

# Building a Better World

2017 SUSTAINABILITY REPORT





# BUILDING A BETTER WORLD



**FLUOR IS COMMITTED TO WORKING WITH CLIENTS TO ENSURE THAT THEIR PROJECTS ARE COMPLETED SAFELY, EFFICIENTLY, EFFECTIVELY, ETHICALLY AND SUSTAINABLY. THE COMPANY AND ITS STAKEHOLDERS WORK TOGETHER TO BUILD A BETTER WORLD.**

## **ABOUT THE COVER:**

On September 6, 2017, Hurricane Irma, a powerful Category 5 storm, passed north of Puerto Rico and left more than one million people without power. Fourteen days later, Hurricane Maria made direct landfall on Puerto Rico as a Category 4 hurricane. Its catastrophic high winds further devastated the island's 2,400 miles (3,862 kilometers) of transmission lines, 30,000 miles (48,280 kilometers) of distribution lines and 300 substations, leaving nearly all residents without power. It is estimated that 80 percent of the island's electrical grid was affected by the storms.

Fluor was awarded a contract by the U.S. Army Corps of Engineers (USACE) Huntsville, Alabama Engineering Center to assist in the restoration of the power grid.

Within 48 hours of receiving the signed contract, Fluor assessment and logistics personnel, accompanied by more than 1,000 pieces of critical equipment and supporting materials, were in Puerto Rico's capital of San Juan, working closely with more than a dozen local subcontractor firms to restore energy to the island. Since the first contract was issued, more than US\$1 million has been spent in the local economy as part of the power restoration project.

As of March 2018, the Fluor team has installed 493 miles (793 kilometers) of conductor wire and straightened or replaced 7,791 power poles. Power has been restored to more than 250,000 customers, including homes, businesses, industrial facilities, schools and hospitals.

## **CAUTIONARY STATEMENT**


This Sustainability Report and [fluor.com/sustainability](https://www.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 Fluor's results can be found under Item 1A Risk Factors in **2017 Form 10-K**, filed with the U.S. Securities and Exchange Commission on February 20, 2018. 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 **2017 Form 10-K** and the **Proxy Statement** for the 2018 Annual Meeting of Stockholders, as well as other filings, may be downloaded at [investor.fluor.com](https://investor.fluor.com). No material in this Sustainability Report forms any part of those documents. No part of this report or [fluor.com/sustainability](https://www.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

102-14, 102-15

Dear Valued Stakeholders:

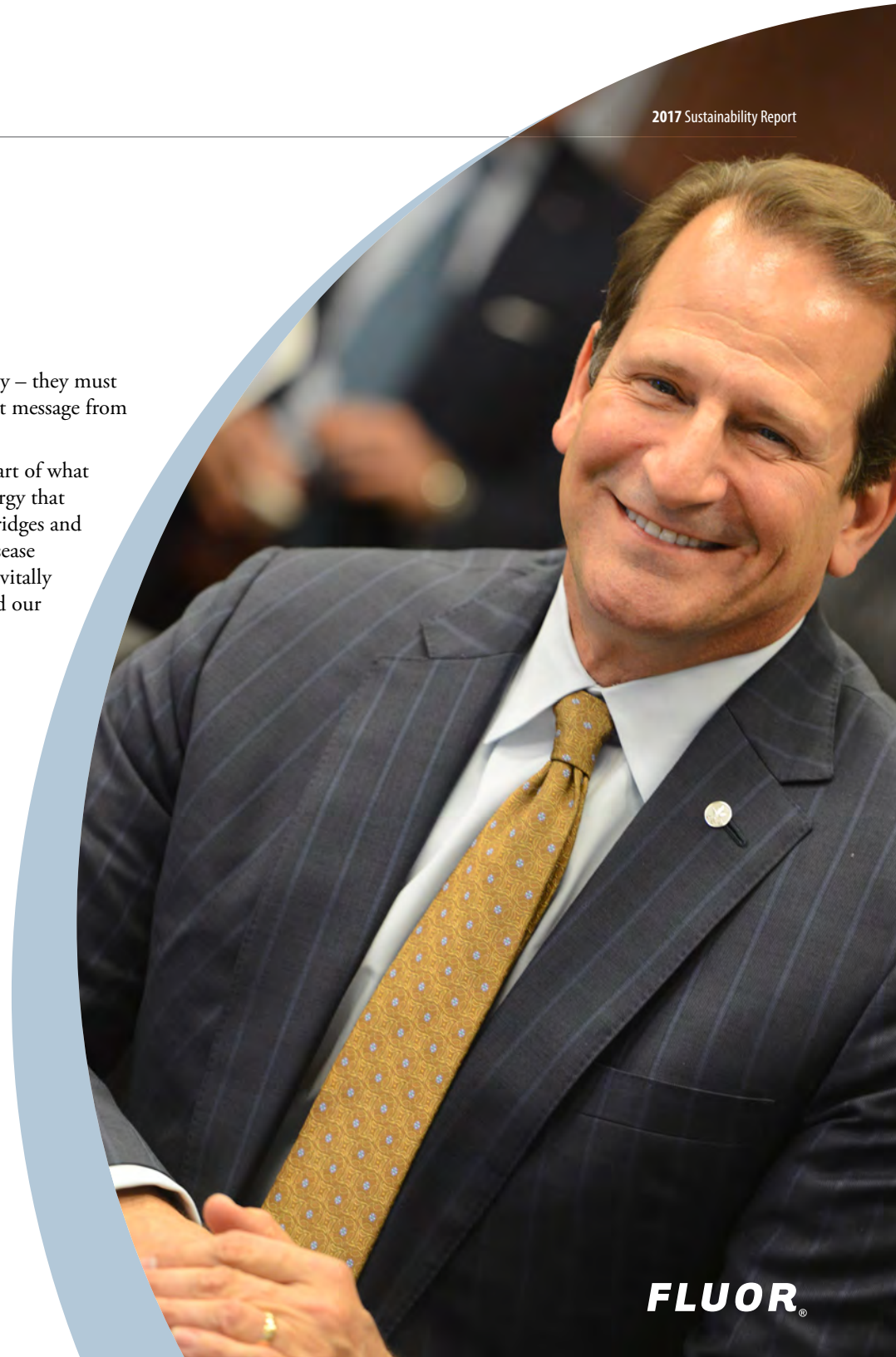
In today's world, it is not enough for companies to simply make money – they must also make a positive contribution to society. Businesses are hearing that message from shareholders, employees and other stakeholders.

At Fluor, focusing on long-term sustainability has always been a key part of what we do. Our clients create the projects that make society work. The energy that powers us, the raw materials that build our industries and cities, the bridges and highways that connect us, the life-saving pharmaceuticals that treat disease and the missions that keep our people and nations safe – these are the vitally important arenas in which our clients operate. Working with them and our other stakeholders, we are **Building a Better World**.

Our integrated solutions approach enables us to deliver the capital efficiency that our clients demand across the asset life cycle, from engineering to procurement, fabrication, construction, as well as operations and maintenance. But this approach also helps our clients reduce the impact of their facilities on natural resources and the environment. For example, our proprietary Zero Base Execution<sup>SM</sup> approach for simplified design delivers fit-for-purpose facilities that require fewer raw materials to build, often with a significantly reduced footprint, and are more efficient to operate and maintain.

Sustainability forms an integral part of the activities at Fluor's offices and project sites around the world. Highlights from 2017 include:

- The team building the new Governor Mario M. Cuomo Bridge in New York used recycled parts of the old Tappan Zee Bridge to create 13 acres of reefs to support marine life.
- Volunteers from our Calgary, Canada office worked with a local charitable organization to provide a passive solar greenhouse at a local school that will support the school's curriculum and can be used as a therapeutic tool for children who experience behavioral and mental health challenges.





- Our New Delhi, India office sponsored a water kiosk in a fast-growing community outside the city, providing hundreds of thousands of people with clean, accessible drinking water at a major transportation hub.

You can read about these accomplishments in more detail throughout this report.

We are deeply committed to strategically investing in the communities where our employees live and work. Healthy, vibrant communities drive demand for Fluor's services, and we have an important role in developing an educated workforce and a robust, sustainable supply chain.

In 2017, Fluor and the Fluor Foundation contributed more than US\$7.4 million to community initiatives and programs, augmented with the equivalent of US\$1.3 million in employee volunteer time.

Science, Technology, Engineering and Math (STEM) remains at the core of our educational investment and programming. We believe that STEM education is a foundational component of success in the global environment. In 2017, Fluor and its employees enabled more than 245,000 primary and secondary school students to receive 1.8 million hours of STEM academic training, enrichment or awareness.

Our four Core Values of safety, integrity, teamwork and excellence remain at the center of everything we do, and help us drive sustainability across our business. Safety continues to be a major area of emphasis – while our performance in 2017 improved compared with 2016, we know we can do more through an uncompromising focus on safety and promoting a caring, preventive culture.

I want to thank our more than 56,000-strong global workforce for the passion and commitment they bring to work every day. 2017 was an uncommon year for natural disasters that severely impacted many of the communities where our employees live and work.

I am very proud of the exceptional strength, decency and humanity our people demonstrated in the face of these challenges.

I hope you enjoy reading this report and learning more about how Fluor and its stakeholders are working together to build a better world.



David T. Seaton  
Chairman & Chief Executive Officer  
Fluor Corporation



# FLUOR AT A GLANCE

Founded in 1912 and headquartered in Irving, Texas, Fluor Corporation (NYSE: FLR) is among the world's largest publicly-traded engineering, procurement, fabrication, construction and maintenance companies.

## A GLOBAL ORGANIZATION WITH A LOCAL PRESENCE

  
**56,706**  
EMPLOYEES

**106**  
FACILITIES  
IN 22 COUNTRIES



  
**1,000**  
PROJECTS IN ANY  
GIVEN YEAR

  
**60**  
SPECIALIZED  
INDUSTRIES SERVED





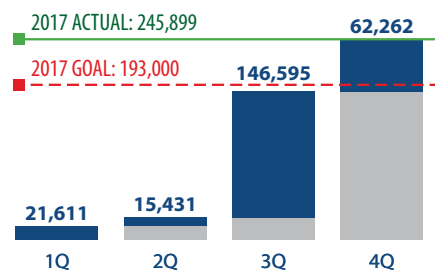
## AWARDS



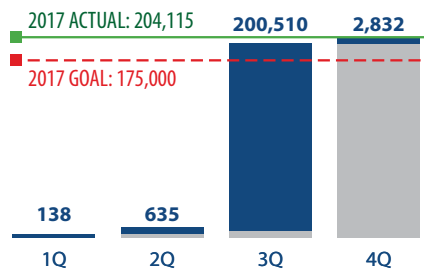


## COMMUNITY & SOCIAL SERVICES

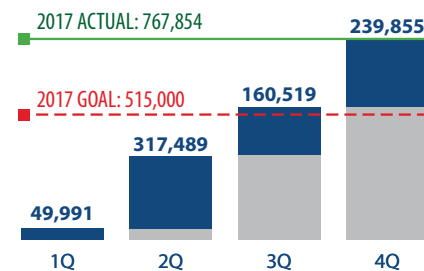
### Students Receiving STEM Training/Enrichment



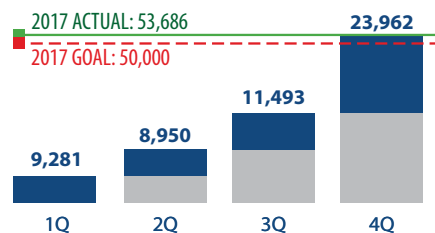
### Youth Receiving Life Skill/Leadership Training



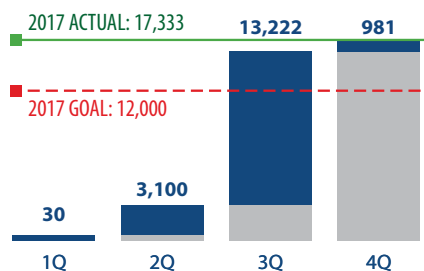
### Meals Provided



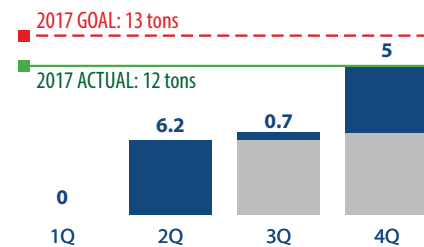
### Employee Hours Volunteered



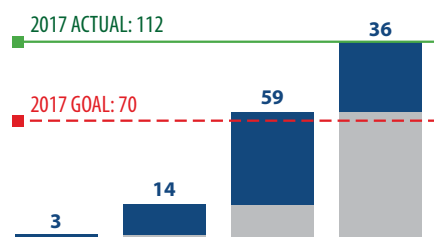
### Number of Trees, Flowers & Shrubs Planted



