

# Sustainability Reporting Standards Disclosure 2020



Annual and  
Sustainability  
Report 2020



## > **Global Reporting Initiative (GRI) Content Index**

Epiroc's Annual and Sustainability Report has been prepared in accordance with the GRI Standards version 2018, "Core" option. This Global Reporting Initiative (GRI) Content Index 2020 contains references to the required disclosures or reasons for omission, as well as additional data and information.

The index covers activities during the calendar year 2020 and references to pages in the Annual and Sustainability report are indicated in this index below. Epiroc has chosen to report General Standard Disclosure and Disclosure of Management Approach (DMA) as an integrated part of the annual report 2020. Sustainability information in the Annual and Sustainability Report in accordance with the GRI standards version, "Core" option has been subject to limited assurance by Deloitte AB.

The Index should be read in conjunction with the Annual and Sustainability Report 2020, which is available at <https://www.epirocgroup.com/en>

## > **UN Global Compact Advanced Communication of Progress**

Epiroc also reports against the UN Global Compact Principles and the Annual and Sustainability Report 2020 is the Epiroc's Communication on Progress (COP) at the Global Compact Advanced Level. This index can be used as a guide to understand Epiroc's commitments to the UN Global Compact's 10 principles.

Details about Epiroc's community engagement program Water for All, can be found at <https://www.water4all.org/en> (UNGC advanced COP criterion 16)

## > **Sustainability Accounting Standards Board (SASB)**

The Sustainability Accounting Standards Board (SASB) connects businesses and investors on the financial impacts of sustainability. Epiroc reports to the SASB framework against the Industrial Machinery & Goods Standards.

## GRI 102: General Disclosure Standard

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Organizational profile</b>				
102-1	Name of the organization	Inside cover		
102-2	Activities, brands, products, and services	Inside cover, 14-15, 26-29, 57-61		
102-3	Location of headquarters	62		
102-4	Location of operations	Inside cover, 52, 56, 131-132		
102-5	Ownership and legal form	64-67		
102-6	Market served	51-52		
102-7	Scale of the organization	32-33, 50-61, 82-85, 131-132		
102-8	Information on employees and other workers	32, 44-45, 56, 97-100		Epiroc reports employees and external workforce as full-time equivalents (FTE). Omission: Employment contract type (permanent or temporary) and employment type (full-time or part-time) is not reported. Data unavailable in FTE comparable figures.
102-9	Supply chain	33, 46-49, 142-143	2	
102-10	Significant changes to the organizations and its supply chain	7-9, 10-11, 50, 142-143	2	During 2020 an organizational change of the company took place with 5 divisions instead of 7. The Sourcing Programme, Excellerate, is described.
102-11	Precautionary Principle or approach	34-35, 138		
102-12	External initiatives	139	15	
102-13	Membership of associations	139	15, 17, 18	
<b>&gt; Strategy</b>				
102-14	Statement from senior decision-maker	7-9	1, 2, 15, 19	
102-15	Key impacts, risks and opportunities	10-11, 34-37, 74-79	1	
<b>&gt; Ethics and integrity</b>				
102-16	Values, principles, standards, and norms of behavior	7-9, 32-33, 34-37, 142-143	2, 19, 20	
<b>&gt; Governance</b>				
102-18	Governance structure	64-71, 140-141	20	

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Stakeholder engagement</b>				
102-40	List of stakeholder groups	139	1, 21	
102-41	Collective bargaining agreements	142		
102-42	Identifying and selecting stakeholders	36, 139	21	
102-43	Approach to stakeholder engagement	36, 139	21	
102-44	Key topics and concerns raised	32-33, 34-37, 138-141	21	
<b>&gt; Reporting practice</b>				
102-45	Entities included in the consolidated financial statements	131-132, 138		
102-46	Defining report content and topic Boundaries	34-35, 138	1	
102-47	List of material topics	34-37	1	
102-48	Restatements of information			No restatements have been made.
102-49	Changes in reporting	138		
102-50	Reporting period	Inside cover, 138		
102-51	Date of most recent report	28 February 2020		
102-52	Reporting cycle	Inside cover, 138		
102-53	Contact point for questions regarding the report	Inside cover		
102-54	Claims of reporting in accordance with the GRI Standards	Inside cover, 138, 145		
102-55	GRI content index			Published with the Annual and Sustainability Report and can be found on <a href="http://www.epirocgroup.com">www.epirocgroup.com</a>
102-56	External assurance	Inside cover, 138, 145		

