



Jacobs

FY 2024 Sustainability-Linked Bond Progress Report

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Executive Summary

In February 2023, Jacobs Engineering Group Inc., a wholly-owned subsidiary of Jacobs Solutions Inc. ("Jacobs"), issued 5.900% [Sustainability-Linked Senior Notes due 2033](#) (the "SLB"). The SLB's performance is underpinned by Key Performance Indicators 1 and 2 (the "KPIs"), which are tied to Sustainability Performance Targets 1 and 2 (the "SPTs"), as outlined in our [Sustainability-Linked Bond Framework](#) published in February 2023 (the "SLB Framework"). For additional details on the KPIs and SPTs, please refer to the [SLB Framework](#). Capitalized terms used herein but not otherwise defined have the meaning set forth in the [SLB Framework](#).

This Sustainability-Linked Bond Annual Progress Report (this "Report") is prepared in accordance with the [SLB Framework](#) and the terms of the SLB set forth in the Sustainability-Linked Bond [Prospectus Supplement](#) dated February 13, 2023 (the "SLB Prospectus Supplement"). As detailed in the [SLB Prospectus Supplement](#) (and consistent with our [SLB Framework](#)), we intend to publish, on the [Jacobs Investor Relations site](#), a report on our performance and progress on an annual basis.

This Report contains information on our performance related to the KPIs and progress towards the SPTs during Jacobs' fiscal year ended September 27, 2024 ("FY24"). We also publish additional details on our initiatives related to our KPIs and SPTs in our annual ESG Disclosures document available on our website.

On September 27, 2024, Jacobs completed the spin-off of its Critical Mission Solutions and Cyber & Intelligence government services businesses (the "SpinCo Business") and subsequent merger of the SpinCo Business with Amentum Parent Holdings LLC, forming an independent, publicly traded company called Amentum Holdings, Inc. (NYSE: AMTM) ("Amentum") (the "Separation Transaction"). Please see our Annual Report on Form 10-K for FY24 ("FY24 Form 10-K") and our other filings with the SEC (as defined below) for additional information about the Separation Transaction.

As further detailed in [Section 1](#), Jacobs has determined that the Separation Transaction constituted a significant change as contemplated by the SLB Framework pursuant to which we decided to make an adjustment to our previously stated reporting boundaries and Baseline, including data set forth in the SLB Framework, which is reflected herein (the "Rebaseline").

Unless otherwise noted herein, this Report only includes data reflective of the Company without the SpinCo Business. Although the Separation Transaction was completed on the last day of FY24, we believe that presenting the data herein without the SpinCo Business allows stakeholders to better understand our progress towards the KPIs and SPTs. In accordance with the calculation methodology for each KPI set forth in the SLB Framework, this Report only includes data for Jacobs' operations within its Operational Boundary. As such, this Report only includes data related to our Infrastructure & Advanced Facilities operating segment and does not include data related to PA Consulting Group Limited.

Recalculated fiscal year 2019 ("FY19") data reflective of the Rebaseline and FY24 data included in this Report has been externally verified, with limited assurance by LRQA, Inc. Our FY19 verification statement is available [here](#) and FY24 [here](#). Fiscal year 2023 ("FY23") data included in this Report reflecting Jacobs without the SpinCo Business has not undergone third-party verification, and, as a result, Jacobs cautions readers that such data is being provided in good faith solely to facilitate year-over-year comparison.

Disclaimer

This Report includes brief summaries of the SLB's terms and conditions where necessary for discussion purposes only. Jacobs does not make any warranties or representations as to the completeness or reliability of the information, opinions or conclusions expressed herein. The terms of the SLB included in this Report are qualified in their entirety by the [SLB Prospectus Supplement](#). You are urged to read the SLB Prospectus Supplement in its entirety. This Report is not intended to provide you with all of the information that may be relevant regarding the SLB and should not be relied on by you in making any decisions. This Report is not intended to provide the basis for the evaluation of any securities issued by Jacobs. This Report should not be construed and does not constitute an invitation, recommendation or offer to subscribe for or purchase any of Jacobs' securities. Under no circumstances shall Jacobs or any of its affiliates be liable for any loss, damage, liability or expense incurred or suffered which is claimed to have resulted from use of this Report. All references to websites, reports or other documents in this Report are for your information only. The content of such websites, reports or other documents (or any other information they refer to) is not incorporated by reference into this Report.

Many of the assumptions, standards, metrics and measurements used in preparing this Report, and the data results it provides, continue to evolve and are based on methodologies and assumptions believed to be reasonable at the time of this Report, and should be considered estimates only.

