

Diversity, Equity and Inclusion Policy

August 2024

Our Commitment

FLS is a global company committed to diversity, equity and inclusion. With an enduring aim to be an employer of choice, we recognise attracting, developing and retaining a diverse and inclusive workforce, is not only the right thing to do but a precondition for creating the winning teams needed for succeeding as market leaders in a sustainable future.

Diversity, equity and inclusion is one of our human rights salient issues (under Discrimination, Harassment and Equal Opportunities) and supports a workplace culture where everyone can thrive bringing our values of trust and collaboration to life. The purpose of this policy is to establish a global framework that supports our commitment to promoting the diversity, equity and inclusion agenda. We are members of the UN Global Compact and have committed to the Diversity Pledge with Dansk Industri (Confederation of Danish Industry)

FLS is committed to having a diverse, equitable and inclusive workplace where there is space for everyone to grow, develop and contribute in a safe, flexible and welcoming environment free from harassment, bullying or discrimination irrespective of personality, gender, gender identity, age, ethnic or national origin and religious beliefs, disability, political or sexual orientation, family or social status or other diversity characteristic. We aim to provide equal opportunities and support fair treatment and equitable outcomes for everyone. There is zero tolerance for discrimination and harassment of any kind and reported incidents are handled with the attention they deserve.

Our Scope and limitations

This policy applies to all FLS employees – in all business areas, functions, and geographies - and at all levels of the organisation, from top management to general employees. Additionally, any contingent workers (contractors or consultants) under our supervision as well as suppliers (sub-contractors) on our sites are expected to adhere to our policy as relevant.

Our Objectives

We aim to attract and retain diverse, talented people across the globe to understand and drive the markets we operate in and to expand into new markets. Embracing a diverse, inclusive and highly qualified workforce increases our ability to create value for our stakeholders.

We encourage and support all employees to realise their full potential and ambitions through equal access to career, learning and development opportunities for a challenging and rewarding career with us through a culture underpinned by equitable and inclusive behaviours and workplace processes that support the same.

Greater representation of underrepresented groups and growing talent pools:

We in FLS are proud of the level of diversity in our workforce coming from multiple nationalities, backgrounds, cultures, experiences and personalities. However, the current representation of women in the entire workforce and among our people managers reflects that FLS primarily operates in an industry with a considerably higher representation of men.

- FLS is dedicated to achieving a greater gender balance across the entire organisation and has set out to achieve that 25% of the entire workforce and people managers are women by 2030 and 30% of our white collar jobs are held by women
- Additionally, we have a local focus on supporting greater representation of ethnic minorities and those who are different-enabled aligned with local country legislative requirements

We believe that our focus in these areas supports creation of a broadly inclusive work environment for

the benefit of all employees.

Our actions and procedures

We aim to achieve our objectives through various actions, procedures and initiatives:

Monitoring and reporting

We monitor the development of the diversity of our workforce to the extent data is legally available including but not limited to age, nationality, gender. With our commitment to continually improve our gender diversity, we regularly assess our progress and actions towards achieving our targets, including the organisational group target and any statutory company specific targets applicable from time to time.

Recruitment

Although selection of candidates is based on having the most qualified match for the required job, it is recognised that diversity improves corporate culture, thereby improving productivity and growth. As women are the underrepresented gender across the organisation, we aim to fill at least 33% of new and vacant positions with women – for office based jobs this is done by addressing gender diversity ambition with hiring managers, securing at least one female candidate on the short list as well as having panel interviews to evaluate candidates and reduce bias.

Leadership development:

We embed Diversity, Equity and Inclusion in our leadership training programs fostering the awareness of DE&I and driving the dedication to achieve our goals.

We have a target to increase the number of women leaders having a more diverse group of role models within the organisation recognizing their importance as role models. We are developing a pipeline of women leaders and promoting opportunities for development with sponsor and mentor programs, as well as encouraging our women talents to join leadership training programmes.

Promotions & organisational changes:

We scan diversity metrics during significant organisational decisions such as internal promotions, reductions, and organisational changes to reduce potential bias. Similarly, we aim to strengthen decision making for potential promotions to higher layers of the organisation by holding people sessions with an aim to mitigate bias in performance and talent identification and have a succession planning process where we are aiming for at least a 33% gender split on qualified successors identified for critical positions.

Living wages and gender pay:

We have a dedicated process for analysing living wages across the globe of FLS employees as well as review for any gender pay gaps. We believe in equal pay for equal work and have a dedicated budget towards bridging any unadjusted gender pay gap. We have made significant progress in closing the gender pay gap through years of budget allocation, and we aim for pay transparency with a goal of less than 5% adjusted pay gap. We provide training and a job catalogue structure that helps merit managers decide on compensation for new hires and promotions, to ensure a consistent approach to this.

Council and communities:

We have established and will continue to promote DE&I councils and communities within the organisation, such as 'Women in Mining' and 'Women in Tech' to share experiences and strengthen relations and connections.

Inclusion & wellbeing:

To attract and retain a diverse workforce we want a workplace culture with inclusion and wellbeing where people can thrive and create value. This is supported through a mix of approaches: a global flexible work

policy and the option of family friendly benefits that support key stages of the employee journey. Harassment prevention training and workshops are mandatory sessions for all employees and part of employee onboarding. Supported by monthly employee engagement surveys and wellbeing questionnaires to all FLS office based employees, we proactively identify issues related to diversity and inclusion that are addressed by leaders and employees.

Policy owner and responsibilities/Governance

The policy is approved by the Board of Directors and the Group CEO. It is then upheld, executed, and revised by the People and Sustainability team, in cooperation with stakeholders from various departments. The Chief People and Sustainability Officer is accountable for implementation of our commitments to diversity, equity and inclusion. In case of severe issues, decision-making is escalated to Group CEO or Board of Directors. FLS commits creating awareness amongst all colleagues regarding this policy through communication or trainings.

People and Sustainability	<ul style="list-style-type: none"> Ensure awareness, monitoring and advise the organisation as well as incorporate supportive measures into people processes
Business Leadership	<ul style="list-style-type: none"> Commit to business area / function specific targets and drive progress towards achieving these through action plans
Individual Managers	<ul style="list-style-type: none"> Supporting our commitment for own area of responsibility through role modelling and guiding teams as well as adhering to guidelines and processes that mitigate for bias and support decision making
Employees	<ul style="list-style-type: none"> Responsible for behaving in accordance with our commitment and values and supporting an inclusive culture

Related policies

- People policy
- Harassment prevention sub policy
- Health, Safety and Environment (HSE) policy
- Human Rights Policy
- Supplier Code of Conduct

Definitions

Diversity – focuses on varied representation among our workforce and can include (but is not limited to) characteristics mentioned in this policy such as gender, age, ethnic origin etc. as well as characteristics such as personality, neurotype, individual experiences and preferences – each bringing a unique blend of strengths.

Equity – refers to fair treatment, access, and opportunities and thereby outcomes for all individuals in our workforce.

Inclusion – is about how well the perspectives, ideas, and contributions of all individuals in our workforce are valued and integrated into the way we work together.

Employees – are workers directly engaged with FLS.

Contingent workers – are workers indirectly engaged with FLS under our supervision.

Suppliers – are service providers engaged with FLS through formal service maintenance contracts where the delivery of the service does not require our supervision.



Mikko Keto
CEO

Follow us here



fismidth.com/linkedin



fismidth.com/twitter



fismidth.com/facebook



fismidth.com/instagram



fismidth.com/youtube



fismidth.eco/contact

Copyright © 2023 FLSmidth A/S. All Rights Reserved. FLS is a (registered) trademark of FLSmidth A/S.