Engineering Change

Fluor activates the potential of people and material resources while minimizing their impact on communities and the environment. We believe that through sustainable business practices we can overcome challenges and create solutions that improve lives and grow enduring prosperity. By opening our minds and empowering others, we work together in a common cause — creating a world that works today and tomorrow.

Cover photos: (upper right) Children play at Progress Pre-School in Secunda, South Africa. The school provides food and education for impoverished children, and is supported by Fluor both financially and through employee volunteer efforts. (lower left) The American Bridge / Fluor Joint Venture (ABFJV) constructs the east span of the San Francisco - Oakland Bay Bridge, the largest public infrastructure project in California’s history. The project will be completed in 2013. Photograph © Joseph A. Blum.
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Dear Valued Stakeholders,

I am pleased to present to you the Fluor Corporation 2012 Sustainability Report, *Challenges/Solutions: Our Sustainability Story*.

Last year marked the end of our first century of service, and the beginning of a new century in which we will continue creating sustainable engineering and construction solutions for our clients. We are proud of our mission to be a solutions provider for the “everyday” challenges people face as well as the “extraordinary” challenges faced by our ever-growing world.

Throughout our history we have taken pride in building structures and facilities that withstand the most serious of those challenges. We believe that through our work, the people of Fluor are able to improve lives, create jobs and initiate growth that can sustain itself long after we complete a project.

That belief applies to every project we undertake across the globe. Every step of the way, we work closely with our clients, communities, supply chain, governments and partners to employ state-of-the-art design and construction techniques aimed at reducing waste and minimizing environmental impact while delivering cost and schedule certainty to our projects.

What we create is real, positive and productive — something that was not there before, but was designed and constructed to stand the test of time — that’s sustainability.

Fluor is committed to the principles that underpin sustainable business practices. We believe our business model positively impacts the lives of people, communities and nations. This is enterprise value on a global scale.

Fluor takes on tough and difficult challenges. In fact, we excel at it.

But that’s not enough. To design and construct complex structures and facilities in very difficult places around the world, year after year, we have to execute the “whole” of sustainability for our clients and communities. In doing this, we earn the privilege to serve again.

Often times, doing is learning. Over the years, we have continued to update and improve the Fluor Sustainability Manual to incorporate best practices and provide guidance and protocols for project management. This manual promotes energy and resource efficiency, supplier and subcontractor diversity, ethics, anti-corruption practices, safety, training, community involvement, carbon management and green initiatives. All are critical aspects of our sustainable business model and are an important consideration in our clients’ selection processes.
While it’s important for our business conduct to be defined by "doing things right," it’s essential that our business conduct be known for "doing the right things." Fluor’s history is built on adherence to strong ethics, compliance and business practices— it is a critical element of the Fluor culture. We have willingly accepted highly visible, global leadership roles in promoting and improving ethical standards and work every day to improve transparency and eliminate corrupt practices broadly across industries and geographies.

During 2012 I was honored to co-chair the B20 Task Force on Improving Transparency and Anti-corruption. Fluor remains committed to active leadership and participation with the B20 executive leaders from the international business community to advise and recommend concrete actions the government leaders of the G20 summits can take to combat corruption.

Fluor was honored to receive Transparency International-USA’s Corporate Leadership Award for 2013. This is a great tribute to Fluor’s strong culture of integrity and we are pleased to be recognized for this achievement. Additionally, we were honored to be named as one of Ethisphere Institute’s World’s Most Ethical Companies for 2013 – for the seventh consecutive year.

Sustainability is a practice and a core belief of our company. It serves as a powerful nexus among our strategic direction, the expectations of our clients and the demands of the markets and communities we serve. We are committed to these principles.

Sincerely,

David T. Seaton
Chairman and Chief Executive Officer
July 2013
Headquartered in Irving, Texas, Fluor Corporation (NYSE: FLR) is one of the world’s largest publicly traded engineering, procurement, construction, commissioning, fabrication, operations, maintenance and project management companies.

For more than a century, Fluor, through its operating subsidiaries, 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 solutions that optimize their assets, improve their competitive position, increase their long-term business success and support their sustainability goals.

Consistently rated as one of the world’s safest contractors, Fluor’s primary objective is to develop and execute projects with excellence. Fluor has more than 41,000 employees in 79 countries and performs work on more than 1,000 projects in any given year in over 40 specialized industries. This diversified model allows us to take on the challenges of front-end engineering and design optimization, to small- and mid-sized capital projects, to complex megaprojects from concept to completion – even as economic and competitive dynamics change.

Fluor’s Diversified Business Segments

**OIL & GAS**

Oil & Gas provides engineering, procurement, construction and construction management services for some of the largest and most complex upstream, downstream and petrochemical projects in the world. The group designs and builds processing plants, refineries, pipelines, offshore facilities and other energy assets in remote and challenging locations around the globe.

**GLOBAL SERVICES**

Global Services provides a wide array of solutions to help industrial clients optimize their performance. The group offers facility management, site-based maintenance, plant engineering, industrial fleet and equipment services, small capital construction and temporary professional staffing.

**GOVERNMENT**

Government provides engineering, procurement, construction services, logistics services, base and facilities operations and maintenance, contingency
response, and environmental and nuclear services support to the U.S. government. Several agencies rely on the group's immense competencies, including the Departments of Defense, Energy, Labor, Homeland Security and State.

**INDUSTRIAL & INFRASTRUCTURE**

Industrial & Infrastructure helps to build the foundation of modern societies and economies. The group provides project management, engineering, procurement, construction and maintenance solutions to the mining and metals, highway and rail transit, aviation, heavy civil, manufacturing and life sciences industries all over the world.

**POWER**

Power designs, builds, commissions and retrofits facilities to meet the world's demand for electricity. The group is a partner of choice on power generation projects across all fuel types and technologies, including fossil, renewables and nuclear, and is an expert in environmental compliance and emissions retrofit work.

Detailed information about Fluor's operations is available in the company's 2012 Form 10-K report on pages 4-8.

EC4 – Fluor did not receive any significant financial assistance from any government during 2012.

**FINANCIAL HIGHLIGHTS**

- 2.8 – Fluor's market capitalization on December 31, 2012, was $9.6 billion. For 2012, revenues were $27.6 billion with net earnings of $456 million. Cash and marketable securities at December 31, 2012, were $2.6 billion. Total assets were $8.3 billion and long-term debt was $520 million. Total shareholders' equity stood at $3.3 billion. New awards for the year were $27.1 billion and year-end backlog was $38.2 billion.
Our Global Workforce

Fluor is a FORTUNE 200 company with a year-end 2012 global workforce of more than 41,000 employees – with 32,592 salaried and 8,601 craft/hourly workers. In 2012, our salaried workforce was 76 percent male and 24 percent female.

Significant Changes in Reporting Period

BOARD OF DIRECTORS

Fluor’s Chief Executive Officer David T. Seaton was named chairman of the board in February 2012. Armando J. Olivera, retired president and chief executive officer of Florida Power & Light Company and director of AGL Resources Inc., joined the board in August 2012.

MANAGEMENT

Executive-level personnel changes included the retirement of D. Michael Steuert, senior vice president and chief financial officer, in May 2012. Biggs C. Porter, previously the chief financial officer of Tenet Healthcare Corporation, was appointed as his successor.

2012 Notable Awards and Recognition

• Fluor was proud to rank number one in the engineering and construction sector for FORTUNE Magazine’s “Most Admired Companies” list.

• Fluor was ranked number one in Engineering News-Record magazine’s 2012 list of Top 100 Design-Build Firms and number two on its Top 400 Contractors list.

In 2012, two Fluor leaders received prestigious recognition from industry associations:

• Senior Vice President Bob Prieto was named to the Construction Management Association’s College of Fellows, making him one of only 58 Fellows in the association’s 30-year history.

• Senior Vice President and Chief Procurement Officer Jim Scotti was named a member of the National Academy of Construction for leadership in advancing the procurement profession within the construction industry and in developing strategic partnerships with suppliers around the world.

Additional awards of significance are noted in the progress reports beginning on page 11.
Our Employees

In 2012, our salaried workforce was

76% male

24% female

2012 Employees by Business Group

<table>
<thead>
<tr>
<th>Business Group</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil &amp; Gas</td>
<td>11,323</td>
</tr>
<tr>
<td>Industrial &amp; Infrastructure</td>
<td>4,310</td>
</tr>
<tr>
<td>Government</td>
<td>10,018</td>
</tr>
<tr>
<td>Global Services</td>
<td>2,940</td>
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<tr>
<td>Power</td>
<td>715</td>
</tr>
<tr>
<td>Other</td>
<td>3,286</td>
</tr>
<tr>
<td>Total Salaried</td>
<td>32,592</td>
</tr>
<tr>
<td>Craft &amp; Hourly Employees</td>
<td>8,601</td>
</tr>
<tr>
<td>Total</td>
<td>41,193</td>
</tr>
</tbody>
</table>

2012 Sustainability-Related Memberships and Associations

Listed below are the principal associations and initiatives with which Fluor is involved at a global, companywide level in the areas of sustainability:

- American Society of Civil Engineers, Committee on Sustainability (United States)
- World Economic Forum – Global Risk Network; Global Agenda Council on Corruption; and board seat and additional leadership participation in the Partnering Against Corruption Initiative (Switzerland)
- B20 Task Force on Improving Transparency and Anti-corruption, co-chair
- United Nations Global Compact, signatory

Additional memberships of note are included in the progress reports beginning on page 11.

