MAKING A LASTING A LASTING IMPACT







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SUSTAINABLE DEVELOPMENT G ALS

Fluor's sustainability actions support the United Nations' (UN) Sustainable Development Goals (SDGs). Please note the icons at the beginning of each chapter of this report, identifying applicable SDGs.

On the Front and Inside Covers

At Fluor, we are making a lasting impact with every project we deliver for our clients, every person we train and develop, every neighborhood initiative we invest in, every child we inspire, every supplier with whom we partner. With more than 50,000 employees in over 60 countries, we have a unique opportunity and responsibility to shape the future of our industry. A future that values people, supports communities and protects the environment.

In Kuwait, the immense scale of the <u>AI-Zour Oil Refinery Project</u> positively impacted the economy by supporting more than 25,000 families of over 40 nationalities.

Fluor's joint venture FDH JV team provided the major engineering, procurement and construction for Packages 2 and 3 for the Al-Zour Oil Refinery Project. The new complex is expected to be one of the largest refineries in the world, and it will use the latest technology to comply with stringent regulations to protect the local environment.

We employed a strategy of large-scale modular execution – a first in the country – to achieve greater cost efficiency, enhanced safety performance and minimal strain on the local labor market. The <u>COOEC-Fluor Heavy Industries Co., Ltd.</u> fabrication yard in Zhuhai, China, delivered 188 modules in 20 separate shipments with a combined weight of 65,000 metric tons. In addition, the yard fabricated more than 95,000 pipe spools of carbon steel, steel alloy and stainless steel pipe.

Our team executed the project with a relentless focus on a culture of caring for people, the community and the environment. In April 2019, the project received the Gold Award for HSE Excellence and the Gold Award for Environmental Excellence from the American Society of Safety Professionals.

All currency references in this report are in U.S. dollars.

COVID-19

In the Midst of the Pandemic, Employees' Commitment and Compassion Shine Through

As we publish this report, the COVID-19 virus is devastating families, communities and economies around the globe.

At Fluor, we are taking action to help achieve the highest levels of safety for our people and communities. To help stop the spread of the virus, many of our office employees are working from home, and our project teams in the field are complying with recommendations from public health organizations.

We are also adjusting execution strategies to continue to deliver for our clients with safety and excellence. And, we are working to address the needs of communities where we work.

These are indeed challenging and unpredictable times. But it is times like these that our purpose matters most. We are committed to building a better world. This is our reason for being, and we are discovering the essential role we play in society as we come together to confront this global pandemic.

It will be a while before our entire company is operating business-as-usual, but the way our employees are working together in this difficult time ensures that we will make a lasting impact. Here are just a few examples of how our employees are demonstrating their commitment and compassion.

How We Are Helping Our Communities

- More than 100 Fluor volunteers continue to participate in the Greenville, South Carolina, Meals on Wheels program, supporting the homebound using no-contact delivery protocols.
- The Fluor-BWXT Portsmouth joint venture team donated \$20,000 to southern Ohio food banks, helping area families in need during the crisis, and many other projects around the world are doing the same in their communities.
- Globally, our teams are donating face masks to colleagues and health care workers in need.



Fluor provided a grant to the Second Harvest Food Bank of Orange County, California's Farm to Family program.



Employees wear cloth face coverings, maintain social distancing and practice good hygiene to prevent the spread of COVID-19 at the Luminant Texas site. After they complete their daily maintenance tasks, they wash their hands with soap and water at temporary stations set up across the site.

How We Are Helping Our Employees

- It is essential that our employees are supported and engaged. They stay connected with each other and with executive management through Fluor's email, chat, video and collaboration services. They share their work from home tips through our #WFH campaign. Our global Employee Assistance Program provides resources and counseling to help them manage stress, overcome anxiety and cope with trauma. We might be physically apart, but we remain Safer Together.
- Offices, project sites and workforce accommodations ramped up efforts to keep our employees and contractors healthy, such as health screenings, face coverings, hand sanitizer, hand washing stations, cleaning of common areas and frequently touched surfaces and social distancing.
- Our Human Resources team in the Cebu, Philippines office had systems and procedures in place allowing them to quickly adhere to community quarantine requirements. These proactive measures ensured the continuity of hiring and payroll services for the company globally and facilitated the continued execution of work that sustains Fluor, our employees and our clients.

How We Are Helping Our Clients

- GLX Constructors, the Fluor-led joint venture building the Boston Green Line Light Rail Extension Project, conducted COVID-19 training for more than 500 workers and safely completed its third commuter line track shift near the future Magoun Square Station.
- To source 32,000 reusable, hand-sewn face masks, we reached out to numerous U.S. small and diverse businesses who are pivoting from their traditional products to addressing a national shortage of personal protective equipment. Our support of these companies is helping meet our clients' needs while making a direct impact on the economic recovery.

COMPANY OVERVIEW

Our Sustainability Mission

Our mission is to conduct business in a socially, economically and environmentally responsible manner to the benefit of current and future generations. Sustainability is integrated in our business practices, and our employees are engaged in delivering the mission. Our strong socially responsible corporate identity allows Fluor to achieve our purpose of building and sustaining the global community and providing value for our stakeholders.

Our executive-level Sustainability Committee includes representatives from many disciplines.





About Us

A global leader in engineering, procurement, construction and maintenance, Fluor works closely with companies and governments to design, build and maintain complex capital projects that are essential building blocks of development and progress. We have the expertise and reach to tackle the world's toughest challenges with an integrated life-cycle approach designed to deliver projects on time, within budget and with an outstanding health, safety and environmental record.

Fluor has long been a leader in the global construction industry and is ranked No. 164 on the *FORTUNE*[®] 500[®] list. Every day, we strive to set the standard for safety, ethical performance, operational excellence and industry innovation, providing clients and partners the confidence that only a global leader can deliver.

We are building a better world. We've partnered with government agencies to support their missions and build infrastructure around the world. We've worked hand in hand with leading advanced manufacturers and life science innovators. We've managed and provided operations and maintenance services for some of the world's most complex projects for major energy, chemicals, power and mining companies.

At a Glance

Founded in 1912 and headquartered in Irving, Texas, Fluor Corporation (NYSE: FLR) is a global, publicly traded engineering, procurement, construction and maintenance company.

▶ 1912 FOUNDED

- ▶ **50,000**+ EMPLOYEES
- PROJECTS PERFORMED IN 60+ COUNTRIES



Notable Industry Recognition



Recognized on the FORTUNE® magazine World's Most Admired Companies® list for 19 consecutive years



Recognized by the Ethisphere® Institute as a World's Most Ethical Company® for 13 consecutive years



Ranked No. 2 on the *Engineering News-Record* list of **Top 100 Design-Build** Firms in 2019



Listed in 2019 for the fifth consecutive year on the North America Dow Jones Sustainability Index

HEALTH, SAFETY & ENVIRONMENTAL

3 GOOD HEALTH AND WELL-BEING



7 AFFORDABLE AND CLEAN ENERGY 2 RESPONSIBLE CONSUMPTION AND PRODUCTION



2019 Highlights

- Safer Together actions were fully implemented, helping us achieve a culture of care and prevention.
- Kuwait Integrated Petroleum Industries Company's Al-Zour Oil Refinery Project won the American Society of Safety Professionals' Gold Award for HSE Excellence and Bronze Award for Environmental Excellence.

Safety is about people, and I embrace any opportunity to create a safer work environment for my colleagues. During a project assignment, I saw first-hand how safety is a team effort that relies on open dialogue between everyone at the site in order to be successful. I used that experience and collaborated with our HSE function to revamp our pre-task planning process to better stimulate discussions among our crews and to add a focus on hand injury prevention.

ANKUR KUMAR

Process Engineer, Business Transformation & Innovation[™] Greenville, South Carolina, United States

We Understand That Safety Impacts Everything We Do

At Fluor, Safety is our first Core Value. We take care of the people who work on our projects, as well as the surrounding communities and environment, not only because it is the right thing to do but because it is key to achieving excellence for our clients.

We have built our industry-leading HSE reputation on knowledge obtained over decades of building some of the world's largest, most complex and innovative projects. We are committed to preventing injuries and fatalities on our sites, and our robust programs and procedures help us mitigate the hazards inherent in the work we do.

