

# Working **Sustainably**

**2016**  
Sustainability Report

**FLUOR**<sup>®</sup>



## WORKING SUSTAINABLY.

Fluor is committed to providing clients with opportunities to complete their projects efficiently, effectively, safely and sustainably. The company and its stakeholders work together to create sustainable solutions.

### ABOUT THE COVER

The Centinela Solar Energy facility is a 170-megawatt (MW) alternating current solar photovoltaic (PV) generating facility located near Calexico, California, United States, approximately 90 miles east of San Diego. It uses polycrystalline rotating PV panels on single-axis tracker technology to capture sun rays throughout the day. The facility can generate enough electricity to provide power to 60,000 households annually.

Fluor provided turn-key engineering, procurement and construction (EPC) services on the Centinela project, with startup in fall 2014. Fluor installed, tested and commissioned over 875,000 PV panels covering more than 1,600 acres (640 hectares). Fluor has been awarded a contract to perform all operations and maintenance (O&M) at the plant until 2022 on behalf of Centinela Solar Energy.

During the project's development and maintenance, approximately 800,000 hours have been safely worked without any recordable incidents or days away, restricted or transferred. The project was recognized by *Engineering News-Record (ENR)* with a 2015 Best Project Safety Award of Merit for the California Region.

The solar project is a prime example of sustainability in design, construction and O&M as an integrated solution, keeping community impact considerations at the forefront. The project was executed in one of California's poorest counties, with an unemployment rate of 30 percent. Fluor continues to work with the community to maximize local hiring and purchases from local suppliers and businesses. In addition to strengthening the local economy, Fluor is engaging with the community and is involved with charities that have an impact locally.

### CAUTIONARY STATEMENT

This Sustainability Report and [fluor.com/sustainability](http://fluor.com/sustainability) contain certain statements that may constitute forward-looking statements involving risks and uncertainties, including statements about Fluor business opportunities, sustainable solutions and strategic initiatives, as well as whether the company's operations are at risk of violation of certain laws. These forward-looking statements reflect Fluor's current analysis of existing information as of the date of this report and are subject to various risks and uncertainties. Due to known and unknown risks, the company's actual results may differ materially from its expectations or projections. Additional information concerning factors that may influence the company's results can be found under "Item 1A Risk Factors" in **2016 Form 10-K**, filed with the U.S. Securities and Exchange on February 17, 2017. The term "material" is used within this document to describe issues for voluntary sustainability reporting and should not be read as equating to the use of the word in any other Fluor reporting or filing. Fluor's **2016 Form 10-K** and the **Proxy Statement** for the 2017 Annual Meeting of Stockholders may be downloaded at [investor.fluor.com](http://investor.fluor.com). No material in this Sustainability Report forms any part of those documents. No part of this report or [fluor.com/sustainability](http://fluor.com/sustainability) constitutes, or shall be taken to constitute, an invitation or an inducement to invest in Fluor Corporation or any other entity and must not be relied upon in any way in connection with any investment decision or otherwise.

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Note:  
Global Reporting Initiative™ (GRI) Standards content is  
labeled throughout this report with the symbol. 

# A Message from the CHAIRMAN & CEO

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Dear Valued Stakeholders:

At Fluor, *Working Sustainably* means conducting business in a socially, economically and environmentally responsible manner for the benefit of current and future generations, creating value for all stakeholders.

As a global leader in engineering, construction and maintenance, Fluor partners with clients around the world on projects that are bringing cleaner energy to millions of people, developing new pharmaceuticals that fight disease, providing the infrastructure that helps drive rising human prosperity and helping our military forces execute their missions.

Our clients trust us to deliver integrated solutions that provide them with facilities that meet their needs, in accordance with our Core Values of safety, integrity, teamwork and excellence.

Safety is the first of our Core Values and one of the cornerstones of our business.

The loss of life at Fluor is simply unacceptable. Our goal is that all of our employees and subcontractors return home safely at the end of the working day.

We continue to take steps in several areas to drive a change in our safety culture and to deliver on this promise. This includes taking a closer look at how we can protect our people when they are working at operational facilities and, importantly, developing a training and awareness campaign to build a behavior-based culture in which all of our employees and subcontractors speak up when they see something that doesn't look or feel safe and encourage others to do the same.

Fluor is committed to integrity, another of our Core Values, in everything we do. I am pleased to say that in 2017, Fluor has been named to the World's Most Ethical Companies® list by *Ethisphere* for the 11th consecutive year – one of only 13 companies to achieve this distinction.

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We continue to take a leadership role on global anti-corruption through our involvement with the World Economic Forum's Partnership Against Corruption Initiative (PACI) and the B20 Anti-Corruption Task Force. Efforts in 2016 focused on putting a greater emphasis on collective action, including an initiative to advance Mexico's anti-corruption agenda.

Our third Core Value of teamwork is reflected in how our talented 60,000-strong global workforce collaborates on the 1,000 projects we are working on in over 60 countries.

We also believe that teamwork is key to building strong, sustainable communities at our office locations and project sites around the world. We partner with clients, suppliers and local communities on programs in our primary areas of focus: education, social services, community and economic development and the environment.

2016 highlights include:

- Our **U.S. Gulf Coast Craft Training Center** in Pasadena, Texas, which provides tuition-free training in electrical, instrumentation, pipefitting and welding, to support significant work in the region. Since opening in late 2015, the center has more than 300 graduates, many of whom now work on Fluor projects.
- Through community partnerships and Fluor financial and employee volunteer support, the company provided more than 1.9 million hours of **science, technology, engineering and math (STEM)** training, enrichment or awareness to more than 236,000 primary and secondary school students.
- Fluor's **Supplier Diversity Program** continued to support its goals of environmental stewardship, economic growth and social progress. In 2016, Fluor spent approximately \$277 million with small, minority and women-owned businesses in the United States – approximately 10 percent of the \$2.8 billion spent with U.S.-based suppliers and contractors.

Our fourth Core Value of excellence is something we strive for every day, including helping our clients to efficiently and effectively achieve their HSE and sustainability goals. You can read about our innovative use of modular fabrication at the North West Redwater Sturgeon Refinery and other examples throughout this report.

I am proud of the efforts of all of our Fluor employees who live our Core Values and remain dedicated to executing with excellence. I hope you enjoy reading this report and learning how Fluor is *Working Sustainably* for the benefit of the communities in which we live and work – every day.



David T. Seaton  
Chairman and Chief Executive Officer  
Fluor Corporation  
June 2017

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# ABOUT THE COMPANY

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Headquartered in Irving, Texas, Fluor Corporation (NYSE: FLR) is among the world's largest publicly traded engineering, procurement, fabrication, construction and maintenance companies.

For more than a century, Fluor has been a trusted global leader in providing exceptional services and technical knowledge across a broad range of industries. Clients rely on Fluor to deliver world-class integrated solutions that optimize their assets, improve their competitive position, increase their long-term business success and support their sustainability goals.

102-4, 102-6, 102-7

With a steadfast commitment to safety as a Core Value, Fluor's primary objective is to develop and execute projects with excellence. Fluor serves clients in more than 100 countries, working on approximately 1,000 projects spanning 60 specialized industries in any given year. This diversification allows Fluor to meet the challenges of engineering and design optimization ranging from small and mid-sized capital projects to complex megaprojects from concept to completion.

102-2, 102-5, 102-6, 102-7, 102-45

## DIVERSIFIED BUSINESS SEGMENTS

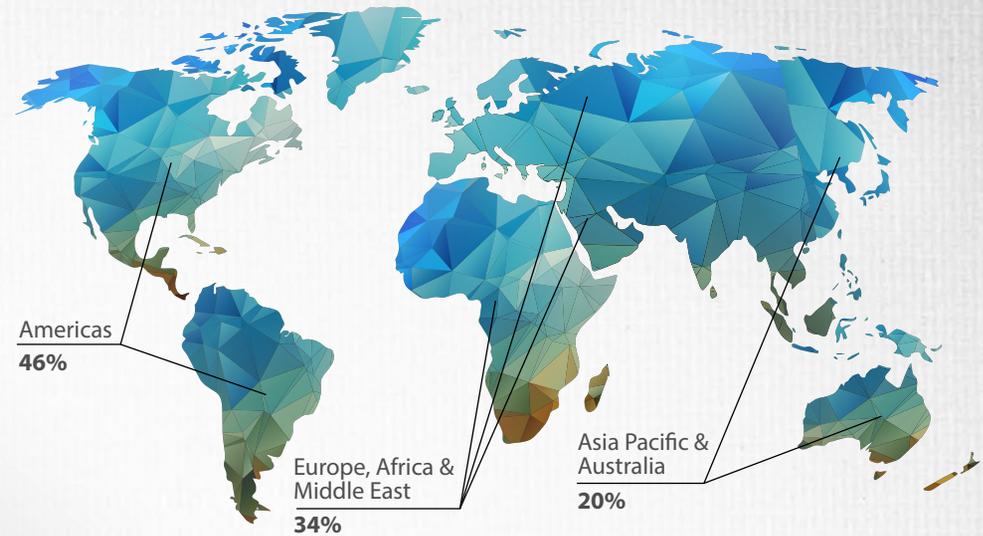
In 2016, Fluor reported results under four primary business segments: Energy, Chemicals & Mining; Industrial, Infrastructure & Power; Diversified Services (originally called Maintenance, Modification & Asset Integrity); and Government, serving clients through various subsidiaries and joint ventures. For a complete list, refer to Exhibit 21.1 of Fluor's 2016 **Form 10-K**.

103-2

## MANAGEMENT APPROACH

Fluor incorporates the elements of sustainability into its operational structure. The corporate **Sustainability Policy**; **Health, Safety and Environmental Policy**; and **Code of Business Conduct and Ethics**, and related policies among others, specify the areas of focus for the company, and business lines, offices and projects can augment these policies to address specific location or scope issues. All employees are subject to the policies and, where specified, contractors are also subject to policy provisions. Adherence to the policies is measured using various methods, including audits.

Percentage of Employees by Region  
(includes Stork)



102-7, 201-1

## FINANCIAL HIGHLIGHTS

Fluor provides financial information, including revenues, cost of revenues, cost of capital (including interest expense and dividends to shareholders), corporate, general and administrative costs (including compensation costs and retained earnings) in its quarterly and annual filings with the SEC. Details about Fluor's operations are available in the **2016 Annual Report** and **Form 10-K**.

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## SIGNIFICANT CORPORATE CHANGES IN REPORTING PERIOD

During 2016, Fluor acquired Stork Holding B.V. (Stork), a global provider of maintenance, modification and asset integrity services associated with large industrial facilities in the oil and gas, chemicals, petrochemicals and power markets. Stork has operations in Europe, the Middle East, Asia Pacific and the Americas. Information about other significant corporate changes in 2016 may be found in the company's public SEC filings posted on **investor.fluor.com**.



A Fluor Company

102-7, 102-8, 405-1

## GLOBAL WORKFORCE

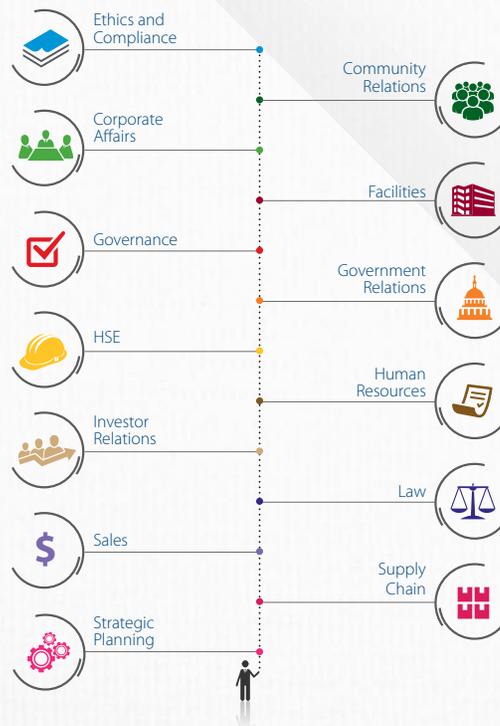
Fluor gathers information on the diversity of its workforce. All individuals within the company are included in the data, with the data points helping Fluor understand and manage resources. Fluor is ranked 155 on the 2016 FORTUNE® 500 list, with a year-end 2016 global workforce of 61,551 employees, including 28,681 salaried employees and 32,870 craft and hourly workers (includes Stork employees). In 2016, the salaried workforce was 75 percent male and 25 percent female (excludes Stork). Additional data are not available due to resource constraints.

102-19, 102-20, 102-26

## SUSTAINABILITY COMMITTEE

The executive-level Sustainability Committee, led by the executive sponsor who reports to the CEO, includes representatives from Community Relations; Corporate Affairs; Ethics and Compliance; Facilities; Governance; Government Relations; Health, Safety & Environment; Human Resources; Investor Relations; Law; Sales; Supply Chain; and Strategic Planning. In conjunction with corporate, functional and business units, the committee assists with the analysis and monitoring of the full spectrum of economic, social and environmental risks as part of the ongoing operations. Additional information regarding the committee's role is provided in the About the Report section of this report.

### FLUOR'S SUSTAINABILITY COMMITTEE FUNCTIONAL REPRESENTATION



102-21, 102-37, 102-40, 102-42, 102-43, 102-44

## STAKEHOLDER ENGAGEMENT

Fluor's stakeholders, including clients, communities, employees, unions, institutions, governments, non-governmental organizations (NGO), shareholders, subcontractors, suppliers and industry associations, are critical to the company's success.

Many of the priorities associated with sustainability at Fluor result from ongoing interactions with stakeholders, with a premium placed on the following areas.

### Ethical business conduct

At Fluor, doing business the right way is the cornerstone of the company's values. Our **Code of Business Conduct and Ethics** is the centerpiece of conducting our business throughout the world with the highest standards of business ethics. Fluor also believes in the power of collective action in areas such as anti-corruption and worker welfare and seeks support and commitments from stakeholders, such as clients, NGOs, partners, contractors and industry, as the company conducts its work with high ethical standards. Suppliers and contractors who provide goods and services to Fluor and its clients are subject to the **Fluor's Business Conduct Expectations for Suppliers and Contractors**.

### Corporate governance at the highest level

Fluor engages with shareholders annually and as questions arise on governance, including those queries related to executive compensation. Fluor proactively seeks input from shareholders on governance issues before its annual shareholder meetings and responds throughout the year to shareholder calls and letters. Fluor also engages shareholders and others in the investment community through regular investor relations activities.

### Engaged, knowledgeable employees

Fluor engages its employees through global communication channels, including an online knowledge management tool, annual performance reviews, talent development training, an open-door policy and a Compliance and Ethics Hotline. Employees have many opportunities to offer ideas, discuss interests and raise concerns. Fluor also has formal committees, such as European Works Councils, to facilitate employee engagement in specific locations.

### Commitment to Health, Safety and Environment (HSE) Performance

Fluor interacts with stakeholders on HSE-related issues as part of its overall day-to-day operations around the world. Fluor identifies and systematically

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evaluates potential hazards, identifies affected stakeholders and specifies mitigation measures. On specific projects and job sites, clients typically lead stakeholder engagement efforts, and Fluor supports clients at public hearings, town hall meetings and similar events. Fluor engages employees at offices and project sites on HSE policies and procedures through its HSE Management System and training modules and communication tools, such as HSE email alerts, field toolbox topics and periodic newsletters.

### Proactive community involvement

Fluor engages in community-building strategies and programs to provide project-related social, economic and environmental solutions that strengthen society and encourage lasting change. Fluor employees serve as thought leaders on workforce issues, such as the need for career and technology education and more effective youth-resiliency programs.

### Diverse, sustainable supply chain

Fluor routinely engages stakeholders to address project proposal opportunities, project requirements, prime contract compliance, bidding opportunities for suppliers and subcontractors and project execution performance.

### Communication

Fluor has various ways to interact and communicate with key stakeholders. Several communications and feedback channels are in place, including a global online collaboration platform, to encourage information exchange. Externally, Fluor engages with clients and other stakeholders through day-to-day project operations, as well as through memberships in and involvement with numerous international, national, regional and local organizations.