Stakeholder Engagement

Fluor actively engages with the following types of stakeholder groups. More information about our engagement can be found in the progress reports beginning on page 11.

- Clients
- Employees, union organizations
- Institutions, governments, legislators
- Nongovernmental organizations
- Shareholders
- Society at large, communities
- Subcontractors, suppliers, business associations
About the Report

3.1

Our annual sustainability report features quantitative and qualitative data for calendar year 2012, with additional material from previous years or related to important events or notable information available in 2013 prior to the publishing of the report. This report also serves as Fluor’s annual Communication of Progress under the United Nations Global Compact.

3.6

Scope and Boundary

The reporting scope is global, unless otherwise noted for situations or circumstances where reporting data are collected and available only for a certain geography, business or issue. The report covers Fluor’s corporate operations as well as its business groups and wholly-owned subsidiaries worldwide and their material economic, environmental and social impacts. All financial figures are presented in U.S. dollars unless otherwise noted.

3.5

Materiality and Reporting Process

This report is aligned with the information contained in our 2012 Annual Report on Form 10-K, our 2012 Annual Report to Shareholders and our 2013 Annual Proxy Statement.

Fluor has prepared this report under the direction of the company’s Sustainability Committee. Materiality of content included in this 2012 Sustainability Report and its prioritization were assessed and determined by Fluor’s Sustainability Committee, which has representation from senior executive management; Ethics & Compliance; Community Relations; Corporate Affairs; Facilities; Government Relations; Health, Safety & Environment (HSE); Human Resources; Investor Relations; Law; Sales; Supply Chain & Procurement; and Strategic Planning.

The report was developed to provide information to clients, employees, shareholders, lenders, financial analysts, rating agencies, suppliers and subcontractors, nongovernmental organizations, news media and the communities in which the company operates.

Fluor used the Global Reporting Initiative’s (GRI) G3.1 Sustainability Reporting Guidelines as a guide for developing this report. In determining content, Fluor’s Sustainability Committee considered the company’s mission and experience, as well as the reasonable expectations and interests of our stakeholders, key among them, Fluor’s clients.

Fluor’s sustainability report covers information that reflects our overall company strategies, goals and priorities and includes data that are reasonably available.

3.10, 3.11 – No significant changes in reporting scope, boundary or measurement methods occurred during 2012, nor were there any re-statements of information from prior reports.
What is the GRI?
The Global Reporting Initiative is a nonprofit organization that promotes economic, environmental and social sustainability. GRI provides all companies and organizations with a comprehensive sustainability reporting framework that is widely used around the world.

Application Level
The GRI Reporting Framework advises that companies self-declare a report "application level." By self-declaration, Fluor’s 2012 report meets the criteria for application level "B."

Application levels of “A,” “B” and “C” define the amount of GRI standard disclosures that a reporting organization addresses in its sustainability report. According to the GRI, application levels reflect a degree of transparency, as opposed to a sustainability performance grade.

For a full explanation of the GRI guidelines, visit www.globalreporting.org.

3.7, 3.9 – In this document, Fluor reports on the GRI 3.1 indicators that were relevant to its business operations and measurable in 2012. In the context of Fluor’s carbon footprint, this report represents emissions produced within the corporate boundary and excludes emissions produced at client sites. However, all 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.

3.12 – A GRI Content Index is included with this report to provide an index of locations where content relating to the specific GRI G3.1 profile disclosures and indicators deemed most relevant to Fluor’s ability to create sustainable value can be found. The Index is located on pages 32-39.

3.13 – Fluor did not employ an external agency or organization to audit this report.

3.4 – For more information about Fluor’s global sustainability efforts and to share your thoughts about this report, please contact:

Kirk Grimes
Group President
Chairman of the Fluor Sustainability Committee
Fluor Corporation
6700 Las Colinas Boulevard
Irving, TX 75039
corporate.communications@fluor.com
469.398.7000

3.2, 3.3 – Fluor has published a sustainability report annually since 2008. Prior year Sustainability Reports are available online at fluor.com/sustainability.
2012 Progress Report

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

On average, Fluor employees serve hundreds of clients on more than 1,000 projects in 79 countries around the world each year. In this challenging environment, our strong commitment to ethics throughout our business helps drive responsible behavior, maintain our corporate reputation and enhance our financial performance.

**OUR MANAGEMENT APPROACH**
We use a comprehensive ethics and compliance program that guides our employees, business partners, suppliers and subcontractors. This dynamic program involves leadership and oversight, risk assessments, policies and procedures, extensive communication and training programs, monitoring, reporting and other initiatives. We continually improve and enhance our ethics and compliance program by monitoring our evolving risks and benchmarking best practices in our company, industry and the global business community.

We believe collective action is critical to affect positive change. Fluor takes a leadership role in external initiatives focused on eliminating corruption and bribery, creating a level playing field for businesses and engaging governments through collective action.

**STAKEHOLDER ENGAGEMENT**

We engage with our clients, business partners, suppliers and subcontractors on ethics and compliance as part of our regular business processes. We seek to do business with third parties who share our standards and values. Our clients depend on us to bring our ethical culture and innovative programmatic solutions to the delivery of their projects around the world.

We take leadership roles with other external stakeholders to advance the anti-corruption agenda through collective action. Recent examples include:

- Fluor helped found the World Economic Forum (WEF) Partnering Against Corruption Initiative (PACI) in 2004. Fluor Chairman and CEO David Seaton is a board member of PACI and co-chairs the WEF’s Global Agenda Council on Corruption.

- Seaton is co-chair of the B20 Task Force on Improving Transparency and Anti-corruption, which met in Mexico in June 2012.

- Fluor serves on the steering committee of the United Nations Global Compact’s 10th Principle on Anti-Corruption.

- Fluor helped lead the initiative to develop the Asia-Pacific Economic Cooperation (APEC) Hanoi Principles for Voluntary Codes of Ethics in the Construction and Engineering Sector.

- Fluor provided the private-sector perspective for the introduction of Transparency International’s Assurance Framework for Corporate Anti-Bribery programs in 2012. In 2013, Fluor is preparing to serve as a pilot company for testing of the framework.

- Fluor co-chaired an anti-corruption workshop co-sponsored by the Confederation of Indian Industries and the U.S. Department of Commerce, which brought together more than 40 representatives throughout India to develop a set of business ethics principles for the engineering and construction sector there.

- Fluor executives served in leadership roles in external conferences such as the Engineering and Construction Risk Institute’s Sponsor’s Meeting, the Engineering and Construction Audit Roundtable, the Practicing Law Institute’s Advanced Corporate Compliance Institute, the annual Society of Corporate Compliance and Ethics conference and others.
Improving Transparency and Combating Corruption

The B20 Task Force on Improving Transparency and Anti-corruption, co-chaired by Fluor Chairman and CEO David Seaton, met at the B20 Summit held in Los Cabos, Mexico, in June 2012 and continued to urge efforts to combat corruption and improve transparency. Key priorities for G20 governments and the business community were issued, along with key priorities for joint government and business action.

At the 2012 Summit, the B20 urged G20 leaders to give a clear and permanent mandate to the G20 Working Group on Anti-corruption in order to lock in and further advance the considerable progress that G20 countries have made on combating corruption and improving transparency. In particular, the business community invited the G20 to further develop the Seoul Anti-Corruption Action Plan by:

- Enhancing transparency in government procurement
- Promoting, extending and implementing collective action and sectoral initiatives
- Engaging the private sector in the review mechanisms of the United Nations Convention Against Corruption and the Organisation for Economic Co-operation and Development (OECD) Anti-Bribery Convention
- Encouraging cross fertilization within the private sector and between the public and private sectors for training and capacity-building activities
- Encouraging the adoption of business codes of conduct with a specific focus on subject matter experts
- Strengthening the legal and regulatory framework on anti-corruption

RISK MANAGEMENT

SO2 – Fluor employs robust risk-management programs throughout the company to meet the challenges inherent in an industry with a fluid project base and quickly evolving risks. We utilize a formalized and systematic process for assessing, managing and monitoring the company’s business risks related to projects, investments and acquisitions. For both our own company and our clients, the job of managing risk and identifying opportunities begins when a project is still a prospect. We seek the “root causes” when identifying events that may go wrong during project execution. We will not pursue a project if we determine it cannot be executed without violating our ethics and compliance standards. We proactively develop and monitor mitigation strategies for risks with the potential to affect our stakeholders.

ANTI-BRIBERY AND ANTI-CORRUPTION

Corrupt practices distort markets, curb innovation, suppress economic growth and divert limited resources from local populations. Corruption is also estimated to increase the cost of doing business on a global scale by up to 10 percent according to “The Business Case Against Corruption,” a joint publication by the International Chamber of Commerce, Transparency International, the United Nations Global Compact and PACI.

EC1 – Corruption is an ethical issue that has significant repercussions for Fluor’s long-term success. Given this, and our company’s risk profile including frequent contact with governments around the world, our anti-corruption program is extensive. While our employees are especially vigilant when dealing with public-sector officials, Fluor prohibits all forms of commercial bribery as well. Our Anti-Bribery and Corruption Policy provides clear standards for employees that apply to every business environment and context. Facilitation payments are prohibited unless pre-approved in writing by Fluor’s Law department, allowed under all applicable anti-corruption laws, and properly and accurately recorded, as outlined by PACI.