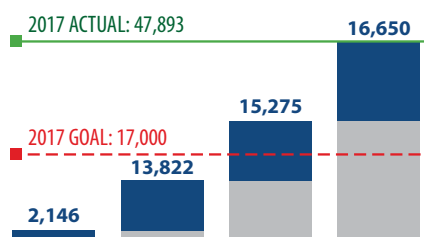
### Tons of Litter Removed



### Homes/Facilities Built/Refurbished

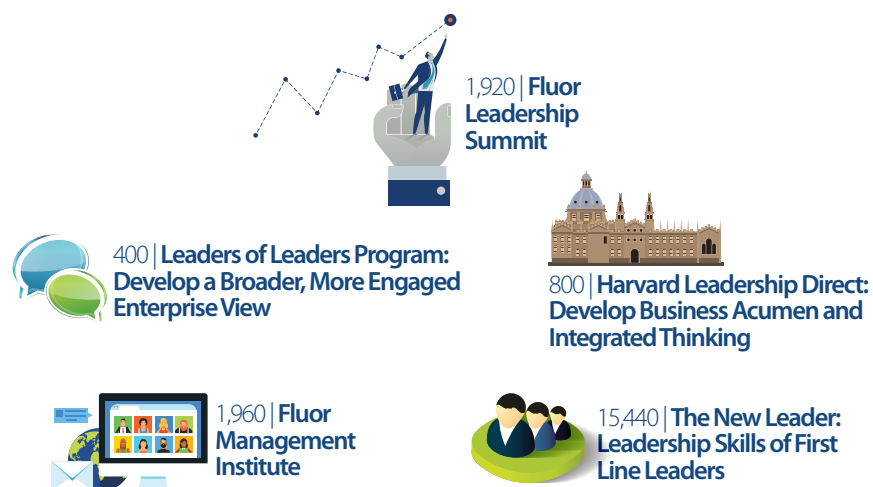


### Receiving Preventive & Emergency Services



## TRAINING

### HOURS OF LEADERSHIP TRAINING COMPLETED IN 2017

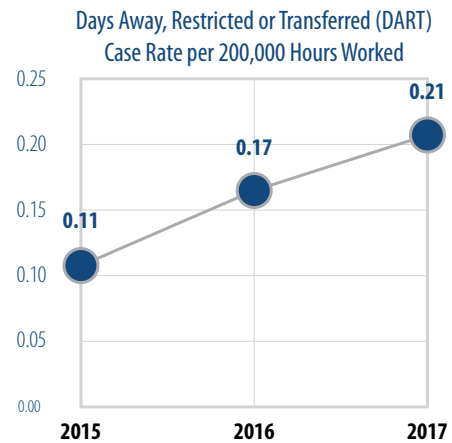
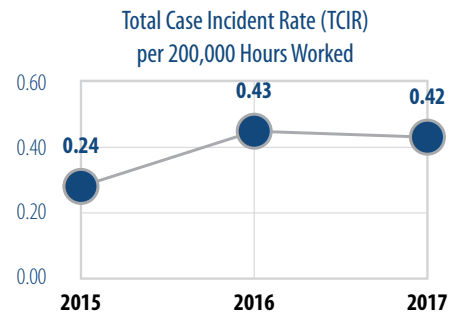


### NUMBER OF EMPLOYEES WHO HAVE RECEIVED ANTI-CORRUPTION (AC) TRAINING BY REGION

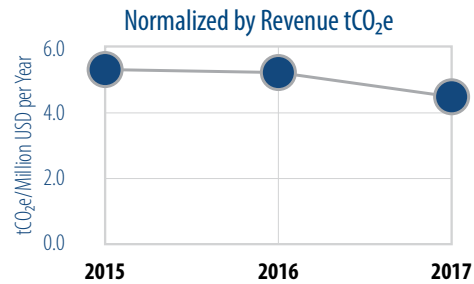




## INJURY RATES



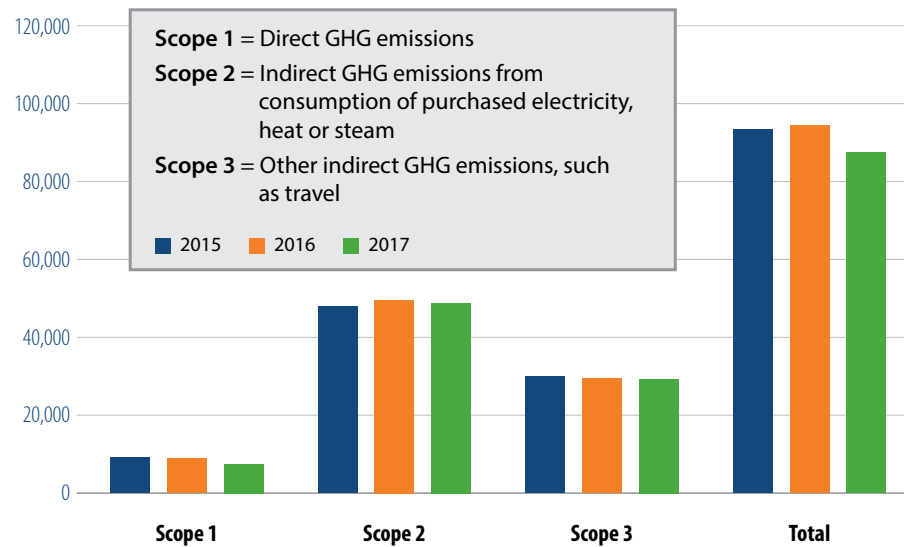
## GHG EMISSIONS



## LOCAL SUPPLIER SPENDING



## Absolute in Metric Tons of Equivalent Carbon Dioxide



# ABOUT THE COMPANY

102-1, 102-3

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 2017, Fluor reported results under four primary business segments: Energy, Chemicals & Mining; Industrial, Infrastructure & Power; Diversified Services; and Government, serving clients through various subsidiaries and joint ventures. For a complete list, refer to Exhibit 21.1 of Fluor's 2017 *Form 10-K*.

103-2

## MANAGEMENT APPROACH

Fluor incorporates the elements of sustainability into its operating structure. The corporate *Sustainability Policy; Health, Safety and Environmental Policy; Code of Business Conduct and Ethics* and related policies specify areas of focus for the company. 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 a variety of methods, including audits.

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; and 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 in 2017 are available in the *2017 Annual Report* and *Form 10-K*.

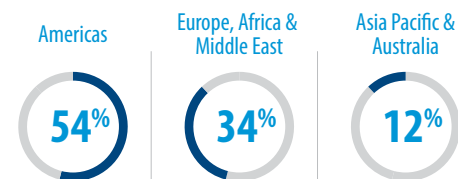
102-10

## SIGNIFICANT CHANGES TO THE ORGANIZATION AND ITS SUPPLY CHAIN IN REPORTING PERIOD

There were no significant changes to the organization and its supply chain in 2017.

102-4, 102-8

### Percentage of Employees by Region



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 was ranked 149th on the 2017 *FORTUNE*® 500 list, with a year-end 2017 global workforce of



56,706 employees. The workforce consisted of 31,951 salaried employees and 24,755 craft and hourly workers, including Stork employees. In 2017, the salaried workforce was 77 percent male and 23 percent female, excluding Stork employees. Additional data are not available due to resource constraints.

102-19, 102-20, 102-26

## SUSTAINABILITY COMMITTEE

The executive-level Sustainability Committee, led by an executive sponsor who reports to Fluor's Chairman & CEO David Seaton, includes representatives from Community Relations; Corporate Affairs; Ethics and Compliance; Facilities; Governance; Government Relations; Health, Safety & Environment; Human Resources; Investor Relations; Employment Law; Sales; Supply Chain and Strategic Planning. The Sustainability Committee meets quarterly, and typically all functions are represented. In conjunction with corporate, functional and business units, the Committee assists with the analysis and monitoring of economic, social and environmental risks that are part of the company's ongoing operations. Additional information regarding the Committee's role is provided in the About the Report section of this report.



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 (NGOs), 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. The company's *Code of Business Conduct and Ethics* is its guide for conducting 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 often seeks support and commitments from stakeholders, such as clients, NGOs, partners, contractors and industry, as the company conducts its work. Suppliers and contractors who provide goods and services to Fluor and its clients are subject to *Fluor's Business Conduct and Ethics 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 meeting 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 portal, 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 & 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 evaluates potential hazards, identifies affected stakeholders and specifies mitigation measures. On specific projects and job sites, clients typically lead HSE 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, 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 future workforce issues, such as the need for career and technology education and more effective youth-resiliency programs.


### Diverse, Sustainable Supply Chain

Fluor actively promotes opportunities worldwide for diverse suppliers and contractors, through programs that increase local spend, drive business with small, minority and disadvantaged businesses and holds the supply chain accountable to the company's expectations through the *Code of Business Conduct and Ethics*.

### Communication

Fluor has various ways to interact and communicate with key stakeholders, 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: Subcommittees to the Committee on Sustainability (United States)
- Association of Union Constructors (United States)
- B20 Task Force on Infrastructure
- Career Development Practitioner Council
- Center for Corporate Citizenship (United States)
- Conference Board: CFO Council; Fortune 250; Chief Environment, Health and Safety (EH&S) Officers Council; Innovation Leadership Council; Global Corporate Citizenship & Philanthropy Council; Purchasing & Supply Leadership Council; Strategy Executives Council and Sustainability Council I: Strategy & Implementation (United States)
- Construction Industry Institute (United States)
- Construction Owners Association of Alberta (Canada)
- Construction Users Roundtable (United States)
- Engineering and Construction Risk Institute

- Engineering Construction Industry Association (United Kingdom)
- European Construction Institute
- Industry Task Force of Alberta (Canada)
- 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 Business Enterprise Alliance Council (United States)
- World Economic Forum (WEF)

### Human Resources, Management and Professional

Fluor holds memberships in numerous local, national and global human resources, management and professional organizations. These organizations include:

- Associated Builders and Constructors (ABC). Pelican Chapters, Baton Rouge, Louisiana
- 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 2017, Fluor held memberships in the following ethics-related organizations:

- Member of Partnering Against Corruption Initiative (PACI) and board member of PACI Vanguard of the WEF
- B20 Anti-Corruption Cross-Thematic Group on Anti-Corruption & Responsible Business Conduct
- Anti-Corruption Working Group of the UN Global Compact
- Building Responsibly, addressing worker welfare concerns in the engineering and construction industry
- Centre of Excellence for Governance, Ethics and Transparency (CGET) (India)
- Confederation of Indian Industries: Integrity & Transparency in Governance Committee
- Ethics & Compliance Initiative (United States)
- Global Coalition on Anti-Corruption and Sustainable Growth (India)
- National Contract Management Association (United States)
- North Texas Ethics & Compliance Council



## HSE

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

- ▶ Alberta Occupational Health Nurses Association (Canada)
- ▶ American Society of Safety Engineers
- ▶ ANSI A10 Accredited Standards Committee for Construction & Demolition (United States)
- ▶ Board of Certified Safety Professionals (United States)
- ▶ British Institute of Facilities Management
- ▶ British Safety Council
- ▶ BuildSafe South Africa
- ▶ College and Association of Registered Nurses of Alberta (Canada)
- ▶ Energy Facilities Contractors Group (United States)
- ▶ Institute for Sustainable Infrastructure (United States)
- ▶ Institution of Occupational Safety and Health (United Kingdom)
- ▶ National Association for Environmental Management (United States)
- ▶ National Construction Safety Executives (United States)
- ▶ National Institute of Disability Management and Research (Canada)

- ▶ National Safety Council (United States)
- ▶ Offshore Contractors Association (United Kingdom)
- ▶ Oil & Gas UK
- ▶ Royal Society for the Prevention of Accidents (United Kingdom)
- ▶ Safety Institute of Australia
- ▶ Step Change in Safety (United Kingdom/Africa)
- ▶ 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 employees and its projects were honored with a number of external recognitions for sustainable performance in 2017.

- ▶ Fluor was ranked first in the Engineering & Construction Industry sector of



the *FORTUNE* World's Most Admired Companies® list for six consecutive years.

- ▶ Fluor was ranked 149th on the *FORTUNE* 500 list.
- ▶ Fluor was listed on the North America Dow Jones® Sustainability Index for the third consecutive year.



- ▶ Fluor ranked first in the *Engineering News-Record (ENR)* 2017 list of Top 100 Contractors by New Contracts.
- ▶ Fluor ranked second on *ENR's* Top 400 Contractors list.
- ▶ Fluor ranked first on *ENR's* 2017 list of Top 20 Design Firms by Sector: Industrial Process/Petroleum for the 15th consecutive year.
- ▶ Fluor ranked fourth on *ENR's* 2017 list of Top 500 Design Firms.
- ▶ Fluor ranked first on *ENR's* 2017 list of Top Design Firms in the Refineries and Petrochemical Plants sector for the fifth consecutive year.



Fluor was named to the *Forbes* and *JUST Capital* JUST 100 List in 2017 for the


second consecutive year and ranked first in the Industrial Goods category.

- ▶ *ENR* presented the Dow Ethylene Production Facility with an Award of Merit in the Power/Industrial category in the Global Best Projects competition. Dow/Fluor project teams were recognized for their outstanding design and construction efforts.
- ▶ *Power Magazine* recognized the Brunswick County Power Station Project as a 2017 Top Plant in the Gas-Fired category.

## Community and Social Service

Fluor and its people were recognized for the following outstanding contributions to community and social service in the communities where it does business.

- ▶ Construction Orange County recognized the Fluor 2017 CANstruction team with the Best Meal Award at the organization's 10th Annual Design-Build Competition.
- ▶ Fort Bend Education Foundation (FBEF) awarded Fluor's Sugar Land office its Top Donor Award.
- ▶ International Pipeline & Offshore Contractors Association (IPOCA) presented Fluor with the Corporate Social Responsibility Award for the 2016 Global Community Project Fund, featuring the Uthmaniyah Water Kiosk project (awarded in 2017).

- Red Cross Philippines presented Fluor with a Diploma of Service plaque for its “meritorious service rendered for the furtherance of Red Cross ideals and purposes.”
- Trout Unlimited South Carolina Council presented Fluor with the 2017 Palmetto Award for continued support of environmental programs contributing to the protection, restoration and preservation of watersheds in South Carolina.
-  United Way of Greenville County, South Carolina, recognized Fluor for raising US\$2.3 million in its 2017 United Way campaign.
- United Way of Greenville County, South Carolina, recognized Fluor with the Top Overall Campaign – Employee & Corporate Award in 2017.
- United Way of Greenville County, South Carolina, recognized Fluor with the Top Employee Giving Award in 2017.
- United Way of Greenville County, South Carolina, presented Fluor with its 2017 Chairman’s Award.
- United Way of the Midlands, South Carolina, presented Fluor’s V.C. Summer nuclear facility with its 2017 Best New Campaign Award.
- Fluor received the United4OC award which honors corporate partners that embody an

overall spirit of giving through contributions of time, leadership and resources.

- Fluor was recognized as a Spirit of Orange partner for raising over US\$100,000 for United Way’s Community Impact Fund through the Employee Giving Campaign.

### Ethics and Compliance

-  Fluor was named a World’s Most Ethical Company by *Ethisphere* magazine for the 11th consecutive year – one of only 13 companies to achieve this distinction since the award’s inception.