## Topic - Specific standards

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Economic</b>				
<b>&gt; Economic performance</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	32-33, 36, 50-56, 74-79	1, 15	
103-2/3	The management approach, components and evaluation	64-67	1, 15	
<b>GRI 201: Economic performance</b>				
201-1	Direct economic value generated and distributed	32-33, 45, 82, 97-100, 97-102, 144	15	
201-2	Financial implications and other risks and opportunities due to climate change	33-37, 74-79		
201-3	Defined benefit plan obligations and other retirement plans	23, 97-100		Epiroc Group applies IFRS and discloses employee benefits in accordance with IAS 19.
<b>&gt; Anti-corruption</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 46-49, 74-79, 142-143	1, 2, 12	
103-2/3	The management approach, components and evaluation	49, 138-143	1, 2, 12-14	
<b>GRI 205: Anti-corruption</b>				
205-1	Operations assessed for risks related to corruption	46-49, 74-79, 142-143	13, 14	
205-2	Communication and training about anti-corruption policies and procedures	46-49, 74-79, 142-143, 144	13, 14	Omission: The indicator is reported partially. The topic is material for Epiroc. Anti-corruption policies and procedures are communicated in the whole organization. Anti-corruption is included in the Code of Conduct training which is available for all employees and managers. However Epiroc does not currently report data by employee category and region for this specific training, consolidated on the Group level, but percentage of managers that completed the training is disclosed.
205-3	Confirmed incidents of corruption and actions taken	46-47, 142-143	14	

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Environment</b>				
<b>&gt; Energy</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	19, 36, 74-79, 141-142	1, 2, 9	Epiroc's Sustainability Policy can be found online at <a href="http://www.epirocgroup.com">www.epirocgroup.com</a>
103-2/3	The management approach, components and evaluation	41, 138-143	1, 2, 9-11	
<b>GRI 302: Energy</b>				
302-1	Energy consumption within the organization	19, 32-33, 38-41, 141-142, 144	10, 11	Omission: The Epiroc Group reports and follows-up on direct energy use in MWh. The Group does not report on energy production sold.
302-3	Energy intensity	19, 32-33, 38-41, 141-142, 144	10, 11	The Epiroc reports and follows-up on energy use in MWh with relation to Cost of Sales (MSEK).
302-4	Reduction of energy consumption	38-41, 141-142	10, 11	Omission: Data on energy reductions from conservation and efficiency initiatives are measured and followed up as part of the Energy Efficiency Program.
302-5	Reductions in energy requirements of products and services	26-29, 38-41, 141-142	10, 11	Omission: This indicator is reported partially. The Group does not report on the energy-efficiency of all/the majority of its products in the Annual Report. Selected energy- efficiency cases are used to provide stakeholders insight into Epiroc's innovations with a lifecycle perspective. Our new 2030 sustainability goals include offering a full range of emission free products and to halve CO <sub>2</sub> emissions from machines sold (in 2030 compared to machines sold in 2019).
<b>&gt; Emissions</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	19, 36, 38-41, 141-142	1, 2, 9	
103-2/3	The management approach, components and evaluation	41, 138-143	1, 2, 9-11	
<b>GRI 305: Emissions</b>				
305-1	Direct (scope 1) GHG emissions	38-41, 141-142, 144	10, 11	Epiroc reports on CO <sub>2</sub> emissions.
305-2	Energy indirect (scope 2) GHG emissions	38-41, 141-142, 144	10, 11	Epiroc reports on market based and location based indirect CO <sub>2</sub> e emissions.
305-3	Other indirect (scope 3) GHG emissions	38-41, 141-142, 144	10, 11	Epiroc reports on CO <sub>2</sub> emissions from inbound and outbound transports.
305-4	GHG emissions intensity	38-41, 141-142, 144	10, 11	

