

February 2024

Greenhouse Gas Inventory Management Plan



FLUOR[®]

GREENHOUSE GAS INVENTORY MANAGEMENT PLAN

ACRONYMS	
AR 6	Sixth Assessment Report of the Intergovernmental Panel on Climate Change
CO ₂ e	Carbon Dioxide Equivalent
EAC	Energy Attributes Certificates (REC, i-REC, GO, etc.)
EF	Emission Factor(s)
EPA	U.S. Environmental Protection Agency
EPC	Engineering Procurement Construction
GHG	Greenhouse Gas
GO	Guarantee of Origin
GWP	Global Warming Potential
ICF	Inner City Fund
IEA	International Energy Agency
IPCC	United Nations Intergovernmental Panel on Climate Change
I-REC	International Renewable Energy Certificate
LED	Light Emitting Diode
REC	Renewable Energy Certificate
SPI	Sustainability Performance Indicator
SPIMS	Sustainability Performance Indicator Management System
tCO ₂ e	Metric Tons of Carbon Dioxide Equivalent
WBCSD	World Business Council for Sustainable Development
WRI	World Resources Institute



1.0 TABLE OF CONTENTS

- INTRODUCTION AND STRATEGY.....3**
 - Our Strategy4
- INVENTORY MANAGEMENT PLAN5**
 - Reporting Protocol5
 - Organization Information5
 - Boundary Conditions.....5
 - Activities Not Within the Reporting Boundary6
 - Emissions Sources7
 - Methodologies and Emission Factors.....11
 - Energy Reduction13
 - Data Management16
 - Base Year and Time Series19
 - Management Tools19
 - Audit Verification211
- CONTACT..... 211**

INTRODUCTION AND STRATEGY

This Inventory Management Plan provides a framework for the management of greenhouse gases (GHG) associated with Fluor Corporation. It is updated at least annually to reflect new emission factors as appropriate and any changes to the strategy, emission inventory and procedures.

Fluor first measured its GHG emissions in 2006, and its efforts to reduce emissions since then have been significant. Fluor follows the World Resources Institute (WRI) and World Business Council for Sustainable Development's (WBCSD's) *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*¹ for inventory development over the operations for which we maintain operational control. Consistent with best practices, we routinely evaluate for potential improvements including the periodic update of emission factors as appropriate.

Emission sources in Fluor's GHG inventory include:

- ▶ Direct emissions from Fluor operations, including offices and vehicle fleets (Scope 1)
 - Fuel combustion in stationary and mobile equipment
 - Fuel combustion in fleet vehicles (owned and/or leased)
 - Fugitive emissions of refrigerants used in building cooling systems
- ▶ Indirect emissions associated with purchased electricity, heat and steam at Fluor operations (Scope 2)
- ▶ Indirect emissions associated with business-related air travel (Scope 3, Category 6)

Fluor tracks the following GHG emissions, which are quantified in each scope's inventory as applicable: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and any hydrofluorocarbon (HFC) refrigerants. There are no known sources of perfluorocarbon (PFC), nitrogen trifluoride (NF₃) and sulfur hexafluoride (SF₆) at Fluor's operations given the nature of the company's business, and this class of gases is not used in any of Fluor's operations. Scope 1 and 2 emissions sources under Fluor's operational control include offices and vehicle fleets at those offices. Emissions produced at client sites are excluded, as those facilities are not under Fluor's operational control (See Organizational Boundaries section below). Fabrication yards are addressed in Scope 3, Category 15, as investment operations.

The basic unit of measure used throughout the GHG inventory is metric tons of carbon dioxide equivalent (tCO₂e).

Measuring and reporting our carbon footprint provides valuable information that is used to manage our operations in an environmentally responsible manner. We continue to identify ways to reduce carbon emissions through energy efficiency initiatives, renovations, and upgrades of office equipment, purchasing and/or producing clean energy and conservation/behavioral change efforts.

One of Fluor's strategic priorities is to foster a high-performance culture with purpose. With this priority guiding the company's actions, Fluor has set an ambitious goal to achieve net zero Scope 1 and 2 emissions by the end of 2023.

1. The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition)

Our Net Zero 2023 commitment applies to emissions from Fluor offices, which include sources such as electricity, natural gas combustion, refrigerant losses and fuel combustion from our global fleet.

For the purpose of this goal to become net zero, we define net zero as net balance of Scopes 1 and 2 tCO₂e emitted minus retired offsets, energy attribute certificates (EACs) and other similar instruments as discussed in the bullets below.

We will achieve zero emissions in each calendar year beginning in 2023 by a combination of the following strategies (prioritized from a to d):

- a) Reducing our energy consumption through energy reduction initiatives.
- b) Buying low- and zero-carbon energy (e.g. nuclear or wind) or energy bundled with renewable energy certificates, while retaining and retiring these certificates.
- c) Buying unbundled renewable energy certificates as needed to address remainder of Scope 2 emissions associated with electricity. These certificates will be sourced within the same grid region or as close as possible to the Fluor operations to which they are applied.
- d) Buying and retiring offsets (verified emission reductions that can be accounted for and have a low risk of non-additionality, reversal and creating unintended consequences) to reduce remainder of Scope 1 and Scope 2 (heat and steam) emissions

OUR STRATEGY

To implement the Net Zero 2023 commitment, a Core Team was established to plan and oversee activities. The Core Team consists of participants from 16 disciplines across Fluor's global network. They work with Fluor's offices and align with office general managers regarding expectations.

Our global offices include Stork, TRS and AMECO offices but do not include project offices that are located at construction sites, as these offices fall outside of Fluor's operational control. In 2022, Fluor divested of most of its AMECO and some Stork (Australia and New Zealand) operations. In 2023, Fluor was in the process of finalizing the divestiture of AMECO; therefore, only one remaining AMECO office was included – Lima, Peru. This office has been excluded from reporting as of April 30, 2023, when the divestiture was completed.