### Health, Safety and Environment

- The American Society of Safety Engineers (ASSE) presented a Gulf Cooperation Council (GCC) HSE Excellence Gold Award for Asset Integrity Services to Stork Kuwait.
-  The British Safety Council presented Fluor with its 2017 International Safety Award.
- The Engineering Construction Industry Association (ECIA) presented the 2016 Safe Working Award to Fluor in 2017.
- The General Council of Industrial Relations and Work Sciences (Consejo General de Relaciones Industriales y Ciencias del Trabajo

[CGRICT]) presented Sacyr Fluor with an Honourable Mention for management, good practice and positive indicators in the area of occupational risk prevention.

- Healthy Working Lives of Scotland presented Stork with its Silver Award, and Stork maintained its Bronze Award for commitment to improving the health, safety and well-being of its employees.
- The National Safety Council recognized Savannah River Nuclear Solutions for its 2016 safety performance in operations and construction with the 2017 Occupational Excellence Achievement Award.
- The Royal Society for the Prevention of Accidents (RoSPA) presented Fluor with its 2017 Gold Award for achieving a high level of safety performance and demonstrating strong HSE management and culture.
- RoSPA recognized Fluor with its Occupational Health and Safety Gold Award, which is presented to organizations sustaining high standards of HSE over consecutive years.

### Supply Chain

- The Houston Women Business Enterprise Alliance (WBEA) presented Fluor with its 2017 Cutting Edge Award for continuous growth in spending with women-owned businesses.

 102-12

## CERTIFICATIONS

Many Fluor facilities and projects were certified or recertified for health, safety or environmental management by standard-setting entities in 2017.

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

- Aliso Viejo and Long Beach, California, United States offices
- Brisbane, Melbourne and Perth, Australia offices
- COOEC-Fluor Heavy Industries Co. Ltd., Guangdong Province, China
- EQIN, Stork North America
- Manila, Philippines office
- Santiago, Chile office
- Stork, UK/Africa offices

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

- EQIN, Stork North America
- ICA Fluor, Mexico
- Santiago, Chile office
- Stork UK/Africa offices
- Stork UAE

### VCA Petrochemie:

- EQIN, Stork North America
- Hoofddorp and Bergen op Zoom, the Netherlands offices



# ABOUT THE REPORT

 102-51, 102-52

Fluor has published a **Sustainability Report** annually since 2008. *Prior Sustainability Reports* are available online at <http://www.fluor.com/sustainability/pages/report.aspx>.


 102-50

This Sustainability Report features quantitative and qualitative data for 2017, as well as material from previous years. It also may include relevant information that became available in 2018 before the report's publication. This report should be read in conjunction with Fluor's *2017 Annual Report* and *Form 10-K* and its *Proxy Statement* for the 2018 Annual Meeting of Stockholders, as well as other publicly filed documents.

 102-12

This Sustainability Report serves as Fluor's annual Communication of Progress under the UN Global Compact to clients, employees, shareholders, lenders, financial analysts, rating agencies, suppliers and subcontractors, NGOs, 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.

 102-26, 102-46


## MATERIALITY AND REPORTING PROCESS

Fluor has prepared this report under the direction of the Sustainability Committee. The content included in this 2017 Sustainability Report and its prioritization was assessed and determined by the Sustainability Committee members. Fluor's Chairman & CEO David Seaton and his senior management team reviewed this report after the Sustainability Committee addressed all material aspects of it.

Fluor used the Global Reporting Initiative™ (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.

 102-47, 103-1

## 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 *2017 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 offices and manufacturing facilities acquired in 2016. 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.

 102-49

The Stork facilities 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 is anticipated to occur in 2018.

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

Within each section of the Sustainability 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/or competitive reasons or because resources for consolidated data collection are limited.

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

In this document, Fluor reports on the GRI Standards relevant to its business operations and measurable in 2017.

## 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 2017 Sustainability Report has been prepared in accordance with the GRI Standards: Core option. The GRI Content Index, as reflected on the Aspect table on the right, 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 [2017 Form 10-K](#). Fluor Chairman & CEO David Seaton and his senior management team have appointed Executive 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 & CEO and his senior management team.

 102-53

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

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 102-47

## GRI ASPECTS

GRI Standard #	Aspect
<b>102</b>	<b>GENERAL DISCLOSURE</b>
	<b>ECONOMIC</b>
201	Economic Performance
202	Market Presence
203	Indirect Economic Impacts
204	Procurement Practices
	<b>ENVIRONMENTAL</b>
302	Energy
305	Emissions
306	Effluents and Waste
307	Compliance
308	Supplier Environmental Assessment
103-2	Environmental Grievance Mechanisms
	<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
	<b>SOCIAL – HUMAN RIGHTS</b>
412	Investment
406	Non-discrimination
407	Freedom of Association and Collective Bargaining
408	Child Labor
409	Forced or Compulsory Labor
410	Security Practices
411	Indigenous Rights
412	Assessment
	<b>SOCIAL – SOCIETY</b>
413	Local Communities
205	Anti-corruption
415	Public Policy
206	Anti-competitive Behavior
419	Compliance



# 2017 PROGRESS REPORT

- Community & Social Service
- Employees & Workplace
- Ethics & Compliance
- Governance
- Health, Safety & Environment
- Supply Chain

**FLUOR**<sup>®</sup>





# 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 drive demand for Fluor services and play important roles in developing an educated workforce and a robust, sustainable supply chain.



Fluor Cares volunteers work on a LoCAL home build.

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

## FLUOR 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 the company's 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.

201-1

Fluor and the Fluor Foundation contributed more than US\$7.4 million in 2017 to community initiatives and programs. The equivalent of an additional US\$1.3 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 STEM academic training, enrichment and/or who were made aware of career opportunities in these disciplines
- Youth receiving life skills and/or leadership training
- Meals provided to the hungry
- Homes and community-serving facilities built or refurbished
- Hours volunteered by employees

- Individuals benefiting 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

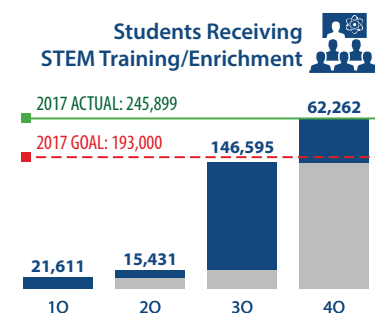
Consistently applied systems and reporting enable Fluor to evaluate and adapt its approach to community investments in order to provide better outcomes for community stakeholders and the company.

## 2017 REVIEW OF GLOBAL GIVING

Fluor and its employees work to create resilient, sustainable communities where they live and work. In 2017, Fluor and its employees:

- Enabled more than 245,000 primary and secondary school-aged students to receive 1.8 million hours of STEM academic training, enrichment and/or to become aware of career opportunities in these disciplines
- Helped more than 200,000 youth receive 2.6 million hours of life-skills enrichment training through the support of youth-serving organizations and initiatives

- ▶ Provided more than 767,000 meals to the hungry through participation in feeding programs and support of meal delivery services
- ▶ Assisted more than 47,000 individuals with preventive and emergency services, such as emergency shelter, health care check-ups and counseling for the homeless and victims of domestic abuse
- ▶ Contributed to the building and/or refurbishment of 112 homes and facilities serving the public good
- ▶ Recycled and disposed of 12 tons of litter
- ▶ Beautified and/or restored communities by planting more than 17,000 trees, flowers and shrubs



## EDUCATION

Fluor believes that STEM education is a foundational component of success in the global 21st century 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.



STEM presentation in Greenville, South Carolina.



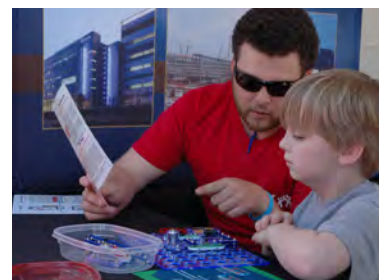
In 2017, Fluor made grants to universities totaling more than US\$1.2 million and invested more than US\$675,000 in its scholarship program for children of Fluor employees.

Each year during National Engineers Week (EWeek), employees help spark interest in the engineering profession within their communities and offer a reminder of how engineers have helped shape the world.



Students visit Fluor in Aliso Viejo, California, during Engineers Week.

During 2017 EWeek, Fluor volunteers visited 164 schools and charitable organizations, educating more than 12,800 students with approximately 18,800 hours of STEM awareness/enrichment. As part of the celebration, students around the world were also invited to participate in the Fluor Engineering Challenge, a student-friendly adaptation of Fluor's Friendly Competition, developed in partnership with Science Buddies, an award-winning, web-based education nonprofit. The 2017 Fluor Engineering Challenge received more than 1,040 submissions, with more than 3,000 students participating from 11 countries.



Fluor Cares volunteer explains circuits to this curious young mind. (IMAGINE Upstate STEAM Festival).

## SOCIAL SERVICES

In 2017, Fluor and its employees partnered with food banks, meal delivery services and other organizations to provide more than 767,000 meals to the hungry. Fluor also assisted more than



(L-R) University of Surrey President and Vice-Chancellor Professor Max Lu and Fluor's Senior Vice President and Surrey Alumni Robin Chopra at recent official opening of the Fluor Pilot Plant.

## FLUOR PILOT PLANT

### Fluor Pilot Plant Helps Develop Future Engineers

In early 2017, a donation of US\$300,000 was made by the Fluor Foundation, Fluor's philanthropic organization, to the University of Surrey to upgrade and refurbish a small-scale pilot plant used by students in the university's chemical and process engineering department. The university, located in the town of Guildford in Southeast England, is an internationally recognized research institution. It will use the upgraded pilot plant, which became operational in late 2017, to provide realistic industry experience to engineering students.

"Fluor continuously invests in developing future engineers," said Chairman & CEO David Seaton. "Our partnership with the University of Surrey in building the chemical engineering talent pool is not only in the best interest of Fluor, but also of vital interest to the United Kingdom."

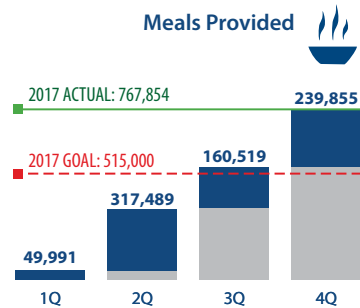


Girl Scouts in Northeast Texas have benefitted from Fluor-sponsored STEM training for six years.

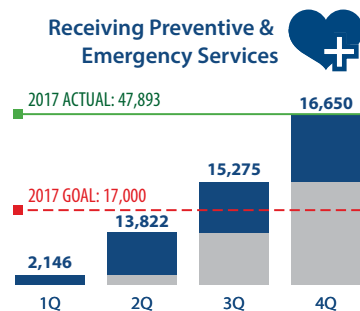
## Fluor's Contribution to STEM Programs

Since 2012, Fluor has partnered with the Girl Scouts of Northeast Texas to change the workforce pipeline for future generations of STEM leaders. The company has contributed US\$115,000 over six years to support hands-on, collaborative STEM programs and activities for more than 600 Girl Scouts in grades K through 12. The programs and activities are designed to help girls develop a stronger sense of self, think creatively, seek challenges, work as a team and understand the educational and professional STEM opportunities available to them.

47,000 individuals by investing in community programs that provide disaster/crisis relief services and access to preventative services for those in need.



Fluor employees are united in their commitment to enhance and strengthen communities. During the 2017 annual Employee Giving Campaign, employees in North America pledged US\$5.6 million to the United Way and other health and human services organizations to improve the quality of life for families and their communities.



203-1, 203-2

## COMMUNITY AND ECONOMIC DEVELOPMENT

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

### Evaluation

Fluor's evaluation of its indirect economic community impact 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



A community member receives water from Fluor-sponsored kiosk in Gurgaon, India.

## Fluor-Sponsored Water Kiosk

A Fluor-sponsored water kiosk, constructed in partnership with Uthaaan, a local environmental organization, is addressing two important needs in Gurgaon, India, a fast-growing community outside New Delhi. The kiosk has provided hundreds of thousands of people with clean, accessible drinking water at a major transportation hub where passengers commute daily. In addition, the kiosk provides employment to two members of Gurgaon's hearing- and speech-impaired community, who are graduates of the Welfare Center for Persons with Hearing and Speech Impediments. The employment opportunity has opened a new door to self-sufficiency and economic independence for them.

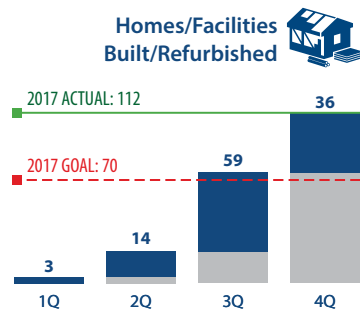


skills, build character and resiliency, provide job training and construct or refurbish affordable housing and community-serving facilities.

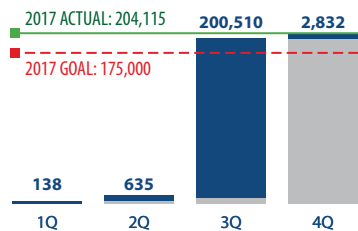
103-1, 103-2, 103-3, 203-1

Fluor participated in numerous home-building initiatives through Habitat for Humanity, Homes of Hope and Brigada Eskwela in the Philippines. The company and its employees helped build or refurbish 112 homes and community-serving facilities in 2017.

Fluor also invests in programs that help youth develop leadership skills and build their self-esteem, confidence and motivation. In 2017, Fluor and its employees helped more than 204,000 youth receive 2.6 million hours of life skills and leadership training by partnering with organizations like Boys & Girls Clubs of America®, Junior Achievement USA®, United Way® and the YMCA®.



### Youth Receiving Life Skill/Leadership Training



203-2

## ENVIRONMENT

As a global engineering and construction company, Fluor is conscious of its impact on the environment and the need to conserve and protect environmental quality. As a result, Fluor manages its operations consistent with the UN 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 2017, Fluor employees recycled or disposed of 12 tons (10.9 tonnes) of litter and helped plant more than 17,000 trees, flowers and shrubs to beautify and restore communities where they live and work.

For the past five years, as part of a collaborative worldwide effort, Fluor has organized the Global Shore Cleanup to help clean areas bordering oceans, rivers, lakes and parks to benefit the environment.



Members of the site prep team helping to decontaminate and decommission the Portsmouth Gaseous Diffusion Plant in Piketon, Ohio.