But we know that this is not enough. To truly be world class at HSE requires a caring, preventive safety culture. While statistics still provide valuable benchmarks, our goal is to build an HSE culture that relies on proactive action by engaged employees. We call this Safer Together.

In 2018, we introduced 10 actions to achieve our enhanced vision of prevention and care that our stakeholders deserve. Employees throughout every level of the organization, beginning with CEO Carlos M. Hernandez, embraced the culture shift as the Safer Together actions were rolled out in 2019.

On our sites, we have seen a refreshed surge of excitement and engagement from Fluor employees, subcontractors and stakeholders. We know that this unwavering commitment translates directly to meeting and often exceeding client expectations. When workers feel respected and protected, they work more efficiently and produce higher quality results.

This momentum is already making an impact on our culture, and we know we will continue to improve for the benefit of our people, our clients and the world.



The MEGlobal Monoethylene Glycol Manufacturing Project team created a culture of safety accountability, not just safety compliance, which led to personal ownership by all employees at the Freeport, Texas, site. Management also focused on employee development by providing stretch assignments and mentoring to help promote nearly 20 craft workers to supervisory positions.

Safer Together Means:

- Sites across the globe adhere to the same level of care with standardized safety requirements and programs.
- All Fluor offices welcome visitors with a safety overview.
- Distracted driving is prevented, and employees serve as role models on the roads at all times.
- Leaders demonstrate keystone safety habits and set the example. All employees have the responsibility to stop work when they witness an unsafe act or condition.
- Rules regarding Fluor's Life CriticalSM operations are observed universally, and violations are treated with accountability.
- Safety leaders are developed through comprehensive management training and succession planning.
- HSE incident alerts facilitate learning and prevent recurrence of high-severity incidents.
- Our leaders are equipped to effectively engage with the workforce and provide both positive and corrective safety feedback.



- Our Safety Steering Team with members from every business line reviews the safety climate and sets strategic safety goals.
- We celebrate projects' safety successes and recognize teams for safety leadership.

Developing Technical Expertise and Safe Habits

As with construction, it is essential to establish a solid foundation of knowledge on which to build. In HSE, this means that we must be grounded with technical expertise and demonstrate safe behaviors. At Fluor, we take the time for training, mentoring and acclimation to our standard of working Safer Together because we are committed to our employees' safety, as well as the safety of the people around them.

Our computer-based and classroom training prepares our people to safely perform their duties at Fluor's uncompromisingly high standards. In 2019, more than 1,920 operational personnel completed 86 percent of assigned courses. While we are proud of this achievement, our goal remains to reach 100 percent course completion.

Streamlining How We Track Training

We provide high-quality modules to jobsites through the Fluor University® platform. These sessions are tracked through the Fluor Craft Passport program, which captures all training each craft worker receives across various disciplines in one place. This allows craft workers to apply training certifications from project to project, without the need for retraining and delayed onboarding. We track training of office-based employees through Fluor University.

Sharing Lessons Learned Around the Globe

Though our projects are spread around the world, our company-wide incident and injury response protocol allows us to quickly learn from our experiences. The protocol clearly defines the communication, investigation and follow-up actions based on the severity level of both incidents and near misses.

We analyze both actual severity and potential severity, or "what could have happened," in all HSE incidents to prevent recurrences. In 2019, projects issued 38 incident alerts to promote learning throughout the organization.

We Are Proud of Our Safety Leaders

Our Silver Medallion Award honors employees who have acted in a heroic manner to save another's life. The 2019 recipients are:

Timothy Cieniewicz

U.S. DOE Savannah River Site Management & Operations Project Aiken, South Carolina

Aziz Naghzi Beek Fluor – Čanada Office Calgary, Alberta, Canada

Scarshoala Morfe Fluor Daniel – Philippines Office Muntinlupa City, Philippines

Meledaine Dagohoy Fluor Daniel – Philippines Office Muntinlupa City, Philippines

Michael Shea Massachusetts Bay Transportation Authority Green Line Light Rail **Extension Project** Somerville, Massachusetts

Mike Rogers

Tengizchevroil Future Growth Project – Wellhead Pressure Management Project Tengiz, Atyrau Oblast, Kazakhstan

Doug Dorval Tengizchevroil Future Growth Project – Wellhead Pressure Management Project Tengiz, Atyrau Oblast, Kazakhstan

David P. Murphy Fluor's Diversified Services -**Power Office** Dallas, Texas

> David P. Murphy receives a Silver Medallion award for his life-saving action.



19,263 assigned courses



HSE Training Course Completions

Our Past Health and Safety Performance Guides Our Future Initiatives

Fluor monitors lagging and leading indicators to measure the effectiveness of our health and safety programs. Learning from both our shortcomings and our successes is how we mitigate the threats our workers are facing.

A company-wide U.S. Occupational Safety and Health Administration (OSHA) standard guides our measurement and reporting process.

In 2019, our workforce reported a total of 549 incidents; 201 of which included the risk of serious injury or fatality; nine of which did result in life-altering injuries; and one that tragically resulted in a fatality. A subcontractor employee lost his life when the concrete mixer truck in which he was a passenger rolled off a mountain road. Finger, toe and leg amputations were our most significant high-severity incidents in 2019.

These incidents remind us that we still have much work to do. We will never be satisfied until none of our people are ever seriously injured or killed. To mitigate risks and reduce our lagging indicators, we will continue to review incidents by severity level. These insights will better guide us in proactive development of initiatives.



Days Away, Restricted or Transferred (DART)

Improvements Through Audits

Fluor's HSE audit program allows leadership to measure site leading indicator performance and presents them with tangible opportunities to identify and prioritize areas for improvement. In 2019, these audits were focused on three critical areas for attention – human-machine interface, respiratory protection and welfare provisions. In 2019, we completed a total of 81 corporate HSE audits. The 66 general worksite audits received an average score of 87.8 percent, while the 15 life-critical audits scored 88.8 percent, surpassing our goal of 87 percent.

Fluor Minimizes Environmental Impacts

Fluor conducts business to meet the needs of clients and stakeholders today, while at the same time protecting and enhancing the resources that will be needed tomorrow. We work closely with clients, partners and suppliers to meet environmental laws and regulations, as well as minimize environmental impacts.

Waste, Water and Energy Reductions

Fluor offices reduce waste by donating used furniture, office equipment and supplies, carpet and computers to schools, homes for elderly and non-profit organizations. During renovations, furniture and materials are reused whenever possible. Our waste reduction efforts also include duplex printing and using durable crates. We recycle paper, cardboard, batteries, mixed/commingled and assorted waste.

We also track the amount of water we purchase and the amount that we conserve through initiatives, such as deployment of low-flush valves, installation of automatic faucet sensors and commodes and low-flow shower heads.

Our energy reduction practices include installing solar panels, replacing lighting with LED lights, changing operating time on air conditioning units and switching to energy efficient appliances.



For 2019 metrics, see Appendix A.

Greenhouse Gas Emissions

Fluor follows the Greenhouse Gas Emissions (GHG) Protocol standards for inventory over which we maintain operational control and update emission factors periodically. The basic unit of measure used throughout the GHG inventory is metric tons of equivalent carbon dioxide (tCO₂e). 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.

We began measuring our global carbon footprint in 2006. The scope of these emissions includes emissions produced within offices, vehicle fleets at those offices, and air travel and excludes emissions produced at client sites and fabrication yards. Measuring and reporting the carbon footprint of Fluor facilities provides valuable information that is used to manage our operations in an environmentally responsible manner. We continue to identify ways to reduce carbon emissions through energy efficiencies, recycling activities, renovations and conservation efforts.