 102-12, 102-13

### MEMBERSHIPS

Fluor and its employees are associated with the following initiatives and organizations:

- American Society of Civil Engineers, Committee on Sustainability (United States)
- Center for Corporate Citizenship, Boston College, Carroll School of Management (United States)
- The Conference Board, including CFO Council; *Fortune 250*, Chief EH&S Officers Council, Innovation Leadership Council, Global CSR & Philanthropy Council, Global Diversity & Inclusion Executives Council, Leadership Development Council, Mergers & Acquisitions Executives

Council, Purchasing & Supply Leadership Council, Strategy Executives Council, and Sustainability Council I: Strategy & Implementation (United States)

- Construction Industry Institute (United States)
- Construction Users Roundtable (United States)
- Engineering and Construction Risk Institute, Worker Welfare Special Interest Group (International)
- European Construction Institute
- National Minority Supplier Development Council (United States)
- United Nations (UN) Global Compact, signatory
- United States Energy Association, the U.S. Member Committee of the World Energy Council
- Women's Enterprise Alliance Council (United States)

### Human Resources, Management and Professional

Fluor holds memberships in numerous local, national and global human resources, management and professional organizations. A sample of these organizations follows:

- American Council on International Personnel (ACIP) (United States)
- Associated Builders and Contractors: Texas Gulf Coast, Greater Houston and Pelican Chapters (United States)
- Catalyst (India and United States)
- Construction Benefits Group (United States)
- Council of Employee Benefits Board of Directors (United States)
- International Foundation of Employee Benefits and American Benefits Council
- National Association of Colleges and Employers (United States)

### Ethics

In 2016, Fluor held memberships in the following ethics-related organizations:

- B20 Cross-Thematic Group on Anti-Corruption & Responsible Business Conduct; member of the B20 Task Force on Infrastructure
- Confederation of Indian Industries, Integrity & Transparency in Governance Committee
- Ethics Compliance Initiative (United States)
- Society of Corporate Compliance and Ethics (United States)

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- United Nations Global Compact, Network India, Governing Council
- UN Global Compact, member of Anti-Corruption Working Group
- World Economic Forum (WEF): member of Partnering Against Corruption Initiative (PACI) and board member of PACI Vanguard

## HSE

Fluor and its employees are associated with the following HSE-related organizations:

- Alberta Occupational Health Nurse Association (Canada)
- American Society of Safety Engineers
- ANSI A10 Accredited Standards Committee for Construction & Demolition (United States)
- Association of Union Constructors (United States)
- Board of Certified Safety Professionals (United States)
- British Institute of Facilities Management
- British Safety Council
- BuildSafe South Africa, founding member
- College and Association of Registered Nurses of Alberta (Canada)
- Construction Owners Association of Alberta (Canada)
- Engineering Construction Industry Association
- Energy Facilities Contractor Group
- Industry Task Force of Alberta (Canada)
- Institute for Sustainable Infrastructure (United States)
- Institute of Occupational Safety and Health (United Kingdom)
- Middle East Construction Safety Executives
- National Association for Environmental Management (United States)
- National Construction Safety Executives (United States)
- National Institute of Disability Management (Canada)
- National Safety Council (United States)
- Royal Society for the Prevention of Accidents (United Kingdom)
- Safety Institute of Australia
- U.S. Green Building Council

## Supply Chain

Fluor is a member or associate of the following organizations related to supply chain sustainability and diversity:

- Houston Minority Supplier Diversity Council (United States)
- Institute for Supply Management (United States)
- National Contract Management Association (United States)
- Oil and Gas Diversity Council (United States)
- Women's Business Enterprise National Council (United States)

## AWARDS

Fluor, its people and its projects were honored with a number of external recognitions for sustainable performance in 2016.

- For the fifth consecutive year, Fluor was ranked first in the Engineering & Construction Industry sector of *Fortune*'s "World's Most Admired Companies®" list.
- Fluor was ranked 155th on the *Fortune* 500 list.
- Fluor was listed on the North America Dow Jones® Sustainability Index for the second consecutive year. Fluor is the only North American construction and engineering company listed and one of only 128 U.S. companies recognized.
- Fluor ranked first in the *Engineering News-Record (ENR)* 2016 list of Top 100 Contractors by New Contracts.
- Fluor ranked second on *ENR*'s Top 400 Contractors list.
- Fluor ranked first on *ENR*'s 2016 list of Top 20 Design Firms by Sector: Industrial Process/Petroleum.
- Fluor ranked fourth on *ENR*'s 2016 list of Top 500 Design Firms.
- Fluor ranked seventh on *ENR*'s 2016 list of the Top 200 Environmental Firms.
- *Corporate Responsibility Magazine* placed Fluor on the Most Responsible Companies list.
- Fluor was named to *Forbes* JUST 100 List in 2016 and cited as the most "just" company in the Capital Goods category.



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- Fluor was among 133 companies featured in the *2016 Business Roundtable* report, "Create. Grow. Sustain: People and Technology." The report details the innovative sustainability strategies of corporations globally.
- The Construction Owners Association of Alberta named Fluor the 2016 Best Practices Award winner for its modularization innovation on the Shell Quest project. The Quest project marked the full implementation of Fluor's patented 3rd Gen Modular Execution<sup>SM</sup>.

## Community and Social Service

- United Way of Greenville County, South Carolina, gave Fluor the #1 Award for Top Overall Campaign – Employee & Corporate.
- United Way of Metropolitan Dallas, Texas, gave Fluor the Million Dollar Campaign Award and Outstanding Corporate Engagement Award.
- United Way of Paducah, McCracken County, Kentucky, gave Fluor the Largest For-Profit Campaign Increase Award.
- Fluor was named Citizen of the Year by the city of Aliso Viejo, California, for contributions to the community.
- Fluor was named Philanthropist of the Year, Piedmont Chapter of the Association of Fundraising Professionals, Greenville, South Carolina.
- In 2016, Fluor was named 2015 Business Benefactor of the Year for its support of education and the community by Gliwickie Centrum Organizacji Pozarządowych (a Gliwice-based NGO supported by the City of Gliwice), Gliwice, Poland.
- Fluor received the inaugural Sugar Land Legacy Award from the Sugar Land Legacy Foundation. The award recognized Fluor's commitment to investing in facilities and activities that enhance the long-term prosperity and quality of life of Sugar Land, Texas, residents.



## Ethics and Compliance

- Fluor was named a World's Most Ethical Company by *Ethisphere* magazine for the 10th consecutive year – one of only 14 companies to achieve this distinction.



## Health, Safety and Environment

- The U.S. Department of Energy (DOE) recognized the Savannah River Site team with a 2016 Energy Sustainability Award for spearheading projects that have saved taxpayer dollars while promoting efficiency and smart use

of DOE resources. Savannah River is one of only two DOE sites to receive the award.

- In 2016, Fluor's Hebron Topsides Project was awarded ExxonMobil Development Company's 2015 President's Safety, Security, Health and Environment Award.
- ExxonMobil Development Company recognized a Fluor employee with the Hebron Silver Coin Award for Safety, which is given to individuals who have demonstrated exceptional safety commitment and leadership.
- The Royal Society for the Prevention of Accidents (RoSPA) recognized Fluor Limited, UK, with its Occupational Health and Safety Gold Award, which is presented to organizations sustaining high standards of HSE over consecutive years.
- In 2016, the Engineering Construction Industry Association (ECIA) presented the Safe Working Award to Fluor Limited, UK, in recognition of its safety record during 2015.
- In 2016, the Lemongrass Project received the Malaysia Occupational Safety & Health Practitioners Association (MOSHPA) Gold Award for Management in Construction for Energy & Chemicals for its performance in 2015.
- The Fluor's Farnborough office earned the British Safety Council International Safety Award.
- The Lilly Suzhou East Lake Plant Insulin Filling Line Project in Suzhou, Jiangsu, China, was awarded the Construction Users Roundtable® (CURT) Construction Industry Safety Excellence (CISE) Owner Safety Award for projects outside the United States.
- Brunswick County Power Station in Freeman, Virginia, received the Excellence in Safety Best Project Award for the Mid-Atlantic Region from *Engineering News-Record*.
- AMECO® was recognized by the Chilean mining suppliers association Asociación de Proveedores Industriales de la Minería with the Annual Safety Award 2016 in recognition of its superior safety performance.
- The U.S. National Safety Council recognized the Showa Denko PFC-75 Project, Shire Biologics Facility and Stora Enso Consumer Board Mill with the 2016 Million Work Hours Award.
- Savannah River Nuclear Solutions received its 15th U.S. Department of Energy (DOE) Voluntary Protection Program Participants' Association (VPPPA) Star of Excellence, as well as the VPPPA Safety and Health Achievement Award.



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- Fluor Saudi Arabia received the Saudi Chevron Phillips Chemical – CPChem Contractor Safety Excellence Award.
- Stork, A Fluor Company, received a safety award from the American Chamber of Commerce of Trinidad and Tobago (AMCHAM) during the 2016 National Excellence in HSE Awards ceremony.



- Stork won the 2016 Offshore Safety Award in Occupational Health, given by Oil & Gas UK and Step Change in Safety, for its onsite Occupational Health Centre. The award acknowledged Stork for implementing effective policies and practices to improve the health of its workforce.

### Human Resources

- The Construction Users Roundtable honored Fluor’s U.S. Gulf Coast Training Center with its 2016 Workforce Development Award.
- Fluor was recognized as one of the annual Top 50 Employers by *Woman Engineer* magazine in 2016.
- Fluor ranked 22nd on the 25th annual Top 50 Employers by *Minority Engineer* magazine in 2016.

### Supply Chain

- Fluor’s Supply Chain organization was recognized by the Procter & Gamble Company with its External Business Partner Excellence Award.
- Fluor was named one of the 2016 Top 25 Prime & Subcontractors by Subcontractors United States.
- Fluor was honored for supplier diversity at the Houston, Texas, Top 50 Black Diversity Professionals and Entrepreneurs awards ceremony.

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### CERTIFICATIONS

Multiple Fluor facilities and projects were certified or recertified for health, safety or environmental management by standard-setting entities in 2016.

#### ISO 14001 and AS/NZS ISO 14001 (Environmental Management):

- Aliso Viejo and Long Beach, California, United States offices
- Brisbane, Melbourne and Perth, Australia offices
- Farnborough, United Kingdom office

- Jakarta, Indonesia office (P.T. Fluor Daniel)
- Jakarta, Indonesia office (Fluor Daniel Eastern)
- Malaysia and Singapore offices
- Manila, Philippines office

#### OHSAS 18001 (Occupational Health & Safety Management):

- Aliso Viejo and Long Beach, California, United States offices
- Brisbane, Melbourne, and Perth, Australia offices
- Jakarta, Indonesia office (P.T. Fluor Daniel)
- Jakarta, Indonesia office (Fluor Daniel Eastern)
- Malaysia and Singapore offices
- Manila, Philippines office

#### AS/NZS 4801 (Occupational Health & Safety Management):

- Melbourne, Australia office

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# ABOUT THE REPORT

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Fluor has published a Sustainability Report annually since 2008.

**Prior Sustainability Reports** are available online at <http://www.fluor.com/sustainability/pages/report.aspx>.

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This Sustainability Report features quantitative and qualitative data for 2016, as well as material from previous years. It also may include relevant information that became available in 2017 before the report's publication. Additional information concerning the company can be found in Fluor's **2016 Annual Report** and **Form 10-K** and its **Proxy Statement** for the 2017 Annual Meeting of Stockholders.

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This Sustainability Report serves as Fluor's annual Communication of Progress under the United Nations (UN) Global Compact™ to clients, employees, shareholders, lenders, financial analysts, rating agencies, suppliers and subcontractors, non-governmental organizations, news media and communities where the company operates. The UN Global Compact is a leadership platform that enables companies to voluntarily align their operations and strategies with 10 universally-accepted principles regarding human rights, labor, environment and anti-corruption, and to actively support UN Sustainable Development Goals for these issues. Fluor became a signatory to the UN Global Compact in 2009.

102-46, 103-1

## MATERIALITY AND REPORTING PROCESS

Fluor has prepared this report under the direction of the company's Sustainability Committee. The content included in this 2016 Sustainability Report and its prioritization was assessed and determined by the Sustainability Committee members. Fluor's Chairman and CEO David Seaton reviewed this report after the Sustainability Committee addressed all material aspects of it.

Fluor used the Global Reporting Initiative™s (GRI) Sustainability Reporting Standards 2016 to develop this report. In determining content, Fluor's Sustainability Committee considered the company's Core Values and experience, as well as the reasonable expectations and interests of the company's stakeholders, Fluor's clients key among them. This evaluation formed the basis for a materiality analysis, as addressed by the GRI's

Reporting Principles. This sustainability materiality analysis is separate and distinct from the company's analysis of materiality for other legal and financial reporting purposes, including U.S. Securities and Exchange Commission disclosures.

This Sustainability Report covers information regarding overall company strategies, goals and priorities and includes data that are reasonably available.

102-46, 102-47

## MATERIALITY ANALYSIS: SCOPE AND BOUNDARY

Fluor used the definition of materiality described by GRI as one of its Reporting Principles. For all material aspects identified, the related data and performance information in this report cover Fluor's global operations as a company, unless otherwise noted for situations or circumstances where reporting data are collected and available for only a certain geography, business or issue. Financial figures cover Fluor operations and are found in the company's **2016 Form 10-K**. All financial figures are presented in U.S. dollars (US\$) unless otherwise noted.

In the context of Fluor's carbon footprint, this report represents emissions produced within the corporate boundary and excludes emissions produced at client sites, fabrication yards and Stork facilities. All other health, safety, environmental, economic, stakeholder engagement, governance, human rights, labor practices, philanthropy and community service data included in this report cover Fluor and its subsidiaries, except as specifically noted.

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The Stork offices and manufacturing facilities acquired in 2016 will be added to the Fluor scope for emissions calculations and environmental performance once the accuracy and precision of the data from the facilities are confirmed. This addition is anticipated to occur in 2018.

103-1, 103-2, 103-3, 404-2, 410-1, 411-1

Within each section of the Progress Report, material topics are discussed. For each material topic, the management approach is stated.

202-1, 205-3, 206-1, 401-1, 401-3, 402-1, 404-3, 407-1, 408-1, 409-1, 412-1, 412-3

Some data are not included in this report for privileged, proprietary and competitive reasons or limited resources for consolidated data collection.

The GRI aspects shown on the following pages have been determined by the Sustainability Committee to be relevant or material to Fluor's operations.

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In this document, Fluor reports on the GRI Standards relevant to its business operations and measurable in 2016.

### ALIGNMENT WITH GRI STANDARDS

GRI offers core and comprehensive options for an organization to prepare its sustainability report according to the standards. The core option contains the essential elements of a sustainability report and provides the background against which an organization communicates the impacts of its economic, environmental, social and governance performance. The comprehensive option builds on the core option, requiring additional disclosures of an organization's strategy and analysis, governance, ethics and integrity. For a full explanation of the GRI Standards, visit [www.globalreporting.org](http://www.globalreporting.org).

#### 102-54, 102-55

Fluor's 2016 Sustainability Report has been prepared in accordance with the GRI Standards: Core option. The GRI Content Index, as reflected on the Aspect table on pages 13-14, can be found in Appendix A.

#### 102-32, 102-56

Fluor did not employ an external organization to audit this report. External assurance is provided by Fluor's independent, registered public accounting firm for Fluor's **2016 Annual Report** and **Form 10-K**. Fluor's Chairman and CEO has appointed Senior Vice President for Project Support Services Matthew McSorley as executive sponsor of Fluor's Sustainability Committee, leading an internal team of subject matter experts in developing the report, which is reviewed by the Chairman and CEO.

#### 102-53

For more information about Fluor's global sustainability efforts or to share your thoughts about this report, contact:

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 +1.469.398.7000

### 102-47 GRI ASPECTS

| GRI STANDARD # | ASPECT   |
|----------------|--|
| <b>102</b>     | <b>GENERAL DISCLOSURE</b>                        |
|                | <b>ECONOMIC</b>                                  |
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| 202            | Market Presence                                  |
| 203            | Indirect Economic Impacts                        |
| 204            | Procurement Practices                            |
|                | <b>ENVIRONMENTAL</b>                             |
| 302            | Energy   |
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|                | <b>SOCIAL – LABOR PRACTICES AND DECENT WORK</b>  |
| 401            | Employment                                       |
| 402            | Labor/Management Relations                       |
| 403            | Occupational Health and Safety                   |
| 404            | Training and Education                           |
| 405            | Diversity and Equal Opportunity                  |
| 414            | Supplier Assessment for Labor Practices          |
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| 406            | Non-discrimination                               |
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| 410            | Security Practices                               |

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| GRI STANDARD #          | ASPECT                    |
|-------------------------|---------------------------|
| 411                     | Indigenous Rights         |
| 412                     | Assessment                |
| <b>SOCIAL – SOCIETY</b> |                           |
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# COMMUNITY & SOCIAL SERVICE

Fluor believes that investing strategically in communities where employees live and work can positively influence its long-term business performance. Healthy, vibrant communities play an important role in developing an educated workforce and a robust, sustainable supply chain.

