

FLSmith investigates potential non-compliance with sanctions regulations and takes steps to enhance compliance measures

FLSmith has, as part of ongoing internal investigation, identified information indicating that certain pre-contract tender materials have been provided to persons in the Russian Federation in connection with a limited number of potential projects in Kazakhstan. FLSmith has ceased the pursuit of the tenders.

According to preliminary findings from FLSmith's internal investigation, the relevant tender materials were provided at the proposal-stage without project contracts having been concluded. Nevertheless, the findings indicate that the tender activities, which took place prior to 2026, could constitute services within the scope of applicable sanctions regulations and conflict with internal procedures.

FLSmith is notifying relevant authorities, including the U.S. Treasury's Office of Foreign Assets Control (OFAC) and the Danish Business Authority, and will cooperate with authorities as the internal investigation progresses. The internal investigation is aimed at assessing whether any potential violations may have occurred, and no assurance can be provided as to whether the results of the investigation would lead to enforcement actions or sanctions.

As a consequence of the preliminary findings of the internal investigation, FLSmith is in the process of reviewing and enhancing its compliance programme and risk management measures as well as other mitigating actions. FLSmith is fully committed to ensuring compliance with applicable sanctions requirements and with internal policies and procedures across regions and business lines.

The relevant projects, which are no longer being pursued, have not been part of FLSmith's financial forecasts, nor has FLSmith made any specific provisions as a result of the preliminary findings of the internal investigation. FLSmith's financial guidance for 2026 and plans for distributions, including initiating a share buy-back program in the second quarter of 2026, remain unchanged.

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About FLSmith

FLSmith is a full flowsheet technology and service supplier to the global mining industry. We enable our customers to improve performance, lower operating costs and reduce environmental impact. MissionZero is our sustainability ambition towards zero emissions in mining by 2030. We work within fully validated Science-Based Targets, have a clear commitment to improving the sustainability performance of the global mining industry and aim to become carbon neutral in our own operations by 2030. www.fls.com