A change management plan, communications plan and reporting framework have been developed to support our offices on their journey to net zero. An ideation campaign that solicited input from employees throughout the company concluded in April 2021 with nearly 300 ideas submitted on options to reduce our office GHG emissions. Using those ideas, the office teams proposed 65 initiatives to address Scope 2 and 20 initiatives to address Scope 1 emissions. The teams provided the cost of each initiative and its associated energy savings. The initiative categories were analyzed one by one for cost effectiveness. The cost effectiveness threshold was established for each initiative category. The initiatives above that threshold were set aside for possible later implementation. The approach to Net Zero 2023 is multi-phased. Phase one is to reduce energy consumption at our offices. Office Teams provided initiatives to the Core Team for consideration. There were several proposed initiatives, ranging from replacement of lighting, switching to more efficient appliances, installation of solar arrays and replacing gasoline-powered fleet vehicles with electric or hybrid models. The second phase is the purchase of low- and zero-carbon energy or energy bundled with renewable energy certificates, while retaining and retiring these certificates. The third phase is to purchase unbundled EACs to address any remaining Scope 2 GHG emissions associated with

purchased electricity. The fourth phase is to purchase offsets for any remaining Scope 1 and remaining Scope 2 (heat and steam) GHG emissions.

Our Net Zero 2023 commitment highlights our attention to our environmental legacy. In addition to GHG emissions reductions, we will provide alternate and renewable energy solutions to our clients and continue to implement waste reduction and reuse actions, as well as implement water conservation programs/initiatives at our offices and project sites.

INVENTORY MANAGEMENT PLAN

REPORTING PROTOCOL

Fluor's GHG inventory has been designed to align with the WRI/WBCSDs the GHG Protocol and is consistent with GHG accounting principles listed below.

- ▶ **Relevant.** The GHG inventory appropriately reflects the Scope 1 and 2 GHG contributors of Fluor and serves the decision-making needs of its users – both internal and external to Fluor.
- ▶ **Complete.** Accounts for and reports on all Scope 1 and 2 GHG emissions sources and activities within the chosen inventory boundary. Discloses and justifies any specific exclusions.
- ▶ **Consistent.** Uses consistent methodologies to allow for meaningful comparisons of emissions over time. Transparently documents any changes to the data, inventory boundary, methods or any other relevant factors in the time series.
- ▶ **Transparent.** Addresses all relevant issues in a factual and coherent manner based on a clear audit trail. Discloses any relevant assumptions and makes appropriate references to the accounting and calculation methodologies and data sources used.
- ▶ **Accurate.** Ensures that the quantification of GHG emissions is systematically neither over nor under actual emissions, as far as can be judged. Achieves sufficient accuracy to enable users to make decisions with reasonable assurance as to the integrity of the reported information.

ORGANIZATION INFORMATION

Fluor provides professional and technical solutions to safely deliver engineering, procurement and construction (EPC) projects around the world. An industry leader, Fluor provides fit-for-purpose services and cost-competitive solutions to optimize each client's capital project. Clients span a variety of industries, including energy, oil and gas production and refining, liquefied natural gas, chemicals, government services, life sciences, manufacturing, mining and metals, nuclear power and infrastructure. Our more than 40,000 employees execute projects globally, serving clients in more than 60 countries. We are committed to meeting the needs of our clients with safety, quality, reliability and sustainability.

BOUNDARY CONDITIONS

Organizational Boundaries

According to the guidelines of the GHG Protocol for corporate GHG inventory reporting, a company's organizational boundaries can either be defined by the amount of equity a company has in an operation (Equity Approach) or based on a company's operational control over a location or facility

(Control Approach). The GHG Protocol also requires that a company select the type of organizational boundary according to which method most accurately reflects the daily practices of the business. Control can be defined in either financial or operational terms.

- ▶ **Financial control.** An entity has financial control over the operation if the former has the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from its activities.
- ▶ **Operational control.** An entity has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.

Fluor applies the principle of operational control to define the boundaries of our Scope 1 and 2 GHG inventories. Consistent with this approach, Fluor accounts for GHG emissions from our locations for which we have direct control over operations and where we can influence decisions that impact GHG emissions. This control includes all owned and leased facilities/vehicles operated by Fluor.

All operations where Fluor has full authority to introduce and implement operating policies have been included. For leased facilities or joint venture partnerships, Fluor has operational control for the following scenarios:

- ▶ Fluor is the majority shareholder with a joint venture partner.
- ▶ Fluor occupies space within a shared building.

Subleased space where another tenant has operational control is not included.

List of GHGs Included

There are six Kyoto GHG categories that are defined in accordance with the GHG Protocol:

1. Carbon dioxide (CO₂)
2. Methane (CH₄)
3. Nitrous oxide (N₂O)
4. Hydrofluorocarbons (HFCs)
5. Perfluorocarbons (PFCs)
6. Sulfur hexafluoride (SF₆)

The GHG Protocol has established nitrogen trifluoride (NF₃) as a seventh GHG for which organizations need to account. Fluor's inventory and management program includes four of the Kyoto GHGs: CO₂, CH₄, N₂O and HFCs. There are no known sources of PFCs, NF₃ and SF₆ at Fluor's operations given the nature of our business, and this class of gases is not used in any of Fluor's operations.

ACTIVITIES NOT WITHIN THE REPORTING BOUNDARY

Fluor includes all offices in its reporting boundary, but does not include project, construction or client sites in its inventory as these activities are not under Fluor's operational control. Fabrication yards fall under Scope 3, Category 15.