103-1, 103-2, 103-3, 201-1

## OUR APPROACH

Fluor's approach to community investment includes a community involvement strategy set by executive leadership and implemented via programs, initiatives and partnerships led by Fluor, the Fluor Foundation and the Fluor Cares employee volunteer program. Fluor's primary areas of focus with respect to community investment are education, social services, community and economic development and the environment. These four areas leverage Fluor's capabilities as a global engineering and construction company and align with its business priorities. This alignment allows Fluor to have a greater positive impact on the communities in which it operates.

## EVALUATION

Fluor develops annual and multi-year quantitative targets associated with key areas of its community focus to help assess its impact, evaluate the continued relevance of its community involvement strategy and recommend course corrections as appropriate. Tools include a combination of custom and off-the-shelf data management systems for collecting and reporting outputs.



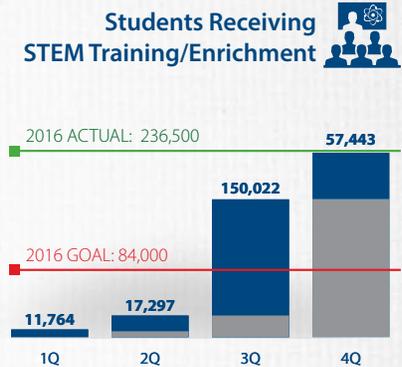
*Fluor Cares volunteer works with a student from Medrano Middle School in Dallas, Texas, on the Fluor Engineering Challenge.*

## 201-1

Fluor and the Fluor Foundation contributed more than US\$7.5 million in 2016 to community initiatives and programs. An additional US\$1 million was contributed in employee volunteer time.

Fluor annually tracks and reports on key community-related metrics, such as the number of:

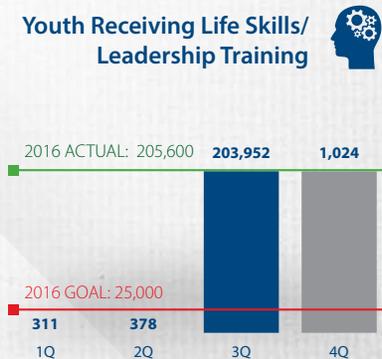
- Students who received science, technology, engineering and mathematics (STEM) awareness, training and enrichment
- Youth who received life skills and/or leadership training
- Meals provided to the hungry
- Homes and community-serving facilities built or refurbished
- Hours volunteered
- Individuals who benefited from preventive health programs and emergency services
- Trees, flowers and shrubs planted to conserve and restore the environment and enhance quality of life
- Tons of litter recycled or disposed in a manner that protects the environment



Consistently applied systems and reporting enable Fluor to evaluate and adapt its approach to community investments in order to provide better outcomes for community stakeholders and the company.

## 2016 REVIEW OF GLOBAL GIVING

Fluor and its employees work to create resilient, sustainable communities where they live and work. In 2016, Fluor and its employees:



- Enabled more than 236,000 primary and secondary school students to receive 1.9 million hours of STEM academic training, enrichment or increased awareness
- Helped more than 200,000 youth receive two million hours of life skills enrichment training through the support of youth-serving organizations and initiatives
- Provided 671,000 meals to the hungry through participation in feeding programs and support of meal-service delivery organizations
- Assisted more than 39,000 individuals with preventive and emergency services, such as emergency shelter, health care checkups and counseling for the homeless and victims of domestic abuse
- Contributed to the building and/or refurbishment of 66 homes and facilities serving the public good
- Recycled and disposed of more than nine tons of litter and beautified and restored communities by planting 7,000 trees, flowers and shrubs



Calgary office women volunteers supported Habitat for Humanity's Women Build initiative.

For the second straight year, Fluor's Calgary office supported Habitat for Humanity's Women Build initiative. This initiative is an exclusive opportunity for women in the local community to volunteer with other women. Many Habitat homes in Calgary are single parent, female-headed households and Women Build is an opportunity for women to help women. Fluor is a corporate sponsor of the initiative and supported 12 female employees, who volunteered a full day at a designated build site.

### EDUCATION

Fluor believes STEM education is an excellent foundation for student success and our future workforce. The company invests in programs that inspire and prepare students to excel in STEM subjects and disciplines and is committed to developing the next generation workforce.

#### 201-1

In 2016, Fluor made grants to universities totaling more than US\$1.6 million and invested more than US\$600,000 in scholarships for children of Fluor employees. Through community partnerships and Fluor financial and

employee volunteer support, the company provided more than 1.9 million hours of STEM training, enrichment or awareness to more than 236,000 primary and secondary school students.

### SOCIAL SERVICE

In 2016, Fluor and its employees partnered with food banks, meal-delivery services and other organizations to provide more than 671,000 meals to the hungry. Fluor also assisted more than 39,000 individuals by investing in community programs that provide health prevention and emergency services, healthcare checkups, emergency shelter and counseling to the disadvantaged, homeless and victims of domestic abuse.

Fluor employees are united in their commitment to help communities address their toughest and most challenging social issues. North American employees support social services in their local communities through the Fluor Employee Giving Campaign, benefiting the United Way and other health and human services organizations. In 2016, the company and its North American employees pledged US\$5.5 million to these programs.

#### 203-1, 203-2

### COMMUNITY AND ECONOMIC DEVELOPMENT

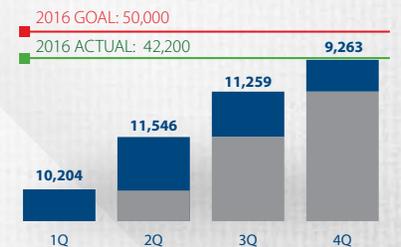
#### Our Approach

Fluor's management approach to indirect economic community impact includes engaging with local communities, governments and municipalities to address project-related social, economic and environmental concerns. These engagements are directed by project managers and conducted jointly with the company's

Meals Provided



Hours Volunteered



clients and partners. They take place in a variety of ways, including meetings, attendance at conferences, employee participation on local boards and involvement with issue-specific campaigns.

### Evaluation

Fluor's evaluation of its indirect economic impact on communities is done at the individual project level. There is no company-wide database that tracks significant infrastructure investments and services or indirect economic impacts across the company due to the large number and disparate nature of projects in multiple markets.

Fluor invests in community-building strategies and programs that strengthen society and encourage lasting change. The company supports youth programs and initiatives that develop leadership skills and build character and resiliency, provide job training and build or refurbish affordable housing and community-serving facilities.



During the annual Global Shore Cleanup, volunteers from Fluor's Cebu offices cleaned the shorelines of Barangay Cotcot, in Liloan, Cebu, and collected 550 kgs of waste.

### 103-1, 103-2, 103-3, 203-1

Fluor participated in numerous home building initiatives through Habitat for Humanity and The Gawad Kalinga Community Development Foundation in Cebu, the Philippines. The company and its employees helped build and refurbish 66 homes and community-serving facilities in 2016.

Fluor helped more than 200,000 youth receive two million hours of life skills and leadership training in 2016. This was accomplished by partnering with

organizations like United Way, YMCA, Junior Achievement and Boys & Girls Clubs that support programs focusing on leadership, life skills enrichment and college and career readiness.

### 203-2 ENVIRONMENT

As a global engineering and construction company, Fluor is sensitive to its impact on the environment and the need to conserve environmental resources. As a result, Fluor manages its operations consistent with the United Nations Global Compact's Environmental Principles, which are detailed in the Health, Safety & Environment section of this report.

Fluor supports programs that preserve and/or enhance natural resources and habitats. In 2016, Fluor and its employees recycled or disposed of nine tons (8.16 tonnes) of litter and helped plant more than 7,000 trees, flowers and shrubs to beautify and restore communities where they live and work.

Fluor offices and project sites assisted in cleaning shores along oceans, rivers and lakes as part of Fluor's Global Shore Cleanup Program. This effort resulted in the collection and disposal or recycling of litter, including 4,600 pounds (2,086 kg) of garbage and nearly 500 pounds (227 kg) of recyclable waste.

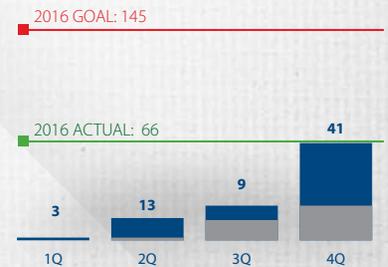


Global Community Fund Project: Volunteers depart to view the island prior to the classroom build for Caohagan Elementary School in Cebu, the Philippines.

### Receiving Preventative & Emergency Services



### Homes/Facilities Built/Refurbished



## EMPLOYEE VOLUNTEERISM

The Fluor Cares employee volunteer program engages employees and empowers them to make a difference for communities in the areas of STEM education, social services, community and economic development and the environment.

Employee community volunteer efforts not only align with Fluor's giving framework, but also extend the impact of the company's charitable investment. In 2016, Fluor employees volunteered approximately 42,200 hours to community projects globally.

## SUPPORTING THE US MILITARY

Fluor is proud to support the men and women of the U.S. Military, seeking ways to improve their lives and those of their families. In 2016, Fluor supported efforts such as the Boys & Girls Clubs of America's Military Youth Initiative; Aiken Technical College Veteran Scholarship and Support Program; Seabee Memorial Scholarship Association, which provides scholarships to children of deceased Seabees; and the Armed Services YMCA at Camp Pendleton, which provides temporary emergency assistance to military families.



*Students graduated from the Gulf Coast Training Center in Pasadena, Texas.*

Fluor supports initiatives that generate positive, indirect economic impact, including programs offering training and skills-specific certifications, through Fluor's job training centers and contributions to high school Career Technical Education programs and technical colleges. Fluor invests financial and in-kind resources in targeted schools, colleges and initiatives that increase student awareness and pursuit of high-value construction industry certifications. In 2016, Fluor supported the enrollment of 1,230 students in skills-specific training and courses, bringing the total to more than 3,400 students enrolled in training and courses and donated US\$275,000 to these training initiatives.

103-1, 103-2, 103-3, 413-1, 413-2

Fluor has diverse operations, a large number of ongoing projects, decentralized sustainability management among business lines and differing roles on projects, where responsibility is shared with a client or partner or there is no direct responsibility for stakeholder engagement, environmental and/or social impacts. This arrangement limits Fluor's ability to offer detailed reporting on the prior topics as specified in the GRI Standards.



*Fluor Cares volunteers deliver backpacks to children at a local Boys & Girls Club in Pasco, Washington, United States.*

## Number of Trees, Flowers & Shrubs Planted



## Litter Removed per short ton



# EMPLOYEES & WORKPLACE

103-1, 103-2, 103-3

## OUR APPROACH

For more than 100 years, Fluor has maintained a viable business focused on ethical and sustainable business practices. The company's highly skilled, diverse workforce helps create a workplace environment that builds strong internal and external relationships in order to serve clients across many industries and geographies.

Our approach to employees and workplace includes the development and implementation of a comprehensive global human resources strategy that provides both short- and long-term focus on employee-related objectives in support of the business. Each year, the human resources strategy is reviewed and updated in accordance with the business strategy. Some data are not included in this report for privileged, proprietary and/or for competitive reasons or due to limited resources for consolidated data collection.

103-1, 103-2, 103-3, 412-2

## HUMAN RIGHTS

Fluor's *Code of Business Conduct and Ethics* for employees and *Fluor's Business Conduct and Ethics Expectations for Suppliers and Contractors* provide guidance on human rights and child and forced labor prohibitions. Employees are required to certify compliance with the Code annually, and training is offered to employees on human rights issues.

Fluor encourages employees and other stakeholders to report any activities not in compliance with the company's human rights and fair labor practices and provides reporting mechanisms, including an anonymous, toll-free *Compliance & Ethics Hotline*. More information on Fluor's ethics and compliance policies and practices can be found in the Ethics & Compliance section of this report.

103-1, 103-2, 103-3, 408-1

## CHILD LABOR

Fluor projects and offices worldwide are subject to laws and regulations prohibiting the hiring of underage employees, and the company's policies and practices are consistent with such laws. The company has internships, apprenticeships and other related programs and strives to ensure that they all comply with hiring and compensation laws and regulations. The company

neither allows nor supports child labor in any way. Fluor follows standard requirements in all countries where it operates to ensure compliance with local laws and regulations regarding worker age requirements. The company has had no child labor incidents and does not believe any of its operations are at significant risk for an incident or violation.

103-1, 103-2, 103-3, 409-1

## FORCED OR COMPULSORY LABOR

Fluor does not promote, condone, practice or tolerate the use of forced or compulsory labor, human trafficking or the sale of sexual acts of any kind and the company's policies and practices reflect this position. The company adheres to all applicable local laws and regulations regarding forced or compulsory labor, including those related to wages and benefits. Although Fluor does not publicly report incidents or violations, the company has no knowledge of any significant risks for compulsory or forced labor incidents in its operations or in the operations of its suppliers and subcontractors.

103-1, 103-2, 103-3, 406-1

## NON-DISCRIMINATION

The company has policies and procedures that enable the Human Resources team to recruit, hire, develop and retain employees based on job-related specifications, including experience, qualifications and other criteria. All leaders, managers, supervisors and employees are expected to maintain an environment free from any form of unlawful discrimination and harassment. Managerial and supervisory training courses include company and location-specific requirements.

The company also employs an open-door policy to foster direct communication between employees and management. Employees may discuss any concerns with their immediate supervisors or may contact their office or project employee relations representatives at any time.

See the section of Fluor's *Code of Business Conduct and Ethics*, titled "Treating Your Fellow Employees Fairly" for more information.

The company offers all employees required and elective courses on business conduct and diversity and inclusion. It also defines expected conduct in its policies, procedures and practices to encourage respectful behavior among employees.

102-41, 103-1, 103-2, 103-3, 407-1

## UNION/COLLECTIVE BARGAINING

Fluor believes that a collaborative work environment benefits all parties, including employees, clients and shareholders. The company acknowledges

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employees' legal rights to choose whether or not to join third-party organizations without fear of retaliation, coercion or harassment. These rights are in accordance with applicable laws related to third-party involvement, which may include labor unions and/or trade unions in countries where Fluor employees work. The company periodically meets and collaborates with such organizations formally and informally. Fluor managers and employees receive instruction and periodic training about these rights.

Approximately 18 to 20 percent of Fluor's U.S. workforce is covered by collective bargaining agreements; however, this percentage fluctuates as the project-based workforce changes. Fluor does not collect and aggregate global data on specific operations or suppliers that violate or place at significant risk collective bargaining or the right to freedom of association.

103-1, 103-2, 103-3, 410-1

### SECURITY

Fluor is strongly committed to a workplace free from violence, threats of violence, harassment and/or any other disruptive behavior, establishing programs that promote the highest standards of employee safety and security.

This commitment includes a zero-tolerance policy that prohibits actual or threatened violence by employees against coworkers, visitors or others while performing their duties. Where applicable, Fluor takes the necessary steps to train its security personnel on company policies and procedures relating to human rights issues and familiarize them with potential concerns that may be relevant to company operations globally.

103-1, 103-2, 103-3, 402-1

### LABOR PRACTICES AND DECENT WORK

Human resources policies, practices and services enhance the company's ability to grow intellectual capital and address both current and future workforce and workplace needs. They also serve to reinforce legal requirements and corporate commitments regarding fair employment processes and human rights.

#### Recruiting and Hiring

Fluor uses recruiting and hiring practices to develop and employ a diverse local, regional and global workforce. All potential and current employees benefit from company policies that drive non-discriminatory hiring, training, testing, promotion, transfer, compensation, leaves of absence and termination practices based on lawful employment-related criteria.

Hiring and training local talent, including developing local leaders at office and site locations, demonstrates Fluor's commitment to supporting and growing communities where it conducts business. This action provides its employees with opportunities to build and grow skills necessary to meet local market labor needs.

103-1, 103-2, 103-3, 202-2, 405-1

Fluor values a diverse workforce as a competitive advantage. At its global locations, the company uses a variety of avenues to attract talent. Fluor attends multiple job networking events, such as local, regional and national job fairs that promote job opportunities for military personnel, underrepresented job candidates, new college graduates and experienced professionals.

Fluor's regional representatives attend career fairs to attract talent based on labor needs in the region. Company representatives also play an active role in the community to ensure Fluor maintains a positive and strong local presence. See the Community & Social Service section of this report for more information.

103-1, 103-2, 103-3, 202-1, 405-2

### COMPENSATION AND BENEFITS

Fluor calibrates compensation to meet local market standards and comply with legal requirements, such as minimum wage laws. The focus is on creating fair compensation for all employees. The company considers factors such as business need, economic conditions, individual job responsibilities and personal performance. Fluor has an orderly system for establishing and maintaining both an equitable means of compensating employees and policies and practices that prohibit discrimination based on a number of factors including gender.