## PORTSMOUTH DECONTAMINATION AND DECOMMISSIONING PROJECT

### DOE Portsmouth Project Education and Community Involvement

During 2017, the Fluor-BWXT team, which is assigned to decontaminate and decommission the former Portsmouth Gaseous Diffusion Plant in Piketon, Ohio, was involved in numerous activities aimed at making a difference for local students, schools and communities. Here are some of those activities:

#### Education

- Supported the U.S. Department of Energy (DOE) National Science Bowl® in 20 schools
- Supported the DOE Science Alliance, an interactive science fair that introduces STEM subjects to high school students in 31 schools
- Presented 13 Fluor-BWXT STEM scholarships to graduating high school seniors
- Offered 41 paid internships to college students

#### Charitable Giving

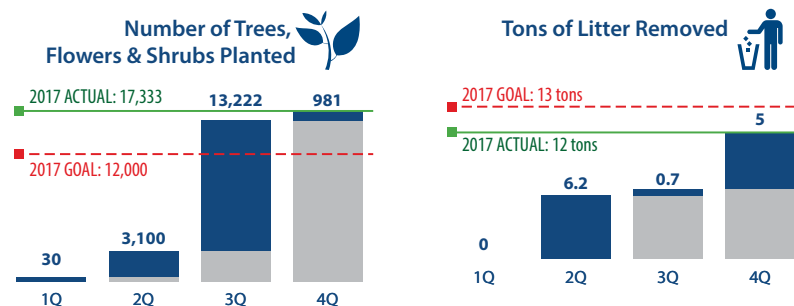
- Raised US\$177,352 for United Way
- Donated US\$125,000 to local charitable and educational organizations
- Collected more than 9,000 pounds of food for the Feds Feed Families program



Hull School's new greenhouse offers students learning experience opportunities.

## Fluor Volunteers with Hull Services

Fluor volunteers worked with Hull Services, a charitable organization in Calgary, Alberta, Canada, to provide a passive solar greenhouse at the local William Roper Hull School. Hull Services, which provides assistance to children who experience behavioral and mental health challenges and their families, offers specialized programming to support the school's students in grades K through 12. The greenhouse will enable students to have hands-on learning experiences, which will tie into the school's curriculum, and the space can be used as a therapeutic tool as well.



In 2017, volunteers helped restore miles of shoreline, removing more than 2,200 pounds (821 kg) of garbage and nearly 500 pounds (187 kg) of recyclable waste.



Employees in China helped plant trees for the Million Tree Project.



A Fluor Cares volunteer plants Guyabano seedlings in Barangay Pung-ol, Sibugay, Cebu City.

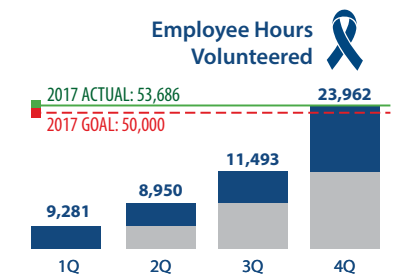
## EMPLOYEE VOLUNTEERISM

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 magnify the impact of the company's charitable investment. In 2017, Fluor employees volunteered more than 53,000 hours to community projects globally.

## SUPPORTING THE U.S. 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 2017, Fluor supported efforts such as the Aiken Technical College Veteran Scholarship and Support Program; Armed Services YMCA at Camp Pendleton, which provides temporary emergency assistance to military families; Boys & Girls Clubs of America Military Youth Initiative and Seabee Memorial Scholarship Association, which provides scholarships to children of deceased Seabees.





*The Tappan Zee Bridge, which crosses the Hudson River north of New York City, is being dismantled piece by piece as completion nears on a new bridge. Photo courtesy of New York State Thruway Authority.*

## GOVERNOR MARIO M. CUOMO BRIDGE

### The End for the Tappan Zee Bridge Comes in Pieces, Not With a Boom

The Tappan Zee Bridge, once crossed by more than 140,000 cars a day, is being dismantled in a highly sustainable way.

To conform with state environmental regulations, any debris, including concrete, steel and wood pilings, must be removed below the mudline to allow the riverbed to restore itself.

So today, Fluor-led joint venture, Tappan Zee Constructors, is overseeing the piece-by-piece dismantling of the Tappan Zee Bridge. Some of the 302,000 tons (273,970 tonnes) of concrete, 46,790 tons (42,447 tonnes) of steel, 13,192 timber piles, 196 piers and more than 2,000 precast deck panels will be salvaged and used on roadways and reef structures in New York.

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 for stakeholder engagement, environmental and/or social impacts is shared with a client or there is no direct responsibility. This arrangement limits Fluor's ability to offer detailed reporting on the topics above as required by GRI Standards.

Please refer to Appendix A for Fluor's community and social services performance data for three consecutive years.



# EMPLOYEES & WORKPLACE

 103-1, 103-2, 103-3

## FLUOR APPROACH

For more than 100 years, Fluor has maintained a viable business based 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.

The company's 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 company's business strategy. Some data are not included in this report for privileged, proprietary and/or 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*, known as the Code, 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, practices and hotline can be found in the Ethics & Compliance section of this report and in Fluor's Modern Slavery Act Statement.

 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 designed to 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 age requirements for workers. 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 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 nine 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 who 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, and it has established 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 current and future 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 communities where it conducts business. The company is committed to helping its employees develop the 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. In all of its global locations, the company uses a variety of avenues to attract talent. Fluor attends job networking events, such as local, regional and national job fairs, including those 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 active roles 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 when determining compensation. 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

Pursuant to regulatory requirements applicable to Fluor, the company reports the ratio of the annual total compensation of its CEO to the annual total compensation of its median compensated employee in its Proxy Statement. However, 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.

103-1, 103-2, 103-3, 401-2

### Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees

Fluor provides its employees with insurance coverage that can support their health and well-being. 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 major 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 well-being. 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. The following are a few examples of local wellness initiatives.

- ▶ Fluor's Global Benefits provided training to regional and country

subject matter experts (SMEs) on well-being and offered local office and project representatives technical assistance to begin, monitor and report their programs.

- ▶ Fluor India formed a committee to institute healthcare service discounts and healthy pregnancy programs and has added a monthly Healthy Living & Safe Home/Workplace program, where employees try different healthy activities every day of the month. They have also presented talks on stress management and celebrated International Yoga day.
- ▶ The Netherlands office provides health assessments for employees and hosts an annual well-being week.
- ▶ Fluor UK sponsors an employee well-being day each year.
- ▶ Fluor's Europe, Asia and Middle East offices combined resources to form a regional working group to strategically develop a uniform approach for providing well-being to employees in these countries.
- ▶ Fluor's Philippines office sponsors a well-being committee that has initiated a monthly schedule of health events and designated a mental health week.
- ▶ ICA Fluor, a joint venture between Mexican engineering construction group ICA and Fluor, provides

opportunities for employees to participate in recreational activities, such as runner's club, swimming and dodgeball teams, stress-relieving activities like mindfulness, yoga, massage, and hobby classes including photography and cake decorating. This office also hosted an Olympic Games to challenge employees to focus on fitness.

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; child, spouse or parental illness and other family needs or demands. Fluor adapts this policy in other countries to meet local or national legal requirements.

103-1, 103-2, 103-3

### TRAINING AND DEVELOPMENT

Fluor provides ongoing training and development opportunities for both salaried and craft personnel, reinforcing its commitment to



Stork supports educational outreach and development for future generations of leaders.

### Stork Enters Into Flagship Collaboration with Meldrum Academy

Stork's Aberdeen, UK, team entered into a flagship collaboration with Meldrum Academy, a local secondary school with more than 900 students. The connection was established through a government run body called Developing the Young Workforce (DYW) and is designed to build strong links between schools, their students and local businesses. They also help young people gain a better understanding of the career opportunities open to them in the world of work.

Stork has committed to supporting Meldrum Academy in a range of activities, such as conducting business-focused workshops, improving students' employability skillsets and providing learning opportunities in STEM subjects. Students will also have work experience placement opportunities at Stork's Aberdeen site.



improving the lives of employees and increasing their skills. Leaders have tools to help them provide continual performance feedback and conduct career planning discussions. Managers encourage employees to cultivate skills that can enhance their professional growth and employability. A strong workforce with skills to serve the business benefits employees, their communities and the company.



404-3

### Salaried Workforce

In 2017, managers and supervisors completed performance assessments for 93 percent of the company's total salaried population. An aspect of the annual review is the career planning discussion, which is designed to determine the best path for employees making progress in their professional development. Many employees elected to participate in this discussion.



404-2

Fluor provides many internal and external opportunities for employees to learn and improve their skills. Employees 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, communication and teamwork. Additionally, discipline-specific, instructor-led courses are listed in the online catalog. Employees can

sign up for these courses voluntarily, and managers can assign classes to employees to help ensure they get the training they need in their chosen fields.



404-1

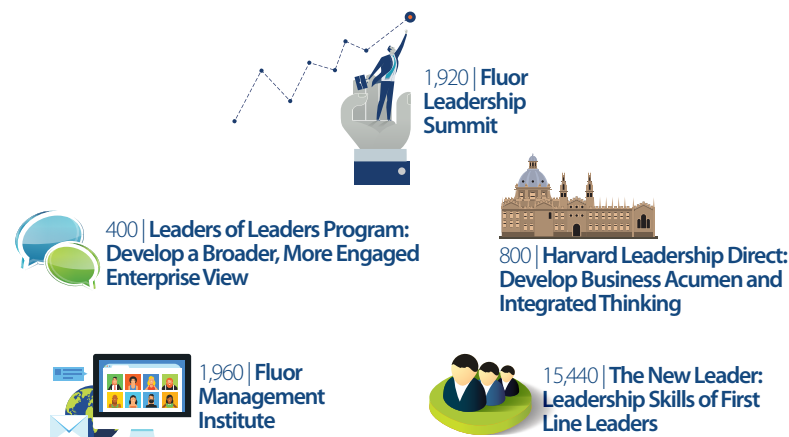
The types of training and average number of learning hours completed by salaried employees in 2017 were:

- ▶ Instructor-led training – 65 different courses completed with an average of 11 hours per employee
- ▶ Online training – 2,876 different courses completed with an average of 7.31 hours per employee
- ▶ Video distance learning – 34 classes across 55 offices and project sites for a combined total of 6,052 training hours for 1,479 participants, resulting in a total cost avoidance of US\$221,800

Fluor also offers training through external vendors. One example is Rosetta Stone®, the online language learning site. In 2017, Fluor employees completed a total of 3,000 hours with Rosetta Stone. The majority of the users accessed courses in English, Dutch, Russian and Spanish, which are spoken in local markets where Fluor does business.

Providing leadership training supports the company's practice of developing and promoting current employees. In 2017, employees spent 20,520 hours in leadership training.

### HOURS OF LEADERSHIP TRAINING COMPLETED IN 2017



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 enhanced construction and craft training for 2017 are:

- ▶ Training 158 lead field supervisors in Live the HSE Value, Embrace Fluor Processes and Procedures,

Accountable for Cost, Planning and Performance and Develop Crew Members (LEAD) program. In addition, the LEAD quick reference guide was developed 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 153,145 hours or an average of 86 hours per person trained at these facilities.
- ▶ Continuing to offer tuition-free, onsite craft training opportunities that are held after normal work hours at the U.S. Gulf Coast Craft Training Center in Pasadena, Texas. Using the National Center for Construction Education and Research (NCCER) curriculum



*Fluor volunteers test water quality in three villages in El Salvador.*

### **Fluor Engineers Volunteer to Create Drinking Water Supply in Isolated Areas of El Salvador**

In 2017, Engineers Without Borders asked a team of Fluor engineers from Aliso Viejo, California and Buenos Aires, Argentina, offices to help create an efficient method for transferring drinking water from well sites to a network of storage tanks for ultimate distribution to homes in three villages of El Salvador, where people have faced difficult options regarding their drinking water for more than 30 years. The Fluor engineers volunteered time in the evenings and on weekends to identify and design the pumps and electrical and control systems necessary for supplying water to the various communities and made recommendations regarding tank safety and water quality. As a result of their efforts, the three villages now have access to clean drinking water.

and certification program, these high-quality courses include basic welding, carpentry and heavy equipment operation. 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 Young Professionals through WorldSkills Russia youth movement, an oil and gas industry training program. This international, noncommercial 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, Fluor focuses on recruiting, hiring, training and developing people across the organization to sustain a qualified workforce. Employees build new skills, grow their careers and potentially move into leadership roles within the company.

# ETHICS & COMPLIANCE

## FLUOR APPROACH

Every day, Fluor employees help design and construct large, challenging capital expenditure projects for clients around the world. These projects can be in industries and geographies where there is the potential for corruption, including emerging markets.

These challenges, however, do not deter the company's absolute determination to always do the right thing. Fluor and its employees are committed to unyielding integrity and the highest standard of business conduct and embrace the critical imperative that ethical conduct and anti-corruption are key elements in the company's success. This Ethics & Compliance commitment positively impacts Fluor's diverse and worldwide stakeholders – clients, employees, suppliers, contractors, investors and the communities where it does 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 in the world and in its work. As a core strategy, the company promotes

anti-corruption and worker welfare within the global engineering and construction industry.

Company executives have taken active roles in global anti-corruption initiatives focused on eliminating corruption and bribery by engaging multiple stakeholders, including government and industry.

Fluor was a leader in organizing the Global Coalition on Anti-Corruption and Sustainable Growth, which includes Alliance for Integrity, the Basel Institute, The B Team, International Business Leaders Forum (IBLF) Global, Organisation for Economic Co-operation and Development (OECD), Partnering Against Corruption Initiative (PACI), Transparency International, UN Office on Drugs and Crime and the World Bank. The purpose of the Coalition is to share information and coordinate activities in areas of common interest.


Fluor's anti-corruption commitment comes from the top. In 2017, Chairman & CEO David Seaton continued his global anti-corruption leadership roles with the B20 Anti-Corruption Task Force, International Business Council

of the World Economic Forum (WEF), PACI Vanguard Steering Board and the WEF's PACI. He has been a strong advocate in encouraging companies to become PACI signatories. 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.

