

wood.

**John Wood Group PLC**  
Sustainability Report 2019

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# Foreword



Our purpose is to create sustainable value for our customers, our people, investors and the communities where we live and work, using our collective energy to create a better tomorrow.

Climate change is the biggest challenge of our generation. I passionately believe that we are all obligated to be part of the solution, our future generations are relying on us.

With big challenges comes great opportunity and undoubtedly there is huge potential for Wood to bring innovative solutions to the market place. We have transformed and broadened our business with a platform for significant and sustainable growth, keeping our eye on our customer's future needs. We are committed to focusing on delivery and fully unlocking our potential to achieve solutions to the world's 'big ticket' sustainability goals.

Our vision is to inspire with ingenuity, partner with agility and create new possibilities.

At Wood, we believe innovation powers us forward, and we empower our people to unite our ingenuity and unrivalled technology capability in delivering game changing solutions to our customer's challenges. Our focus, is to harness our technological advantage to become leaders across the energy transition, bring innovative solutions that support

the global Sustainable Development Goals and provide the world with cleaner, more reliable solutions to rising energy demand.

I'm proud to say, Wood has been active in this space for a number of years and we will continue to grow our renewable energy service capability across the life cycle of assets and see this as an important area of growth for our business.

Just as important, is to ensure we continue to support assets that operate today. This remains an imperative, keeping the lights on now is as important as our future. We are proud to continue to support our clients in this area.

Sustainability forms a foundation across the Wood business, touching every aspect of our strategy from what we do, to how we do it. To be truly sustainable - and I believe this is an imperative - every decision must be made with an eye on our future.

Sustainability is not just about what services we offer to the market, but also the way that we deliver them. Sustainable growth is delivered through

fair and equitable behaviour which drives talent retention, repeat customer activity and confidence amongst our shareholder base. Across our business, we have adopted the 'triple bottom line' approach to sustainability - this report will give you insights into our activity.

I am focused on our people, keeping them safe, treating them fairly, and with respect and dignity. In 2018, we appointed a global diversity and inclusion manager, and published our global diversity and inclusion policy. Wood is also a founder member of Building Responsibly, an industry led initiative to tackle common issues around worker welfare and has adopted the 10 Worker Welfare principles.

In 2018, we suffered the tragic loss of a colleague undertaking a pressure testing operation - exhaustive effort has been devoted to making sure this never happens again. Our thoughts are with the family and we have offered support to them through this difficult time. Our relentless focus on safe delivery remains unwavering and in 2018 we developed Wood's Safety Shield. The objective is to bring a consistent approach to safety no matter what you do. In essence, the Safety Shield requires us all to take personal accountability for preparing to do work safely, engaging the rules and tools we use to keep safe and intervening when something looks wrong.

Sustainability will always remain at the heart of Wood's business. I sincerely believe that it is key to a healthy growing business and will be the differentiator to carry Wood into the long term.

**Robin Watson**  
Chief Executive

# Our vision and values

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Our vision is to:

Inspire with ingenuity,  
partner with agility,  
create new possibilities...

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Our values are:

## Care

Working safely, with integrity,  
respecting and valuing each  
other and our communities

## Commitment

Consistently delivering to  
all our stakeholders

## Courage

Pushing the boundaries to create  
smarter, more sustainable  
solutions

# At a glance

Wood is a global leader in the delivery of project, engineering and technical services in energy, industry and the built environment.

We provide performance-driven solutions across the asset life cycle, from concept to decommissioning across a broad range of industrial markets, including the upstream, midstream and downstream oil & gas; power & industrial; environment & infrastructure; clean energy; mining; nuclear and general industrial sectors.

160+  
year history

11bn+  
revenue

60,000+  
employees

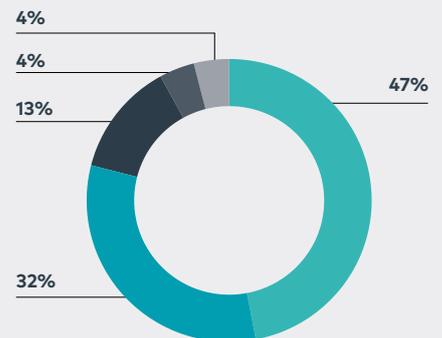
## Global business of skilled professionals

We operate in more than 60 countries, employing around 60,000 people across more than 400 offices.

60+ countries      400+ offices



## Sector breakdown



- **Oil & Gas:**  
Upstream (29%)  
Downstream & chemicals (18%)
- **Power & industrial**
- **Environment & infrastructure**
- **Minerals processing**
- **Automation**

To find out more about our geographies visit:  
[www.woodplc.com/geographies](http://www.woodplc.com/geographies)

For a full list of our locations visit:  
[www.woodplc.com/our-locations](http://www.woodplc.com/our-locations)

To find out more about our sectors visit:  
[www.woodplc.com/sectors](http://www.woodplc.com/sectors)

To find out more about our business:  
[www.woodplc.com/ataglance](http://www.woodplc.com/ataglance)

# Our business model

## Inputs

Project, engineering and technical capability throughout the asset life cycle and across broad industrial markets

Performance driven and innovative solutions

Talented, flexible and motivated workforce

Operating structure optimised for sustainability, agility and future growth

Flexible commercial model with a measured risk appetite

Efficient capital structure and allocation

## Core capabilities



### Asset Solutions (AS)

#### Capital projects

Focused on new capital investments where there is either no existing infrastructure or a significant upgrade is planned to an existing site. We add value from concept to start-up through our management, commissioning and project services.

#### Operations solutions

Focused on supporting infrastructure that is already in place. Our services ensure safety, increase production, improve efficiency, reduce cost and extend asset life.

### Specialist Technical Solutions (STS)

We provide a range of specialist services including:

- Automation & control
- Consulting
- Subsea & export systems
- Clean energy solutions
- Nuclear services
- Minerals processing

### Environment & Infrastructure Solutions (E&IS)

We plan, design and engineer infrastructure and tackle complex environmental challenges. Our services range from assessments and planning through project management, construction management and monitoring.

## Broad sector capabilities



Oil & gas



Power & industrial



Environment & infrastructure



Minerals processing



Automation

## Underpinned by our culture

We are a diverse global business providing a huge range of services across different sectors. But common to everything we do are our values, which set out a simple, clear expectation to deliver a high standard of service with the right behaviours.

To find out more about our vision and values visit: [www.woodplc.com/values](http://www.woodplc.com/values)

## Our vision

Inspire with ingenuity,  
partner with agility,  
create new possibilities...

## Creating value through our differentiated model

### Our differentiators:



#### Unrivalled capability & technical knowledge

Across our markets we have an extensive range of services and can deliver at every stage of the life cycle of our customers' assets. We provide solutions to some of the world's most complex projects and draw on our extensive expertise and know-how to bring new perspectives to the challenges that these projects present.



#### Execution excellence

We have a long track record of consistently delivering safe and best in class projects. Our know-how differentiates us and we maintain this by recruiting and retaining industry leading talent.



#### Technology enabled

We design and deploy leading edge technology that creates efficient and sustainable solutions for our customers.



#### Commercial discipline & versatility

We employ an asset light, flexible model allowing us to respond quickly to changes in market conditions. Our contracting structures are predominantly reimbursable although we offer a range of contracting structures to align with customer needs within our measured risk appetite.



#### Platform for sustainable growth

Our broad end market exposure means we are less exposed to volatility in individual markets and are aligned to global energy and industrial transitions. We have a good balance of exposure to opex and capex spending providing through-cycle stability. We are strongly cash generative allowing for a prudent long term capital structure.

## Value outputs

### For investors

- Strong shareholder returns and progressive dividend policy
- Reduced cyclicalities through broad industry exposure

### Total Dividend

35.0 cents per share

### For employees

Rewarding careers and focus on retention

### Employees

c60,000+

### For customers

- Delivery of predictable project outcomes
- Global reach with balanced portfolio of long term partner relationships with customers
- Leading technical services and smarter, more sustainable solutions
- Track record on industry leading projects

### For communities

Significant contribution to local employment and communities

### Employee fundraising matched

£300,000

### Our values

Care  
Commitment  
Courage

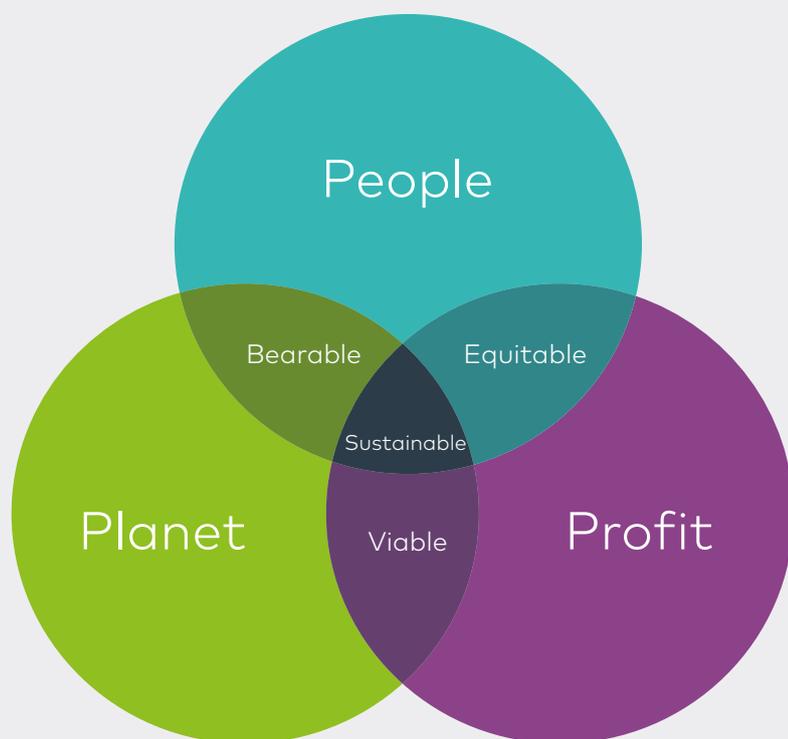
### Our behaviours

Listen up      Team up  
Lift others up      Don't give up  
Stand up      Speak up

# Our approach

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Our Sustainability programme seeks to create long-term sustainable value, through the consideration of how our company operates in the ecological, social and economic environment. By embedding sustainability strategies at the heart of Wood, we will ensure successful longevity. To do this, we build sustainable thinking into our daily decision-making, ensuring we identify and assess the risks and opportunities of our business, to create sustainable value for our clients, employees, society and the environment around us.



Our values of Care, Courage and Commitment underpin our approach to sustainability. Wood operates within a wider economy, which in turn operates within a global society all within one environment, our planet. We believe that we have a responsibility to operate in a way that balances our impact on the environment, society and economy to ensure that future generations are not compromised by Wood's activities. We passionately believe that it is neither responsible nor acceptable to make a profit at any cost. Our employees do not want to work for a company which exploits people and communities or causes irreversible environmental damage. Wood wants to be a part of the solution to global sustainability issues. Built around our values and behaviours, the culture we seek to nurture at Wood, is one of care for our people, our planet and our business. For our business to be sustainable over time, we understand the importance of planning for the future. As well as mitigating the risks associated with the breadth of sustainability issues, we have an opportunity to help bring sustainable solutions to the market, that will help drive the mega trends we see today that seek to advance global sustainability goals. We must create balance in our decision making and act responsibly to help sustain our business over time, our contribution to society and the impact we have on the environment around us.

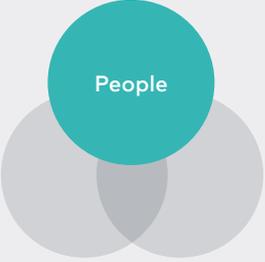
Our approach is simple; focussing on three factors, People (social), Planet (Environmental) and Profit (Economic). Our strategy embeds sustainable practice into every aspect of our business; ensuring our approach aligns to global priorities and the part Wood plays in a sustainable future for us all.

Our People, Planet and Profit model allows us to clearly demonstrate the key risks and opportunities we face, how our strategy aims to tackle these issues, and how we link this to the global agenda and our contribution to the wider economy.

## Aligning our approach with global sustainability goals

Wood is a member of the United Nations Global Compact and is committed to making the Global Compact and its principles part of our strategy, culture and day to day operations. We're also committed to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. Agreed by all UN Member states and launched in September 2015, the sustainable development goals focus on 17 key areas with 169 underlying global targets that seek to create a sustainable world. Tackling a broad range of social and economic development issues, the global goals promote a socially fair, economically secure, prosperous and inclusive planet; which our Wood sustainability strategy supports and aims to work towards.

In each section of this report, we detail the Sustainable Development Goals and the targets relating to our activities and areas of focus. Woven throughout, we aim to create a continual narrative around the goals, linking Wood's contribution to advancing the global sustainable development goals.

Our approach	Our focus	United Nations sustainable development goals																		
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# Materiality

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At Wood, our approach to sustainability and the foundation of our programme centres on creating sustainable value, by adopting sustainable practices throughout our value chain. We seek to build a sustainable culture at Wood, that recognises the needs of our clients and other key stakeholders. We understand the importance of planning for the future, working to bring sustainable solutions to the marketplace. We seek to execute our work in a sustainable way that respects the need to balance our people and planet impacts, in a way that assures a sustainable and ethical profit.

Determining our material aspects across the people, planet and profit scope is vital to ensuring we integrate sustainability into the heart of our business, whilst ensuring Wood aligns with global imperatives that further the Sustainable Development Goals agenda.

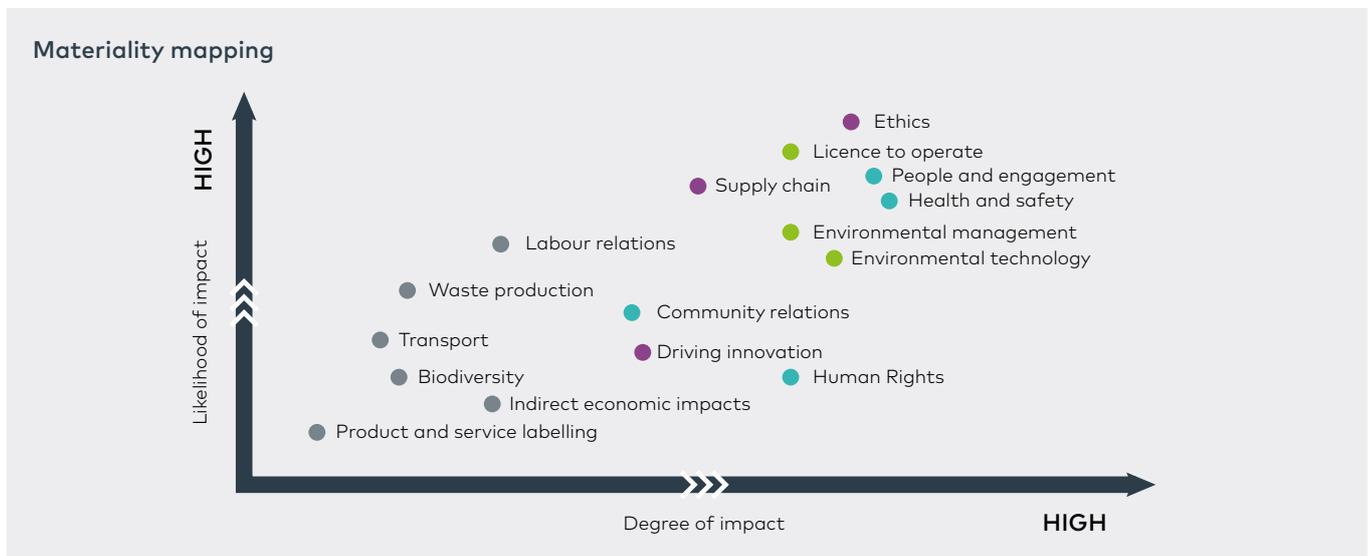
We conducted our first sustainability materiality assessment in November 2017, and this formed the base foundation of our approach to launching our sustainability programme in early 2018. As our programme develops, periodic reviews of this assessment will be conducted to ensure we capture any fundamental changes as our business grows.

## United Nations Sustainable Development Goals (SDGs)

The first step in undertaking our materiality assessment, was to review our impact towards the United Nations Sustainable Development Goals. As a member of the United Nations Global Compact, reflecting the impact of our organisation against the goals, is a key factor to ensuring we align our approach and guide Wood's efforts in contributing to global sustainability. Not all of the SDG targets are relevant to Wood's operations, however the majority are addressed through the actions of our people, the services we provide and use. In creating the elements to Wood's sustainability programme, we utilised the 17 SDGs as our reference guide, to ensure we aligned our focus to demonstrate Wood's contribution and impact towards each of the goals.

## Understanding our risks

Sustainability risks are growing and across the globe, executive attitudes towards sustainability are gradually changing; how companies assess and understand the business impacts that come from their operations is an increasing concern for investors and non-financial stakeholders. At Wood, we recognise both the risks and opportunities that sustainability presents, and the appetite from our investors, customers and regulators for transparency around the actual risks arising from the impact of our operations.



Being open and honest is central to Wood's values and behaviours. We apply a transparent approach to how we report on the material issues and significant risks that affect our business, detailing this in our Annual Report and Accounts (pages 39-43). We have used the company's principal risks and uncertainties to inform our materiality assessment and contribute to the development, understanding and management of risk throughout our sustainability programme.

### Looking back to our history

Wood was formed by the coming together of two long established companies. Aligning our business on sustainability was an immediate focus for Wood, to ensure we continued to balance our decision making across the economic, social and environmental spectrum. As a new company, it was important for Wood to understand the rich history of each legacy organisation. We took stock of the important aspects that shaped direction and sought to understand the context on which decisions were made at that time. Many great tools, thoughts, processes and ideas were born in our heritage companies which we have made sure to retain where possible, and which we believe will help develop and mature our new approach.

To be clear, Wood is not following the same trajectory as either Amec Foster Wheeler or Wood Group – we have forged a new path, informed by our rich heritage.

### Outlining our impact areas

Sustainability is an all-encompassing agenda and recognising this means we cannot reasonably tackle all aspects at once. Determining the key aspects of sustainability that were most relevant to Wood was an important step in building our materiality assessment; ensuring we tackle the most tangible issues that will help build capacity and in return provide the greatest value back to our business.

In this light, we assessed the key areas of social, environmental and economic impact to our business, taking into consideration the maturity of our organisation, short and medium-term risks and opportunities, and the ongoing integration throughout the course of 2018. Mindful that this initial assessment is a 'snapshot' in time, we will frequently revisit this as our programme develops, to ensure we continue to focus on the material impacts of our business. The elements identified by this assessment, namely those of the highest value to Wood, have become the foundations of our sustainability programme.

We recognise the importance of keeping pace with the emerging global mega trends that help shape industry direction in tackling sustainability issues. At Wood, we seek to actively address the trends within our sphere of influence and reflect these within our business and longer-term strategic direction. We address this topic in more detail, within the 'Creating sustainable profit' section of this report.

### Structuring our report

To ensure the information contained in this report remains meaningful, we have identified and focused on our most significant social, environmental and economic impacts and those that influence the decisions made within our business. The topics included are those that have a direct or indirect impact on our ability to create, preserve or erode economic, environmental and social value of Wood, our stakeholders, the environment, and society at large.

We have organised our reporting structure around the Global Reporting Initiative and Global Compact, although our alignment at present is still evolving as we mature our approach. We aim to clearly communicate Wood's support for the UN SDGs, through the content and actions described within. To achieve this, each section of the report refers to the relevant SDG and targets that align to our efforts and content, with an 'SDG roadmap' at the end of the report to guide the reader to specific SDG goals and where the relevant content sits within the report.

Our report should enable internal and external stakeholders to understand our approach to sustainability and raise awareness of what we consider to be our material aspects. Using this approach enables Wood to focus on specific issues, helping mitigate and improve our impact on society, the local economy and the environment.

# Governance

Why is good governance important in sustainability? Corporate governance is essential to embedding sustainability into the heart of Wood. Corporate governance is about leadership. It sets the parameters for decision-making with accountability, transparency, responsibility and ethical behaviour. Wood's governance practices translate the culture behind which decisions are taken in our company. Put simply by the UK Corporate Governance Code: "it is the system by which companies are directed and controlled".

Our approach is to weave sustainability throughout our governance structures with the aim of making sustainable behaviour "business as usual". We believe that great companies with great futures have this in common. Moreover, adopting this approach enables Wood to consistently deliver value to our customers and stakeholders impacting our return on investment, growth and risk management opportunities.

## Sustainability oversight

Oversight of Wood's sustainability programme is hardwired into the governance structures of the business. At Board level, Sustainability is considered by the Safety, Assurance and Business Ethics (SABE) Committee, for more information, refer to the Wood plc website for the SABE Charter. This Committee is chaired by a non-executive of the board and attended by the Chief Executive.

At the Executive Leadership level, the CEO has appointed the Executive President for HSSEA as the Executive Leader for sustainability. The Executive Leadership Team provide oversight, support and approval for the Wood sustainability programme.

### Board

The Board focuses its time and energy on strategy, significant acquisitions, the annual budget and performance against it, monitoring the performance of the management team and risk management, specifically focusing on principal risks and the overall system of internal control. The Board has delegated some of its responsibilities to the Executive Leadership Team (ELT) and the Board Committees – the Safety, Assurance & Business Ethics Committee, the Nomination Committee, the Audit Committee and the Remuneration Committee.

#### Safety, Assurance & Business Ethics Committee

Responsible for the Group's safety strategy and performance and for ensuring compliance with laws and regulations including business ethics.

#### Nomination Committee

Monitors and reviews the structure, size and composition of the Board, makes recommendations with regard to any changes and ensures board succession plans are in place.

#### Audit Committee

Responsible for compliance with financial reporting standards, consideration of the internal financial and IT control environment and the relationship with the external auditor.

#### Remuneration Committee

Advises the Board on executive remuneration and sets the packages of each of the executive directors within the approved Remuneration Policy.

## Executive Leadership Team

The ELT operates under the authority of the Chief Executive and comprises the Group CFO plus the CEOs of our four Business Units, and the leaders of our other key functional areas: Health Safety Security, Ethics and Assurance; People & Organisation; Strategy & Development. They are responsible for delivering against the strategy approved by the Board.

 Find out more about the ELT: [www.woodplc.com/leaders](http://www.woodplc.com/leaders)

 For more information on our corporate governance and committees, see pages **50-76** of our annual report and accounts: [www.woodplc.com](http://www.woodplc.com)

This reporting structure provides an unbroken chain of sustainability accountability from Board level all the way through to operations.

## Engaging with our workforce

For our programme to be successful, we recognise the need for our approach to sustainability to resonate with our employee base and be meaningful at a local level to truly advance our strategy. At the start of 2018, each of our four business unit CEOs nominated a global sustainability champion to become ambassadors for sustainability in their businesses; alongside the global sustainability manager, our sustainability leadership team was born.

The purpose of this team is to help advance our sustainability strategy, ensuring the programme continues to reflect our evolving business needs and creates accountability within the business to drive sustainable practice. The sustainability leadership team is also tasked with building and maintaining a network of regional and local champions. Every employee has a responsibility to protect, nurture and promote our people, planet and profit focus; we believe the key to a sustainable business comes from active employee engagement, driven as much from our employees on the ground as from the leadership of our business.

 Read about our sustainability champions network on page **77**

## Stakeholder consultation

We recognise the importance of stakeholder engagement in advancing our programme, and believe through client interaction, industry forum participation and engagement with local community groups, we achieve a more thoughtful approach to maturing our strategy.

Making sustainability a core element of our business means that engagement is both frequent and all-encompassing in terms of business delivery. We have multiple channels through which sustainability aspects connect with our stakeholders. Our Strategy & Development function are, for example, very active in the energy transition space to enable informed development of Wood's energy transition agenda.

Our sustainability report is shaped by the multitude of issues our key stakeholders want to understand in terms of our approach.

Key stakeholders and aspects:

- **Clients**  
eg safety performance, worker welfare
- **Employees**  
eg diversity and inclusion
- **Prospective employees**  
eg Wood's approach to sustainability and culture
- **Shareholders**  
eg risk management

## Managing our sustainability impacts

As a large, global business, we recognise the importance of managing our sustainability impacts. As well as our own impacts, our supply chain is also a vital element in Wood successfully delivering to our stakeholders; it is important for us to extend our management of environmental, social and economic impacts to our portfolio of approved suppliers and strategic partnerships.

30,000+

Suppliers

\$4.5bn

Annual spend on third party materials and services

Externally, Wood is a member of the United Nations Global Compact and through the production of this report, we provide an annual update on the progress of our sustainability strategy and our alignment with the global sustainable development goals.

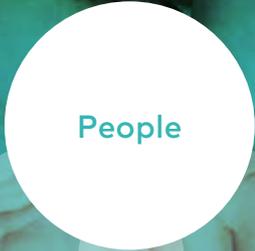
Through the publication of our Annual Report and Accounts, we report annually on our social, environmental and economic performance, in line with regulatory non-financial information disclosures, and provide key updates on progress and strategy development. Additionally, Wood also voluntarily discloses to the annual CDP Climate Change questionnaire, which seeks to provide transparent insight into how we manage the risks and opportunities associated with climate change.

 on Wood's CDP Climate Change submission, refer to page **XX** of this report or visit: [www.cdp.net/en/climate](http://www.cdp.net/en/climate)

# People

People are our greatest asset and at the heart of our sustainability programme. At Wood, we believe in not just protecting the wellbeing of our own but also the people and communities in which we impact.

We strive through our operations to leave behind a positive legacy through nurturing and supporting current and future generations who, in turn, have the potential to become our customers, clients and workforce of tomorrow.



Respecting human rights

Investing in our people and culture

Health, safety & security of our people

Investing in our communities



## Respecting human rights

Ensuring we maintain a standard of business that complies with the law, respects the rights of others and protects human rights is crucial to the long-term future of Wood and our operations.

We pride ourselves on being a responsible employer and recognise the global role we play in helping to advance human rights. We recognise that building a culture of respect for human rights issues is not just the 'right thing' to do but also helps to strengthen our brand, business relations and become a desirable employer.



## Investing in our people and culture

People are the heart of our business and through living our values we seek to create a safe, diverse and inclusive workplace that showcases Wood as an employer of choice. Building a culture that creates value and promotes growth for employees, investors, customers and communities ensures we remain a sustainable business.



## Health, safety & security of our people

At Wood, we care about our people. Our expectation is that wherever we work the health, safety and security of our people is our top priority. We aim to build a culture defined by our values, strong leadership, personal accountability and a commitment to achieving excellence; this ensures we safeguard our people and business from harm.



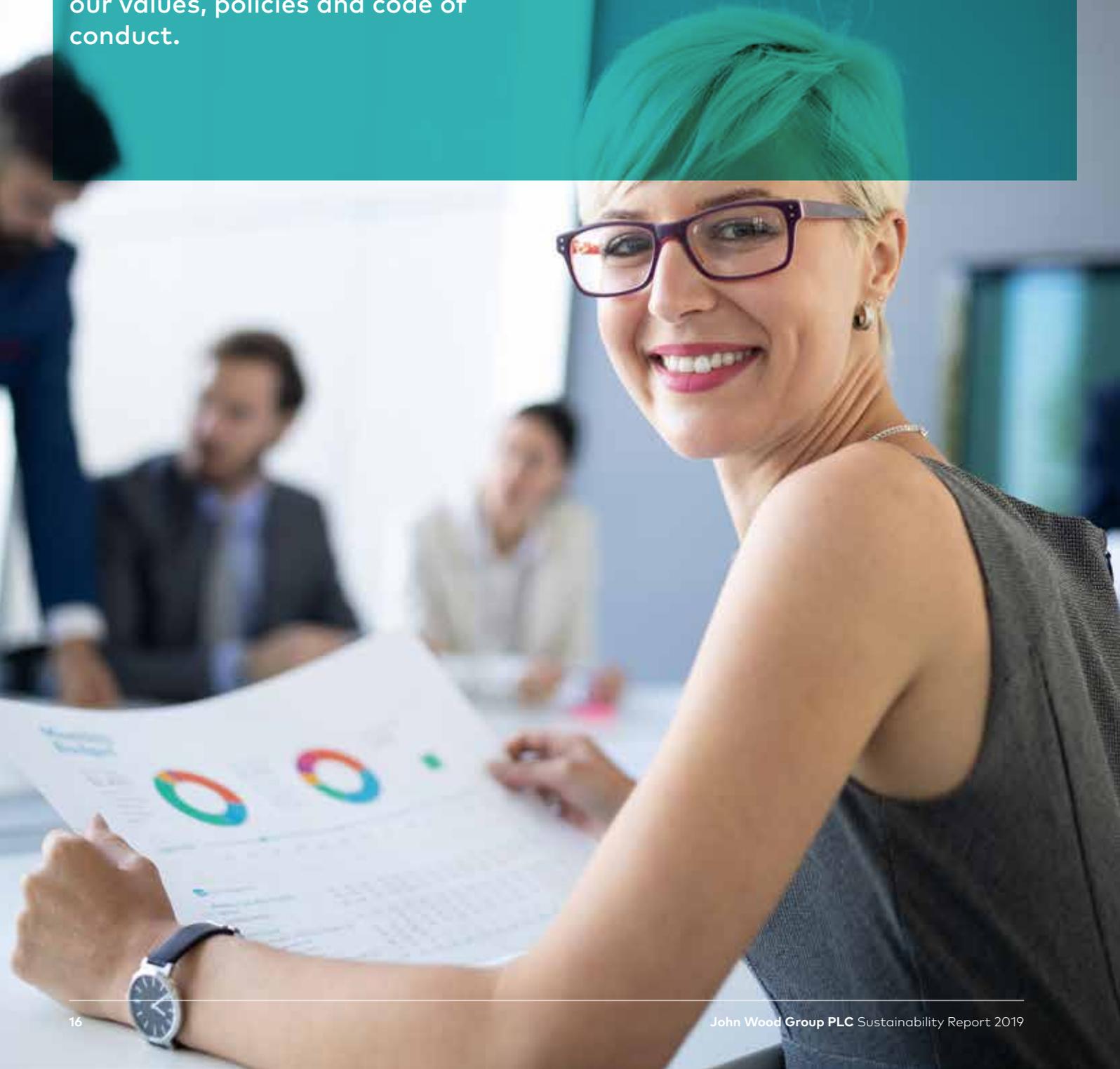
## Investing in our communities

Investing in our communities contributes to building a sustainable future that aims to address both local and global challenges. We aim to make a positive difference to the communities in which we operate and recognise our social responsibility to respect, nurture and empower the people and locations impacted by our business.