102-38, 102-39

Given the regulatory requirements that apply to Fluor, data are not collected to determine the ratio of the annual total compensation or its percentage increase for the highest paid individual versus the median annual total compensation for all employees in each country where Fluor operates.

201-3

#### Defined Benefit Plan Obligations and Other Retirement Plans

Fluor has consistently funded defined benefit plans currently in effect to at least the minimum levels required by local and national regulatory agencies. Over the past 10 years, Fluor has continued efforts to transfer open defined benefits plans to a closed status in an effort to manage long-term risks and liabilities. Refer to the Fluor 2016 **Form 10-K**, page 39, for more information.

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### Benefits Provided to Full-Time Employees that are Not Provided to Temporary or Part-Time Employees

Fluor provides insurance options to employees who benefit from having coverages that can support their health and wellbeing. In many of the company's major locations, salaried employees have opportunities to participate in life, health and disability insurance coverage, as well as retirement savings choices.

In some of the company's significant locations, Fluor provides life insurance, health care, disability coverage and retirement benefits to its salaried employees. Part-time employees in some countries may also be eligible to receive these benefits.

Additionally, Fluor's global offices continue to increase programs that offer opportunities for employees to proactively learn about and engage in improving their health and wellbeing. Programs to support proactive, preventive health and wellness are a top priority for the company. Many global offices continue to promote programs and activities that engage employees in managing their own health. These are a few examples of local wellness initiatives:

- Fluor Global Benefits group provides training to regional and country subject matter experts on wellbeing and offers local office and project representatives technical assistance to begin, monitor and report their programs.
- Fluor India formed a committee to institute health care service discounts and healthy pregnancy programs.
- The Netherlands office provides health assessments for employees and hosts an annual wellbeing week.
- Fluor Limited sponsors an annual employee wellbeing day.
- Fluor offices in Europe, Asia and the Middle East formed a regional working group to strategically develop a uniform approach to providing wellbeing across these regions.
- The Philippines office sponsors a wellbeing committee.
- ICA Fluor, a partnership between ICA and Fluor, provides opportunities for employees in Mexico to participate in recreational activities. These include a runners' club; swimming and dodgeball teams; stress-relieving activities, such as mindfulness, yoga and massage; and hobby classes like photography and cake decorating. ICA Fluor also hosted Olympic Games to challenge employees to focus on fitness.

- The Sadara project in Saudi Arabia formed a wellbeing committee, sponsored regular learning opportunities and hosted a weight-loss competition.

401-3

### Parental Leave

Fluor provides parental leave in accordance with a country's local laws and regulations. Employees and their families benefit from having leave time to care for family needs. The company also benefits when Fluor's employees are retained after their leave concludes. In the United States, Fluor's policy provides eligible employees an unpaid leave of absence of up to 12 weeks in a single rolling 12-month period to accommodate birth, adoption, foster care and child, spouse or parental illness and exigency. Fluor adapts this policy in other countries to meet local or national legal requirements.

## TRAINING AND DEVELOPMENT

Fluor provides ongoing training and development opportunities for both salaried and craft personnel, reinforcing its commitment to improving the lives of employees and increasing their skills. Leaders have tools to help them provide continual performance feedback and career planning discussions. Managers encourage employees to cultivate skills that can enhance their growth and employability. A strong workforce with skills to serve the business benefits employees, their communities and the company.

103-1, 103-2, 103-3, 404-3

### Salaried Workforce

In 2016, managers and supervisors completed performance assessments for 98.8 percent of the company's salaried employee and defined 2017 goals for 94.8 percent of them. Many employees also elected to schedule additional career planning discussions to help explore all options for making progress in their professional development.

404-2

Fluor provides many internal and external opportunities for employees to learn and improve their skills. For example, they can access the company's online training portal, Fluor University, which provides 24/7 access to self-paced virtual training across a broad array of topics, including leadership, communications and teamwork. Additionally, discipline-specific, instructor-led courses are listed in the company's online catalog. Employees can sign up for these courses voluntarily and managers can assign classes to employees to help them get the training they need to maintain and increase their knowledge in their chosen fields.

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## Hours of Leadership Training Completed in 2016



3,760 | **Fluor Leadership Summit**



416 | **Effective Communication/Presentations**



1,854 | **Harvard Leadership Direct Strategic Agility and Integrated Thinking**



2,920 | **Fluor Management Institute**



15,440 | **The New Leader**

### 404-1

The types of training and average number of learning hours completed by salaried employees in 2016 were:

- Instructor-led training – 82 different courses completed with an average of 11 hours per employee
- Online training – 3,206 different courses completed with an average of 8.58 hours per employee
- Video distance learning – 61 classes across 29 offices and 19 project sites for a combined total of 6,389 training hours for 1,378 participants, resulting in a total cost avoidance of US\$620,100

Fluor also offers training through external vendors. In 2016, Fluor employees completed a total of 1,968 hours with Rosetta Stone<sup>SM</sup>, the online language learning site. The majority of the users accessed courses in English, Spanish, Dutch and Russian. These languages are spoken in local markets where Fluor does business.

Providing leadership training supports the company's practice of developing and promoting current employees. In 2016, employees spent 24,390 total classroom hours in leadership training.

### 404-2

#### Construction and Craft Workforce

Fluor continues to build a strong construction and craft workforce around the world using classroom and on-the-job training to give people new or improved skills necessary to work on construction projects. This training benefits local communities whose Fluor-trained citizens have skills that are transferable to other local industries.

Fluor's sustainable, skilled craft workforce supports the company's self-perform construction capabilities.

Examples of Fluor's enhanced construction and craft training for 2016 are:

- Training 179 field supervisors in Live the HSE value, Embrace Fluor processes and procedures, Accountable for cost, planning and performance and Develop crew members (LEAD) program and developing a LEAD manual to serve as a quick reference guide for all Fluor craft supervisors. This manual outlines the roles, responsibilities and resources for craft supervision.
- Training craft employees at all training sites in the United States. This training totaled 166,353 hours or an average of 89 hours per person trained at these facilities.
- Enabling 753 people to complete the Welder Upgrade training program.
- Requiring more than 2,700 salaried construction employees globally to complete an HSE Life Critical training session.
- Continuing to offer tuition-free, onsite craft training opportunities at the U.S. Gulf Coast Craft Training Center in Pasadena, Texas, that are held



Stork opens Safety & Skills Center in Rotterdam, the Netherlands.

#### Commitment to Workplace Safety

In 2016, Fluor's Stork operations in Rotterdam, the Netherlands, opened a new Safety & Skills Center to teach and develop field safety skills. For the initial phase of the program, select contract employees were trained at the center before going to client sites.

Stork anticipates opening more centers in the country to accommodate safety training for all its employees.

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after normal work hours. Using the National Center for Construction Education and Research (NCCER) curriculum and certification program, these high-quality courses include carpentry, heavy equipment operation and basic welding. Craft employees who complete training and meet minimum work experience requirements are eligible for Fluor's craft certification program.

- Signing a new Memorandum of Cooperation to support development of the youth movement Young Professionals through WorldSkills Russia, an oil and gas industry training program. This international, non-commercial initiative promotes the prestige of craft and professional training development through craft competitions. Welders trained at the Fluor-sponsored welding school stand out among the participants in the WorldSkills competitions. Fluor supports classes in welding, scaffolding, heavy equipment, electrical, pipefitting and rigging. The goal is to prepare local workers for projects in this region.
- Establishing English courses for the students participating in WorldSkills competitions.

In summary, to sustain a qualified workforce, Fluor focuses on recruiting, hiring, training and developing people across the organization. Employees build new skills, grow their careers and potentially move into leadership roles within the company.

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# ETHICS & COMPLIANCE

In our business model, we provide tools to support more efficient project execution and collaboration across the company to deliver the best solutions for our clients. We also believe in seamless integration of our four Core Values – safety, integrity, teamwork and excellence – into our daily work.

We have an absolute determination to do the right thing. In all of our dealings, we are committed to unyielding integrity and conducting our work with the highest ethical standards. This commitment is part of our solutions, and we believe it positively impacts our diverse and worldwide stakeholders and the communities where we do business.

103-1, 103-2, 103-3, 102-12

## COLLECTIVE ACTION: ANTI-CORRUPTION AND WORKER WELFARE

Fluor believes collective action is critical to affect positive change. Promoting anti-corruption and worker welfare within the global engineering and construction industry remains a core strategy at Fluor. The company has taken an active role on multiple fronts.

We take leadership roles in external initiatives focused on solutions to eliminate corruption and bribery by engaging multiple stakeholders, including governments and industry. In 2016, Chairman and CEO David Seaton continued his global anti-corruption leadership roles with the World Economic Forum's (WEF) Partnering Against Corruption Initiative (PACI); as a member of the PACI Vanguard Steering Board; and with the B20 Anti-Corruption Task Force. He has been a strong advocate in encouraging companies to become PACI signatories. In August 2016, Seaton joined the management committee of the WEF's International Business Council. Seaton and Fluor continue to lead efforts to refocus and strengthen PACI through a greater emphasis on collective action, including an initiative to advance Mexico's anti-corruption agenda. Additionally, Fluor was on the organizing committee for the April 2016 B20 Anti-Corruption Forum in Beijing, where Seaton addressed a range of anti-corruption issues.

Fluor believes that all individuals should be treated with dignity and respect. It is as simple as that. Worker welfare involves a commitment to supporting and protecting the health, safety, welfare, security and dignity of our workers. More specifically, it includes ethical recruitment and employment practices,

as well as safe and healthy living and working conditions. We also see a need for the engineering and construction industry to collectively identify the industry's worker welfare risks, share best practices and identify collective action activities. In December 2015, Fluor helped lead the effort to establish a Worker Welfare Special Interest Group under the Engineering & Construction Risk Institute, bringing together engineering and construction companies from around the globe. With this foundation, Fluor worked throughout 2016 with industry peers and non-governmental organizations on worker welfare issues and in March 2017 helped found Building Responsibly, a global engineering and construction collective action organization that focuses on advancing worker welfare programs; sharing best practices; agreeing on common approaches and standards; developing tools; and engaging clients, civil society, governments and international organizations.

103-1, 103-2, 103-3, 205-1

## RISK MANAGEMENT

Fluor's approach to manage risk begins with its ethical culture and Core Values that support good decision-making and the company's stance against corruption and includes formal processes to assess and combat the potential for corruption.

Our approach to project teams includes assessing and managing ethics and compliance risks specific to each project. Fluor's Business Risk Management Framework (BRMF<sup>SM</sup>) is a formal system to assess, manage and monitor risks at Fluor projects company-wide. Before pursuing new project opportunities, Fluor employs this framework to assess a project's potential risks. "Bid/No Bid" decisions are based on analyzing a project's profile. Each Fluor project is assessed for corruption-related risks, such as:

- Location of the project
- Business culture
- Third parties that are locally required
- Government touchpoints

Additionally in 2016, Fluor rolled out a revised and streamlined Project Ethics and Compliance practice. The Preliminary Project Ethics and Compliance Plan Assessment process is intended to be initiated during the preparation of a sales proposal. Upon award, the completed assessment supports the development and implementation of the project's ethics and compliance plan.

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At a corporate level, Fluor has an Enterprise Risk Management program as well as subject matter-based task forces that assess the company's anti-corruption and other ethics and compliance risks.

Due to the nature and locations of Fluor's work, the two most significant corruption risks stem from the large number of third parties with which the company works and Fluor's frequent contact with governments around the world. Fluor will only pursue projects that can be executed without violating our **Code of Business Conduct and Ethics** (the Code).

102-16

### PROGRAM STRUCTURE, CODE AND EXPECTATIONS

Fluor's board of directors maintains active oversight of its ethics and compliance program. Fluor's Chief Financial Officer maintains executive oversight and Fluor's Vice President of Corporate Compliance oversees the day-to-day activities of the program. The Vice President of Corporate Compliance meets with the Audit Committee on at least a quarterly basis and reports certain information to the chair of the Audit Committee more frequently. The company's Compliance and Ethics Committee, made up of cross-functional senior managers, helps enable Fluor to continue to operate with high ethical business standards and in accordance with applicable laws. A Compliance and Ethics Council focuses on oversight of reporting, investigations and corrective and disciplinary action for any violations of the Code.

Fluor's Code is the centerpiece of the company's commitment to conduct business with high ethical standards. Employees are expected to read, understand and comply with the Code. It is available in Arabic, Chinese, Dutch, English, Polish, Portuguese, Russian and Spanish. All salaried employees read and agree to our Code when they begin their employment and annually receive Code-related training and reaffirm that they understand and are committed to it. Beyond the Code, Fluor has more detailed policies and practices for its risk areas that warrant more specific guidance.

Fluor prohibits any form of commercial bribery, and employees are asked to be especially vigilant when dealing with public sector officials. Fluor's **Anti-Bribery and Corruption Policy** provides clear standards for employees. Fluor's employees, officers, directors and any agents, subsidiaries, joint ventures, consortiums, consultants, brokers or other individuals, intermediaries, contractors, distributors, suppliers or entities over which the company has control, are strictly prohibited from paying a bribe to, or receiving a bribe from, any public or private third party.

### Third Parties

Fluor seeks to do business only with third parties who share its standards and values. Fluor limits the number of third-party agents it uses by relying primarily on internal sales staff.

Risk-based due diligence is conducted when selecting third parties. Fluor has thorough due diligence, approval, contractual and other anti-corruption controls for agents, teaming partners, suppliers and contractors. We continue to monitor for any corruption warning signs or "red flags" during business relationships. Depending on the third party, various requirements and processes are embedded in what to emphasize and mitigate applicable anti-corruption risks.

Suppliers and contractors and their supply chains are expected to maintain zero tolerance for bribery and uphold high ethical standards in compliance with **Fluor's Business Conduct and Ethics Expectations for Suppliers and Contractors**.

205-2

### ANTI-CORRUPTION COMMUNICATION AND TRAINING

Anti-corruption communication and training are key elements of Fluor's risk management. All of Fluor's salaried employees are required to complete training on the **Code**, including anti-corruption and other key risks.

Number of Employees Receiving 2016 Ethics and Compliance Training by Region



In 2016, a total of 37,927 employees received Code-related training, including 22,048 employees who also completed a course on properly handling competitor information as part of our Annual Ethics Certification.

Additionally, 4,777 employees participated in face-to-face ethics and compliance training, including project-specific, anti-corruption training at certain projects.

Fluor's board of directors and senior executives received training on international compliance risks, including anti-corruption. In 2016, the board was briefed on the ethics and compliance program, including risks, policies and procedures, training and initiatives.

Consistent and frequent ethics and compliance communication with employees is vital to Fluor's reputation for integrity and success as a company. The tone at the top messaging is established from day one at Fluor. A "New Employee Orientation" video presented globally during orientation/new hire training features Chairman and CEO David Seaton emphasizing the importance of ethics and compliance generally and anti-corruption specifically. Throughout the year – and across an employee's career at Fluor – Core Values messaging is incorporated into employee communications from Seaton and other senior leaders.

In preparation and support of the employees' annual performance assessment process, a series of articles, leadership columns and value creation topics was created to support developing 2017 employee goals that focus on the company's Core Values, which include integrity. Employees were provided examples of actionable integrity goals they could adopt, and a senior leader provided a column on how she personally planned to showcase her commitment to integrity in her 2017 performance goals.

Fluor communicates to employees through "OneFluor", the company's intranet, with timely and relevant articles and blogs on a variety of ethics and compliance topics. Employees are provided integrity-centered articles featuring real-life case studies on avoiding corruption and other ethics and compliance topics. The ethics and compliance Connections Community is an intranet-based social networking site that allows employees to share ideas, comment and provide feedback in community forums. The site houses policies and procedures, a blog, toolkits to help managers lead discussions with team members and links to articles on real-world compliance and ethics issues. Compliance and ethics-focused value creation topics for use at Fluor meetings are regularly developed and distributed via the community and other resources.

Among the various compliance and ethics communications campaigns in 2016, Fluor highlighted International Anti-Corruption Day with articles, value creation topics and fact sheets and externally through social media.

102-17

### Seeking Advice and Reporting Concerns

It is highly important to Fluor that employees seek guidance if they are ever unsure about doing the right thing in a business situation and that they are willing to readily report concerns about suspected unethical behavior. Every employee can help to protect our company's reputation by raising a concern when he or she knows or suspects that a colleague is involved in unethical, illegal or dangerous behavior, including retaliation. This can be difficult, so a clear channel to raise any misconduct concern has been established, communicated and developed.