Certain information reported herein constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that do not directly relate to any historical or current fact. When used herein, words such as "expects," "anticipates," "believes," "seeks," "estimates," "plans," "intends," "future," "will," "would," "could," "can," "may," "target," "goal" and similar words are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements we make concerning our expectations as to our future growth, prospects, financial outlook and business strategy. Although such statements are based on management's current estimates and expectations, and/or currently available competitive, financial, and economic data, forward-looking statements are inherently uncertain, and you should not place undue reliance on such statements as actual results may differ materially. We caution the reader that there are a variety of risks, uncertainties and other factors that could cause actual results to differ materially from what is contained, projected or implied by our forward-looking statements. For a description of factors that may occur that could cause actual results to differ from our forward-looking statements see the Company's filings with the U.S. Securities and Exchange Commission ("SEC"), including in particular the discussions contained in our FY24 Form 10-K under Item 1 - Business, Item 1A - Risk Factors, Item 3 - Legal Proceedings, and Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations; and in our most recently filed Quarterly Report on Form 10-Q under Part I, Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations, and Part II, Item 1 - Legal Proceedings and Item 1A - Risk Factors. Other than as required by law or by the SLB Framework and/or SLB Prospectus Supplement, the Company does not assume any responsibility or obligation to update any of the information or estimates (including any forward-looking statements) included in or implied by, or the methodologies, data and assumptions underlying, this Report, regardless of whether such information or estimates are affected by new information, future events or otherwise.

1. Corporate Events & Methodology Changes

1.1 Impact of the Separation Transaction

On September 27, 2024, Jacobs [completed](#) the Separation Transaction. Please see the Jacobs FY24 Form 10-K available [here](#) and our other filings with the SEC for additional information about the Separation Transaction.

Jacobs has developed a base year recalculation policy and significance threshold for purposes of the SLB and our GHG emissions reporting. Jacobs reviewed GHG accounting and reporting guidance that it determined to be appropriate to ensure that the process to recalculate base year emissions follows the requirements set forth in Jacobs' SLB Framework.

As set forth in the SLB Framework, Jacobs previously selected FY19 as its Baseline year for reporting on its progress towards SPT1: Reduce GHG Emissions (as further detailed in the SLB Framework). In alignment with the SLB Framework and Jacobs rebaselining policy, Jacobs determined that the Separation Transaction constituted a significant change as contemplated by the SLB Framework and completed the Rebaseline in accordance with the rebaselining policy to recalculate its Baseline data to reflect Jacobs without the SpinCo Business.

1.2 GHG Calculation Methodology Changes

In addition to the removal of the SpinCo Business data and emissions referenced in [Section 1.1](#), as part of the Rebaseline, Jacobs also reflected certain other structural changes and improvements to its emissions calculation methodology in the recalculated Baseline.

As stated in the SLB Framework, in the event of significant or structural changes at Jacobs (including acquisitions, divestiture, mergers or other corporate action with similar effect), changes in KPI calculation methodology used by Jacobs, its peers or the market in general or adopted as industry standards or required by law, changes in data availability due to improved calculation methodologies or better data collection processes or accessibility or the discovery of data errors, Jacobs may, in good faith, at its sole discretion and without noteholder consent, make adjustments to the boundary of either KPI, or to other aspects of the scope or calculation methodology of either KPI, or the Baseline stated in the SLB Framework, as applicable. When a significant structural or methodological change occurs, Jacobs maintains the discretion to make other updates to its base year data in alignment with the SLB Framework to reflect additional structural or emissions calculation methodology changes regardless of whether such changes would have individually met the threshold set forth in Jacobs' Rebaselining Policy for being significant or not.

As such, Jacobs also made the below updates to the Baseline data when conducting the Rebaseline. Such changes are reflected in the FY19 data reported herein, which is included in the third-party verification statement provided by LRQA. Such improvements were also applied to FY23 and FY24 data reported herein.

- Jacobs has had minor structural changes due to acquisitions completed since FY19. At the time of each acquisition, Jacobs determined that such acquisition was not significant and did not warrant a recalculation of our Baseline. However, in connection with the Rebaseline, emissions related to these acquisitions have been added to our Baseline data.
- Jacobs implemented improvements to its calculation methodology and data quality and collection methods that are now reflected in the Baseline.
- In 2023, Jacobs partnered with a third-party consultant, Advito, to utilize Advito's International Organization for Standardization (ISO) Certified GATE4 business travel emission calculation methodology to improve our Scope 3 business travel emission calculations. This methodology includes both radiative forcing for air travel emissions and well-to-wheel emissions for all travel that are included in our Scope 3 (Business Travel, Employee Commuting and Upstream Fuel) data included herein. As a result, we have calculated different emissions for Scope 3 business travel emissions compared to emissions calculated using our prior calculation methodology. We have applied the new methodology to our Baseline data as part of the Rebaseline. This new methodology is also reflected in our FY23 and FY24 data included herein.

As also set forth in the SLB Framework, in the event of, among other things, changes in the KPI calculation methodology used by Jacobs, its peers or the market in general or adopted as industry standards, Jacobs may, in good faith, at its sole discretion and without noteholder consent, make adjustments to the boundary of either KPI, or to other aspects of the scope or calculation methodology of either KPI, with any such adjustments to be guided by the GHG Protocol, SBTi Net Zero Standard and/or other applicable market standards or regulatory requirements and that in the aggregate maintain or increase the proposed level of ambition of the SPTs stated in the SLB Framework.