# Respecting human rights

**Wood is committed to the protection and enhancement of internationally proclaimed human rights. We understand the importance of addressing and upholding basic human rights issues and this is reflected in the culture of our organisation, our values, policies and code of conduct.**

We seek to build a culture of care at Wood that respects and nurtures our people and the communities we impact. Integrity is the cornerstone of our business that allows us to retain the respect of our people, customers and suppliers. Embedded in our values and behaviours, we set clear expectations of our people and business to maintain high standards of ethics and integrity, demanding collective accountability to promote a fair, respectful and dignified working culture at Wood.



## Policy

Wood respects and enforces the principles established in the Universal Declaration of Human Rights which sets a common standard of achievement for all peoples and all nations. We understand the importance of managing and continually assessing human rights risk across our operations and wider supply chain, to ensure we enhance the our systems and policies in place to help drive continuous improvement. Setting down Wood's fundamental governance documents has been a priority though 2018 post- acquisition of the Amec Foster Wheeler business. This has given us the opportunity to ensure a consistent approach to human rights across Wood's core governance processes and aligning to Wood's vision and values.

Our human rights policy, updated in 2018, documents and affirms Wood's commitment to upholding basic human rights. This policy is supported by global policies that address how Wood conducts business to maintain high standards of ethics and integrity, promoting dignity and respect for how we treat our people and with those we interact.

- Code of Conduct
- Supply Chain Code of Conduct
- Equal Opportunities Policy
- Harassment Policy
- Diversity and Inclusion Policy
- Modern Slavery & Human Trafficking Statement

 Our Human Rights Policy and other global policies can be found on our website:

[www.woodplc.com/](http://www.woodplc.com/)

## Governance

We recognise that leadership for human issues must come from the top and in 2018, to aid the construction of our first modern slavery and human rights statement we set about creating a governance structure to determine our approach, with the creation of our Human Rights and Modern Slavery Steering Committee. The steering committee, led by our sustainability programme and influenced by Wood's involvement with the industry led initiative Building Responsibly on worker welfare, is tasked with providing effective direction and stewardship over our commitment to identify, prevent, detect and remedy human rights issues within Wood and our supply chain.



## Modern slavery and human trafficking

At Wood, we are committed to eradicating all forms of modern slavery and human trafficking within our business and sphere of influence. In our published statement on Modern Slavery and Human Trafficking, updated annually, we acknowledge our responsibility to ensure our people, as well as those in our value chain are not subject to any form of modern slavery, whether this is human trafficking or forced and bonded labour.

In our annual statement, we seek to provide a transparent overview of how we assess, manage and mitigate the risk of modern slavery and human trafficking. We recognise the nature of our business creates challenge and risk for the manifestation of human rights and modern slavery issues, that requires dedication to identify and mitigate in our operations or of those we work with. For this reason, over and above compliance, we ensure that our modern slavery and human trafficking report is global in nature and updated to this effect.

### Training and capacity building

We believe that communication and training is vital to increasing awareness and capacity around the management of human rights and modern slavery issues. In 2018, we placed a focus on embedding our Code of Conduct and training our workforce on the various aspects of an ethical approach to business, including content focused around key areas such as equal opportunity, harassment, labour and wage laws, as well as modern slavery and human trafficking. The mandatory training launched to over 35,000 Wood employees online, with a completion rate of over 90%, as well as site-based face to face training packs, deployed to 20,000 additional employees.

Additionally, in 2018 our business conducted targeted awareness training on modern slavery and human trafficking to over 240 of our supply chain professionals. As we progress into 2019, our focus will be on the development of our own, in-house training around human rights to support further targeted training and increase general employee awareness.

 Our Modern Slavery and Human Trafficking Statement can be found on our website:

[www.woodplc.com/](http://www.woodplc.com/)





## Building Responsibly

At Wood, we believe everyone deserves to work in a safe and healthy environment, and we recognise our responsibility to ensure we care for our employee's welfare in the workplace. Additionally, we recognise the need and importance of sector and cross sector collaboration on worker welfare issues to have a meaningful impact on the common challenges faced in our own and other industries globally. Wood is a founding member of the industry-led, business financed initiative Building Responsibly. Launched in 2017 with six industry-leading engineering and construction companies, Building Responsibly is a global, business-led coalition committed to promoting the rights and welfare of workers, specifically for those in the engineering and construction industry.

The initiative hinges on the belief that pre-competitive collaboration is essential for companies to improve standards, policies, and practices to accelerate impact across the industry, focusing on advancing programs by:

- Adopting common principles and practices
- Developing tools
- Engaging workers, clients, governments, civil society, and international organizations
- Driving innovation and continuous improvement



## Worker welfare principles

In 2018, Building Responsibly launched the Building Responsibly Principles for members to adopt and promote across the engineering and construction industry. These Principles provide a framework for the group's ongoing development of good practice notes, implementation guides, and tools. Given differing local and national requirements, and external guidelines, these Principles establish a common, global baseline for the treatment of workers; By collectively committing to and promoting these Principles, we believe we can foster a business environment that advances the safety, security, and welfare of all people.

 To access the Building Responsibly principles visit:

<https://www.building-responsibly.org/worker-welfare-principles>

## Growing membership

Through bi-annual stakeholder events, member outreach and support from the initiative partners Humanity United and BSR (secretariat), we seek to actively grow the initiatives member base, further promote the Building Responsibly Principles and develop further good practice guidance notes and tools to support continual advancement of worker welfare across our industry.

In 2018 we saw our core steering group membership grow from the 6 founding companies to 10, alongside an additional 20 companies signing a statement of support for our Building Responsibly Principles in a cross-industry effort to improve the rights and welfare of workers.

 To learn more about Building Responsibly, our members and supporters visit:

<https://www.building-responsibly.org/>

## Supporting the Global Sustainable Development Goals (SDG)

An example of the SDG targets relative to our business in relation to human rights:

**8** DECENT WORK AND ECONOMIC GROWTH



**16** PEACE, JUSTICE AND STRONG INSTITUTIONS



8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers

16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children

16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

16.B Promote and enforce non-discriminatory laws and policies for sustainable development

# Investing in our people and culture

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**Operating in over 60 countries, employing around 60,000 people our business relies upon the talent, efficiency and drive of our employees to ensure our collective success and the growth of our business. Wood takes a holistic overview of our people and their capabilities to provide the right people, in the right place, at the right time and at the right cost.**

At Wood, we recognise the long-term sustainability of our business relies upon the talent, efficiencies and drive of our employees to ensure our collective success and continual growth. We believe in promoting a diverse and inclusive culture that promotes acceptance and ensures a fair and balanced approach to employment and conditions for all.

## Building a sustainable workforce

We believe in having a positive impact on the communities in which we operate, providing local employment and developing local talent helps build a solid foundation for our business, whilst contributing to the local economy ensuring we leave a lasting legacy for future generations.

We want to give every employee a meaningful opportunity to develop their talents and career, focusing our strategy on ensuring we identify, attract, nurture and retain talent across the breadth of our business. Additionally, our aim is to ensure our total compensation is internally fair and externally competitive; our benefit plans are aligned in every country in which we operate and are valued by our employees.

We take a blended approach to learning and operate on the principle of career partnership, believing that everyone has the ability to grow their career within Wood. Ongoing conversations between managers and employees help to align aspirations with organisational needs and opportunities to ensure we retain a sustainable employee base to support our business operations now and in the future. We take a coaching method to learning that builds trust and support internally with a focus on regular feedback throughout the year; in turn, this helps build a healthy workplace culture and has benefits to both employee and the business in retaining talent. We post internal global vacancies in a central location to provide a fair recruitment process for all.



## Culture development

Wood was established in 2017 following the acquisition of Amec Foster Wheeler by Wood Group. Most mergers and acquisitions have a winner and a loser; this wasn't the ethos of this transaction. We were all in it together and this was our opportunity to create something new for the benefit of our people, our company and our industry.

As part of the integration of Wood Group and Amec Foster Wheeler, it was considered critical to take the time to involve the business in creating the ideal working environment and create employee momentum around developing a new vision, values and behaviours for the combined organisation. We developed a cross business work stream which included operational and functional leaders who used their experience and input to determine how to optimise our working environment. We also created a campaign across the business which aimed to involve as many people as possible in co-creating our vision, values and behaviours. Employees were invited to take part by bringing their own ideas and perspectives to interviews and workshops. The key highlights of the campaign included:



5,552 

Completed surveys across business

121 

Interviews

28 

Workshops

20 

Locations

5 

Continents

## Culture club

The culture club is a multi-disciplinary global team that represents the business. It was established as part of the integration programme in 2017 and acts as a regular governance mechanism. The purpose of the group is to ensure that the intent of our values and behaviours are embedded into all ways of working. The group meets on a monthly basis to oversee key culture projects.

## Workforce engagement

Engaged employees are those who are involved in, enthusiastic about and committed to their work and who contribute to their organisation in a positive manner. Engaged employees are the ones who are most likely to drive innovation, growth and higher revenue that companies desperately need. These engaged workers build new products and services, generate new ideas and create new customers. They also contribute to building great company cultures where people feel part of a team, achieving their potential and stay safe.

We have created a work environment that enables employees to thrive both as individuals and as contributors to business success. We strive to create a positive employee experience, fostering innovation and collaboration and creating the best place to work. Engaging our people means connecting with them through regular conversations about vision, values, performance and career development.

We are a people business, so it's important that people in all locations and in all jobs are informed and have the opportunity to share their views and are involved in decision making and problem solving.

We have developed mechanisms to facilitate employee voice and two-way communication to raise engagement levels.

# Investing in our people and culture

## Listening Group Network

We have developed a listening group network in order to make two-way communications simple. The forum meets on a bi-monthly basis and is hosted by an executive leadership team member. Twice a year, a non-executive director chairs the forum. We have over 500 focal points representing 48 countries and we continue to grow.

The LGN is our most important direct communication channel between employees and leadership; it's a consistent way of hearing from all parts of the business. It's important to provide safe, anonymous spaces for any discussions that might venture into sensitive areas. Active listening goes a long way towards making everyone feel heard. Making real, noticeable changes based on that feedback is even more important and this is what we have endeavoured to do through the LGN.

Since we established this channel, we have shared lots of important information, heard great, honest feedback both positive and negative, and asked for grass roots opinion on key issues. All feedback to our leaders has been received positively and followed up. Our network members also facilitate the exchange of information to, from and on behalf of their local teams, offices and sites.

Impact of the listening group network:

1. The direct feedback of this group helped establish our new global recognition program – Inspire awards
2. It supported the development and embedding of our vision, values and behaviours
3. It suggested ways in which we could get better connected with people at our most remote locations
4. The LGN has also helped us to define and improve our diversity and inclusion goal

## Engagement surveys

We are committed to hearing the views of the people working for us and we commit to regular employee surveys in order to seek, listen and act on employee's views in a consistent way across the business. The purpose of the survey is to "take the temperature" of our workforce and identify areas of strength and weakness in topics such as leadership, line management and employee well-being. A simple survey, unique to Wood, was developed using the fundamental building blocks of our values and leadership expectations. We conducted our first global Wood survey in July 2018, partnering with an external partner, Peakon, who is renowned for its progressive approach to continual listening. This approach fits well with Wood's culture and allows managers direct access to engagement data. In 2018, we achieved a global participation level of 55% across 60 countries. Our employee net promoter score improved by 18 points. During 2019, we will continue to listen to the business and will conduct 4 quarterly pulse surveys.

## Managing careers

At Wood we believe in career partnership and our leaders play a pivotal role in helping our employees flourish. We believe that a leader's role is not just about managing the output of the team, but they have to lead, which means developing, coaching, guiding colleagues and promoting their wins.

As part of our cultural framework, we believe in leaders at all levels and have remained consistently focused on leadership development. Our leaders have they key to unlocking the potential of their people and we believe that it is their influence that impacts how engaged our people are in their work.

In 2016 we created a simple yet innovative Front-Line Leadership Development Programme (FLDP). This was successfully piloted in our North Sea business and then rolled out in Houston, USA.

The integration of Wood Group and Amec Foster Wheeler gave us the platform to align and create a programme that would be globally applicable and create a common leadership language across cultures.

## What is Front line leader's development (FLDP)?

FLDP is not a conventional Leadership Training course, there are no PowerPoints within the programme. FLDP creates the right space for participation, collaboration and raising self-awareness with opportunity for self-reflection, providing a unique experience to delegates to allow them to shape their leadership style.

## As a Wood leader...

### Know your people

Have great **conversations**.

Have regular conversations. Understand their objectives, how they're tracking, their development opportunities, future aspirations and your role within that.

Provide regular coaching and constructive feedback. Have the challenging conversations.

Make sure you're on the same page. Ask, don't guess.

### Let others know too

**Share** what you know.

Be proactive in letting others who can enable their performance and development know about your people's aspirations, needs and potential.

Promote their wins, fly the flag for them and celebrate their successes so they are known to others also.

Use the Wood community. Don't trap them in their current job.

### Make it Possible

Be **proactive** and skilled.

Be present and aware of the options for ongoing development and do what is possible to make it possible for them at Wood.

Use other leaders, intranet sites and P&O to facilitate learning and career moves. Help them get the next project, the next job.

Take care of those in your charge. Be the leader you wish you had.

## What did we do in 2018?

In 2018, we worked with key stakeholders in the business to review the course. We developed a Global Facilitators Reference Guide comprising 14 modules, providing guidance on core messages to promote global consistency. Due to the modular nature of the programme, many of the topics can be used independently to support other training within the organisation.

We invested time and resource, holding face-to-face train-the-trainer events in the UK and USA with colleagues from as far away as Australia and the Middle East. This allowed us to increase the number of facilitators globally and upskill everyone on new guidance material, supporting through co-facilitation.

Course duration was reduced from 4 to 3 days, saving 25% on cost to the business without compromising quality of content or delivery yet still allowing flexibility of duration based on location and business requirements. Business benefits aside, the reduced length of the course improved participant wellbeing by reducing time away from family and personal life and the potential burden of an escalating workload from being away from the office.

In 2018 we completed delivery to over 330 Front Line leaders in the UK with a further 318 from America, Australia and Russia, India and Iraq. Delegate feedback

and testimonial has been overwhelmingly positive with 94% of those asked saying they would recommend the course; it has exceeded the expectations of participants

Led by our global people development team, A facilitator community of practice allows us to continually improve, share challenges and best practice. In 2019, we will be launching leading indicator training metrics to capture evidence of behavioural changes in the workplace.

FLDP has strengthened our leadership capability, contributing to improvement in safety performance by giving our people tools and techniques to accelerate their own, others and business growth. It is creating a common language at Wood and is becoming "how we do things around here!"

## What's next for leadership development?

We are currently developing Wood's leadership model, which will determine the key leadership capabilities we believe that will differentiate Wood leaders. This is an internal consultancy project that will engage our leaders and employees and will form the basis for leadership development program for our operational and business leaders. We will engage across a number of focus groups, in order to involve our employees in the decision-making process.

## Supporting the Global Sustainable Development Goals (SDG)

An example of the SDG targets relative to our business in relation to our people and culture:



### By 2020

8.6 Substantially reduce the proportion of youth not in employment, education or training

### By 2030

4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

9.5 Encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels



# Diversity and inclusion

**Wood is committed to creating a more diverse workforce and inclusive environment, where diversity of thought is both encouraged and enabled throughout our business.**

Our focus on diversity and inclusion is fundamental to our efforts in creating a great working environment and culture where:

- Our people feel involved, respected, valued, trusted, connected and empowered
- All our people have opportunities for growth and development
- We create relationships of mutual trust and respect
- We respect and celebrate the variety of local cultures, people and ideas in Wood
- We support our people to be themselves and bring their ideas, backgrounds, values, and perspectives to the team, to our customers and to the business
- We leverage our differences and seek inclusive participation by individuals from different backgrounds and organisational levels to achieve better business results
- We are proud to work for Wood

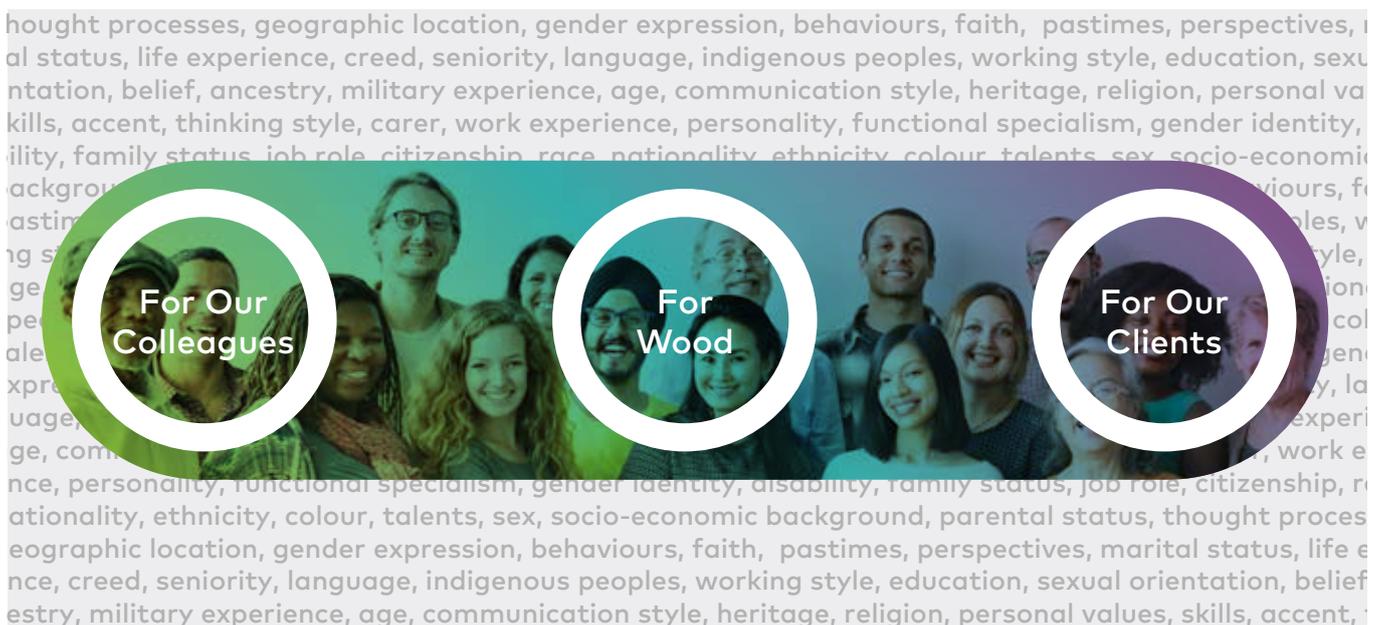
We believe that making Wood a great place to work for everyone, will not only benefit our people but all our stakeholders as well, by helping us to:

- Attract, engage and retain a high performing, diverse workforce which reflects the communities which we operate in and the customers that we work with
- Ensure we are fully valuing and leveraging the potential of all our people
- Create deep and responsive partnerships with our increasingly diverse customers
- Be innovative, solving business problems efficiently and creatively through diversity of thought
- Work collaboratively and effectively regardless of location or background
- Demonstrate our commitment to our values as well as being a sustainable, ethical company

Ultimately, this will contribute to improving our overall organisational performance, including market share and financial returns.

### Progress to date in 2018

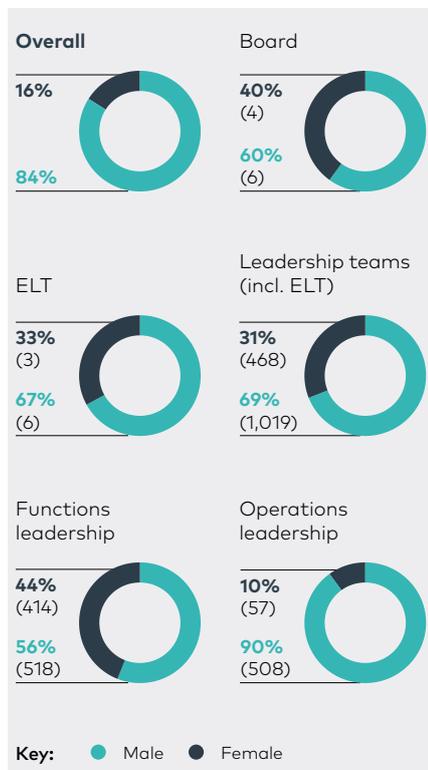
- Appointment of a Global Diversity & Inclusion Manager
- Comprehensive discovery exercise completed to understand current practices and activities taking place across Wood to drive greater diversity and inclusion
- Employees meaningfully engaged in developing Wood's global diversity and inclusion action plan through the Listening Group Network and Yammer.
- Global Diversity and Inclusion Policy published
- Six employee networks established and launched on Yammer. (Armed Forces Network, Developing Professionals Network, Listening Group Network, Minerva - Gender Balance Network, Pride and We Care)
- Early careers recruitment and selection guidelines developed ensuring diversity and inclusion is considered at each stage of the process by all stakeholders



## Gender diversity performance

At Wood we are committed to placing a focus on the gender balance of our organisation. We are committed to quarterly reviews

of the gender make-up of our leadership and management teams, as well as the organisation overall. This allows us to focus on ensuring we have a broader succession plan in place, particularly in the technical and operations areas of Wood, and reflects our desire to ensure a broad range of backgrounds, experience and thought leadership.



### Note:

Functions leadership includes the three levels of leadership below ELT in Finance & Administration, Strategy & Development, People & Organisation and HSSEA.

Operations leadership consists of the three levels of leadership below ELT not included in functions leadership.

## 2019 key milestones

### Review business processes:

- Implement meaningful changes to key people processes to support greater diversity and inclusion in Wood prioritising reviews on:
  - Flexible working
  - Talent identification, selection and development
  - Family leave
- Increase our capability to collect (on a voluntary basis) diversity data from our people, in line with Oracle People deployment, whilst also complying with legal requirements to improve our overall understanding of the diversity profile in Wood and how representative it is.

### Focus on education and engagement:

- Expand and embed our employee networks globally ensuring each is sponsored by a member of our Executive Leadership Team.
- Establish a global diversity and inclusion community of practise which will report progress and provide feedback to our Culture Club.
- Provide all leaders with awareness training on Wood's expectations around diversity and inclusion.

### Deliver a robust communication plan:

- Develop an effective, accessible communication plan to share successes which includes:
  - profiling the diversity of our people, what makes them who they are and how they experience inclusion in Wood
  - celebrating our communities, local traditions
  - promotion of our events that are linked to diversity and inclusion

## Supporting the Global Sustainable Development Goals (SDG)

An example of the SDG targets relative to our business in relation to our diverse and inclusive culture, and case studies contained within this report:



5.1 End all forms of discrimination against all women and girls everywhere

5.4 Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

### By 2030

3.4 Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard

# Investing in skills: developing potential



Wood remains committed to our promise of leaving a positive legacy in the communities where we work. As we expand our reach in the Middle East, we are building our workforce to develop local employees and increase in-country value.

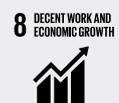
## Dedicated to development

With more than 3000 people working across the Middle East in countries such as Iraq, Oman, Kuwait and the United Arab Emirates, we are committed to supporting long-term national development visions and economic diversification.

In Saudi Arabia, our Engineer Your Future (EYF) programme, has been established to build a proactive learning culture and focus on the development of employees by identifying what skills, knowledge and experience individuals need to progress along their chosen career path. The programme's framework consists of four elements: leadership and business skills, a global early careers network, technical competency development and social responsibility. As part of the framework, members of EYF take part in a range of development activities including training and eLearning modules, attending seminars from management and sessions with an assigned mentor. Employees can also be seconded to different Wood locations worldwide to acquire new skills, experience and broaden horizons. To date, EYF has been rolled out across the company's operations in Iraq and Dubai and includes engineers, human resources and other business professionals.

One Iraq graduate had this to say

"EYF's ethos is to 'connect, learn and grow' – something the programme is helping me to do by widening my network within the company and gaining valuable experience from senior engineers and business professionals. It's been great getting to know my fellow junior engineers, sharing best practice and our experiences as our careers progress."



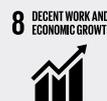


## Our graduate development programme in Basra, Iraq has been running for two years and continues to go from strength to strength.

### Commitment to talent

In 2016, the local people & organisation (P&O) team met with representatives from Basra Engineering College and agreed to invite their top graduates from the civil and mechanical engineering classes to attend two assessment days at Wood's Basra office. From the 16 applicants who were assessed, three graduates were offered and accepted engineering related roles in Wood. We receive a high volume of applications to get onto the Wood graduate development programme (GDP) in Basra. In 2017, 55 graduates applied for the four places available and in 2018 we employed an additional five graduates, with a further nine planned for 2019.

The benefit of the graduate programme is not only about offering a job opportunity, it is about the scope of development the graduates get by working for an international engineering company and learning from knowledge experts based on a four-year development plan.



## Wood scoops people development award

In July 2018, Wood made a splash in the UK local water sector as winners of the People Development category at the UK Constructing Excellence North East Awards.

Wood is part of a team of six companies working collaboratively to provide unique opportunities for young people through the Run2 Academy. The Run2 Academy is a working group with representatives from Northumbrian Water, Esh-MWH Joint Venture, MMB, Interserve, Turner & Townsend and Wood, all key players in UK water projects. The Run2 creates programmes to promote the industry and develop the workforce of the future by attracting talented students.

"Supporting students at key stages of their education helps them to develop their skills and better understand the career options available to them in the utilities sector. The success of the Run2 Academy has been achieved by six companies working collaboratively to achieve a common goal. We're delighted that Wood is part of the programme and look forward to its continued success."

Associate Director, Wood





# Developing the workforce of tomorrow



## Spotlight on our people

At Wood, we believe everyone has the potential to succeed and recognise the importance of encouraging success and celebrating the achievements of our people.

Jen Carroll, a junior nuclear scientist at Wood, made it onto the shortlist for the 2017-2018 Spark! Contest. The contest, which consists of a two-round writing competition, invites early careers employees from the energy industry in the UK and France to present innovative thinking to contemporary energy challenges. In creating a fun and competitive atmosphere, the contest aims to foster a Franco-British community of clean energy professionals, bringing together industry leaders of today with the future stars of tomorrow.

Jen was delighted to be the only solo finalist for this year's awards, only narrowly missing out on the top three. She says of the contest:

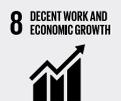
"Spark! has been great for my continued professional development and working towards chartership as it has encouraged me to go to Institute lectures and engage with a wider range of people from the nuclear industry. You also get to make connections with prominent industry leaders and influencers."



## Promoting a career with Wood

In Milan, a team from Wood joined more than 120 Italian and international companies at a career's day for students and graduates of Politecnico di Milano university in Italy. This event, organised by Politecnico di Milano, is aimed at shortening the distance between industry and the academic world. Our Milan office, home to our Capital Projects business, has been attending this event since its inception more than two decades ago.

The annual event is a one-day show where top ranked companies set up booths and give presentations to prospective employees and students. It is the ideal opportunity to establish first contact with the best students and graduates, often well before graduation. Over 5000 people registered and attended the event, including some recent graduates, sharing their experiences of working at Wood and showcasing the career development opportunities available.



# Developing the workforce of tomorrow



What happens when you bring over 300 kids ranging from infant to college age to the Wood Houston campus? Lots of fun, learning and energy!

## Recruiting Wood's next generation

In a bid to inspire the next generation to see the energy sector as an exciting career path, in 2018 an energetic group of volunteers hosted "Take our daughters and sons to work day." The event included 12 departmental demonstrations with hands on activities to help the kids understand what we do at Wood.

Each booth represented a different part of our business. Activities included make your own brand with marketing, illustrate the importance of facilities operations and maintenance through bike safety with our operation services team, and make snow with the downstream and chemicals group. As our little 'employees' engaged in activities, they received a stamp on their timecard and after they completed their 'workday', the cards were entered into a raffle where a variety of STEM prizes were awarded.