Fluor's goal is for every employee and third party to feel confident seeking advice and reporting any ethical concern regarding Fluor without fear of retaliation. Investigations are timely and thorough in order to maintain this trust.

102-17, 205-3

### ETHICS HOTLINE AND INVESTIGATIONS

Fluor's **Compliance & Ethics Hotline** enables employees, clients, partners, suppliers, subcontractors and others to communicate with a third-party resource at any time. The hotline provides translation/interpretation support in more than 150 languages. Anonymous reports to the hotline can be made where local law permits.

During 2016, a total of 785 reports concerning ethical behavior was received. In all cases where misconduct was substantiated, disciplinary and/or corrective actions were taken. Due to the confidentiality of its investigations, Fluor does not publicly disclose the detailed nature of reported or confirmed misconduct.

A summary of all allegations and concerns is reported biweekly to the chair of the Audit Committee of the board of directors. A quarterly report is made to the company's Compliance & Ethics Council and the entire Audit Committee.

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## 2016 Compliance & Ethics Hotline and Corporate Compliance Investigation Reports



- Annual anti-corruption program audit
- Audit of more than 30 locations, including project ethics and compliance interviews with project and business managers with an emphasis on anti-corruption

In 2016, Fluor worked with CEB RiskClarity to measure the company's ethical culture and susceptibility to misconduct. A sample of Fluor's employees representing different business groups, functions, levels and geographic regions was surveyed. Questions addressed areas such as comfort speaking up, organizational justice, tone at the top, trust in colleagues, direct manager leadership, clarity of expectations and openness of communications. Fluor scored above the RiskClarity benchmark in all Integrity Index Components. Additionally, Fluor employees observed misconduct at a significantly lower rate and those reporting misconduct did so at a significantly higher rate than the RiskClarity benchmark.

### MONITORING

Fluor is transparent about its ethics and compliance practices. Employees, suppliers, subcontractors and partners know what is expected of them and the ethical behavior they can expect from the company. The ethics and compliance program is continually improved. Evolving risks, regulations and company, industry and global business community best practices are monitored.

As part of the company's 2016 Annual Ethics Certification, all salaried employees were required to disclose any potential conflicts of interest, even if previously disclosed and vetted locally, to add an additional level of monitoring.

In 2016, Fluor's Internal Audit team conducted various ethics and compliance audits throughout the world, including:

- Annual audit of Fluor's ethics and compliance program
- Audit for fraud, theft, bribery and kickbacks

# GOVERNANCE

Fluor believes that good corporate governance principles promote fairness, transparency, accountability and responsibility. Conducting business according to these principles strengthens the company's stakeholder relationships, enhances its reputation and supports Fluor's long-term business success.

 102-28

## FLUOR APPROACH

Fluor annually reviews its governance policies and practices, comparing them with policies suggested by various corporate governance commentators and practices of other public companies, and engages with shareholders on corporate governance issues. The following list highlights some of the company's more recent corporate governance initiatives, indicating the effectiveness of these annual reviews and the board of directors' commitment to shareholder accountability:

- Proxy access. Fluor's bylaws give shareholders the ability to nominate directors, and nominees are included in the company's proxy materials.
- Annual elections. All directors stand for election annually.
- Annual board evaluations. Fluor conducts annual evaluations of the board, its committees and all board members.
- Shareholder right to call a special meeting. Holders of at least 25 percent of Fluor's outstanding shares of common stock have the right to call a special shareholders meeting.
- Majority voting provisions. Fluor's corporate governance documents contain majority, as opposed to supermajority, voting provisions.

 102-22, 102-23, 102-24, 405-1

## BOARD MEMBERSHIP AND INDEPENDENCE

Fluor's dedication to sound corporate governance begins with strong board leadership and an independent and fully-informed board of directors. Fluor's board of directors currently consists of 13 members. With the exception of Chairman and CEO David Seaton, all directors are independent, as defined by New York Stock Exchange rules and Fluor's corporate governance guidelines. In addition, each of the board committees is composed entirely of independent directors.

Fluor believes directors should possess a diverse range of educational, business and cultural backgrounds and experiences, adding to the board's depth and breadth that benefits shareholders. Accordingly, directors have experience in industries in which the company operates or have particular skills that are beneficial to the company's business. In connection with the board's review of the skills and characteristics required of board members, also considered are diversity of thought and background, including gender, race, ethnicity and age. The board currently includes two women, as well as Hispanic and African-American members.

More information on Fluor's board and the process for nominating and selecting directors can be found in the company's **Proxy Statement** for the 2017 Annual Meeting of Stockholders filed with the U.S. Securities and Exchange Commission on March 9, 2017, which is available at [investor.fluor.com](http://investor.fluor.com).

 102-18, 102-22, 102-25, 102-28, 102-29, 102-30, 102-31, 102-35, 102-36, 102-37, 103-1, 103-2, 103-3, 415-1

## BOARD STRUCTURE AND RESPONSIBILITIES

Fluor's board has four standing committees: Audit, Governance, Organization and Compensation, and Executive.

The Audit Committee assists the board in fulfilling its oversight responsibility for the company's accounting, reporting and financial practices, as well as its compliance with legal and regulatory requirements. It reviews and assesses the company's **Code of Business Conduct and Ethics** and is also responsible for reviewing and discussing with management the company's most significant risks, methods of risk assessment, risk mitigation strategies and the overall effectiveness of the company's guidelines, policies and systems with respect to risk assessment and management.

The Governance Committee's primary responsibilities are to oversee the nomination, independence and evaluation of the company's directors and to oversee and monitor the company's corporate governance principles. It is also responsible for overseeing the company's related-party transaction policy and reviewing certain policies and programs relating to significant public issues, including political contributions, lobbying activities and participation in trade associations.

The Organization and Compensation Committee is responsible for reviewing the company's top level organizational structure and setting the overall compensation policy for executive officers and non-management directors. To assist in fulfilling this responsibility, the committee has engaged an

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independent compensation consultant for advice. The committee also considers the results of an annual “say on pay” advisory vote by shareholders when determining compensation policies.

The Executive Committee has all of the power and authority of the board, subject to applicable laws, rules, regulations and listing standards of the New York Stock Exchange, when the board of directors is not meeting. The Executive Committee also meets annually to discuss individual director evaluations.

Further details regarding the Executive Committees’ responsibilities, including risk management and compensation and related policies/ programs for certain executives, are described in the company’s **Proxy Statement**.

 102-27, 102-33

During 2016, the board held five meetings, one of which was an extensive two-day strategic planning session. At these meetings and the meetings of committees, issues of critical concern are raised when necessary. In addition, reports are provided to the board, which may include economic, environmental and social topics.

 102-21

### **COMMUNICATIONS WITH THE BOARD**

Individuals may communicate with Fluor’s board and individual directors by contacting Carlos M. Hernandez, Chief Legal Officer and Secretary, Fluor Corporation, 6700 Las Colinas Boulevard, Irving, Texas 75039.

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# HEALTH, SAFETY & ENVIRONMENT

Operating in a safe and environmentally sound manner is fundamental to Fluor's long-term success. Successful execution of complex projects requires a healthy and safe workforce of employees, subcontractors, suppliers and client personnel. Effective management of environmental issues, including energy use, emissions, effluents and waste and transportation impacts, contributes to Fluor's long-term success and the success of clients and other stakeholders.

## 103-2

### FLUOR'S APPROACH

Fluor's Health, Safety & Environment (HSE) Management System provides the framework for how the aspects of HSE are addressed in Fluor's offices and on Fluor-managed projects. The framework begins with a philosophy and commitment detailed in the **Health, Safety and Environmental Policy** and



### HSE Week 2016

The 12th annual Health, Safety & Environment Week was observed by Fluor employees, contractors and clients around the world who celebrated Fluor's Core Value of safety. Three key attributes that drive a strong HSE culture are individual awareness, personal engagement and appropriate behavior. These attributes were highlighted during HSE Week, and all Fluor employees were encouraged to take ownership of and be accountable for their safety and for the safety of those around them. Nearly 130 HSE Week Champions conducted over 500 safety demonstrations, training sessions and vendor fairs at 46 offices and 76 sites in 28 countries.

principles and cascades to corporate practices and project/site-specific procedures and plans.

Fluor's corporate culture, supported by the HSE Management System, makes HSE a priority for its employees and its stakeholders and is fundamental to achieving profitability. The management system is an integrated tool for implementing the company's commitment to continually improving HSE performance.

Fluor's Management System, comparable to ISO 14001, OHSAS 18001, ANSI Z-10 and the U.S. Occupational Safety and Health Administration (OSHA) Voluntary Protection Program, integrates the highest international standards into each project phase and facilitates consistent performance. In order to identify and apply best practices across all global operations, the HSE Management System is continually reviewed and enhanced.

## 102-11

The precautionary approach is built into the HSE Management System by proactively managing safety. As Chairman and CEO David Seaton states in this report's Message from the Chairman and CEO, "We continue to take steps in several areas to drive a change in our safety culture and deliver on this promise. This includes taking a closer look at how we can protect our people when they are working at operational facilities and, importantly, developing a training and awareness campaign to build a behavior-based culture in which all of our employees and subcontractors speak up when they see something that doesn't look or feel safe, and encourage others to do the same."

### HSE Design Courses

In 2016, Fluor's corporate HSE group took the opportunity to revamp its electronic training modules on a new platform. The revamped modules range from entry level to senior level. The general topics for the 36 modules are:

- HSE in Design function
- Hazard identification and mitigation
- Fire protection
- Environmental issues
- Sustainability
- Specialized studies

The modules are available to Fluor's global workforce at any time.

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## EXPERTISE

Approximately 1,060 dedicated HSE professionals around the world implement the company's HSE policies and procedures. Their areas of expertise include process safety in design, personnel safety, fire protection, field operations, environmental permitting, environmental impact assessments, consequence modeling, environmental monitoring, industrial hygiene, environmental mitigation and sustainability.

Fluor formally recognizes technical experts serving as thought leaders in their industries and disciplines through its Fellows program. HSE and related disciplines have Fellows in the areas of loss prevention, process safety management, safety systems design, fire protection, sustainability and energy management, industrial hygiene and sustainable design.

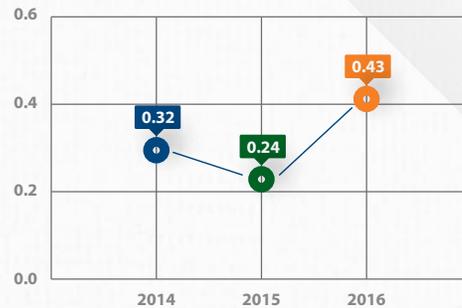
Fluor provides both instructor-led and self-guided training in HSE subjects. HSE has an extensive library of training materials for its employees to enable them to continue their career development. Many Fluor employees are associates in the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED®) rating system; designated by the Institute for Sustainable Infrastructure as Envision™ Sustainability Professionals; and certified as safety professionals, industrial hygienists and related fields.

103-1, 103-2, 103-3, 403-2

## HEALTH AND SAFETY Health and Safety Performance

Fluor's office and field performance logged 286 million self-perform and subcontractor workhours in 2016. In those hours, there was

**Total Case Incident Rate (TCIR) Per 200,000 Hours Worked**



**Days Away, Restricted or Transferred (DART) Case Rate Per 200,000 Hours Worked**



an increase in the Total Case Incident Rate (TCIR) from 2015, with a TCIR of 0.43 per 200,000 global hours worked. An increase in combined Days Away, Restricted and Transferred (DART) workday cases from 2015 was also experienced, with Fluor's DART rate of 0.17 per 200,000 global hours worked. This performance reflects the inclusion, for the first time, of Stork.

103-1, 103-2, 103-3, 419-1

In 2016, workplace safety regulatory agencies issued three notices of non-compliance to Fluor as a result of inspections. These notices dealt with confined space, potential radiation exposure and trenching. No significant penalties for non-compliance were assessed and all issues were resolved.

Fluor has robust office and field HSE programs guided by the HSE Management System. Potential hazards are identified and systematically evaluated and mitigation measures specified.

403-3

## Health and Safety Engagement Program

Fluor strives to protect its workers from health and safety risks and also offers assistance programs, such as educational classes, counseling and prevention/risk control measures. These programs help workers and their families around the world manage their health.

## ACT Program Developed and Implemented in Field

When it comes to safety in the workplace, Fluor's first line of defense is the people who plan and execute the work. Fluor's Awareness, Communication and Teamwork (ACT) program aims to engage workers and supervisors in the identification and control of hazards in the workplace by developing worker awareness of hazards, hazard communication skills among coworkers and teamwork to resolve hazardous acts and conditions.



ACT directly engages craft and their supervision in HSE activities at sites. Over time, the program raises HSE awareness of the workforce, enabling them to talk comfortably and confidently with one another about safe /unsafe behavior and work together to improve safety.



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### Communications

Fluor collaborates with trade unions to help verify that all workers embrace the company's commitment to HSE. Prior to the start of union projects in the United States and Canada, Fluor's Industrial Relations team holds pre-job conferences with members of the Building and Construction Trades Council to familiarize union representatives with the project and introduce the project management team and subcontractors. Project work rules and environmental and safety regulations are provided to unions and employees and are posted at job sites.

403-1

In offices and at project sites worldwide, HSE Committees are established to manage local issues using the company's global resources. Quantitative data on the percentage of the workforce represented on these committees are not collected.

102-12, 103-1, 103-2, 103-3, 306-3, 307-1

## THE ENVIRONMENT

### Environmental Performance

Fluor has a long-standing commitment to the United Nations Global Compact, including its Environmental Principles 7 through 9. Fluor began tracking data related to these principles in 2004. Stork offices and manufacturing facilities acquired in 2016 will be added to the Fluor scope for

### Five Fluor Employees Save Lives

In 1992, Fluor created the Silver Safety Medallion Award, which recognizes employees who have acted to save lives or assist people in distress on or off the job. Over 360 Silver Safety Medallions have been awarded to Fluor employees since the program was implemented. In 2016, Fluor presented the Silver Safety Medallion Award to five employees. The employees are:

#### Joel Latham

- Administered CPR to save collapsed co-worker

#### Melanie Lepard

- Used first-responder skills at car accident site

#### Demot O'Connor and Colin Harrie

- Aided ailing train engineer

#### Richard D. Pryor

- Performed Heimlich maneuver on choking co-worker

environmental performance once the accuracy and precision of the data are confirmed, which is anticipated in 2018.

In 2016, Fluor did not receive significant monetary sanctions for non-compliance related to environmental issues. The Ohio Environmental Protection Agency issued a notice in reference to the management of soils and secondary waste at a Department of Energy (DOE) facility. In addition, four notices of non-compliance at DOE facilities for self-reported permit violations dealing with potable water and wastewater discharges were received. No impact grievances were filed against Fluor offices in 2016.

306-3

Fluor had no significant spills in 2016.

103-1, 103-2, 103-3, 302-3, 305-1, 305-2, 305-3, 305-4, 305-5

### Carbon Footprint

Fluor established its global carbon footprint in 2006 for offices, vehicle fleets at those offices and air travel. The baseline excludes client sites, fabrication yards and Stork facilities. Stork facilities acquired in 2016 will be added to the Fluor scope for emissions calculations once the accuracy and precision of their data are confirmed, which is anticipated in 2018. In general, Fluor is not governed by a requirement to measure its carbon footprint.

Fluor follows the Greenhouse Gas Emissions (GHG) Protocol standards for inventory over which Fluor maintains operational control and updates emission factors periodically. The basic unit of measure used throughout the GHG inventory is metric tons of equivalent carbon dioxide (tCO<sub>2</sub>e). Emission sources in Fluor's GHG inventory include electricity, steam and other stationary fuel consumption for Fluor's facilities, refrigerants used in building cooling systems, fleet vehicle fuel consumption and emissions associated with business-related air travel. For each source, GHG emissions are quantified in the inventory for the following, if applicable: carbon dioxide, methane, nitrous oxide and any hydrofluorocarbon refrigerants reported.

Measuring and reporting the carbon footprint of Fluor facilities provides valuable information that is used to manage the company's operations in an environmentally responsible manner. Fluor continues to identify ways to reduce carbon emissions through energy efficiencies, recycling activities, renovations and conservation efforts.