Transparency is a key element of our anti-corruption program. Fluor ranked number one on the 2012 Transparency International Defence Companies Anti-Corruption Index, which ranks 129 companies from 35 countries into six bands based on the transparent systems and procedures they have in place to prevent corruption. Fluor was the only company to place in the highest band. A major purpose of the Index is to demonstrate what “good” looks like in a global context to serve as a useful benchmark and resource for companies to raise their standards.
CODE OF BUSINESS CONDUCT AND ETHICS

Fluor’s Code of Business Conduct and Ethics is the centerpiece of the company’s commitment to conducting its global business legally and with high standards of integrity. It acts as a resource for employees when they need information or guidance before making a decision or taking action. With the addition of Portuguese in 2012, our Code is now available in eight languages. Continuous efforts are made to ensure it represents best practices in ethics and compliance, resulting in our company’s strong performance in doing the right things.

We expect all of our suppliers and subcontractors, and their supply chains, to maintain high ethical standards. They are required to comply with Fluor’s Business Conduct and Ethics Expectations for Suppliers and Contractors. We conduct due diligence when selecting suppliers and subcontractors, and continuously monitor any red flags during our business relationship.

TRAINING

Training is one of the most critical components for the success of any ethics and compliance program. Fluor’s comprehensive training program has a multi-topic curriculum to ensure employees understand the risks that apply to their positions and comply with the related Fluor policies and practices.

SO3 – One hundred percent of Fluor’s salaried employees have received Code training, with emphasis on our anti-corruption program and other key risk areas. In 2012 we completed development of a new Code training course and launched a pilot of the new course to 800 employees. We intend to roll it out to all salaried employees in 2013.

Additionally, more than 8,000 employees participated in specialty, web-based training modules in 2012. Face-to-face training classes included project-specific, anti-corruption training, as well as other classes focused on ethics and compliance risk areas for targeted employees and directors. For example, we implemented a targeted anti-corruption training campaign for employees in high-risk positions or locations. Other initiatives completed in 2012 include the rollout out of a new ethics and compliance training website in seven languages with a new, improved curriculum of ethics and compliance courses.

MONITORING

Fluor again conducted its annual Code of Business Conduct and Ethics Certification in 2012. One hundred percent of the company’s salaried employees confirmed their understanding of and commitment to adhere to the Code. A key purpose of this practice is to give employees an additional opportunity to disclose ethical concerns or any potential conflicts of interest.

Additionally, Fluor’s Internal Audit team conducted its annual review of our adherence to anti-corruption standards through its regular and special audits throughout the world. The team also reviewed our ethics and compliance program.

REPORTING

It is of the highest importance to Fluor that employees are able and willing to readily report concerns about suspected unethical behavior. In addition to having the opportunity to speak with their immediate supervisor, others in management, Human Resources or an investigating department, our company has in place an anonymous, toll-free Compliance and Ethics Hotline, including website-reporting mechanisms, to facilitate employee reporting around the globe.

SO4 – During 2012, a total of 967 reports were received. In all cases where the reports were substantiated, disciplinary and/or corrective actions were taken. Hotline reports by category are shown below:
Clients, partners, suppliers and subcontractors also are encouraged to use Fluor’s Compliance and Ethics Hotline to report any suspected misconduct involving Fluor. Managed by a third-party company, our hotline is available 24 hours a day, seven days a week, with translation and interpretation support in more than 180 languages.

In 2012, we continued to strengthen our Compliance and Ethics Policy Regarding Reporting, Investigations and Corrective Actions as well as our Investigation Protocols. Our goal is for every employee to feel confident in reporting any good-faith ethical concern so we can appropriately address it promptly and maintain our high standards for ethics and compliance.

2012 AWARDS AND RECOGNITION

- Fluor ranked number one on Transparency International’s Defence Companies Anti-Corruption Index for publicly demonstrating the systems and procedures it has in place to prevent corruption.

- Fluor was included on the “World’s Most Ethical Companies” list by the Ethisphere Institute for its leadership in promoting ethical business standards. Fluor is one of 23 companies to be honored every year since the list’s inception in 2007.

2012 ASSOCIATIONS AND MEMBERSHIPS

- World Economic Forum
  - Global Agenda Council on Corruption
  - Partnering Against Corruption Initiative, board seat and additional leadership participation

- B20 Task Force on Improving Transparency and Anti-corruption, co-chair

- Asia-Pacific Economic Cooperation – Hanoi Principles

Our Management Approach to Public Policy

We believe Fluor has a right and responsibility to advocate positions on issues that are vital to the company’s stakeholders. Our public policy efforts are focused on policies and initiatives that promote sustainable economic growth, free markets and innovation in the markets we serve. Fluor complies with all registration and reporting regulations placed on this activity.
Strategic relationships built on trust are fundamental to our ability to address challenges, develop solutions and grow our business. We know we must earn our stakeholders' trust every day. Our corporate governance principles, which promote fairness, transparency, responsiveness and accountability, strengthen our stakeholder relationships, enhance our reputation and support the long-term success of our business.

**OUR MANAGEMENT APPROACH**

- **4.1, 4.5, 4.6** – We strive to develop and implement governance policies and practices that earn the confidence and trust of our shareholders, while also supporting the long-term success of the company. We believe this is especially important given increased shareholder focus on corporate governance and growing regulatory requirements.

Our board of directors annually reviews our corporate governance policies and practices against those suggested by various corporate-governance analysts and the practices of other public companies. The changes we have made to our governance principles in the last three years are indicative of the effectiveness of these reviews and our commitment to shareholder accountability. Enhancements include:

- **Transitioning to Declassified Board** – We have begun the process of declassifying our board of directors, which will be completely declassified, with all members elected on an annual basis, in 2014.

- **Granted Shareholders the Right to Call a Special Meeting** – In 2012, our board, with the approval of shareholders, amended our Certificate of Incorporation to grant holders of at least 25 percent of our outstanding shares of common stock the right to call a special meeting of shareholders.

- **Removed Supermajority Provisions** – We have removed supermajority-voting provisions from our Certificate of Incorporation and bylaws, and replaced them with majority-voting provisions.

**STAKEHOLDER ENGAGEMENT**

- **4.16, 4.17** – We engage with shareholders on an annual basis and as questions arise on governance issues, including those relating to executive compensation. We proactively seek input from shareholders prior to our annual shareholder meeting. We respond throughout the year to shareholder calls and letters. We also engage shareholders and others in the investment community through regular investor-relations activities.

**BOARD INDEPENDENCE AND DIVERSITY**

Fluor's dedication to sound corporate governance begins with strong board leadership and an independent and fully informed board of directors. With the exception of our chairman and CEO, all directors are independent within the meaning of New York Stock Exchange rules and Fluor's corporate governance guidelines. In addition, each of the Audit, Governance and Organization & Compensation Committees is composed entirely of independent directors who oversee critical matters, such as the compensation policy for executive officers; succession planning; corporate governance guidelines, policies and practices; the director nominations process, corporate finance strategies and initiatives; and the integrity of the company's financial statements and internal controls over financial reporting.

The board believes directors should possess a diverse range of experience, adding to the board's depth and breadth for the benefit of shareholders. Accordingly, our directors have experience in industries in which the company operates, such as oil and gas, power and government contracting, or have particular skills that are beneficial to the company's business, such as knowledge of financial matters, risk oversight and compliance, and familiarity with non-U.S. markets.

- **LA13** – In its annual review of the skills and characteristics required of board members, the board also considers diversity of thought and background including gender, race, ethnicity and age. Currently, our board includes two female members and one Hispanic member.

More information on our board can be found in our proxy statement filed with the Securities and Exchange Commission on March 13, 2013, which is available at investor.fluor.com.
Employees & Workplace

Fluor people are on the ground in 79 countries helping to improve economies and lives. Our employees drive our success.

OUR MANAGEMENT APPROACH

Our approach to managing our employees and the workplace includes policies, procedures and practices that support our commitment to human rights and fair labor practices. In addition, our approach creates opportunities for every employee to be productive and secure, earn a fair income and develop professionally, regardless of race, gender, nationality, religion, sexual orientation or any other factor protected by law.

In implementing this approach we strive to:

• Respect laws regarding human rights
• Establish a safe workplace that is free of violence and harassment
• Foster positive relationships between employees and Fluor management
• Value diversity, provide equal employment opportunities and implement fair recruiting, hiring and retention practices
• Offer competitive salaries and benefits aligned with the markets in which we operate
• Provide training and development opportunities to help employees reach their potential

EMPLOYEE ENGAGEMENT

We engage with our employees around the world in face-to-face meetings within business groups and functions, town hall meetings, webcasts and video conferences and through a variety of other communication vehicles. We also conduct periodic companywide employee engagement surveys to measure and better understand employee concerns and perceptions on a variety of issues. We expect to implement another survey in 2014.

In 2012, Fluor launched a new global employee intranet portal that serves as a news and information platform and social business-networking tool. Employees can access company and business news stories, career management resources and local office information. The social business-networking tool enables employees to share information and resources, collaborate in real time on projects and participate in online communities.

We launched Fluor’s Alumni Network, a fully operational online portal, in 2012 as a means to engage with former Fluor employees. The site offers a private career portal for alumni and provides Fluor recruiters and hiring managers with direct access to a source of proven talent. Since April 2012, more than 5 percent of Fluor alumni job candidates were rehired through the Alumni Network.