One Wood employee commented:

"One Wood employee commented "My 12-year-old grasped many of the concepts being presented – it was simple enough yet detailed enough to show the complexity or technical side of what we do. For my nine-year-old, there were lots of great hands on things that immediately engaged him. Spot on!"

Building for the future means investing in attracting the next generation and showing them the world of opportunity in our sector.





## Building positive partnerships

Wood's relationship with local Aberdeen school, Northfield Academy, began when we reached out to the Developing the Young Workforce (DYW) programme as part of our global cause: education.

Developing the Young Workforce (DYW) is the Scottish Government's Youth Employment strategy to better prepare young people for the world of work. Our DYW partnership with Northfield Academy allows us to have a strategic approach to how we engage with schools, adding greater value than we might have done in the past. Our partnership with Northfield Academy has succeeded in giving access to interaction with Wood

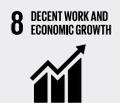
for every year in the school, from year S1 right through to S6. To meet the objectives of the partnership, Wood and Northfield established a calendar of events that targeted pupils in all years.

Activities included: STEM (science, technology, engineering and maths) sessions for S1; the chance for all S2 pupils to visit Wood offices to find out more about the business environment and complete a STEM activity; a careers fair; advice on CVs and personal statements for 3rd year pupils; sessions for all in S4 to provide advice on applications and interview techniques; mentoring for 12 pupils in S5 and S6 offering careers guidance and advice; and classroom workshops.

"Our relationship with Northfield Academy started when we reached out to the DWY,"

says Wood's senior manager for early careers.

"Our previous approach had been for employees to establish relationships with schools due to personal connections. This is something we continue to encourage, but we also wanted to achieve a more strategic approach to how we engage with schools to add greater value to our local community."



# Developing the workforce of tomorrow



## Looking to the future

Whilst delivering a speech at the Scottish Council for Development and Industry's annual lecture in Aberdeen in January 2018, our CEO Robin Watson announced Wood's £20,000 investment in supporting promotion of STEM subjects (Science, Technology, Engineering and Maths) by acting as a new principal partner of SCDI's Young Engineers & Science Clubs (YESC) Programme across Scotland. This is just one such example of Wood's commitment to STEM learning.

Founded in 1931, The Scottish Council for Development and Industry (SCDI) is an independent membership network - representing a cross-section of the private, public and social economy sectors; SCDI's Young Engineers and Science Clubs (YESC) Scotland programme has played a key role in inspiring young people towards STEM (Science, Technology, Engineering, Maths) careers since 1987.

Addressing the SCDI members, Robin said .

"We live in interesting times, and I was pleased to have the opportunity to share Wood's thoughts on how organisations must learn to embrace change, and plan for it rather than hope to avoid disruption."

Going on to add

"It is in looking to the future too that we have chosen to support SCDI's work with the Young Engineers and Science Clubs, promoting interest in STEM subjects through activities and events among schoolchildren across Scotland. This is a cause close to our heart, and we hope to perhaps welcome some of those children to work with Wood one day in the future."

 To read more about SCDI and their Young Engineers and Science Clubs Scotland (YESC) programme, visit:

[www.scdi.org.uk/yesc/](http://www.scdi.org.uk/yesc/)



## Recognising commitment

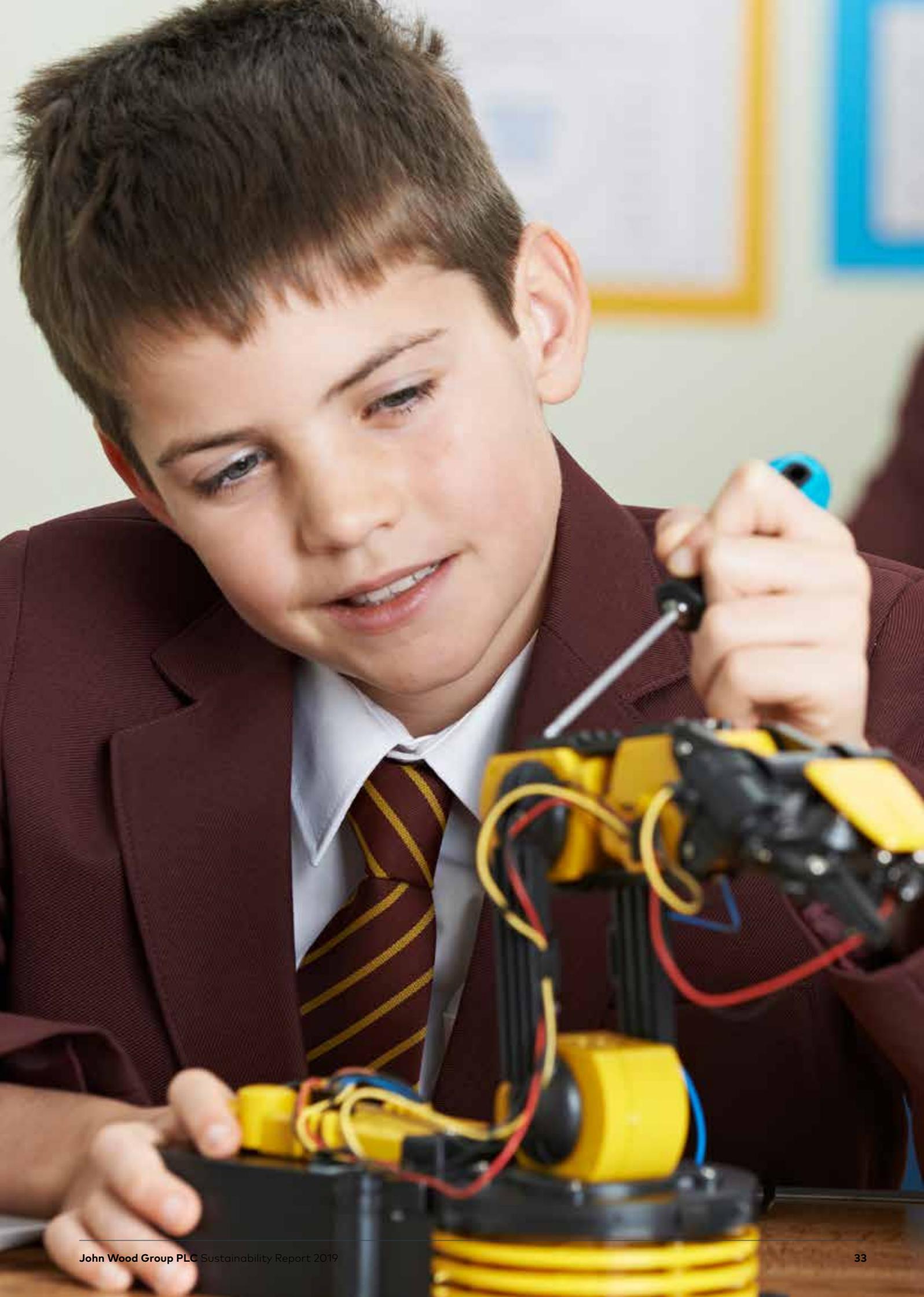
In 2018, Wood was recognised for our genuine commitment to helping young people enter the workplace; cementing our place in the 2018 Top Intern Programs in Australia, ranking 27th in the top 40 for the country.

The Australian Association of Graduate Employers (AAGE) recognises organisations that provide the most positive experience for their interns, as determined by interns themselves. This year, over 900 interns were surveyed; all current undergraduates who were part of their employer's intern programme.

Over the past seven years, Wood has run internship and graduate programs over a range of disciplines for a number of highly talented students and graduates. Some of these interns have joined us as a part of the Career Trackers programme which aims to increase Indigenous involvement and opportunity in the workplace.

For Wood, this is a significant achievement to be recognised and ranked amongst some of Australia's most prestigious companies – including the Commonwealth Bank, Woodside Energy and Telstra – for our contribution to the development of the next generation of workforce.





# Diversity and Inclusion



Every day 6,000 people in the UK become carers. That's 1 in 8 adults and around 6.5 million in total – which often includes child carers. In November 2018, Wood joined hundreds of organisations across the UK as they came together for Carers Rights Day to help carers know their rights and find out how to get the help and support, they are entitled to. Carers Right's Day is a national event and the 2018 campaign focused on supporting people to prepare for the future through the theme: Caring for Your Future. As part of the event, Carers Rights Day makes carers aware of their rights, but it also raises awareness of the needs of carers.

## We Care

Having the right information at the right time can make all the difference when you're looking after someone, explains Mark Brightburn, an associate from the E&IS UK business who founded our We Care network in 2015. Part of our diversity and inclusion group, the network aims to increase awareness of balancing working with care responsibilities.

Mark founded the We Care global network to pool knowledge, experience and support for people who find themselves balancing work with caring for someone at home too.

"It's a superb demonstration of our great new company values of care, courage and commitment, as we live this everyday of our lives at home and bring that strength back into the office too",

says Mark.

"The network was started in the UK, but quickly linked up people from around the globe including the US, Australia & South Africa. Caring is a global issue, and with rapidly increasing aging populations, the demographics show this will be a more important consideration for individuals and businesses over the coming years. We currently have 150 carers in our network."





EMPLOYER  
RECOGNITION  
SCHEME

BRONZE AWARD

## Joining forces

In June 2018, we pledged our support to the Armed Forces community by signing an Armed Forces covenant and committing to support the UK's servicemen and women. Bob MacDonald, CEO of Wood's Specialist Technical Solutions, attended a special ceremony to sign the covenant at Edinburgh Castle.

The document was co-signed on behalf of the Ministry of Defence (MoD) by Commander Andy Poulton-Watt, SO1 Reserves Engagement, Scotland and Northern Ireland.

Talking about the covenant, Bob said he was proud of our historic and ongoing relationship with the Armed Forces community which continues to grow from strength to strength.

"Supporting the Armed Forces community is very important to us because ex-service people and reservists play a vital role in many of our teams."

Throughout our global network, we have successfully transitioned many servicemen and women into our business, recognising the transferable

competencies and skills of this expert group. Joining forces with this key group is just one way we celebrate diversity throughout the business. Our commitment to honouring the Covenant includes pledges to proactively seek opportunities to share best practise, lessons learnt and collaborate with other Armed Forces-friendly organisations. We will also seek to support employees who choose to be members of the reserve forces and offer support to local cadet units, where possible.

Additionally, towards the end of 2018, Wood received the bronze award from the armed forces covenant Employer Recognition Scheme (ERS) for our commitment to supporting armed forces personnel. The Bronze award is presented to employers who pledge to support the armed forces, including existing or prospective employees who are members of the community.



# Diversity and Inclusion



Wood has a long history of working for and with Indigenous communities and businesses across Canada. Indigenous peoples of Canada, including First Nations, Inuit and Métis, are the fastest growing segment of Canada's population; in 2016, 4.9% of Canada's population had Indigenous ancestry. Indigenous peoples have higher birth rates, resulting in younger and growing populations. This has implications for our present and future workforce, particularly in natural resource industries in remote areas, which are often closest to Indigenous communities.

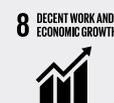
At Wood we acknowledge and respect the value Indigenous peoples have and continue to bring to Canada. We recognize the value of diversity and collaborative relationships with Indigenous peoples to successfully deliver more informed project solutions.

Through our Indigenous Relations & Partnerships Program, we recognize the fundamental importance relationships have towards effective inclusion of the unique perspectives and meaningful participation of Indigenous peoples. Aligned with our commitments to inclusion and diversity, and backed by our core values of Care, Commitment and Courage, we:

- Seek opportunities to work for and with Indigenous communities and businesses and explore mutually beneficial partnership opportunities;

- Increase the diversity of our staff by increasing the number of Indigenous employees with appropriate technical skills; and
- Increase the awareness of Indigenous histories, cultures and current issues by providing cultural awareness training.

We recognize the importance of building new and fostering existing relationships, effectively addressing concerns throughout our operations, and providing opportunities for inclusion as part of successful project delivery. As part of this recognition, we are a member of the Canadian Council for Aboriginal Business (CCAB), an organization focused on driving business opportunities and advancing corporate social responsibility for the Indigenous community.





## Supporting Indigenous communities

Since 2013 Wood colleagues and their families have continued to support the Australian organisation Red Dust. Working in the northern territories of Australia, Red Dust delivers innovative health promotion programs in remote communities to encourage Aboriginal and Torres Strait Islander youths to learn more about health and inspire them to live a healthy lifestyle. The programs delivered, help reduce chronic disease amongst Aboriginal and Torres Strait Islander children through the promotion of nutrition, hygiene and physical activity.

Helping to organise and participate in their annual fundraising event: The Lake Mountain Challenge, to date the Wood team has raised over \$52,000 to date to support the Red Dust Healthy Living Program. Additionally, Wood also provides ambassadors to travel to remote Northern Territory communities to assist in the delivery of these programs.

In 2018, two of our employees travelled to the Northern Territory to support the Red Dust program. Karl Lodder, one of the volunteers

travelled to the community of Peppimenarti, where he spent the week working with primary school children and supporting teachers in comprehension, literacy, football, art, cooking and swimming.

"I was blown away by the resilience of the people I met. They have adapted their lives remarkably despite the challenges they face including remoteness and access to healthcare."

Joining Karl on the trip, Alex Thompson added

"Following the experience, I have a greater appreciation of the challenges and disadvantages faced by indigenous communities in remote locations, but I also experienced first-hand the strong bonds these communities have to their land and their families, and the benefits this connection brings."



## Raising the bar

In June, we celebrated International Women in Engineering Day, a global annual awareness campaign to raise the profile of women in engineering and focus attention on the amazing career opportunities available to women in the industry.

This year's theme was 'Raising the Bar', celebrating some of the brightest female engineers who are paving the way. At Wood we hosted a variety of activities throughout our global locations. From speed mentoring sessions with senior school pupils, panel discussions with employees, STEM (Science, Technology, Engineering and Mathematics) activities with schools, to collaborating with customers events.

At Wood, we are committed to actively encouraging women into STEM subjects and to help them recognise the varied opportunities within these disciplines. We hope that by sharing these stories we will encourage the next generation of women to pursue a career in engineering – be it as an engineer or in an engineering support role.

# Health, safety & security of our people

**At Wood we care about our people. Everyone has the right to a safe, healthy and secure workplace; our expectation is that wherever we work, the security, safety and health of our people remains our top priority.**

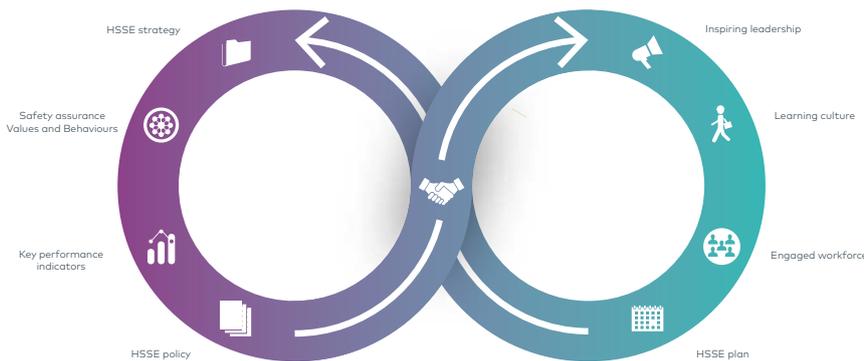
Our Health, Safety, Security and Environment (HSSE) culture relies on strong leadership, personal accountability and a commitment to achieving excellence in HSSE. This is fundamental to executing our operations in a responsible and sustainable manner.

## HSSE policy

Our HSSE policy builds on our Values by setting out our key HSSE promises to our stakeholders and the key principles of action by which we will deliver our commitment to protect our people and the environment.

## Our HSSE strategy

Our HSSE strategy provides the criteria for continuous development and improvement against our policy promises. The strategy supports the implementation of Wood's HSSE policy and applies to all Wood operations wherever they are in the world.

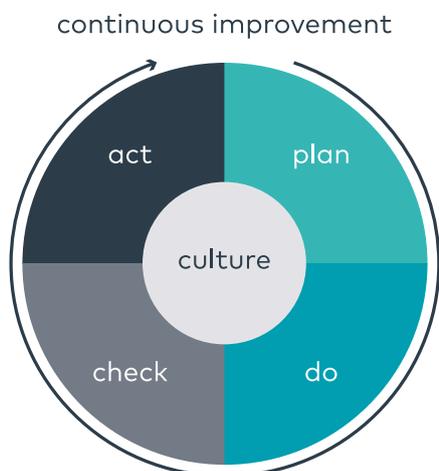


## Our HSSE management system

Our HSSE strategy is underpinned by the HSSE management system which is defined by our HSSE Management System Standard - the Blue Book which provides the 'backbone' of our HSSE management systems across all Wood operations. It consists of fifteen core elements setting mandatory minimum standards for the management of HSSEA across Wood. They define how we must lead, plan and organise ourselves to ensure HSSE risks are controlled and to deliver continuous improvement in HSSE performance.

The Blue Book is supported by a number of specific HSSE standards, procedures and guidance such as Occupational Health and Environmental which provide the framework and place requirements on our Business Unit HSSE management teams to meet encompassing group-wide learning and best practice.

The Blue Book aligns with recognised international HSSE management standards and the continuous improvement cycle of Plan-Do-Check-Act.



**wood.**  
**Safety Shield**  
Prepare. Engage. Intervene.

## Wood's Safety Shield

Wood is a learning organisation and communicating effectively with our workforce is key to our success, ensuring we remain a sustainable business. We created the Safety Shield to help us to simplify and communicate our management system processes more simply. In simple terms we are committed to making sure that we prepare effectively to deliver safely every day. To do this we take care to engage with our people, making sure that everyone understands their safety leadership role.

Our Safety Shield - a metaphor for protection - pulls together our HSSE processes and procedures to drive a simplistic and consistent message to our workforce around HSSE. Aligned with our values, the three elements of the shield are:

- Prepare
- Engage
- Intervene

The Safety Shield builds on our values of care, commitment and courage and asks our employees to have the commitment to prepare correctly, the care to engage with the safety requirements of a task and the courage to intervene if they see something unsafe.

More about Safety Shield can be found on our website:

[www.woodplc.com/safetyshield](http://www.woodplc.com/safetyshield)

# Health, safety & security of our people



## Our safety essentials

Effective safe systems of work rely on more than safety standards to make them work effectively. Behaviours directly influence the way we work; the way we do things and the way we follow processes. The Wood Safety Essentials raise awareness of how the right Behaviours can help prevent incidents and improve our safety performance. They are designed to complement our Life Saving Rules and apply to all office and site personnel.

## Life Saving Rules

Our Life Saving Rules have been established through learning and are there to help us plan and control our work safely providing a minimum standard to which everyone is expected to comply. They raise awareness of safety critical activities that that have shown to be those that have the greatest potential to cause fatalities. The LSR's detail the simple actions individuals must take to protect themselves and others. The adoption and enforcement of our rules helps us to ensure the safety of everyone that works with Wood.

# Wood HSE performance (employees and subcontractors)

**Wood achieved a 31% reduction in our total recordable incident rate in 2018 – we are stronger and safer together.**

## Key performance indicators

	Wood	*LWCF	*TRCF	*AIFR	Hours
2018	Combined	0.04	0.18	1.32	173,517,229
	Employee	0.04	0.21	1.44	128,305,321
	Subcontractor	0.02	0.11	1.00	45,211,908
2017	Combined	0.05	0.26	1.41	174,930,763
	Employee	0.05	0.23	1.3	134,867,536
	Subcontractor	0.06	0.35	1.8	40,063,227

## Reporting overview

	Reports Raised 2018	Harm to People	Property Damage	Environmental	Security
Employee	2292	59%	34%	5%	2%
Subcontractor	796	52%	40%	8%	0%
Combined	3088	58%	35%	6%	1%

## Incident classification overview



Lost Work Case Frequency (LWCF\*)  
Total Recordable Case Frequency (TRCF\*)  
All Injury Frequency Rate (AIFR\*)  
Fatality (FAT\*)  
Restricted Work Case (RWC\*)  
Medical Treatment Case (MTC\*)

First Aid Case (FAC\*)  
High Potential Incident (HiPo\*)  
Near Miss (NM\*)

All frequency rates are calculated per 200,000-man hours

A key priority of integrating our business has been to combine our safety data; giving our business oversight of our collective performance and key areas of risk. At the end of 2018 we achieved this through consolidation to our single reporting tool 'CAIRS'.

Our safety performance in 2018 saw a reduction across all three of our frequency rate metrics; a 20% reduction in LWCF, 31% reduction in TRCF and 6% reduction in AICF.

Sadly, we did report a fatality in March of 2018, at a construction site in the United States. The incident involved an employee undertaking a pressure test on a water pipe which failed, and the pipe thrust upwards causing a fatal injury. The incident led to a thorough review of all pressure testing operations and the establishment of a standard approach which has been implemented across the company to ensure a minimum standard of safety compliance.

## Key findings

### 1 Fatality

Tragically, Wood lost one of our colleagues in 2018, as a result of pressure testing work.

### 3088 Incidents

Reported in 2018, excluding non-work-related incidents, compared to 2017 this equates to a 10% decrease in overall incident reporting.

### 20% Reduction in LWCF

With a focus on safety throughout the integration process in 2018 and a specific focus on key operational priorities as part of our safety campaigns and initiatives we also saw a reduction of 28% in our TRCF and including our first aid incidents, a 6% reduction in our AIFR.

### 19% Reduction in total high potential incidents

We have seen our number of high potential incidents drop from 105 in 2016, to 102 in 2017 and a further 19% reduction to 83 reported incidents in 2018.

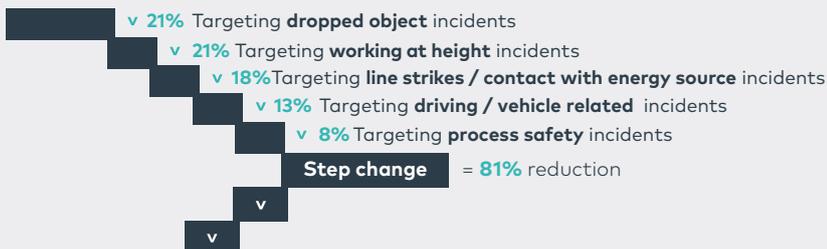
# High potential incidents



High potential incidents are those events that could, in slightly different circumstances realistically result in serious injuries or one or more fatalities. Investigating and understanding our high potential incidents allows us to form a picture of the effectiveness of our management systems and ensure our efforts are best placed to target our high-risk activities.

Our safety staircase is designed to provide simple communication around our principle risks and the opportunities that a targeted focus can realise in reducing reoccurrence. Designed around our top five high potential incident types, over a 24-month period, the staircase gives focus on the incident types causing these serious events.

**83**  
High potential incidents



## Key findings

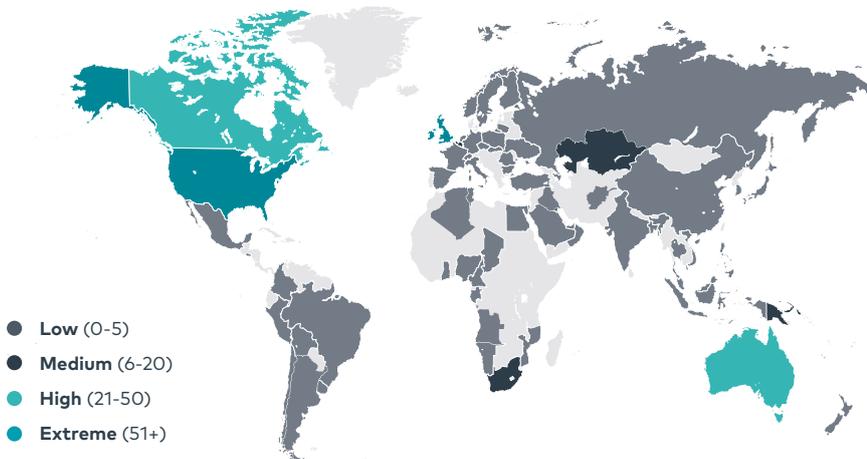
42%

A focus on Dropped Object and Working at height incidents would address 42% of our high potential incidents.

39%

A further focus on Line Strike/ Contact with energy source incidents, Driving/Vehicle incidents and Process Safety Incidents would address an additional 39% of high potential incidents.

## Country incident reporting



- Low (0-5)
- Medium (6-20)
- High (21-50)
- Extreme (51+)

	2016	2017	2018
<b>Lost Time Incidents</b>	1	1	1
<b>Restricted Work</b>	0	1	0
<b>Medical Treatment</b>	1	3	1
<b>First Aid</b>	14	7	9
<b>Top 3 injury types</b>	Sprain/strain	Sprain/strain	Bruise/contusion
	Bruise/contusion	Fracture/dislocation	Fracture/dislocation
	Fracture/dislocation	Bruise/contusion	Cuts/laceration
<b>Top 3 root causes</b>	Behaviour	Behaviour	Behaviour
	Mental capability	Mental capability	Mental capability
	Risk management	Risk management	Risk management

## Focus on driving related incidents

Our high potential incident staircase, highlighted driving related incidents as one of our top five principle risks. To provide additional support to our business in tackling these incidents, in 2018 we produced a series of fact sheets, that broke down each incident type to provide additional support for a targeted focus by our business. These fact sheets focused not just on high potential incidents but on incidents overall; by extending our analysis over a three-year period, we are able to highlight the trending nature, location and cause of these events and help guide focus on preventing their occurrence across our business.

In 2018, we reviewed and re-issued our driving management standard to the business; taking steps such as, to reduce our maximum duty hours for personnel, including air travel time & ensuring a minimum of eight hours break before allowing our employees to continue driving. Additionally, we developed a group wide driver training e-learning module, which will be rolled out across Wood in 2019.

## Supporting the Global Sustainable Development Goals (SDG)

An example of the SDG targets relative to our business in relation to safety, and case studies contained within this report:

**3** GOOD HEALTH AND WELL-BEING



**8** DECENT WORK AND ECONOMIC GROWTH



### By 2020

3.6 Halve the number of global deaths and injuries from road traffic accidents

### By 2030

8.8 Protect labour rights and promote safe and secure working environments for all workers

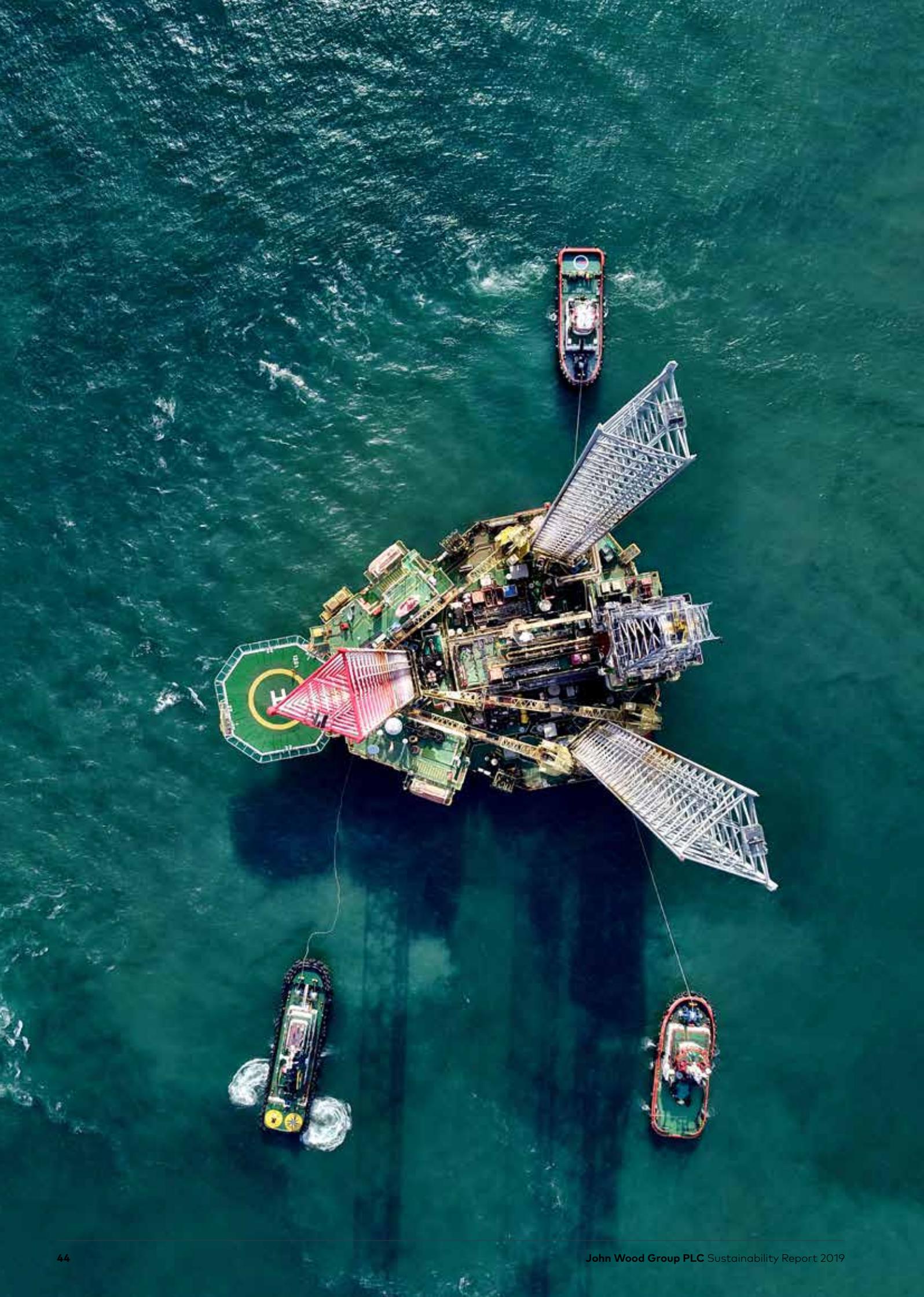
## Key findings

# 20%

Since 2016, we have seen a 20% decrease in driving incidents globally, showing a decrease of 12% in 2017 and a further 9% decrease in 2018.

