than the expected costs. **Contracts** ~~A project~~ may be denominated in different currencies at various points in time as a project progresses. We may attempt to minimize our exposure to foreign currency risk by obtaining contract provisions that protect us from foreign currency fluctuations and / or by implementing hedging strategies utilizing derivatives. However, these actions may not always eliminate all foreign currency risk, and as a result, our profitability could be affected. Our monetary assets and liabilities denominated in nonfunctional currencies are subject to remeasurement. In addition, the U. S. dollar value of our backlog may from time to time increase or decrease significantly due to foreign currency volatility. A few clients, including the U. S. government, state governments and governmental agencies comprise a significant portion of our revenue. Although we have long- standing relationships with many of our significant clients, our clients may unilaterally reduce, fail to renew or terminate their contracts with us at any time. Most of our contracts have" termination for convenience" provisions in them. The loss of business from a significant client could have a material adverse effect on our business, financial position and results of operations. Our success is impacted by our ability to differentiate our services through our technologies and know- how. This includes the ability to protect intellectual property rights. We utilize a combination of patents, copyrights, trade secrets, confidentiality agreements and other contractual arrangements to protect our interests. However, these methods only provide limited protection and may not adequately protect our interests. Our employees, contractors and joint venture partners are subject to confidentiality obligations, but this protection may be inadequate to deter or prevent misappropriation of our confidential information and / or infringement of our intellectual property rights. This can be especially true in certain foreign countries where intellectual property does not have equivalent protections as in the U. S., or when our joint venture partner is a competitor who will gain access to our procedures and know- how while working with us in the performance of services. Our clients require broad ownership rights in the work product and other materials we deliver. If we are unable to retain ownership of our intellectual property and improvements thereto, it may affect our ability to provide similar services to other clients in the future, which ultimately, could have a material adverse effect on our operations. Our competitors or others may independently develop technology substantially similar to our trade secret technology or we may be unsuccessful in preserving our intellectual property rights in the future. Our intellectual property rights could be invalidated, circumvented, challenged or infringed upon. Litigation to determine the scope of intellectual property rights, even if ultimately successful, could be costly and could divert management' s attention. In addition, our clients or other third parties may also provide us with their technology and intellectual property. There is a risk that we may not sufficiently protect against improper use, access or dissemination and, as a result, we could be subject to claims and litigation and resulting liabilities, loss of contracts or other consequences that could have an adverse impact on us. We also hold licenses from third parties utilized in our business operations. If we are no longer able to license such technology on commercially reasonable terms or otherwise, we could be adversely affected. When we license our intellectual property to third parties, the scope of such license grant is generally limited. If such third party exceeds the scope of the license grant, and if we are unable to detect unauthorized use of our intellectual property or otherwise take appropriate steps to enforce our rights, our revenue and margins will be adversely impacted, and the value of our intellectual property portfolio may be adversely affected. ~~Our results of operations and financial condition could be adversely affected by impairments. Goodwill is not amortized, but instead is tested at least annually for impairment. Any future impairments, including impairments of tangible assets, goodwill, investments or deferred tax assets, could have a material adverse effect on our financial condition and results of operations.~~ Climate **-** ~~change and related environmental issues could have a material adverse impact on us. Climate change~~ related events, such as increased frequency and severity of storms, floods, wildfires, droughts, hurricanes, freezing conditions, and other natural disasters, may have a long- term impact on our business, financial condition and results of operation. While we seek to mitigate our business risks associated with climate change, we recognize that there are inherent climate related risks regardless of where we conduct our businesses. For example, a catastrophic natural disaster could negatively impact any of our office locations and the locations of our clients. Access to clean water and reliable energy in the communities where we conduct our business is critical to our operations. Accordingly, a natural disaster has the potential to disrupt our and our clients' businesses and may cause us to experience work stoppages, supply chain disruptions, project delays, financial losses and additional costs to resume operations, including increased insurance costs or loss of cover, legal liability and reputational losses. Further, the risks caused by climate change span across the full spectrum of the industries we serve. The direct physical risks that climate change poses through chronic environmental changes, such as rising sea levels and temperatures, and acute events, such as hurricanes, droughts and wildfires, is common to each of these industries. Our clients could face increased costs to maintain their assets, which could result in reduced profitability and fewer resources for strategic investment. These types of physical risks could in