If a Fluor office subleases space to a third party, Fluor does not include these emissions in its Scope 1 or Scope 2 emissions. The third party assumes operational control over the sub-leased space, and the emissions would fall under Scope 3, Category 13.

Materiality Threshold

As a practical matter, the inventory excludes GHG sources with insignificant potential for GHG emissions (less than 1 percent of the total corporate GHG inventory) that are immaterial to the total emissions quantified (also referenced as de minimis sources). Examples of insignificant sources include fire suppression systems and maintenance activities at Fluor-owned properties.

EMISSIONS SOURCES

GHG Emission Sources

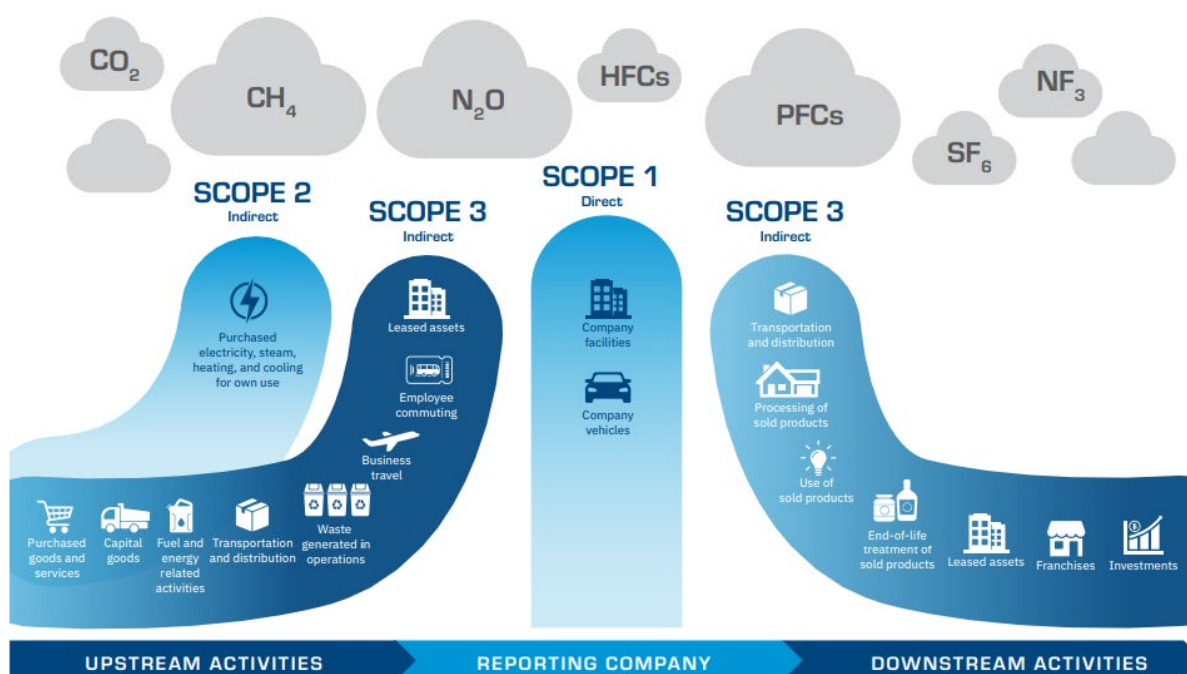


Figure 1. Overview of the GHG Protocol Scopes and Emissions Across the Value Chain.

There are no known sources of PFC, NF₃ and SF₆ at Fluor’s operations given the nature of the company’s business, and this class of gases is not expected in any of Fluor’s operations.

Figure 1 demonstrates the composition of the three scopes that constitute a GHG Protocol-aligned GHG Inventory.

Scope 1 includes all direct emissions, Scope 2 are indirect emissions from purchased electricity, heat and steam and Scope 3 includes all other indirect emissions. Scope 3 emissions can include a range of emission sources such as public transport, catering, business travel and emissions from waste disposal.

Each Fluor office is required to enter emission source data into Fluor’s proprietary database Sustainability Performance Indicator Management System (SPIMS), which was built in alignment with the GHG Protocol (office-based organizations). Emission source data entry requirements are the same for all offices and are as described below:

▶ **Scope 1.**

Stationary combustion. Combustion of fuels in stationary equipment, which includes fuels used for building space, water heating and emergency power. Users are required to enter the type of fuel used and its quantity.

Fugitive emissions. Releases of air conditioning unit refrigerants. Users are required to enter the refrigerant type and replaced quantity.

Mobile combustion. Fuel consumed by fleet vehicles and mobile equipment associated with Fluor facilities. Users are required to enter the fuel type and quantity.

Process emissions. Not applicable to Fluor; therefore, they are not included.

▶ **Scope 2.** Any electricity, heat or steam purchased. Users have an option to enter renewable and non-renewable energy consumption with all supporting documentation, such as EACs, utility invoices and power contracts.

▶ **Scope 3.** Fluor is in the process of identifying and developing an inventory of its Scope 3 emission sources. In SPIMS, Fluor only collects data associated with business-related air travel at this time.

If data for these emission sources is not available or applicable, supporting background must be provided in SPIMS.

Emissions Quantification (Scope 1 and Scope 2)

The inventory data quantification methodology is the same throughout all offices and is as described below.

Buildings

- ▶ Where Fluor shares office facilities without a separate meter, emissions are apportioned by percentage of total square meters occupied by Fluor.
- ▶ All offices are required to report on stationary and mobile fuel consumption, refrigerants, electricity and heat where applicable.

Stationary Combustion

If the office purchased fuel for space and water heating, the office enters information on fuel type and quantity used or purchased. The same information is also applied for any emergency equipment, such as emergency generators and fire pumps.