HUMAN RIGHTS AND FAIR LABOR PRACTICES

Fluor’s strong commitment to ethics and compliance establishes the parameters for human rights and fair labor practices that apply across the company, regardless of prevailing local laws and customs. More information on our ethics and compliance policies and practices can be found in the Ethics & Compliance section of this report. The company is not aware of any incidents or violations regarding human rights during 2012.

Forced and Compulsory Labor

Fluor in no way promotes, condones, practices or tolerates the use of forced or compulsory labor, human trafficking or sale of sexual acts of any kind. This companywide mandate, which includes Fluor, its employees, business partners, suppliers and subcontractors, is articulated in our Code of Business Conduct and Ethics for employees and in Fluor’s Business Conduct and Ethics Expectations for Suppliers and Contractors. These policies apply regardless of local laws or customs. Fluor encourages employees and other stakeholders to report any activities that are not in compliance and provides reporting mechanisms, including an anonymous, toll-free Compliance and Ethics Hotline. The company also takes measures to adhere to all applicable local laws and regulations regarding forced or compulsory labor, including those related to wages and benefits. Fluor is not aware of any incidents or violations. Fluor employs a risk management process, which may include such things as investigating potential or actual forced labor issues that exist in a location where we may work and initiating any actions the company might deem necessary should such instances exist. The company has no knowledge of any significant risks for compulsory or forced labor incidents in any of its operations.

Child Labor

Fluor observes and abides by minimum-age laws and regulations prohibiting the hiring of underage persons.
on any of its projects or in any global offices. While the company has legitimate internships, apprenticeships and other related programs, Fluor strives to ensure that all programs meet laws and regulations related to hiring and compensation. The company does not utilize or support child labor in any way, and all Fluor employees are above the legal age for the country in which they are employed. The company has no incidents of child labor and does not believe any of its operations are at risk for an incident or violation.

Security

\HR3 – Fluor maintains its strong commitment to a workplace free from acts of violence, threats of violence, harassment or any other disruptive behavior by establishing programs that promote the highest standards of employee safety and security. This includes a zero-tolerance policy that prohibits actual or threatened violence by employees against co-workers, visitors or others who have contact with employees during the course of their duties. Fluor security personnel receive training in company policies and procedures that relate to human rights issues.

Union/Collective Bargaining

\HR5, LA4 – Fluor believes that having a collaborative environment benefits all involved parties, including employees, clients and shareholders. The company acknowledges employees’ legal rights to choose without fear of retaliation, coercion or harassment, whether or not to join third-party organizations. These rights are in accordance with the law related to third-party involvement, which may include labor unions and/or trade unions, in countries in which we work. About 29 percent of Fluor’s U.S. direct-hire workforce is covered by collective bargaining agreements. However, this percentage fluctuates as our project-based workforce changes. Fluor managers and employees are given instruction and periodic training about these rights.

Non-discrimination

\LA13 – Fluor values every member of its workforce and has policies to ensure that every person is treated with dignity and respect. The company has measures in place to recruit, hire, develop and retain employees based upon specific job-related specifications, including experience, qualifications and other criteria. It is Fluor’s policy to cultivate an environment that does not unlawfully discriminate on the basis of race, color, age, sex, sexual orientation, religion, national origin, disability, veteran status, genetic information or any other criteria protected by local, state, federal or country-specific law. All leaders, managers, supervisors and employees are expected to observe practices that maintain an environment free from any form of unlawful discrimination and harassment. Managerial and supervisory training courses contain company and location-specific requirements. The company also employs an open-door policy to foster direct communication between employees and management. Employees may choose to discuss any concerns with their immediate supervisors, or they may contact their office or project Equal Employment Opportunity, Human Resources or Industrial Relations representatives at any time. To help all employees understand and practice behaviors that exemplify inclusion in the workplace, the company offers courses on diversity and inclusion, and includes definitions of expected conduct within its policies, procedures and practices to encourage respectful behavior among employees.

PROVIDING DECENT WORK

Fluor provides work that is productive and delivers a fair income; security in the workplace and social protection for families; better prospects for personal development and social integration; freedom for people to express their concerns, organize and participate in the decisions that affect their lives; and equality of opportunity and treatment for all women and men. With a workforce of more than 41,000 employees worldwide, Fluor believes that meeting the needs of its employee population is critical to sustaining and growing the company’s business.

\LA1 – Our approach to providing decent work includes establishing fair practices to recruit, hire and retain a diverse population of qualified employees; offering competitive, market-based total compensation; providing training and development opportunities for employees to build their skills and talents; and implementing programs that promote employee health and wellness.

Recruiting and Hiring

Many recruiting initiatives take place across the company to hire local workers. By recruiting and hiring local residents in regions where we have projects, Fluor demonstrates its commitment to sustaining the communities in which it operates. In 2012, Fluor’s global recruiting team responded to the reemergence of mega energy and chemicals projects in the Gulf Coast region of the United States. Through targeted career fairs for local residents, integrated networking with local government organizations and increased community involvement efforts, Fluor successfully staffed local projects with local residents, which improved job opportunities for Gulf Coast residents. To continue to recruit and hire local employees, the company offers a Talent Investment Program
Expanding Opportunities for Women

Flour locations around the world are focused on increasing representation and opportunities for women to support equal opportunity employment, as well as help develop a more diverse and skilled workforce.

For example, Fluor’s office in Saudi Arabia implemented a Saudi female employment initiative. The purpose was to augment its job localization efforts in support of the Kingdom’s Saudization policy, which is designed to increase the number of Saudi nationals working in the private sector. Fluor hired its first Saudi female employees in 2012 and plans to continue the integration of Saudi women into the workforce, helping lead the way in the engineering and construction industry.

Additionally in 2012, Fluor’s Growing Representation and Opportunities for Women (GROW™) program – a companywide networking initiative for employees – continued to expand globally with active chapters in 16 locations in Africa, Asia, Europe, North America and South America.

Tailoring Benefits in Spain

Fluor’s Spain office initiated FluorFlex in 2012, which increased the offering of competitive benefits according to the country’s tax-advantage schemes. Employees can choose from a range of tax-exempt products and services such as lunch vouchers, nursery services, public transport tickets, housing rentals, medical health insurance, computers and professional training.

Training and Development

Providing suitable training and development opportunities for all Fluor employees is essential to sustaining employee engagement and performance. Fluor continues to enhance existing programs and add new ones. Fluor’s company policy encourages all employees to complete a minimum of 40 hours of job-development training each year.

In 2012, 11,874 professional classroom courses were completed, with total classroom hours at 92,870. For online courses, 60,605 courses were completed, totaling 130,907 hours. Other types of informal learning opportunities that were documented totaled 163,280 hours. For our video distance-learning courses, 2,131 employees across 26 different countries completed 14,901 hours of distance training. The Fluor Instructor Academy trained 130 instructors to teach Fluor University® courses, and 72 instructors received training on using video distance learning to deliver courses.
Video Distance Learning and Sustainability

Video distance learning, which enables experts to share knowledge from remote locations, is a key component in how Fluor trains employees on projects. It also supports Fluor’s commitment to sustainability by reducing car and airplane travel and the associated greenhouse gas emissions. In 2012, Fluor expanded its video distance-learning curriculum to 121 courses, and experienced a 21-percent increase in participants and a 13-percent increase in the number of offices and project sites using the technology.

Promoting Health and Wellness in the Philippines

Health and wellness initiatives support employee engagement and productivity while helping Fluor better manage its health insurance and other related costs. In the Philippines, Fluor negotiates substantial discounts with pharmaceutical, optical and other health-care providers and passes the savings to its employees and their dependents. Preventive health-care programs include vaccinations, education programs, screenings and check-ups. In 2012, more than 200 employees and their dependents participated in hepatitis B screenings and vaccinations.

Employee Health and Wellness

Fluor believes that helping employees understand and adopt healthy lifestyle habits contributes to a more productive workforce and supports the company’s focus on sustainable practices.

Examples of 2012 professional training initiatives include:

- Fluor’s Global Business Leader Track (GBLT), an accelerated leadership program, continues to prepare local talent to assume leadership roles in their home countries. This accelerated leadership program includes a combination of international and home-country assignments, cross-functional opportunities, mentoring and stretch projects. In 2012, to augment the formal learning for the GBLT program, Fluor chose Harvard Business Publishing’s Leadership Direct to offer blended delivery of modules mapped to the company’s core skills.

- New Leader Program training was developed in 2012 and then conducted over a six-month period to build management skills and experience for new supervisors with fewer than five years of experience, resulting in 110 employees from five regions participating.

- Fluor’s Core Skills online training was launched in 2012, giving employees access to digital resources to help them learn about the 12 core skills that are measured in employee performance assessments.

- Fluor’s Farnborough, United Kingdom, office launched a construction internship program.

- Construction operations developed Construction Accelerated Management Program (CAMP), an accelerated program for leaders in construction.

- A construction basic skills training course for Guinea National Locals on the Simandou Iron Ore project trained approximately 120 laborers in their local dialect.

- Fluor’s Former Military Program focused on military recruits who had management experience. These employees received training in subjects including contracts and business communication.

Fluor’s standardized and electronic performance assessment process spans the company, measuring all employees on 12 essential core skills. All eligible employees are expected to participate. In 2012, 96 percent of eligible employees completed assessments.