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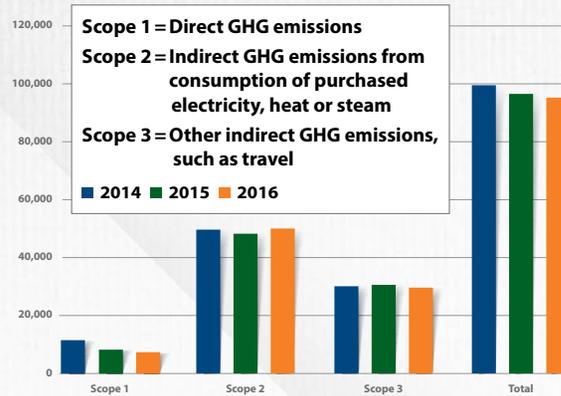
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Fluor's absolute GHG emissions are shown in this chart and reflect the complexity of opening, closing, expanding, consolidating and maintaining space in 122 facilities around the globe. As Fluor replaces outdated equipment with more energy-efficient models, switches fuels and leases space in energy-efficient buildings, emissions are reduced. Fluor's GHG emissions reflect space requirements based on business activity, so there will be a plateau in Scope 1 (direct GHG emissions) and Scope 2 (indirect GHG emissions from consumption of purchased electricity, heat or steam), but at this point Fluor continues to experience a slight reduction in emissions.

**GHG Emissions**  
(Absolute in Metric Tons of Equivalent Carbon Dioxide)



Normalizing absolute GHG emissions by revenue, as shown in the chart to the right, is another approach to evaluating the effect of Fluor's efficiency measures. Between 2015 and 2016, there was a reduction of more than seven percent in normalized GHG emissions. Over the 11-year period that Fluor has collected data, there has been a 32 percent reduction in its normalized carbon footprint.

**GHG Emissions**  
(Normalized by Revenue in tCO<sub>2</sub>e)



**305-6, 305-7**

Because Fluor assets are offices, only greenhouse gases are measured. Nitrogen oxides, sulfur oxides, volatile organic compounds, hazardous air pollutants and particulate matter are air pollutants not associated with the office environment and are not measured. Fluor does not manufacture, import or export ozone-depleting substances.

**302-4**

**Energy Efficiency**

Fluor works to either improve energy efficiency by lowering operating costs and integrating environmentally friendly solutions in its 122 facilities in 26 countries around the world or to exceed the standards set by leading sustainability organizations.



*Fluor Office Buildings Earn 2016 EPA ENERGY STAR Certifications*

Fluor is proud of the results of its continuous improvement programs, which have achieved U.S. Environmental Protection Agency (EPA) ENERGY STAR® certifications for over 1.6 million square feet of office buildings in Houston, Texas; Greenville, South Carolina; and Aliso Viejo, California, for six consecutive years.

The certifications reflect Fluor's commitment to operational optimization, continuous improvement, organic carbon reduction and sustainability. To be considered for ENERGY STAR certification, office properties must rank in the top 25 percent for energy efficiency compared to similar buildings and meet all current indoor environment standards. ENERGY STAR-certified buildings typically use 35 percent less energy and have 35 percent lower carbon emissions than average buildings.

Sustainability is a company-wide philosophy as reflected in Fluor's BREEAM-, LEED- and ENERGY STAR-certified buildings. Fluor is committed to adopting the best environmental methods wherever possible and reducing energy, carbon and operating expenses.

**302-4, 305-5**

**Energy Efficiency Actions at Fluor Offices**

Energy efficiency activities help manage the amount of carbon emissions generated at Fluor's global facilities. With approximately 6.4 million square feet (approximately 650,000 square meters) of office space and associated land in 26 countries, voluntary and diverse conservation, energy efficiency and green initiatives are providing cost-effective solutions and contributing significant value to the company.

In 2016, Fluor integrated a variety of energy efficiency and conservation best practices into everyday operations to reduce energy consumption by almost 12 million kilowatt-hours/year (approximately 43,100 gigajoules). The three biggest energy reduction initiatives for 2016 were installing solar panels, replacing interior lighting with LED lights and improving HVAC. HVAC improvements included installing premium efficiency chillers, energy-

efficient vertical turbine pumps, and new cooling towers; replacing outside air handlers; installing new Liebert® cooling units and window tinting; increasing hub room temperature; and turning off air conditioners and heavy equipment during evening and night hours.

Other reduction approaches included use of energy efficient appliances and office equipment for both new office space and renovations; energy efficient lighting; timed lighting and water heater systems; white roofs; consolidation of servers; day-time cleaning to reduce lighting at night and on weekends; motion detectors on vending machines; power management systems; and capacitor installation. Fluor employees did their part by turning off appliances and office equipment at the end of the work day and switching lights off when leaving a conference room or office.

### 302-1, 302-2

Direct energy consumption by Fluor facilities in 2016 was approximately 22 million kilowatt-hours (approximately 79,000 gigajoules) for natural gas, diesel and gasoline. Indirect energy consumption by Fluor facilities in 2016 was slightly more than 100 million kilowatt hours (approximately 370,000 gigajoules) for electricity. Fluor does not measure energy consumption outside of its organizational boundary. That responsibility lies with the energy companies providing power to the offices.

Fluor transportation-related green initiatives include bicycling programs; using energy-efficient vehicles, such as hybrid/electric models; providing vans to/from transportation hubs or between offices; providing interoffice shuttles, encouraging carpooling and other efforts to reduce environmental impact. Video conferencing and training webinars are well established across the network of Fluor global offices, helping colleagues around the world collaborate while reducing Fluor's travel footprint. Video conferencing is used routinely across the company for communicating with project sites, clients and offices. Limiting travel on projects also helps reduce Fluor's travel footprint. Increased local sourcing of materials is an important part of Fluor's commitment to promoting sustainable development by reducing delivery distances, vehicle fuel use and carbon emissions.

### 306-2

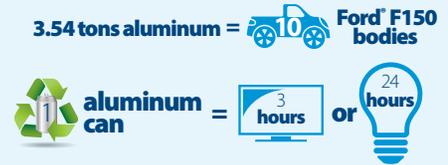
#### Recycling

Virtually all Fluor offices have active recycling programs. Approximately 828 tons (751 tonnes) of paper, 255 tons (231 tonnes) of cardboard, 2 tons (1.8 tonnes) of batteries, 103 tons (93.8 tonnes) of plastic and 1,279.6 tons (1,160.9 tonnes) of assorted waste were recycled in 2016. Assorted waste included toner and ink cartridges; glass, bottles and aluminum cans; mixed or

commingled concrete, iron and steel; landscape trimmings; light bulbs; and cooking oil and tires.

#### Aluminum

In 2016, Fluor recycled over **226,000 aluminum cans** weighing approximately **3.54 tons (3.21 tonnes)**.



#### Plastic

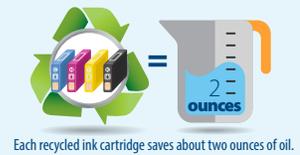
In 2016, Fluor recycled approximately **5 tons (4.5 tonnes)** of plastic bottles, which is approximately **111,000 one-liter plastic bottles**.



#### Ink and Toner Cartridges

In 2016, Fluor recycled approximately **290 tons (264 tonnes)** of ink and toner cartridges.

Up to 97 percent of the materials in a printer cartridge can be recycled or reused. Most ink cartridges can be reused five to seven times.



Each remanufactured/recycled laser cartridge keeps two pounds of waste out of landfills. A toner cartridge dumped into a landfill takes approximately 450 years to decompose.

### 306-2, 306-4

#### Waste Reduction, Reuse and Conservation

On an ongoing basis, many Fluor offices reduce waste by donating used furniture, office equipment and supplies, carpet and computers to schools, homes for the elderly and non-profit organizations. During 2016, approximately 52.2 tons (47.4 tonnes) of these items were donated or reused rather than sent to local landfills. During renovations, furniture and materials, including low-emitting and recycled-content materials, are reused whenever possible.

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Conservation and landfill avoidance activities are also an important part of Fluor's global HSE initiatives. In 2016, facilities in Farnborough, United Kingdom, and Antwerp, Belgium, sent approximately 110 tons (100 tonnes) of general waste to energy plants, where it was converted into energy. Fluor's ongoing initiative to promote double-sided printing saved approximately 26 tons (23.7 tonnes) of paper in 2016.

Because Fluor operates office buildings, no hazardous waste is generated.

103-1, 103-2, 103-3, 306-1, 306-5

### Water

Water for potable use and landscaping is generally obtained by Fluor offices from municipal water authorities. Responsibility for sources of municipal water and any impact caused by water withdrawal belongs to the water authorities.

In a few cases, rainwater in ponds is used and reused for landscaping and runoff returns to the ponds. Water used in kitchens and bathrooms cannot be recycled or reused per regulations.

Fluor does not have receiving water bodies. Water discharges are returned to the water authorities for treatment. Typically, only the water intakes are metered and invoice calculations for influents and effluents are based on influent volume. Deployment of low-flush valves, installation of automatic faucet sensors and commodes and low-flow showerheads conserved approximately 711,500 gallons (2,693,320 liters) of water in Fluor offices in 2016.

Water on project sites is obtained by the property/project owners and discharge occurs through the owners' discharge permits.

### Biodiversity

Fluor operates its offices in urban locations that are not in or adjacent to protected areas or areas of high biodiversity value. On project sites, the project/property owner is responsible for managing activities that might impact biodiversity in the area and specifying any biodiversity issues that need to be addressed in its contract with Fluor.

302-5

### Fluor's Sustainability Expertise Benefits Its Clients

Fluor is experienced in helping clients to efficiently and effectively achieve HSE compliance and sustainability goals. The company assists clients in providing cleaner energy through technology innovations and increasing

efficiencies. Fluor's expertise in this arena is demonstrated by the following examples and in more detail in the project profiles in Appendix B.

### Modularization

The North West Redwater Partnership Sturgeon Refinery is a grassroots refinery designed to process up to 79,000 barrels-per-day of bitumen and diluent blend from the Alberta, Canada, oil sands. The blend is used to produce diesel, diluent and other products. The facility also processes and converts bitumen or heavy oil into condensate, naphtha and ultra-low sulfur gasoil to be sold separately or rebled and sold as a light sweet crude oil.



Fluor engineered, designed and built a crude and vacuum unit, an LC-Finer unit and a hydroprocessing unit at the refinery. Fluor was responsible for fabrication and field construction of two of those units. The project used Fluor's 3<sup>rd</sup> Gen Modular Execution<sup>SM</sup> design and execution approach, as well as SmartPlant<sup>®</sup> Construction.

Among the advantages of the modular approach was that construction could be done in a fabrication shop, with controlled emissions and a safer and warmer work environment. A third of the project's approximate 360 modules were assembled at Supreme Modular Fabrication Inc., Fluor's joint venture module facility in the Edmonton area, which reduced job site staffing and vehicle traffic levels. On the jobsite, modular construction reduced the footprint for the smaller laydown yard and the facility layout.

The project team also evaluated and employed a number of additional cost-saving ideas, such as using innovative scaffolding technology and various module fabrication and assembly options.

### Alternative Energy

On December 31, 2016, NuScale Power, LLC, applied to the U.S. Nuclear Regulatory Commission for



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approval of the company's small modular reactor commercial power plant design. Fluor, as the majority investor in NuScale, supports this design as a viable way to supply affordable, clean, reliable power in scalable plants where output can be increased incrementally based on demand. The design's significant operational flexibility complements other zero-carbon sources, such as wind and solar energy. If the plant design is approved, global demand for NuScale plants could create thousands of jobs in manufacturing, construction and operations.

### Turnaround Enhancements

Stork's Advanced Online Desander (AOD) offers full solids management, removes the sand from the live production separator and cleans it to the point where it can be discharged into the sea. This solves the problem of sand accumulation in production separators that can greatly reduce facility productivity. AOD removes sand whenever it is needed, reducing erosion risk of downstream equipment, valves and piping. By taking sand management out of turnaround scopes, the turnaround duration can be shortened. AOD improves safety by minimizing activity in hazardous confined spaces and reduces environmental impact by thoroughly cleaning the sand.



*Stork's Advanced Online Desander is a turnaround enhancement.*

### Protecting Texas' Native Trees

Work has begun on the 183 South Project, an eight-mile stretch of U.S. Highway 183 in Austin, Texas, which is being expanded into a six-lane superhighway. Fluor is leading the Colorado River Constructors joint venture for its client, the Central Texas Regional Mobility Authority.

The scope of the work includes design, engineering and construction that is expected to nearly triple the area's vehicle capacity and alleviate severe traffic congestion. The project is a major step in developing a comprehensive regional transportation system that offers the Austin region greater mobility, reliable travel times and improved access to affordable housing.

In this Texas corridor, there are numerous beautiful, large native Texas trees, including live oak, post oak, bald cypress, pine, pecan, lacebark elm, cedar elm, American elm and mesquite, which could be affected by the expansion project. To preserve the trees, trunk armor was installed around them prior to construction.

In addition, an arborist certified by the International Society of Arboriculture was hired to guide the project team on actions that will preserve the trees and monitor their health. Potential actions by the arborist include incorporating sediment control measures for upslope areas to prevent sediment from collecting in the root zone; prohibiting construction equipment, materials, fill dirt or topsoil within protective fencing; preventing compaction of tree root areas by equipment, vehicles or material storage; protecting tree trunk damage from moving equipment and material storage; preventing nailing or bolting into the trees; preventing tree strangling by not allowing ropes or guy wires to be attached to trunks or large branches; preventing cutting roots by excavation or ditching equipment; reviewing drainage patterns near tree roots; and preventing disposal of construction materials, including lime-based materials like concrete or plaster, near trees.



*The photo shows one of the stately live oak trees with trunk armor and barricading while project work is progressing.*

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# SUPPLY CHAIN

## OUR APPROACH

A sustainable supply chain reflects Fluor's Core Values of safety, integrity, teamwork and excellence to the company's global markets and clients, increases opportunities available to diverse subcontractors and suppliers and confirms the company's commitment to fair business practices. In over 80 countries around the world, Fluor's Supply Chain organization has a healthy and robust competitive business relationship with companies that are vital to supporting the sustainability goals of Fluor and its clients.

102-9

## Supply Chain Overview

The procurement supply chain organization at Fluor is responsible for contract management, material management, commercial strategies, procurement systems, logistics and indirect procurement. Fluor's extended supply chain has approximately 14,000 subcontractors and suppliers engaged in bidding activities, which resulted in an estimated 50,000 awards in 2016. Fluor's supply chain also includes subsuppliers, licensors, brokers, consultants, specialist contractors and subcontractors, fabricators and manufacturers.

Project-related procurement activities begin with the receipt of a client's invitation to bid on a new project and continue throughout the project life cycle, often including procurement activity relating to operating and maintaining clients' assets. Fluor uses comprehensive pre-award risk assessments via a subcontractor and supplier prequalification process, bid evaluation and award to minimize the risk involved in procurement transactions and to analyze whether Fluor supply chain engagement policies are followed.

Fluor's Request for Proposal and Request for Quotation packages require that all bidders either adopt Fluor's sustainability practices or develop practices of their own. If a bidder follows its own sustainability program, it must meet or exceed Fluor's standards. Bidders are required to submit a draft sustainability plan that is specific to a project and applicable local, national and international rules, regulations, standards and codes.

Fluor implements a robust post-award approach to supply chain engagement and the administration of contracts and purchase orders to promote excellence in safety, quality and the overall execution and delivery

of the transaction. Fluor also values continuity of work with its supply chain, maintaining a database of subcontractor and supplier performance that is used for subsequent opportunities.

103-1, 103-2, 103-3, 414-2

## Supplier Diversity

Environmental stewardship, economic growth and social progress are the three pillars of Fluor's Supplier Diversity Program and create sustainable practices.

The Supplier Diversity Program:

- Inspires community dialogue
- Enables Fluor to help create local jobs
- Enhances, refines and promotes growth of diverse businesses
- Makes a positive impact on local economies
- Most importantly, contributes to economic growth

Fluor proactively identifies diverse businesses through research and by participating in trade fairs, workshops, conferences and conventions; working with national and regional diversity councils and the U.S. Small Business Administration, as well as coordinating and participating in business recruitment conferences and minority business opportunity days. Fluor maintains subcontractor and supplier information through its Supplier and Contractor Online Registry, which tracks all new suppliers for appropriate classifications and certifications.



Team of P&G and Fluor employees accepts P&G Business Partner Excellence Award.

In late 2016, the Procter & Gamble Company (P&G) recognized Fluor and other top partners with its External Business Partner Excellence Award. Fluor was specifically recognized for corporate citizenship efforts and supplier diversity results, increasing its spend with minority and women-owned suppliers and demonstrating a strong focus on supplier diversity as an important business strategy.

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In 2016, Fluor spent approximately US\$277 million with U.S. small, minority and women-owned businesses or approximately 10 percent of the US\$2.8 billion spent with U.S.-based suppliers and subcontractors.