Fluor believes that all individuals should be treated with dignity and respect. Worker welfare involves a commitment to support and protect the health, safety, welfare, security and dignity of workers. More specifically, it includes ethical recruitment and employment practices, as well as safe and healthy living and working conditions. The company is committed to implementing and enforcing effective systems and controls to instill confidence that modern slavery does not exist in its supply chain. Fluor also sees a need for the engineering and construction sector to collectively identify the industry's worker welfare risks, sharing best practices and identifying collective action activities. Fluor helped lead an effort to establish a Worker Welfare Special Interest Group (SIG) under the Engineering & Construction Risk Institute (ECRI), which brought together engineering and construction companies from around the globe. This effort led to

the launch of Building Responsibly in March 2017. This collaborative effort with five other engineering and construction companies is helping raise the industry standard for worker welfare and sharing best practices.

Building Responsibly members have collectively devised a set of principles to address key areas of worker vulnerability, going beyond applicable local and national requirements, laws and regulations to raise standards and level the playing field, so business competitiveness is not at the expense of the worker. By collectively committing to these principles, Building Responsibly members can lead by example and foster a global business environment that advances the safety, security and welfare of workers – especially construction workers.

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

## RISK MANAGEMENT

Fluor's risk management 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.

The company's approach to project teams includes assessing and managing ethics and compliance risks specific to each project.



## Worker Welfare

Fluor understands that employees must be educated about modern slavery and their support must be enlisted to combat it. In 2017, Fluor highlighted worker welfare with a communication campaign in recognition of the United Nations World Day Against Trafficking in Persons (July 31). The campaign included a 30-minute training course titled "Avoiding Trafficked Labor"; a short video titled "Supporting Human Rights: Modern Slavery Act"; OneFluor<sup>SM</sup> intranet articles titled "Building Responsibly: Fluor Helps Launch Global Industry Group" and "Modern Slavery is a Global Issue for the Construction Industry" and materials relating to the Compliance and Ethics Community, including a blog post and a value creation topic. Additionally, building on its continuous work to improve methods for prequalifying suppliers of goods and services, the company developed a mandatory Human Trafficking and Modern Slavery training and certification program for its supply chain personnel globally. This enables employees who directly engage suppliers and contractors to better identify and mitigate any potential issues raised through their adherence to Fluor's business conduct expectations for suppliers and contractors.

Fluor's Business Risk Management Framework (BRMF<sup>SM</sup>) is a formal system to assess, manage and monitor risks at Fluor projects. Before pursuing new project opportunities, Fluor employs this framework to assess a project's risk potential. Each Fluor project is assessed for corruption-related risks, such as:

- Location of the project
- Business culture
- Third parties which are locally required
- Government touch points

Fluor also has a structured practice for project ethics and compliance. The Preliminary Project Compliance and Ethics Plan Assessment process is intended to be initiated during the preparation of a sales proposal. Bid/no bid decisions are based on analyzing a project's risk profile according to the BRMF and the Preliminary Project Compliance and Ethics Plan Assessment, assessing anti-corruption, trade compliance, fair competition, worker welfare, information security, conflict of interest, confidential information and other ethics and compliance-related risks. Upon award, the completed assessment supports the development and implementation of the project's ethics and compliance plan.

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 frequent contact with governments around the world throughout a project's life cycle. Fluor will only pursue projects that can be executed without violating its *Code of Business Conduct and Ethics* (Code).



102-16, 103-1, 103-2

## PROGRAM STRUCTURE, CODE AND EXPECTATIONS

Fluor's Board of Directors maintains active oversight of the company's 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 executive management, helps enable Fluor to continue to operate with high ethical business standards and in accordance with applicable laws.

A subset of the Committee, the Compliance and Ethics Council, focuses on oversight of reporting, investigations and corrective and disciplinary actions for any potential violations of the Code.

Fluor's *Code of Business Conduct and Ethics* 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, German, Polish, Portuguese, Russian and Spanish. All salaried employees read and agree to the 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 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.

Fluor has other ethics and compliance policies and practices that apply globally or according to business line or project. A project-specific ethics and compliance plan is developed as necessary, based on the project's Preliminary Project Compliance and Ethics Plan Assessment and any subsequent ethics and compliance risks identified for the project.

### Third Parties

Fluor seeks to do business only with third parties that share its standards and values. In conducting its business, Fluor interacts with many different types of third parties, such as joint venture partners, subcontractors, suppliers, clients,

consultants and agents; however, the number of third-party agents used is limited by relying primarily on internal sales staff.

Fluor may be held liable under anti-corruption and local laws for the actions of its business partners. Because the actions of third parties can reflect on the company, Fluor chooses business partners that also adhere to strong business conduct and ethics standards. Before and during its business relationships, the company must be confident that its business partners do not engage in bribery, modern slavery or other unethical behavior. Risk-based due diligence is conducted when selecting third-party business partners, and approval, contractual and other anti-corruption controls are in place for agents, teaming partners, suppliers and contractors.

Fluor continues to monitor for any corruption warning signs or red flags during business relationships. Depending on the third party, various requirements and processes are implemented to mitigate applicable anti-corruption risks.

Suppliers, 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, 103-1, 103-2

## 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 annual training on the Code, including anti-corruption and other key risks.

In 2017, a total of 41,716 employees received Code-related training, which included anti-corruption training.

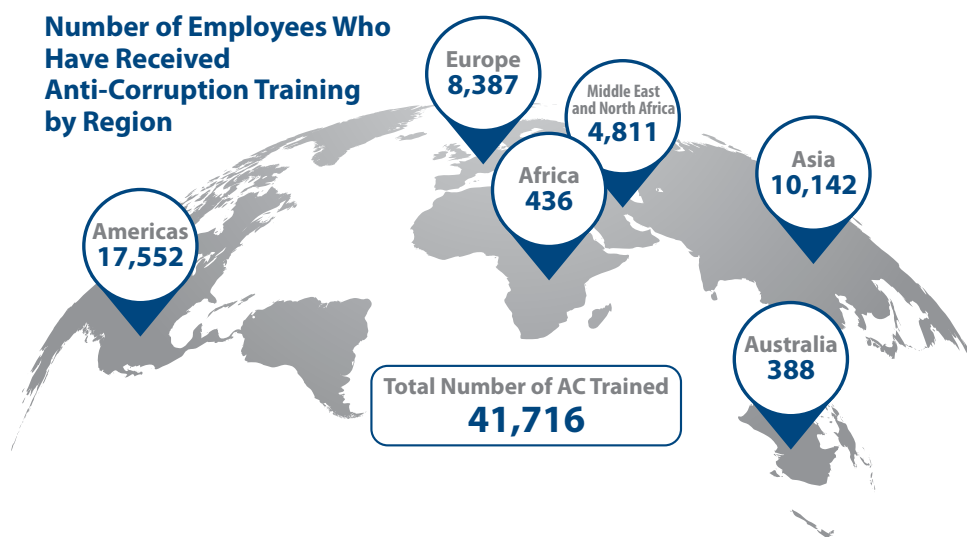
Additionally, employees participated in face-to-face ethics and compliance training, including project-specific anti-corruption training at certain

projects. Additional project-specific training included "How to Say No" to facilitation and bribe requests, mobilization at government projects and online anti-corruption training.

In 2017 Fluor's senior executives received training on international compliance risks, including anti-corruption. Fluor's Board of Directors 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 culture of integrity, as well as its success as a company. The tone at the top messaging is established from day one at Fluor. An employee orientation video presented globally during orientation/new hire training features Chairman & CEO David Seaton emphasizing the importance of ethics and compliance generally and anti-corruption specifically. Throughout the year – and across their career at Fluor – Core Values messages are incorporated into employee communications from Seaton and other senior leaders.

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 risks. 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, an Ethical Leadership blog, external resources and white papers, toolkits to help managers lead discussions with team members and links to articles on real-world ethics and compliance issues. Ethics and compliance-focused value creation topics for use at Fluor meetings are developed and distributed via the compliance community and other resources. These value creation topics allow employees around the world to

become the voice of the company's ethics and compliance program by equipping them with information and messages to deliver to their peers.

102-17, 103-1, 103-2, 103-3, 205-3

## ETHICS AND HOTLINE INVESTIGATIONS

Fluor's *Compliance & Ethics Hotline* enables employees, clients, partners, suppliers, subcontractors and others to seek help or report misconduct concerns 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 2017, a total of 817 reports concerning misconduct were received. In all cases where concerns were substantiated, disciplinary and/or corrective actions were taken.

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.



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. Employees can and do protect the company's reputation by promptly raising a concern when they know or suspect that a colleague is involved in unethical, illegal or dangerous behavior, including retaliation. This can be difficult, so clear channels to raise any misconduct concerns have been established and communicated.

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

To help equip managers to respond to employee questions, 3,889 managers globally took the "When Employees Raise Misconduct Concerns" training course. The course focused on appropriate response, escalation of concerns and Fluor's anti-retaliation policy. In addition, 23,635 employees completed a course on Fluor's anti-retaliation policy.

103-1, 103-2, 103-3

## 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. Evolving risks, regulations and company, industry and global business community best practices are continually monitored and the ethics and compliance program is continually improved.

As part of the company's 2017 Annual Ethics Certification, all salaried employees were required to disclose any potential conflicts of interest, even when previously disclosed and vetted locally, to add an additional level of monitoring.

In 2017, 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
- 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



# 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, as well as engaging 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 commitment of the Board of Directors 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 consisted of 13 members in 2017 and currently consists of 12 due to the retirement of one member. With the exception of Chairman & 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, diversity of thought and background, including gender, race, ethnicity and age, are also considered. 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 2018 Annual Meeting of Stockholders filed with the U.S. Securities and Exchange Commission on March 8, 2018, 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, 102-38, 103-1, 103-2, 103-3, 415-1

## BOARD STRUCTURE AND RESPONSIBILITIES

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

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 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.

Further details regarding the 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 2017, the board held six 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, including with regard to economic, environmental and social topics, by contacting Carlos M. Hernandez, Chief Legal Officer and Secretary, Fluor Corporation, 6700 Las Colinas Boulevard, Irving, Texas 75039.

# 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 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 cascades to corporate principles, 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 & CEO David Seaton states in this report's Message from the Chairman & CEO, "Safety continues to be a major area of emphasis – while our performance

in 2017 improved compared with 2016, we know we can do more through an uncompromising focus on safety and promoting a caring, preventive culture."



## HSEWEEK 2017

During HSE Week 2017, employees around the world focused on what each individual can do to advance Fluor's HSE culture and better protect the company's workers. Employees learned about Fluor's HSE initiatives to enhance individual awareness, drive personal engagement, demonstrate appropriate behavior and develop their own personal HSE pledges.

## EXPERTISE

Approximately 900 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 to enable employees 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 are certified professionals in safety, industrial hygiene and related fields.



## Requirement-Based Practices

The HSE Design function participated in a Requirements-Based Practices (RBP) initiative in 2017 to streamline HSE work processes across functions, ensure that requirements for all HSE practices are clearly stated and designate responsibility for completing each requirement. This initiative will result in greater efficiency and consistency in implementing sustainability and HSE Design practices.

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

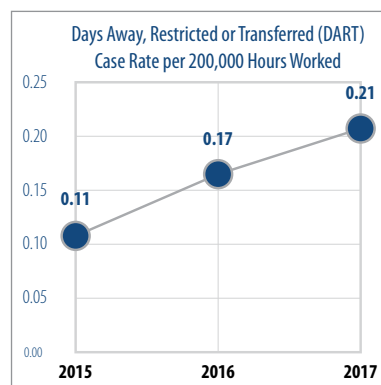
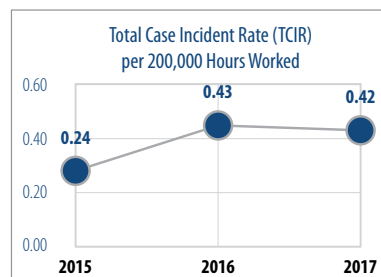
## HEALTH AND SAFETY

### Health and Safety Performance

Fluor's office and field personnel logged 300 million self-perform and subcontractor workhours in 2017. In those hours, there was a decrease in the Total Case Incident Rate (TCIR) from 2016, with a TCIR of 0.42 per 200,000 global hours worked. An increase in combined Days Away, Restricted and Transferred (DART) workday cases from 2016 was experienced, with Fluor's DART rate of 0.21 per 200,000 global hours worked.

Comparing Fluor's results to 2016 data from the U.S. Bureau of Labor Statistics for construction companies of greater than 1,000 employees shows that Fluor has a 65 percent (1.20 vs. 0.42) lower TCIR and 74 percent (0.80 vs. 0.21) lower DART rate than that of its peer group.

The health and safety performance summary for three consecutive years is provided in the charts below as well as in Appendix A.



## Fluor Employees Save Lives

In 1992, Fluor created the Silver Safety Medallion Award, which recognizes employees who have acted in a life-saving manner and/or assisted others in distress either on or off the job. Over 360 Silver Safety Medallions have been awarded to Fluor employees since the program was implemented. During 2017, Fluor presented the Silver Safety Medallion Award to 17 employees who took life-saving actions.

### Stephen Ahmad

- Used first-response skills to assist a man who had collapsed

### Bryan Ashe

- Used first-response skills on a restaurant hostess who had collapsed

### Ric Castles

- Performed Heimlich maneuver on choking relative

### Frederick Chavez

- Rescued a child who was caught in sea currents

### Chel Dejarnatt

- Performed Heimlich maneuver on choking coworker

### David Key

- Administered CPR to an individual who was unconscious and in cardiac arrest

### Matt Kimler

- Performed Heimlich maneuver on choking coworker

### James Laughlin

- Performed Heimlich maneuver on choking coworker

### Phillip Lysko

- Used his first-response skills on a coworker who had suffered a heart attack

### Pablo Mendez

- Performed Heimlich maneuver on choking coworker

### Rodel Piconez

- Used first-response skills on a coworker who had a stroke

### Kelsey Schleger

- Used first-response skills on a motorcycle rider who was severely injured in car accident

### Marion "Otis" Singletary

- Rescued woman and her four-year old daughter caught in swift current

### Nick Sissa

- Rescued approximately 300 people from Hurricane Harvey flooding

### Sergio Ramirez, Laura Metz and Bill Kreh

- Summoned immediate medical attention for a coworker

## Leading Indicators

Fluor has implemented a company-wide leading indicator program that measures key drivers to achieve world-class HSE performance, ensuring a high level of HSE awareness and engagement for all employees and strict adherence to HSE standards when planning and performing work. These leading indicators include HSE training for all employees, supervisor and site leadership, HSE weekly site reviews and a focus on evaluating the actual and potential severity of all incidents to better understand risk factors and take actions to prevent these incidents from reoccurring.