GHGs emissions are then calculated using the following formula:

$$\text{GHG Emissions (tCO}_2\text{e)} = \text{X} \frac{\text{Total Usage of Fuel Type (GJ)}}{\text{Emission Factor [CO}_2\text{/CH}_4\text{/N}_2\text{O/CO}_2\text{e]}} \times \text{GWP (AR6) [CO}_2\text{/CH}_4\text{/N}_2\text{O/CO}_2\text{e]}$$

Note: Usage data can be entered in Imperial gallon, U.S. gallon, liter, therm or kilogram (for steam). It is automatically converted into GJ or pounds (for steam) (refer to Appendix H for Conversion Factors

used). As fuel combustion emission factors in different regions and countries have minimal variance, one set of emission factors from 2006 IPCC and/or U.S. EPA is used for Fluor's inventory regardless of location.

Emissions from Green Gas (Biogenic Emissions)

Where Fluor offices purchase green gas instead of natural gas, carbon dioxide (CO₂) GHG emissions are calculated and excluded from Fluor's overall Scope 1 emissions and are reported separately as biogenic emissions. However, methane (CH₄) and nitrous oxide (N₂O) emissions are calculated and included in Fluor's Scope 1 emissions.

CO₂, CH₄ and N₂O GHG emissions are calculated using the following formula:

$$\text{GHG Emissions (tCO}_2\text{e)} = \text{X} \frac{\text{Total Usage of Fuel Type (SCF)}}{\text{Emission Factor [CO}_2\text{/CH}_4\text{/N}_2\text{O]}} \times \text{GWP (AR6) [CO}_2\text{/CH}_4\text{/N}_2\text{O]}$$

Note: Currently, only Fluor's Farnborough office is purchasing green gas.

Mobile Combustion

Mobile GHG emissions result from the combustion of fuel in an organization's owned and leased vehicles. Most office administrators report fuel quantities used from driver logs or invoices. Many vehicles have fuel consumption logs to track their purchases. Mobile source data is entered by fuel used or distance traveled. SPIMS also requires offices to specify vehicle type and fuel type. Some offices do not have owned or leased vehicles or have only electric vehicles and thus do not report mobile fuel use.

GHGs emissions are then calculated using the following formula:

$$\text{GHG Emissions (tCO}_2\text{e)} = \text{X} \frac{\text{Total Fuel Usage (L)}}{\text{Emission Factor [CO}_2\text{/CH}_4\text{/N}_2\text{O/CO}_2\text{e]}} \times \text{GWP (AR6) [CO}_2\text{/CH}_4\text{/N}_2\text{O/CO}_2\text{e]}$$

Note:

- Usage data can also be entered in Imperial gallon and U.S. gallon. They are automatically converted into liters.
- If fuel usage is not available, distance/mileage can be entered. SPIMS will automatically convert mileage into fuel volume (liters) by using vehicle type/class and fuel efficiency (refer to Appendix E for Fuel Efficiencies).
- Mobile fuel combustion emission factors from U.S. EPA and/or 2006 IPCC are used for Fluor's inventory regardless of location.



Refrigerants

All Fluor offices submit quarterly refrigerant use, if applicable. The consumed amount is not reflected in the total amount of refrigerant used in the equipment, but only the amount that is used to top up or replace the refrigerant. In this manner, we can calculate refrigeration, freezer and air conditioning equipment leak refrigerants. GHGs from heating, ventilation or air conditioning (HVAC) operations, refrigeration and freezer units are not intentionally released, but escape into the atmosphere as fugitive emissions through varying means, including but not limited to maintenance, installation, disposal and operational leakage.

GHGs emissions are then calculated using the following formula:

$$\text{GHG Emissions of Refrigerant Type (tCO}_2\text{e)} = \text{X} \frac{\text{Total Usage of Refrigerant Type (tonne)}}{\text{Associated GWP (AR6) [HFCs/CO}_2\text{e]}}$$

This calculation is performed for all refrigerant types used. The emissions for each type of refrigerant are then added up, and the total tCO₂e is reported.

Note: Usage data can be entered in kilograms, pounds and grams. They are automatically converted into tonnes (refer to Appendix H for Conversion Factors).

Electricity

Electricity usage data comes from property owners or monthly electric utility bills. Office teams have an option to enter the following information:

- Electricity – all GRID purchases
- Renewable energy purchases
- Renewable energy on-site generation

GHG Emissions from electricity are then calculated as follows:

Market-Based Approach

$$\text{GHG Emissions (tCO}_2\text{e)} = \text{X} \frac{(\text{Electricity-all GRID purchases - Renewable Energy Purchases) (kWh)}}{\text{Market-based EF [CO}_2\text{/CH}_4\text{/N}_2\text{O/CO}_2\text{e] GWP (AR6) [CO}_2\text{/CH}_4\text{/N}_2\text{O/CO}_2\text{e]}}$$

Note: if Market-based Emission Factor is not available, Residual Emission Factor will be used for sites in Europe and Average Regional Emission Factor for sites in United States.

Location-Based Approach

$$\text{GHG Emissions (tCO}_2\text{e)} = \text{X} \frac{\text{Electricity-all GRID purchases (kWh)}}{\text{Average Regional EF [CO}_2\text{/CH}_4\text{/N}_2\text{O/CO}_2\text{e]}}$$

GWP (AR6) [CO₂/CH₄/N₂O/CO₂e]

Steam & Heat

Where Fluor offices purchase heat from a district heating system, usage data comes from property owners or monthly utility bills. For offices where heat consumption can be measured only for the entire building, total heat consumption is prorated for the Fluor-occupied area. This proration is accomplished by dividing the Fluor-occupied space by the building's size and then multiplying this figure by the building's heat consumption. For the offices where heat data is unavailable, Fluor reviews data from other offices in similar climate zones to derive an average heat/steam usage per m² of floor space which is then applied to the respective office's floor space. An exception is the Moscow² office where an annual average specific heat demand (SHD) of 206.41 kWh/m² is used (Reference: [Technical, economic and ecological effects of lowering temperatures in the Moscow district heating system - ScienceDirect](#)).