We also conduct a significant amount of craft training. In 2012, we continued to improve our accredited welder training programs through partner colleges. Upon successful completion, students use Fluor’s job placement and readiness services to assist them with entry into the construction industry. We also added two new courses to our Field Supervisor Training series.
4.13 2012 Memberships
Fluor holds local, national and global memberships in numerous human resources, management and professional organizations. The following list provides a sample of the variety of groups included.

• American Council on International Personnel (ACIP) (United States)
• Apprenticeship Carolina, part of the National Apprenticeship Program (United States)
• Associate Builders and Contractors: Texas Gulf Coast, Greater Houston and Pelican Chapters. (United States)
• Catalyst (United States and India)
• Conference Board – council participation, HR Executive Leaders, Leadership Development and Global Diversity and Inclusion Executives (United States)
• Construction Benefits Group (United States)
• International and American Council of Benefits (Global)
• National Association of Colleges and Employers (NACE)(United States)
• National Engineers Week Foundation Leadership Council Member (United States)
• Philippine Business for Social Progress (the Philippines)
• Society of Women Engineers (United States)

2.10 2012 Awards
• “Bronze” Telly Award for Video “Benefits Communications”
• Expatriate Executive of the Year from the Asia CEO Awards, Dan Spinks, Philippines Country Manager
• American Society for Training and Development (ASTD) “BEST” Award
• GI Jobs Top 100 Military Friendly Employers
• Fit-Friendly Worksite from the American Heart Association for Savannah River Nuclear Solutions
• Glassdoor Best Places to Work 2012
• 2012 Rice Global E&C Forum Award for Excellence for Fluor’s GROW program
Health, Safety & Environment

Solving today's challenges in ways that are safe and environmentally sound delivers value to our clients, employees, communities and shareholders. It also helps build a sustainable future.

OUR MANAGEMENT APPROACH
We believe balancing the needs of global development with the well-being of our employees, clients, suppliers, subcontractors, communities and the environment is critical to the long-term success of our business. We strive to successfully execute complex projects in a safe and environmentally sound manner.

We set comprehensive and aggressive health, safety and environmental (HSE) goals for workforce safety that drive us to continuously improve our performance. We champion HSE practices across all of our operations and monitor advances in sustainable environmental solutions for the benefit of our clients and society.

Recognizing Exceptional HSE Talent
In 2012 Fluor appointed Stephen Johnson as a new HSE Fellow, recognizing his exceptional talents in process safety management. The Fluor Fellows program formally recognizes technical experts serving as thought leaders in their industries. He joins four other HSE Fellows among 33 total Fellows and 28 Senior Fellows.

Approximately 850 dedicated HSE professionals work around the world, directing the implementation of the company's HSE policies, management systems and procedures. Among their areas of expertise are process safety, personnel safety, fire protection, environmental permitting and impact assessments, consequence modeling, environmental monitoring, industrial hygiene, sustainability and field operations. Often times our clients take advantage of Fluor's capability to design and build environmentally friendly capital projects using a sustainability approach that is detailed in Fluor's Sustainability Manual. The approach includes energy and resource efficiency, supplier and subcontractor diversity, anti-corruption practices, safety, training, community involvement, carbon management and green initiatives.

STAKEHOLDER ENGAGEMENT

Leadership in Design and Infrastructure

In 2012, 134 Fluor employees were accredited in the U.S. Green Building Council’s Leadership in Energy and Environmental Design program (LEED®). Additionally, employees began to achieve the Institute for Sustainable Infrastructure’s new credential for Envision™ Sustainability Professional to implement the sustainability rating system for civil infrastructure.
actively supports the Center for Chemical Process Safety and the National Safety Council and in 2012 became a partner in the U.S. Environmental Protection Agency’s ENERGY STAR® program. Our employees are active participants in the Construction Industry Institute, the American Society of Civil Engineers’ Committee on Sustainability and other organizations.

A PROVEN HSE MANAGEMENT SYSTEM

PR1 – Fluor’s HSE Management System, comparable to ISO 14001, OHSAS 18001, ANSI Z-10, and the U.S. Occupational Safety & Health Administration Voluntary Protection Program, integrates the highest international standards into each project phase and verifies our consistent and complete performance. Our sustainability process, highlighted in our Sustainability Manual, reflects the requirements of ISO 26000. In order to identify and apply the best practices across all of our global operations, our HSE Management System is continually reviewed and enhanced. The Management System was further enhanced in 2012 by creating and deploying subject-knowledge tests to reinforce best practices.

EN26 – A key component of our Management System is our Corporate HSE Field Audit Program, which was redesigned in 2012 to emphasize leading indicators in the following key areas:

- HSE program development and coordination
- Management-in-action
- Training, communication and HSE culture initiatives
- Field execution

These were significant improvements that reflected the value of a more proactive approach. Data collected from our 2012 audits were used to identify improvement opportunities.

HEALTH AND SAFETY

Our health and safety statistics represent real people: our employees who drive our success. Successfully managing health and safety issues to the lowest possible risk levels is an essential component of our strategy and integral to the way we do business. We strive to follow world-class health and safety principles and procedures throughout our operations.

While Fluor continues to be recognized as one of the safest contractors in the engineering and construction industry, we believe that any incident is unacceptable and should be preventable. Consequently, we thoroughly evaluate cases that may occur to immediately identify areas for improvement.

2012 Health and Safety Performance

LA7 – Fluor continued to sustain a strong safety record in 2012, with total work hours increasing 33 percent to 426 million. Our office and field performance, which represents both self-perform and subcontractors, experienced 0.07 lost workday incidents per 200,000 global hours worked, an uptick from 2011, but performed within our goals for both total recordable case incidence rate and restricted workday case rate.

Fluor’s restricted workday case incidence rate in 2012 was 0.05.

Taking Heroic Action

More than 20 years ago, Fluor established its Silver Cross Award program to recognize employees who have acted in a lifesaving manner and assisted others in distress either on or off the job. In 2012, 31 employees earned the award, which is now named the Silver Medallion Award, for a total of 302 award-winners.

However, we are saddened to report that two Fluor employees died in work-related incidents in 2012, and
our subcontractors experienced three work-related fatalities. To address these unacceptable losses, we are working to improve the practices and procedures and enhance training that focus on specific preventive actions.

Fluor’s proprietary Managing Safety to Zero (MS20SM) program tracks leading and trailing indicators in real time to proactively improve working conditions and reduce incidents. We employ this program globally with success in many countries and with multiple clients. Key enhancements in 2012 included determination of the severity potential of observations and incidents, measurement of participation quality and simplified data entry.

**Health and Safety Assistance and Engagement Programs**

LA8 – Fluor makes every effort 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 can help workers and their families around the world manage serious disease cases.

LA9 – In addition to stressing the importance of HSE to its employees, Fluor also collaborates with trade unions to help ensure that all workers embrace our commitment to HSE matters. Prior to the start of our U.S. and Canadian union projects, the Industrial Relations group holds pre-job conferences with members of the Building and Construction Trades Council to familiarize the union representatives with the project and introduce key members of the project management team and subcontractors. By aligning on health, safety and environmental issues in advance, projects benefit from a stronger start.

**THE ENVIRONMENT**

EN23, EN28 – We remain steadfastly committed to the United Nations Global Compact’s Environmental Principles 7 through 9. For the eighth consecutive year since the company began tracking these data in 2004, we received no Notices of Violation for environmental issues and no resulting monetary or other sanctions for non-compliance. In addition, Fluor had no significant spills in 2012.
Our Carbon Footprint

Fluor established its global carbon footprint baseline in 2006 for its offices, fleets at those offices and air travel, but not including client/project sites. We follow the Greenhouse Gas (GHG) Protocol standards for our inventory, with equivalent carbon dioxide (CO₂e) as the quantification metric. The process of measuring and reporting our facilities’ carbon footprint provides valuable information that we use to effectively manage our operations in an environmentally responsible manner. We continue to identify appropriate ways to reduce carbon emissions through energy efficiencies, recycling activities, renovations and conservation efforts.

The number of projects Fluor designs, constructs and maintains each year influences our total GHG emissions. As our business increases, the company’s GHG emissions increase, as shown on the chart on page 24. Conversely, when business decreases, the company’s GHG emissions decrease.

When Fluor’s absolute GHG emissions are normalized by revenue, as shown in the chart on the left, the substantial effect of efficiency measures is revealed. Over the seven-year period, Fluor achieved a 43-percent reduction in its normalized carbon footprint. We continue to evaluate opportunities to enhance sustainability innovation and energy efficiency throughout all of our facilities.

Pursuing Energy Efficiency

Our efforts to improve energy efficiency, lower
operating costs and integrate environmentally friendly solutions into our operations are apparent in our offices and facilities around the world. We work to meet and exceed the standards set by leading sustainability organizations. Several of our facilities, including our headquarters in Dallas, Texas, have received the U.S. Green Building Council's LEED® certification.

Fluor's operations in Haarlem, the Netherlands, announced in 2012 that a new Amsterdam office building will be constructed for occupancy in 2015. The building is designed to be certified as “Very Good” by the Building Research Establishment Environmental Assessment Method (BREEAM), with features such as carbon dioxide-controlled ventilation in meeting areas and the restaurant, photovoltaic cells on the roof, charge points for electric vehicles and underground storage of heat to warm the building in the winter and cool the building in the summer.