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

In 2017, workplace safety regulatory agencies issued seven notices of non-compliance to Fluor at one location as a result of inspections. These notices dealt with employee accessibility to exposure and medical records, power tool guarding, secure storage, excavations, personal protective equipment and potential radiation exposure. No financial penalties for noncompliance were assessed, and all issues were resolved.

Fluor has robust office and field HSE programs guided by the HSE Management System and strives to address issues quickly. Potential hazards are identified and systematically evaluated, and mitigation measures are specified.

403-3

## HEALTH AND SAFETY ENGAGEMENT PROGRAM

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

403-4

## COMMUNICATIONS

Fluor and its subsidiaries collaborate 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, the 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.



The X-705 Decon Building at the Portsmouth Gaseous Diffusion Plant in Piketon, Ohio.

## PORTSMOUTH DECONTAMINATION AND DECOMMISSIONING

In April 2016, the U.S. Department of Energy (DOE) extended the contract of Fluor-BWXT Portsmouth, LLC, to decontaminate and decommission the former Portsmouth Gaseous Diffusion Plant in Piketon, Ohio. The work includes deactivating the massive uranium enrichment plant and the process building, as well as constructing an onsite waste disposal facility.

A goal of the project leaders in 2017 was to further strengthen the safety culture of the workforce as the complexity and pace of the work was increasing. Success was evidenced by the fact that the site achieved more than two million safe workhours during the year.

The Fluor-BWXT team also completed a number of sustainability-related projects in 2017, including the following:

- › Reduced unnecessary or redundant utilities across the site
- › Repaired water leaks in the high-pressure fire water system, reducing water used by 13 percent over 2016
- › Removed the dry air plant air compressor and diesel engine from service in order to reduce fossil fuel emissions
- › Repaired the steam distribution system, reducing the steam load by 40 percent
- › Removed all hazardous chlorine gas from the water treatment plant
- › Removed all chlorine and sulfur dioxide gas cylinders from the sewage treatment plant and installed an ultraviolet (UV) treatment system to replace them

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

## THE ENVIRONMENT

### Environmental Performance

Fluor has a long-standing commitment to the UN 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 environmental performance once the accuracy and precision of the data are confirmed, which is anticipated in 2018.

In 2017, Fluor did not receive significant monetary sanctions for noncompliance related to environmental issues. Three violation notices were received at one location, all related to effluent discharge. All violation notices were resolved, and no penalties were issued.

306-3

Fluor had no significant spills in 2017.

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

### Carbon Footprint

In general, Fluor is not governed by a requirement to measure its carbon footprint. However, 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 the data are confirmed, which is anticipated in 2018.

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.

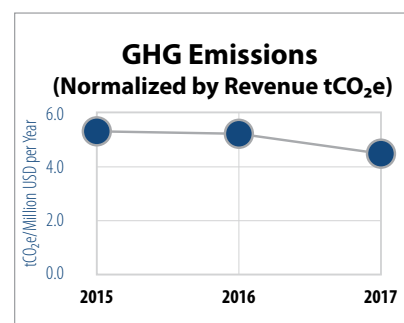
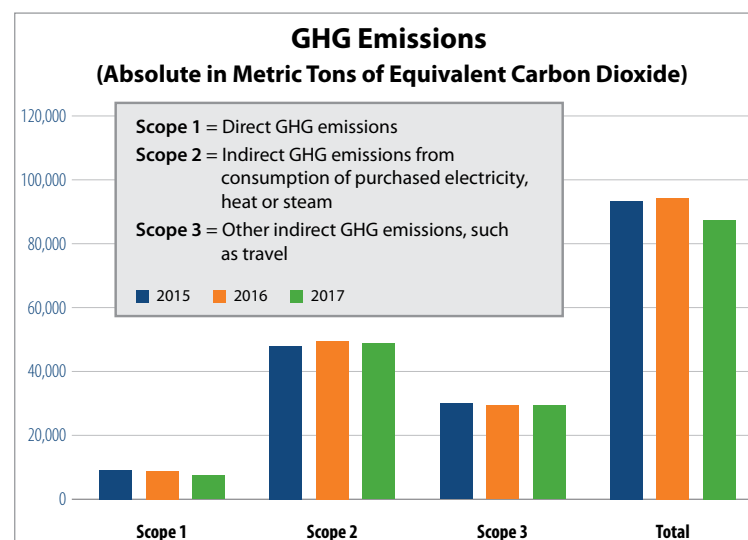
Measuring and reporting the carbon footprint of Fluor facilities provides valuable information that is used to manage the company's operations in an environmentally responsible manner. Fluor continues to identify ways to reduce carbon emissions through energy efficiencies,

recycling activities, renovations and conservation efforts.

Fluor's absolute GHG emissions are shown in the chart below and reflect the complexity of opening, closing, expanding, consolidating and maintaining space in 106 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. At this point, Fluor continues to experience a slight reduction in emissions.

Normalizing absolute GHG emissions by revenue, as shown



in the chart on the left, is another approach to evaluating the effect of Fluor's efficiency measures. Between 2016 and 2017, there was a reduction of more than 10 percent in normalized GHG emissions. Over the 12-year period that Fluor has collected data, there has been a 40 percent reduction in its normalized carbon footprint.



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 106 facilities in 22 countries around the world or to exceed the standards set by leading sustainability organizations.

### Fluor Office Buildings Earn 2017 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 1.5 million square feet of office buildings in Houston, Texas; Greenville, South Carolina; and Aliso Viejo, California for seven 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 Building Research Establishment Environmental Assessment Method (BREEAM), Leadership in Energy and Environmental Design (LEED) and ENERGY STAR-certified buildings. Fluor is committed to adopting the best environmental methods wherever possible and reducing energy, carbon and operating expenses.

### LEED Silver Certification

Fluor's Manila, Philippines office has received Silver Certification from the U.S. Green Building Council. The facility is environmentally compatible and provides a healthy work environment.



### A9 GAASPERDAMMERWEG AND A27/A1 MOTORWAY

#### Improve Traffic Flow on Freeway while Respecting Surrounding Natural Environment

Fluor has been actively involved in upgrading and/or building the A9 and A27/A1 motorways in the Netherlands to increase road capacity and improve traffic flow. The goals are to ensure good vehicle accessibility to the region and to improve quality of life in surrounding areas.

The following sustainability actions have been implemented on these projects:

#### A9 Gaasperdammerweg and A27/A1

- › Reuse of sheet pile walls

#### A9 Gaasperdammerweg

- › Use of LED lighting
- › Use of white asphalt to reduce energy consumption in lighted tunnels

#### A27/A1

- › Use of conveyor belts to avoid lorry transport
- › Use of improved asphalt to reduce the need for heavy maintenance and extend the life of the road

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 6.3 million square feet (approximately 589,210 square meters) of office space and associated land in 22 countries, voluntary and diverse conservation, energy efficiency and green initiatives are providing cost-effective solutions and contributing significant value to the company.

In 2017, Fluor continued to integrate a variety of energy efficiency and conservation practices into daily operations to reduce energy consumption by almost 14 million kilowatt-hours (approximately 50,725 gigajoules). The three biggest energy reduction practices 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. Some offices had new initiatives that included using energy efficient appliances, replacing

lighting with LED lights and employing motion sensor lights.

Other reduction approaches included use of upgraded exterior bollards and lamps, energy efficient lighting, interior lighting retrofit, timed lighting and water heater systems, use of energy efficient appliances and office equipment for both new office space and renovations, daytime 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 during lunch time and when leaving a conference room or office.

302-1, 302-2

In 2017, direct energy consumption by Fluor facilities was approximately 18 million kilowatt hours (approximately 65,000 gigajoules) for natural gas, diesel propane and gasoline. Indirect energy consumption at Fluor facilities in 2017 was slightly more than 92 million kilowatt hours (approximately 331,000 gigajoules) for electricity. Fluor does not measure energy consumption outside its organizational boundary. That responsibility lies with the energy companies providing power to the offices.

Fluor transportation-related green initiatives to reduce environmental

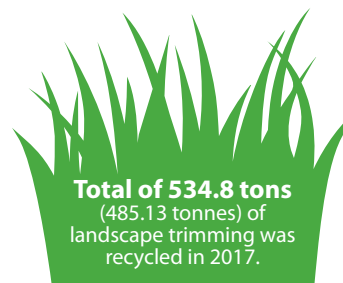
impact include bicycling programs; using energy-efficient vehicles, such as hybrid/electric models; providing vans to/from transportation hubs or between offices; providing interoffice shuttles and encouraging carpooling. Video conferencing and training webinars are well established across the network 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

In 2017, Fluor offices worldwide, through their active recycling program, recycled approximately 798 tons (724 tonnes) of paper, 112 tons (101 tonnes) of cardboard, 3.6 tons (3.3 tonnes) of batteries, 29 tons (27 tonnes) of plastic and 1,085 tons (984 tonnes) of assorted waste. Assorted waste included aluminum cans; glass and bottles; mixed or commingled concrete, iron and steel; landscape trimmings; light bulbs; cooking oil; and toner and ink cartridges.

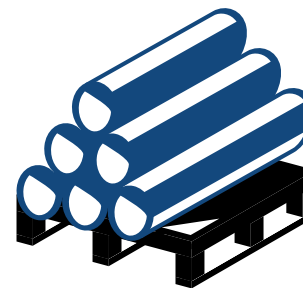
### Recycling Landscape Trimmings



This is equivalent to  
909,160 lbs (412,400 kg)  
of water savings.

One ton of grass clippings contains more than  
1,700 pounds of water.

### Recycling Steel



**Total of 52.8 tons**  
(47.92 tonnes) of iron/steel was recycled  
in 2017. By this we are saving the  
following amount of natural resources:

<b>Iron Ore</b>	<b>Coal</b>
<b>132,000 lbs</b>	<b>73,920 lbs</b>
(60,000 kg)	(33,500 kg)
<b>Limestone</b>	
<b>6,336 lbs</b>	
(2,900 kg)	

306-2, 306-4

## Waste Reduction, Reuse and Conservation

Fluor offices reduce waste by donating electrical appliances, used furniture, office supplies, chairs, carpet and computers to schools, homes for the elderly and non-profit organizations. During 2017, approximately 83.5 tons (75.7 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.

Conservation and landfill avoidance activities are also an important part of Fluor's global HSE initiatives. Fluor's ongoing initiative to promote double-sided printing saved approximately 51 tons (46.4 tonnes) of paper in 2017.

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

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

## Water

In 2017, Fluor conserved approximately 343,104 gallons (1,298,793 liters) of water in its facilities. Conservation programs included deployment of low-flush valves, installation of automatic faucet sensors and commodes and low-flow showerheads.

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.

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.

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 for specifying any biodiversity issues that need to be addressed in the 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 project profiles.

### Removing Hazardous and Radioactive Materials

Following a competitive procurement process, the U.S. DOE awarded a second Deactivation and Remediation (D&R) contract for the Paducah Gaseous Diffusion Plant on a 3,500-acre (1,416-hectare) site in Western Kentucky to the Four Rivers Nuclear Partnership, of which Fluor is a member. The Paducah site, built in the 1950s as part of the U.S. nuclear weapons complex, processed uranium for nuclear reactors, nuclear weapons and nuclear power plant fuels from 1952 to 2013.

The D&R contract includes management of more than 650 structures, properties and buildings on the site. Throughout the duration of the contract, the team will manage surveillance and maintenance costs to allow for additional stabilization, deactivation and remediation activities, thereby further reducing risk and future demolition costs.

"In just three years, the Four Rivers partners have made significant

progress at the Paducah site and have built strong relationships in the community," said Bruce Stanski, past president of the Fluor Government Group and now the company's CFO. "Most importantly, we've made facilities safer by removing hazardous and radioactive materials, while improving the site's infrastructure. These efforts will save taxpayers millions of dollars over the next several years, while improving safety for workers, the general public and the environment."

### Alternative Energy



In March 2017, NuScale Power's Design Certification Application of its advanced nuclear small modular reactor (SMR) was accepted for review by the U.S. Nuclear Regulatory Commission. Fluor, the majority investor in NuScale, supports this design as a viable way to supply affordable, clean and reliable power. The design's significant operational flexibility also complements other zero-carbon sources, such as wind and solar energy.

The output at a NuScale plant is scalable and can be increased incrementally based on demand. Once approved, certified NuScale SMRs will be available for purchase,



Deactivation and remediation activities underway at the Paducah Gaseous Diffusion Plant in Western Kentucky.



and global demand for NuScale plants could create thousands of manufacturing, construction and operations jobs.

### Shells Control Zinc and Copper Levels in Surface Water Runoff



Workers at Savannah River site, South Carolina, have found a natural solution for reducing levels of zinc and copper in storm water runoff.

Fluor-led Savannah River Nuclear Solutions (SRNS), the management and operations contractor for the DOE's Savannah River Site (SRS) in South Carolina, is among a small number of U.S. companies and utilities experimenting with oyster shells to control levels of metals in surface water runoff.

SRNS is testing the effectiveness of oyster shells in absorbing water-borne zinc.

Workers have piled small rocks and limestone gravel to create check dams to slow the water mixed with zinc as it moves through the ditch. They also placed a large mound of oyster shells on the upstream side of each dam. The shells draw zinc from the water as it pools, before entering the nearby waterway.

The process is also being used at another location on the site where oyster shells have been placed to absorb copper.