GHG emissions are then calculated by using the following formula:

$$\text{GHG Emissions (tCO}_2\text{e)} = \text{X} \frac{\text{Total Usage of Heat (BTU)}}{\text{Emission Factor [CO}_2\text{/CH}_4\text{/ N}_2\text{O/CO}_2\text{e]}} \times \text{GWP (AR6) [CO}_2\text{/CH}_4\text{/N}_2\text{O/CO}_2\text{e]}$$

Emission Quantification (Scope 3)

Scope 3 emissions constitute indirect emissions not included in Scopes 1 and 2 that occur in our value chain, including emissions upstream of our office operations and emissions downstream of our office operations, i.e., Scope 3 emissions are a consequence of Fluor's activities but occur from sources that we don't own or control. Fluor currently measures and reports air travel, both overhead and project related.

Applicability and boundaries for Scope 3 emissions are being assessed and will be set later and amended to this document.

METHODOLOGIES AND EMISSION FACTORS

For Fluor's stakeholders, including clients, investors and employees, GHG emissions are an area of growing interest. To support transparent communications, Fluor publishes its GHG emission data and updates emission factors annually.

Fluor annually purchases the emission factors from the International Energy Agency. This information is then sent to Inner City Fund (ICF) for consolidation into global, regional, subregional and grid region emission factors. ICF also updates other relevant factors such as global warming potential, fuel conversion factors and fuel efficiencies.

² Potential suspension of operations in Moscow.

Emission factors used for the inventory are derived from the following sources:

EMISSION SOURCE/ CATEGORY	REFERENCE NAME	AUTHOR
Air Travel	Greenhouse Gas Conversion Factor Repository (Government emission conversion factors for greenhouse gas company reporting)	Department for Environment, Food & Rural Affairs (DEFRA) (2016)
Conversions	Energy Use Calculator	Natural Resources Canada (2005)
Conversions	Thermal Conversions in Portfolio Manager	EPA Energy Star Portfolio Manager (2023)
Electricity	National Greenhouse Accounts (NGA) Factors	Australian Government, Department of the Environment and Energy (2022)
Electricity	National Inventory Report (NIR) 1990-2020	Environment Canada (2022)
Electricity	Emission Factors	International Energy Agency (2022)
Electricity	eGRID 2023 year 2021	U.S. Environmental Protection Agency (2023)
Electricity	Greenhouse Gas Conversion Factor Repository (Government emission conversion factors for greenhouse gas company reporting)	Defra (2022)
Electricity	European Residual Mixes 2021	Association of Issuing Bodies (2022)
Electricity	World Resource Institute	WRI (2021)
GWP	International Panel on Climate Change, Sixth Assessment Report (AR6): The Science of Climate Change *	Intergovernmental Panel on Climate Change (2022)
Mobile Fuels – Non-Road	Voluntary Reporting of Greenhouse Gases	U.S. Department of Energy Information Administration (2010)
Stationary and Mobile Fuels	International Panel on Climate Change, Second Assessment Report (SAR): The Science of Climate Change	IPCC (1996)
Stationary and Mobile Fuels	Aviation Fuels Technical Review	Chevron Corporation (2006)
Steam & Heat	2023 EPA GHG Emission Factors Hub	U.S. EPA (2023)
Biomass Fuels	2023 EPA GHG Emission Factors Hub	U.S. EPA (2023)

*Per the 6th Assessment Report (AR 6), the GWP for CH₄ is 29.8. However, due to the inability to enter decimals in SPIMS for GWP, the GWP for CH₄ has been rounded up to 30 (note that this is a more conservative value).

Location-based and market-based methods have been used to calculate calendar year office emissions beginning in 2022.

- ▶ **Location-based.** This method uses grid-average emission factors (refer to Appendices C and D).
- ▶ **Market-based.** This method reflects emissions from electricity that Fluor has purposefully sourced. It derives emission factors from contractual instruments that include any type of contract between

two parties for 1) the sale and purchase of energy bundled with EAC associated with the energy generation or 2) for unbundled EAC claims.

Contractual instruments can include EACs, such as renewable energy certificates, international renewable energy certificates, and guarantees of origin; direct contracts for low-carbon, renewable or fossil fuel generation; supplier-specific emission rates; and other default emission factors representing the untracked or unclaimed energy and emissions (the [residual mix](#)). At present, residual factors are available only in Europe. If a residual factor is not available, then a grid-average emission factor is used. For offices in the United States, grid-average emission factors are used until a reliable set of residual factors is available.

ENERGY REDUCTION

Energy Reduction

The Net Zero 2023 commitment is an exciting challenge that places Fluor as a leader in our industry. By achieving net zero for Scopes 1 and 2 emissions, we address our impact on climate change and demonstrate to our stakeholders the importance we give to managing our GHG emissions. To meet this commitment, every employee must understand what it means to achieve Net Zero GHG emissions and why Net Zero is one of our strategic focus areas. The Office Teams are responsible for recommending energy reduction initiatives and providing information to the Core Team. The Core Team uses that information to prioritize initiatives for implementation.

Purchasing Renewable Energy and EACs

The purchase of renewable energy is managed through the energy broker and our offices. EACs are one of the market-based instruments that represent the property rights to the environment, social and other non-power attributes of renewable electricity generation. Using this approach will make sure that the appropriate credit will be assigned to Fluor. Our EACs will meet Scope 2 Quality Criteria. These criteria ensure the overall integrity and reliability of reported market-based results. These criteria are summarized below.