Buildings totaling more than 1.6 million square feet at three of our offices in Aliso Viejo, California, Houston, Texas, and Greenville, South Carolina, earned the U.S. Environmental Protection Agency’s ENERGY STAR® certification in 2012. This certification is based on energy conservation, capital improvements and utility rebates, for multiple years. These certifications help enhance our company’s reputation with clients seeking conservation, energy-efficiency and green initiatives, and facilities around the world. We work to meet and exceed the standards set by leading sustainability organizations. Several of our facilities, including our headquarters in Dallas, Texas, have received the U.S. Green Building Council’s LEED® certification.

Fluor’s facilities in 2012 was approximately 133,000 gigajoules (GJ) for natural gas, diesel, gasoline, LPG and heating oil. Indirect energy consumption was approximately 394,000 GJ for electricity and steam.

Recycling
- **EN5** – Virtually all Fluor offices have active recycling programs. Approximately 62,000 gallons of liquids, primarily cooking and motor oils, and 1,100 tons of paper were recycled during 2012. We also recycled approximately 3.5 million pounds of assorted bulk materials including toner cartridges, batteries, cardboard, filters, glass containers, aluminum cans, tires, plastic containers, iron and steel, and landscaping trimmings.

Conservation and Avoidance Initiatives
- **EN5** – Conservation and landfill avoidance activities are an important part of Fluor’s global HSE initiatives. On an ongoing basis, many of our offices donate furniture, office equipment and supplies, carpet and computers to schools, homes for the elderly and nonprofit organizations. In the Farnborough, United Kingdom office, all general waste goes to a waste-energy plant that converts waste into energy for its customers. During renovations, furniture and materials are reused, as are low-emitting and recycled-content materials, where possible. Instead of complete replacement, employees look for opportunities to minimize waste while making our offices safer. For example, one facility ground uneven sidewalk joints instead of replacing them, which reduced the amount of concrete waste. Our ongoing initiative to promote double-sided printing resulted in savings of approximately 6.2 million sheets of paper. Combined with the paper we recycled, we conserved more than 1,130 tons of paper in 2012.

Water conservation approached 700,000 gallons through deployment of low flush valves, installation of automatic faucet sensors and commodes, installation of solar faucets, use of biodegradable cleanser, rainwater collection at facilities and reclamation of grey water for irrigation at various facilities.
OUR SUSTAINABILITY ADVANCEMENTS BENEFIT OUR CLIENTS

• EN6 – In addition to our carbon footprint and conservation efforts, Fluor has proven experience in helping clients quickly achieve HSE compliance in the most cost-effective manner. Over the past three decades, Fluor has delivered innovative solutions to help clients realize their sustainability goals. Fluor’s expertise in this arena is demonstrated in the following examples:

  • With Fluor acting as an advisor, Levi Strauss & Co. North American distribution centers reduced water use by more than 10 percent, electrical use by 5 percent and natural-gas use by more than 40 percent. These 2012 results were highlighted in the Levi Strauss Corporate Climate Change Strategy Report.

  • Efforts in water and energy conservation at sites maintained by Fluor helped IBM Corporation realize approximately 5 percent energy and cost reductions in 2012.

  • Suncor Energy MacKay River Oil Sands Project selected Fluor to provide project management and engineering services on its MacKay River Oil Sands Project near Fort McMurray, Alberta, Canada. Fluor is using its patent-pending innovative 3rd Gen Modular ExecutionSM approach, which maximizes work done in a safe, controlled fabrication facility and significantly reduces the facility footprint.

  • Fluor was selected by PNM Resources, Inc. to provide environmental-services upgrades at the San Juan Generating Station in New Mexico. The upgrades are expected to provide one of the highest NOx removal efficiencies in the country and will comply with the Environmental Protection Agency’s federal plan to address regional haze at the plant.

  • The I-495 Express Lanes in northern Virginia, designed and operated by a Fluor-led consortium, opened ahead of schedule and with an excellent construction safety record. The lanes relieve traffic congestion, provide better access to key employer centers and deliver the infrastructure needed to grow businesses and create additional jobs. With Fluor’s innovative design-build solutions, the project finished under budget and saved hundreds of homes that would have been impacted by the original plan.

  • As the managing partner for the Eagle P3 Project in Denver, Colorado, Fluor is responsible for the design, build, financing, operation and maintenance of nearly 40 miles of new commuter rail. The sustainability program on this project addresses a diverse range of social, economic and environmental issues. These include community outreach, regional procurement of materials, waste management including reduction and recycling, energy efficient lighting and water efficient design and planned LEED certification for the new Commuter Rail Maintenance Facility. Sustainable construction management efforts include hazardous material and site remediation; storm water management; pollution prevention; and management of energy consumption, emissions, building commissioning and waste. Sustainability features for operations and maintenance include regenerative braking and interior environmental quality in the rolling stock.

2012 HSE AWARDS AND CERTIFICATIONS

• 2.10 – Fluor was honored with a number of external recognitions in 2012. Our sites and offices reported external HSE recognition from clients, government agencies and nongovernmental organizations.

  • Two Fluor infrastructure projects were named to Roads & Bridges magazine’s Top 10 Roads list. The I-15 Corridor Expansion project near Provo, Utah and the western extension of SH 161 President George Bush Turnpike in the Dallas/Fort Worth region received recognition reflecting significant safety success.

  • Fluor was the highest-ranking engineering, procurement and construction management company in Newsweek’s Green Ranking for publicly traded companies. Our ranking of number 100 for U.S. companies and number 190 for global companies represents the emphasis that the company places on sustainability and environmental stewardship.

  • The American Society of Civil Engineers awarded the Windsor-Essex Parkway in Windsor, Ontario, Canada, with their 2012 Sustainable Civil Engineering award. Fluor is a member of the consortium responsible for finance, design, construction, operations and maintenance of the parkway.

  • Fluor’s Chayvo Expansion Project received ExxonMobil Development Company’s President’s Safety, Security, Health and Environment Award.

  • Fluor’s Moscow office received ExxonMobil Development Company’s President’s Safety, Security, Health and Environment Award.

  • Fluor’s Chayvo Expansion Project received ExxonMobil Development Company’s President’s Safety, Security, Health and Environment Award.

  • Fluor in Richland, Washington, earned the Association of Washington Business 2012 Better Workplace Award as well as its fourth Star award in the U.S. Department of Energy’s Voluntary Protection Program.

  • Fluor’s Farnborough, United Kingdom, office received the Engineering Construction Industry Association’s Safe Working Award as well as the Order of Distinction from the Royal Society for the Prevention of Accidents for a minimum of 15 consecutive Gold Awards.

  • Fluor’s Plant Scherer and Plant McDonough operations won Southern Company’s Triangle Award for Safety.
The Malaysian Society for Occupational Safety and Health recognized Shell Hijau and Fluor’s operations for outstanding health, safety, security and environment (HSSE).

Fluor's Minera Escondida mine site received the National Safety Award from Minera Escondida Limitada.

The Kearl Oil Sands project was recognized by Imperial Oil for excellent safety performance, professionalism and demonstrated HSE culture.

A number of Fluor facilities and projects were certified or recertified by several entities.

- ICA Fluor, ISO 14001
- South Africa operations, ISO 14001
- Yuzhno-Sakhalinsk, Russia operations, ISO 14001
- Fluor United Kingdom operations, ISO 14001
- GeneSys Telecommunications Ltd., ISO 14001
- Fluor United Kingdom operations, Achilles Certificate of Assessment, Category B2 Assessment and Registration on the UVDB Verify Assessment Database

2012 HSE ASSOCIATIONS AND MEMBERSHIPS

- American Institute of Chemical Engineers, Center for Chemical Process Safety (United States)
- American Society of Civil Engineers, Sustainable Engineering Certification Program (United States)
- BuildSafe South Africa (South Africa)
- International Organization for Standardization (ISO) 14001 and 14064 (Switzerland)
- International Facility Management Association
- Mary Kay O’Conner Process Safety Center (United States)
- National Safety Council (United States)
- U.S. Green Building Council (United States)
- Construction Industry Institute's Sustainability Community of Practice (United States)

SUPPLY CHAIN AND PROCUREMENT ASSOCIATIONS AND MEMBERSHIPS

- CAPS Research
- Construction Industry Institute
- Institute for Supply Management
- National Minority Supplier Development Council, corporate member (United States)
- Women’s Business Enterprise National Council (United States)
- Women’s Enterprise Alliance Council, corporate committees (United States)
- National Contract Management Association (United States)
- Engineering and Construction Contracting Association (United States)
- Procurement Round Table (United States)
- Houston Minority Supplier Diversity Council (United States)
- Project Management Institute (United States)
- Council of Supply Chain Management Professionals (United States)
Community & Social Service

Vibrant, growing communities – the building blocks of a strong global economy – are vital to the future success of our business. Fluor is working with stakeholders around the world to address challenges and advance the quality of life in the communities where we operate.

OUR MANAGEMENT APPROACH
Robust communities drive demand for our services, provide an educated workforce and are home to a network of skilled suppliers, contractors and other business partners. Our management approach to building vibrant communities includes relationship-building initiatives with local community, nonprofit and nongovernmental leaders, philanthropic programs and employee volunteerism.

We focus our philanthropic efforts in the areas of education, social services, community and economic development, and the environment. These four areas align with our business priorities and leverage our capabilities as a global engineering and construction company. As a result of this alignment, our philanthropic efforts have a much greater positive impact on our communities.