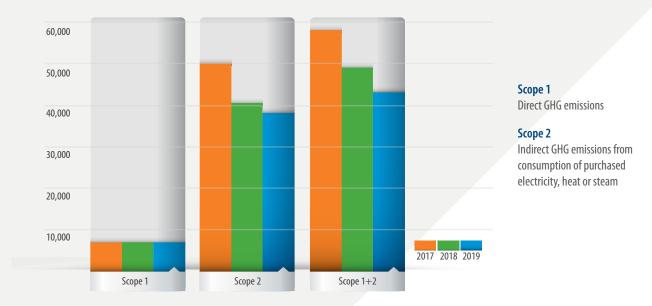
Fluor's absolute GHG emissions are depicted in the graph below. In 2018, emissions from Stork were collected and added to Fluor's total reported emissions. Fluor is in the process of establishing a new baseline of 2018 to reflect this addition.



Greenhouse Gas Emissions (absolute in metric tons of equivalent carbon dioxide)

Fluor's absolute GHG emissions reflect the complexity of opening, closing, expanding, consolidating and maintaining space in 150 facilities around the globe. As we closed some of our facilities based on our business activity, we experienced a reduction of 3.8 percent in our Scope 1 (direct GHG emissions), 10.1 percent in Scope 2 (indirect GHG emissions from consumption of purchased electricity, heat or steam) and 11.7 percent in Scope 3 (other indirect emissions, such as travel).

Fluor's absolute GHG emissions, without Stork's absolute emissions, are shown in the graph below for historical comparison since three years of data are available. Scope 1, Scope 2 and combined Scope 1 and 2 emissions are shown. Scope 3 emissions are not included since they include Stork emissions in 2018 and 2019, but not 2017.

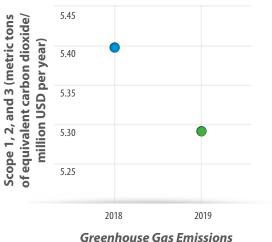


Greenhouse Gas Emissions - Fluor without Stork (absolute in metric tons of equivalent carbon dioxide)

Similarly to the first *Greenhouse Gas Emissions* graph, a significant reduction of Scope 2 is observed due to closure of some of Fluor's facilities.

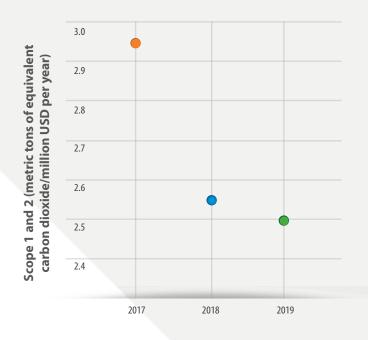
Normalizing absolute GHG emissions by revenue, as shown in the chart to the right, is another approach to evaluating the effect of our efficiency measures. Fluor's normalized GHG emission in 2019 is 5.29. Between 2018 and 2019, there was a reduction of 2 percent in normalized GHG emissions for Scope 1, 2 and 3 combined. The lower reduction in normalized GHG emissions from 2018 to 2019, compared to a reduction in absolute GHG emissions, is due to a decrease in revenue reported in Fluor's 2019 Form 10-K.

Note that the value of 5.40 is the first year of the new baseline, 2018. This value is slightly different from what was reported in the previous year's Sustainability Report (5.38) due to restated revenues in Fluor's 2019 Form 10-K.



(normalized by revenue tCO_2e)

Fluor's normalized GHG emissions without Stork's input are shown in the graph below for historical comparison since three years of data are available. Similarly to the *Greenhouse Gas Emissions – Fluor without Stork* (*Absolute in Metric Tons of Equivalent Carbon Dioxide*) graph, Scope 1, Scope 2 and combined Scope 1 and 2 normalized emissions are shown.



Greenhouse Gas Emissions – Fluor without Stork (normalized by revenue)

Fluor's normalized GHG emissions without Stork's input were 2.50 in 2019 for Scope 1 and Scope 2. We experienced a 2.17 percent reduction in our normalized GHG emissions since 2018. As noted above, the lower reduction in normalized GHG emissions from 2018 to 2019, compared to a reduction in absolute GHG emissions, is due to a decrease in revenue reported in Fluor's 2019 Form 10-K.

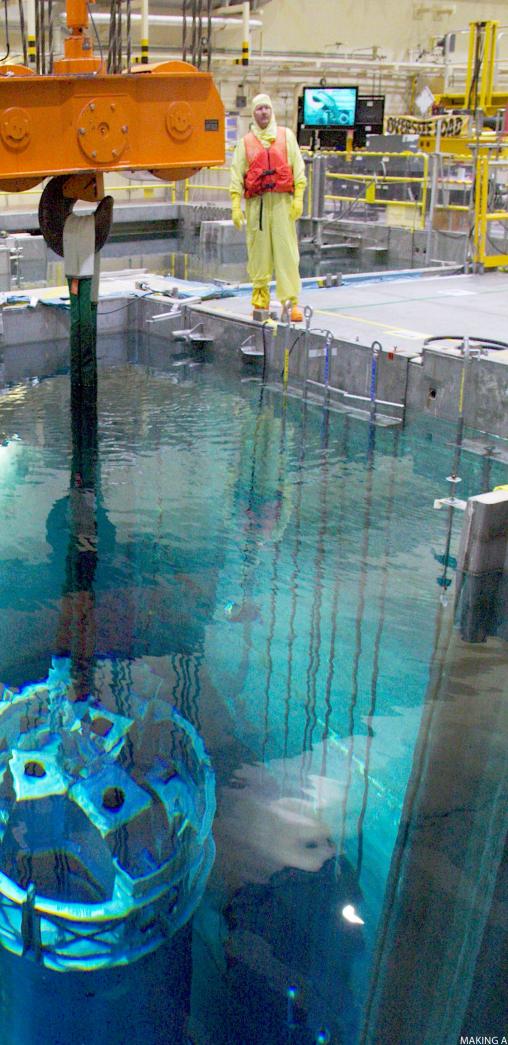
Fluor's United Kingdom operations are subject to carbon emissions regulations. Fluor does not buy carbon credits in order to reduce our emissions. In general, Fluor is not governed by a requirement to measure our carbon footprint.

Management of Environmental Data

Our Sustainability Performance Indicator Management System (SPIMS), a web-based data entry software, is used to capture, trend and report Fluor's environmental data.

We use SPIMS to collect environmental data from our offices and calculate our greenhouse gas emissions in accordance with GHG Protocol. We track electricity, heat or steam purchased by Fluor, as well as other fuels and renewable energy. We track refrigerants and measure fuel used by our fleets associated with our offices, as well as commercial air travel on projects and commercial and charter air travel not project related. We also use SPIMS to collect data on waste and water.





Radioactive Waste Cleanup

Fluor Idaho supports the U.S. Department of Energy's cleanup mission at the 890-square-mile Idaho site. In the latest project in Fluor's 50-year history there, environmental cleanup efforts to remove radioactive waste from the site are protecting the sole drinking water source for much of eastern Idaho. From 2016 to 2019, crews safely treated and repackaged the first 100 of approximately 2,400 drums of radioactive sludge at the site. Other sustainability achievements include:

- Awarding over 62 percent of its subcontract dollars to small business concerns.
- Using virtual reality to improve safety and worker performance.
- Targeting local and regional companies to support the project.
- Receiving the 2016 Governor's Award for Leadership in Energy Efficiency, which recognized Fluor Idaho's successes in reducing energy use and environmental impacts.

Our Path Forward

To make a lasting impact, we know we must continuously improve. In 2020, we will launch actions to strengthen our stance on environmental stewardship throughout the company, including looking to set GHG emissions reduction goals, providing alternate and renewable energy solutions to our clients and developing waste reduction and reuse policies at our offices and project sites.

Engagement is Key to a Caring, Preventive Culture

The JGC Fluor BC LNG joint venture (JFJV) LNG Canada Export Facility Project team is united around its aspiration of being the Safest Project on Earth. This is no easy feat given the project's enormous size of more than 400 hectares or 1.5 square miles, the remote location surrounded by wildlife on land and in water, the complex scope and the large workforce, which is expected to peak at 4,500 craft workers.

Achieving this vision requires engagement from all levels of Fluor, joint venture partners, subcontractors and the client. Two major elements contribute to the strong safety culture on the site.