turn lead to transitional risks (i. e., the degree to which society responds to the threat of climate change). For example, growing concerns about climate change may result in activism, protests, legislation, international protocols or treaties, regulation or other restrictions on greenhouse gas emissions or that otherwise seek to address climate change that could affect our clients, including those who (a) are involved in the exploration, production or refining of fossil fuels, such as our Energy Solutions clients, (b) emit greenhouse gases through the combustion of fossil fuels or (c) emit greenhouse gases through the mining, manufacture, utilization or production of materials or goods. Such actions could increase the costs of projects for us and our clients or, in some cases, prevent a project from going forward, thereby potentially reducing the need for our services, which would in turn have a material adverse impact on us. However, policy changes and climate legislation could also accelerate energy transition, including the development of carbon capture and storage projects, alternative transportation, alternative energy facilities, such as wind farms or nuclear reactors, or incentivize increased implementation of clean fuels projects, which could positively impact the demand for our services. We cannot predict when or whether any of these legislative proposals may become law or what effect will be on us and our clients. We may also incur additional expenses implementing U. S. and international regulations requiring additional disclosures regarding GHG emissions **and / or broader ESG- related factors** . Compliance with such regulations and the associated potential costs is complicated by various countries and regions following different approaches to the regulation of climate change. Investors ~~and~~ **,** clients **and other stakeholders** have increasingly focused on the ESG practices of companies, including practices with respect to human capital, emissions and environmental impact and political spending **. Expectations and requirements evolve rapidly and are largely out of our control, and our ESG initiatives and disclosures in response to such expectations and requirements may result in increased costs (including but not limited to increased costs related to compliance, stakeholder engagement, contracting and insurance), change in demand for certain services, enhanced compliance or disclosure obligations, or other adverse impacts to our business or results of operations** . While we have programs and initiatives in place related to our ESG practices, investors may decide to reallocate capital or to not commit capital as a result of their assessment of our practices. In addition, our clients may require that we adhere to varying ESG standards. Our failure to comply with investor or client standards, which are evolving, or if we are perceived to not have responded appropriately to the growing concern for these issues could also cause reputational harm to our business and could have a material adverse effect on us. In addition, organizations that provide ratings information to investors on ESG matters may have unfavorable views on us, which may lead to negative sentiment. In addition, while we may create and publish voluntary disclosures regarding ESG matters, many of the statements in those voluntary disclosures are based on expectations and assumptions that may not be representative of current or actual risks, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters . ~~We may~~ **In addition,we expect that there will likely** be ~~unsuccessful in implementing~~ **increasing levels of regulation,disclosure-related and otherwise,with respect to ESG matters.For example,the SEC has published proposed rules that would require companies to provide significantly expanded climate- related disclosures.Requirements from the SEC,European** ~~our~~ - **or** ~~strategic~~ **other regulators may require us to incur significant costs to comply** and ~~operational initiatives~~ **distract our management and Board of Directors** .We have announced a number of strategic ~~and operational~~ initiatives ~~designed to optimize costs and improve operational efficiency~~ ,including plans to divest our **remaining** Stork **operations** and ~~equipment businesses,~~ reduce our ownership of NuScale ~~,monetize surplus real estate and non- core investments,and rationalize resources and overhead across various geographies~~ .Our ability to successfully execute these initiatives is subject to various risks and uncertainties,including regulatory intervention,which may negatively impact the realization of expected benefits.Our failure to realize the anticipated benefits,which may be due to our inability to execute,competition,economic conditions,and other risks described herein,could have a material adverse effect on us.Divesting businesses involves risks and uncertainties,such as the difficulty separating assets related to such businesses from the businesses we retain,employee distraction, **and** the need to obtain regulatory approvals and other third- party consents,which potentially disrupts customer and vendor relationships ~~,and the fact that we may be subject to additional tax obligations or loss of certain tax benefits~~ .Such actions also involve significant costs and require time and attention of our management,which may divert attention from other business operations.Because of these challenges,as well as market conditions or other factors,anticipated divestitures may take longer or be costlier or generate fewer benefits than expected and may not be completed at all.If we are unable to complete the divestitures or to successfully transition divested businesses,our business and financial results could be negatively impacted.If we dispose of a business,we may not be able to successfully cause a buyer of a divested business to assume the liabilities of that business or,even if such liabilities are assumed,we may have difficulties enforcing our rights,contractual or otherwise,against the buyer.We may retain exposure on financial or performance guarantees and other