# 3%

Only 3% of incidents resulted in injury, across each of the three reporting years.



# Benchmarking performance

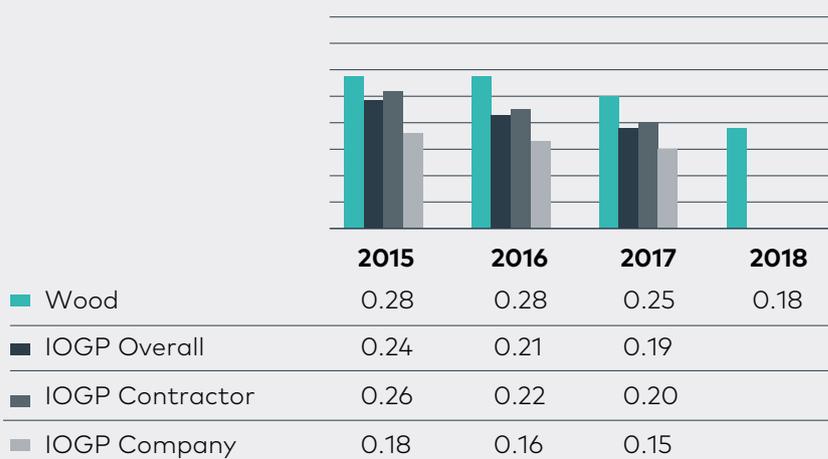
Benchmarking our safety performance against that of our clients, competitors and industry, allows us to compare our safety record against those facing similar challenges, as well as guide performance target setting, to improve performance.

## The International Association of Oil & Gas Producers (IOGP)

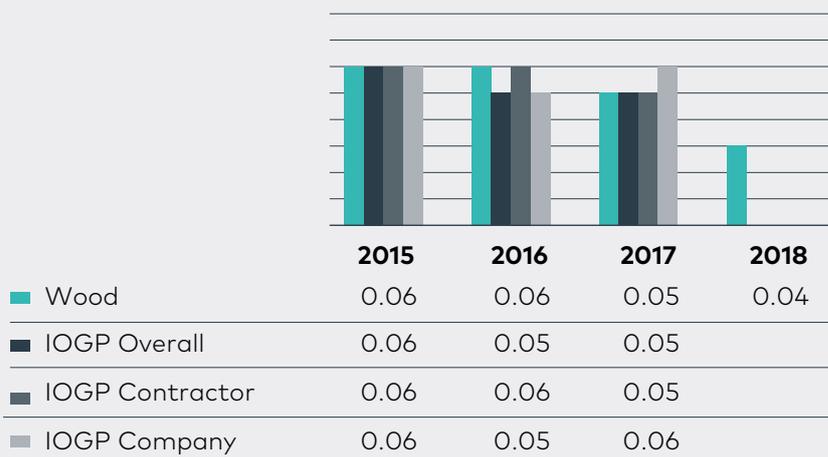
The Global Oil and Gas Industry trade association (IOGP) is the voice to the global oil and gas industry representing members producing 40% of the world's oil and gas.

IOGP publish annual safety performance data showing the performance of their members. As the most relevant sector to Wood's operations, we are able to compare our performance against company specific, contractor specific and overall performance.

Total Recordable Case Frequency Comparison



Wood LWCF IOGP comparison



# Security of our people

Wood's security team provides the tools necessary to secure Wood's global business operations, while simultaneously focusing on preparedness in order to safeguard our people, assets, and reputation.

## Country risk map



**Low**  
 Australia  
 Azerbaijan  
 Belgium  
 Brunei  
 Bulgaria  
 Canada  
 Chile  
 China  
 Czech Republic  
 Finland  
 France  
 Gabon  
 Germany  
 Ghana  
 Guam  
 Ireland  
 Italy  
 Japan  
 Korea, South  
 Kuwait  
 Lithuania  
 Malaysia  
 Marshall Islands

Namibia  
 Netherlands  
 New Zealand  
 Norway  
 Oman  
 Poland  
 Puerto Rico  
 Qatar  
 Romania  
 Saint Lucia  
 Singapore  
 Slovakia  
 Spain  
 Sweden  
 Switzerland  
 Thailand  
 United Arab Emirates  
 United Kingdom  
 United States  
 Uruguay  
 Wallis and Futuna  
 Vietnam

**Medium**  
 Angola  
 Argentina  
 Bahrain  
 Bangladesh  
 Bolivia  
 Brazil  
 Cameroon  
 Chad  
 Colombia  
 Egypt  
 India  
 Indonesia  
 Israel  
 Kazakhstan  
 Mexico  
 Mozambique  
 Peru  
 Philippines  
 Russia  
 Saudi Arabia  
 South Africa  
 Tonga  
 Trinidad and

Tobago  
 Tunisia  
 Turkey  
 Ukraine

**High**  
 Algeria  
 El Salvador  
 Nigeria  
 Papua New Guinea

**Extreme**  
 Afghanistan  
 Iraq

## Look forward

Security risk management in Wood is led by the Group Head of Security and represented on the Executive Leadership Team (ELT) by the Executive President HSSEA. Each Business Unit is partnered with a Security Director as their primary point of contact, and in turn, the Directors are supported by a network of Security Managers, who are the regional SMEs for their geography.

Group Security also have oversight of Crisis & Emergency management; providing the overarching standard and framework by which Wood prepares for and responds to emergencies through to crises.

## Looking forward

A number of focuses for group security in 2019 include:

- Identification, training and testing of four Incident Management Teams; each centred around the leadership of the four Business Units.
- Development of Emergency Management and Business Continuity guidelines, to drive greater consistency in these areas across the business.
- Full utilisation of our new travel security platforms to ensure 100% of our business travellers are prepared, accounted for, and can be communicated with; wherever in the world they may be.
- Integration with other functions and processes in order to provide better planning and bid support to all parts of the business.
- Development of a library of advice regarding responses to security-related emergencies, which can be accessed globally and used for local level briefings and response plans.

## Countries in focus for 2019:



## Case Studies:



### Columbia

Group Security supported Wood Colombia during the planning, start-up and execution of a maintenance and operations project located in Barrancabermeja, north-east of Colombia in 2018. Barrancabermeja is considered an important geographical area in Colombia on account of one of the country's largest refineries being located there; however, the activity of criminal groups known as BACRIM and the presence of the ever-present guerrilla ELN increase the level of security risk, mainly to international companies who become a target for the illegal groups. Group Security conducted a risk and threat assessment to define the security measures to be implemented in conjunction with our client and produced a resultant set of risk treatments. Working with the project leadership, Group Security created a security management framework that could then be taken on by the project team, enabling them to manage their day-to-day security in a complex operating environment. The project remains ongoing with 0 security incidents since the beginning of the operations.



### Iraq

2018/2019 continues to see growth for the Company in Iraq. Fundamental to this development is the continuous and efficient management of staff safety & security. The security strategy, developed by the Iraq Security Operations Manager in conjunction with MERC Regional Security Manager and SVP Middle East, is built on two fundamental principles; Human Rights compliance and Host Nation engagement.

The integration of these two principles on our existing projects with ExxonMobil and Basra Gas Company in Basra proved invaluable in protecting our staff in-country during the violent mass protests and civil unrest of summer 2018. Group Security closely supported both projects and Regional Leadership, providing advice and recommendations on the best courses of action to keep staff safe during this challenging period. Working closely with our contracted 3rd party security providers, Group Security oversaw all operations to ensure that security support provided to Wood was both consistent with international best practice and compliant with our own security standards. Group Security also actively engaged local staff and security providers' local information sources to gain access to accurate and up to date intelligence on the security environment.



### Ukraine

In 2018/19, Wood security supported STS' clean energy team activities in Black Sea coastal areas of Ukraine. While Wood does not have a permanent in-country presence, there were frequent short-term assignments to wind farms and manufacturing facilities in Zaporizhia, Kherson, Mykolaiv, and Odessa Oblasts. Safely operating in these areas required deep and very current understanding of the risks associated with the dispute between Ukraine and Russia over Crimea, ongoing fighting in Luhansk and Donetsk Oblasts, occasional clashes between Ukrainian and Russian forces in the Black Sea, and varying sources of Ukrainian political, ethnic, and religious unrest. Group Security provided the Clean Energy team with advice on the threats, worked with clients to establish suitable mitigations, and monitored the situation within and around Ukraine throughout deployments so that Wood's Clean Energy engineers could continue to deliver on their important work, whilst also being ready to rapidly depart the area should the situation deteriorate.

# Award winning safety



In May 2018, Wood was awarded the prestigious 2018 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Mining & Minerals Project Development Safety Award. The award recognizes the outstanding project safety systems, culture and performance achieved during the project execution of K+S Potash Canada's \$4.1bn Legacy Project (now the Bethune Mine) in Saskatchewan, Canada. It is the first greenfield potash mine built in the province in more than 40 years.

## Mining Industry Safety Recognition

### What did we do?

As KSPC's design and project management partner, Wood led an integrated execution team tasked with delivering all aspects of engineering, procurement, construction and commissioning for the solution mine and processing facility. Over 23 million man-hours were put into the project, with a site workforce that peaked above 3,000 people daily. Wood and KSPC worked in partnership on health, safety, security and environmental aspects of the project as it evolved from a pure greenfield site to a fully operational production facility. As a result, the project team achieved over 11 million hours without a lost-time injury.

Wood's Project Manager, delighted to have accepted the award, praised the collective effort in gaining safety recognition:

"Achieving a world-class safety record in this complex and variable work environment required a collective commitment to personal engagement and the courage to intervene."

He added

"On two separate occasions, workers from our site maintenance contractor intervened in offsite traffic emergencies, attributing their confidence to step in and control the scene to the training and coaching received on the project."





## Wood wins US National Safety Council awards

Our Environment & Infrastructure Solutions (E&IS) celebrated double success in 2018 for their achievements in workplace safety, through recognition from the National Safety Council in Houston, Texas.

Receiving the 2018 National Safety Achievement Award for exceptional safety performance in the workplace for going above and beyond to advocate for safety, and receiving the 2018 Operational Excellence Achievement Award for safety performance better than the industry average. By continuing to promote education and the implementation of our life saving rules and safety essentials, safety hazards are being recognised in advance and are being controlled or avoided.

Additionally, two of Wood's geographical operations were honoured for working at least one million consecutive work hours without an occupational injury or illness, resulting in a day away from work. Our US operations received an award for 27 million lost time injury (LTI)-free work hours and our South America operations were recognised for 1 million LTI-free work hours.

3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



## Award Winning Safety: Client recognition in Malaysia

Receiving safety recognition from our customers truly affirms the care, courage and commitment of our people and the safety culture we nurture at Wood. Our team in Malaysia, received the ExxonMobil Exploration & Production Malaysia Inc (EMEPMI) Chairman's Safety Award 2018 for their work on the EPCM contract.

The team has achieved many milestones since the beginning of the contract in 2014 but are particularly proud of this achievement as it acknowledges their continued focus on all aspects of safety even through a period of considerably high activity on the contract and celebrates their exemplary safety record. The award specifically recognises the contracts excellent Health, Safety and Environment (HSE) Management System and the milestone achievement of no recordable incidents or lost time incidents over more than 1.5 million man-hours.

Wood's contract manager said that a key factor in their team's success in winning the award was EMEPMI's sharing of learning's and support of a variety of HSE initiatives.

"Given the significant amount of offshore work executed by the team along with the high volume of office-based engineering design and procurement activities in maintaining process safety, this is a fantastic effort by everyone."

Wood's Senior Vice President South East Asia

3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



## Focus on Safety: Going for Gold

In 2018, the Wood team working on the Çöpler gold mine in Turkey, reached 10 million man-hours worked without a single LTI (lost time incident). This impressive milestone reflects the tremendous hard work, teamwork and unwavering commitment to safety that has been the focus of the project.

One of the largest gold mines in the world, Wood provided engineering, procurement and construction management services for the expansion of the Çöpler gold mine from 2015 until 2018. Situated in a remote area, with difficult road access and at an altitude of 1,200m, the CSEP Wood team employed people from six continents and at least 20 different countries. Wood's safety culture was embedded by the construction management team on the project and all the separate disciplines worked together as one to ensure a cohesive focus on safety. From the beginning, the team unified around a shared goal: To ensure this project goes down in the history of Turkish projects as one that sets a new standard for health and safety in the Turkish construction industry, striving to deliver a zero-harm project to completion.

Wood HSSEA Manager commented:

"We believe in giving ownership to the trade supervisors and foremen. There is no separate safety culture here; the safety culture of the company is embedded in the project and all the separate disciplines work together as one to ensure a cohesive focus on safety... if you have the COURAGE to INTERVENE – to not walk by an unsafe act or condition – Anything is possible."

3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



# Health and wellbeing at Wood

People are the foundation of our business and supporting their health and wellbeing has never been more important as we not only face an ageing workforce, but increasing risks of new and emerging infectious diseases as well as increasing mental health and physical wellbeing challenges in our lives.



 Hazardous substances	 Rehabilitation	 Thermal hazards management	 Emergency medical and first aid management	 Noise at work	 Workplace monitoring	
 Fatigue management	 Hygiene and cleanliness	 Travel health	 Vibration at work	 Ergonomic and manual handling	 Preplacement screening and health	 Wellbeing



## Promoting health and wellbeing



On 1 December, Wood employees joined in support of World AIDS day by rocking a red ribbon and helping to end HIV and HIV stigma for good.

### Rock the ribbon

World AIDS day is an opportunity to show solidarity with the millions of people living with HIV worldwide. Talking about the importance of World AIDS day, chair of Wood's Pride Network within our diversity and inclusion group, which supports our LGBT+ (lesbian, gay, bisexual and transgender) employees, said:

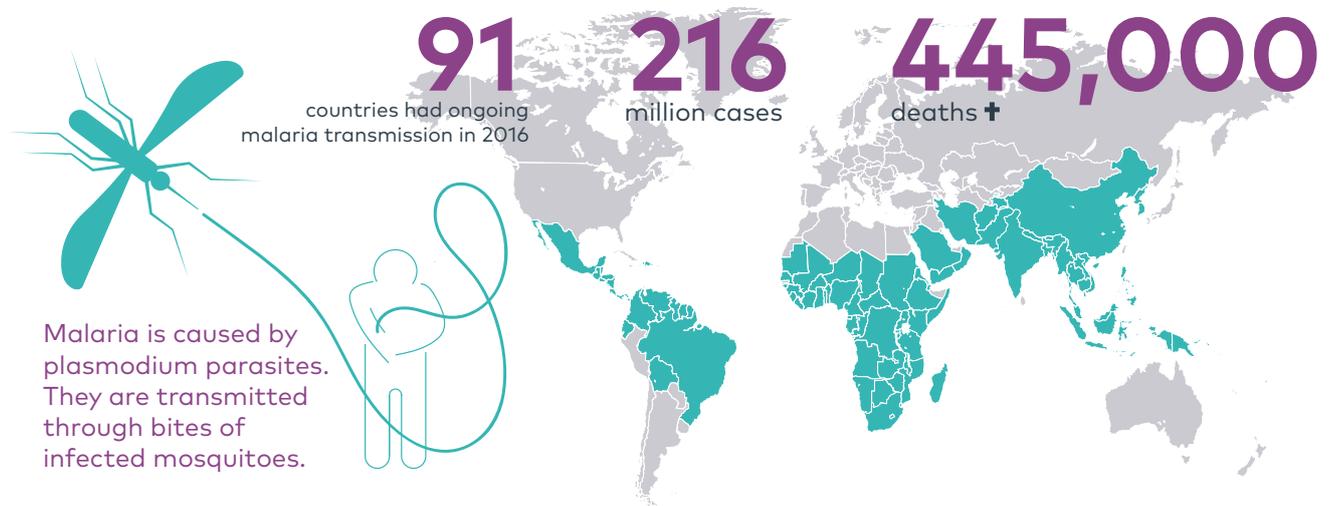
"Although diagnoses are falling in the UK, more than 101,000 people are currently living with HIV. Globally, it's 36.7 million. Many people still don't know the facts about how to protect themselves and others. That's why the National AIDS Trust (NAT) plays an important role in the UK, championing the rights of people living with HIV, educating the public and campaigning for fair treatment."

Red ribbons were sold and worn proudly by our colleagues in many of our UK offices, throughout the week of the campaign, including Aberdeen, Darlington, Edinburgh, Glasgow, Gloucester, Gosforth, Knutsford, Leamington, London, Reading, Shrewsbury and Warrington. Wood's director of occupational health added:

"Supporting world health days throughout the year reflects the commitment of Wood to positive and sustainable working environments and aligns strongly to our values. Good health in the workplace is a key enabler to Wood operating effectively in addition to creating an inclusive Wood community based on mutual respect and trust."



# Raising malaria awareness



## Know your ABCD

**In 2017, there were an estimated 219 million cases of malaria in 87 countries around the world.**

Malaria is a serious and potentially fatal infectious disease that poses a significant health risk to those working in the malaria belt of South America, Sub Saharan Africa, India and South East Asia. The global response to malaria is at a crossroads; after an unprecedented period of success in malaria control, progress has stalled and the World Health Organisation is calling on countries for greater investment and expanded coverage of proven tools that prevent, diagnose and treat malaria.

In April 2018, through a global communication campaign Wood helped raised awareness around the disease by marking World Malaria day and the theme 'Ready to beat malaria', which reinforces the importance of continued medical prevention and control. Sadly, in Wood, we are not immune from this disease. Cases of our employees being infected by malaria are regularly reported and while we make every effort to reduce these figures to zero, tackling malaria is a huge undertaking and it all starts with prevention.

We have a number of programmes and initiatives that raise awareness of malaria prevention, and we promote an ABCD model to help educate and support employees working in high risk countries:

### Awareness

Knowing the enemy and how to protect yourself.

### Bite prevention

Avoiding bites through personal protection and mosquito control.

### Chemoprophylaxis

Taking all prevention medication as recommended.

### Diagnosis

Seeking immediate attention for early diagnosis and treatment.

Malaria is high on the agenda for employee inductions in countries in the malaria belt and we carry out Incident Review Panels (IRPs) when there has been a spate of malaria cases. The information uncovered in these panels is then shared online so our global HSSEA teams can learn best practice and implement new and revised controls. We also offer e-learning for employees based in or travelling to high risk regions.



# Investing in our communities

**Investing in our communities contributes to building a sustainable future that aims to address local and global challenges. At Wood we believe our role extends beyond the donation of money, just as important is how we show up in the communities we are a part of. We care about the communities in which we operate and recognise our responsibility to respect, nurture and empower the people and locations we impact.**

Our colleagues continue to demonstrate daily, the difference we make to our shared communities, through the compassion and care of our people, the culture we actively promote and the unwavering commitment we show to create positive impact through our actions.

As we continued to integrate and adapt to change across our business throughout 2018, our focus on community support remained constant and the continued enthusiasm and kindness of our people shone through the multiple actions of support for our shared communities.

Establishing a group wide programme to support Wood's community investment activities was a priority for Wood, as part of the wider sustainability strategy launch, to ensure continuity of support for our employee efforts and the communities we impact.

## 2018 by the numbers

### Matched funding

**£300,000+**

Funds raised by our employees for causes close to their hearts and £300,000 Wood matched donations

**11,628**

Total hours volunteered by 1,469 employees

### Global cause

**18**

New or existing educational organisations sponsored

## Our approach

Wood's community investment strategy focuses at an individual level on supporting our employee actions, strategically uniting our business around a single global cause and placing focus on the actions we take through volunteering our time and skills resources. The program elements include:

### Employee Matched Funding

Supporting our employee fundraising efforts to benefit personal choice charities, Wood will match up to 100% of the amounts raised, up to a specified limit.

Employee matched funding forms the basis of our core charitable giving and is open to all employees. Focused on supporting employee actions, the fund helps to provide monetary support to the good causes chosen by our people; aiming to engage the greatest number of people, across the breadth of our business.

Launched in March 2018, the matched funding programme has reached almost every region Wood operates in and gained business wide support in its first year. As we continue to communicate the programme, we hope to gradually increase engagement and more evenly spread the wealth of our support across our employee base.

### Our global cause

We believe we can help address local and global community challenges and working together as Wood, our combined focus can truly make an impactful difference to the communities where we live and work.

In a similar way to how we produced our vision, values and behaviours, we turned to our employees for help in deciding Wood's direction through a group wide survey and vote. We aligned our global cause criteria with the United Nation's sustainable development goals (SDGs) and shortlisted these to the four goals most relevant to Wood and the services we provide; poverty, good health and wellbeing, quality education and sustainable cities and communities. Once selected, we then passed the baton to our regional teams to get involved in the way that best suits our people and business.

With over 40% of the 6,600 votes cast, our employees chose education as our Wood global cause in support of SDG 4 and Quality Education. In addition to improving quality of life, access to inclusive quality education can improve sustainable development by helping equip people with the tools required to develop innovative solutions to the world's greatest problems.

Across the business, our activities to support education are far reaching and varied in nature. We recognised a need to structure how we collected our efforts, to best direct our focus as well as to allow us to measure our collective impact. In December 2018, through engagement with each of our business unit global sustainability champions, we launched our education framework to better define our approach and how this relates to our business, as well as guide our activities and reporting.

### Volunteering

Our community investment programme focuses on the actions we take to support our communities. We don't believe providing monetary support is solely the answer and the foundations of our programme places focus on demonstrable action that ensures our efforts make full use of our time, skills and resources to provide sustainable support to the communities we impact.

As we progress through 2019, the challenge to our business is to demonstrate support for our communities through volunteering our time, skills and resources; our efforts to support education as our global cause will be central to this challenge and with as we introduce our Sustainability Action Tracker in 2019, this will help provide a means to capture our actions and to demonstrate our impact, over and above monetary support.

### Demonstrating our impact

Every day, across our global business, people are showing commitment and courage to care for the communities we live and work in. From adrenaline fuelled skydives to marathon running, moustache growing to head shaving, as well as countless bake sales and community events; our people really have gone above and beyond for the causes close to their hearts.

## Supporting the Global Sustainable Development Goals (SDG)

Our varied community investment activities tackle a number of the SDGs, however an example of some of the SDG targets relative to our efforts to support our communities, and case studies contained within this report are:



### By 2030

- 1.2 reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions
- 2.1 End hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round
- 3.4 Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being
- 4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
- 4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

# Community investment



In December 2018, Wood partnered with Scottish social business, Social Bite, for 'Sleep in the Park', the world's largest sleepout event aiming to raise funds to help make a better future possible for homeless people in Scotland.

## Sleep on it!

In December 2018, Wood partnered with Scottish social business, Social Bite, for 'Sleep in the Park', the world's largest sleepout event aiming to raise funds to help make a better future possible for homeless people in Scotland.

38 Wood employees joined over 10,000 people taking part in the event, which raised over £3.6 million to help tackle homelessness. Funds from Sleep in the Park 2018 have gone towards Social Bite's innovative Housing First initiative, which aims to get people out of temporary accommodation and into a secure home. Backed by the Scottish Government, the Housing First scheme is expected to take 830 rough sleepers off the streets by April 2021.

Dave Stewart our CEO for Asset Solutions EAAA and his wife Margaret were among the participants. He said:

"It was an eye-opening experience to have even a small glimpse into what life must be like for homeless people across Scotland. I am incredibly proud of the team that took part and want to thank everyone who braved the elements to sleep out. We raised over £20,000 and the amazing generosity of those supporting the Wood team was very much appreciated."





### It's in the bag!

Despite having the largest economy in the world, one in six people in the United States lack access to enough food for all household members. Once used as a means to provide relief following an emergency or unexpected event, for many food banks have now become a weekly stop to put food on the table.

At an early April management strategy meeting, leaders from Asset Solutions Americas put a whole new twist on teambuilding when they packed 5,000 pounds of food into family bags for the San Antonio (Texas) Food Bank. They formed 20 small teams for a round robin competition around a circuit of dexterity and carnival game challenges to win food to donate. Like classic overachievers, the teams battled fiercely to pin the tail, bounce ping pong balls into solo cups, transfer small items with chopsticks, etc. But when the final bell sounded, the team focused on packing hundreds of bags of non-perishable food to donate to the Food Bank.

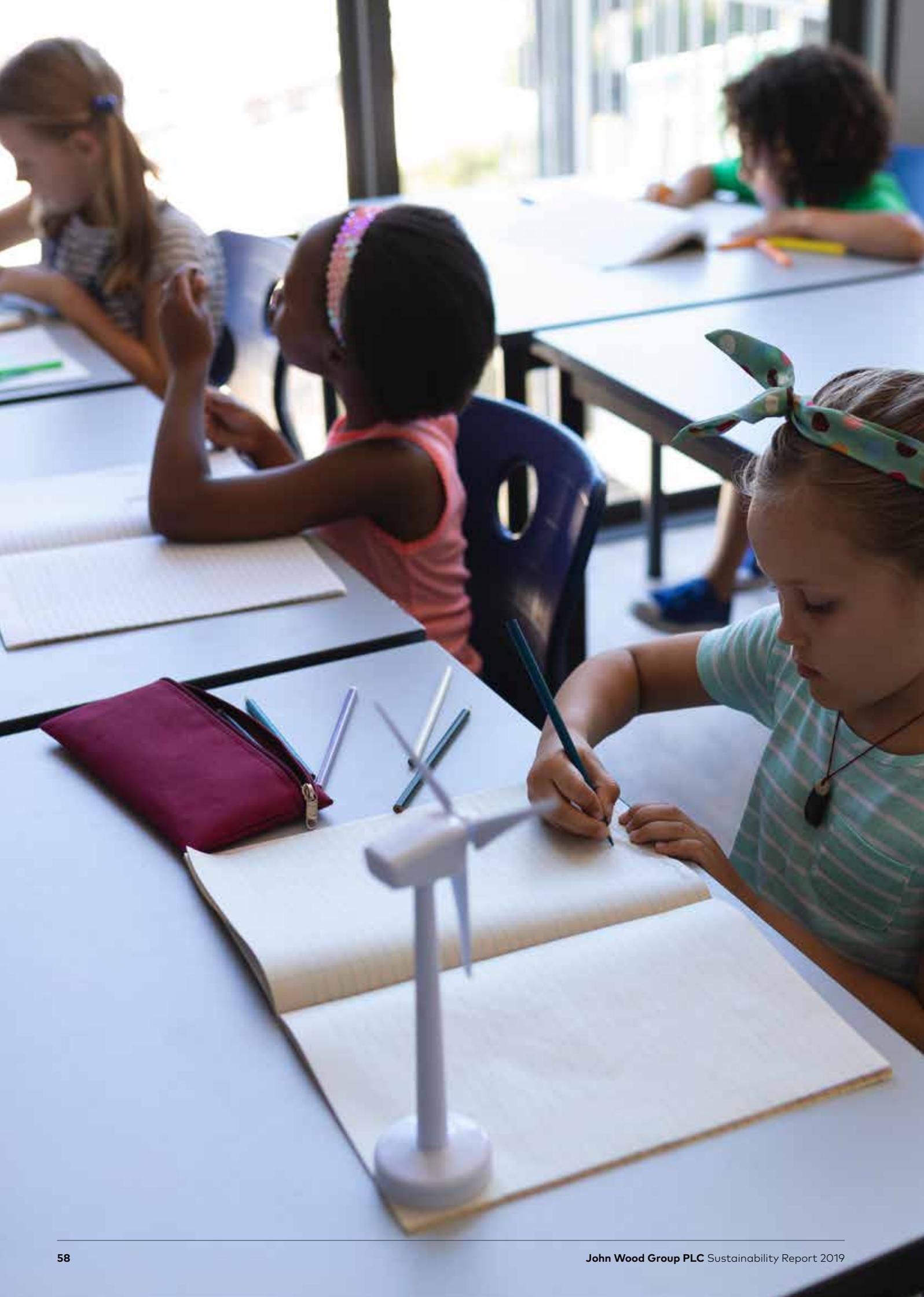


### Cycling for Red Dust

On a crisp March morning, more than 20 Wood employees, clients and families headed to Marysville, a small town nestled in the Victorian high country, for our sixth annual Lake Mountain cycle & family day; a charity event supporting our Indigenous beneficiary, Red Dust. Starting in Marysville's Gallipoli Park, our riders clipped in to tackle the 22-kilometre uphill cycle through the Cathedral Ranges, ending at the Lake Mountain Alpine Resort.