- Accountability. Hazard observation cards and stop work authority encourage craft workers to take safety into their own hands. Every person on site has the right – and responsibility – to intervene when they see an unsafe act or condition. In 2019, more than 60,000 hazard observation cards were submitted, and those hazards were immediately corrected or followed-up on by management. Workers are continually recognized and rewarded for their participation in these programs.
- Open communication. The Safer Together steering committee, made up of leadership from all contractors, conducts listening tours to gauge how activities are going in the field and to promote a positive safety culture. In addition, subcontractors establish an incident and injury free action team to help promote a Safer Together culture within their companies.



The project's sustainability efforts don't stop at just safety. Other notable achievements in 2019 include:

- Hiring qualified environmental staff who are mentoring the next generation of environmental professionals.
- Giving back to the Kitimat and Terrace area community by participating in 14 events, ranging from school supply drives to river clean-ups.
- Developing a cultural awareness program to highlight the project's commitment to work with and honor local Indigenous communities.
- Launching <u>Your Place</u>, a tuition-free, four-week training program to prepare women for careers in the construction industry and potential job placement on the project. More than 1,000 women applied in the first four months of the program.
- Developing craft workers' leadership skills through the supervisor advancement program.
- Hiring at least 25 percent of the trade workforce as apprentices and supporting their development with skills training.

Environmental specialists help ensure that area wildlife are protected. More than 265,000 fish, including Coho, have been relocated thanks to fish compensation habits onsite. Many grizzly bears and eagles are spotted in the wilderness surrounding the site near the Kitimat River estuary.



The Your Place program is preparing women for careers in the construction industry. Diana Audette and her daughters are taking advantage of this opportunity. Diana went from working in a mall, to driving a rock truck at the LNG Canada construction site, and her daughters also took up positions supporting the project. Hear about their experience working on the project in their own words.

COMMUNITY & SOCIAL SERVICES

6 CLEAN WATER AND SANITATION 8 DECENT WORK AND ECONOMIC GROWTH

2019 Highlights

2 ZERO HUNGER

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More than 553,000 meals were served to those who were hungry.

3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION

- More than 250,000 students received 1.3 million hours of science, technology, engineering and math (STEM) awareness, enrichment and training.
- More than 16.1 tonnes (17.76 tons) of litter were removed from sites around the world.
- Employees contributed more than 37,000 volunteer hours to the communities where we operate and live.

I appreciate the boldness, the attention to detail and the breadth of Fluor's involvement with community partners. Whether it is providing grant money for craft training, building a roster of volunteers for a school STEM event or organizing a drive for a local food pantry, I know Fluor will show up, give great effort, make others feel appreciated and produce quality results.

11 SUSTAINABLE CITIES AND COMMUNITIES

KEITH CARTER II

Engineering Area Manager, BMW Manufacturing Center Project Greer, South Carolina, United States

It's Our Privilege to Provide Financial and Volunteer Support to Communities

At Fluor, we believe if communities thrive, so do their businesses and residents. The stability of a community is affected by the condition of its infrastructure and its ability to attract and retain talent. That's where our projects come in. When our work brings us to a new community, our employees seize opportunities to fix problems, improve circumstances and enrich lives.

When a group shows up wearing our red Fluor Cares® t-shirts, everyone there can be sure that something positive is about to happen. We are proud that our projects are building a more prosperous future for our clients and stakeholders, but we know what is even greater is the lasting impact our communities are experiencing.

Executive leadership develops our community involvement strategy based on key areas where we believe we can make the most impact: education, social services, community and economic development and the environment. The strategy is implemented via programs, initiatives and partnerships led by Fluor, the Fluor Foundation and Fluor Cares volunteers. We continuously collect, measure and analyze program data to assess their relevance and find areas for improvement.

In 2019, our efforts funded by Fluor and the Fluor Foundation provided more than \$7 million in contributions to our nonprofit partners and initiatives. Additionally, employee volunteers donated more than 37,000 hours to the communities where we operate and live.

> 250,000

STUDENTS RECEIVING STEM AWARENESS, ENRICHMENT AND TRAINING

- 17,800 YOUTH RECEIVING LIFE SKILLS AND LEADERSHIP TRAINING
- ► 553,000 MEALS PROVIDED
- 67

HOMES AND FACILITIES BUILT OR REFURBISHED



Building Futures is Fluor's global educational outreach program dedicated to providing resources like backpacks and school supplies to students in need as they start a new school year. Over the past 19 years, Building Futures has served 196,000 students. More than 800 Fluor employees participated in the program in 2019, donating more than \$134,000 in supplies and giving more than 2,200 hours of their time to serve 10,090 children around the world.

18,800

IN DIVIDUALS RECEIVING PREVENTIVE AND EMERGENCY SERVICES

- 6,300 TREES, SHRUBS, AND FLOWERS PLANTED
- 16.1 tonnes
- ▶ 37,000 VOLUNTEER HOURS





Students from the Visual and Performing Arts Magnet School in Jonesboro, Arkansas, take on the Fluor Engineering Challenge.

Creating a Sustainable Flow of Engaged, Educated Talent

Teaching students through a hands-on, engaging learning process is becoming the new normal in the classroom. Educators are rethinking the learning experience, focusing not only on what students learn, but how they learn.

To support this approach, as part of Fluor's celebration of Engineers Week, students around the world were invited to participate in the <u>Fluor Engineering Challenge</u>, developed in partnership with Science Buddies[®], an award-winning, web-based education nonprofit. In 2019, we celebrated the fifth anniversary of the challenge by introducing the "Volleyball Machine Challenge."

The 2019 Fluor Engineering Challenge received a record-breaking 1,430 submissions, with approximately 4,300 students participating from 10 countries. Our talented engineers not only raise the bar for our clients, but also for the future workforce.

Visitors to the Fluor Engineering Challenge site get to know the Fluor engineers, learn about the history behind the innovative Fluor Challenge design and explore various engineering fields.

Teachers not only get their students involved in the challenge, but they can also download lesson plans that help students gain a deeper understanding of the engineering design process. More than 1,600 teachers have downloaded Fluor Engineering Challenge lesson plans for their classrooms.

This is just one of hundreds of events we organize around the world to encourage students' passion for learning and problem solving. In 2019, Fluor and its employees enabled more than 250,000 primary and secondary school-aged students to receive 1.3 million hours of STEM academic training and enrichment and to become aware of career opportunities in these disciplines.







Fluor Cares volunteers planted 1,000 trees at the La Mesa Watershed to compensate for Fluor's Philippines office's carbon footprint.

Impact That Reaches the Farthest Corners of the World

Fluor offices and project sites encircle the planet, often in developing countries where we have an opportunity to create progress and energize economies. Through our projects themselves and through our community and social programs, we leave communities better than when we arrived.

Fluor Cares volunteers at Fluor's Manila, Philippines office planted 1,000 trees at the La Mesa Watershed. As a result, Fluor in the Philippines surpassed its 2019 goal of planting 2,500 trees by 40 percent, helping to neutralize its carbon footprint and ultimately planting 3,500 trees.

The number of trees the office targets each year is based on the carbon footprint that Fluor in the Philippines generated from the previous year. In 2018, the amount of CO_2 produced would require the planting of more than 1,000 trees; however, community impact leaders at the office realized that neutralizing their carbon footprint was only the first step in improving the environment for future generations, so they decided to more than double their impact and target 2,500 trees.

To identify planting sites, Fluor partnered with the Philippine Business for Social Progress (PBSP), the largest business-led social development foundation in the country, which is dedicated to restoring and protecting not only La Mesa, but also the Marikina and Buhisan, Cebu, watersheds, as part of PBSP's collective impact initiatives to rehabilitate the watersheds.

"We at PBSP believe that each of us, especially our member companies, can contribute in addressing complex, societal problems. This is captured in our campaign called #KasaliAko that aims to invite everyone to be involved and included in our nation's growth and development," PBSP Executive Director Reynaldo Antonio D. Laguda said. "With Fluor's support, which is a major boost in our initiatives, we hope more companies will be inspired to take on this cause with us."

The La Mesa Watershed is the only major watershed in the Metro Manila, Philippines area. It surrounds the La Mesa Dam and Reservoir, the primary source of potable drinking water for 12 million residents in the Manila metropolitan area.

