

Modern Slavery Act Statement 2016



#1
ENR TOP DESIGN-BUILD FIRMS



33/6
33 COUNTRIES ON 6 CONTINENTS



FORTUNE
WORLD'S MOST
ADMIRED
COMPANIES 2016
#1
MOST ADMIRED COMPANIES
ENGINEERING, CONSTRUCTION



50
CLIENTS, GOVERNMENTS & NGOs
HAVE RECOGNIZED FLUOR
FOR HSE EXCELLENCE



28,000
TECHNICAL AND CRAFT PERSONNEL
60,000 GLOBALLY



2016 WORLD'S MOST
ETHICAL
COMPANIES™
WWW.ETHISPHERE.COM
10
CONSECUTIVE
YEARS

Our Business and Supply Chain

Fluor is one of the world's largest publicly traded engineering, procurement, fabrication, construction, maintenance and project management companies. With headquarters in Irving, Texas, Fluor has over 60,000 employees worldwide and operates in more than 100 countries. Fluor works with governments and clients in diverse industries around the world to design, construct, and maintain complex and challenging capital projects. Fluor's supply chain comprises several thousand suppliers from more than 60 countries delivering materials, equipment and services to projects in over 50 countries each year.

Our Commitment

For over 100 years, Fluor has had an absolute determination to do the right thing. In all of its dealings, Fluor is committed to unyielding integrity and the highest standard of business conduct. This commitment is integral to Fluor's continued success, and we believe it positively impacts our diverse and worldwide suppliers, contractors, customers, employees, investors and the communities where

we do business. To learn more about Fluor's commitment to sustainable business practices, our annual Sustainability Reports may be found at www.fluor.com/sustainability.

We are committed to acting ethically and with integrity in all of our business dealings and relationships. We are further committed to implementing and enforcing effective systems and controls to instill confidence that modern slavery does not exist in our supply chain. Fluor is committed to the following:

- ▶ All workers, irrespective of their nationality, gender, ethnicity, social status, race, religion or other protected characteristics, are treated fairly with regard to recruitment, employment and fair employment practices.
- ▶ The use of misleading or fraudulent practices during recruitment of employees is not tolerated and charging recruitment fees to the employee is prohibited.
- ▶ Forced, compulsory, bonded, or indentured labor, human trafficking practices, or any other violations of human and labor rights in accordance with local, national or international standards, are not tolerated.

- ▶ Child labor is not allowed.
- ▶ All workers have access to personal documentation and passports.
- ▶ Wage payments are made consistent with applicable law.
- ▶ The dignity of workers is protected and preserved. Inhumane treatment, abuse and humiliating disciplinary action is not permitted.
- ▶ All workers have freedom of movement outside normal working hours, unless there are legitimate safety or security issues that might threaten the health, safety, and well-being of the worker.
- ▶ A process is available for employees to report, without fear of retaliation, activity inconsistent with these worker welfare standards.
- ▶ A clean, secure, safe, and healthy working and living environment is provided.
- ▶ Unrestricted access to clean water and toilet facilities is provided.
- ▶ Worker accommodation standards contained in national or local regulations are considered as a baseline requirement.

Policies and Contractual Controls

Fluor clearly sets out its expectations in our *Code of Business Conduct and Ethics* to which all employees are expected to adhere. Additionally, Fluor’s suppliers and contractors are required to understand

and comply with our *Business Conduct and Ethics Expectations for Suppliers and Contractors*. These two Codes of Business Conduct address, among other issues, health and safety of workers, fair employment practices and respect for the dignity of each person. These documents are both available at: www.fluor.com/sustainability/ethics_compliance.

Fluor’s *Code of Business Conduct and Business Conduct and Ethics Expectations for Suppliers and Contractors* also requires and provides multiple avenues for our employees, and for our suppliers, contractors or their employees, to report any business conduct and ethics concerns, and extends to human rights violations like modern slavery. We take seriously all allegations that human rights are not properly respected. All reports are fully investigated and appropriate remedial actions are taken. We have outlined our approach to handling complaints/concerns on our website at: www.fluor.com/sustainability/ethics_compliance.

Assessment of Modern Slavery Risk within our Supply Chain

In 2016, Fluor conducted an assessment of its operations and supply chain to instill confidence that modern slavery does not exist in our supply chain. That assessment took into consideration certain geographic locations, especially with limited local labor supply, and where low-skilled, third-country migrant labor is employed in construction and other services.

Further Steps to Prevent Modern Slavery in our Supply Chain

As part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labor in accordance with our Code of Business Conduct and Expectations for Suppliers and Contractors, and we expect that our suppliers and contractors hold their own suppliers to these same high standards. In 2016, we strengthened our Business Conduct and Ethics Expectations for Suppliers and Contractors in the Worker Welfare and Employment Practices section by explicitly forbidding the use of forced, compulsory, bonded or indentured labor, and prohibiting the use of misleading or fraudulent practices during the recruitment of employees or offering of employment. We also added standard questions to our pre-qualification questionnaire form for all suppliers, regarding policies and processes

prohibiting forced labor and human trafficking, and convictions, legal actions or allegations related to employing, engaging or otherwise using forced labor, trafficked labor, or exploitative child labor.

Recognizing the complex nature of modern slavery, we continue to emphasize the importance of collaboration with others. In 2016, we continued to be involved in several industry initiatives, including a special interest group in the Engineering and Construction Risk Institute and are working with other engineering and construction companies to establish an industry-specific organization to address worker welfare and supply chain issues in our industry.

In 2017, Fluor will continue to review its sales, operations, procurement and contracting activities and procedures and update them to assure that worker welfare issues are appropriately addressed.



David T. Seaton
Chairman and Chief Executive Officer

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