contractual,employment,pension and severance obligations,and potential liabilities that may arise under law because of the disposition or the subsequent failure of an acquirer ~~.As a result,performance by the divested businesses or other conditions outside of our~~ . Our ability to generate cash is important for the funding of our operations, investing in ventures, the servicing of our indebtedness, paying dividends and making acquisitions. To the extent that existing cash balances and operating cash flow, together with borrowing capacity under our credit facilities, are insufficient to make investments or acquisitions or provide needed working capital, we may require additional financing from other sources. Our ability to obtain such additional financing will depend upon prevailing capital market conditions, including those arising due to events occurring in our industry, as well as conditions in our business and our operating results; and those factors may affect our efforts to negotiate terms that are acceptable to us. Furthermore, if global economic, industry, political or other market conditions adversely affect the financial institutions that provide credit to us, it is possible that our ability to establish or draw upon our credit facilities, or refinance borrowings as they mature, may be impacted. In addition, a downgrade in our credit rating could increase the cost of our borrowings or their refinancing, limit access to sources of financing or lead to other adverse consequences such as requirements for liens or other forms of financial assurance. If adequate funds are not available, or are not available on acceptable terms, we may be unable to make future investments, take advantage of acquisitions or other opportunities, or respond to competitive challenges. In addition, adverse credit and financial market conditions, including increasing **or continued high** interest rates, also adversely affect our clients' and our partners' borrowing capacity, which could result in contract cancellations or suspensions, project award and execution delays, payment delays or defaults by our clients. These disruptions could materially impact our backlog and profits ~~. If we extend a significant portion of credit to our clients or projects in a specific geographic region or industry, we may experience higher levels of collection risk or non- payment if those clients are impacted by factors specific to their geographic industry or region~~ . Our indebtedness could have important consequences, including but not limited to: • increasing our vulnerability to general adverse economic and industry conditions; • requiring us to dedicate a substantial portion of our **operating** cash flow ~~from operations~~ to servicing our debt, thereby reducing the availability of cash to fund working capital, capital expenditures, acquisitions and investments and other general corporate purposes; and • limiting our flexibility in planning for, or reacting to, challenges and opportunities, and changes in our businesses and the markets in which we operate. Our ability to service our debt will depend on our future operating performance and financial results, which may be subject to factors beyond our control, including general economic, financial and business conditions. If we do not have sufficient cash flow to service our debt, we may need to refinance all or part of our existing debt, borrow more money or sell securities or assets, some or all of which may not be available to us at acceptable terms or at all. In addition, we may need to incur additional debt in the future in the ordinary course of business. Although the terms of our credit agreements and our bond indentures allow us to incur additional debt, there are limitations which may preclude us from incurring the desired amount. Our current debt and any future additional debt we may incur impose, or may impose, significant operating and financial restrictions on us. In addition, our credit facilities require us to maintain specified financial covenants. A breach of any of these covenants could result in a default. If a default occurs, the relevant lenders could elect to accelerate payments due. If our operating performance declines, or if we are unable to comply with any covenant, we may need to obtain amendments to our credit agreements or waivers from the lenders to avoid default. These factors could have a material adverse effect on us. It is a common industry practice for clients to require us to provide surety bonds, letters of credit, bank guarantees or other forms of financial assurance as credit enhancements. Surety bonds, letters of credit or guarantees indemnify our clients if we fail to perform our contractual obligations. Historically, we have had strong surety bonding capacity due to our credit ratings, but bonding is provided at the surety' s sole discretion. In addition, because of the overall limitations in worldwide bonding capacity, we may find it difficult to access sufficient surety bonding capacity to meet our total surety bonding needs. For letters of credit, we have historically had adequate capacity under our existing credit facilities, but any capacity that may be required in excess of our credit limits would be at our lenders' sole discretion. Failure to provide credit enhancements on terms required by a client may result in an inability to compete for or win a project. We are subject to a variety of legal or regulatory proceedings, liability claims or contract disputes. Our operating activities expose us to claims against us by clients, subcontractors or suppliers for recovery of costs they incurred in excess of what they expected to incur, or for which they believe they are not contractually liable. We may be named as a defendant in legal proceedings where parties may make a claim for damages or other remedies with respect to our projects or other matters, including shareholder litigation. During times of economic uncertainty, especially with regard to our commodity- based clients, claim frequencies and amounts tend to increase. In proceedings where it is determined that we have liability, we may not be covered by insurance or these liabilities may exceed our coverage. In addition, even where insurance is maintained for such exposure, the policies have deductibles resulting in our assuming exposure for a layer of coverage with respect to any such claims. Our professional liability coverage is on a" claims-made" basis covering only claims actually made during the policy period. Any liability not covered by our insurance, in excess of our insurance limits or, if covered by insurance but subject to a high deductible, could have a material adverse impact on us. ~~We have received subpoenas from both the SEC and the DOJ seeking documents and information related to projects for which we recorded charges in the second quarter of 2019 and certain project accounting, financial reporting and governance matters.~~