In 2019, construction began on the towers that will support the Gordie Howe International Bridge. Each of the two towers will be supported by 12 drilled shafts, measuring 10 feet (3 meters) in diameter and more than 100 feet (30 meters) deep.

HILL

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Bridge Project Is Doing More Than Connecting Two Communities – It's Enriching Them

The construction of any large infrastructure project, especially one that spans an international border, is no easy task. <u>The Gordie Howe International Bridge Project</u> will not only deliver much-needed transportation improvements for international travelers, it will also improve local communities and workforces.

Bridging North America (a joint venture among Fluor, Dragados and Aecon) is Windsor-Detroit Bridge Authority's private-sector partner. The joint venture's responsibility is to design, build, finance, operate and maintain the Canadian and U.S. Ports of Entry and the bridge, and to design, build and finance the Michigan Interchange under a public-private partnership agreement (P3).

In June 2019, the project released its community benefits plan, which has two components:

- Neighborhood infrastructure strategy. Investing \$15 million into Detroit and Windsor for improvements such as new bike trails, local street enhancements and art projects.
- Workforce development and participation strategy. Engaging more than 40 businesses and providing employment opportunities, training and apprenticeships.

Additionally, the team is minimizing impacts to the environment and wildlife. Other <u>sustainability</u> highlights include:

- The Port of Entry buildings will be energy efficient. In addition, low-flow water faucets and toilets will reduce the potable water demand to help achieve Leadership in Energy and Environmental Design (LEED) Silver certification.
- Landscaping will feature native species that do not require irrigation.
- A pedestrian and cycling path on the bridge will encourage non-motorized vehicle traffic.
- Storm water management efforts will protect public waterways.

The project is already receiving national and international recognition. Highlights from 2019 include:

- Oracle 2019 Engineering Project of the Year CG/LA Infrastructure (Montreal).
- **Outstanding Emerging Project** National Council for Public-Private Partnerships (Denver).
- Gold Award Project Financing Canadian Council for Public-Private Partnerships (Toronto).

When construction is complete in 2024, in addition to being the longest cable-stayed bridge in North America, the project's legacy will include a lasting positive impact on the lives of the local people on both sides of the border.

EMPLOYEES & WORKPLACE

1 POVERTY



5 GENDER EQUALITY



10 REDUCED INEQUALITIES

a



- 16,238 hours of leadership training.
- Fluor in Calgary incorporated Indigenous cultural awareness workshops with qualified Indigenous trainers and Elders.
- More than 12 percent of the graduates at our U.S. Gulf Coast Training Center are women, nearly four times the industry average.

In my 38 years at Fluor, I have had the privilege of working alongside the industry's best and brightest. And that's why I have stayed – working with the best pushed me to continually improve. The talent we have within Fluor is unmatched. The legacy of Fluor has been sustained through the years by its people, practices and commitment to doing the right thing – always.

JIM HANNA

Vice President, Global Human Resources Operations *Houston, Texas, United States*

Our People Are Our Most Valuable Asset

At Fluor, promoting a culture of growth, inclusion and diversity is a business imperative. By focusing on the needs of our employees and the atmosphere in which they work, we continuously raise the satisfaction of our people, and we raise efficiencies for our clients.

Like our CEO Carlos M. Hernandez says, "An amazing culture does not just happen, it is built. It is invested in, and it is continually fostered."

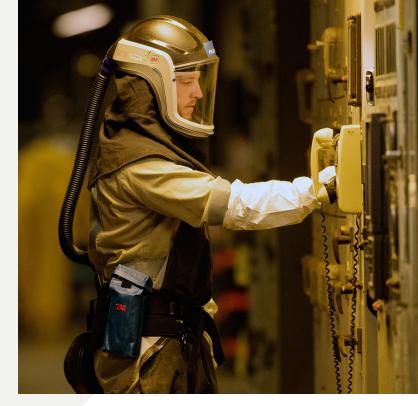
Diversity Recruiting and Hiring

Fluor is an equal-opportunity employer that advertises all positions widely to attract a diverse pool of candidates. We engage and partner with select organizations, such as the Society of Hispanic Professional Engineers, Society of Women Engineers and National Society of Black Engineers. We also participate in the Work Opportunity Tax Credit program by hiring qualified personnel within low-income or at-risk target demographics.

Fluor proudly remains a military-friendly employer. We participate in the Employer Support of the Guard and Reserve program to champion our employees' current military commitments. We are honored to have more than 1,300 former or currently serving members of the United States military among the Fluor workforce.

Development Opportunities

Fluor is passionate about our culture, and we understand the key components that have resulted in more than 100 years of excellence. The development of our people starts with having a foundational understanding of our Core Values – Safety, Integrity, Teamwork and Excellence – and clearly established expectations.



The team of contractors and a workforce of more than 1,900 are working safely to decontaminate and decommission more than 10 million square feet (929,030 square meters) of contaminated facilities at the <u>U.S. Department of Energy Portsmouth plant</u> in Pike County, Ohio. In addition, Fluor is partnering with the community to leverage site assets to help the local economy, create jobs and ultimately find new uses for the site.

10.1 hours

AVERAGE INSTRUCTOR-LED TRAINING PER SALARIED EMPLOYEE

7.7 hours

AVERAGE ONLINE TRAINING PER SALARIED EMPLOYEE

27

VIDEO DISTANCE LEARNING CLASSES ACROSS 10 OFFICES, RESULTING IN A COST AVOIDANCE OF \$170,550

To nurture and grow our talent, Fluor offers access to training and development programs across positions at all levels of our company and all geographies.

Fluor Fellows, Mentoring Circles, GROWSM (Growing Representation & Opportunity for Women) and Graduates Advancing to Professionalism (GAP)SM are just a few examples of programs we have created to help employees feel like part of the team.

We train and develop employee skills through Fluor University. In 2019, we achieved a record-breaking year with nearly 150 new courses launched and nearly 170,000 credit hours earned by employees.

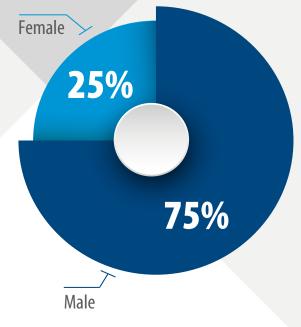
Lifelong learning is more essential than ever to ensure our employees grow personally and for Fluor's future, as well as our stakeholders.

Building Tomorrow's Craft Professionals

To deliver the most complex and challenging projects in the world, we must attract and continually develop the most talented workers in the world. Fluor continues to enhance and deliver technical training programs to ensure that we have the right people with the right skillsets for each job.

As a part of our purpose to transform the world by building prosperity and empowering progress, we upgrade the skills and capabilities of local craft workforces everywhere we go. This global approach to training local workers reduces project costs and schedule risks for our clients and ultimately improves local communities.

For our entire craft workforce, even in the farthest reaches of the developing world, we continue to sponsor training curricula accredited by the National Center for Construction Education & Research (NCCER), providing free training in areas of entry-level craft, upgraded welder training, certifications, supervisory development and more.



Total Employees by Gender

Through the continued development of training programs and safety committees, the <u>Texas Department of</u> <u>Transportation IH-20 Frontage Roads project</u> team in Dallas has been able to increase hazard recognition and mitigation among craft workers. In addition, the project is actively involved in the On-the-Job Training Program, where employees accumulate development hours toward the next step of their careers.





Los Angeles International Airport Automated People Mover Project

We Respect and Value Diversity of Thought and Culture

Diversity and inclusion are embodied in our Core Value of Teamwork because we understand the impact teamwork has on achieving sustained business success. When employees feel safe, respected and rewarded, only then are we able to develop our people, expand our diversity, encourage new ideas, attract the best talent and grow our workforce.

Fluor encourages all employees to recognize the importance of developing diverse relationships, enhancing cultural understanding and fostering a positive work environment for all.

Indigenous Relations

One of Fluor's most notable Canadian operations, LNG Canada Export Facility Project, is located within the Haisla Nation, an Indigenous Nation of more than 1,700 people in and around the Kitamaat Village in British Columbia. Haisla Nation believes that to attain strength and independence, people must work together with a spirit of respect and partnership, a belief shared by Fluor.