All contractual instruments, including EACs, used in the market-based method for Scope 2 emission accounting shall:

- ▶ Convey the direct GHG emission rate attribute associated with the unit of electricity produced
- ▶ Be the only instruments that carry the GHG emission rate attribute claim associated with that quantity of electricity generation
- ▶ Be tracked and redeemed, retired or canceled by or on behalf of the reporting entity (Fluor)
- ▶ Be issued and redeemed as close as possible to the period of energy consumption to which the instrument is applied
- ▶ Be sourced from the same market in which the reporting entity's (Fluor's) electricity consuming operations are located and to which the instrument is applied. A summary of electricity consumption countries in which Fluor offices operate and associated unbundled EAC source market is provided below.

ELECTRICITY CONSUMPTION COUNTRY	EAC SOURCE MARKET
Argentina	Argentina
Australia	Australia
Belgium	All AIB exclusive islands
Denmark	All AIB exclusive islands
Germany	All AIB exclusive islands
Netherlands	All AIB exclusive islands
Spain	All AIB exclusive islands
Canada	North America
US	North America
Puerto Rico	North America
Chile	Chile
China	China
Korea	China
India	India
Indonesia	Indonesia
Japan	Japan
Kazakhstan	Kazakhstan
Malaysia	Malaysia
Singapore	Malaysia
Mexico	Mexico
Peru	Peru
Philippines	Philippines
Qatar	United Arab Emirates
Saudi Arabia	United Arab Emirates
United Arab Emirates	United Arab Emirates
South Africa	South Africa

ELECTRICITY CONSUMPTION COUNTRY	EAC SOURCE MARKET
Thailand	Thailand
Colombia	Colombia
Trinidad	Colombia
United Kingdom	United Kingdom

Purchasing Offsets

An offset project is a specific activity or set of activities intended to reduce GHG emissions, increase the storage of carbon or enhance GHG removal from the atmosphere. The resulting emissions reductions must be real, permanent and verified, and credits (i.e., offsets) issued for verified emissions reductions must be enforceable. The offset may be used to address direct and indirect emissions associated with Fluor’s operations. The reduction in GHG emissions from one place can be used to offset the emissions taking place somewhere else. The offset is not a standalone solution but rather a supplement to the direct actions Fluor is taking at its offices to reduce energy consumption as much as possible. Our goal is to continue reducing the use of supplements like carbon offsets over time.

For the Net Zero 2023 commitment, Fluor purchased 15,000 tCO₂e from the Rimba Raya Project to offset emissions generated by Fluor and Stork operations. Credits will be retired after we finalize our 2023 energy consumption, which means they will be taken off the market to ensure they can only be claimed once.

The Rimba Raya Project is a rare, high-quality project, which meets the criteria of additionality, permanence, leakage, and double counting as described in the World Resources Institute’s Greenhouse Gas Protocol. The project has been certified through top certifying programs, such as Verra’s VCS, SD Vista, CCB Gold and REDD+ established under the United Nations Framework Convention on Climate Change (UNFCCC).

The Rimba Raya Biodiversity Reserve is located in Indonesia. While its climate impact is significant – it is expected to reduce carbon emissions by nearly 130 million metric tons of carbon dioxide equivalent (tCO₂e) over its 30-year lifespan – what makes it special is that it contributes to all 17 United Nations’ Sustainable Development Goals.

Operating for over a decade, the Rimba Raya Biodiversity Reserve Project serves to protect and preserve tropical lowland peat swamp forests in Indonesia from being converted to palm oil plantations. This is one of the most endangered ecosystems in the world and native home of the last high-density population of the endangered Bornean Orangutan.

Nearly 15 initiatives across the massive reserve are benefiting the planet, people and prosperity. These initiatives include floating health clinics, maintaining water quality for wildlife, firefighting brigades, tree and mangrove planting to name a few.

Funding the Rimba Raya Project helps us achieve our environmental commitments, and this investment also aligns with Fluor’s overall Sustainability strategy. Not only are we reducing the

carbon footprint of our own operations, but we are investing in a trailblazing project to make a difference in an emerging nation.

DATA MANAGEMENT

Fluor commenced collection of GHG emission data in 2006 from our offices. All consumption, measurement and GHG emissions data required to quantify Scope 1 and Scope 2 emissions is collected via SPIMS. This database system has been enhanced over the years and periodically updated with emission factors and other features to expand usability. The calculated GHG emissions, dating from 2006, were provided in Fluor's first Sustainability Report published in 2008. The GHG emissions data has been publicly reported annually since then. Compiled activity data are reviewed by the Global SPIMS Administrator for completeness and accuracy.

To manage our emissions from the various offices, we will continue to use SPIMS. It is a web-based data entry software used to capture, trend and report Fluor's sustainability performance indicators (SPIs) and GHG emissions in alignment with the GHG Protocol. Data required to quantify our carbon footprints are entered into SPIMS tables, and each table displays a message box presenting information and guidance about the data contained in the table. A user manual is available to guide our office administrators to enter data correctly. This user manual also provides terms and abbreviations used in conjunction with the SPIMS application.

The SPIs relate to our offices for environmental data and community involvement/social metrics. We track electricity purchased by Fluor, as well as other fuels and renewable energy. We track refrigerants and measure fuel used by our fleets associated with our offices, as well as commercial air travel on projects and overhead commercial and charter air travel. We also use SPIMS to collect environmental data to calculate our GHG emissions, waste generated and water conserved.