This year's event brings our total fundraising amount to over AUD \$50,000. Supported by Wood's matched funding programme, the total 2018 donation of \$17,000 will support Wood in sending another company ambassador to the Northern Territory to participate in a Red Dust healthy living program. These programs are held in remote communities and help reduce chronic disease amongst Indigenous Australian children through the promotion of nutrition, hygiene and physical activity.





# Advancing our global cause supporting quality education



## Getting job ready

In November, ten students from Dream Learn Work, a non-profit organisation created to help young Brazilians from less developed areas to have a chance for a better future, visited Wood's office in Barra da Tijuca (in the west zone of Rio de Janeiro, Brazil). The group were given the chance to learn about Wood, the oil and gas industry and to find out more about writing CVs, job interviews, and the world of work.

Dream Learn Work was just one of the educational organisations Wood chose to sponsor and support in 2018.

Learn more about Dream Learn Work at: <http://dreamlearnwork.com/2017/visit-at-wood-getting-ready-for-the-job-market/>



## Making a difference in Cameroon

Wood has supported the CEREN Orphanage in Cameroon for more than five years and in mid-November, a number of employees visited the children to provide food and other essentials. Our business in Cameroon supports three local orphanages. On this occasion, the team went to the CEREN (Centre Evangelique de Reinsertion des Enfants de Ntolo) orphanage, three hours' drive from Douala, which is home to about 60 children. Ranging in age from three months to 18 years, the centre provides good health, general and basic education, psychological support, accommodation and other basic needs to the children.

The orphanages supported in Cameroon are heavily dependent on donations. Wood supports with many essential items including paying school and exam fees for around 20 children for more than seven years, providing food and laundry supplies, school equipment such as school bags, uniform and sportswear, medicines, toys, games, clothing and organising a Christmas feast.



## Lighting a spark for engineering

At the end of 2018, fourteen colleagues in the Developing Professionals Network (DPN) in Calgary visited St. Helena Junior High to have some fun with the students, while teaching them about engineering and construction. The group came together for 'Engineering Day,' a day dedicated to helping teach the junior high students about engineering and the world of work. Many of the students do not come from families with professional backgrounds, so for some this was their first time being exposed to a career in engineering.

One of the team said:

"it's extremely rewarding to have the opportunity to engage the next generation in their future education and aspirations. I remember being that age and not knowing what options were out there for me, so to be able to shed a little light on the possibilities is encouraging and I'm hopeful that for even just one, we've managed to light a spark."



# Planet

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At Wood we aim to minimise our impact on the environment and seek to contribute positively towards the global sustainability of the planet we all share.

Our efforts to minimise environmental risk, reduce the impact of our operations and raise environmental awareness and competence amongst our employees, ensures we protect our people, the business and locations we operate in.



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Managing environmental risk

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Reducing our environmental impact

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Raising environmental awareness and competence



### Managing environmental risk

Managing our environmental risks ensures we protect our people from harm, retain our license to operate and helps to protect our business as well as the locations we operate in. Good environmental management is not only the right thing to do but makes business sense to ensure the sustainability of our business.



### Reducing our environmental impact

We aim to reduce the impact of our operations on the environment through sustainable business practices that seek to protect both our business, our people and the planet. Ensuring the protection and efficient use of our planet's resources is vital for not only our business to remain sustainable but ultimately safeguarding the future of our environment for generations to come.



### Raising environmental awareness and competence

Creating a culture of care towards the environment is crucial in helping drive action against climate change and environmental matters. Raising awareness and competence around environmental issues amongst our employees is vital to ensuring we embed environmental considerations into our daily thought process, enabling our people to make informed decisions on their day to day activities.

# Managing environmental risk

**We care about the environment and assume a responsibility to protect and minimise the impact of our operations. Never before have businesses been under such scrutiny for the impact they have on the environment. Ensuring we manage and control environmental risk to our business is essential to protect not only our business, but also our people and the locations impacted as a result of our operations; the risk of not managing our impact on the environment threatens our social license to operate, our reputation as a business that cares and ultimately the planet we all share.**

Our HSSE policy states our commitment to protect the environment and underpins our approach to environmental management; Our integrated HSSEA management system provides the framework for how we manage environmental risks, ensuring we remain in control and deliver continuous improvement in our environmental performance.

In 2018 we continued to implement our environmental strategy, focusing on the three key areas outlined in the structure of this section of the report:

- Managing environmental risk
- Reducing our impact on the environment
- Raising environmental awareness and competence

## Managing environmental risk

We recognise that understanding what our risks are is the first step in protecting the environment. Having a thorough understanding of the environmental risks posed by our operations is critical. This allows for clear expectations and minimum standards to be developed which ensure effective mitigation and management.

## Reducing our impact on the environment

We care about the legacy we leave behind as a result of our operations. As a responsible business, Wood strives to eliminate or reduce as far as possible any negative environmental impacts likely to result from our operations.

## Raising environmental awareness and competence

It is vital that our employees understand why we care about the environment and why it is important to our business. Employees who have specific environmental responsibilities associated to their roles must be equipped with the competence and tools to discharge these requirements appropriately.

Launched shortly after the formation of Wood in late 2017, the strategy addresses the key areas of environmental risk associated with our operations. This includes but is not limited to pollution control and remediation management, legal compliance, impact assessment and preservation and protection.

In 2018, we launched Wood's environmental standards, applicable to all global locations. These standards

detail the minimum requirements for managing environmental risks and ensure a consistent approach to environmental management, supporting the framework of our HSSE management system. Developed following a comprehensive review of Wood's environmental commitments and performance, the standards consider environmental best practice (including ISO 14001:2015), regulatory performance, environmental incident investigations and environmental KPIs. To accompany the standards, we have our environmental standards self-assessment tool, accessible to all to conduct local level compliance against the requirements of each standard.

Additionally, Wood retains ISO 14001:2015 certification in many parts of the business and drive the fundamental learning throughout the company's operations.

### Environmental performance

We record all near miss and environmental incidents globally, reporting these through monthly and quarterly management reports, ensuring senior leadership and board visibility of environmental performance.

#### Number of environmental incidents

2017 **258** 2018 **171**

The number of environmental incidents in 2018 reduced by 34% compared with the previous year's reporting. An ongoing focus on incident classification throughout 2018 resulted in an improvement to environmental reporting. The reporting of leaks from hydraulic lines were the most frequently reported incidents resulting in small volume pollution events. Reviewed regularly for patterns of occurrence this led to several investigations into why hydraulic lines rupture in order to rule out overloading or working beyond safe working limits.

#### Environmental Incident Frequency Rate\*:

2017 **0.29** 2018 **0.20**

\*Environmental Incident Frequency Rate per 200,000 hours worked

We classify our environmental incident based on the worst credible outcome that could have occurred.

- **Low** Minor pollution with reversible or short-term impact
- **Medium** Moderate pollution with localised impact
- **High** Severe / long term damage to the environment

#### Severity of environmental incidents



#### Number of environmental incidents reported to the regulator

Of the 171 environmental incidents recorded in 2018, 16% were reported to the relevant statutory body. As with our 2017 report, this is higher than we would normally expect due to the close relationship between one specific project and the local statutory bodies. The sensitive nature of the work location of the project means that all environmental incidents, no matter how minor they are in nature, are reported to the relevant body(s).

During 2018, Wood faced no environmental prosecutions and did not receive any improvement notices in relation to environmental issues.

### Supporting the Global Sustainable Development Goals (SDG)

An example of some of the SDG targets relative to our business in relation to managing our environmental risks, and case studies contained within this report:



#### By 2020

12.4 achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

#### By 2030

3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

11.6 Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

# Reducing our environmental impact

**At Wood we recognise our responsibility to protect the environment around us and minimise our impact on the environment.**

Our operations touch many parts of the world, and how we choose to manage our impacts on the environment is important to not just ensure our business is sustainable, but that the communities we impact and the world we share is protected for generations to come.

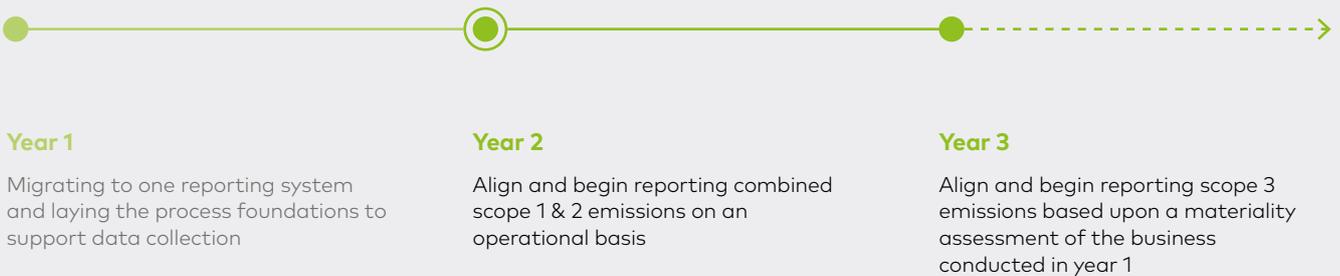
We support the current scientific understanding of how carbon and other greenhouse gas emissions effect the global climate and the longer-term impacts that climate change will have on society, economy and our planet.

As a responsible business, we strive to reduce our own and our clients carbon emissions. We recognise the role we play in driving a low carbon economy. Through innovative thinking and proactive challenge, we believe it is possible to achieve a low carbon future that strikes a balance between acceptable environmental parameters and commercial viability.



## 2020 Target setting timeline

Until we are able to set group wide targets for carbon reduction, Wood has adopted an interim target of 2.5% reduction, normalised per unit of revenue and driven through our sustainability programme.



## Our carbon footprint strategy

Our carbon footprint and how we manage that within our business is vital to realising our own as well as global carbon reduction targets. In 2015, more than 190 countries ratified an historic agreement on climate change in Paris. Aiming to limit the rise in global temperatures to well below 2°C, the agreement will come into effect in 2020. We recognise the role Wood plays in helping the global economy reduce its carbon footprint and realise the importance of providing targeted focus to achieving our global goal.

### Where do we want to be?

To reduce our carbon footprint, we must first set a reduction target. In order to achieve a unified approach, we require a holistic carbon strategy and need to create a baseline year in which to set our target reduction.

To reach a Wood carbon footprint we recognise our strategy must:

- Create an aligned carbon reporting process for the business
- Provide a singular platform for periodic data collection
- Create sufficient time for the business to adapt and implement the required changes

In 2018 we released our Wood Carbon Reporting and Accounting Standard, prepared in line with the principles of the Greenhouse Gas Protocol. This provides a standardised approach to ensuring Wood's carbon footprint is reproducible and comparable on a like for like basis year on year across the business, to allow appropriate discharge of legal and voluntary reporting requirements.

### Our three-year strategy

Based upon a carbon year from 1 October to 30 September, our three-year strategy to align reporting commenced in October 2017 with the objective of being fully aligned by October 2020. Utilising consumption data from year three of our strategy will allow us to set our baseline and create group wide carbon reduction targets.

As well as allowing us to reach a reduction target, our three-year strategy will also allow us to align the various voluntary and legislative compliance schemes applicable to John Wood Group PLC.

# Carbon performance overview

Our three strategy to align carbon reporting for both legacy companies began with our 2017/18 carbon reporting year. In 2018 we retained our legacy reporting boundaries of financial for legacy Wood Group and Operational for Legacy Amec Foster Wheeler. Total global GHG emissions data for both legacy companies is detailed for the period 01 Oct 2017 to 30 Sept 2018:

## SCOPE 1 and 2 emissions

### Legacy Wood Group

#### SCOPE 1:

##### Direct GHG Emissions

Scope 1 comprises of company vehicle fuel consumption, natural gas from our offices and on-site fuel supplying generators and other site equipment.

2017:

19,907

tCO<sub>2</sub>e

2018:

19,621

tCO<sub>2</sub>e

▼ 1%

A small decrease in scope 1 absolute emissions, due in part to a focus on business travel reduction and efforts to reduce consumption across the group.

#### SCOPE 2:

##### Indirect GHG Emissions

Scope 2 comprises of purchased electricity for our office locations.

2017:

2,213

tCO<sub>2</sub>e

2018:

2,174

tCO<sub>2</sub>e

▼ 2%

The decrease in scope 2 absolute emissions is mainly attributable to on-going real estate consolidation throughout the year.

	2017 (tCO <sub>2</sub> e)	2018 (tCO <sub>2</sub> e)	
Natural Gas	334	553	66% ▲
Onsite Fuel	19,573	19,068	3% ▼
Electricity	2,213	2,174	2% ▼
<b>Total</b>	<b>22,120</b>	<b>21,795</b>	<b>1% ▼</b>

Note: Data is for a full carbon year on a financial boundaries basis

### Legacy Amec Foster Wheeler

#### SCOPE 1:

##### Direct GHG Emissions

Scope 1 comprises of company vehicle fuel consumption, natural gas from our offices and on-site fuel supplying generators and other site equipment.

2017:

565,705

tCO<sub>2</sub>e

2018:

396,017

tCO<sub>2</sub>e

▼ 30%

Amec Foster Wheeler emissions include one owned power plant making up 87% of the total 2017/18 emissions. The reduction compared with the previous reporting period is mainly attributable to the sale of an owned power plant in Chile in the first quarter on the 2016/17 carbon year and a planned outage at our remaining power plant in 2018.

#### SCOPE 2:

##### Indirect GHG Emissions

Scope 2 comprises of purchased electricity and steam for our office locations as well as the manufacturing plants of our GPG business.

2017:

50,132

tCO<sub>2</sub>e

2018:

39,595

tCO<sub>2</sub>e

▼ 21%

The decrease in scope 2 absolute emissions is mainly attributable to on-going real estate consolidation throughout the year and a focus on carbon reduction.

	2017 (tCO <sub>2</sub> e)	2018 (tCO <sub>2</sub> e)	
Natural Gas	7,530	6,471	14% ▼
Onsite Fuel	3,804	2,155	43% ▼
Company Vehicle	17,586	8,780	50% ▼
Direct Emissions	536,785	378,611	29% ▼
Electricity	48,038	39,455	18% ▼
Steam	2,094	140	93% ▼
<b>Total</b>	<b>615,837</b>	<b>435,612</b>	<b>29% ▼</b>

Note: Data is for a full carbon year on an operational boundaries basis

## SCOPE 3 emissions

In 2018 we conducted a materiality assessment of our scope 3 emissions, as part of our strategy to align our legacy business to a single approach in scope three reporting in 2020. The outcome of this resulted in the diagram below, detailing Wood's sources of emissions, once we reach the end of our strategy in 2020.

The current difference in reporting boundaries between our two legacy companies and where we are on the timeline of our strategy means we are unable to report combined 3 emissions; we can however provide legacy Amec Foster Wheeler data for 2018 on an operational basis based on the current global collection of data.

### SCOPE 3: Indirect GHG Emissions

Scope 3 emissions are attributable to business travel, including air and rail as well as mileage travelled in personal vehicles and hire cars.



#### ▼ 20%

The decrease in scope 3 GHG emissions are mainly attributable to a reduction in business long haul and short haul air travel; due in part to the rationalisation of travel, promotion of technological alternatives and enforcement of the group wide travel policy.

	2017 (tCO <sub>2</sub> e)	2018 (tCO <sub>2</sub> e)	
Long Haul Air	20,044	13,660	32% ▼
Short Haul Air	12,887	13,003	1% ▲
Non-Company Vehicle	12,491	9,074	27% ▼
Train & Bus	198	165	17% ▼
Transmission & Distribution	3,434	3,553	3% ▲
<b>Total</b>	<b>49,054</b>	<b>39,455</b>	<b>20% ▼</b>

Note: Transmission & Distribution - emissions associated with electricity which is lost in the Transmission & Distribution system used for delivering purchased electricity.

## Look ahead

We will progress with our strategy in 2019, developing our business capacity to report scope 1 & 2 emissions on an operational basis and prepare for scope 3 reporting in 2020.

We will continue to report our carbon performance in both a legal and voluntary capacity; this includes:

### Legislative

- The Carbon Reduction Commitment (CRC) scheme
- Article 8 of the EU Energy Efficiency Directive (2012/27/EU)
- The Companies Act 2006 (strategic and directors' Reports) Regulations 2013

### Voluntary

- Carbon Disclosure Project (CDP) – Climate Change

## Supporting the Global Sustainable Development Goals (SDG)

An example of some of the SDG targets relative to our business in relation to managing our carbon footprint, and case studies contained within this report:



13.2 Integrate climate change measures into national policies, strategies and planning

### By 2030

9.4 upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes

12.2 achieve the sustainable management and efficient use of natural resources

## Minimising resources

The world's natural resources are vital to sustaining life on earth and non-renewable resources, such as oil, natural gas and coal, although naturally occurring, are limited in supply. How we manage and conserve resource helps us to not only reduce our global carbon footprint but also minimise our impact on the environment.

### Energy management

Our direct energy consumption is associated mainly with our office and site locations utility consumption of electricity, natural gas, heating oil, steam and generator fuel. In line with our three-year strategy to align our carbon data collection, the current collection of energy data across both our legacy companies has meant we cannot at present fairly compare consumption; however, we can give a legacy overview for each in terms of intensity and volume consumed.

Due to the volumes reported by our single power plant facility, for the purpose of fair comparison, we have separated Martinez Power Plant consumption and shown this detail at the end of this section.

### Annual fuel and energy consumption (MWh)

#### Legacy Wood Group

2017:

94,804

MWh

2018:

86,824

MWh

▼ 8%

The decrease in total energy consumption (MWhs) is mainly attributable to a fluctuation in contracts throughout 2018 in our UK business.

	2017 (Mwhs)	2018 (Mwhs)	
Natural Gas	1,807	2,760	53% ▲
Electricity	10,853	6,769	38% ▼
Onsite Fuel decrease 17%	82,144	77,295	6% ▼
<b>Total</b>	<b>94,804</b>	<b>86,824</b>	<b>8% ▼</b>

Note: Data is for a full carbon year on a financial boundaries' basis

#### Legacy Amec Foster Wheeler

2017:

168,538.43

MWh

2018:

139,933.74

MWh

▼ 17%

The decrease in total energy consumption (MWhs) is mainly attributable to a reduction in onsite fuel use at our Transmission and Distribution business site projects and closure of our Global Power Group business and our manufacturing plants in Poland, Finland and Sweden in 2018.

	2017 (Mwhs)	2018 (Mwhs)	
Natural Gas	41,366.61	47,345.38	14% ▼
Electricity	101,743.81	82,309.06	19% ▼
Onsite Fuel	15,530.62	8,944.60	42% ▼
Heat & Steam	9,897.39	1,334.70	87% ▼
<b>Total</b>	<b>168,538.43</b>	<b>139,933.74</b>	<b>17% ▼</b>

Note: Data is for a full carbon year on an operational boundaries' basis. Figures exclude our power generation site

### Combined energy consumption

	2017 (Mwhs)	2018 (Mwhs)	
Natural Gas	2,234.70	2,018.35	10% ▼
Electricity	15.75	22.86	45% ▲
Diesel	23.87	60.48	153% ▲
<b>Total Energy Consumption</b>	<b>2,274.32</b>	<b>2,101.69</b>	<b>8% ▲</b>



### Energy performance intensity

In a similar vein to how we have compared absolute energy consumption, we are able to normalise consumption by two key metrics; per number of employees (average full time equivalent) and per unit of revenue (per \$1million).

We have excluded our Power Generation Plant in Martinez, California due to the scale of consumption, to better provide comparison of our global consumption.

Legacy Wood Group		Legacy Amec Foster Wheeler	
2017: <b>3.55</b> MWh per Employee	2018: <b>3.28</b> MWh per Employee	2017: <b>5.02</b> MWh per Employee	2018: <b>5.58</b> MWh per Employee
2017: <b>16.31</b> Mhw per \$1m Revenue	2018: <b>16.35</b> Mhw per \$1m Revenue	2017: <b>35.89</b> Mhw per \$1m Revenue	2018: <b>24.44</b> Mhw per \$1m Revenue
Note: Data is for a full carbon year on a financial boundaries' basis		Note: Data is for a full carbon year on an operational boundaries' basis. Figures exclude the power generation site	

# Resource resilience



## Water management

At Wood we recognise the risk that water scarcity, pollution and weak water governance can have on our organisation and the adverse impacts this poses to communities and the environment. Water is an essential ingredient to business operations, and we acknowledge our responsibility to enable more sustainable management of shared freshwater resources.

Our environmental strategy includes a group wide focus on water consumption, which will take a risk-based approach to assessing Wood's operations in water scare regions to target the areas of our business with the greatest exposure to water related risk. Following on from this the strategy will look to work with those operations identified as at risk from water scarcity to monitor usage and develop reduction plans. Work on this element of our strategy will begin in late 2019.

Our legacy Wood Group business previously submitted to the voluntary Carbon Disclosure Project (CDP) Water, however since coming together as Wood we have declined to submit towards CDP Water to ensure focus

is placed upon our environmental strategy, key integration projects in 2018 and the development of our first Wood CDP Climate Change submission. Learnings from our previous assessment of water risk will be incorporated into our approach, focusing on three key risk categories; Physical quantity/quality, regulatory and reputational.

Additionally, through our service offering we provide global support around a number of areas of water stewardship. Our integrated approach to water creates a balance between the needs of today and smart planning for tomorrow. Helping to evaluate multiple and competing objectives and priorities to determine the best possible outcome and usage of water resources is what we do best. From establishing new water resources to achieving the most from existing resources, our experts support thousands of projects every year.

## Supporting the Global Sustainable Development Goals (SDG)

An example of the SDG targets relative to our business in relation to minimising resources, and case studies contained within this report:



13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

### By 2020

15.8 Introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species

14.2 Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans

### By 2030:

2.4 ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

6.3 Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

6.4 Substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

7.3 Double the global rate of improvement in energy efficiency



## Improving water quality in the Andean highlands

### The Challenge

The Colpitas catchment (a watershed within the Lluta) is home to a small indigenous community, and local waters are characterised by high mineral content (specifically boron and arsenic). Further downstream, approximately 1,000 agricultural workers grow crops in the Lluta Valley, a region where agriculture must be specially adapted to harsh conditions, with elevations above 5,000m. Wood's challenge was to improve water quality to provide a sustainable resource for irrigation and agricultural production.

### What did we do?

Wood designed a sustainable, integrated framework, executed in two phases in order to determine the best methods for mitigating contamination:

- **Phase 1:** Identification and characterisation of contamination
- **Phase 2:** Preliminary design of mitigation measures

To effectively deliver this project, we leveraged our water resources, hydrogeology, water quality and engineering expertise from our Santiago office in Chile.

2

ZERO HUNGER



6

CLEAN WATER AND SANITATION



## Protecting 10,000 acres of coastal habitat

### The Challenge

During severe storms, most notably Hurricane Sandy in 2012, the dunes along the beach were breached, causing salt water inundation, beach erosion and flooding.

To re-establish native plants and wildlife to the area, the U.S. Fish and Wildlife Service modelled potential scenarios for restoring a sustainable, resilient coastal ecosystem and tasked Wood with executing the construction.

### What did we do?

Our onsite project team worked on a \$17M design-build contract to restore 1,500 acres of damaged tidal salt marsh to create tidal channels through draft hydraulic dredging, planting and invasive species management. Combining creative thinking with technical expertise, Wood developed advanced processes to safely install more than 1,000,000 native marsh grasses and remove invasive plants.

Our work on the project strengthened community resilience to future storms and increased the refuge's ecological resources as part of the Hurricane Sandy Resiliency projects.

13

CLIMATE ACTION



14

LIFE BELOW WATER



15

LIFE ON LAND



# Managing climate risk

The world today faces no greater risk than that posed by climate change. The modern-day challenge of managing increasing demand for energy, while finding ways to limit carbon emissions is a collective risk we must confront to ensure a sustainable future for our planet.

At Wood, we support efforts to tackle climate change and the United Nations Paris Agreement on Climate Change seeking to limit global warming this century to below 2 degrees above pre-industrial levels. Increased social and environmental issues as a result of climate change has meant an increasing focus on resilience and innovation, to strengthen and promote sustainable growth. We invest in technological solutions that aid management of climate risk, which we believe advances our own and our customers resilience and low carbon ambitions.

As well as our operational activities to support action on climate change mitigation, coupled with our efforts to join the global conversation in leading transformative change in the markets we influence, we also look to our internal actions to mitigate and reduce our impact on the environment.

As a global organisation of over 60,000 employees in over 60 countries, how we communicate and conduct our day to day business can have a significant impact on our carbon footprint and global greenhouse gas emissions. In 2018 we made significant steps to improving our internal technology to better connect our people, integrate and connect our legacy businesses and advance methods to support remote working, wherever possible. Through promotion of remote working and a focus on essential travel and enforcement of our global travel policy has resulted in reduced carbon emissions and reduced cost to our business.

Our journey to better connect is still ongoing as part of our integration efforts; consolidating to a single, standard IT platform, upgrading our operating environment and some of our aged assets and enhancing security measures to meet the level of attack we now face as an organisation of our scale. All of this helps Wood to be flexible, agile and stay secure.



# Advancing resilience innovation



In 2018, Wood's program manager of climate resilience & sustainability, spoke at the Shared Value Leadership Summit, in New York. The annual summit brings together like minded business leaders seeking to leverage their assets and resources to address societal challenges, whilst still delivering to stakeholders and investors. Topics ranged from artificial intelligence (AI) and healthcare to connecting technology, finance for inclusive value chains and driving business value from shared value among the business sector. Wood's involvement in events of this kind are key to advancing our work around global resilience and energy transition towards a more equitable, healthy and sustainable world.

"It was an incredible experience to discuss how our resilience and sustainability business drives shared value from our projects but also to share ideas with some of the most significant organisations in the world. Wood has a tremendous opportunity to drive benefits across social, economic and environmental areas from our projects that can result in a business benefit to our global organisation."

**Wood's program manager of climate resilience & sustainability**



# Industry collaboration on reducing CO<sub>2</sub> emissions



**In late 2018, Wood was awarded a first-of-a-kind, multi-million-dollar contract by the Oil and Gas Climate Initiative Climate Investments (OGCI CI) to provide conceptual engineering for its gas power and industrial carbon capture conceptual design work.**

The OGCI CI is a billion-dollar investment fund that invests in promising technologies and business models that have the potential to significantly reduce the carbon footprint of the energy and industrial sectors.

The industrial carbon capture design will initially cover five of the principal industrial emitters of CO<sub>2</sub>: the production of hydrogen, fertiliser, petrochemicals, cement, and steel. As part of the scope of work, Wood's technology and consulting team will complete engineering and concept design work for a full-scale gas power plant with carbon capture, leveraging its global expertise in consulting, process technology, pipelines and capital projects.

Bob MacDonald, CEO of Wood's Specialist Technical Solutions business, said:

"Wood is delighted to be supporting OGCI Climate Investments on its gas power and industrial carbon capture conceptual design project.

"We are working closely with our customers to lead the energy transition, a global challenge facing many industry sectors. Being at the forefront of this important, industry-led initiative further demonstrates our ongoing commitment to mitigating climate change by reducing CO<sub>2</sub> emissions."



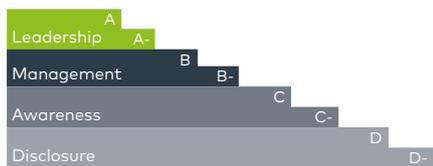
# Climate change reporting

At Wood we recognise the need to be transparent in reporting our efforts to tackle climate change. As a business seeking to lead transformative change in the markets we impact, it's important that we manage our own impact on the environment. Through the voluntary Carbon Disclosure Project (CDP) Climate Change, we are able to report our approach and actions towards tackling climate change. CDP is the largest registry of corporate GHG emissions in the world and allows investors & cities to better understand risk, capitalise on opportunities and make investment decisions that drive action toward a more sustainable world. There are numerous advantages for Wood in gathering data in response to the CDP Climate Change questionnaire, including:

- Identification of key risks associated with climate change
- Increased transparency to shareholders, clients and the general public
- Allowing us to benchmark our organisation against our peer and industry groups

In 2018 we produced our first report to CDP Climate Change as Wood, building on both legacy companies' previous input to the initiative.

## How did we perform in 2017?



CDP submissions are assessed across four consecutive levels which represents the steps a company moves through as it progresses towards environmental stewardship. The score assesses the level of detail and comprehensiveness of the content, as well as the companies' awareness of climate change issues, management methods and progress towards action taken on climate change.



## Disclosure scores overview

### 2018 Score:

Wood plc: Awareness : **C**

### 2017 Comparison:

Legacy Wood Group: Management **B**

Legacy AmecFW: Awareness **C**

## Sector benchmarking

Country: **United Kingdom**

CDP Program: **Investor**

Sector: **Energy**

Industry activity group: **Oil & Gas**

### Industry activity group average

Awareness: **C**

### CDP program average

Awareness: **C**

Our performance in the 2018 CDP Climate Change report shows Wood to be aligned with the energy industry average, however we hope to improve this score as we continue to integrate our business and progress with our carbon strategy in setting more ambitious reduction targets.