To help bring awareness of Indigenous culture, Fluor in Calgary provides weekly messages to educate Fluor employees about local events, artists and cultural factors. In 2019, Fluor organized Indigenous cultural awareness workshops with qualified Indigenous trainers and Elders. Moving forward, Fluor intends to attend key ceremonies and activities held by Indigenous communities, as well as establish a network for Indigenous employees.

Legacy of Meaningful Careers

LAX Integrated Express Solutions (LINXS), a Fluor-led joint venture, is currently in the midst of a \$4.9 billion contract to design, build, finance, operate and maintain the Los Angeles International Airport Automated People Mover Project over the next 30 years.

The project team is partnering with Los Angeles World Airports to create a legacy of meaningful careers for Los Angeles residents. The LINXS Workforce Development team connects under-represented individuals to construction opportunities on the project and assists subcontractors in identifying candidates.

In addition, the team integrates a <u>focus on</u> <u>sustainability</u> from design through construction to minimize energy consumption and adverse environmental effects, promote indoor environmental quality and reduce resource consumption. For example, the Maintenance & Storage Facility has been designed to achieve LEED Gold certification.





Fluor Trains the Workforce of the Future

The need for skilled craft workers remains high throughout the construction industry. To help meet the demand, Fluor invested in the pipeline of future craft professionals through our U.S. Gulf Coast Craft Training Center in Pasadena, Texas, which offers tuition-free, pre-employment training to those who wish to attain credentials in the areas of welding, electrical, pipefitting and instrumentation.

Fluor knows the value of a diverse workforce. More than 12 percent of the center's graduates are women, nearly four times the industry average. In addition, our craft training opportunities enabled 59 graduates to move

off government assistance programs and into full-time employment in 2019. This achievement earned the United Way Galveston County Mainland's 2018 Presidential Award.

During the 12-week training session, students received classroom and hands-on training by some of the best professionals in the industry. One Fluor trainer, Clemon Prevost, was named the 2019 Craft Instructor of the Year by Associated Builders and Contractors.

A journeyman in the electrical and instrumentation fields and a NCCER-certified instructor, Prevost has more than 42 years of experience in the electrical industry. Since the center was launched in 2015, he has safely delivered more than 300,000 hours of craft training with 169 graduates in the electrical program.

Prevost reflects the commitment to excellence that every employee at Fluor shares.



Clemon Prevost



After attending Fluor's U.S. Gulf Coast Craft Training Center, students were fully prepared to begin their careers in the construction industry. More than 600 students graduated from the center between 2015 and 2019.

ETHICS & COMPLIANCE

5 EQUALITY





2019 Highlights

- Named one of the World's Most Ethical Companies[®] by the Ethisphere Institute for the 13th consecutive year.
- Trained 29,541 employees on anti-corruption, conflicts of interest, fair treatment of employees and protecting company assets and confidential information.

Being part of the first and largest downstream EPC LNG project in Mozambique's history is a proud moment in my career. Fluor and our joint venture partners have worked from the start – along with our client – to identify and manage potential compliance risks early in the project and develop a compliance program to mitigate them throughout the project.

Given the multiple stakeholders, partners, languages, cultures and execution centers around the world, and a peak workforce estimated at 20,000 at site, it's essential that we are all on the same page from the very beginning when it comes to what compliance means. This groundwork will lead to efficiency, trust and transparency – three key components for a successful project.

TOLANI AZEEZ

Executive Director, Rovuma LNG Project *Yokohama, Japan*

Azeez delivered the keynote speech at the 2019 European Women in Construction & Engineering Awards where she encouraged women to excel in the industry. She was named the Best Project Manager by the organization in 2018.



Clients Count on Our Culture of Integrity

"Do the right thing."

That sounds so simple, right? Just do the right thing. But sometimes making the right decision is more complicated than that. Navigating the complex business world requires a strong culture, guidance and oversight. Fluor has a multi-faceted Ethics & Compliance Program that guides our employees, joint venture partners, suppliers and subcontractors and other business partners through this global maze.

We often talk about our Core Values, but if we're not implementing them and living them every day, they're just words – and words alone will not protect our reputation.

"An environment that not only encourages, but expects, honesty, integrity and transparency builds trust, and that is critical to our success as an industry leader," said Dawn Stout, senior vice president and chief compliance officer.

At Fluor, we will not undertake a project that compromises our Core Values. Fluor operates with an unyielding commitment to integrity and the highest standards of business conduct. Our clients depend on us to bring our ethical culture to their projects around the world.

"Everyone wants to work with people they can trust. Employees want conscientious leaders who are approachable and do what they say they will do. Managers want able workers who are committed to their work, support others and achieve their goals. In short, people want to work in a culture of integrity," CEO Carlos M. Hernandez said.

On a global level, we have been recognized for our culture of integrity. In 2019, we were named one of the World's Most Ethical Companies[®] for the 13th consecutive year; a World's Most Admired Company[®] by *FORTUNE Magazine* for the 19th consecutive year; and named to the Dow Jones Sustainability Index for the fifth consecutive year.

We engage with integrity organizations and industry partners that support corporate compliance such as the Ethics & Compliance Initiative, the Society of Corporate Compliance and Ethics and Building Responsibly – a worker welfare program that examines global workforces and the steps the engineering and construction industry can take to combat modern slavery in our operations and supply chains. We are a founding member of the United Nations (UN) Partnering Against Corruption Initiative (PACI) and a UN Global Compact signatory.

We Set Clear Ethical Standards for Our Employees

To maintain our culture of integrity and help our employees and partners make good decisions, we've created policies, procedures and training that guide them in their work. The <u>Code of Business Conduct and Ethics</u> (the Code) has long been the centerpiece of our commitment to operating with the highest standards of integrity.

Along with our <u>U.S. Government Contracting</u> supplement to the Code and <u>Anti-Bribery and Corruption Policy</u>, we have set forth clear standards for employees to apply to common ethical dilemmas in our offices and on job sites globally.

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 our policies.

In 2019, 29,541 employees received training on anti-corruption, conflicts of interest, fair treatment of employees and protecting company assets and confidential information. In addition, we continued our localized training initiative and provided a week of integrity training to 206 employees in the Fluor India office in New Delhi.

Our training goal is for each employee to understand what is expected of them, to be able to identify misconduct and to feel confident seeking advice and raising ethical concerns without fear of retaliation.

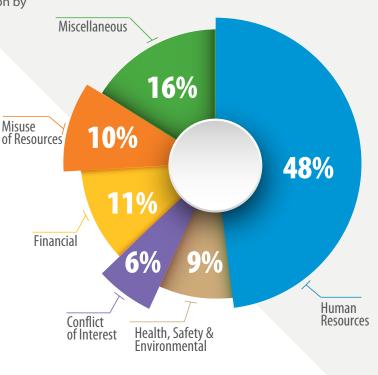
Encouraging Employees to Speak Up

Fluor maintains a formal open-door policy, enabling employees to have honest conversations with managers without the fear of suffering negative consequences. We have provided managers and leadership with training to help them respond to questions and concerns.

Employees can and do protect our reputation by seeking guidance and promptly raising a concern when they know or suspect that a colleague is involved in unethical, illegal or dangerous behavior. Employees who have concerns are encouraged to speak with their immediate supervisor and up the reporting structure as necessary, their local human resources manager or Fluor's Compliance and Ethics Hotline.

The hotline provides 24/7 support in more than 150 languages, and reports may be made anonymously where allowed by law.

Investigations at Fluor are conducted in a timely and thorough manner to maintain trust and integrity. Whether through management or the hotline, all complaints or issues raised undergo a consistent, unbiased investigative process. We follow Fluor's investigation guidelines to make sure that issues brought to our leadership or raised on the hotline are treated in the most ethical manner possible and consistently throughout the company around the world.



Ethics and Compliance Investigations

In June 2019, Fluor completed the P29 Isononanol Plant, the last unit awarded in the Refinery and Petrochemical Integrated Development (RAPID) Project – a remarkable giga-project that PETRONAS is developing in Johor, Malaysia. More than 50,000 workers from over 40 different nations were on the site, highlighting the fact that, as the world gets more complex, embracing diversity and establishing ethical partnerships to build strong project teams is essential.