### Ordinary Vegetable Oil Used to Remediate Contaminated Ground Water

SRNS is using vegetable oil in a low-cost, accelerated approach to remediating chemically-contaminated groundwater at the U.S. DOE's SRS. The contamination stems from organic solvents that were used during the Cold War to clean buildings on the site. Over time, the solvents used in the long-since-demolished buildings leached into the soil.

In this novel remediation approach, workers inject highly-concentrated amounts of vegetable oil into the ground, where it mixes with naturally occurring bacteria, as well as the contaminated groundwater. Unable to differentiate between the vegetable oil and the oil-coated chemicals, the voracious bacteria rapidly eat both.

"We call the vegetable-oil-eating-bacteria 'bugs'," said Chris Bergren, environmental stewardship manager. "When fed thousands of gallons of inexpensive vegetable oil, the bugs will destroy large quantities of organic solvents fairly quickly."

Use of vegetable oil to remediate contaminated groundwater is both efficient and effective. Recent



SRNS engineering and technical support specialist measures the flow of vegetable oil during an injection process. The oil encourages growth of the underground population of naturally occurring, chemical-eating bacteria at the SRS.

testing after injecting vegetable oil into multiple wells at the project site indicates the area is now approximately 98 percent free of organic solvents, representing a dramatic improvement. In addition, the vegetable oil remediation process is significantly less expensive than the previously-used "pump and treat" technology that extracted subsurface water and treated it in an above-ground system at a cost of approximately \$1 million annually.

"Using vegetable oil to remediate contaminated groundwater is one of several examples of the SRNS moving toward more natural,

passive methods to accomplish environmental cleanup," says Angelia Holmes, DOE-Savannah River deputy assistant manager for infrastructure and environmental stewardship.

# SUPPLY CHAIN

## FLUOR APPROACH

Fluor's supply chain organization oversees a healthy and robust competitive business relationship with companies that are vital to supporting the sustainability goals of both Fluor and its clients in more than 80 countries.

The organization strives to implement Fluor's Core Values of safety, integrity, teamwork and excellence within the team, as well as across the company's global markets and client projects. Efforts are focused on increasing opportunities for diverse subcontractors and suppliers and demonstrating the company's commitment to fair business practices.



102-9

## SUPPLY CHAIN OVERVIEW

The supply chain and procurement organization at Fluor is responsible for material and contract management, commercial strategies, procurement, IT systems, logistics and indirect procurement of non-capital goods. In 2017, Fluor did business with approximately 17,000 subcontractors and suppliers, which resulted in an estimated 50,000 purchase orders and subcontract awards.

Fluor's supply chain includes brokers, consultants, fabricators, licensors, manufacturers, specialist contractors and subcontractors and sub-suppliers.

Project-related procurement activities span the entire project life cycle, from planning for materials to be used in the project to bids and acquisitions to, in many cases, procurement activities relating to operating and maintaining clients' assets. Fluor uses comprehensive pre-award risk assessments during subcontractor and supplier prequalification, bid evaluation and award to minimize the risk involved in procurement transactions and to verify that Fluor's supply chain engagement policies are followed.

Fluor's request for proposal/quotation packages require that all bidders either adopt Fluor's Sustainability Program or develop one of their own. If a bidder follows its own sustainability program, it must certifiably meet or exceed Fluor's standards. Bidders are required to submit a draft sustainability plan that is specific to the project and to applicable local, national and international rules, regulations, standards and codes.



View of the Governor Mario M. Cuomo Bridge spanning the Hudson River in New York. Photo courtesy of New York State Thruway Authority.

## GOVERNOR MARIO M. CUOMO BRIDGE

### Made Right Here

Fluor has provided design-build services for constructing the Mario M. Cuomo Bridge across the Hudson River since 2013. The largest bridge construction project in New York history, it is executed with sustainability as a top priority for all involved. Here are some examples:

- Made Right Here
  - Major structural elements of the new bridge were produced locally and thousands of jobs were created, giving the local economy a significant boost. The New York State Department of Labor has been the main resource for all direct and indirect job openings related to the project.
- Buy America Initiative
  - All structural steel used on the bridge project was produced in the United States.
- Committed to Diversity
  - Fluor-led joint venture, Tappan Zee Constructors, is proactively reaching out to Disadvantaged Business Enterprises (DBE), which are certified to be at least 51 percent owned by women, minorities, veterans or disabled individuals, for their goods and/or services. The project is on target to meet its goal to provide DBEs with bridge-related opportunities totaling US\$314 million.

Fluor implements a robust post-award process for administering contracts and purchase orders to verify 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

Fluor is proud of its long-standing Supplier Diversity Program, which has three pillars: environmental stewardship, economic growth and social progress. Fluor also supports the U.S. government's goals and standards regarding small, minority and women-owned businesses.

Fluor's Supplier Diversity Program does the following:

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

In 2017, Fluor began a unique Supplier Diversity Business Mentoring Program, which will be piloted in several offices in 2018. The program will involve multiple in-person workshops with key Fluor

leaders and is designed to help suppliers understand the capital projects' industry and how to best conduct business with Fluor and companies like it.

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

In 2017, Fluor spent approximately \$418 million with U.S. small, minority and women-owned businesses, or approximately 11 percent of the US\$3.8 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 regional or local proximity to where they are installed or used. For goods, this can include interim points of manufacture or fabrication, in addition to the eventual jobsite



itself. Defined in this way, Fluor's local spend was approximately 66 percent of its total global spend, which was over US\$14 billion in 2017.

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

## SUPPLIER ENVIRONMENTAL ASSESSMENT

Fluor continually evaluates new and existing suppliers, validating their technical and commercial qualifications to supply goods and services to projects. While environmental criteria are not tracked in bid evaluations, suppliers are made to comply with environmental laws and regulations mandated in each project's prime contract. These contract provisions and governing regulations are stipulated in purchase orders and subcontract language, and the

process is vigorously documented, as is compliance with laws at points of supply and jobsites.

308-2

Fluor does not collect data from its projects on supplier environmental assessments. However, the company actively complies with laws and regulations relating to any environmental impacts found within its supply chain and/or at its jobsites. Fluor proactively works to enforce the adherence of its suppliers and contractors to all laws, codes and regulations pertaining to health, safety and environmental considerations through formal mandates and provisions in contracts for goods and services.

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:

- Bribery and trade controls
- Conflicts of interest
- Financial and operational controls
- Health, safety and environmental stewardship
- Human rights and employment practices



# APPENDIX A






DATA PERFORMANCE TABLE

**FLUOR**<sup>®</sup>





# DATA PERFORMANCE TABLE

	2015	2016	2017
 <b>SAFETY, HEALTH AND THE WORKPLACE</b>			
Total case incident rate (TCIR) per 200,000 workhours	0.24	0.43	0.42
Days away, restricted or transferred (DART) case rate per 200,000 workhours	0.11	0.17	0.21
Number of regular employees at year end, thousands	38.8	61.5	56.7
Percent of salaried employees	70.0	46.6	56.3
Percent women of salaried employees	26	25	23
 <b>ENERGY AND GREENHOUSE GAS EMISSIONS</b>			
Greenhouse gas emissions, absolute (CO <sub>2</sub> -equivalent emissions), thousands of metric tons			
Scope 1 – Direct GHG emissions	8.2	8.0	7.0
Scope 2 – Indirect GHG emissions from consumption of purchased electricity, heat or steam	54.0	56.6	50.3
Scope 3 – Indirect GHG emissions (travel)	32	31	30
Greenhouse gas emissions, normalized by revenue (CO <sub>2</sub> -equivalent emissions), metric tons per million US\$ per year	5.35	5.02	4.50
Direct energy use (thousands gigajoules) for natural gas, diesel and gasoline	107	79	65
Indirect energy use (thousands gigajoules) for electricity	356	370	331
 <b>ENVIRONMENTAL PERFORMANCE</b>			
Recycled waste (paper, cardboard, batteries, plastic and assorted waste), tons	1,940.0	2,238.5	1,839.3
Diverted waste (donated or re-used items), tons	42.2	47.4	75.7
Conserved water in Fluor offices, thousands gallons	435.4	711.5	343.1
Planted trees, flowers and shrubs, thousands	12.0	7	17.3
 <b>COMMUNITY AND SOCIAL IMPACT</b>			
Community investments, initiatives and programs, million US\$	9.6	7.5	7.4
Community investments, employee volunteer time, million US\$	1.0	1	1.3
Hours of STEM academic training, enrichment or increased awareness, millions	1.9	1.9	1.8
Life skills enrichment training to youth, thousands	91.5	205.6	204.1
Meals to the hungry, millions	2.5	0.67	0.77
Assisted individuals with preventive and emergency services, thousands	59.3	39.8	47.9
Grants to universities, millions	1.9	1.6	1.2
Scholarships for children of Fluor employees, thousands	485	600	675
Volunteered hours by Fluor employees globally, thousands	44.0	42.2	53.7
 <b>LOCAL DEVELOPMENT AND SUPPLY CHAIN MANAGEMENT</b>			
Fluor spending with U.S.-based suppliers and subcontractors, billion US\$	2.7	2.8	3.8
Fluor spending with U.S. small, minority and women-owned businesses, million US\$	270	277	418
Fluor spending with local suppliers worldwide, billion US\$	15.0	11.25	9.24

## APPENDIX B

### GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX



102-55

- › General Disclosures 2017
- › Material Topics
  - GRI 200 Economic Standards
  - GRI 300 Environmental Standards
  - GRI 400 Social Standards





GRI CONTENT INDEX					
GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2017					
General Disclosures					
GRI 102: General Disclosures 2017	Organizational Profile – General Disclosures				
	102-1 Name of the organization	About the Company, p. 11			
	102-2 Activities, brands, products and services	About the Company, p. 11 <a href="#">2017 Form 10-K</a> , pp. 1-7			
	102-3 Location of headquarters	About the Company, p. 11			
	102-4 Location of operations	About the Company, p. 11 <a href="#">2017 Form 10-K</a> , pp. 30-31			
	102-5 Ownership and legal form	About the Company, p. 11 <a href="#">2017 Form 10-K</a> , Exhibit 21. 1			Fluor is a publicly traded company.
	102-6 Markets served	About the Company, p. 11 <a href="#">2017 Form 10-K</a> , pp. 1-7			
	102-7 Scale of the organization	About the Company, pp. 11-12 <a href="#">2017 Form 10-K</a> , pp. 7-9, 12, 33			
	102-8 Information on employees and other workers	About the Company, pp. 11-12 Appendix A			
	102-9 Supply chain	Supply Chain, p. 44			
	102-10 Significant changes to the organization and its supply chain	About the Company, p. 11			
	102-11 Precautionary principle or approach	Health, Safety & Environment, p. 36			
	102-12 External initiatives	About the Company, pp. 13-15 About the Report, p. 16 Ethics & Compliance, p. 30 Health, Safety & Environment, p. 39			
	102-13 Membership of associations	About the Company, pp. 13-14			

GRI CONTENT INDEX					
GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2017					
General Disclosures					
GRI 102: General Disclosures 2017	Strategy				
	102-14 Statement from senior decision-maker	Message from Chairman & CEO, pp. 4-5 <a href="#">2017 Annual Report</a> , pp. 3-9			
	102-15 Key impacts, risks and opportunities	Message from Chairman & CEO, pp. 4-5 <a href="#">2017 Annual Report</a> , pp. 3-9, 14-30			
	Ethics and Integrity				
	102-16 Values, principles, standards and norms of behavior	Ethics & Compliance, pp. 31-32			
	102-17 Mechanisms for advice and concerns about ethics	Ethics & Compliance, p. 33			
	Governance				
	102-18 Governance structure	Governance, pp. 34-35 <a href="#">Proxy Statement</a> , pp. 12-17			
	102-19 Delegating authority	About the Company, p. 12			
	102-20 Executive-level responsibility for economic, environmental and social topics	About the Company, p. 12			
	102-21 Consulting stakeholders on economic, environmental and social topics	About the Company, p. 12 Governance, p. 35 <a href="#">Proxy Statement</a> , pp. 10, 19			
	102-22 Composition of the highest governance body and its committees	Governance, p. 34 <a href="#">Proxy Statement</a> , pp. 2-8; 12-17			
	102-23 Chair of the highest governance body	Governance, p. 34 <a href="#">Proxy Statement</a> , p. 12			

GRI CONTENT INDEX					
GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2017					
General Disclosures					
GRI 102: General Disclosures 2017	102-24 Nominating and selecting the highest governance body	Governance, p. 34 <a href="#">Proxy Statement</a> , pp. 17-18			
	102-25 Conflicts of interest	Governance p. 34 <a href="#">Proxy Statement</a> , pp. 18-19			
	102-26 Role of highest governance body in setting purpose, values and strategy	About the Company, p. 12			
	102-27 Collective knowledge of highest governance body	Governance, p. 35 <a href="#">Proxy Statement</a> , pp. 11-12			
	102-28 Evaluating the highest governance body's performance	Governance, p. 34 <a href="#">Proxy Statement</a> , pp. 9, 13			
	102-29 Identifying and managing economic, environmental and social impacts	Governance, pp. 34-35 <a href="#">Proxy Statement</a> , pp. 11-12			
	102-30 Effectiveness of risk management processes	Governance, pp. 34-35 <a href="#">Proxy Statement</a> , pp. 11-12			
	102-31 Review of economic, environmental and social topics	Governance, pp. 34-35 <a href="#">Proxy Statement</a> , pp. 11-17			
	102-32 Highest governance body's role in sustainability reporting	About the Report, p. 17			
	102-33 Communicating critical concerns	Governance, p. 35			
	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 <a href="#">2017 Form 10-K</a> . No additional reporting is made in this Report, as the information is confidential.



