The first two quarters of 2016 were challenging with incident rate trends rising, however the closing two quarters saw interventions paying off and significant improvements achieved. Chief Executive Jon Lewis, who joined us in June 2016, ensured that HSSE performance was the focus of management attention.

Health, safety and security performance

Amec Foster Wheeler publishes a standard set of lagging indicators which allows you to benchmark our performance against our peers and other industries. We align our definitions of Total Recordable Injuries and Lost Time injuries against the OSHA definitions.

### Detailed Performance Summary

<table>
<thead>
<tr>
<th>BU</th>
<th>Total hours worked</th>
<th>Fatality</th>
<th>Lost-time injuries</th>
<th>Total recordable cases</th>
<th>LTR per 200,000 hours worked</th>
<th>TRIR per 200,000 hours worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>25,495,032</td>
<td>0</td>
<td>4</td>
<td>60</td>
<td>0.022</td>
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<td></td>
<td>11,157,082</td>
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<td>NECIS</td>
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<td></td>
<td>10,272,008</td>
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<td>AMEASE</td>
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<td>0.035</td>
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<tr>
<td>GPG</td>
<td>4,227,100</td>
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<td>11</td>
<td>0.221</td>
<td>0.142</td>
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<td></td>
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<td>0</td>
<td>3</td>
<td>5</td>
<td>0.501</td>
<td>0.501</td>
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<tr>
<td>Total*</td>
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<td>35</td>
<td>184</td>
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<td>0.045</td>
</tr>
<tr>
<td></td>
<td>51,111,966</td>
<td>0</td>
<td>15</td>
<td>87</td>
<td>0.059</td>
<td>0.059</td>
</tr>
</tbody>
</table>

*Employees, Subcontractors, *total includes plc data
**Lost Time Injury Rate**

In total we had thirty-five lost time injuries (LTI) in 2016; two more than the previous year. These are injuries where the injury prevented the person from returning to work after the work shift or day that the injury occurred. Amec Foster Wheeler employees make up 57% of the lost time incidents which is a reversal in trend from 2015. Subcontractor performance overall showed an improvement on the previous year.

Our global LTI rate rose from 0.046 in 2015 to 0.05 in 2016, meaning we did not meet our 10% improvement target for 2016. Although overall we did not meet our target, a number of our Operating Units performed well, with six operating units achieving zero LTIs through the year.

**Total Recordable Injuries**

Recordable cases include all injuries, resulting in medical treatment, restricted duties, lost time or a fatality. They exclude minor first aid cases. 2016 saw a slight improvement in our total recordable incident rate which fell from 0.27 in 2015 to 0.26 in 2016. Although improved on the previous year, overall we failed to meet our target of a 10% improvement globally.

Subcontractor Total Recordable Incident Rate was improved from 0.40 in 2015 to 0.34 at the end of 2016. However our employee rate rose from 0.20 in 2015 to 0.22 in 2016, which was heavily influenced by performance in the NECIS business. A deep dive into these statistics identified a small number of contributing projects which had a significant influence over the regional performance. These have all been targeted for improvement.

We have also been tracking an All Injury Rate (AIR). This includes all incidents resulting in an injury, including first aid injuries. We plan to target performance improvement in this area in 2017 as this gives us a picture of all incidents which result in injury.
Fact sheet

Health, Safety and Security

HSS performance

Root cause analysis

A key part of the incident investigation procedure is the identification of both the immediate and root causes. The dominant factor in root causes for incidents in our operations continues to be issues around risk management, including inadequate hazard identification, application of risk controls, communications and change management.

In response to this, during 2016 we implemented Hazard Elimination and Recognition Training (HEART) for frontline supervision to improve hazard spotting and intervention skills. The objective of HEART is to improve hazard identification in the work environment through a mix of classroom and practical exercises. The latter part of the course focuses on how hazards can be mitigated effectively and to practice intervention and communication skills with peers and work teams. During 2016 we trained a total of 2,418 supervisors in HEART.

Occupational health

An occupational health case is described in our reporting procedure as one which causes physiological harm or loss of capacity produced by systematic infection; continued or repeated stress or strain; exposure to toxins, poisons, fumes, or other continued and repeated exposures to conditions of the work environment over a period of time.

During 2016 we had eleven reported occupational health cases, all but one were classified as low potential, and include issues such as short-term irritation to the eye, contact dermatitis and contact with acid. We had one medium potential occupational health case which arose through accidental exposure to chlorine gas resulting in an employee being admitted to hospital. The individual suffered short-term breathing difficulties but made a full recovery.