~~These matters remain unresolved, and we have continued to cooperate and engage with the SEC and DOJ regarding these investigations. If the SEC or DOJ commences legal action as a result of the investigations, we could be required to pay significant penalties and become subject to injunctions, cease and desist orders and other measures. We cannot predict the outcome or timing of any governmental or regulatory investigation. In addition to these investigations, we have also had numerous securities class action lawsuits and stockholder derivative actions filed against us and certain of our current and former executives and directors. We may incur significant expenses related to legal, accounting, and other professional services in connection with the SEC investigation, the DOJ investigation, lawsuits and related legal and regulatory matters. These expenses and the diversion of our management' s attention has adversely affected, and could continue to adversely affect, our operations. We remain exposed to heightened risks of litigation, regulatory proceedings, and government enforcement actions and additional subpoenas. Any future investigations or additional lawsuits may have a material adverse effect on us.~~ In other legal or regulatory proceedings, liability claims or contract disputes, we may be covered by indemnification agreements that may at times be difficult to enforce. Even if enforceable, it may be difficult to recover under these agreements if the indemnitor does not have the ability to financially support the indemnity. Litigation and regulatory proceedings are subject to inherent uncertainties, and unfavorable rulings could occur, including for monetary damages. If we were to receive an unfavorable ruling in a matter, our business and results of operations could be materially harmed. Such proceedings can also be costly, time- consuming, disruptive to operations and distracting to management, regardless of the outcome. Our failure to recover adequately on claims against clients, subcontractors or suppliers for payment or performance could have a material effect on our financial results. We occasionally bring claims against clients for additional costs exceeding the contract price or for amounts not included in the original contract price. Similarly, we present change orders and claims to our subcontractors and suppliers. If we fail to properly provide notice or document the nature of change orders or claims, or are otherwise unsuccessful in negotiating a reasonable settlement, we could incur reduced profits, cost overruns and in some cases a loss on the project. These types of claims can occur due to matters such as owner- caused delays or changes from the initial project scope, which result in additional cost. These claims can result in lengthy and costly proceedings, and it is often difficult to accurately predict when these claims will be fully resolved. When these types of events occur and while unresolved claims are pending, we may invest significant working capital in projects to cover cost overruns pending the resolution of the relevant claims. A failure to promptly recover on these types of claims could have a material adverse impact on our liquidity and financial results. The U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act of 2010 and similar anti- bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to officials or others for the purpose of obtaining or retaining business. While our policies mandate compliance with these anti- bribery laws, we operate in many parts of the world that have experienced corruption to some degree and, in certain circumstances, strict compliance with anti- bribery laws may conflict with local customs and practices. We train our personnel concerning anti- bribery laws and issues, and we also inform our partners, subcontractors, suppliers, agents and others who work for us or on our behalf that they must comply with anti- bribery law requirements. We also have procedures and controls in place to monitor compliance. However, there is no assurance that our internal controls will always protect us from the possible reckless or criminal acts committed by our employees or agents. If we are found to be liable for anti- bribery law violations (either due to our own acts or our inadvertence, or due to the acts or inadvertence of others including our partners, agents, subcontractors or suppliers), we could suffer from criminal or civil penalties or other sanctions, including contract cancellations or debarment, and damaged reputation, any of which could have a material adverse effect on our business. Litigation or investigations relating to alleged or suspected violations of anti- bribery laws, even if ultimately such litigation or investigations demonstrate that we did not violate anti- bribery laws, could be costly and could distract management. Our global operations require importing and exporting goods and technology across international borders on a regular basis. Our policies mandate strict compliance with U. S. and foreign international trade laws. To the extent we export technical services, data and products outside of the U. S., we are subject to regulations governing international trade and exports including but not limited to the International Traffic in Arms Regulations, the Export Administration Regulations