

# GLOBAL REPORTING INITIATIVE (GRI)

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>GENERAL DISCLOSURES 2016</b>					
<b>1. ORGANIZATIONAL PROFILE -2016</b>					
102-1	Name of the organization	a. Name of the organization.	2		
102-2	Activities, brands, products, and services	a. A description of the organization's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	7 7, 10		
102-3	Location of headquarters	a. Location of the organization's headquarters	2		
102-4	Location of operations	a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	7; AR:62		
102-5	Ownership and legal form	a. Nature of ownership and legal form.	2		
102-6	Markets served	a. Markets served, including: i. geographic locations where products and services are offered; ii. sectors served; iii. types of customers and beneficiaries.	7 7 7		
102-7	Scale of the organization	a. Scale of the organization, including: i. total number of employees; ii. total number of operations; iii. net sales (for private sector organizations) or net revenues (for public sector organizations); iv. total capitalization (for private sector organizations) broken down in terms of debt and equity; v. quantity of products or services provided.	7 7 7, www.flsmidth.com/en-gb/offices AR:63-65 AR:68 7; AR 63		

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>GENERAL DISCLOSURES 2016</b>					
<b>1. ORGANIZATIONAL PROFILE – 2016</b>					
102-9	Supply chain	a. A description of the organization’s supply chain, including its main elements as they relate to the organization’s activities, primary brands, products, and services.	10;38; AR:62-63		
102-10	Significant changes to the organization and its supply chain	a. Significant changes to the organization’s size, structure, ownership, or supply chain, including:	AR:61-80		
102-11	Precautionary Principle or approach	a. Whether and how the organization applies the Precautionary Principle or approach.	34-35		
102-12	External initiatives	a. A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.	29;36-37		
102-13	Membership of associations	a. A list of the main memberships of industry or other associations, and national or international advocacy organizations.	36-37		
<b>2. STRATEGY – 2016</b>					
102-14	Statement from senior decision-maker	a. A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	5-6		
<b>3. ETHICS AND INTEGRITY - 2016</b>					
102-16	Values, principles, standards, and norms of behavior	a. A description of the organization’s values, principles, standards, and norms of behavior.	26-27; 28-29	<a href="https://www.flsmidth.com/en-gb/company/careers/our-culture">https://www.flsmidth.com/en-gb/company/careers/our-culture</a>	
<b>4. GOVERNANCE - 2016</b>					
102-18	Governance structure	a. Governance structure of the organization, including committees of the highest governance body.	34; AR: 40-47		
		b. Committees responsible for decision-making on economic, environmental, and social topics.	34; AR: 40-47		

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>GENERAL DISCLOSURES 2016</b>					
<b>5. STAKEHOLDER ENGAGEMENT - 2016</b>					
102-40	List of stakeholder groups	a. A list of stakeholder groups engaged by the organization.	36-37		
102-41	Collective bargaining agreements	a. Percentage of total employees covered by collective bargaining agreements.		yes	It is part of our global policy but no numbers are available due to locally handled HR systems.
102-42	Identifying and selecting stakeholders	a. The basis for identifying and selecting stakeholders with whom to engage.	36-37;		
102-43	Approach to stakeholder engagement	"a. The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process."	36-37;		
102-44	Key topics and concerns raised	a. Key topics and concerns that have been raised through stakeholder engagement, including:	34;36-37;		
		"i. how the organization has responded to those key topics and concerns, including through its reporting;	34		
		ii. the stakeholder groups that raised each of the key topics and concerns.	34;		
<b>6. REPORTING PRACTICE - 2016</b>					
102-45	Entities included in the consolidated financial statements	a. A list of all entities included in the organization's consolidated financial statements or equivalent documents.	AR: 102-103		
		b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	AR: 102-103		
102-46	Defining report content and topic Boundaries	a. An explanation of the process for defining the report content and the topic Boundaries.	2, 10, 52		
		b. An explanation of how the organization has implemented the Reporting Principles for defining report content.	51		
102-47	List of material topics	a. A list of the material topics identified in the process for defining report content.	34		
102-48	Restatements of information	a. The effect of any restatements of information given in previous reports, and the reasons for such restatements.	48		
102-49	Changes in reporting	a. Significant changes from previous reporting periods in the list of material topics and topic Boundaries.	51		
102-50	Reporting period	a. Reporting period for the information provided.	1, 65		