103-1, 103-2, 103-3, 204-1

### Local Supplier Spending

Fluor defines “local” supply as products or services that are manufactured, shipped or provided in local or regional proximity to where they are installed or used. For goods, this can include interim points of manufacture or fabrication, in addition to the eventual job site itself. Defined in this way, Fluor’s local spend was approximately 75 percent of its total 2016 spend of over US\$15 billion.

103-1, 103-2, 103-3, 308-1

### Supplier Environmental Assessment

Fluor screens new and existing suppliers continually, evaluating their technical and commercial qualifications to supply goods and services to projects. While environmental criteria are not tracked in bid evaluations, the compliance of suppliers with mandated environmental laws and

regulations, as set forth in Fluor’s prime contracts, purchase order terms and conditions and subcontract language, is vigorously documented and is compliant with laws at points of supply and job sites.

308-2

Fluor does not collect data from its projects on supplier environmental assessments. However, the company actively complies with laws and regulations relative to any environmental impacts found within its supply chain and/or at its job sites, and holds its suppliers and contractors responsible for their performance under those laws and regulations.

414-1

### Suppliers Social Assessment

All Fluor subcontractors and suppliers are required to comply with *Fluor’s Business Conduct and Ethics Expectations for Suppliers and Contractors*, which addresses, among other areas, health, safety and environmental stewardship; human rights and employment practices; financial and operational controls; conflicts of interest; and bribery and trade controls.



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|  |   |   | Part Omitted | Reason | Explanation                         |
| <b>GRI 101: Foundation 2016</b>            |   |   |              |        |                                     |
| <b>General Disclosures</b>                 |   |   |              |        |                                     |
|  | <b>Organizational Profile – General Disclosures</b>                 |   |              |        |                                     |
| GRI 102:<br>General<br>Disclosures<br>2016 | 102-1 Name of the organization                                      | About the Company, p. 6   |              |        |                                     |
|  | 102-2 Activities, brands, products, and services                    | About the Company, p. 6<br><b>2016 Form 10-K</b> , pp. 1-7  |              |        |                                     |
|  | 102-3 Location of headquarters                                      | About the Company, p. 6   |              |        |                                     |
|  | 102-4 Location of operations  | About the Company, p. 6<br><b>2016 Form 10-K</b> , pp. 30-31  |              |        |                                     |
|  | 102-5 Ownership and legal form                                      | About the Company, p. 6<br><b>2016 Form 10-K</b> , Exhibit 21. 1  |              |        | Fluor is a publicly traded company. |
|  | 102-6 Markets served  | About the Company, p. 6<br><b>2016 Form 10-K</b> , pp. 1-7  |              |        |                                     |
|  | 102-7 Scale of the organization                                     | About the Company, pp. 6-7<br><b>2016 Form 10-K</b> , pp. 7-9, 12, 33   |              |        |                                     |
|  | 102-8 Information on employees and other workers                    | About the Company, p. 7   |              |        |                                     |
|  | 102-9 Supply chain  | Supply Chain, p. 38   |              |        |                                     |
|  | 102-10 Significant changes to the organization and its supply chain | About the Company, p. 6<br><b>2016 Annual Report</b> , p. 4<br><b>2016 Form 10-K</b> , p. 7                                   |              |        |                                     |
|  | 102-11 Precautionary principle or approach                          | Health, Safety & Environment, p.31  |              |        |                                     |
|  | 102-12 External initiatives   | About the Company, pp. 8-9,11<br>About the Report, p. 12<br>Ethics & Compliance, p. 25<br>Health, Safety & Environment, p. 33 |              |        |                                     |
|  | 102-13 Membership of associations                                   | About the Company, pp. 8-9  |              |        |                                     |

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|   | 102-14 Statement from senior decision-maker  | Message from Chairman and CEO, pp. 4-5<br><b>2016 Annual Report</b> , pp. 3-9 |              |        |             |
|   | 102-15 Key impacts, risks and opportunities  | Message from Chairman and CEO, pp. 4-5<br><b>2016 Annual Report</b> , pp. 3-9 |              |        |             |
|   | <b>Ethics and Integrity</b>  |   |              |        |             |
|   | 102-16 Values, principles, standards and norms of behavior                           | Ethics & Compliance, p. 26  |              |        |             |
|   | 102-17 Mechanisms for advice and concerns about ethics                               | Ethics & Compliance, pp. 27-28  |              |        |             |
|   | <b>Governance</b>  |   |              |        |             |
|   | 102-18 Governance structure  | Governance, pp. 29-30<br><b>Proxy Statement</b> , pp. 11-16                   |              |        |             |
|   | 102-19 Delegating authority  | About the Company, p. 7   |              |        |             |
|   | 102-20 Executive-level responsibility for economic, environmental, and social topics | About the Company, p. 7   |              |        |             |
| 102-21 Consulting stakeholders on economic, environmental and social topics | About the Company, p. 7<br>Governance, p. 30<br><b>Proxy Statement</b> , p. 18       |   |              |        |             |
| 102-22 Composition of the highest governance body and its committees        | Governance, p. 29<br><b>Proxy Statement</b> , pp. 2-8; 11-16                         |   |              |        |             |
| 102-23 Chair of the highest governance body                                 | Governance, p. 29<br><b>Proxy Statement</b> , pp. 11-12                              |   |              |        |             |

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| GRI 102: General Disclosures 2016                   | 102-24 Nominating and selecting the highest governance body                     | Governance, p. 29<br><b>Proxy Statement</b> , pp. 16-17     |                             |  |             |
|   | 102-25 Conflicts of interest  | Governance pp. 29-30<br><b>Proxy Statement</b> , pp. 17-18  |                             |  |             |
|   | 102-26 Role of highest governance body in setting purpose, values, and strategy | About the Company, p. 7                                     |                             |  |             |
|   | 102-27 Collective knowledge of highest governance body                          | Governance, p. 30<br><b>Proxy Statement</b> , p. 12         |                             |  |             |
|   | 102-28 Evaluating the highest governance body's performance                     | Governance, pp. 29-30<br><b>Proxy Statement</b> , pp. 80-81 |                             |  |             |
|   | 102-29 Identifying and managing economic, environmental, and social impacts     | Governance, pp. 29-30<br><b>Proxy Statement</b> , p. 11     |                             |  |             |
|   | 102-30 Effectiveness of risk management processes                               | Governance, pp. 29-30<br><b>Proxy Statement</b> , p. 11     |                             |  |             |
|   | 102-31 Review of economic, environmental, and social topics                     | Governance, pp. 29-30<br><b>Proxy Statement</b> , p. 11     |                             |  |             |
|   | 102-32 Highest governance body's role in sustainability reporting               | About the Report, p. 13                                     |                             |  |             |
|   | 102-33 Communicating critical concerns  | Governance, p. 30   |                             |  |             |
| 102-34 Nature and total number of critical concerns |   | None disclosed  | Confidentiality constraints | As a public company, Fluor makes disclosures as required by the U.S. Securities and Exchange Commission. The risks our business faces are disclosed on pp.14-30 of the <b>2016 Form 10-K</b> . No additional reporting is made in this Report, as the information is confidential. |             |

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| GRI 102: General Disclosures 2016                                 | 102-35 Remuneration policies                                    | Governance, pp. 29-30<br><b>Proxy Statement</b> , pp. 21-39        |              |        |             |  |
|   | 102-36 Process for determining remuneration                     | Governance, pp. 29-30<br><b>Proxy Statement</b> , pp. 15-16, 35-37 |              |        |             |  |
|   | 102-37 Stakeholders involvement in remuneration                 | About the Company, p. 7<br>Governance, pp. 29-30                   |              |        |             |  |
|   | 102-38 Annual total compensation ratio                          | Employees & Workplace, p. 21                                       |              |        |             |  |
|   | 102-39 Percentage increase in annual total compensation ratio   | Employees & Workplace, p. 21                                       |              |        |             |  |
|   | <b>Stakeholder Engagement</b>                                   |  |              |        |             |  |
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|   | 102-41 Collective bargaining agreements                         | Employees & Workplace, pp. 20-21                                   |              |        |             |  |
|   | 102-42 Identifying and selecting stakeholders                   | About the Company, pp. 7-8   |              |        |             |  |
|   | 102-43 Approach to stakeholder engagement                       | About the Company, pp. 7-8   |              |        |             |  |
| 102-44 Key topics and concerns raised                             | About the Company, pp. 7-8                                      |  |              |        |             |  |
| <b>Reporting Practice</b>   |   |  |              |        |             |  |
| 102-45 Entities included in the consolidated financial statements | About the Company, p. 6<br><b>2016 Form 10-K</b> , Exhibit 21.1 |  |              |        |             |  |
| 102-46 Defining report content and topic boundaries               | About the Report, p. 12   |  |              |        |             |  |

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| GRI 102: General Disclosures 2016 | 102-47 List of material topics                                  | About the Report, pp. 12, 13-14                             |              |                |                                |
|                                   | 102-48 Restatements of information                              |   |              | Not applicable | No restatements are necessary. |
|                                   | 102-49 Changes in reporting                                     | About the Report, p. 12<br><b>2016 Annual Report</b> , p. 4 |              |                |                                |
|                                   | 102-50 Reporting period   | About the Report, p. 12                                     |              |                |                                |
|                                   | 102-51 Date of most recent report                               | About the Report, p. 12                                     |              |                |                                |
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|                                   | 102-53 Contact point for questions regarding the report         | About the Report, p. 13                                     |              |                |                                |
|                                   | 102-54 Claims of reporting in accordance with the GRI Standards | About the Report, p. 13                                     |              |                |                                |
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| GRI 103:<br>Management Approach 2016     | 103-1 Explanation of the material topic and its boundary                             | About the Report, p. 12  |              |        |   |
|  | 103-2 The management approach and its components                                     | About the Company, p. 6<br>About the Report, p. 12<br>Employees & Workplace, p. 20<br>Community & Social Service, pp.16-19 |              |        |   |
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| GRI 201:<br>Economic Performance 2016    | 201-1 Direct economic value generated and distributed                                | About the Company, p. 6<br>Community & Social Service, pp. 16-17<br><b>2016 Form 10-K</b> , p. 33                          |              |        |   |
|  | 201-2 Financial implications and other risks and opportunities due to climate change | <b>2016 Form 10-K</b> , p. 24  |              |        |   |
|  | 201-3 Defined benefit plan obligations and other retirement plans                    | Employees & Workplace, p. 21<br><b>2016 Form 10-K</b> , p. 39  |              |        |   |
|  | 201-4 Financial assistance received from government                                  | <b>2016 Form 10-K</b> , p. 42  |              |        | It is important to note that the government is not a shareholder. |
| <b>Market Presence</b>                   |  |  |              |        |   |
| GRI 103:<br>Management Approach 2016     | 103-1 Explanation of the material topic and its boundary                             | Employees & Workplace, p. 21<br>About the Report, p. 12  |              |        |   |
|  | 103-2 The management approach and its components                                     | Employees & Workplace, p. 21<br>About the Report, p. 12  |              |        |   |
|  | 103-3 Evaluation of the management approach  | Employees & Workplace, p. 21<br>About the Report, p.12   |              |        |   |

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| <b>GRI 200: Economic Standard Series</b> |  |   |              |        |             |
| GRI 202: Market Presence 2016            | 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | About the Report, p. 12<br>Employees & Workplace, p. 21 |              |        |             |
|  | 202-2 Proportion of senior management hired from the local community               | Employees & Workplace, p. 21                            |              |        |             |
| <b>Indirect Economic Impacts</b>         |  |   |              |        |             |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its boundary                           | Community & Social Service, p. 18                       |              |        |             |
|  | 103-2 The management approach and its components                                   | Community & Social Service, p. 18                       |              |        |             |
|  | 103-3 Evaluation of the management approach  | Community & Social Service, p. 18                       |              |        |             |
| GRI 203: Indirect Economic Impacts 2016  | 203-1 Infrastructure investments and services supported                            | Community & Social Service, pp. 17-19                   |              |        |             |
|  | 203-2 Significant indirect economic impacts  | Community & Social Service, pp. 17-19                   |              |        |             |
| <b>Procurement Practices</b>             |  |   |              |        |             |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its boundary                           | Supply Chain, p. 39                                     |              |        |             |
|  | 103-2 The management approach and its components                                   | Supply Chain, p. 39                                     |              |        |             |
|  | 103-3 Evaluation of the management approach  | Supply Chain, p. 39                                     |              |        |             |
| GRI 204: Procurement Practices 2016      | 204-1 Proportion of spending on local suppliers                                    | Supply Chain, p. 39                                     |              |        |             |

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| <b>Anti-corruption</b>                   |   |   |              |        |             |
| GRI 204: Procurement Practices 2016      | 103-1 Explanation of the material topic and its boundary                              | Ethics & Compliance, pp. 25-27                            |              |        |             |
|  | 103-2 The management approach and its components                                      | Ethics & Compliance, pp. 25-27                            |              |        |             |
|  | 103-3 Evaluation of the management approach   | Ethics & Compliance, pp. 25-27                            |              |        |             |
| GRI 205: Anti-corruption 2016            | 205-1 Operations assessed for risks related to corruption                             | Ethics & Compliance, pp. 25-26                            |              |        |             |
|  | 205-2 Communication and training about anti-corruption policies and procedures        | Ethics & Compliance, pp. 26-27                            |              |        |             |
|  | 205-3 Confirmed incidents of corruption and actions taken                             | About the Report, p. 12<br>Ethics & Compliance, pp. 27-28 |              |        |             |
| <b>Anti-competitive Behavior</b>         |   |   |              |        |             |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its boundary                              | About the Report, p. 12                                   |              |        |             |
|  | 103-2 The management approach and its components                                      | About the Report, p. 12                                   |              |        |             |
|  | 103-3 Evaluation of the management approach   | About the Report, p. 12                                   |              |        |             |
| GRI 206: Anti-competitive Behavior 2016  | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | About the Report, p. 12                                   |              |        |             |

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| GRI 302: Energy 2016                           | 302-1 Energy consumption within the organization                 | Health, Safety & Environment, p. 35                   |              |        |             |
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|  | 302-3 Energy intensity   | Health, Safety & Environment, pp. 33-34               |              |        |             |
|  | 302-4 Reduction of energy consumption                            | Health, Safety & Environment, pp. 34-35               |              |        |             |
|  | 302-5 Reductions in energy requirements of products and services | Health, Safety & Environment, pp. 36-37<br>Appendix B |              |        |             |
| <b>Emissions</b>                               |  |   |              |        |             |
| GRI 103: Management Approach 2016              | 103-1 Explanation of the material topic and its boundary         | Health, Safety & Environment, pp. 33-34               |              |        |             |
|  | 103-2 The management approach and its components                 | Health, Safety & Environment, pp. 33-34               |              |        |             |
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| GRI 305: Emissions 2016                        | 305-1 Direct (Scope 1) GHG emissions                             | Health, Safety & Environment, pp. 33-34               |              |        |             |

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|  | 305-4 GHG emissions intensity   | Health, Safety & Environment, pp. 33-34               |              |        |             |
|  | 305-5 Reduction of GHG emissions  | Health, Safety & Environment, pp. 33-34               |              |        |             |
|  | 305-6 Emissions of ozone-depleting substances (ODS)                                   | Health, Safety & Environment, p. 34                   |              |        |             |
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| GRI 306: Effluents and Waste 2016              | 306-1 Water discharge by quality and destination                                      | Health, Safety & Environment, p. 36                   |              |        |             |
|  | 306-2 Waste by type and disposal method   | Health, Safety & Environment, pp. 35-36               |              |        |             |
|  | 306-3 Significant spills  | Health, Safety & Environment, p. 33                   |              |        |             |
|  | 306-4 Transport of hazardous waste  | Health, Safety & Environment, pp. 35-36<br>Appendix B |              |        |             |
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| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its boundary   | Employees & Workplace, p. 22                            |              |                             |             |
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|  | 103-3 Evaluation of the management approach  | Employees & Workplace, p. 22                            |              |                             |             |
| GRI 401: Employment 2016                 | 401-1 New employee hires and employee turnover   | About the Report, p. 12                                 |              | Confidentiality constraints |             |
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| GRI 402: Labor/Management Relations 2016 | 402-1 Minimum notice periods regarding operational changes   | About the Report, p. 12<br>Employees & Workplace, p. 22 |              |                             |             |

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| GRI 403: Occupational Health and Safety 2016 | 403-1 Workers representation in formal joint management-worker health and safety committees   | Health, Safety & Environment, p. 33                         |              |        |             |
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|  | 403-3 Workers with high incidence or high risk of diseases related to their occupation  | Health, Safety & Environment, p.32                          |              |        |             |
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| GRI 404: Training and Education 2016         | 404-1 Average hours of training per year per employee   | Employees & Workplace, p. 23                                |              |        |             |
|  | 404-2 Programs for upgrading employee skills and transition assistance programs   | About the Report, p. 12<br>Employees & Workplace, pp. 22-24 |              |        |             |