and trade sanctions against embargoed countries, which are administered by the Office of Foreign Assets Control within the Department of Treasury. From time to time, we identify certain inadvertent or potential export or related violations. These violations may include, for example, transfers without required governmental authorization. A failure to comply with these laws and regulations could result in civil or criminal sanctions, including the imposition of fines, the denial of export privileges, and suspension or debarment from participation in U. S. government contracts. Misconduct, fraud, non- compliance with applicable laws and regulations, or other improper activities by one of our employees, agents or partners could have a significant negative impact on our business and reputation. Such misconduct could include the failure to comply with anti- corruption, export control and environmental regulations; federal procurement regulations, regulations regarding the pricing of labor and other costs in government contracts and regulations regarding the protection of sensitive government information; regulations on lobbying or similar activities; regulations pertaining to the internal control over financial reporting; and various other applicable laws or regulations. The **policies and** precautions we take to prevent and detect fraud, misconduct or failures to comply with applicable laws and regulations may not be effective, and we could face unknown risks or losses. Failure to comply with applicable laws or regulations or acts of fraud or misconduct could subject us to fines and penalties **, cancellation of contracts** , loss of security clearance and suspension or debarment from contracting with government agencies, which could **damage our reputation,** weaken our ability to win contracts and have a material adverse impact on our revenues and profits ~~. New or changing legal requirements could adversely affect our operating results~~ . Our business and results of operations could be affected by the passage of laws, policies and regulations. The implementation of trade barriers, countervailing duties, or border taxes, or the addition, relaxation or repeal of laws, policies and regulations regarding the industries and sectors in which we work could result in a decline in demand for our services, or may make the manner in which we perform our services, less profitable. Furthermore, changes to existing trade agreements may impact our business operations.

We cannot predict when or whether any of these various legislative and regulatory proposals may become law or what their effect will be on us and our clients ~~. Past and future environmental, safety and health regulations could impose significant additional costs on us that reduce our profits~~ . We are subject to numerous environmental laws and health and safety regulations. Our projects can involve the handling of hazardous and other highly regulated materials, including nuclear and other radioactive materials, which, if improperly handled or disposed of, could subject us to civil and criminal liabilities. It is impossible to reliably predict the full nature and effect of judicial, legislative or regulatory developments relating to health and safety regulations and environmental protection regulations applicable to our operations. The applicable regulations, as well as the length of time available to comply with those regulations, continue to develop and change. The cost of complying with regulations, satisfying any environmental remediation requirements for which we may be found responsible, or satisfying claims or judgments alleging personal injury, property damage or natural resource damages as a result of exposure to, or contamination by, hazardous materials, including as a result of commodities such as lead or asbestos- related products, could be substantial, may not be covered by insurance, could impact profitability and materially impact our operations. We are subject to a number of regulations such as those from the U. S. Nuclear Regulatory Commission and non- U. S. regulatory bodies, such as the International Atomic Energy Commission and the European Union, which can have a substantial effect on our nuclear operations and investments. Delays in receiving necessary approvals, permits or licenses, the failure to maintain sufficient compliance programs, and other problems encountered during construction (including changes to such regulatory requirements) could have an adverse effect on us. A substantial portion of our business is generated either directly or indirectly as a result of federal, state, local and foreign laws and regulations related to environmental matters. A reduction in the number or scope of these laws or regulations, or changes in government policies regarding the funding, implementation or enforcement of such laws and regulations, could significantly reduce the size of one of our markets and limit our opportunities for growth or reduce our revenue below current levels . We may be unsuccessful in implementing...... may be favorable to our common stockholders . We may in the future issue additional equity securities to pay for potential acquisitions or to otherwise fund our corporate initiatives. If we do issue additional equity securities, the issuance may dilute our earnings per share and stockholders' percentage ownership. Fluor is a Delaware corporation. Various anti- takeover provisions under Delaware law impose impediments on the ability of others to acquire control of us, even if a change of control would be beneficial to our stockholders. In addition, certain provisions of our charters and bylaws may impede or discourage a takeover. For example: • stockholders may not act by written consent; • there are various restrictions on the ability of a stockholder to call a special meeting or to nominate a director for election; and • our Board of Directors can authorize the issuance of preferred shares. These types of provisions in our charters and bylaws could also make it more difficult for a third party to acquire us, even if the acquisition would be beneficial to our equity holders.