EC1 – Fluor, its employees and the Fluor Foundation contributed more than $7.4 million in 2012 in financial support to philanthropic community initiatives and programs. Employees volunteered more than 31,000 hours to community projects around the globe.

COMMUNITY ENGAGEMENT

EC1 – Fluor employees have donated backpacks filled with the basic tools and supplies students need for learning as part of the Building Futures Project. In 2012, 19 Fluor sites donated more than $117,000 to provide school supplies to more than 8,000 children around the world.

EDUCATION
Strong education systems, particularly in the disciplines of science, technology, engineering and math (STEM), are essential to our ability to source and hire skilled employees in the future. Fluor supports higher education and university STEM programs, as well as those benefiting secondary grades.

EC1 – In 2012, Fluor made grants to American and international universities that totaled more than $1.3 million and invested $580,000 in new and renewed scholarships for children of Fluor employees. In partnership with nonprofit and nongovernmental organizations, Fluor supported more than 106,000 hours of STEM training and enrichment to more than 2,400 middle and high school students.
SOCIAL SERVICES
As a global company working in both developed and underdeveloped countries, we strive to improve our communities through programs that meet basic human needs. Through partnerships with food banks, meal-delivery services and other organizations in 2012, Fluor and its employees provided almost 400,000 meals to those who were hungry.

Along with feeding the hungry, Fluor supports prevention programs and emergency services for individuals in crises. Last year, Fluor assisted 24,000 individuals by investing in community programs such as drug abuse counseling, immunizations for low-income children, healthcare check-ups for the disadvantaged and emergency shelter for victims of domestic abuse.

EC1 – In North America, Fluor and its employees support social services in local communities through United Way. In the 2012-2013 North American United Way campaign, the company and its employees donated $4.3 million, a 5.4 percent increase over 2011.

ECONOMIC AND COMMUNITY DEVELOPMENT
We support strong local economies and stable communities through a broad range of programs including those that build affordable housing and refurbish community-serving facilities, teach young people life skills and support a diverse network of businesses.

Through these initiatives in 2012, we achieved the following:

EC8, EC9 – Helped build or refurbish 50 homes and facilities in communities across the globe
Supported life-skills enrichment training for more than 1,900 young people around the world

EC6 – Spent approximately $831 million with small-, minority- and women-owned businesses, or approximately 21 percent of the $4 billion spent with U.S.-based suppliers and subcontractors. Globally, Fluor spent approximately $14.7 billion with in-country suppliers and subcontractors, or approximately 75 percent of the $20 billion project-spend in 39 countries.

ENVIRONMENT
As an engineering and construction company, Fluor is sensitive to its impact on the environment and the need to preserve environmental resources. We manage our business in a manner that is consistent with the United Nations Global Compact’s Environmental Principles as is detailed in the Health, Safety & Environment section of this report.

We also fulfill our commitment to responsible stewardship of the environment through support of organizations that protect natural resources and habitats through conservation, restoration, beautification and environmental education. In 2012, Fluor supported environmental initiatives such as shoreline cleanups, tree plantings and recycling drives. Through volunteer activities, Fluor employees recycled and disposed of more than 27 tons of litter and planted more than 4,500 trees, plants and shrubs.

Our Centennial Community Fund
EC8, EC9 – Fluor created the Centennial Community Fund in 2012 in celebration of the company’s 100th year. Ten community-involvement projects from around the world were selected and each received $10,000. More than 1,500 employees volunteered more than 5,000 hours to help bring these projects to fruition and improved nearly 45,000 lives. At year-end, two projects received “Best-in-Class” distinction and each received an additional $10,000.

Supporting the U.S. Military
Fluor is proud to serve the women and men of the armed forces at 50 forward operating bases in Afghanistan. Through our philanthropic efforts, we strive to make positive impacts in the lives of military personnel and their families. In 2012, Fluor supported initiatives like Hiring Our Heroes to help veterans and military spouses find meaningful employment; the Army Scholarship Foundation to support scholarships for family members of service members; Homes for Our Troops to build homes for veterans that have given to our country and have returned home with serious injuries; and Hidden Wounds, Inc. to provide interim and emergency counseling services to military veterans.
Fluor by the Numbers

- More than 2,400 middle and high school students received more than 106,000 hours of STEM academic training or enrichment through a variety of Fluor community-partner investments.

- Fluor and its employees provided nearly 400,000 meals via participation in feeding programs and meal-delivery organizations.

- As a result of Fluor investments, more than 24,000 individuals received preventive and emergency services including drug-abuse counseling, immunizations for low-income children, health care check-ups for the disadvantaged and emergency shelter for those at risk of domestic abuse.

- Fluor and its employees contributed to the building or refurbishment of nearly 50 homes and other facilities.

- More than 1,900 young people received life-skills enrichment training as a result of Fluor’s support of youth-serving organizations and initiatives.

- Fluor employees recycled and disposed of more than 27 tons of litter and beautified and restored our communities by planting more than 4,500 trees, flowers and shrubs.

- Fluor helped provide more than 3,500 individuals with environmental education, totaling more than 14,000 hours.

- Fluor employees volunteered more than 31,000 hours to community projects around the globe.
The GRI Reporting Framework advises that companies self-declare a report “application level.” By self-declaration, Fluor’s 2012 report meets the criteria for application level “B.” Application levels of “A,” “B,” and “C” define the amount of GRI standard disclosures that a reporting organization addresses in its sustainability report. According to the GRI, application levels reflect a degree of transparency, as opposed to a sustainability performance grade. For a full explanation of the GRI guidelines, visit globalreporting.org.
## Strategy and profile disclosures

### 1. STRATEGY & ANALYSIS

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### 2. ORGANIZATIONAL PROFILE

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<th>GRI indicator</th>
<th>GRI definition</th>
<th>Fluor comments &amp; cross-reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Name of the organization.</td>
<td>Fluor Corporation</td>
</tr>
<tr>
<td>2.2</td>
<td>Primary brands, products, and/or services.</td>
<td>About the Company, pages 5–6.</td>
</tr>
<tr>
<td>2.3</td>
<td>Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.</td>
<td>About the Company, pages 5–6.</td>
</tr>
<tr>
<td>2.4</td>
<td>Location of organization’s headquarters.</td>
<td>About the Company, page 5.</td>
</tr>
<tr>
<td>2.5</td>
<td>Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.</td>
<td>See Item 2, page 26 of Fluor’s 2012 Form 10-K, available at investor.fluor.com.</td>
</tr>
<tr>
<td>2.8</td>
<td>Scale of the reporting organization.</td>
<td>About the Company, pages 6–7.</td>
</tr>
<tr>
<td>2.9</td>
<td>Significant changes during the reporting period regarding size, structure, or ownership.</td>
<td>About the Company, page 7.</td>
</tr>
<tr>
<td>GRI indicator</td>
<td>GRI definition</td>
<td>Fluor comments &amp; cross-reference</td>
</tr>
<tr>
<td>---------------</td>
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</tr>
<tr>
<td>3.1</td>
<td>Reporting period for information provided.</td>
<td>About the Report, page 9.</td>
</tr>
<tr>
<td>3.2</td>
<td>Date of most recent previous report.</td>
<td>2011 Fluor Sustainability Report. About the Report, page 10.</td>
</tr>
<tr>
<td>3.3</td>
<td>Reporting cycle.</td>
<td>About the Report, page 10.</td>
</tr>
<tr>
<td>3.4</td>
<td>Contact point for questions regarding the report or its contents.</td>
<td>About the Report, page 10.</td>
</tr>
<tr>
<td>3.5</td>
<td>Process for defining report content.</td>
<td>About the Report, page 9.</td>
</tr>
<tr>
<td>3.6</td>
<td>Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).</td>
<td>About the Report, page 9.</td>
</tr>
<tr>
<td>3.7</td>
<td>State any specific limitations on the scope or boundary of the report.</td>
<td>About the Report, page 10.</td>
</tr>
<tr>
<td>3.8</td>
<td>Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.</td>
<td>See Exhibit 21 of Fluor’s 2012 Form 10-K, available at investor.fluor.com.</td>
</tr>
<tr>
<td>3.9</td>
<td>Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.</td>
<td>About the Report, page 10.</td>
</tr>
<tr>
<td>3.10</td>
<td>Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statements.</td>
<td>About the Report, page 9.</td>
</tr>
<tr>
<td>3.11</td>
<td>Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.</td>
<td>About the Report, page 9.</td>
</tr>
<tr>
<td>3.12</td>
<td>Table identifying the location of the Standard Disclosures in the report.</td>
<td>GRI Content Index.</td>
</tr>
<tr>
<td>3.13</td>
<td>Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).</td>
<td>About the Report, page 10.</td>
</tr>
<tr>
<td>GRI indicator</td>
<td>GRI definition</td>
<td>Fluor comments &amp; cross-reference</td>
</tr>
<tr>
<td>---------------</td>
<td>---------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>4.1</td>
<td>Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.</td>
<td>Governance, page 16. See pages 12-16 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com. For a discussion of the Board’s role in risk oversight, see page 11 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com. Additional information on Fluor’s Corporate Governance Guidelines and committee charters is available on our website.</td>
</tr>
<tr>
<td>4.2</td>
<td>Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, his/her function within the organization’s management and the reasons for this arrangement).</td>
<td>See pages 11-12 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com.</td>
</tr>
<tr>
<td>4.3</td>
<td>For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.</td>
<td>See pages 9-10 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com.</td>
</tr>
<tr>
<td>4.4</td>
<td>Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.</td>
<td>See pages 17, 18 and 85 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com.</td>
</tr>
<tr>
<td>4.5</td>
<td>Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization’s performance (including social and environmental performance).</td>
<td>Governance, page 16. See pages 21-58 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com. Fluor does not report on compensation for all senior managers, but only certain executives as required by the proxy rules.</td>
</tr>
<tr>
<td>4.7</td>
<td>Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization’s strategy on economic, environmental, and social topics.</td>
<td>See page 16 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com. A description of our directors’ qualifications can be found on pages 2-8 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com. Fluor does not separately consider the board’s qualifications with regard to social and environmental topics.</td>
</tr>
<tr>
<td>4.8</td>
<td>Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.</td>
<td>Ethics &amp; Compliance, page 14. Fluor’s Code of Business Conduct and Ethics is available on the company’s website.</td>
</tr>
</tbody>
</table>
Strategy and profile disclosures

4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT: Governance (continued)

4.9 Procedures of the highest governance body for overseeing the organization’s identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.