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Environmental compliance</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 38-41, 74-79	1, 2, 9	
103-2/3	The management approach, components and evaluation	41, 138-143	1, 2, 9-11	
<b>GRI 307: Environmental compliance</b>				
307-1	Non-compliance with environmental laws and regulations	141-142	10, 11	
<b>&gt; Supplier Environmental Assessment</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 46-49, 74-79, 142-143	1, 2, 9	Epiroc's business model relies heavily on collaborations with business partners, and its own operations focus mainly on assembly. The environmental risks and impacts are comparatively larger outside the organization, in the value chain. Supply chain management is material and discussed with stakeholders.
103-2/3	The management approach, components and evaluation	49, 138-143	1, 2, 9-11	
<b>GRI 308: Supplier Environmental Assessment</b>				
308-1	New suppliers that were screened using environmental criteria	46-49, 142-143	10, 11	Epiroc uses a risk based approach to identify significant suppliers. This scoping can include new and old suppliers every year. Data for new suppliers specifically is not disclosed.
<b>&gt; SOCIAL</b>				
<b>&gt; Employment</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 44-45, 142	1, 2, 6	
103-2/3	The management approach, components and evaluation	45, 142	1, 2, 6-8	
<b>GRI 401: Employment</b>				
401-1	New employee hires and employee turnover	44-45, 142	7, 8	Omission: With reference to legislative reasons, employee turnover is not reported by age group or gender. Number of recruitments by age group is not reported. Our employee turnover definition include employees leaving the organization voluntarily, but not due to dismissal, retirement, or death in service.

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Occupational Health and Safety</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	7, 10-11, 19, 36, 74-79, 142	1, 2, 6	
103-2/3	The management approach, components and evaluation	43, 138-143	1, 2, 6-8	
403-1	Occupational health and safety management system	43, 140-142		
403-2	Hazard identification, risk assessment, and incident investigation	142		
403-3	Occupational health services	142		
403-4	Worker participation, consultation, and communication on occupational health and safety	142		
403-5	Worker training on occupational health and safety	42-43, 142		
403-6	Promotion of worker health	142		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	142		
<b>GRI 403: Occupational Health and Safety</b>				
403-9	Work-related injuries	42-43, 142, 144	7, 8	Omission: Epiroc reports fatalities, lost-time injuries and medical treatment injuries. There were 6 work-related hazards that posed a risk of high-consequence injuries in 2020. In 2021, restricted work injuries, high consequence injuries as well as injuries with lost-time but no medical treatment will be reported additionally.
<b>&gt; Training and Education</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its boundary	36, 44-45, 74-79, 142	1, 2, 6	
103-2/3	The management approach, components and evaluation	43, 138-143	1, 2, 6-8	
<b>GRI 404: Training and Education</b>				
404-1	Average hours of training per year per employee	44-45, 142, 144	7, 8	Omission: Epiroc does not report on trainings hours by gender.
404-3	Percentage of employees receiving regular performance and career development reviews	44-45, 144	7, 8	Omission: Epiroc reports number of yearly performance and development discussions on total level and not by gender or by employee category.

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Diversity and Equal Opportunity</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 46-47, 74-79, 142	1, 2, 6	
103-2/3	The management approach, components and evaluation	45, 138-143	1, 2, 6-8	
<b>GRI 405: Diversity and Equal Opportunity</b>				
405-1	Diversity of governance bodies and employees	44-45, 64-71, 126	7, 8	Omission: Age group is not disclosed at Group level. Minority group membership is not reported on in the Group due to national legislation in countries of operation.
<b>&gt; Non-discrimination</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 46-47, 74-79, 142-143	1, 2, 3	
103-2/3	The management approach, components and evaluation	45, 49, 138-143	1, 2, 3-5	
<b>GRI 406: Non-discrimination</b>				
406-1	Incidents of discrimination and corrective actions taken	46-49, 142-143	5	
<b>&gt; Freedom of association and collective bargaining</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 46-49, 74-79, 142	1, 2, 6	
103-2/3	The management approach, components and evaluation	45, 138-143	1, 2, 6-8	
<b>GRI 407: Freedom of association and collective bargaining</b>				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	142-143	7, 8	Omission: Epiroc Group reports percentage of employees covered by collective bargaining. Labor relations risk data is not compiled at Group level according to geography, operation or supplier. Labor relations are followed-up regularly on the operational level and reviewed by the internal audit. Suppliers in the risk scope are audited for safety, health, environment, business ethics and human rights issues

