

Modern Slavery Act Statement 2017



4,000
CLIENTS IN
100+ COUNTRIES

Our Business and Supply Chain

Fluor is one of the world's largest engineering, procurement, fabrication, construction, maintenance and project management companies. With headquarters in Irving, Texas, Fluor has more than 56,000 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 worldwide.

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 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.
- ▶ All workers have access to personal documentation and passports.



#1

**MOST ADMIRABLE COMPANIES
ENGINEERING, CONSTRUCTION**



21

**HSE HONORS IN 2017 FROM
CLIENTS, GOVERNMENTS & NGOs**



25,000

**TECHNICAL AND CRAFT PERSONNEL
56,000+ GLOBAL EMPLOYEES**

Our Commitment

For more than 100 years, Fluor has had an absolute determination to do the right thing. In all of our 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

**WORKFORCE
DEVELOPMENT AWARD**

**2016 AWARD FROM
CONSTRUCTION USERS ROUNDTABLE**



11

**CONSECUTIVE
YEARS**

- ▶ Child labor is not allowed.
- ▶ Wage payments are made consistent with applicable law.
- ▶ The dignity of workers is protected and preserved. Inhumane treatment, abuse and humiliating disciplinary action are 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* (Code) to which all employees are required 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* (Supplier Expectations).

These two policies address, among other issues, health and safety of workers, fair employment practices and respect for the dignity of each person. They are both available at: www.fluor.com/sustainability/ethics-compliance.

Fluor's *Code* and *Supplier Expectations* also require and provide multiple avenues for our employees, and for our suppliers and contractors, or their employees, to report any business conduct and ethics concerns. Additionally they extend 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: <http://www.fluor.com/sustainability/ethics-compliance/compliance-ethics-hotline>.

Assessment of Modern Slavery Risk within our Supply Chain

Fluor continuously assesses our operations and procurement activities to instill confidence that modern slavery does not exist in our supply chain. Those assessments focus on 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 *Supplier Expectations*, and we expect that our suppliers and contractors hold their own suppliers to these same high standards.

In the Human Rights and Employment Practices section of our *Supplier Expectations*, we explicitly forbid the use of forced, compulsory, bonded or indentured labor, and prohibit the use of misleading or fraudulent practices during the recruitment of employees or offering of employment. Our pre-qualification questionnaire form for all suppliers contains standard questions 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.

Building on our continuous work to improve methods that Fluor Supply Chain uses to pre-qualify suppliers of goods and services, we undertook in 2017 the development and implementation of a mandatory Human Trafficking and Modern Slavery training and certification program for our Supply Chain personnel globally. This allows those who engage directly with our suppliers and contractors to better identify and mitigate any potential modern slavery issues relating to Fluor's *Supplier Expectations*.

Fluor believes in the power of collective action, and we continue to emphasize the importance of collaboration with others to address the multifaceted challenges of worker welfare. In March 2017, we helped launch Building Responsibly, a collaborative effort with five other engineering and construction companies, to set the industry standard for worker welfare and share best practices.

Fluor also understands that we must continue to educate our employees about modern slavery. In 2017, Fluor launched an employee awareness campaign on modern slavery, which included an educational course developed by TRACE and recommended to all employees on the Fluor University on-line learning platform. Additionally, Fluor leadership authored multiple articles and blogs highlighting the importance of recognizing and addressing any instance of modern slavery in Fluor's supply chain.

In 2018, Fluor will continue to review and update its sales, operations, procurement and contracting activities and procedures to assure that worker welfare issues are appropriately addressed.



David T. Seaton
Chairman and Chief Executive Officer

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