We Proactively Manage Risks and Partnerships

Fluor works in many challenging locations and industries, and we bring our expertise and our values to each of our projects. Through our Business Risk Management Framework (BRMFSM), we assess the corruption risks of projects against a background of project location, business culture and locally required third parties.

We further manage ethics and compliance risks on each project through our Project Compliance and Ethics practices, which require project-specific ethics and compliance risk assessments and, as warranted, mitigation plans. At a corporate level, Fluor has an Enterprise Risk Management program and ethics and compliance subject matter experts who also assess anti-corruption and other risks.

Third Parties

Fluor seeks to do business only with third parties that share our standards and values. Because the actions of third parties can reflect on our company, Fluor chooses business partners that also adhere to strong business conduct and ethics standards.

We must be confident that our 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.

All subcontractors and suppliers are expected to comply with <u>Fluor's Business Conduct and Ethics Expectations</u> for <u>Suppliers and Contractors</u>, which covers anti-corruption and bribery compliance, trade controls, conflicts of interest, financial and operational controls, human rights and employment practices and health, safety and environmental stewardship.



Our People Care About Building a Better World

Fluor employees promote ethical conduct in the industries we serve. Material Manager Corey McShannon was faced with a daunting challenge as the <u>Chevron Phillips Chemical Company (CPChem) U.S. Gulf Coast</u> <u>Petrochemicals Project</u> in Baytown, Texas, neared completion; he needed to quickly dispose of a large amount of surplus material. McShannon and his team went to work to develop a surplus disposal plan, benchmarking with some of the industry's best and establishing a best practice for Fluor.



The team's solution diverted materials from landfills and provided due diligence that our material did not end up in the hands of unethical buyers.

McShannon then worked with Fluor's Legal and Trade Compliance teams to develop a global contract in support of consistent surplus material sales for all Fluor projects around the world. In 2019, a master service agreement was signed with an investment recovery service company that uses a web-based platform to dispose of surplus materials.

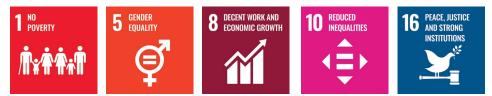
Potential buyers of our surplus material are vetted for ethical business practices via our entity screening process. They must acknowledge that the materials will not be used, sold, transferred, exported or re-exported directly or indirectly to restricted or embargoed countries. In addition, we confirm that they are not a party to illegal or unethical business dealings or named on the Specially Designated Nationals and Blocked Persons List.

Another contract McShannon helped negotiate – in which a supplier stores our material at their facility – is still providing revenue to the CPChem project years after its completion.

It takes employees like McShannon to make sure that Fluor continues to only do business with third parties that share our strong compliance and ethics standards.

Corey McShannon, Material Manager, Houston, Texas, United States

SUPPLY CHAIN



2019 Highlights

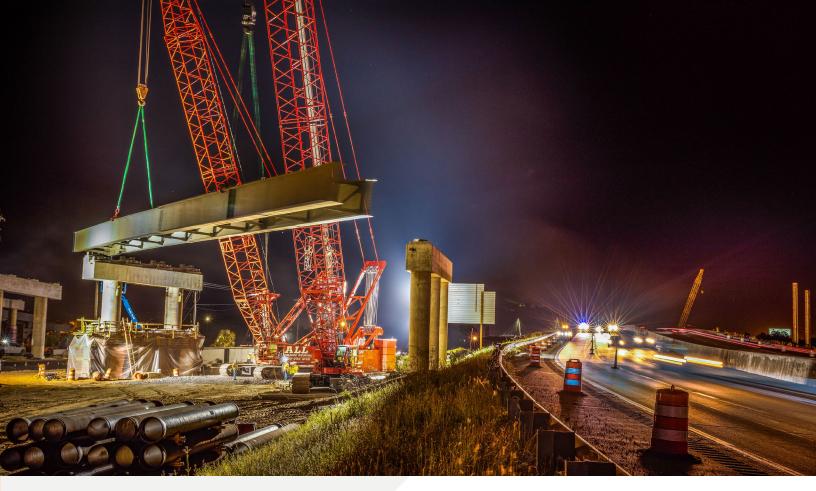
- Increased spend with certified diverse suppliers and contractors in the United States from 16 to 18 percent, an all-time high for Fluor.
- Spent approximately \$9 billion with local, well-qualified suppliers and contractors worldwide.
- Trained 1,092 supply chain employees on handling boycott requests.
- Awarded Prime Supplier of the Year by the Houston Minority Supplier Development Council.

Suppliers are a critical element of our success. With this in mind, we build relationships with local suppliers who share our values and social responsibility. By investing in small, diverse local businesses, we are investing in communities and powering economic growth.

BRENDALY CINTRON DE LEON

Global Director, Supplier Quality Management Greenville, South Carolina, United States

36 MAKING A LASTING IMPACT 2019 Sustainability Report



Fluor-Lane South Carolina, comprised of Fluor and The Lane Construction Corporation, was selected by the South Carolina Department of Transportation (SCDOT) to design and build the <u>Port Access Road Project</u> in Charleston. The project will provide new interchanges with improved mobility serving the fastest growing container port in the United States, enhance economic development and improve local roadway network access to Interstate 26. To maintain quality and safety, modular construction was used for precast components of the project, such as bridge beams, retaining walls, sound walls and draining structures.

We Incorporate Responsibility Into the Entire Supply Chain Process

Fluor's Supply Chain is especially rooted in our Core Value of Integrity. To that end, sustainability and our responsibility to ethically control the spending of our clients' money are the foundation of our business principles.

We uphold the highest degree of business standards, both for ourselves and our suppliers and subcontractors, through our Business Conduct and Ethics Expectations for Suppliers and Contractors, which are incorporated into the terms of every purchase order and subcontract. This document addresses ethical concerns globally, including bribery, trade controls, conflicts of interest, human rights and worker welfare practices and financial and operational controls. We enforce the commitment that those with whom we do business either adhere to our program or prove that they adhere to theirs which meet or exceed our expectations.

New suppliers and subcontractors (and those needing to be refreshed) are taken through Fluor's subcontractor and supplier prequalification process. It is a streamlined, yet comprehensive assessment to reveal any potential risks or threats that business with them might pose to us or our clients. This assessment includes financial health analysis and vetting of business controls and operations and confirms that suppliers will be able to comply with environmental laws and regulations and worker welfare provisions in the project's prime contract.

In 2019, Fluor conducted business with approximately 8,000 well-qualified subcontractors and suppliers, which resulted in an estimated 39,000 purchase orders and subcontract awards.

Our Inclusion of Diverse Suppliers Helps Communities Thrive

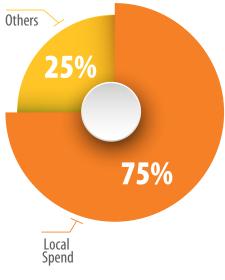
We take great pride in the health and effectiveness of our world-class supplier diversity program. It continues to expand and provide increasing opportunities for diverse suppliers, building our combined strengths to drive mutual success. At its heart, our program inspires community dialogue and gives Fluor a way to effectively create local jobs that make positive impacts on local economies.

The program's pillars are environmental stewardship, economic growth and social progress, which mirror the United States' own goals for small, minority- and women-owned businesses. Suppliers qualify to do business through this program by self-certifying through an online application process.

Fluor helps to identify diverse businesses through local and national outreach; participation in trade fairs, conferences and conventions; and local, regional and national organizations, including the U.S. Small Business Administration.

In 2019, we set yet another record for growth, increasing Fluor's spend with certified diverse suppliers and contractors within the United States from 16 percent in 2018 to 18 percent.

Operating in over 60 countries around the world, we take our commitment to spend locally seriously. We continue to find that being a force for good in how, and where, we choose to spend clients' capital benefits both our clients, as well as Fluor, and certainly suppliers and contractors near our jobsites.