GRI CONTENT INDEX					
GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission		
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GRI 101: Foundation 2017					
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GRI 102: General Disclosures 2017	102-35 Remuneration policies	Governance, pp. 34-35 <a href="#">Proxy Statement</a> , pp. 23-42			
	102-36 Process for determining remuneration	Governance, pp. 34-35 <a href="#">Proxy Statement</a> , pp. 16-17, 38-41			
	102-37 Stakeholders involvement in remuneration	About the Company, p. 12 Governance, pp. 34-35 <a href="#">Proxy Statement</a> , pp. 10, 41			
	102-38 Annual total compensation ratio	Employees & Workplace, pp. 25, 34 <a href="#">Proxy Statement</a> , p. 61			
	102-39 Percentage increase in annual total compensation ratio	Employees & Workplace, p. 25 <a href="#">Proxy Statement</a> , p. 61			
	Stakeholder Engagement				
	102-40 List of stakeholder groups	About the Company, p. 12			
	102-41 Collective bargaining agreements	Employees & Workplace, pp. 25-26			
	102-42 Identifying and selecting stakeholders	About the Company, pp. 12-13			
	102-43 Approach to stakeholder engagement	About the Company, pp. 12-13			
	102-44 Key topics and concerns raised	About the Company, pp. 12-13			
	Reporting Practice				
	102-45 Entities included in the consolidated financial statements	About the Company, p. 11 <a href="#">2017 Form 10-K</a> , Exhibit 21.1			
	102-46 Defining report content and topic boundaries	About the Report, p. 16			

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GRI 101: Foundation 2017					
General Disclosures					
GRI 102: General Disclosures 2017	102-47 List of material topics	About the Report, pp. 16-17			
	102-48 Restatements of information			Not applicable	No restatements are necessary.
	102-49 Changes in reporting	About the Report, p. 16			
	102-50 Reporting period	About the Report, p. 16			
	102-51 Date of most recent report	About the Report, p. 16			
	102-52 Reporting cycle	About the Report, p. 16			
	102-53 Contact point for questions regarding the report	About the Report, p. 17			
	102-54 Claims of reporting in accordance with the GRI Standards	About the Report, p. 17			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	About the Report, p. 16			
	103-2 The management approach and its components	About the Company, p. 11 About the Report, p. 16 Employees & Workplace, p. 25 Community & Social Service, pp. 18, 21, 23			
	103-3 Evaluation of the management approach	About the Report, p. 15 Employees & Workplace, p. 24 Community & Social Service, pp. 19, 22, 24			
GRI 201: Economic Performance 2017	201-1 Direct economic value generated and distributed	About the Company, p. 11 Community & Social Service, pp. 19-21 <a href="#">2017 Form 10-K</a> , p. 33 Appendix A			
	201-2 Financial implications and other risks and opportunities due to climate change	<a href="#">2017 Form 10-K</a> , p. 24			
	201-3 Defined benefit plan obligations and other retirement plans	Employees & Workplace, p. 26 <a href="#">2017 Form 10-K</a> , pp. 39, F-25 – F-32			
	201-4 Financial assistance received from government	<a href="#">2017 Form 10-K</a> , pp. 42, 46			It is important to note that the government is not a shareholder.



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GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission		
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GRI 200: Economic Standard Series					
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	103-2 The management approach and its components	Employees & Workplace, p. 26 About the Report, p. 16			
	103-3 Evaluation of the management approach	Employees & Workplace, p. 26 About the Report, p.16			
GRI 202: Market Presence 2017	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	About the Report, p. 16 Employees & Workplace, p. 26			
	202-2 Proportion of senior management hired from the local community	Employees & Workplace, p. 26			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Community & Social Service, p. 22			
	103-2 The management approach and its components	Community & Social Service, p. 22			
	103-3 Evaluation of the management approach	Community & Social Service, p. 22			
GRI 203: Indirect Economic Impacts 2017	203-1 Infrastructure investments and services supported	Community & Social Service, pp. 21-23 Appendix A			
	203-2 Significant indirect economic impacts	Community & Social Service, pp. 21-24 Appendix A			

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	103-2 The management approach and its components	Supply Chain, p. 45			
	103-3 Evaluation of the management approach	Supply Chain, p. 45			
GRI 204: Procurement Practices 2017	204-1 Proportion of spending on local suppliers	Supply Chain, p. 45 Appendix A			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Ethics & Compliance, pp. 30-32			
	103-2 The management approach and its components	Ethics & Compliance, pp. 30-33			
	103-3 Evaluation of the management approach	Ethics & Compliance, pp. 30-31, 33			
GRI 205: Anti-corruption 2017	205-1 Operations assessed for risks related to corruption	Ethics & Compliance, pp. 30-31			
	205-2 Communication and training about anti-corruption policies and procedures	Ethics & Compliance, pp. 32-33			
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GRI 200: Economic Standard Series					
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	About the Report, p. 16			
	103-2 The management approach and its components	About the Report, p. 16			
	103-3 Evaluation of the management approach	About the Report, p. 16			
GRI 206: Anti-competitive Behavior 2017	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	About the Report, p. 16			



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GRI 300: Environmental Standards Series					
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Health, Safety & Environment, p. 39			
	103-2 The management approach and its components	Health, Safety & Environment, p. 39			
	103-3 Evaluation of the management approach	Health, Safety & Environment, p. 39			
GRI 302: Energy 2017	302-1 Energy consumption within the organization	Health, Safety & Environment, p. 41 Appendix A			
	302-2 Energy consumption outside of the organization	Health, Safety & Environment, p. 41 Appendix A			
	302-3 Energy intensity	Health, Safety & Environment, p. 39			
	302-4 Reduction of energy consumption	Health, Safety & Environment, pp. 40-41			
	302-5 Reductions in energy requirements of products and services	Health, Safety & Environment, pp. 42-44 Project Profile Sidebars			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Health, Safety & Environment, p. 39			
	103-2 The management approach and its components	Health, Safety & Environment, p. 39			
	103-3 Evaluation of the management approach	Health, Safety & Environment, p. 39			
GRI 305: Emissions 2017	305-1 Direct (Scope 1) GHG emissions	Health, Safety & Environment, p. 39 Appendix A			

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GRI 300: Environmental Standards Series					
GRI 305: Emissions 2017	305-2 Energy indirect (Scope 2) GHG emissions	Health, Safety & Environment, p. 39 Appendix A			
	305-3 Other indirect (Scope 3) GHG emissions	Health, Safety & Environment, p. 39 Appendix A			
	305-4 GHG emissions intensity	Health, Safety & Environment, p. 39			
	305-5 Reduction of GHG emissions	Health, Safety & Environment, p. 39			
	305-6 Emissions of ozone-depleting substances (ODS)	Health, Safety & Environment, pp. 39-40			
	305-7 Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ) and other significant air emissions	Health, Safety & Environment, pp. 39-40			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Health, Safety & Environment, pp. 38-39, 41			
	103-2 The management approach and its components	Health, Safety & Environment, pp. 38-39, 41			
	103-3 Evaluation of the management approach	Health, Safety & Environment, pp. 38-39, 41			

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GRI 306: Effluents and Waste 2017	306-1 Water discharge by quality and destination	Health, Safety & Environment, p. 41 Appendix A			
	306-2 Waste by type and disposal method	Health, Safety & Environment, p. 41 Appendix A			
	306-3 Significant spills	Health, Safety & Environment, pp. 38-39			
	306-4 Transport of hazardous waste	Health, Safety & Environment, p. 41			
	306-5 Water bodies affected by water discharges and/or runoff	Health, Safety & Environment, p. 41			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Health, Safety & Environment, pp. 38-39			
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	103-3 Evaluation of the management approach	Health, Safety & Environment, pp. 38-39			
GRI 307: Environmental Compliance 2017	307-1 Non-compliance with environmental laws and regulations	Health, Safety & Environment, p.p 38-39			



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	103-2 The management approach and its components	Supply Chain, p. 45			
	103-3 Evaluation of the management approach	Supply Chain, p. 45			
GRI 308: Supplier Environmental Assessment 2017	308-1 New suppliers that were screened using environmental criteria	Supply Chain, p. 45			
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply Chain, p. 45			

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	103-2 The management approach and its components	Employees & Workplace, p. 27			
	103-3 Evaluation of the management approach	Employees & Workplace, p. 27			
GRI 401: Employment 2017	401-1 New employee hires and employee turnover	About the Report, p. 16		Confidentiality constraints	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employees & Workplace, p. 27			
	401-3 Parental leave	About the Report, p. 16 Employees & Workplace, p. 27			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Employees & Workplace, p. 26			
	103-2 The management approach and its components	Employees & Workplace, p. 26			
	103-3 Evaluation of the management approach	Employees & Workplace, p. 26			
GRI 402: Labor/ Management Relations 2017	402-1 Minimum notice periods regarding operational changes	About the Report, p. 16 Employees & Workplace, p. 26			

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	103-2 The management approach and its components	Health, Safety & Environment, pp. 37-38			
	103-3 Evaluation of the management approach	Health, Safety & Environment, pp. 37-38			
GRI 403: Occupational Health and Safety 2017	403-1 Workers representation in formal joint management-worker health and safety committees	Health, Safety & Environment, p. 38			
	403-2 Types of injury, rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities	Health, Safety & Environment, p. 37 Appendix A			
	403-3 Workers with high incidence or high risk of diseases related to their occupation	Health, Safety & Environment, p.38			
	403-4 Health and safety topics covered in formal agreements with trade unions	Health, Safety & Environment, p. 38			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Employees & Workplace, pp. 27-29			
	103-2 The management approach and its components	Employees & Workplace, pp. 27-29			
	103-3 Evaluation of the management approach	Employees & Workplace, pp. 27-29			
GRI 404: Training and Education 2017	404-1 Average hours of training per year per employee	Employees & Workplace, p. 28			
	404-2 Programs for upgrading employee skills and transition assistance programs	About the Report, p. 16 Employees & Workplace, pp. 28-29			

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GRI 404: Training and Education 2017	404-3 Percentage of employees receiving regular performance and career development reviews	About the Report, p. 16 Employees & Workplace, p. 28			
Diversity and Equal Opportunity					
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Employees & Workplace, p. 26			
	103-2 The management approach and its components	Employees & Workplace, p. 26			
	103-3 Evaluation of the management approach	Employees & Workplace, p. 26			
GRI 405: Diversity and Equal Opportunity 2017	405-1 Diversity of governance bodies and employees	About the Company, p. 12 Employees & Workplace, p. 26 Governance, p. 34 <a href="#">Proxy Statement</a> , pp. 2-8			
	405-2 Ratio of basic salary and remuneration of women to men	Employees & Workplace, p. 26 Appendix A			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Employees & Workplace, p. 25			
	103-2 The management approach and its components	Employees & Workplace, p. 25			
	103-3 Evaluation of the management approach	Employees & Workplace, p. 25			
GRI 406: Non-discrimination 2017	406-1 Incidents of discrimination and corrective actions taken	Employees & Workplace, p. 25			



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GRI 400: Social Standards Series					
Freedom of Association and Collective Bargaining					
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	103-2 The management approach and its components	Employees & Workplace, pp. 25-26			
	103-3 Evaluation of the management approach	Employees & Workplace, pp. 25-26			
GRI 407: Freedom of Association and Collective Bargaining 2017	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	About the Report, p. 16 Employees & Workplace, pp. 25-26			
Child Labor					
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Employees & Workplace, p. 25			
	103-2 The management approach and its components	Employees & Workplace, p. 25			
	103-3 Evaluation of the management approach	Employees & Workplace, p. 25			
GRI 408: Child Labor 2017	408-1 Operations and suppliers at significant risk for incidents of child labor	About the Report, p. 16 Employees & Workplace, p. 25			Fluor tracks this information for operations but does not track this information for suppliers.

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	103-2 The management approach and its components	Employees & Workplace, p. 25			
	103-3 Evaluation of the management approach	Employees & Workplace, p. 25			
GRI 409: Forced or Compulsory Labor 2017	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	About the Report, p. 16 Employees & Workplace, p. 25			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Employees & Workplace, p. 26			
	103-2 The management approach and its components	Employees & Workplace, p. 26			
	103-3 Evaluation of the management approach	Employees & Workplace, p. 26			
GRI 410: Security Practices 2017	410-1 Security personnel trained in human rights policies or procedures	About the Report, p. 16 Employees & Workplace, p. 26			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	About the Report, p. 16			
	103-2 The management approach and its components	About the Report, p. 16			
	103-3 Evaluation of the management approach	About the Report, p. 16			
GRI 411: Rights of Indigenous Peoples 2017	411-1 Incidents of violations involving rights of indigenous peoples	About the Report, p. 16			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	About the Report, p. 16 Employees & Workplace, p. 25			
	103-2 The management approach and its components	About the Report, p. 16 Employees & Workplace, p. 25			
	103-3 Evaluation of the management approach	About the Report, p. 16 Employees & Workplace, p. 25			

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	412-2 Employee training on human rights policies or procedures	Employees & Workplace, p. 25			
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	About the Report, p. 16			
Local Communities					
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Community & Social Service, p. 24			
	103-2 The management approach and its components	Community & Social Service, p. 24			
	103-3 Evaluation of the management approach	Community & Social Service, p. 24			
GRI 413: Local Communities 2017	413-1 Operations with local community engagement, impact assessments and development programs	Community & Social Service, p. 24			
	413-2 Operations with significant actual and potential negative impacts on local communities	Community & Social Service, p. 24			
Supplier Social Assessment					
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Supply Chain, p. 45			
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	103-3 Evaluation of the management approach	Supply Chain, p. 45			

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GRI 414: Supplier Social Assessment 2017	414-1 New suppliers were screened using social criteria	Supply Chain, p. 45			
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain, p. 45			
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GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Governance, pp. 34-35			
	103-2 The management approach and its components	Governance, pp. 34-35			
	103-3 Evaluation of the management approach	Governance, pp. 34-35			
GRI 415: Public Policy 2017	415-1 Political contributions	Governance, pp. 34-35 <a href="http://www.fluor.com/sustainability/corporate-governance/political-activities">www.fluor.com/sustainability/corporate-governance/political-activities</a>			Detailed political activities policy and report can be found on website.
Socioeconomic Compliance					
GRI 103: Management Approach 2017	103-1 Explanation of the material topic and its boundary	Health, Safety & Environment, p. 38			
	103-2 The management approach and its components	Health, Safety & Environment, p. 38			
	103-3 Evaluation of the management approach	Health, Safety & Environment, p. 38			
GRI 419: Socioeconomic Compliance 2017	419-1 Non-compliance with laws and regulations in the social and economic area	Health, Safety & Environment, p. 38			



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View of the workers and restoration site for the USACE Power Restoration Project in Puerto Rico.







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