## Supporting the Global Sustainable Development Goals (SDG)

An example of the SDG targets relative to our business in relation to managing climate risk, and case studies contained within this report:



13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries

### By 2020

11.b substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change and resilience to disasters

### By 2030

1.5 Build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disaster

# Raising environmental awareness and competence

**At Wood, we believe it is vital that our employees understand why we care about the environment and why it is important to our business.**

Employees are the foundations of our sustainability team and it is important that we give them the knowledge to make informed decisions in their day to day activities embedding environmental considerations into their thought process. By doing so, environment does not simply become a 'bolt on' to our work but becomes ingrained in the psyche allowing for better management of our operations. More importantly, employees who have specific environmental responsibilities associated to their roles must be equipped with the competence and tools to discharge these requirements appropriately to both safeguard our people and the sustainability of our business.

How we communicate our overall sustainability programme, which includes but is not limited to, environmental awareness is vital to ensuring we connect with our global business. For our projects and functions to truly drive sustainable action and awareness we need a robust method of communication throughout the different levels of our organisation.



## Sustainability champions network

In 2018 we placed a focus on growing a network of sustainability champions across our business. Beginning with four CEO nominated global champions for each of our business units, we set about recruiting local champions, with one simple goal, to grow our network to include at least one sustainability champion in each location we operate, supported where possible by a local sustainability team.

The Global Sustainability Champions led by our group Sustainability Manager form part of our Sustainability Leadership Network (SLN). The network meets on a monthly basis to help advance and embed our sustainability programme, focusing on how best to communicate the key messages of our programme and helping to shape our strategy through engagement with the wider champions network.

Every local sustainability champion acts as a key point of contact for employees, local groups and management on local efforts to support sustainability. Through the creation of a local sustainability team, each champion will gain the support of

engaged individuals that are enthused to drive forward our sustainability programme; together these groups will help drive local action and encourage communication back to the global sustainability team via the sustainability action tracker; in turn providing input into Wood's Sustainability strategy and direction.

Additional networks across our business, such as our employee group wide Listening Group Network help to further communicate key messages to our employee base, whilst maintaining that two-way communication between our workforce and senior leadership.



wood.

Environmental Standards



HSSE-STD-100053  
Rev 0  
20 July 2018

### Raising awareness of environmental management

Raising awareness around environmental management ensures we retain a consistent and minimum level of compliance across the business. In 2018, we launched our environment standards, with a communication campaign aimed at targeting those areas of the business with specific environmental responsibilities within their role. Supported by regular communications channelled through senior HSSE management and targeted groups across the business, the standards support the framework of our HSSE management system and are promoted through regular channels of communication across the HSSE community. As part of our environmental strategy, a suite of awareness materials will be created in 2019, to support the standards as well as improve general environmental awareness with the development of an environmental awareness online training package.

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## Beat Plastic Pollution if you can't reuse it, refuse it!

**1 million** plastic bottles are bought around the world every minute... this number is set to increase by another **20%** if we don't act now!

**Solution:** Reusable water bottles



woodplc.com

### Global awareness campaigns

At Wood we recognise the importance of supporting internationally recognised days that help promote issues of international interest and concern.

Wood observes two main dates in our global calendar of events dedicated to environmental awareness, Earth Day in April and World Environment Day in June. In 2018, we observed both dates in the calendar, with particular focus placed on UN World Environment

Day and the theme for the year being #BeatPlasticPollution; linking in with our internal efforts to create awareness and action around single use plastic. With our sustainability week celebrations in September each year, we're able to recap on these global campaigns and place additional focus on environmental issues, ensuring we have three key points throughout the year to keep the conversation moving and promoting sustainability across our business.

# Reducing plastic waste

**160,000** plastic bags are used globally every second

As most plastic does not biodegrade, if plastic usage isn't curbed, the amount of plastic in our oceans will outweigh fish by 2050.

**Beat plastic pollution**  
if you can't reuse it. refuse it.

Plastic pollution is one of the biggest environmental challenges of our time, with between eight and 12 million tonnes of plastic believed to enter the oceans each year, statistics warn that by 2050, there will be more plastic (by weight) in our oceans than fish.

Our working group approach to reducing plastic waste:

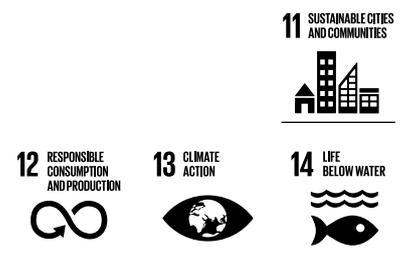


At Wood, we recognise the negative impact disposable plastic use has on the environment and as a responsible business we want to play our part in reducing our reliance on single use plastic and work towards more environmentally friendly and sustainable solutions.

In the first half of 2018, we set about establishing a global working group of passionate employees to help us tackle single use plastic in our business. To focus our efforts where we can make the biggest impact, we asked our employees during our first sustainability week celebrations to complete a quick survey on their personal and workplace use of single use plastic. As well as raising awareness on the topic, the survey provided statistics from a cross section of our business against the six most common types of plastic found in our oceans. Averaging the response to the survey, we calculated the average Wood employee generates 103.8g grams of plastic waste per day. This is 23% less than the global average, but more than five times that of the world's lowest plastic-waste-producing country.

Encouraging better understanding within the business of how single use plastics impacts the environment is the first step in our journey. The complexity of tackling plastic waste varies across the regions we operate, and we understand a 'One size fits all' approach does not work, and the approach taken by the global working group is structured with this in mind.

Through the course of 2019, starting with our general awareness campaign, we aim to shine a spotlight on our addiction to plastic. Case studies will be recorded through our upcoming Sustainability Action Tracker, set to launch in early 2019, and used to build the business case for further action to be taken across Wood.



# Sustainability week 2018



How we communicate our actions around sustainability and connect our global conversation around sustainability is vital to ensuring we remain focused, engaged and passionate about providing sustainable value.

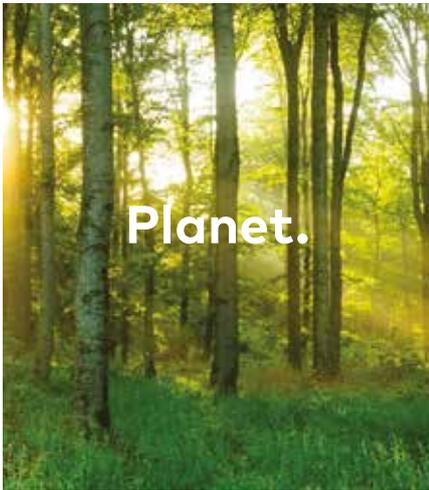


### Global objectives

- Demonstrate support for HSE initiatives and awareness campaigns
- Demonstrate support for your community and our global cause: education
- Development starts with you; hold an annual discussion with your line manager about your personal development

On 24th September 2018, we launched our first sustainability week. This will be an annual occurrence in the Wood calendar and a catalyst for sustainable action all year round. The week is about showcasing and sharing local action that supports our global sustainability efforts, as well as how we align to the United Nations Sustainable Development Goals. The event was formally launched by our Executive President for HSSEA.

As part of the week's celebrations we introduced our Sustainability Commitments, which are nine global objectives around People, Planet and Profit that seeks both personal and local team commitments towards local sustainable action. We recognise that turning our global objectives into local actions will help us become a more sustainable business and demonstrate our contribution to the economy, society and world we all share.



## Planet.

### Global objectives

- Demonstrate commitment to reducing our carbon footprint
- Demonstrate efforts to mitigate or reduce the use of disposable plastic
- Reduce business miles by finding an opportunity to do one less business journey, perhaps by using Skype or conference calls

Through our sustainability week internal homepage, employees were able to access multiple resources, aimed at supporting activities throughout the week and beyond, including:

- Our sustainability awareness training module
  - An online training module, accessible to all as an introduction to sustainability and Wood's programme structured around People, Planet and Profit
- Plastic waste survey
  - Open to all employees, the survey measured both personal and business use of single use plastics as well as capturing our people's opinions on tackling the issue
- Sustainability Commitments
  - Global objectives to support local action around key elements of our People, Planet and Profit strategy, aimed at both an individual and local team
- Fact sheets and useful resources
  - Aimed at helping facilitate action, the resources made available



## Profit.

### Global objectives

- Complete your annual ethics training and promote ethical behaviour in your part of the business
- Demonstrate efforts that support the profitability of our business
- Demonstrate innovation and ways of working better together

linked to both internal and external sources. Nine one-page fact sheets around People, Planet and Profit helped to provide key facts, available resources and prompts to action

As we progress with our sustainability programme, sustainability week will continually develop as a platform to communicate our year-round actions to support sustainability. As we develop our networks and seek to create local teams, how we measure and embed our sustainability commitments will only improve, as will how we report these actions back through our upcoming Sustainability Action Tracker.

Our activities around sustainability week cut across a wide range of the UN SDGs. In particular, the relevant SDG targets that centre around raising awareness and ensuring people have the relevant information to adapt their lifestyles to promote sustainable development.

### Supporting the Global Sustainable Development Goals (SDG)

An example of some of the SDG targets relative to our business in relation to environmental awareness and competence, and case studies contained within this report:



13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

#### By 2020

12.4 achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

#### By 2025

14.1 Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

#### By 2030

11.6 Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

# Profit

At Wood we are not motivated by 'Profit at any cost'. Our values and behaviours underpin our approach to building a culture where we continuously provide positive value for our employees, clients, investors and communities.

We recognise the need to future proof our business, driving innovative thinking across our operations to develop sustainable solutions to current and future sustainability challenges. We realise that to remain relevant and forward thinking we must be bold in our approach to bring positive disruption to the industries we impact and harness our ability to revolutionise the services we bring to market.



Creating sustainable profit

Responsible business practice

Driving innovation

Advancing sustainability on projects



### Creating sustainable profit

We are not driven by the concept of profit at any cost. We recognise the long-term value to our business by embedding sustainable thinking into our daily operations, creating a foundation of success for our employees, clients and investors. Taking a measured approach to risk, our strategy assesses our triple bottom line to provide sustainable value to our social, environmental and economic impacts.



### Responsible business practice

We are committed to improving and sustaining a strong ethical culture at Wood. We believe in always 'doing the right thing'; Common to everything we do are our values, which set out a simple, clear expectation to deliver a high standard of service with the right behaviours. Doing the right thing makes good business sense, enhances Wood's reputation through the choices our people make and ensures we continue to operate now and in the future.



### Driving innovation

At Wood we believe that in order to deliver sustainable growth we must embrace technology to create new possibilities and transform how we use information to innovate and differentiate our business to help meet the evolving needs of our clients and the world around us. Through pioneering innovation, we seek to solve global industry challenges whilst providing sustainable solutions that address global sustainability goals.



### Sustainability on projects

The pace of change across all our industries is increasing and we face continuous pressure to evolve and adapt. We operate across multiple sectors and regions, with a diverse portfolio of projects that bring ever increasing demands to manage our business in a sustainable way. As well as providing the opportunity to demonstrate our own sustainable practices, our projects give us the opportunity to advance global sustainability goals, climate resilience and energy transition to a low carbon future.

# Creating sustainable profit

**Like most businesses, Wood is focused on realising value providing a sustainable return to our investors, shareholders and employees.**

**To do these goals, it is important that we can deliver a sustainable level of profit, and address multiple stakeholder needs to ensure our long-term sustainability.**

We recognise the value proposition of sustainability to our business model and the importance this plays in our daily decision making, determining the impact that Wood has on wider society, the economy and the world around us. At Wood, we believe our success is determined by how well we manage our social, economic and environmental impacts and risks, to ensure we make informed decisions about how we chose to run our business.

We employ an asset light, flexible business model allowing us to respond quickly to changes in market conditions. Our broad end market exposure means we are less exposed to volatility in individual markets and better placed to help advance global energy and industrial transitions. Our focus on technological advantage means we design and deploy leading edge technology that creates efficient and sustainable solutions for our customers.

The share of Annual Earnings Per Share (AEPS) distributed to shareholders. Dividend per share increased by 2% in line with our progressive dividend policy, taking into account cash flows and earnings.

**Dividend per ordinary share**  
cents

30.3	33.3	34.3	35.0
2015	2016	2017	2018



## Financial summary

### Revenue including joint ventures<sup>2</sup>

**\$11,036m**

(2017: \$6,169m) ▲ **78.9%**

(Proforma 2017<sup>1</sup>: \$9,882m)

% Movement vs. proforma: ▲ **11.7%**

### Adjusted EBITA<sup>2</sup>

**\$630m**

(2017: \$372m) ▲ **69.4%**

(Proforma 2017<sup>1</sup>: \$598m)

% Movement vs. proforma: ▲ **5.4%**

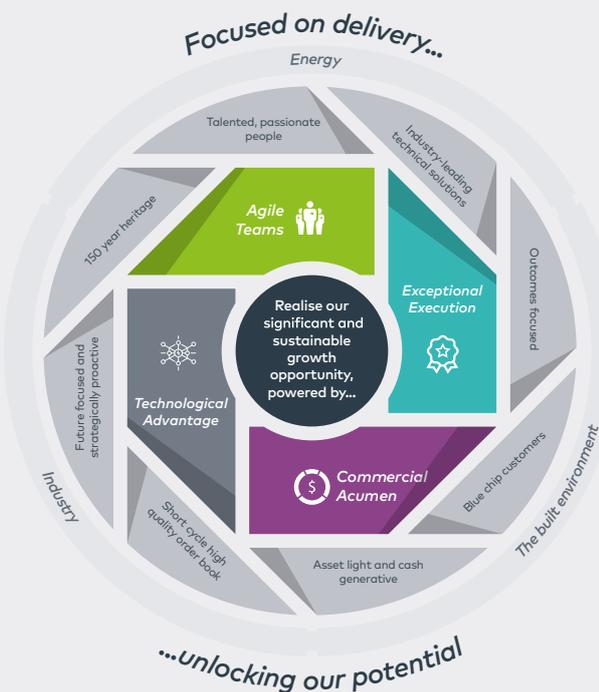
## Planning for success

Our purpose is to create sustainable value for our customers, our people, investors and the communities where we live and work, using our collective energy to create a better tomorrow.

Wood's strategy has historically focused on transforming our business to broaden our service and sector portfolio. Forming Wood in late 2017 accelerated that strategy in a number of significant ways, giving us the diversified and differentiated company we now operate. Today, we recognise the significant and sustainable growth opportunity our new platform affords us. The priority of our current strategic cycle focusses on delivery, to fully unlock our potential and create a sustainable business that creates value in the eyes of our people, customers and investors.

## Wood's business strategy

Built around 4 core competencies, our strategy will help realise our vision to inspire with ingenuity, partner with agility and create new possibilities.



Our business unit strategies align with and support our overall Wood strategy, ensuring we are all working towards the same goals at every level of the business.



### Agile Teams

Deploying our most talented people with agility to deliver the right solutions now and in the future. Our ability to adapt keeps us relevant and offers great opportunities for our people.



### Exceptional Execution

We are differentiated by our shared commitment to consistently deliver exceptional outcomes that add value and build trust with our stakeholders.



### Commercial Acumen

We are rewarded for the value we bring; we balance risk and reward and use our extensive experience to allocate capital where it impacts most.



### Technological Advantage

Continuously finding greater efficiencies and creating new solutions by uniting our ingenuity and deep heritage with game-changing technologies.

# Our strategy in action



## Case example of our commercial acumen in action:

### Working smarter together

As part of Wood's effort to streamline the use of software across the organisation, our Technical Applications Consolidation (TAC2) project aims to bring consistency and simplicity to the way we work. Ensuring we demonstrate commercial acumen by allocating capital where it impacts most is demonstrated through the TAC2 project, which has so far identified over \$4.5 million in savings, and more than 300 applications and versions to be removed and retired from the organisation. Now in its second phase, the project will help ensure we are:

- Using the right applications for the job
- Leveraging our agreements with our suppliers to obtain optimum costs for our toolset, and so remaining competitive for our customers
- Minimising our risks across business and IT by removing out-of-date or unsupported software from the network
- Achieving consistency and the ability to move work and personnel around the business with ease
- Establishing improved control and utilisation of licenses



## Case example of our agile teams in action:

### Wood's enterprise programme

Launched in 2018, Wood's Enterprise Programme is a major integration project and a key enabler in reducing the complexities around our business systems and processes, standardising our operating model and rationalising our global entity and business structures. Ultimately, this will create a more agile business with greater opportunity to sell more joined-up solutions to our customers.

Through Enterprise we can drive significant benefits that will realise:

- Improved collaboration and workshare across our business units
- Realising the benefits of our shared service model for finance and People & Organisation
- Increased opportunities for growth and development of our people
- Improved Cash management
- Stable applications for business continuity
- A Single source for people data management



## Case example of our exceptional execution in action:

### Simplifying for our people

Ensuring we are consistently exceptional in our execution, delivering outcomes that add value and build trust with our stakeholders is one of the components that will power our success. In order to achieve this, we need the management system that supports our business to be simple and efficient, giving our people information that is pertinent, helpful and easy to navigate, while establishing best ways of working.

In 2018, our employee survey told us that removing complexity and simplifying how we work together was important to our people. We listened and quickly established a dedicated integration project to look at our management system information. Having already simplified our approach to management system certification, we are currently collecting information to understand the critical processes which define how we work. The team tasked with driving forward the project, will then work with the business to identify and harness good practice, standardise where appropriate and remove duplication and non-value adding content from our management system.

By driving standardised ways of working, the project will allow us to share work across the business, facilitate greater collaboration as we continue to grow and make it easier for our talented people to move around our global business.



## Case example of our technological advantage in action:

### Get Inspired!

Wood brings new thinking and fresh ideas to every project. Our drive to continuously improve runs throughout our organisation. A key part of our culture, innovation applies to our people, processes and technologies. It pushes us to perform better and look for opportunities to move our business forward. We take advantage of digital technologies at every stage of our work and yet there remains enormous potential to integrate these methods further into our operations to make our lives safer, easier and more effective.

Our in-house magazine, Inspired, showcases some of our latest developments. Our improvements take many forms, from cutting edge technologies, to progressive thinking and new behaviours.

 Download the latest copy of Inspired from our website: [www.woodplc.com/who-we-are/our-advantage](http://www.woodplc.com/who-we-are/our-advantage)

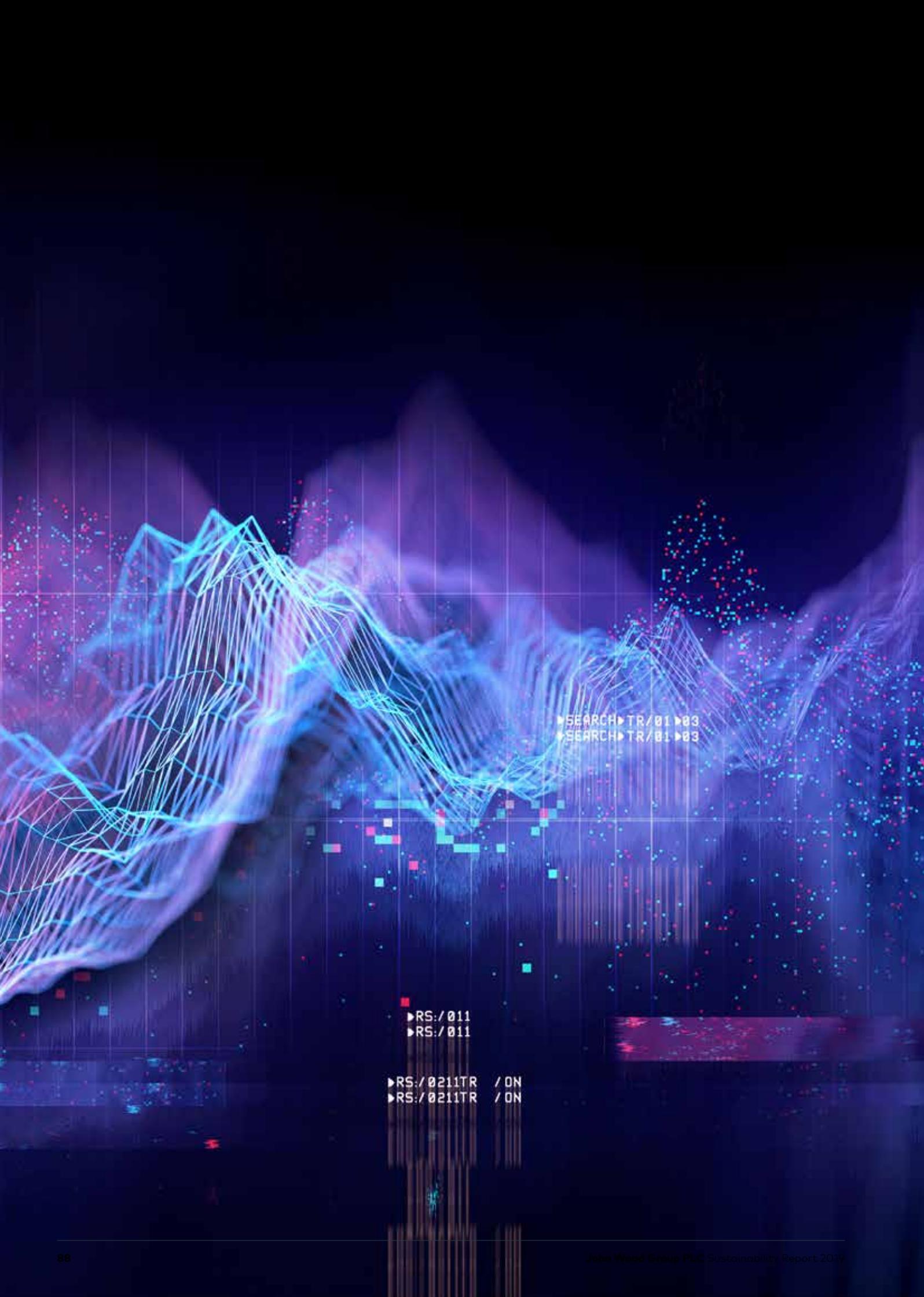


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# Our strategy in action



## Supporting strategic advancement

Supporting the business, our internal strategy and analysis function within Wood seeks to provide our global senior leadership with the insight, people, process, tools and culture required to produce an aligned strategic direction and engaged strategy community, all supporting strategy execution.

Our business is continually evolving and at Wood we recognise the need to manage that change responsibly to ensure the operational risk we expose ourselves to is sufficiently managed and, at a minimum, compliant with all applicable laws in the regions where we operate. Integrating our legacy businesses, post the acquisition of Amec Foster Wheeler in 2017, was a key priority and focus for Wood in 2018. It provides both opportunity and challenge in equal measure, to ease stakeholder uncertainty and build a future ready, sustainable business.

Wood's simplified organisational structure was established before Day 1 and we completed the integration in October 2018, twelve months after completion of the acquisition. Our actions during the year focused on establishing our organisational structure, high-grading management, integrating business development functions and merging bidding pipelines, implementing enhanced processes for management of contract risk and working capital, establishing common ERP systems, rationalising IT systems and consolidating real estate to co-locate offices in key hubs. The operational cultures of the legacy businesses were already well aligned allowing us to roll out our Vision, Values and Behaviours which are the foundations of our cultural framework, in the first quarter.

## Recognising the generational horizon

The world population currently sits at 7.7 billion, increasing by 75 million people annually. This level of growth has introduced significant global challenges around our resource consumption management, the resulting effects of climate change and increasing social impacts. Coupled with technological advancements, changing consumer preferences and evolving policies, these challenges are felt by organisations across all sectors, and the pressure to affect change has never been greater. Global 'megatrends' create long term change that has the power to reshape how governments, business and societies think and act; at Wood we see the importance of actively addressing these megatrends, reflecting these against our own business to shape our long-term strategy.

We recognise 4 key megatrends that directly affect the long-term sustainability of our business; our work in 2018 and beyond will look at how these trends impact our operations, reflecting these against our long-term strategy to ensure Wood contributes to shaping a sustainable future for generations to come.

## Supporting the Global Sustainable Development Goals (SDG)

An example of the SDG targets relative to our business in relation to strategy and creating sustainable profit, and case studies contained within this report:

4 QUALITY EDUCATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



13 CLIMATE ACTION



8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

### By 2030

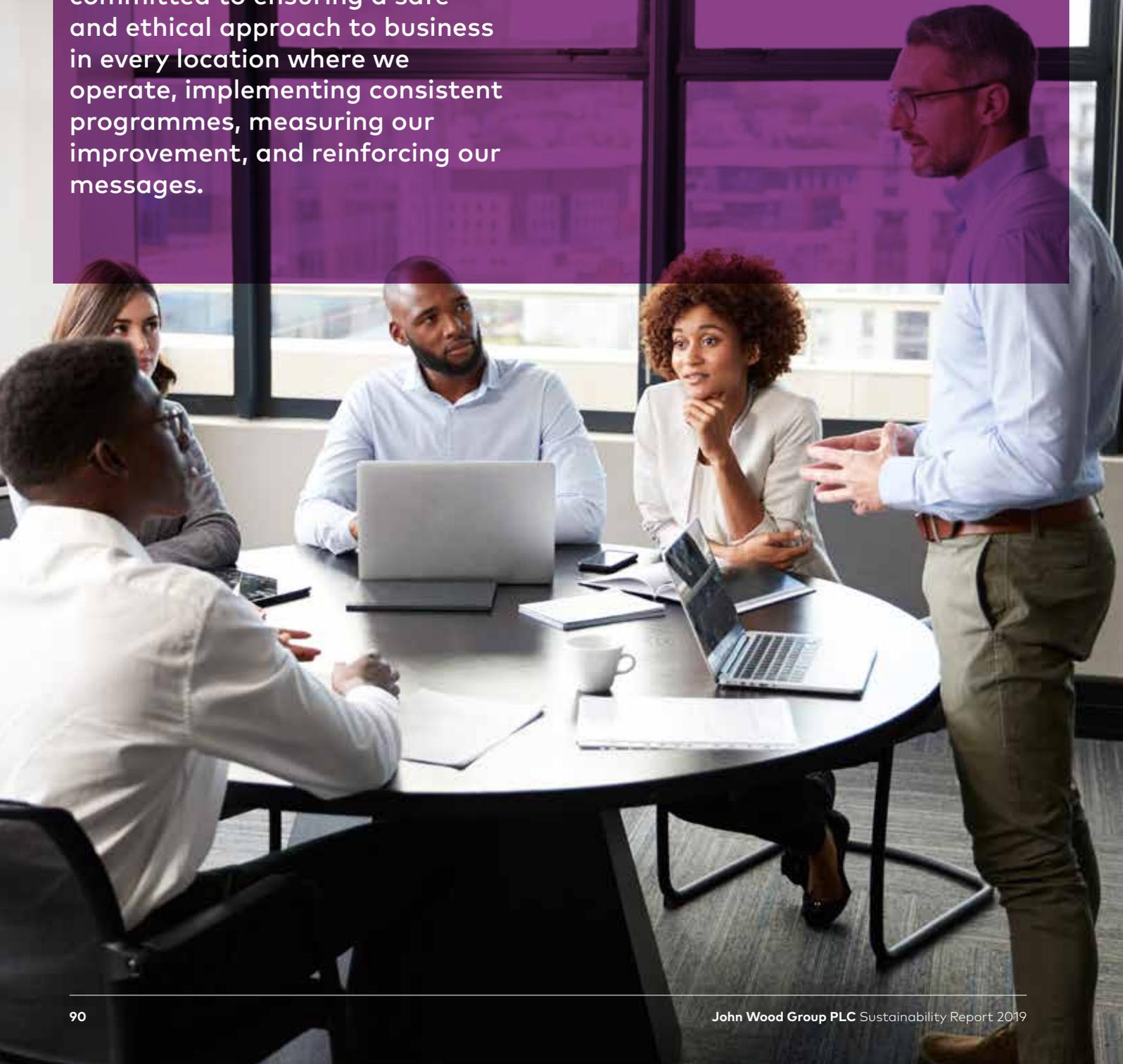
7.1 Ensure universal access to affordable, reliable and modern energy services

4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

# Responsible business practice

**At Wood, doing the right thing guides how we work and live. We are deeply committed to the values that underpin our business practice to deliver excellence to our people, clients and investors through an unwavering focus on ethical business conduct. We are committed to ensuring a safe and ethical approach to business in every location where we operate, implementing consistent programmes, measuring our improvement, and reinforcing our messages.**

We share the expectation that to be successful we must all act with honesty, openness and fairness. Through consistent application of our leadership framework and values, we expect all employees and business partners to demonstrate the same high standards of ethical leadership at every level and position. Regardless of our business location, we share the collective responsibility to maintain, protect and strengthen the reputation of Wood and ensure we embed and sustain a strong ethical culture across our global operations.



## Our policy

Our standards of ethical conduct are set out in Wood's Code of Conduct, launched in August 2018. Setting a standard, cohesive ethics and compliance code was a priority upon the creation of Wood, with significant effort made to successfully integrate both legacy compliance programmes. The Code is our guide to doing the right thing. It underpins Wood's values and ensures we operate at the highest ethical standards. The Code is constructed around four key elements:

- Protecting our vision and values
- Doing the right thing
- Caring for each other and our communities
- Committing to honest and fair business dealings

The new code is also supported by eight core consolidated ethics and compliance policies:

Competition Law; Conflicts of Interest; Gifts and Hospitality; Business Ethics Reporting and Anti-Retaliation; Ethics Investigation; Commercial Intermediaries; Anti-Bribery and Corruption; and Sanctions Export Controls and Anti-Boycott.