At this time, SBTi has made a draft Corporate Net-Zero Standard V2 available for consultation. Once finalized, Jacobs may elect to adopt this version of the SBTi Net Zero Standard for the purposes of calculating its GHG Emissions. Accordingly, Jacobs intends to consider whether or not to exercise its rights to make any adjustments to either KPI or KPI Calculation Methodology in light of the Separation Transaction, the changes to the SBTi Corporate Net Zero Standard, or otherwise, once the SBTi Corporate Net-Zero Standard V2 has been finalized. Any such changes would comply with the requirements of the SLB Framework, including being approved by Jacobs' ESG & Risk Committee.

2. Progress Towards SPTs¹

2.1 SPT1: Reduce Greenhouse Gas Emissions

Jacobs established an SPT as part of the issuance of the SLB to achieve at least a 70% reduction in absolute Scope 1, Scope 2, and selected Scope 3 (Business Travel, Employee Commuting, and Upstream Fuel) greenhouse gas (GHG) emissions by fiscal year-end 2029 versus the fiscal year 2019 Baseline. This is the equivalent of reaching 66,734 metric tonnes CO₂e for fiscal year 2029 using the Baseline of 222,447 metric tonnes CO₂e. As shown in Table 1, as of fiscal year-end 2024, Jacobs estimates that it has reduced emissions by 60% from the Baseline, with a total of 88,960 metric tonnes of CO₂e in FY24.

Table 1. SPT1 Performance – GHG Emissions (mtCO₂e)

	FY19 ^a	FY23 ^b	FY24 ^c
Scope 1	15,814	13,526	15,342
Scope 2 (Market-based)	37,271	2,009	1,735
Scope 3	169,362	66,360	71,883
<i>Business Travel (Well-to-Wheels)</i>	91,022	46,766	50,695
<i>Employee Commuting (Well-to-Wheels)</i>	65,897	16,013	17,131
<i>Upstream Fuel (Market-based)</i>	12,443	3,581	4,057
Total	222,447	81,895	88,960
Reduction vs. FY19 Baseline			-60%

^a FY19 values have been third-party verified, with limited assurance.

^b FY23 data included in this Report reflecting Jacobs without the SpinCo Business has not undergone third-party verification, and, as a result, Jacobs cautions readers that such data is being provided in good faith solely to facilitate year-over-year comparison.

^c FY24 values have been third-party verified, with limited assurance.

2.2 SPT2: Increase Representation of Females in VP and Above Positions

Jacobs established an SPT as part of the issuance of the SLB to achieve at least 40% representation of females, based on self-reported data collected in good faith by or on behalf of the company, in VP and above positions (an internal job grade classification of 18 or above, or the equivalent if job titles or classifications change) as of the last business day of fiscal year-end 2027.

As of the end of FY24, Jacobs has 34.8% females in VP and above positions.

Table 2. SPT2 Performance – Representation of Females VP + Positions^a

	FY19 ^b	FY23 ^c	FY24 ^d
Representation of Females in All Executive Positions	14.5%	32.1%	34.8%

^a Includes Employee Category: Staff; Person Type: Employee & Expatriate; Global Grade Description: 18, 19, 20, 21, 22, 23.

^b FY19 values have been third-party verified, with limited assurance.

^c FY23 data included in this Report reflecting Jacobs without the SpinCo Business has not undergone third-party verification, and, as a result, Jacobs cautions readers that such data is being provided in good faith solely to facilitate year-over-year comparison.

^d FY24 values have been third-party verified, with limited assurance.

¹ All references to the 2019 Baseline in [Section 2](#) of this Report are to the recalculated 2019 Baseline following the Rebaseline described herein.

3. Related Impact of SPTs on the SLB's Characteristics

As set forth in the [SLB Prospectus Supplement](#), from and including September 1, 2028 (the "First Step Up Date"), the interest rate payable on the SLB will be increased by 12.5 basis points to 6.025% per annum (the "First Step Up Interest Rate"), unless Jacobs notifies the bond trustee on or before the date that is 15 days prior to the First Step Up Date that SPT 2 (Increase Representation of Females in VP and Above Positions) has been satisfied and receives a related assurance letter verifying such compliance. Additionally, from and including September 1, 2030 (the "Second Step Up Date"), the interest rate payable on the SLB will be increased by 12.5 basis points to (i) 6.150% per annum if the First Step Up Interest Rate was in effect immediately prior to the Second Step Up Date or (ii) 6.025% per annum if the initial interest rate was in effect immediately prior to the Second Step Up Date, unless Jacobs notifies the bond trustee on or before the date that is 15 days prior to the Second Step Up Date that SPT 1 (Reduce GHG Emissions) has been satisfied and receives a related assurance letter verifying such compliance.

Jacobs is continuing to progress towards achieving both SPTs. Jacobs continuously evaluates its business and operations and makes decisions with the aim of maximizing value for its investors and clients. Jacobs makes all hiring and promotion decisions based on merit and the needs of our business. We believe a workforce that represents a broad spectrum of strengths, backgrounds and experiences positions us to better anticipate and respond to our clients' needs. Similarly, we believe that our reputation as a global sustainability leader instills trust in our ability to help our clients achieve their own sustainability goals.