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>GENERAL DISCLOSURES 2016</b>					
<b>6. REPORTING PRACTICE - 2016</b>					
102-51	Date of most recent report	a. If applicable, the date of the most recent previous report.			10-02-2021
102-52	Reporting cycle	a. Reporting cycle.	55		
102-53	Contact point for questions regarding the report	a. The contact point for questions regarding the report or its contents.	55		
102-54	Claims of reporting in accordance with the GRI Standards	a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: i. 'This report has been prepared in accordance with the GRI Standards: Core option';	2; 52		
102-55	GRI content index	a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report.	54-64		
102-56	External assurance	a. A description of the organization's policy and current practice with regard to seeking external assurance for the report.	53		
<b>ECONOMIC STANDARDS - 2019</b>					
207-1		Approach to tax	FLSmidth tax report 2021		
207-2		Tax governance, control, and risk management	FLSmidth tax report 2021		
207-3		Stakeholder engagement and management of concerns related to tax	FLSmidth tax report 2021		
207-4		Country-by-country reporting	FLSmidth tax report 2021	partially	

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>MANAGEMENT APPROACH DISCLOSURES</b>					
<b>SAFETY -2018</b>					
103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material.	30-31		We operate in industries with high safety risks
		b. The Boundary for the material topic, which includes a description of:	30-31		All people under our control, including contractors - with influence on suppliers and customers through policies and standards
		i. where the impacts occur;	30-31		Throughout the value chain
		ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.	30-31		We set strict safety requirements and concrete improvement targets
		c. Any specific limitation regarding the topic Boundary.			Contractors are included in our safety numbers
103-2	The management approach and its components	a. An explanation of how the organization manages the topic.	30-31		We have a 2030 ambition and target
103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including:	30-31		Monthly Safety reports to Top Management
		i. the mechanisms for evaluating the effectiveness of the management approach;			Monthly Safety reports to Top Management; HSEQ community, best practice sharing
		ii. the results of the evaluation of the management approach;			Sharing best practice, focus in year-on-year planning
		iii. any related adjustments to the management approach			New long term target and ambition set
403-8	OH&S	Workers covered by an occupational health and safety management system	30-31		All FLSmidth employees need to be compliant with the FLSmidth Safety handbook
403-9	Worker related injuries	a. For all employees:	30-31;43;45;49		No fatalities in 2021
		b. For all workers who are not employees but whose work and/or workplace is controlled by the organization		Partially	Contractors are included in our numbers but numbers are not split out
		c. The work-related hazards that pose a risk of high-consequence injury, including	30-31;43;45;49		
		i. how these hazards have been determined	30-31;43;45;49		

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>MANAGEMENT APPROACH DISCLOSURES</b>					
<b>SAFETY - 2018</b>					
		ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period	30-31;43;49		
		iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls	30-31;43;49		
		d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls	30-31;43;49		
		e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked	30-31;43;49		
		f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded	30-31;43;49		
		g. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used	30-31;43;49		
403-10	OH&S	Work-related ill health		Yes	Information unavailable: handled at local level according to local regulations
<b>COMPLIANCE - 2016</b>					
103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material.			Risks for non-compliance may occur throughout our value chain
		b. The Boundary for the material topic, which includes a description of:			
		i. where the impacts occur;			Internal and business relationships
		ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.			Caused , contribute to, linked
		c. Any specific limitation regarding the topic Boundary.			n/a
103-2	The management approach and its components	a. An explanation of how the organization manages the topic.	40-41		
103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including:	40-41		
		i. the mechanisms for evaluating the effectiveness of the management approach;	40-41		
		ii. the results of the evaluation of the management approach;			Adjust policies when required with input from general council and Audit Committee
		iii. any related adjustments to the management approach			Increase training, awareness raising
205-1	Anti-corruption	Operations assessed for risks related to corruption	40-41; 43	Partially	Percentage of operations assessed for risks related to corruption is not included

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>MANAGEMENT APPROACH DISCLOSURES</b>					
<b>COMPLIANCE - 2016</b>					
205-2	anti-corruption	Communication and training about anti-corruption policies and procedures	40-41	Partially	partially reported only: Not broken down by employee category and region
205-3	anti-corruption	Confirmed incidents of corruption and actions taken		Omitted	Omitted due to confidentiality constraints
206-1	Anti-competitive behaviour	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		Omitted	Omitted due to confidentiality constraints
<b>PEOPLE - 2016</b>					
103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material.	26-27;34		
		b. The Boundary for the material topic, which includes a description of:			People on our payroll
		i. where the impacts occur;			People on our payroll
		ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.			Contractors are part of our safety commitments and reporting. Furthermore, we assess and monitor our supply chain for human rights standards
		c. Any specific limitation regarding the topic Boundary.			n/a
103-2	The management approach and its components	"a. An explanation of how the organization manages the topic.	26-27;34		
103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including:	26-27;34		
		i. the mechanisms for evaluating the effectiveness of the management approach;			We have introduced a new engagement tool in 2020
		ii. the results of the evaluation of the management approach;			Monthly engagement scores are shared among people leaders
		iii. any related adjustments to the management approach			Inputs from the engagement scores will be considered in MDA
404-2	Training and education	Programs for upgrading employee skills and transition assistance programs	26-27		
404-3	Training and education	Percentage of employees receiving regular performance and career development reviews	26-27;43		



# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>MANAGEMENT APPROACH DISCLOSURES</b>					
<b>PEOPLE - 2016</b>					
405-1	Diversity of governance bodies and employees	<b>a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:</b>			
		i. Gender;	AR: 42;		
		ii. Age group: under 30 years old, 30-50 years old, over 50 years old;	AR: 42-47		
		<b>b. Percentage of employees per employee category in each of the following diversity categories:</b>			
		i. Gender;	43		
		ii. Age group: under 30 years old, 30-50 years old, over 50 years old;	AR: 43		
		iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).		Yes	information unavailable; different per country and confidential
406-1	Non discrimination	a. Total number of incidents of discrimination during the reporting period.	43		
		b. Status of the incidents and actions taken with reference to the following:	43		
413-1	Local communities	"Operations with local community engagement, impact assessments, and development programs"		Omitted	information unavailable. Community programs are handled at local level.

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>MANAGEMENT APPROACH DISCLOSURES</b>					
<b>ENVIRONMENT - 2016</b>					
103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material.	5-6;7; 8; 10; 13-14; 17;20; 21-22; 24-25		
		b. The Boundary for the material topic, which includes a description of:			
		i. where the impacts occur;	10		
		ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.	10		
		c. Any specific limitation regarding the topic Boundary.	10		
103-2	The management approach and its components	a. An explanation of how the organization manages the topic.	5-6;7; 8; 10; 13-14; 17;20; 21-22; 24-25; 34		
103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including:	34, 24-25		
302-1	Energy			Yes	Not applicable: Consolidated into carbon footprint
303-3 (2018)	Water		24-25; 44	Partial	Water withdrawal by source not specifically reported. Will evaluate to include this in future reporting
305-1	Emissions	Direct (Scope 1) Carbon emissions	24-25; 44; 46	Partial	Some information unavailable for HFCs, PFCs, SF6, NF3
305-2	Emissions	Energy indirect (Scope 2) Carbon emissions	24-25; 44; 46	Partial	Some information unavailable for HFCs, PFCs, SF6, NF3
305-3	Emissions	Other indirect (Scope 3) Carbon emissions	24-25; 44; 46-47		Some information unavailable for HFCs, PFCs, SF6, NF3
305-4	Emissions	Carbon emissions intensity	24-25; 44; 46-47		Some information unavailable for HFCs, PFCs, SF6, NF3
305-5	Emissions	Reduction of Carbon emissions		Yes	Information unavailable: impact is optimised at local levels through their location specific environmental management system
305-7	Emissions	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions		Yes	Information unavailable: impact is optimised at local levels through their location specific environmental management system

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>MANAGEMENT APPROACH DISCLOSURES</b>					
<b>ENVIRONMENT - 2016</b>					
307-1	Environmental Compliance	Non-compliance with environmental laws and regulations		Yes	Information unavailable: impact is optimised at local levels through their location specific environmental management system
308-1	Supplier environmental assessment	% New suppliers that were screened using environmental criteria	38-39;44		Screening includes environmental, social and safety criteria
308-2	Supplier environmental assessment	Negative environmental impacts in the supply chain and actions taken	38-39;44	Partial	no critical findings in 2021
<b>SUPPLY CHAIN – 2016</b>					
103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material.	10;38-39		
		<b>b. The Boundary for the material topic, which includes a description of:</b>	10;38-39		
		i. where the impacts occur;	10;38-39		
		ii. the organization’s involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.	10;38-39		contributed to
		c. Any specific limitation regarding the topic Boundary.	10;38-39		
103-2	The management approach and its components	a. An explanation of how the organization manages the topic.	10; 34; 38-39		
103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including:	10; 34; 38-39		
414-1	Supplier social assessment	New suppliers that were screened using social criteria	10; 34; 38-39		Screening is for high-risk suppliers, includes environmental, social and safety criteria
414-2	Supplier social assessment	Negative social impacts in the supply chain and actions taken	10; 34; 38-39		No specific negative impacts

# GLOBAL REPORTING INITIATIVE (GRI)

GRI	Standard	Disclosure title	Location	Omitted	Comment, or reason for omission
<b>MANAGEMENT APPROACH DISCLOSURES</b>					
<b>HUMAN RIGHTS (412)</b>					
103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material.	28-29;34		
		b. The Boundary for the material topic, which includes a description of:	28-29;52		
103-2	The management approach and its components	a. An explanation of how the organization manages the topic.	28-29		
103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including:	28-29		
412-3	Human rights assessment	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		yes	not applicable

**Sustainability Report 2021**  
**1 January – 31 December 2021**

**FLSmidth & Co. A/S**  
Vigerslev Allé 77  
2500 Valby  
Denmark  
Tel.: +45 36 18 18 00  
Fax: +45 36 44 11 46  
[corp@flsmidth.com](mailto:corp@flsmidth.com)  
[www.flsmidth.com](http://www.flsmidth.com)  
CVR No. 58180912