The use of environmental and social metrics helps efficiently gauge Fluor's global sustainability performance in our offices. The metrics put data into a manageable set of quantitative measures and indices that are useful for improving Fluor's productivity and efficiency with energy, water, waste and material use as well as capturing philanthropic efforts. For example, measuring and tracking the amount of GHG emissions produced by a facility can lay the foundation for office team awareness of wasted energy and lead to the implementation of conservation measures to reduce consumption. The energy reduction programs can include replacing lighting with light-emitting diode (LED) lights, changing operating time on air conditioning units and switching to energy-efficient appliances. Success with environmental initiatives and metrics in one office can be shared with other offices. These reports enhance the efficiency of other offices in developing and implementing their own sustainability plans.

In general, the consolidated data provide value by helping Fluor better manage environmental performance and recognize opportunities for cost avoidance, demonstrate the environmental and social performance to investors and clients and provide environmental benchmarking within and among offices.

System updates implemented in 2022 include separating emissions by individual gases (methane [CH₄] and nitrous oxide [N₂O]) as well as CO₂e, adding renewable electricity produced from onsite systems, updating logic to include a market-based approach and using residual factors.

Tracking the energy reduction initiatives occur using SharePoint and Power BI, which are web-based systems. Progress for the chosen office initiatives, mentioned earlier, is tracked in SharePoint, with office teams providing updates on the following criteria monthly. Power BI is used to view the progress of the initiatives:

- ▶ Number of implemented initiatives
- ▶ Emission reduction quantity
- ▶ Cost saving

Scope 1 & 2 Emissions – Source of Activity Data

Vehicle Sources

- ▶ For fuel consumption/mileage for office vehicles, activity data typically comes from fuel purchase receipts and/or logbook records. Where fuel purchase data is not available, driver log information on fuel purchases or mileage is used.

Cooling

- ▶ Information on refrigerants and fuel consumption is collected from purchasing records maintained by facility managers of buildings and/or contacting building management or the vendor directly.

Other GHG Emissions Sources

- ▶ Information on fuel used/purchased to support emergency situations (e.g., emergency generator, fire pump, etc.) is collected from purchasing records maintained by facilities managers and/or contacting the vendor directly.

Electricity

- ▶ For most of the offices, electricity usage data comes from landlords or monthly electric utility bills, as applicable.
 - For offices where electricity consumption can be measured only for the entire building, total electricity consumption is prorated for the Fluor-occupied area. This proration is accomplished by dividing the Fluor-occupied space by the building's size and then multiplying this figure by the building's electricity consumption.
- ▶ For offices where electricity consumption data is not available, values are estimated as follows:
 - Based on electricity consumption per ft² (m²) in offices located in similar climate zones
 - If invoices are available for 1 or 2 months of the quarter, energy consumption for the remaining months was estimated by using the same month from the previous year, if available, or monthly average energy usage from available invoices.
 - If energy consumption data is provided annually, annual usage provided for the previous year is divided by four to distribute evenly across quarters.

Steam & Heat

- ▶ Heat usage data usually comes from property owners or monthly utility bills. For offices where heat consumption is not available, values are estimated based on data from other offices in similar climate zones.

Scope 3 Emissions – Source of Activity Data

Fluor currently measures and reports only air travel, both overhead and project related. Information on total mileage traveled is collected from American Express reports provided to Fluor monthly. Information on other Scope 3 emission categories will be provided in a later version of this management plan after our Scope 3 inventory is finalized.

Data Collection Process and Its System Security

Fluor follows the corporate, centralized approach for gathering data used for calculating GHG emissions from our facilities.

On a quarterly basis, Fluor office SPIMS administrators report actual energy usage via SPIMS. SPIMS is a Fluor in-house system on Fluor's network. Only Fluor employees have access using their Fluor IDs. In special cases, for example if an outside user, such as an auditor, needs access to the system, several management approvals are needed. For the offices, when updating information, the SPIMS administrators have access to only the office in which they are assigned. After the end of the reporting month for quarterly reports, the system locks the data, so no more changes can be made by the office SPIMS administrators. After the system locks, quarterly and other reports can be run.

For the Net Zero 2023 commitment, Fluor offices submitted initiatives to reduce energy usage within their offices along with the estimated energy savings, estimated cost savings and estimated budget requests to implement the initiatives. The Core Team prioritized the initiatives and identified the initiatives that will offer the biggest savings in energy and cost. Chosen initiatives are being implemented, and office teams can track them using SharePoint and Power BI.

Quality Assurance

On a quarterly basis, the global SPIMS administrator runs comparison reports, comparing relative quarters from previous years to validate offices' data and check for increases or decreases in emissions greater than 20 percent. These data checks include looking at any changes in fleet, types of energy used, number of employees, increase or decrease in occupied area and open or closed facilities. The global SPIMS administrator spot checks supportive documentation, such as utility invoices (attached in SPIMS) to make sure the data were entered correctly. If an issue arises and additional explanation is needed, the global SPIMS administrator contacts the appropriate office via email within SPIMSOffice.com, where all the emails are archived, and works with the office SPIMS administrator to identify and resolve the issue. If the locked data needs to be corrected, the global SPIMS administrator will unlock the applicable office data, so the office administrator can make necessary changes. On an annual basis, the data are reviewed and compared against previous years. The data are analyzed by looking at office location and how the offices are trending usage over time. Another level of review occurs on an annual basis, with the Sustainability Coordinator reviewing the data. Issues are discussed with the Sustainability Group Chair, where a final review of data occurs.

BASE YEAR AND TIME SERIES

Fluor has not established a base year for Scopes 1 and 2. Due to the commitment to achieve net zero by the end of 2023, a base year is not necessary. As part of our Net Zero 2023 commitment, we will report 2020, 2021, 2022 and 2023 Scopes 1 and 2 GHG emissions in June of the following years. Quarterly progress reports provide 2019 as the initial Scopes 1 and 2 GHG emission level. As indicated in the third quarterly progress report for 2021, progress is not linear; therefore, it is not possible to express percent decrease each year.