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Forced or compulsory labor</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 46-49, 74-79, 142-143	1, 2, 3	
103-2/3	The management approach, components and evaluation	49, 138-143	1, 2, 3-5	
<b>GRI 409: Forced or compulsory labor</b>				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	48-49, 74-79, 142-143	5	
<b>&gt; Human rights assessment</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36,46-49, 74-79, 142-143	1, 2, 3	
103-2/3	The management approach, components and evaluation	49, 138-143	1, 2, 3-5	
<b>GRI 412: Human rights assessment</b>				
412-1	Operations that have been subject to human rights reviews or impact assessments	46-49, 142-143	4, 5	
412-2	Employee training on human rights policies or procedures	46-49, 142-143	4, 5	Omission: Epiroc reports percentage of managers trained in Epiroc Code of conduct, which includes human rights issues. Number of hours is not available.
<b>&gt; Supplier social assessment</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	36, 46-49, 74-79, 142-143	1, 2, 3	
103-2/3	The management approach, components and evaluation	49, 138-143	3-5	
<b>GRI 414: Supplier social assessment</b>				
414-1	New suppliers that were screened using social criteria	48-49, 142-143	4, 5	Epiroc uses a risk based approach to identify significant suppliers. This scoping can include new and old suppliers every year. Data for new suppliers specifically is not disclosed.
414-2	Negative social impacts in the supply chain and actions taken	46-49, 74-79, 142-143	8	

Content Index	Disclosure	Pages in the Annual and Sustainability Report 2020	UNGC COP Advanced Criteria	Comment
<b>&gt; Customer health and safety</b>				
<b>GRI 103: Management approach</b>				
103-1	Explanation of the material topic and its Boundary	21, 36, 74-79, 142-143	1, 2	
103-2/3	The management approach, components and evaluation	43, 138-143	1, 2	
<b>GRI 416: Customer health and safety</b>				
416-1	Assessment of the health and safety impacts of product and service categories	38-43, 141-142	7, 8	Omission: Percentage of significant product and service categories is not measured on Group level. Live Work Elimination project is described.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	36, 141-142	7, 8	

## Sustainability Accounting Standards Board (SASB)

**Table 1. Sustainability Disclosure Topics & Accounting Metrics**

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	Response	Pages in Annual report 2020
<b>Energy Management</b>	1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	RT-IG-130a.1	Epiroc reports total energy consumed and percentage renewable. Epiroc reports and follows-up on energy use in MWh. Epiroc does not report on percentage grid electricity.	19, 38-41, 141-142, 144
<b>Employee Health &amp; Safety</b>	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	RT-IG-320a.1	Epiroc reports on fatalities. TRIR is reported partially. Epiroc companies are encouraged to use a reporting tool for near misses.	42-43, 142, 144
<b>Fuel Economy &amp; Emissions in Use-phase</b>	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Gallons per hour	RT-IG-410a.2	Epiroc does not report on the energy-efficiency of all/the majority of its products in the Annual Report. Select energy-efficiency cases are used to provide stakeholders insight into Epiroc's innovations with a lifecycle perspective. Our new 2030 sustainability goals include offering a full range of emission free products and to halve CO <sub>2</sub> emissions from machines sold (in 2030 compared to machines sold in 2019).	38-41, 141-142, 144
<b>Materials Sourcing</b>	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	RT-IG-440a.1	Description of the management of risks associated with the use conflict minerals and cobalt is described.	46-49, 142-143
<b>Remanufacturing Design &amp; Services</b>	Revenue from remanufactured products and remanufacturing services	Quantitative	Reporting currency	RT-IG-440b.1	Epiroc does not report this.	

**Table 2. Activity Metrics**

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	Response	Pages in Annual report 2020
<b>Number of units produced by product category</b>	Quantitative	Number	RT-IG-000.A	Epiroc does not report this.	
<b>Number of employees</b>	Quantitative	Number	RT-IG-000.B	13 840 employees (14 012 numbers of employees is an average during the year)	32, 56, 97-98, 131-132

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