Our occupational health case incident rate in 2016 was 0.02 per 200,000 hours worked, an increase from 0.01 the previous year.

Throughout 2016 we tracked the spread of the Zika virus which has been associated with the impacts on foetal development and is linked to microcephaly cases and Guillain-Barré syndrome. Awareness has been key in helping to protect our employees, particularly in the early stages. We have asked our female workforce to consider not travelling to Zika affected countries if they are pregnant and provided all staff with briefings on the situation through our ISOS traveller information bulletins. When Zika was found to be transmitted from person to person we provided additional information through focused bulletins as well as traveller information. Both male and female workforce could be exposed to the health risk and we made sure that our people were provided with the right information. To date none of our employees have been affected by the virus.
High Potential Incidents

Our ultimate goal is to achieve an incident free environment. We know that we are some way from this goal. To meet this challenge we must go beyond looking at the immediate effects of an incident, such as a broken ankle or asset damage and look for 'what could have happened' and identify what control was missing or failed to manage the risk. Every incident recorded in the company incident management system is therefore reviewed against its potential, to have resulted in a serious event is subjected to in-depth investigation. During the year there were 56 high potential incident investigations, this was 17 fewer than in 2015.

This is a particularly powerful way of assessing our performance because it gives us a greater perspective on the robustness of hazard management tools and techniques than merely concentrating on actual harm/damage incidents.

The above measures all help to build a picture of the effectiveness of our management systems and inform where we need to focus effort. Our oneAIM incident management and analysis system allows us to look for trends and pin point issues in our management system which contribute to the incidents we have. The chart below is an example of high potential incident analysis, it concentrates on the immediate cause of incidents.

We use this intelligence to develop our global and local continuous improvement planning.
Benchmarking
Each year we benchmark ourselves against our peers and the industry as a whole using both lost time incident and total recordable incident rates. The table below shows the latest OSHA statistics available along with Amec Foster Wheeler’s 2016 performance.

<table>
<thead>
<tr>
<th>OSHA Benchmarks 2015</th>
<th>Professional &amp; Business Services</th>
<th>Construction</th>
<th>All industry</th>
<th>Amec Foster Wheeler 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRIR</td>
<td>0.9</td>
<td>3.5</td>
<td>3.3</td>
<td>0.26</td>
</tr>
<tr>
<td>LTIR</td>
<td>0.20</td>
<td>1.3</td>
<td>1.0</td>
<td>0.050</td>
</tr>
</tbody>
</table>

2016 Leading Indicators

Over the course of 2016 we implemented a number of leading indicators. These were designed through the analysis of previous performance where our statistical analysis and systems intelligence was showing an improvement needed to be made.

Our four global leading indicators:

1. Corrective action close out: all incident close out actions arising from the incident investigation or Incident Review Panel (IRP) will be closed out within the specified time

   It was felt that we needed to track the close out of these incidents to assist in creating a more diligent culture of close out. By the end of the year we saw improvements across the regions, however, in some cases the close out did not run to Amec Foster Wheeler time schedule because third parties were responsible for the investigation and/or close out actions.

2. Global Safety Rules / Safety Essentials: Number of people targeted to receive a briefing on the Global Safety Rules and Safety Essentials by year end versus the number YTD

   In 2015 our Global Safety Rules and Safety Essentials were reviewed and amended, it was therefore important to make sure that all employees were aware of the changes. At the outset of the year a plan was put together to brief 24,224 employees on the changes. At the end of the year a total of 23,958 employees were briefed, covering all the targeted groups. Overall we met our target; the original planned number of employees was affected by natural attrition and redundancies.

3. HEART Training: Number of supervisors identified for HEART training versus the number trained YTD

   As discussed in the root cause analysis section we made plans during the year to improve our front line supervisor skills in hazard identification. At the outset of the year we planned to train 1991 supervisors on our highest risk projects. We exceeded this target in all areas with the exception of the Americas who were hit by a number of redundancies and project postponements. In total we trained 2,418 supervisors and employees.

4. HEART Observations: Number of HEART observations targeted by year end versus number completed YTD

   The HEART observation tool was a new global standard employee risk spotting process which is available as a mobile app, an online tool, and in some environments it remains a paper based system. To reach our goal of a harm free environment we need everyone contributing to a safe system of work. HEART observations is our way of engaging everyone in the process – ‘if you see something, do something’. We originally targeted 42,397 observations and massively exceeded this number, returning 121,839 observations. This was highly influenced by our project site observation systems.