We know that our journey to net zero will not be linear. We expect some increases in Scopes 1 and 2 emissions for various reasons, such as temporary work-from-home employees returning to offices. There will be decreases as we work to reduce our emissions and purchase renewable energy. For these various reasons, we will explain any significant increases or decreases in Scope 1 and Scope 2 emissions in our progress reports.

MANAGEMENT TOOLS

Roles and Responsibilities

Net Zero 2023 Core Team

The Core Team's responsibility is to lead the commitment in achieving Net Zero 2023. The team assists offices in identifying and evaluating GHG emission reduction opportunities and provides input from the advisor. The Core Team evaluates and shares ideas with the office teams and provides guidance in pertinent areas. Other Core Team responsibilities are to seek company-wide solutions around renewable energy, environmental projects, carbon credits and green bonds.

Corporate Sustainability Committee

The Sustainability Committee provides oversight and guidance for the development, implementation and monitoring of the company's sustainability strategy. The committee also assists in the development of communications and other materials to increase awareness of the importance of sustainability, Fluor's sustainability strategy and accomplishments.

SPIMS Global Administrator

The global administrators manage SPIMS from office start-up to reporting. Their responsibility is to configure the application, train users, set up office profiles, interface with ICF on updating emission factors and GWPs, import emission factor data into lookup tables and monitor the overall completeness/accuracy of the application via event log.

SPIMS Administrator

The office SPIMS administrators enter environmental and community data on a quarterly basis for their offices. They can view all quarterly records available for their office's current or previous years. The data are checked/verified by the global SPIMS administrator as described in the Quality Assurance section.

Net Zero 2023 Office Teams

Net Zero 2023 Office Teams were created for the commitment. The teams are responsible for coordinating and collecting data from each office. The data consists of initiatives and ideas on reducing emissions and collecting energy data.

Sustainability Committee Chair

This role leads the Sustainability function in Fluor and has responsibility for the corporate program. The chair oversees the Corporate Sustainability Committee and works with the business lines and the disciplines to develop sustainability policy, procedures and communications. The chair oversees administration of SPIMS, as well as coordination of content inputs into the annual sustainability disclosures and other sustainability-related publications.

Sustainability Coordinator

The Sustainability Coordinator facilitates the sustainability committee meetings. As part of the Net Zero 2023 Core Team, the Sustainability Coordinator facilitates Core Team meetings and works with Fluor's offices to develop and report initiatives to reduce energy usage. Other responsibilities include working with the Net Zero advisor to address questions and issues from the offices and to ensure that Fluor meets verification requirements by the end of 2023. The Sustainability Coordinator assists Fluor IT with incorporating changes in SPIMS recommended by the advisor and developing a system to track initiatives and with communications and outreach to Fluor employees, clients and shareholders.

Communications

Fluor's communications team educates employees and other stakeholders using materials that demonstrate how sustainability actions help fulfill Fluor's mission to achieve Net Zero 2023 and sustainability goals in general. To further educate employees, quarterly progress reports are published showing progress toward our commitment. Reports are published on Fluor.com. The corporate sustainability data and disclosures are published annually to demonstrate our social and environmental performance to clients and stakeholders and to provide benchmarking for Fluor offices. To further keep employees informed, the communications team issues Messages for Managers to communicate with offices and project teams. The communications team also posts messages about sustainability and Fluor's Net Zero 2023 accomplishments on Fluor's social media platforms, such as Twitter, LinkedIn, Facebook, along with publishing blogs and articles on Fluor's internal website.

Training

There are several training options for employees to learn more about Fluor's sustainability and Net Zero 2023 journey, including live and online training sessions, a video library of sustainability content and access to subject matter experts.

Fluor offers a SPIMS training class annually or as needed. Only office administrators and designees have access to SPIMS, and a list is maintained by the SPIMS global administrator. A sign-in sheet is used to record who took the class. Group and one-on-one trainings are available for new office administrators. Fluor also requires refresher training every two years. Additionally, a SPIMS Training Guide is available for all SPIMS users.

AUDIT VERIFICATION

Goals and Verifications Parameters Establishment

Fluor's goal is to be transparent with all stakeholders and work with Fluor office SPIMS administrators to obtain accurate data. Fluor performs internal reviews quarterly and annually, as described in the Quality Assurance section. The data are analyzed by looking at how the offices are trending usage over time. Fluor encourages each office administrator to set office goals that will align with the Net Zero 2023 commitment. Parameters have been established with a third party to check SPIMS, the emissions factors and conversion tables in the first year of the commitment.

Internal Audits

In 2022, Fluor began conducting annual internal audits of its environmental data published outside the company.

External Validations and/or Verification

Fluor's data collection program, SPIMS, was validated by a third party in 2021. Fluor will have a third party verify that it achieved its definition of net zero in the first two quarters of 2023 for Scope 1 and Scope 2 emissions.

Management Review

On an annual basis, the environmental data are reviewed for outliers and compared against previous years by the Sustainability Group Chair. The data are analyzed by looking at office locations and how each office is trending usage over time. If data errors or problems with SPIMS are found, the sustainability coordinator and global SPIMS administrator are notified to take corrective actions. Corrective actions include but are not limited to the global SPIMS administrator contacting an office administrator to close any data gaps, discrepancies and deficiencies (see Quality Assurance section).

Corrective Action

For any corrective action, the Sustainability Coordinator and Global SPIMS Administrator will work with the appropriate office personnel as described in the Quality Assurance section.

CONTACT

Additional company information can be found at www.fluor.com.

Company headquarters: 6700 Las Colinas Blvd
Irving, Texas 75039

GHG Inventory Management Plan contact: Nancy Kralik – Sustainability Committee Chair
Nancy.Kralik@fluor.com