Compliance with the Wood Code and corresponding policies is mandatory for our directors, officers and employees as well as all contractors, consultants, representatives, intermediaries and agents retained by Wood.

- Our Code of Conduct and information on our helpline is available at:

[www.woodplc.com/ethics](http://www.woodplc.com/ethics)

Additionally, in late 2018 we launched our Supply Chain Code of Business Conduct. Aligned to the Wood Code of Conduct, together these two documents set the expectation of our employees and those working on our behalf to comply with all laws and to act ethically and with integrity at all times. Our subcontractor award and administration policy further helps to define how we identify and select subcontractors, how we administer these subcontracts and engage with contracting companies. This policy helps to standardise the way we manage our subcontractors, ensuring we deliver best value for our customers whilst working in a transparent and ethical manner. Wood only wishes to work with companies who understand and share our commitment to the principles set out in our code of conduct and require our supply chain partners to adhere to these principles and reflect these upon their own supply chain. Working together, we believe we can build a sustainable business relationship that will enable shared success.

- Our Supply Chain Code of Conduct is available at:

[www.woodplc.com/scm](http://www.woodplc.com/scm)

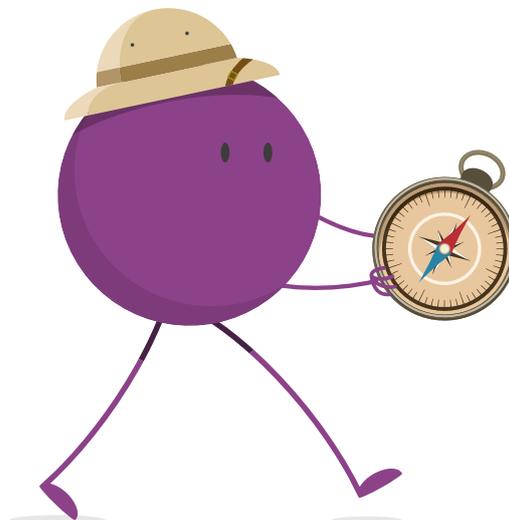
## Building an ethical culture

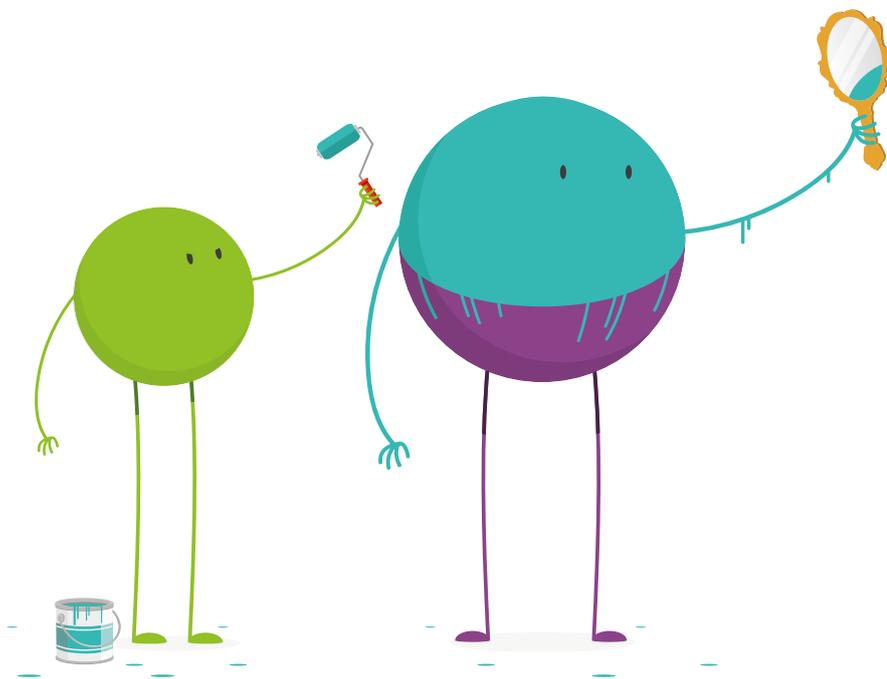
We are committed to creating a culture of care at Wood, for our business, our clients and those impacted by our operations. In 2018, we continued to strengthen our culture with the launch of Wood's new vision statement and defined set of organisational values, Care, Commitment and Courage, supported by six Behaviours that we expect our people to demonstrate:

Listen Up  
Lift Others Up  
Stand Up  
Team Up  
Speak Up  
Don't Give Up

Our values are reinforced by our Code of Conduct which provides our people with clear expectations for the proper course of action when they are faced with ethical decision situations.

As part of our efforts to continuously improve Wood's business ethics and compliance program, the business ethics and compliance team conduct periodic, independent external assessments as well as internal risk assessments to regularly evaluate the effectiveness and continual development of our compliance program.





### Combating bribery and corruption

Wood realises that corruption impacts societies politically, economically, socially and environmentally. In the worst cases, it costs lives. Short of this, it costs people their freedom, health or finances. Corruption corrodes the social fabric of society, and undermines people's trust in the political system, in its institutions and its leadership.

Our business ethics and compliance program is built on the essential elements of an effective compliance program as defined by the Official Guidance – UK Bribery Act, US DOJ / FCPA Compliance Program Hallmarks, and the Good Practice program guidelines endorsed by the Organization for Economic Co-operation and Development.

Wood has a Corporate Ethics and Compliance Officer (CECO) with direct access to the Executive Leadership Team (ELT) and board of directors. Working with the ELT and Board, the CECO is responsible for implementing

an ethical culture throughout the business and ensuring the continuous enhancement and development of the global Ethics and Compliance program.

Our code of conduct and related policies include guidance on avoiding and declaring potential conflicts of interest, as well as guidance on the offer and acceptance of gifts and entertainment. We ensure that our anti-corruption policies, standards and procedures are communicated to all directors, officers, employees, and, where necessary and appropriate, to our commercial intermediaries and business partners.

### Training and awareness

At Wood, we believe that how we choose to communicate with our employees is crucial to creating a robust ethical culture and building a sustainable programme to support this goal. Periodic training to raise awareness and confidence amongst our workforce is a vital component of our approach to maintaining our business ethics culture.

#### Ethics training campaign 2018

In late 2018, Wood's annual business ethics training campaign quickly focused on our Code of Conduct upon its release to the business.

#### Number of employees in scope:

57,000  
globally

#### Online format was launched to:

35,000+  
office-based employees

#### Online format percentage complete:

90+%

#### Face-to-face format for site-based employees delivered via group discussion:

40%  
of overall workforce

The annual business ethics training was supplemented with targeted risk-based training and communication campaigns throughout the year, including our dedicated business ethics week.



### Reporting suspected misconduct

We support and encourage our employees and third parties to speak up if they have a concern or if they see something they believe is inconsistent with our values or policies. Anyone who raises a concern is protected by our anti-retaliation policy.

We maintain an independent third-party, confidential, multi-lingual business ethics Helpline where anyone, anywhere, anytime can raise a concern or report a suspected violation of our policies, procedures or the law. Any report, if so desired, and whether by phone or by using the email address, can be made anonymously. Reports are investigated, and any necessary disciplinary and/or remediation action is taken as appropriate. Wood publicizes the Helpline through the Code of Conduct, the display of posters at offices and worksites, a link to the Helpline on both the intranet and internet sites, and in discussions about the Helpline in business ethics training sessions.

A register of reported matters is maintained by Wood's Chief Ethics and Compliance Officer who provides the Board of Directors and senior leadership with regular updates.

During 2018, a total of 89 allegations were added to the register of reported matters. Further action was required to be taken on 30 of these entries and 21 resulted in disciplinary action, including termination of 6 personnel contracts.

### Data protection

In today's digital age, our data and how we use and look after it is more and more important. As well as the personnel and payroll details of our 60,000 employees, we also hold commercially sensitive data for our customers across the 60 countries we operate in. We are committed to ensuring the privacy and integrity of all the data that we hold, working with our people and customers to create sustainable value for a better tomorrow.

During the year we undertook actions to ensure Wood's compliance with the General Data Protection Regulation (GDPR). The EU General Data Protection Regulation (GDPR) is the most important change in data privacy regulation in 20 years and is fundamentally reshaping the way in which data is handled across every sector. In 2018, more than 500 of our people attended specialist training sessions on GDPR, before a more general roll-out of GDPR training to our wider employee base.

In response to GDPR which became effective in May 2018, we also published appropriate data protection policies and procedures. We assure compliance by continual monitoring of potential data breach incidents and ensure that Wood continues to comply with regulatory reporting obligations.

As part of our commitment to continuous improvement, we shared lessons learned from data breach incidents with relevant business functions. While the focus for the year was on GDPR, legal protection of personal data and privacy is developing in countries across the world. We developed a Data Protection Ambassador network which crosses all Wood businesses to share key messages on privacy and drive towards a global privacy approach.

In November, our new Group Data Protection Officer (DPO) was appointed.

**Supporting the Global Sustainable Development Goals (SDG)**

An example of the SDG targets relative to our business in relation to building a responsible business and ethical culture:

<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 
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8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities

16.5 Substantially reduce corruption and bribery in all their forms

# Driving innovation

**Our vision of tomorrow comes from the ideas of today. At Wood we believe in being bold, challenging the norm and working to create transformative change that will help to sustain the future of tomorrow. We live in an ever-changing world and recognise that to remain sustainable, our business must be forward thinking and innovative in meeting the needs of tomorrow, through improving the way we work today.**

Everything around us is becoming smarter and more digitally connected: cars, factories, ports, mines, refineries, roads, office buildings, and even entire cities will be wired together in new ways, and this will fundamentally change how Wood does business in the future. Sustainable innovation has the potential to revolutionise the way we do business and we recognise the need to become more disruptive, to invest heavily in developing game-changing technologies, systems and tools that will not just improve but completely transform our services.

In 2018, we announced the appointment of our chief technology officer, a new role within Wood to lead our digital and technology capabilities. Supported by our new digital and technology team, the group's focus will be on harnessing technology to further compliment our deep industry domain knowledge, further differentiate our business and position Wood in leading our chosen markets. Taking a more strategic look at how we develop technologies and feed these into our service lines, our digital and technology capability is structured to develop improvements across the asset life cycle, exploring solutions for connected design, connected build and connected operations.

## Connected design



In the design stage, there is tremendous potential to enhance our performance and reduce costs for our customers. Collaborative technologies will help us share and review solutions with a much wider audience, refining our concepts and targeting design challenges before they reach the later stages of development.

## Connected build



At build-level, enhancements to project management and construction support will capitalise on the efficiencies created at design stage. New software and hardware solutions will transform workflow through construction and into commissioning.

## Connected operate



Connected operations will leverage our outstanding automation knowledge. Control systems allow us to operate remotely, gathering and processing data, not just across assets but across entire infrastructures, connected facilities and networked ecosystems. This allows us to predict and respond accordingly, optimising schedules through machine learning and monitoring equipment to maximise operations and prevent failure.

Our diverse global portfolio, across a broad range of industrial sectors gives Wood a unique platform to spot innovative solutions where applying ideas, innovation and business transformation from one sector to another can be a major differentiator.

# Embracing the digital revolution



Introduction

People

Planet

Profit

**Digital technology presents exciting opportunities for businesses to realise cost efficiencies, accelerate operational effectiveness and the viability of existing operations. Advancement of technology and the impact of digitisation on our organisation is making measurable difference to our people, our customers and our business.**

### Innovation that speaks for itself

Wood's recent work with our client Network Rail (NR) provided the opportunity to bring current household technology into the workplace to solve complex data and asset management challenges.

#### The challenge

Network Rail (NR), owner and operator of the railway infrastructure in England, Wales and Scotland, manages 20,000 miles of track, 30,000 bridges and viaducts, and thousands of tunnels, signals, level crossings and points – all of which must be logged and maintained in a register. NR's Buildings

and Architecture team must keep on top of 2,500 stations, 1,500 footbridges and 15,000 lineside buildings, a major task. If we also include NR's responsibilities as a landlord and its need to be accountable for each asset – as well as compliance with standards on the civil, mechanical and electrical engineering of each asset – then the data management task quickly snowballs.

#### How did we help?

Since early 2018, use of the technology behind Alexa, Amazon's ubiquitous speech recognition device that enables voice control of internet enabled equipment, has made interrogation of this material much quicker. An eight-week proof of concept period led to development of a working prototype, sparking ideas on how easy managing this data could become.

Wood programmers in the US used the built-in capabilities of Alexa, known as skills, developing a custom skill specifically for NR.

#### What benefits did it bring?

The implementation of Alexa technology was customised to Network Rail's needs and operating conditions, and flexible of the technology in its ability to understand a wide range of synonymous voice commands in multiple dialects, allowed for quick and easy access to data and asset information.

Mark O'Connor, associate director for environment and infrastructure solutions at Wood and a specialist in asset management and digital solutions says:

**"It was well known that finding asset information was taking too long, Alexa sweeps through the database and announces the corresponding result. From here, engineers quickly have the information they need to hand."**

Although this was an innovative application for the Alexa technology, it combined existing, reliable technologies that were relatively straightforward to integrate. It is also scalable, so there is potential for additional features to be added to NR's custom Alexa skill.

It is also scalable, so there is potential for additional features to be added to NR's custom Alexa skill. The simplicity of using Alexa was appealing, as was its requirement for minimal training.

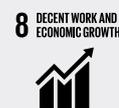
**"It worked pretty much straight out of the box. It has really opened our eyes to the possibilities of this technology. Getting this kind of information used to be a time-consuming and laborious task for one person but is now an enjoyable interactive experience."**

says Andy Jannaway, NR's principal engineer within the Buildings and Architecture team.

While the technology has been introduced through the Buildings and Architecture team, Network Rail plans to roll it out to the regional routes through a support agreement with Wood. Any business that needs to access complex asset or procedural databases would be able to implement this approach. Like Alexa, the benefits speak for themselves.

Read more on our work with Network Rail in edition 5 of our inspired magazine at:

[www.woodplc.com/who-we-are/our-advantage/inspired5](http://www.woodplc.com/who-we-are/our-advantage/inspired5)



# Collaborating today to transform tomorrow

**Wood is not alone in our passion to drive innovative thinking and create positive industry change. We recognise the value in business collaboration to tackle common industry challenges and seek ways to embrace technology and digitisation, using our collective energy to create a better tomorrow.**

In early 2018, Wood entered into an agreement with IBM, the American multinational information technology company to conceive and offer compelling new digital products and services that will advance operational efficiencies for customers in industrial and energy markets. This multi-year agreement combines Wood's engineering innovation and industry expertise with IBM's advanced market leading technologies in areas such as artificial intelligence (AI), blockchain and analytics.

### The challenge

The pressure on asset intensive industries is increasing. Development investments, especially for brownfield infrastructure have further added to the cost and complexity of projects. Additionally, more stringent regulations and requirements are increasing industry constraints. In this new economic environment, digital technologies are critical to ongoing success.

Wood and IBM will look to develop solutions and explore new ways to apply AI and advanced platforms to improve productivity and expand digital insights. The collaboration will ultimately expand to a broad spectrum of industries – including those where Wood and IBM

are deeply engaged, such as process industries, automotive, nuclear, clean energy and mining.

### What will we do?

The initial phase of the collaboration will focus on oil producers and utilities in three key areas where IBM and Wood can bring immediate value to clients:

#### Project design & planning

Combining digital processes and data management tools to provide predictable costs and seamless integration from design to commissioning.

#### Asset insights

Offering leading edge analytics platforms to provide insight to asset owners and operators looking to improve operational efficiency, predict operational or safety issues and drive down costs associated with brownfield assets.

#### Project execution excellence

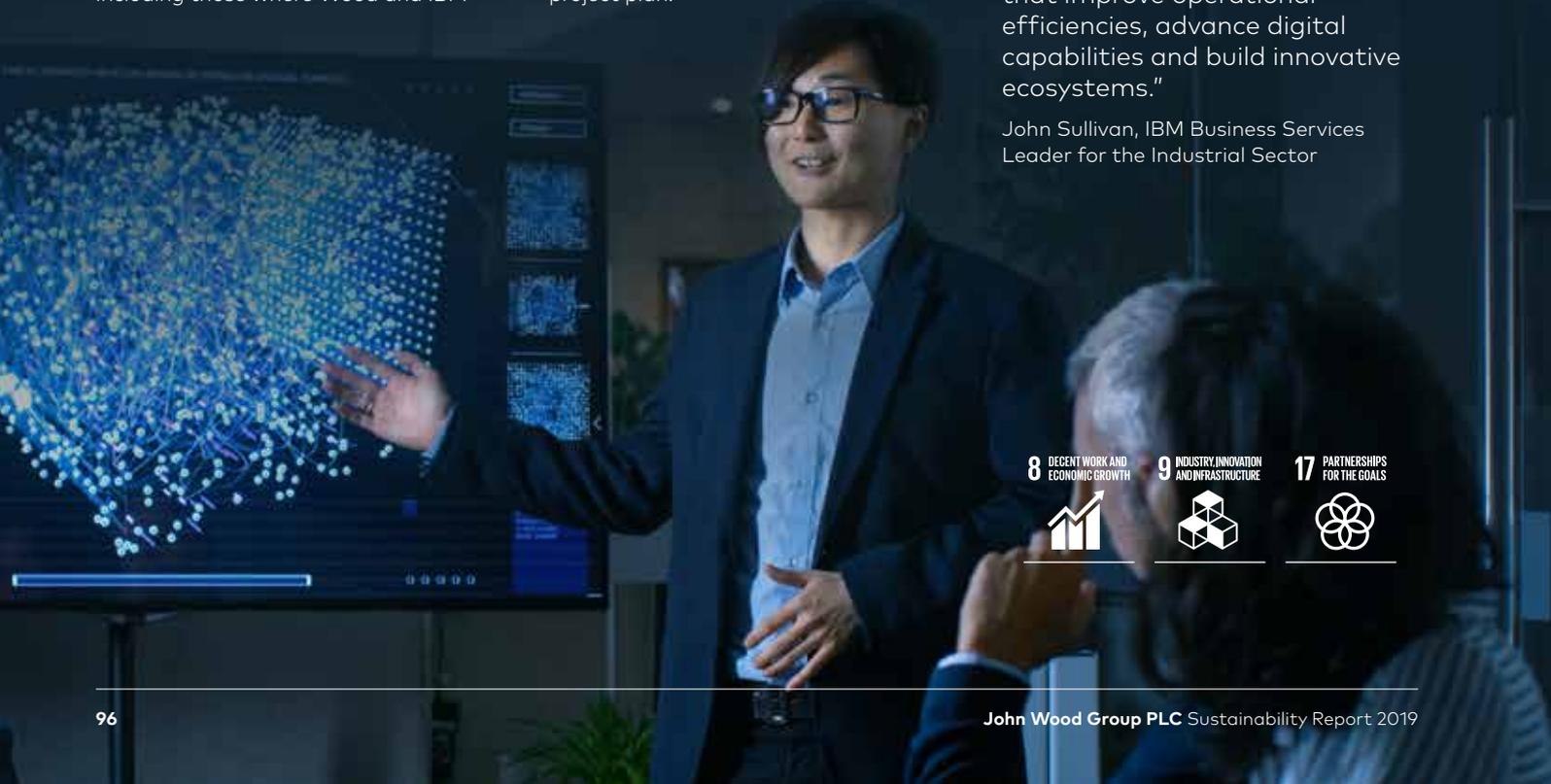
The use of blockchain and cognitive capabilities to ensure effective and safe execution of the work scope through advanced control of work solutions that manage worksites, personnel, materials and equipment in accordance with the project plan.

"Building on Wood's experience in asset development and innovation, this will dramatically advance, and differentiate, our digital skills. By combining Wood's engineering innovation, understanding of client operational objectives and domain expertise with IBM's market leading advanced technologies such as cognitive, blockchain, and Quantum, we will help unlock new insights, to learn from and make predictions on data."

Bob MacDonald, CEO, Specialist Technical Solutions, Wood

"Across asset intensive industries, the next industrial revolution is being led by digital technologies that are challenging existing business models. Together with Wood we are embracing this industry opportunity to deliver new industry solutions and services that improve operational efficiencies, advance digital capabilities and build innovative ecosystems."

John Sullivan, IBM Business Services Leader for the Industrial Sector



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



17 PARTNERSHIPS FOR THE GOALS



# Innovation leading to new markets



As global demand for energy increases, demand for innovative solutions for sustainable consumption is ever challenging. Innovation in renewable energy sources is essential in driving the transformative change needed to sustain our presence on earth.

At Wood we place strong focus on the delivery and innovation that supports business growth. Our strategic thinking around global decarbonisation and energy transition has given focus to our efforts to advance available technologies and our influence in leading the global shift to renewable energy sources.

## Wave and tidal power

Ocean energy has the potential to provide a substantial portion of our future global energy mix. Compared to the progress of solar and wind power, wave and tidal power has been slower to progress, with challenges around technology, commercial viability, extreme environment and marine conservation delaying growth. Wood's trusted expertise in this field has led to inclusion of our personnel on the International Electrotechnical Commission's (IEC) marine energy committee; responsible for the development of standards in the field of marine energy, wave and tidal energy converters. Our involvement in the committee will provide a platform for our experts to influence thinking and to shape the industry standards, advancing the viability of ocean energy in the future. We also provide services to the world's first tidal array installation, owned by Nova Innovation, and the world's largest operating tidal array, owned by Meygen.

## Renewable heat

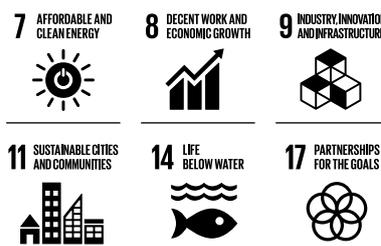
Renewable heat technologies, including biofuels, solar, geothermal, heat pumps and renewable gas aim to reduce our reliance on non-renewable sources and meet global sustainability targets

to substantially increase the share of renewable energy in the global energy mix. Wood's work in this areas has included advising on the Leeds Citygate H21 hydrogen gas project, looking at a UK-wide conversion to hydrogen gas as a potential to helping the UK reach its emissions reduction targets.

## Renewable transport

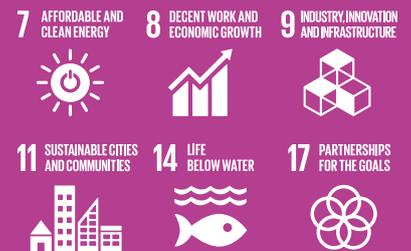
Emissions from transportation makes up approximately 23% of the world's global greenhouse gas emissions, with almost all (95%) of the world's transportation energy coming from petroleum-based fuels, largely gasoline and diesel.

The transport sector has proven the hardest to decarbonise thus far, leading to increased efforts from governments and industry to focus on renewable energy sources. Wood has supported projects optimising the design of electric vehicle charging systems and investigating the potential for clean hydrogen to power transport systems. One example is the SWIFTH2 project where Wood led a project to establish the feasibility of hydrogen as a fuel for ferries operating to the Scottish islands. Technical and economic analysis has supported innovation and engineering work to confirm the prospects for this technology and we will continue to apply our expertise to overcome challenges for all forms of renewable and low carbon transport.



## Supporting the Global Sustainable Development Goals (SDG)

An example of the SDG targets relative to our business in relation innovation, technology and digitisation, and case studies contained within this report:



17.8 Enhance the use of enabling technology, in particular information and communications technology

14.a Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology

### By 2030:

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.

9.5 Encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

9.4 upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

11.2 Provide access to safe, affordable, accessible and sustainable transport systems for all

7.2 Increase substantially the share of renewable energy in the global energy mix

# Sustainability on projects

**Our sustainability strategy seeks to provide a safe and sustainable environment for our people as well as the communities in which we operate; embedding sustainable practice into our projects is a key component to achieving our sustainable development goals.**

At Wood we believe that to create long term sustainable change, we must responsibly manage our own operations, as well as drive global sustainable development through our projects, utilising our influence for good in the markets we impact. We recognise that the global megatrends shaping our world today present significant opportunity, as well as extreme risk to our collective future; Wood has a responsibility to seize those opportunities and mitigate those risks, not just for our people but also our customers, investors and society as a whole.

Sustainable practice in what we do is vital to protecting our licence to operate, our reputation and maintaining our ability to build a strong, sustainable business.



## Sustainability framework

Our Sustainability Framework helps to breakdown the social, environmental and economic impacts of our operations, placing focus on key areas of assessment that will ensure we build sustainability into our projects.

Applicable across the lifecycle of any project, from identifying and acquiring, through to delivery and close out, the framework seeks to provide a standardised structure to how we assess the key risks and opportunities presented by our projects to ensure we evenly balance our approach. We believe our projects provide a unique window into our organisation, allowing us to demonstrate sustainable practice through our operations, ensuring we maximise the positive impact of Wood's efforts to support global sustainable development.

Social impact	Environmental impact	Economic impact
Health, safety & security	Environmental management	Supply chain
Human rights	Carbon management	Business conduct & ethics
Diversity & inclusion	Resource efficiency	Anti-bribery & corruption
Community / stakeholder engagement & investment	Biodiversity	Driving innovation

**Building sustainability in projects**

## Advancing global Sustainable Development Goals (SDGs) through our projects

Through our work on projects, we are able to demonstrate our commitment to advancing the global sustainable development goals. We recognise that to remain forward focused we must adapt our business to the challenges of tomorrow, driving our decision making through our ability to identify the potential for change. At Wood we seek to be at the forefront of driving the megatrends we see today, that are shaping the global economy and we recognise the key role we play in helping to advance these in line with the global SDGs. In this report we focus on two key areas, demonstrating our actions through some of our key projects.

### 7 AFFORDABLE AND CLEAN ENERGY



#### Energy transition

Energy accounts for 60% of the world's total greenhouse gas emissions. Energy transition is a rapid movement that will change the way we generate and use all forms of energy. Our focus on renewable energy has enabled Wood to become a leading force in the clean energy market, bringing our expertise and passion for innovation to help advance the global energy shift.

#### By 2030

- 7.1 Ensure universal access to affordable, reliable and modern energy services
- 7.2 Increase substantially the share of renewable energy in the global energy mix
- 7.3 Double the global rate of improvement in energy efficiency

### 11 SUSTAINABLE CITIES AND COMMUNITIES



#### Urbanization and sustainable infrastructure

Currently, more than half of the world's population lives in urban areas and this is expected to increase to 70% by 2050. At Wood we seek to provide sustainable solutions for our customers that help promote sustainable cities and communities.

#### By 2020

11.B Substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation, adaptation to climate change, and resilience to disasters.

#### By 2030

11.2 Provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport

### 13 CLIMATE ACTION



13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

13.2 Integrate climate change measures into national policies, strategies and planning

## Advancing energy transition

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According to leading research, global CO<sub>2</sub> emissions will grow by 70% by 2040 unless there's a transition towards a lower carbon energy mix and we begin to better manage demand by using energy more efficiently. To meet the requirements of the 2015 Paris agreement, global emissions will need to half in the same timeframe.

At Wood we recognise the role we play in leading the global energy transition from traditional unsustainable fossil fuels to renewable and sustainable energy sources. We see two primary technology drivers of this transition:

1. Renewable Technology within the power sector; solar, wind and grid storage are becoming established on a rapid growth path and emerging as viable alternatives to fossil fuel-based supply. By 2040, over 40% of global power needs will be met by renewables.
2. Electric-based technology, such as battery-powered vehicles used for transportation, is growing. It's estimated that by 2035, 20% of all miles travelled globally by cars, trucks, buses and bikes will use electric motors rather than gasoline or diesel.

The transition of energy requires policy at the national, state and city level to pave the way for the age of oil and gas to transition into the age of power and renewables.

Through combining technical excellence with innovation, research and development, Wood's design and engineering expertise spans all forms of energy and supports the global transition to clean energy.

# Tides of change

**Tidal energy is one of most abundant and concentrated forms of renewable energy; with seawater being 832 times denser than air, and 70% of our planet covered by oceans, the stored energy potential of tidal power is enormous.**

Power generation from tidal energy is intermittent but also entirely predictable, with the suitability of the resource influenced by tidal forces on large bodies of water as well as seabed topography and roughness. Cost is a major factor in making tidal energy commercially viable but advancements in technology are beginning to realise efficiencies that have attracted renewed interest in this form of renewable energy.

At Wood, we are currently involved in some of the world's leading tidal projects, seeking to demonstrate the viability of the technology and its potential for growth, as well as helping to develop industry standards to support technological advancement and application.

## Proving reliability and cost reduction

Wood's collaboration with eight other organisations on the Enabling Future Arrays in Tidal (EnFAIT) project, led by Nova Innovation, aims to prove that the reliability and availability of tidal energy arrays can be significantly increased and that the cost of tidal energy can be reduced by at least 40%. The project builds on Nova's existing operational tidal power station in Bluemull Sound off the Shetland Islands in Scotland, which was the world's first grid-connected offshore array of tidal energy turbines.

### What are we doing?

Wood is the independent technical and commercial expert on the project, commissioned to verify each stage of the development process from project engineering design to operation in the tidal stream environment.

