FLSmidth

Compensation & Nomination Committee
Mandate and Charter

I Mandate

The Compensation & Nomination Committee ("the Committee") is a committee under the Board of Directors and shall prepare decisions for the Board of Directors to approve.

The Board of Directors authorizes the Committee to:

- Review, investigate and monitor all areas within the Mandate and Charter;
- Obtain the necessary information from Group Executive Management and employees who are required to cooperate with the Committee and answer any questions from the Committee, relevant to its work; and
- Obtain advice, guidance and assistance from external consultants/specialists when deemed necessary or advisable for the performance of its functions. The company is expected to cover the expenses incurred in connection herewith.

II Committee tasks

The Committee has the following preparatory tasks:

- Generally advise and make recommendations to the Board of Directors in relation to the items listed below;
- Annually specify the skills the Board of Directors must have to best perform its tasks; and evaluate the balance of skills, knowledge and experience available in the Board of Directors and the Group Executive Management;
- Annually evaluate performance of the Board of Directors, as a whole, and make recommendations to the Board of Directors with regard to any changes;
- Annually evaluate the skills, knowledge and experience of the individual members of the Board of Directors and report such details to the Board of Directors;

- Ensure a formal, thorough and transparent process for selection and nomination of candidates to the Board of Directors and when assessing its composition and nominating new candidates taking into consideration the need for integration of new talent and the need for diversity in relation to international experience, gender and age, etc.;

- Identify and recommend to the Board of Directors, candidates for the Board of Directors;

- Propose to the Board of Directors the size of the Board of Directors and the Board fee structure-

- Annually review the company's compliance with the Recommendations for Corporate Governance and make recommendations to the Board of Directors for adoption of the company's corporate governance position;

- Annually review, update and submit the remuneration policy for the Board of Directors and the Group Executive Management to the whole Board of Directors for approval

- Monitor that the disclosures in the remuneration report and annual report regarding remuneration to the Board of Directors and Group Executive Management are correct, give a true and fair view and are adequate

- Determine the compensation and other conditions of employment for the registered members of the Group Executive Management in line with the remuneration policy, and review and approve annual or interim salary adjustments;

- Annually approve the overall principles of the Company's bonus and other short or long term incentives or other recurring incentive programs;

- Ensure the CEO annually informs the Committee of the compensation levels and the evaluation of the performance of the managers reporting directly to the CEO;

- Agree and propose the Committee's recommendations to the Board of Directors of the Chief Executive Officer's salary, employment conditions and annual or interim salary adjustments;

- At least annually review the Mandate and Charter and propose any changes to the Board of Directors for approval.

III Members of the Committee and Term

The Committee shall consist of up to four members of the Board of Directors. The members of the Committee, including the Chair of the Committee, shall be appointed by and among the members of the Board of Directors at the constituent

Board meeting immediately after the General Meeting for a period until the next General Meeting. Reappointment is allowed.

IV Meetings

The Committee shall meet as often as it determines appropriate, but at least three times each year. Further, the Committee shall meet upon request of a member of the Committee, the Board of Directors or the Group Executive Management.

Meetings shall be convened by the Chair of the Committee with not less than four days' written notice to all members of the Committee and such notice shall include an agenda for the meeting in question. Any written material relating to the individual agenda items shall, to the extent possible, be made available to the members together with the notice convening the meeting.

If deemed appropriate, the Chair of the Committee can decide the Committee meetings are held by conference calls.

If deemed necessary by the Chair of the Committee, proxy arrangements may be made, under which a member of the Committee in isolated cases, may grant a power of attorney to another member where this is appropriate, having regard to the issue to be discussed.

Further, the Chair of the Committee can decide that a Committee resolution may be passed following a written procedure. The proposed resolution shall be forwarded to the members of the Committee and the Chair of the Committee shall subsequently seek to obtain a written, oral or electronically transferred statement from all members of the Committee and subsequently arrange for the recording of the resolution in the minute book.

Only members of the Committee are entitled and obliged to attend meetings of the Committee. In order to ensure the Committee's independence and objectivity, other members of the Board of Directors or of the Group Executive Management respectively can participate in meetings only at the invitation of the Committee, with a view to providing factual information. This includes the CEO, other executives, and is also the case for any external consultants.

Meetings of the Committee shall be subject to the same confidentiality provisions that apply to the Board of Directors.

V Quorum and resolutions

Provided the meeting has been duly convened and held, a majority of the members of the Committee shall constitute a quorum. If voting results in an equal divide, the Committee Chair's vote will be the deciding vote.

Resolutions require a simple majority of the members present at a meeting; however, all resolutions of the Committee shall be sought to be made unanimously.

Any resolution of the Committee in writing and signed by all of the members of the Committee shall be fully effective as if it had been made at a meeting duly called and held.

VI Minutes of meetings

Minutes of all meetings of the Committee shall be prepared to document the fulfillment of the Committee's responsibilities. The draft minutes shall be sent to the members of the Committee prior to the tenth working day after the meeting date and in addition – as for meetings with participation of the CEO and other executives – to these participants to ensure the precise wording of the minutes. The minutes shall be approved by the Committee at the following meeting. The approved minutes shall be maintained with the books and the records of the company.

VII Report to the Board of Directors and self-evaluation

The Committee shall, when appropriate, inform the Board of Directors of the Committee's activities and submit recommendations to the Board of Directors. The Board of Directors may consult the Committee on any matter considered to be of relevance to the Board of Director's work.

An annual self-evaluation of the work and members of the Committee shall be carried out and shall be part of the self-evaluation of the Board of Directors.

The Committee and the Chair of the Committee shall on the basis of the self-evaluation present any suggestions to the Board of Directors regarding improvements for the work of the Committee.

VIII Publication

The Committee shall contribute to the information regarding the Committee in both the company's annual report and on the company's website, ensuring the information is accurate and adequate. The Committee shall provide the following information in connection with the preparation of the annual report:

Annual Report/website

- Inform that the company has established the Committee
- Inform about the Committee's Mandate and Charter
- Inform about the names of the members of the Committee
- Inform about the specific profiles that the Nomination Committee applies to selection of Board members
- Inform about who are members with special skills in the Committee
- Inform about who is Chair of the Committee
- Inform about the number of meetings throughout the year

IX Other Issues

If the company has a controlling shareholder and such controlling shareholder decides to nominate directors, such nomination can take place without the involvement of the Committee. If candidates are nominated by a controlling shareholder without the Committee's involvement, the Committee shall only follow the guidelines set out in this Mandate and Charter with respect to the directors not nominated by the controlling shareholder.
Thus, approved at the meeting of the Board of Directors of FLSmidth & Co. A/S held on 19 August 2024.

Tom Knutzen

Mads Nipper

Anne Louise Eberhard

Thras Moraitis

Daniel Reimann

Anna Kristiina Hyvönen

Claus Østergaard

Carsten Hansen

Leif Gundtoft