Total Supplier Spend Worldwide





We Partner with Clients and Suppliers to Make a Lasting Impact for Families

In Puerto Rico, Fluor is overseeing the installation of solar micro-grid power systems for the American Red Cross to help ensure that schools can serve as emergency shelters with electricity to power lights, kitchens, water pumps and bathrooms. Several of these systems are in place in the communities of Yabucoa and Las Piedras, each with the ability to generate 50kW of power with a 10-year life span and durable enough to withstand 160-mile-per-hour (258-kilometer-per-hour) uplifts and flying debris.

In addition to adding solar panels to more than 160 schools, Fluor provided engineering and construction management services for the Neo Medical Health Center in Gurabo in 2019. Fluor held local suppliers and contractors to the highest business standards to deliver for our client and positively impact the community.

In 2017, Fluor helped <u>rebuild the power grid</u> across the island after Hurricane Maria hit. Within 48 hours of receiving the signed contract, Fluor assessment and logistics personnel were operational in San Juan, working closely with more than a dozen local subcontractor firms. More than 1,000 pieces of critical equipment and supporting material were mobilized and transported to the island.

The Fluor team helped restore power to more than 250,000 customers, including homes, businesses, industrial facilities, schools and hospitals.

Having a consistent power source that can withstand severe weather will help mitigate the impact of future disasters on these Puerto Rican communities.



MAKING A LASTING IMPACT 2019 Sustainability Report 39

APPENDIX A – PERFORMANCE METRICS

SAFETY, HEALTH AND THE WORKPLACE

Total case incident rate per 200,000 work hours

DART case rate per 200,000

Number of regular employees at year-end, thousands

Percent of salaried employees

Percent of women among salaried employees

ENERGY AND GREENHOUSE GAS EMISSIONS

Scope 1 – Direct GHG emissions, absolute (CO₂ equivalent) thousand metric tons

Scope 2 – Indirect GHG emissions from consumption of purchased electricity, heat or steam, absolute (CO₂ equivalent)

Scope 3 – Indirect GHG emissions from travel, absolute (CO₂ equivalent) thousand metric tons

GHG emissions, normalized per revenue, metric tons per million \$ per year (Scope 1+2+3)*

Scope 1 – Direct GHG emissions (without Stork), absolute (CO2 equivalent) thousand metric tons

Scope 2 - Indirect GHG emissions (without Stork), absolute (CO2 equivalent) thousand metric tons

GHG emissions, normalized per revenue, metric tons per million \$ per year (Scope 1+ 2 only, without Stork)*

Direct energy use (thousand gigajoules) for natural gas, diesel and gasoline

Indirect energy use (thousand gigajoules) for electricity

ENVIRONMENTAL PERFORMANCE

Recycled waste (paper, cardboard, batteries, plastic and assorted bulk material), tons**

Diverted waste (donated or reused items), tons**

Conserved water in Fluor offices, thousand gallons**

Planted trees, flowers and shrubs, thousands

COMMUNITY AND SOCIAL IMPACT

Community investments, initiatives and programs, million \$

Community investments, employee volunteer time, million \$

Hours of STEM academic training, enrichment or increased awareness, millions

Life skills enrichment training of youth, thousands

Meals to the hungry, millions

Assisted individuals with preventive and emergency services, thousands

Grants to universities, millions

Scholarships for children of Fluor employees, thousands

Volunteered hours by Fluor employees globally, thousands

LOCAL DEVELOPMENT AND SUPPLY-CHAIN MANAGEMENT

Fluor spending with U.S.-based suppliers and subcontractors, billion \$

Fluor spending with U.S. small, minority, and women-owned businesses, million \$

Fluor spending with local suppliers worldwide, billion \$

*Emissions data for Stork were not available for 2017 ** Stork data were added in 2019 Note: The difference in 2018 normalized GHG emissions between our 2018 and 2019 Sustainability Reports is due to restated revenues in



	2017	2018	2019
	0.42	0.36	0.36
	0.21	0.21	0.19
	56.7	53.3	46.9
	56.0	60.0	58.0
	23.0	24.0	25.0
	2017	2018	2019
	-	14.37	13.82
ousand metric tons	_	50.48	45.36
	_	38.23	33.77
	_	5.40	5.29
	7.01	6.94	7.00
	50.27	41.97	37.02
	2.94	2.56	2.50
	65	147	130
	331	356	322
	2017	2018	2019
	1,839.3	1,693.3	2,000.7
	75.7	220.1	181.9
	343.1	577.6	303.8
	17.3	14.0	6.3
	2017	2018	2019
	7.4	7.5	6.6
	1.3	1.3	0.9
	1.8	2.2	1.3
	204.1	158.3	308.0
	0.77	0.81	0.55
	37.9	40.5	18.7
	1.2	1.4	1.2
	675	637	696
	53.7	52.6	37.0
	2017	2018	2019
	3.8	5.1	5.2
	418	811	917
	410	011	

APPENDIX B – ABOUT THE REPORT

Fluor has published a Sustainability Report annually since 2008. Prior reports are available online at <u>www.fluor.com</u>. In 2009, Fluor became a signatory to the UN Global Compact, which enables companies to voluntarily align their operations and strategies with 10 universally accepted principles regarding human rights, labor, the environment and anti-corruption efforts and to actively support UN Sustainable Development Goals for these issues.

The Governance Committee of Fluor's Board of Directors, under the guidance of chair Rosemary Berkery, has oversight of sustainability. Fluor management appointed Dawn Stout, Senior Vice President, Chief Compliance Officer and Secretary, executive sponsor of Fluor's Sustainability Committee, leading an internal team of subject matter experts in developing the report. Members include Jason Landkamer, Investor Relations; Heather McNeil, Employment Law; Tricia Thibodeaux, Health, Safety & Environmental; Nancy Kralik, Corporate Sustainability; David Marventano, Government Relations; Roger Smith, Marketing & Communications; Torrence Robinson, Community Relations; Mike W. Wheeler, Supply Chain; Martin Coll, Human Resources; and John Sorich, Office Services.

Fluor used the Global Reporting Initiative (GRI) Sustainability Reporting Standards, the Sustainability Accounting Standards Board (SASB) standards and the UN Sustainable Development Goals 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 and clients. In this document, Fluor reports on the standards and goals relevant to its business operations and measurable in 2019.

Scope

In the context of Fluor's carbon footprint, this report represents emissions produced within the corporate boundary and excludes emissions produced at client sites and fabrication yards. 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.

Alignment with GRI Standards

In addition to Fluor's 2019 Sustainability Report, Fluor has prepared a GRI Table in accordance with the GRI Standards: Core option. The GRI Table, as reflected on the Aspect table, can be found at <u>www.fluor.com</u> and addresses those standards that Fluor has determined are pertinent for its operations.

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 2019 Form 10-K.

Rider A

Except where noted, the information covered in this report highlights our performance and initiatives in fiscal year 2019. We have prepared the information solely to provide a general overview of our sustainability activities, and this report should not be used by anyone making an investment decision. In addition, the information in this report is summarized and is not a complete description of all of our activities; therefore, we have made qualitative judgments as to certain information to include that could be determined to be inaccurate or incomplete. For example, some data are not included in this report for privileged, proprietary and/or competitive reasons or because resources for consolidated data are limited. The inclusion of information on this site should not be construed as a characterization regarding the materiality or financial impact of that information. For a discussion of information that is material to the company, please see our filings with the Securities and Exchange Commission, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

Rider B – Forward-Looking Information

This report contains forward-looking statements relating to the manner in which we intend to conduct our activities based on our current plans and expectations. These statements are not promises of our future conduct or policy and are subject to a variety of uncertainties and other factors, many of which are beyond our control. Therefore, the actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed in this report, may differ materially in the future. The statements of intention in this report speak only as of the date of this report, and we do not undertake to publicly update any statements in this report. You should read our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which include a list of factors that could cause actual operational and financial results to differ from those expected.

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

Fluor Corporation	
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Irving, Texas 75039	
United States	

Nancy Kralik Senior Director, Corporate Sustainability sustainability@fluor.com +1.469.398.7000

GRI Aspects		
GRI Standard #	Aspect	
102	GENERAL DISCLOSURES	
200	ECONOMIC STANDARD SERIES	
201	Economic Performance	
202	Market Presence	
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