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| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees   | About the Company, p. 7<br>Employees & Workplace, p. 21<br>Governance, p. 29<br><b>Proxy Statement</b> , p. 2-8 |              |        |             |
|   | 405-2 Ratio of basic salary and remuneration of women to men                               | Employees & Workplace, p. 21  |              |        |             |
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| GRI 406: Non-discrimination 2016              | 406-1 Incidents of discrimination and corrective actions taken                             | Employees & Workplace, p. 20  |              |        |             |

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| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | About the Report, p. 12<br>Employees & Workplace, pp. 20-21 |              |        |  |
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|  | 103-3 Evaluation of the management approach  | Employees & Workplace, p. 20                                |              |        |  |
| GRI 408: Child Labor 2016                                      | 408-1 Operations and suppliers at significant risk for incidents of child labor                                      | About the Report, p. 12<br>Employees & Workplace, p. 20     |              |        | Fluor tracks this information for operations, but does not track this information for suppliers. |

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| GRI 409: Forced or Compulsory Labor 2016   | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | About the Report, p. 12<br>Employees & Workplace, p. 20 |              |        |             |
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| GRI 411: Rights of Indigenous Peoples 2016 | 411-1 Incidents of violations involving rights of indigenous peoples                           | About the Report, p. 12                                 |              |        |             |

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|   | 412-2 Employee training on human rights policies or procedures   | Employees & Workplace, p. 20                            |              |        |             |
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| GRI 413: Local Communities 2016         | 413-1 Operations with local community engagement, impact assessments, and development programs                                   | Community & Social Service, p. 19                       |              |        |             |
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| GRI Standard                             | Disclosure  | Page Number(s) and/or URL(s)  | Omission     |        |  |
|--|---|---|--------------|--------|--|
|  |   |   | Part Omitted | Reason | Explanation  |
| <b>Material Topics</b>                   |   |   |              |        |  |
| <b>GRI 400: Social Standards Series</b>  |   |   |              |        |  |
| <b>Supplier Social Assessment</b>        |   |   |              |        |  |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its boundary            | Supply Chain, pp. 38-39   |              |        |  |
|  | 103-2 The management approach and its components                    | Supply Chain, pp. 38-39   |              |        |  |
|  | 103-3 Evaluation of the management approach                         | Supply Chain, pp. 38-39   |              |        |  |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers were screened using social criteria             | Supply Chain, p. 39   |              |        |  |
|  | 414-2 Negative social impacts in the supply chain and actions taken | Supply Chain, pp. 38-39   |              |        |  |
| <b>Public Policy</b>                     |   |   |              |        |  |
| GRI 103: Management Approach 2016        | 103-1 Explanation of the material topic and its boundary            | Governance, pp. 29-30   |              |        |  |
|  | 103-2 The management approach and its components                    | Governance, pp. 29-30   |              |        |  |
|  | 103-3 Evaluation of the management approach                         | Governance, pp. 29-30   |              |        |  |
| GRI 415: Public Policy 2016              | 415-1 Political contributions                                       | Governance, pp. 29-30<br><a href="http://www.fluor.com/sustainability/corporate_governance/pages/political-activities/ASPX">www.fluor.com/sustainability/corporate_governance/pages/political-activities/ASPX</a> |              |        | Detailed Political Activities Policy and report can be found on website. |

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| <b>Material Topics</b>                    |  |                                     |              |        |             |
| <b>GRI 400: Social Standards Series</b>   |  |                                     |              |        |             |
| <b>Socioeconomic Compliance</b>           |  |                                     |              |        |             |
| GRI 103:<br>Management Approach 2016      | 103-1 Explanation of the material topic and its boundary                       | Health, Safety & Environment, p. 32 |              |        |             |
|   | 103-2 The management approach and its components                               | Health, Safety & Environment, p. 32 |              |        |             |
|   | 103-3 Evaluation of the management approach                                    | Health, Safety & Environment, p. 32 |              |        |             |
| GRI 419:<br>Socioeconomic Compliance 2016 | 419-1 Non-compliance with laws and regulations in the social and economic area | Health, Safety & Environment, p. 32 |              |        |             |

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# APPENDIX B PROJECT PROFILES

🔥 302-5, 306-4, 306-5

Fluor has projects worldwide in four business segments: Energy, Chemicals & Mining; Industrial, Infrastructure & Power; Diversified Services; and Government. Highlighting all of these business segments are five profiles with exceptional records in the sustainability area.

- Savannah River Site Management and Operations
- South Mountain Freeway (SR202)
- Brunswick County Power Station
- Clean Fuels Program MAB2
- Stork



Savannah River Site entrance

## SAVANNAH RIVER SITE OPERATIONS AND MAINTENANCE PROJECT

Aiken, South Carolina, United States  
US Department of Energy

Savannah River Nuclear Solutions (SRNS), a Fluor-led team, is the management and operations (M&O) contractor for the U.S. Department of Energy (DOE) Savannah River Site (SRS), including the Savannah River National Laboratory (SRNL), which employs 5,400 nuclear-trained personnel; provides safe, secure and cost-effective management of U.S. nuclear stockpile; generates innovative approaches to environmental stewardship; is the nation's only tritium supply for nuclear defense; and transforms nuclear materials into forms useful for energy production and safe storage.



### Safety Achievements

- **9.7 million safe workhours** (no Days Away, Restricted or Transferred Days Away)
- **Hosted the annual SRS Safety Expo** featuring 60 interactive booths with 2,500 site employees attending
- SRNL recognized annually as a **safety performance leader for DOE national laboratories**



### Environmental Achievements

- **Completed all Federal Facility commitments and milestones**, on or ahead of schedule, with no reportable employee or personal effects contamination event
- **Awarded DOE SunShot Grant** for solar power initiatives
- **Saved US\$427,900** through paper recycling contract
- **Recycled 50.4%** of 1,521 tons (1,380 metric tons) of waste
- Partnered with SRS Community Reuse Organization to **reuse 400+ aerosol cans**



### Community Involvement

- SRNS invested **US\$1 million in local communities** in 2016 (over US\$8 million since 2008)
- SRNS employees donated **US\$1.2 million+** to **United Way®** campaign
- **Collected 12,000+ toys** for Marine Corps Toys for Tots® campaign and Salvation Army®'s Angel Tree program
- **Endowed Engineering Chair** at University of South Carolina Aiken for US\$550,000
- **Supported 30,000+ students and teachers** in Educational Outreach by partnering with technical schools, including Aiken Technical College, Augusta Technical College, Orangeburg-Calhoun Technical College and Denmark Technical College
- Partnered with Clemson University to help **modernize and protect the nation's electrical grid**
- Conducted **200 tours** with 3,275+ visitors



### Awards and Achievements

- **Construction Safety Excellence Awards** from South Carolina (SC) Chamber of Commerce, SC Department of Labor and SC Manufacturers Alliance
- Recognized for the **eighth consecutive year for Occupational Excellence** by the National Safety Council
- **15th DOE** Voluntary Protection Program **Star of Excellence**
- **DOE Energy Sustainability Award**
- **Implemented 180+ continuous improvement initiatives** worth US\$31.6 million on cost savings, avoidances, productivity and efficiency improvements
- **Hired 435+ full service employees and 171 limited service employees**, mitigating current retiring workforce
- Made **SRNS a compelling workplace** by improving the facilities' appearance and providing access to onsite gyms and collaboration spaces



Site is  
**198,000 acres**  
(80,128 hectares)  
or 96% of the size  
of New York City



**Crosses  
3 counties**



Maintains  
**7.6 million  
square feet**  
(706,063 square meters)  
of building space



**1,000+ structures  
& facilities**

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Loop 202 South Mountain Freeway

## SOUTH MOUNTAIN FREEWAY (SR202) PROJECT

Phoenix, Arizona, United States

Arizona Department of Transportation

The Fluor-led joint venture, Connect 202 Partners LLC, is a design-build and maintenance partnership comprised of Fluor Enterprises Inc., Granite Construction Co., Ames Construction Inc., Parsons Brinckerhoff Inc. as the lead designer, and DBi Services LLC, as the maintenance partner.

When complete, the Loop 202 South Mountain Freeway will deliver 22 miles (354 kilometers) of improved mobility via four lanes in each direction – three general-use lanes and one high-occupancy vehicle (HOV) lane – and includes modern features of rubberized asphalt and aesthetics that reflect nearby communities. Fluor and DBi Services LLC have been selected to maintain the lanes for 30 years with oversight from the Arizona Department of Transportation. Major construction began in 2016 with lanes planned for opening in late 2019.



### Safety Achievements

- **368,559 safe workhours** without lost time as of December 2016



Trees saved by relocation



### Environmental Achievements

- **Established 2 temporary plant nurseries** to salvage and store trees until trees are transplanted
- **Moved and replanted** 483 trees and 27 cacti
- **Relocating wildlife:** burrowing owls, pocket mice, lizards, snakes
- **Local rebar subcontractor using recycled steel** collected from demolished structures in the path of the freeway to make rebar



### Community Involvement

- **3 public meetings** held to share preliminary road design with 800+ participants
- **31 meetings** held with specific organizations, schools, schools and homeowner associations
- **Weekly traffic alerts** sent to over 10,000 email addresses and mobile telephone numbers
- Issued **communications in English and Spanish**
- Provided Gila River Indian Community **sensitivity training** to 1,344 project employees
- **Safety training for 3,382 people** (employees, JV partners and employees, subcontractors, utility employees and union members) with training offered in English and Spanish
- **Donated 215 pairs of shoes** to Arizona's foster children
- Held November **food drive**
- **Collected gifts and cash** for Christmas Adopt-a-Family
- **Local spend of US\$18 million+** committed with Disadvantaged Business Enterprises and Small Business Concerns
- **Trained Phoenix first responders** using existing structures to be demolished



Relocation of large cactus



Snake found at construction site being saved



Shoe collection for foster children

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Aerial view of the Brunswick County Power Station project site

## BRUNSWICK COUNTY POWER STATION PROJECT

Brunswick County, Virginia, United States

Dominion Virginia Power

Turnkey engineering, procurement, construction and commissioning services were provided for the Brunswick County Power Station, a combined-cycle, natural gas-fired Dominion Virginia Power plant on a 205-acre (101 hectares) site in Brunswick County, Virginia. Construction of the station began in August 2013. The project was completed in April 2016 and produces in excess of 1,300 megawatts.



### Safety Achievements

- **0.40 TCIR** (Total Case Incident Rate per 200,000 hours worked)
- **5.6 million** total workhours



### Environmental Achievements

- **CO<sub>2</sub> emissions reduced** by approximately 50% compared to coal-fired power plants
- Supports transition to **lower carbon-intensive industry**



### Community Involvement

- **Held food drives** during Thanksgiving holiday
- **Collected coats and toys** at Christmas for needy families
- Raised money for **local Boy Scouts of America**<sup>®</sup>
- Participated in **fund-raiser golf tournaments**
- Participated in **local job fairs**
- Constructed a welding facility and donated supplies to **Southside Virginia Community College (SVCC)**
- Established a **welder training program** at SVCC
- **Donated US\$25,000** to SVCC from Fluor Foundation
- **Donated 1,000 cubic yards of soil** (965 cubic meters) to local farmers and Little League<sup>®</sup> baseball field



### Awards and Achievements

- **Excellence in Safety Best Project** by *Engineering News-Record (ENR)* Mid-Atlantic
- **Best Project** in the energy/industrial category by *ENR* Mid-Atlantic



Construction work in progress at the Brunswick County Power Station



Powers  
**325,000**  
Homes



**1,500+**  
workers  
on site



Placed  
**38,000+ cubic yards**  
of concrete  
(29,053 cubic meters)



Laid  
**178,000 linear feet**  
(117k of aboveground &  
61k of underground)



Ran  
**420 miles**  
of cable  
(676 kilometers)

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Construction work in progress at the Mina Abdulla Refinery

## CLEAN FUELS PROGRAM MAB2

### Mina Abdulla, Kuwait

#### Kuwait National Petroleum Company (KNPC)

This project consists of engineering, procurement and construction work to upgrade the KNPC Mina Abdullah Refinery in Kuwait. The project scope is part of the Clean Fuels Project and includes a greenfield hydrogen plant, steam, utilities and sour gas treatment facilities as well as revamp work to various existing refinery units and expanded offsites and utilities. As part of the utility scope of work, a wastewater treatment facility will be built to treat storm water and runoff prior to discharge to the sea, thereby protecting the waters of the Arabian Gulf. The work is executed by a joint venture called FDH with partners Fluor, Daewoo and Hyundai. Engineering began in April 2014 and construction is expected to be completed in 2018.



#### Safety Achievements

- **0.04 TCIR** (Total Case Incident Rate per 200,000 hours worked)
- **13.2 million workhours without a Lost Workday Case**
- **Minimal heat stress cases** reported during peak summer
- **Normal readings for air monitoring at site** as per Kuwait Environment Public Authority
- **HSE training for 700 supervisors**



#### Environmental Achievements

- **Removed 100,000 tons (91,000 metric tons) of non-hazardous waste from site**
- Dedicated subcontractor **collects and recycles materials**, including carbon steel, stainless steel, copper, electrical or instrument cables, aluminum and wood materials



#### Community Involvement

- Awarded over **US\$800 million** in local contracts
- Exceeded the Kuwaiti Ministry of Trade and Commerce target of local spend by **25%**
- Used **10 Kuwait-based and 5 regional-based** construction subcontractors
- Employed **12,000+ craft workers** at peak
- Supported **continual improvement in labor conditions for foreign migrant workers** through coaching and monitoring



Aerial view of the construction site



Construction workers at site



**330,000+**  
tons of concrete  
(300,000 metric tons)



**44,000+**  
tons of structural steel  
(40,000 metric tons)



**4.7 million+**  
yards of cable  
(4.3 million+ meters)



**650,000+**  
yards of pipe  
(600,000 meters)

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## STORK, A FLUOR COMPANY

Utrecht, Netherlands

A Fluor Company

In 2016, Fluor acquired Stork Holding B.V. (Stork) and added its maintenance, modification and asset integrity capabilities to Fluor’s integrated solutions offerings. This acquisition significantly expanded Fluor’s ability to provide complete life cycle services to the company’s clients around the world.

Going forward, Stork will focus on strengthening its global presence in more than 100 countries and is well positioned to enhance the services offered by Fluor’s Operations & Maintenance business.

Below are brief descriptions of sustainable actions with project execution and community involvement.

### Stork-MASA

Stork-MASA is a South American subsidiary of Stork, providing comprehensive asset management services to the oil, mining and energy sectors. The company assists its clients in integral management of assets. Stork-MASA is committed to the progress of each of the countries where it operates and, with its clients, applies the highest standards of security, risk management and social responsibility.

As part of its efforts to support the communities in which it does business, Stork-MASA has created the MAXLISTO Social Responsibility Program. This program aims to educate children from pre-school and primary school in all aspects of risk prevention through recreational and educational activities, practices and simple exercises developed at schools and with the children’s families. Examples of the training include hand care injury prevention, road sign awareness, electrical hazards at home and how to care for the environment.



Children attend MAXLISTO program

- 1,231 children engaged
- 20 schools involved
- 20 departments of Colombia participated

### Steam-Driven Pumping Station Revision Project

Stork successfully revised and renovated a 100-year old steam engine at a UNESCO™ World Heritage Site. The Ir D.F. Woudagemaal in the province of Friesland in the Netherlands opened in 1920 and is the largest steam-driven installation in the world that is still in use.

During high water, four steam engines pump over 1.6 million gallons (6 million liters) of water per minute into the IJsselmeer. Stork installed these engines and pumps in 1955 and they are still operating today. The revisions were completed during the wet winter months, when the pumps had to remain continuously available. This maintenance should allow this historic landmark to keep Friesland dry for many years to come.

### Rio Tinto Kennecott – Operations & Maintenance Services

Fluor, and now Stork, has provided Operations & Maintenance (O&M) services for the Rio Tinto Kennecott Mine in Magna, Utah, United States, for more than 15 years. The open pit mining operation produces refined copper and other precious metals and minerals. The long-term maintenance contract has now evolved into a team-driven relationship with a common goal of safety and cost efficiency. Using Fluor’s continuous improvement practices and value creation program, more than US\$4 million was saved over two years. Some of that cost was due to a reduction in the number of motor replacements required in the smelter’s excavators. Regular maintenance is extending the life of the motors, such that they need to be replaced only once per year instead of twice per year as in the past.



Rio Tinto Kennecott Mine, Magna, Utah, United States

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