Ethics & Compliance, page 14.
Fluor does not have a board committee that specifically oversees environmental and social performance.

4.10 Processes for evaluating the highest governance body’s own performance, particularly with respect to economic, environmental, and social performance.

The Board’s performance with respect to environmental and social performance/issues is not separately evaluated.

4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT: Commitments to External Initiatives

4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization.

Does not apply. As a service provider, Fluor does not manufacture or sell products.

4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.

Employees & Workplace, page 15.
Health, Safety & Environment, page 25.

4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations.

About the Company, page 8.
Ethics & Compliance, page 15.
Employees & Workplace, page 21.
Health, Safety & Environment, page 28.
Community & Social Service, page 31.

4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT: Stakeholder Engagement

4.14 List of stakeholder groups engaged by the organization.

About the Company, page 8.

4.15 Basis for identification and selection of stakeholders with whom to engage.

About the Company, page 8.

4.16 – 4.17 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.

Ethics & Compliance, page 12.
Governance, page 16.
Employees & Workplace, page 17.
Health, Safety & Environment, page 22.
Community & Social Service, page 29.
## Performance Indicators

### 1. ENVIRONMENTAL: Materials

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reference</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN3</td>
<td>Direct energy consumption by primary energy source.</td>
<td>Health, Safety &amp; Environment, page 26.</td>
<td>-</td>
</tr>
<tr>
<td>EN4</td>
<td>Indirect energy consumption by primary source.</td>
<td>Health, Safety &amp; Environment, page 26.</td>
<td>-</td>
</tr>
<tr>
<td>EN5</td>
<td>Energy saved due to conservation and efficiency improvements.</td>
<td>Health, Safety &amp; Environment, page 26.</td>
<td>-</td>
</tr>
<tr>
<td>EN6</td>
<td>Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.</td>
<td>Health, Safety &amp; Environment, pages 26–27.</td>
<td>-</td>
</tr>
<tr>
<td>EN7</td>
<td>Initiatives to reduce indirect energy consumption and reductions achieved.</td>
<td>Health, Safety &amp; Environment, page 26.</td>
<td>-</td>
</tr>
</tbody>
</table>

### 1. ENVIRONMENTAL: Emissions, Effluents, & Waste

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reference</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN16</td>
<td>Total direct and indirect greenhouse gas emissions by weight.</td>
<td>Health, Safety &amp; Environment, pages 24–25.</td>
<td>-</td>
</tr>
<tr>
<td>EN18</td>
<td>Initiatives to reduce greenhouse gas emissions and reductions achieved.</td>
<td>Health, Safety &amp; Environment, page 26.</td>
<td>-</td>
</tr>
<tr>
<td>EN23</td>
<td>Total number and volume of significant spills.</td>
<td>Health, Safety &amp; Environment, page 24.</td>
<td>-</td>
</tr>
</tbody>
</table>

### 1. ENVIRONMENTAL: Products & Services

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reference</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN26</td>
<td>Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.</td>
<td>Health, Safety &amp; Environment, page 23.</td>
<td>-</td>
</tr>
</tbody>
</table>

### 1. ENVIRONMENTAL: Compliance

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reference</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN28</td>
<td>Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.</td>
<td>Health, Safety &amp; Environment, page 24.</td>
<td>-</td>
</tr>
</tbody>
</table>

### 2. HUMAN RIGHTS: Investment & Procurement Practices

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reference</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR3</td>
<td>Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.</td>
<td>Employees &amp; Workplace, page 18.</td>
<td>-</td>
</tr>
</tbody>
</table>

### 2. HUMAN RIGHTS: Freedom of Association & Collective Bargaining

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Reference</th>
<th>Disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>HRS</td>
<td>Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.</td>
<td>Employees &amp; Workplace, page 18.</td>
<td>-</td>
</tr>
</tbody>
</table>
## Performance Indicators

### 3. LABOR PRACTICES AND DECENT WORK: Employment

<table>
<thead>
<tr>
<th>GRI indicator</th>
<th>GRI definition</th>
<th>Fluor comments &amp; cross-reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA1</td>
<td>Total workforce by employment type, employment contract, and region.</td>
<td>About the Company, page 7. Employees &amp; Workplace, page 18. Complete data are not available for employment type and employment contract.</td>
</tr>
</tbody>
</table>

### 3. LABOR PRACTICES AND DECENT WORK: Labor/Management Relations

<table>
<thead>
<tr>
<th>GRI indicator</th>
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<th>Fluor comments &amp; cross-reference</th>
</tr>
</thead>
</table>

### 3. LABOR PRACTICES AND DECENT WORK: Occupational Health & Safety

<table>
<thead>
<tr>
<th>GRI indicator</th>
<th>GRI definition</th>
<th>Fluor comments &amp; cross-reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA7</td>
<td>Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.</td>
<td>Health, Safety &amp; Environment, page 23. Fluor does not report this information by region.</td>
</tr>
<tr>
<td>LA8</td>
<td>Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.</td>
<td>Health, Safety &amp; Environment, page 24.</td>
</tr>
</tbody>
</table>

### 3. LABOR PRACTICES AND DECENT WORK: Training & Education

<table>
<thead>
<tr>
<th>GRI indicator</th>
<th>GRI definition</th>
<th>Fluor comments &amp; cross-reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA11</td>
<td>Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.</td>
<td>Employees &amp; Workplace, page 20.</td>
</tr>
<tr>
<td>LA12</td>
<td>Percentage of employees receiving regular performance and career development reviews, by gender.</td>
<td>Employees &amp; Workplace, page 20. Complete data by gender are not available.</td>
</tr>
</tbody>
</table>

### 3. LABOR PRACTICES AND DECENT WORK: Diversity & Equal Opportunity

<table>
<thead>
<tr>
<th>GRI indicator</th>
<th>GRI definition</th>
<th>Fluor comments &amp; cross-reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA13</td>
<td>Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.</td>
<td>Fluor considers his information confidential and proprietary. For biographical information on Fluor’s Board of Directors, see pages 2-8 of Fluor’s 2013 Proxy Statement, available at investor.fluor.com. Employees &amp; Workplace, page 18. About the Company, page 7. Governance, page 16.</td>
</tr>
</tbody>
</table>

### 4. SOCIETY: Corruption

<table>
<thead>
<tr>
<th>GRI indicator</th>
<th>GRI definition</th>
<th>Fluor comments &amp; cross-reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>SO2</td>
<td>Percentage and total number of business units analyzed for risks related to corruption.</td>
<td>Ethics &amp; Compliance, page 13. Data are not collected.</td>
</tr>
<tr>
<td>SO3</td>
<td>Percentage of employees trained in organization’s anti-corruption policies and procedures.</td>
<td>Ethics &amp; Compliance, page 14.</td>
</tr>
</tbody>
</table>
### Performance Indicators

#### 5. PRODUCT RESPONSIBILITY: Customer Health & Safety

**PR1** Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.

- **Fluor comments & cross-reference:** Health, Safety & Environment, page 23.

#### 6. ECONOMIC: Economic Performance

**EC1** Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.

- **Fluor comments & cross-reference:** Fluor provides financial information, including revenues, cost of revenues, cost of capital (including interest expense and dividends to shareholders), corporate general and administrative costs (including compensation costs) and retained earnings, in its quarterly and annual filings with the Securities and Exchange Commission. For full-year 2012 financial information, see Fluor’s 2012 Form 10-K, available at investor.fluor.com.

**EC2** Financial implications and other risks and opportunities for the organization’s activities due to climate change.

- **Fluor comments & cross-reference:** See page 24 of Fluor’s 2012 Form 10-K, available at investor.fluor.com.

**EC3** Coverage of the organization’s defined benefit plan obligations.

- **Fluor comments & cross-reference:** Employees & Workplace, page 19.

**EC4** Significant financial assistance received from government.

- **Fluor comments & cross-reference:** About the Company, page 6.

#### 6. ECONOMIC: Market Presence

**EC6** Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.

- **Fluor comments & cross-reference:** Community & Social Service, page 30.

#### 6. ECONOMIC: Indirect Economic Impacts

**EC8** Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.

- **Fluor comments & cross-reference:** Community & Social Service, page 30.

**EC9** Understanding and describing significant indirect economic impacts, including the extent of impacts.

- **Fluor comments & cross-reference:** Community & Social Service, page 30.
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