### What will the project achieve?

Over the next four years, the EnFAIT project will extend the Bluemull Sound array to six turbines and demonstrate that high array reliability and availability can be achieved using best practice maintenance regimes. The layout of the turbines will be adjusted to enable array interactions and optimisation to be studied for the very first time at an operational tidal energy site.



## Joining the global conversation

In 2018, Wood and four of our employees joined the British Standards Institution (BSI) as committee members on the UK working group providing input into the International Electrotechnical Commission's (IEC) marine energy committee.

### What does the committee aim to achieve?

The BSI committee, part of the UK national standards body, provides the UK with input into the IEC marine energy committee, and is responsible for the development of standards in the field of marine energy – wave and tidal energy converters. Gaining support from the industry expert community is vital to developing strong standards that will enable industry growth and generate commercially viable opportunities to advance wave and tidal energy.

Bob MacDonald, CEO of Wood's Specialist Technical Solutions business, said:

"We're delighted that Andy, Robert, Roisín and Katie have been invited onto this committee to represent Wood. Not only is this a huge privilege but also a fantastic opportunity to help shape the future of wave and tidal energy standard development."

Hydrogen is the most common element in the universe, with the highest energy content of any fuel we use today. The use of hydrogen produces virtually no impact on the environment at the point of use, with only water and heat released as a by-product. However, hydrogen is not itself readily available in its unreacted form and must therefore be produced; the challenge is ensuring we produce hydrogen from renewable sources to limit the carbon cost.

Hydrogen produced from non-renewable sources can still become carbon neutral, through the introduction of a carbon capture and storage (CCS) system to store sequestered CO<sub>2</sub> emissions for re-use, as opposed to being sent to the atmosphere, known as Blue Hydrogen. Wood is currently developing technology, based upon a pre-combustion CCS system that will cut the CO<sub>2</sub> emissions of a standard hydrogen unit by 90%, reaching better results than a standard post-combustion system. This is also helping to improve commercial viability and reduce the impact of non-renewable hydrogen production on the environment.

Fuel cell technology, converting hydrogen energy into electricity has the potential to be used across a number of sectors, where there's a need for electrical supply independent of grid, in particular the transport sector, where there's real challenge to decarbonise.

# Developing the use of hydrogen

In 2018, Wood collaborated on a feasibility study to challenge the creation of 'Green' hydrogen, from remote renewable resources, to its electrification and use in the transport industry.

## Electrifying Marine Transport

### What was the challenge?

The Scottish Western Isles are a chain of Islands located in the west coast of the Scottish mainland. As a result of limited capacity (a weak connector between the islands and the mainland) of the National Grid, the development of new wind farms for the purpose of power production is currently constrained in this region.

The report assessed the feasibility of developing otherwise constrained remote island onshore wind in the Scottish Western Isles for the purposes of generating green hydrogen via electrolysis. This hydrogen would be utilised by a new class of hydrogen-powered passenger ferry operating from the island hosting the wind and hydrogen infrastructure. The report highlighted a number of benefits:

- Potential solution to a weak transmission network, allowing for displacement of stationary island diesel generators used to meet peak power demand through the provision of wind power storage options.
- Decarbonisation of the marine transport sector, essential for meeting the Scottish Government's emissions reduction commitments.
- Establish a route to market for new onshore island wind developments.
- Improved air quality and decreased noise pollution from the abatement of diesel-powered internal combustion engine ferries operating in the area.

### The outcome

The feasibility study highlighted two ferry routes as the most viable options, both technically and economically, for conversion to hydrogen. The modelled assumptions are high level given the early stage of the feasibility study; the next stage would involve a more detailed feasibility study (development stage) which would seek to advance the project design and produce more refined assumptions.

More widely, Scotland has a number of complementary hydrogen projects, both in existence and planned, in what can be considered a nascent hydrogen economy with a promising future given the right economic and political support.



## Providing Renewable Heat

In the UK 30% of total carbon emissions come from domestic heating and cooking; with commitments to cut emissions by 80% compared with their 1990 levels by 2050, the challenge on the heat sector to realise reductions is significant. A UK-wide conversion to hydrogen gas, as a potential reduction solution, would reduce emissions in the domestic heating sector by a minimum of 73%, as well as supporting decarbonisation of transport and localised electrical generation.

Wood's collaboration on the H21 Leeds City Gate feasibility study, led by Northern Gas Networks, is a key example of our work to advance the use of hydrogen as a renewable source of heat.

### What was the challenge?

Northern Gas Networks are responsible for supplying and delivering natural gas to 2.7 million homes across the North of England. The H21 Leeds City Gate Project is a feasibility study, led by Northern Gas Networks (NGN) and supported by several project partners, including Wood. The project aims to establish if it is technically and economically possible to convert the existing natural gas supply in Leeds, one of the largest UK cities, to hydrogen.

### The outcome

The report's initial findings confirmed nationwide conversion to a hydrogen gas grid is technically possible, economically viable and will be a significant contributor to meeting the UK's decarbonisation targets. The report goes on to outline that a hydrogen gas grid could use the existing underground gas pipes already installed in the UK, and that household appliances can be converted to run on hydrogen with far less disruption and expense than converting to alternative energy sources.

The H21 project predicts that a hydrogen gas network could become an anchor for further innovations in the sector, and in other industries such as transport and electricity generation.

# Building resilient, sustainable and smart cities and communities

**By 2050, the world is estimated to be home to 9.7 billion people, with 70% of the population living in cities and commanding 80% of the global energy consumption.**

At present, 75% of the world's cities are located on coastlines, where the impacts of climate change will see increased threats from rising seas and storm surges. Around 90% of coastal regions are predicted to be affected by varying degrees and many coastal cities have yet to prepare adequately for this increasing threat and build resilient infrastructure to meet the needs of modern day society; collaboration with the private sector and civil society will be vital to addressing complex global challenges on the local level.

At Wood we recognise the role business plays in advancing global resilience and sustainable development, by helping address the SDGs through our project work. We believe our expertise and experience in climate resilience, sustainability and infrastructure can help cities around the world better deliver on the SDGs, building projects that meet ever growing, social, environmental and economic demands, and future challenges.

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**Global Compact**  
Cities Programme

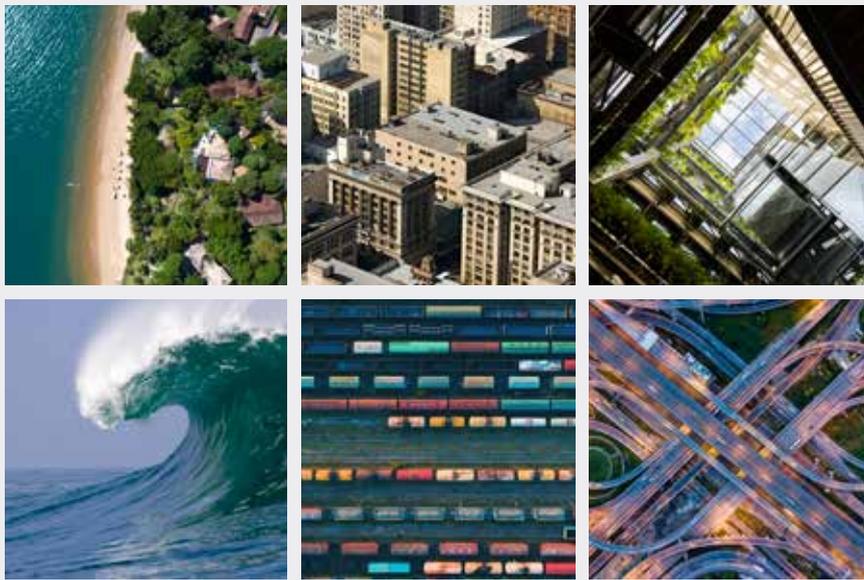
## Partnership with 100 Resilient Cities (100RC) and the UN Global Compact Cities Programme

Through key partnerships, we are able to align our project work to help advance the SDGs and provide scalable, sustainable solutions to help build resilience in cities and communities.

Wood has been a partner of 100 Resilient Cities (100RC), pioneered by the Rockefeller Foundation, since 2015. 100RC is a global program aimed at providing urban centres around the world with access to innovative tools that allow them to better plan for potentially destructive weather events. Through our work with 100RC we have been able to provide numerous safe and sustainable project solutions around the globe that not only secure us work contracts but also gives us a platform to best utilise our sustainability and climate resilience expertise; a growing part of our business model.

Following on from our partnership with 100RC, Wood is also in discussions with the United Nations Global Compact on the potential opportunity to partner with their UN Global Compact Cities Programme, which is dedicated to the promotion and adoption of the Global Compact's ten principles by cities and translating the principles into day-to-day urban governance and management. Additional to this, Wood is already a part of a UN global expert working group, seeking to accelerate SDG investments in cities, with a deliverable to publish a 'Guide on investing in the SDGs in cities' in celebration of the milestone 10th World Urban Forum, taking place in February 2020.

# Developing our resilience implementation framework for delivery



To build resilience, cities must be enabled to prioritise, design and fund critical infrastructure that will help to address social, economic and environmental shocks and stresses that will strengthen resilience projects. With urbanization, globalization and climate change impacts affecting individuals, and in particular vulnerable populations, city resilience is one of the absolute things we "have to get right".

Wood is leading a consortium (that includes Impact Infrastructure, Social Finance, 100 Resilient Cities (RC) and the Rockefeller Foundation) to develop a resilient infrastructure investment screen, that can be applied to a global pipeline of infrastructure projects to increase their resilience and evaluate those assets for potential funding from an investor-backed \$750million Urban Resilience Fund (TURF). The TURF is primarily funded by institutional investors (pension funds, sovereign wealth funds, insurance companies, etc.), focused on investing in scalable resilient urban infrastructure projects. These projects help to address the global critical infrastructure financing gap (SDG 9), whilst demonstrating the value of the resilience dividend to address other key sustainable development goals including making cities inclusive, safe, resilient and sustainable (SDG Goal 11), reducing inequality (SDG Goal 10), and reducing poverty (SDG Goal 1).

The Urban Resilience Fund Project Screen and Investment Fund is being developed in partnership with leading global organisations to optimize the impact this innovative program will have on global infrastructure and the communities that can directly benefit from these integrated and resilient projects.

### What did we do?

Wood has developed and implemented a 'Resilience Implementation Framework' that supports the integration of resilience and sustainability into our project delivery. The framework is being utilized to address the key challenges faced towards building resilient infrastructure that supports sustainable communities. By integrating resiliency, sustainability, finance and engineering into the project planning, Wood is helping cities build solutions that are reliable and perform in their greatest time of need protecting society and ensuring assets that are reliable.



# Developing our resilience implementation framework for delivery

Here are some powerful examples from our public infrastructure, urban development and resilience framework:

- Norfolk, Virginia**  
 A “retain your rain” project providing innovative solutions for water management and storage to revitalize a vulnerable and underserved area, allowing individuals to thrive and prosper – connecting resilience to community benefits and serve as solutions for other cities with similar challenges.



- St. Augustine, Florida, US**  
 Using the city resilience framework to prioritize, allocate funding and implement projects that protect critical infrastructure and deliver the services needed for sustainable cities and communities.



- Vietnam, Asia**  
 Applying the resilience framework to the Nile Basin Initiative Workshops for engineers, planners and other staff on integrating climate risk into infrastructure development; with a focus on dams in Ethiopia and Tanzania these projects are being used as in-country case studies to support capacity development



- British Virgin Islands (BVI)** ▲  
 Implementing flood risk management, an important part of rebuilding cities in the BVI to be stronger, greener and more resilient. This will serve as the model for effective flood risk management in the Caribbean that can allow communities to prosper.

- Los Angeles, US** ▲  
 Adaptation planning to address historical oil infrastructure risks in the region, assessing the potential impacts on vulnerable communities and emergency responders from future earthquake impacts and flooding.

- Washington DC, US** ▲  
 Developing resilience design guidelines for public schools, roadways and waterfront assets that are integrating proactive resilience, sustainability and smart connection solutions to projects and services as a resource to other cities.



- Maine Coast, US** ▲  
 Integrating climate impacts (sea level rise/storm surge/extreme rainfall) to improve adaption and resilience for working waterfront towns along the Maine coast that is scalable to other coastal areas requiring resilient infrastructure.

- Balkans, Europe** ▲  
 Project Assessment of natural hazard risks and the resilience of the trade and transport network in the Western Balkans. In doing so, the robustness of potential engineering and non-engineering interventions will be analysed to ensure that limited available resources (e.g. finance, infrastructure, technical expertise) can be deployed to enhance the transport connectivity and socio-economic resilience of the region.

- Welland, Ontario, Canada** ▲  
 The community has developed a deep understanding of climate vulnerability and is advancing its adaptation plan that includes update of municipal standards to integrate resilience directly into engineering design – this approach is supporting cities to better manage infrastructure risks, by increasing the understanding of uncertainty related to infrastructure planning and design.



### What are the benefits?

The Wood 'Resilience Implementation Framework' is addressing the financing gap to achieve the SDGs, in part by maximizing the impacts projects can provide across the delivery lifespan. By leveraging the resilience framework, projects are built that also create positive 'co-benefits' and align with other SDGs to maximise impacts from investments. Projects addressing SDG 11 are increasingly connecting to and capturing value when properly planned and executed to SDG 3 (Good Health and Well-Being), SDG 6 (Clean Water), SDG 7 (Affordable and Clean Energy), SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation and Infrastructure). This turnkey project delivery framework that embeds integrated climate, resilience and sustainability services into projects can reduce risk, improve value, reduce long-term costs and enhance business continuity by linking engineering, community benefits and technology - outputs that can be applied to any city.

# Sensing the future



Sensors of all types tell the story of our environment; they are bringing a level of situational awareness that was unknown just a few years ago. Wood uses an enormous array of smart sensors in many of its field programs to support individual health and safety, project work and asset management. We can interrogate this data to generate more accurate forecasting models, predicting risks across a range of scenarios with greater accuracy.

Our weather forecasting and met-ocean service reduces financial and safety risk for customers whose operations are sensitive to high-impact weather events or severe ocean conditions. The effects of weather on road conditions, is one area our team helps to support local resilience. Snow, freezing or heavy rain, and strong winds create major challenges for many departments, including road maintenance, traffic management, emergency services, law enforcement, and commercial vehicle operators, not to everyone's daily commute to work

### What is it we do?

Smart sensors are placed on roadways and vehicles to measure parameters like surface temperature, stopping friction, and road freezing conditions. The data provided, arms departments with the right information to schedule and adapt their activities.

Wood's Met-Ocean Services team is the largest private sector provider of road weather services in Canada. The Wood managed RWIS network collects daily over 750,000 sensor readings throughout provincial highways, municipal highways, city and country roads; the systems transmit high-frequency, high-resolution information to our Cloud-based infrastructure, which is then used by Wood meteorologists to provide weather forecasts to an array of clients.

### What are the benefits?

The Wood system helps determine the number of required road-treatment trucks and equips authorities with the knowledge of which road-treatment systems are required and when. This helps managers minimize extraneous use of heavy vehicles which keeps tailpipe emissions as low as possible. Optimising the use of vehicles has the added benefit of extending the fleet's life span, reducing the frequency of new purchases and avoiding any associated embedded carbon costs.

Read more on our work with sensors in edition 4 of our inspired magazine at:

[www.woodplc.com/who-we-are/our-advantage/inspired4](http://www.woodplc.com/who-we-are/our-advantage/inspired4)

# Resilient design reaching new heights

**Rising 1,100 feet from the ground, the Wilshire Grand Center is the tallest building in Los Angeles and the highest west of the Mississippi River. The iconic skyscraper is a mixed-use development, standing 73 stories tall in the footprint of one of the world's most active earthquake zones.**

To lift the tower from the ground into the Los Angeles skyline, the structure needed a seismically resilient foundation with the strength to withstand Southern California's fiercest earthquakes.

### What did we do?

Wood recommended creating a concrete mat design for the building foundation. To prevent differential curing, the entire foundation was created using one continuous pour of concrete. Hundreds of trucks provided more than 21,000 cubic yards of concrete in 18 hours, the largest continuous concrete pour in world history, according to Guinness' World Records.

### What were the challenges?

Delivering this quantity of concrete in the tight confines of downtown Los Angeles was a logistical challenge. The unique curving arc of the south façade and functionality requirements as a

hotel also added to the complexity. The structural system consists of concrete core walls, composite columns, composite floors and steel outrigger diagonals. As this structural system is not ordinarily permitted by the building code, an alternative design procedure was used based on performance-based earthquake engineering (PBEE) analysis and design.

To support the placement of the massive concrete foundation, we performed geotechnical inspection and testing to approve the bedrock. Our team also worked with the shoring engineer to provide an earth retention system up to 100 feet deep around the project, which is surrounded by other tall buildings and adjacent subway tunnels. We developed and operated a monitoring system to ensure safe operation of the subway during construction.



# Looking forward

In our first year as Wood, we set about creating the foundations needed to grow and mature our sustainability programme. Through a year of integration and challenge, raising awareness around our approach to sustainability was vital, to enable our employees and business partners to not only understand our direction, but realise the role they play in reaching our sustainability goals.

Building a sustainable culture takes time. Embedding the knowledge needed for our business to truly drive and take ownership for sustainability is a long-term and shared commitment. At Wood sustainability is woven throughout our operations, as simply 'how we do business'.

## Future focused

In coming together as Wood, we recognise the opportunity to strengthen our approach to sustainability, taking a best of both approach to forging our new path forward. We appreciate that building a successful sustainability programme takes time and must evolve at a pace that allows our business to follow and embrace ownership for the various elements of sustainability. Beginning with our initial materiality assessment, we quickly prioritised elements of our programme to ensure we created strong foundations for growth in the areas of human rights, community investment, carbon and our global sustainability networks. For our business to take ownership of sustainability, we recognised the need to make our approach both simple and

clear to understand. The publication of our first sustainability report was a key building block in the foundation of our programme, outlining our triple bottom line approach, whilst beginning to link Wood's actions and contribution towards advancing global sustainability issues and the UN SDGs.

Whilst 2018 was very much about building awareness and understanding, 2019 looks at increasing business ownership for sustainability, identifying goals that align Wood's efforts against global sustainability goals and setting a strategy that will detail Wood's Sustainability journey. Getting sustainability onto the corporate agenda at an early stage of Wood's formation was an essential part of the company evolution. During the early months of our development, strong

foundations have been laid within the organisation; our leadership has ensured that sustainability is at the heart of our future development. We ended 2018 with the essential elements in place and in 2019 we will further evolve, tied into the fundamental global challenges we face.

Through listening and consulting a wide range of stakeholder groups, we now have a clearer direction of travel for the People, Planet and Profit aspects of our business. The challenge in 2019, will be to translate this into a coherent strategy that ensures sustainable thinking is not the exception, but the norm in planning processes for a successful future. In 2019, our programme will challenge the business to drive further improvement, seeking to measure our impact and continually mature our sustainability programme.



# 2019 action plan



- Develop and advance our human rights approach

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- Further embed the 'Building Responsibly Worker Welfare Principles'

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- Develop our Diversity and Inclusion programme, including advancement of our global D&I networks

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- Advance support for our global cause - Education



- Advance carbon management group wide.

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- Advance awareness and action towards reducing plastic waste in our business.

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- Promote group wide focus on our environmental standards and self assessment tool.

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- Enhance group wide environmental reporting to strengthen management of our environmental license to operate.



- Advance Wood's contribution towards global energy transition and further support development of the key mega trends identified as material to our business and future sustainable growth.

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- Promote awareness and compliance with our ethics code of conduct and supply chain code of conduct.

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- Advance our sustainability on projects framework to further support business implementation

## Raising awareness and tracking progress

Continually engaging our business on sustainability and creating ownership locally for the actions that will drive our approach is vital. Our 'Think Global, Act Local' programme, introduced in 2018 aims to drive local action in support of sustainability, centred around our sustainability commitments and our nine global objectives to drive action around our people, planet and profit agenda. Reviewed annually, our sustainability commitments are the focus of our annual sustainability week and an opportunity for global engagement on the actions that help drive and mature our programme. In 2019, we will seek to strengthen the link and understanding between our actions and the UN SDGs. Demonstrating the link between our actions and the goals and

targets with the UN SDGs, will help us in collectively developing meaningful targets that contribute to global sustainability issues.

Providing a mechanism for our business to report and track actions that support our sustainability programme is vital to measuring our progress. In 2019, we will develop and introduce our global sustainability action tracker to do just that and help measure our collective impact across the people, planet and profit agenda.

## Connecting our business

At Wood, we believe our people are the key to our success. Sustainability must live in our collective actions and be driven by the people that make Wood. For our sustainability programme to

be successful, we recognise the need to effectively communicate with all levels of our organisation, and the importance of connecting all our people on sustainability issues. Seeking to promote business ownership and input towards our programme, in 2018 we appointed four global business unit sustainability champions, forming a central sustainability leadership team. A primary focus for this team, is to develop a global network of sustainability champions, enabling communication across our business. As we move through 2019, we will continue to mature this network and increase its visibility across Wood. Through global engagement events, such as our annual sustainability week celebrations, we will drive awareness and action across our employee base to mature our sustainability programme and advance Wood's sustainability agenda.

# Mapping our report to the UN SDGs

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Our sustainability programme aims to clearly demonstrate and communicate to our stakeholders Woods support for the UN Sustainable Development Goals (SDGs). We have taken the approach to weave the 17 SDGs throughout our sustainability report, highlighting in each section the relevant goals and targets applicable to the content we report each year. This concluding section, provides a final mapping index for the reader, against each of the 17 SDGs and where they are contained within our report.

As we mature our programme, we aim to better align our actions with the SDGs, in set business wide targets that will better translate our support into measurable action.

SDG	SDG targets relevant to Wood's business and activities	Sectional reference within the report
 <p><b>1</b> NO POVERTY</p> <p>Goal 1: End poverty in all its forms everywhere.</p>	<p>1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions</p>	<p>Investing in our communities (Pg54-55) Community investment case studies (Pg56-59)</p>
	<p>1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters</p>	<p>Reducing our environmental impact (Pg64-75)</p>
 <p><b>2</b> ZERO HUNGER</p> <p>Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture.</p>	<p>2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round</p>	<p>Investing in our communities (Pg54-55) Community investment case studies (Pg56-59)</p>
	<p>2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality</p>	<p>Reducing our environmental impact (Pg 64-75)</p>
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p> <p>Goal 3: Ensure healthy lives and promote well-being for all at all ages.</p>	<p>3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases</p>	<p>Health &amp; wellbeing at Wood (Pg 50-53)</p>
	<p>3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being</p>	<p>Diversity and inclusion (Pg24-25) Diversity and inclusion case studies (Pg34-37) Community investment case studies (Pg56-59)"</p>
	<p>3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents</p>	<p>Health, safety and security of our people (Pg38-47) Award winning safety (Pg48-49)</p>
	<p>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p>	<p>Health &amp; wellbeing at Wood (Pg50-53) Health, safety and security of our people (Pg38-47) Managing environmental risk (Pg62-63)</p>

# SDG Roadmap

SDG	SDG targets relevant to Wood's business and activities	Sectional reference within the report
<p><b>4</b> QUALITY EDUCATION</p>  <p>Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	<p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p>	<p>Investing in our people and culture (Pg20-23)</p> <p>Investing in skills: developing potential case studies (Pg26-29)</p> <p>Developing the workforce of tomorrow case studies (Pg30-33)</p> <p>Community investment case studies (Pg56-59)</p> <p>Creating sustainable profit (Pg84-89)</p>
	<p>4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations</p>	<p>Investing in our communities (Pg54-55)</p> <p>Community investment case studies (Pg56-59)</p>
<p><b>5</b> GENDER EQUALITY</p>  <p>Goal 5: Achieve gender equality and empower all women and girls.</p>	<p>5.1 End all forms of discrimination against all women and girls everywhere</p>	<p>Diversity and inclusion (Pg24-25)</p> <p>Diversity and inclusion case studies (Pg34-37)</p>
	<p>5.4 Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate</p>	<p>Diversity and inclusion (Pg24-25)</p> <p>Diversity and inclusion case studies (Pg34-37)</p>
	<p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<p>Diversity and inclusion (Pg24-25)</p> <p>Diversity and inclusion case studies (Pg34-37)</p>
<p><b>6</b> CLEAN WATER AND SANITATION</p>  <p>Goal 6: Ensure availability and sustainable management of water and sanitation for all.</p>	<p>6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p>	<p>Managing environmental risk (Pg62-63)</p> <p>Reducing our environmental impact (Pg64-75)</p>
	<p>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p>	<p>Reducing our environmental impact (Pg64-75)</p>

SDG	SDG targets relevant to Wood's business and activities	Sectional reference within the report
<p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>  <p>Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.</p>	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services	Creating sustainable profit (Pg84-89) Sustainability on projects (Pg98-109)
	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix	Driving Innovation (Pg94-97) Sustainability on projects (Pg98-109)
	7.3 By 2030, double the global rate of improvement in energy efficiency	Reducing our environmental impact (Pg64-75) Sustainability on projects (Pg98-109)
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>  <p>Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	Creating sustainable profit (Pg84-89) Driving Innovation (Pg94-97)
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Investing in our people and culture (Pg20-23) Investing in skills: developing potential case studies (Pg26-29) Developing the workforce of tomorrow case studies (Pg30-33) Diversity and Inclusion case studies (Pg34-37)
	8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training	Investing in our people and culture (Pg20-23) Investing in skills: developing potential case studies (Pg26-29) Developing the workforce of tomorrow case studies (Pg30-33)
	8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms	Respecting Human Rights (Pg16-19)
	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	Respecting Human Rights (Pg16-19) Health, safety and security of our people (Pg38-47) Award winning safety (Pg48-49) Responsible business practice (Pg90-93)
<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>  <p>Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</p>	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	Reducing our environmental impact (Pg64-75) Driving Innovation (Pg94-97)
	9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	Investing in our people and culture (Pg20-23) Investing in skills: developing potential case studies (Pg26-29) Driving Innovation (Pg94-97)

# SDG Roadmap

SDG	SDG targets relevant to Wood's business and activities	Sectional reference within the report
 <p>Goal 10: Reduce inequality within and among countries.</p>	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	Diversity and inclusion (Pg24-25) Diversity and inclusion case studies (Pg34-37)
	10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	Diversity and inclusion (Pg24-25) Diversity and inclusion case studies (Pg34-37)
 <p>Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons	Driving Innovation (Pg94-97) Sustainability on projects (Pg98-109)
	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	Managing environmental risk (Pg62-63) Raising environmental awareness and competence (Pg76-81)
	11.b By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015–2030, holistic disaster risk management at all levels	Reducing our environmental impact (Pg64-75) Sustainability on projects (Pg98-109)
 <p>Goal 12: Ensure sustainable consumption and production patterns.</p>	12.2 By 2030, achieve the sustainable management and efficient use of natural resources	Reducing our environmental impact (Pg64-75)
	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Managing environmental risk (Pg62-63) Raising environmental awareness and competence (Pg76-81)
	12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities	Responsible business practice (Pg90-93)
	12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Raising environmental awareness and competence (Pg76-81)

SDG	SDG targets relevant to Wood's business and activities	Sectional reference within the report
<p><b>13</b> CLIMATE ACTION</p>  <p>Goal 13: Take urgent action to combat climate change and its impacts.</p>	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Reducing our environmental impact (Pg64-75) Sustainability on projects (Pg98-109)
	13.2 Integrate climate change measures into national policies, strategies and planning	Reducing our environmental impact (Pg64-75) Sustainability on projects (Pg98-109)
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Raising environmental awareness and competence (Pg76-81) Creating sustainable profit (Pg84-89)
<p><b>14</b> LIFE BELOW WATER</p>  <p>Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development.</p>	14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	Raising environmental awareness and competence (Pg76-81)
	14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans	Reducing our environmental impact (Pg64-75)
	14.a Increase scientific knowledge, develop research capacity and transfer marine technology, taking into account the Intergovernmental Oceanographic Commission Criteria and Guidelines on the Transfer of Marine Technology, in order to improve ocean health and to enhance the contribution of marine biodiversity to the development of developing countries, in particular small island developing States and least developed countries	Driving Innovation (Pg94-97)
<p><b>15</b> LIFE ON LAND</p>  <p>Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</p>	15.8 By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species	Reducing our environmental impact (Pg64-75)

# SDG Roadmap

SDG	SDG targets relevant to Wood's business and activities	Sectional reference within the report
 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p>	<p>16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children</p>	<p>Respecting Human Rights (Pg16-19)</p>
	<p>16.5 Substantially reduce corruption and bribery in all their forms</p>	<p>Responsible business practice (Pg90-93)</p>
	<p>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels</p>	<p>Investing in our people and culture (Pg20-23)</p>
	<p>16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements</p>	<p>Respecting Human Rights (Pg16-19)</p>
	<p>16.b Promote and enforce non-discriminatory laws and policies for sustainable development</p>	<p>Respecting Human Rights (Pg16-19)</p>
 <p><b>17</b> PARTNERSHIPS FOR THE GOALS</p> <p>Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development.</p>	<p>17.8 Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology</p>	<p>Driving Innovation (Pg94-97)</p>
	<p>17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries</p>	<p>Reducing our environmental impact (Pg64-75)</p>





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