

NOTICE TO CONVENE the Annual General Meeting of FLSmidth & Co. A/S

The Board of Directors hereby convenes the Annual General Meeting to be held on Wednesday 24 March 2021 at 4 pm (CET).

It is very important for the Board of Directors to keep everybody safe and minimise the risk of spreading COVID-19. For this reason, and in light of the Danish government's restrictions on assemblies, this year's Annual General Meeting will be held as an entirely electronic general meeting. It will thus not be possible to attend the general meeting in person.

See page 4 for further information regarding electronic participation.

Agenda and complete proposals:

- 1. The Board of Directors' report on the company's activities in 2020**
- 2. Presentation and approval of the Annual Report 2020**
- 3. Approval of the Board of Directors' fees:**

- a. Final approval of fees for 2020

The Board of Directors proposes unchanged approval of the fees for 2020 that were pre-approved by the general meeting in 2020.

The fees are based on a base fee of DKK 450,000 (the "Base Fee") with twice that amount to the vice chairman and three times that amount to the chairman. An additional fee of DKK 125,000 is paid for membership on a board committee, whereby, however, such additional fee for committee chairmen constitutes DKK 225,000. The chairman and the vice chairman do not receive committee fees.

The total remuneration to the members of the Board of Directors for 2020 amounts to for 2020 amounts to DKK 6 million, cf. note 1.5 in the Annual Report (page 71).

In addition to the above-stated remuneration, the company pays out-of-pocket expenses, including travel and transport costs, associated with the services rendered for the Board of Directors, and the company may also pay foreign social charges and similar charges, charged by foreign authorities in relation to the fees.

- b. Preliminary determination of fees for 2021

The Board of Directors proposes that fees of the Board of Directors remain unchanged in 2021. The fees for 2021 will be presented at the Annual General Meeting in 2022 for final approval.

- 4. Distribution of profits or covering of losses in accordance with the approved Annual Report**

The Board of Directors proposes a dividend of DKK 2 per share, corresponding to a total dividend distribution of DKK 103 million for 2020.

- 5. Presentation of the Remuneration Report 2020 for an advisory vote**

The Board of Directors proposes the approval of the Remuneration Report 2020 by advisory vote. The Remuneration Report is prepared in accordance with section 139b of the Danish Companies Act and provides an overview of the total remuneration of the Board of Directors and Executive Management in 2020. The Remuneration Report is presented in Appendix 1 and is also available on the company's website, www.flsmidth.com.

- 6. Election of members to the Board of Directors**

The Board of Directors proposes the re-election of Mr. Vagn Ove Sørensen, Mr. Tom Knutzen, Mr. Richard Robinson Smith (Rob Smith), Ms. Anne Louise Eberhard, Ms. Gillian Dawn Winckler and Mr. Thrasyvoulos Moraitis to the Board of Directors.

Information on the qualifications and positions held by the individual candidates is presented in Appendix 2 and is also available on the company's website, www.flsmidth.com.

- 7. Election of company auditor**

The Board of Directors proposes the re-election of EY Godkendt Revisionspartnerselskab in accordance with the recommendation of the Audit Committee. The Audit Committee has informed the Board of Directors that it has not been influenced by third parties and is not subject to any agreements with third parties that restrict the general meeting's election of specific auditors or audit firms.

- 8. Proposals from the Board of Directors**

The Board of Directors submits the following proposals:

8.1 – Amendment of the articles of association – renewal of the Board of Directors’ authorisations to increase the company’s share capital

The Board of Directors proposes that the existing authorisations in article 4a of the articles of association to increase the company’s share capital be extended so that they are applicable until and including 24 March 2026. The updated article 4a will subsequently be worded as follows:

“The Board of Directors is authorised to increase the share capital by issuing new shares in one or more tranches at a total nominal value of up to DKK 100,000,000 with pre-emption rights for the Company’s existing shareholders, subject, however, to paragraph 3. The new shares shall be paid in cash. The authorisation shall apply for the period until and including 24 March 2026.

Further, the Board of Directors is authorised to increase the share capital by issuing new shares in one or more tranches at a total nominal value of up to DKK 100,000,000 without pre-emption rights for the Company’s existing shareholders, subject, however, to paragraph 3, provided that the increase takes place at market value. The new shares may be paid in cash or by contribution of assets other than cash. The authorisation shall apply for the period until and including 24 March 2026.

The authorisations of the Board of Directors pursuant to paragraphs 1 and 2 apply to a total issue of new shares at an aggregate nominal value not exceeding DKK 100,000,000.

In the case of a share capital increase pursuant to paragraphs 1 and 2, the new shares shall be issued in the name of the holder and be paid in full. The shares shall be negotiable and shall in all other respects bear the same rights as the existing shares, for example in terms of redeemability and restrictions on negotiability. The new shares shall entitle the holder to dividend from the time decided by the Board of Directors, however, not later than as from the financial year following the increase. The Board of Directors shall decide the terms and conditions for increases of the share capital that are implemented in accordance with the authorisations in paragraphs 1 and 2.”

8.2 - Amendment of the articles of association – authorisation to the Board of Directors to decide to hold general meetings partially or fully by electronic means

Due to the COVID-19 pandemic and the prohibition imposed on larger gatherings and in order to ensure flexibility in the future, the Board of Directors proposes to adopt a new article 9 of the articles of association to authorise the Board of Directors to resolve that general meetings may be held partially or fully by electronic means. It is the intention of the Board of Directors to hold future general meetings with the possibility of physical attendance and thus only make use of the authorisation in situation where it is deemed necessary.

The new article 9 will be worded as follows:

“If the Board of Directors finds it appropriate, and if the general meeting can be conducted in a technically safe manner, the Board of Directors may decide that the general meeting shall be held partially or fully as an electronic general meeting. If so decided, shareholders will be able to attend, express their opinion and vote at the general meeting by electronic means. Detailed information on the procedures for electronic attendance and participation will be made available on the company’s website and in the relevant notices convening the general meetings, and written information on the subject will also be sent to all shareholders recorded in the Company’s register of shareholders who have requested so.”

If adopted, the current articles 9-16 will be re-numbered to articles 10-17 of the articles of association.

The proposed amendments to the articles of association appear from Appendix 3 and are also available on the company’s website, www.flsmidth.com.

8.3 - Treasury shares

The Board of Directors proposes that it be authorised until the next Annual General Meeting to let the company acquire treasury shares equivalent to a total of 10% of the company’s share capital at the time of the authorisation, provided that the company’s total holding of treasury shares at no point exceeds 10% of the company’s share capital. The consideration must not deviate by more than 10% from the official price quoted on Nasdaq Copenhagen at the time of acquisition.

9. Proposal from shareholders AkademikerPension and LD Fonde

The Company shall at reasonable cost undertake an assessment of the extent to which it is able to publish corporate country-by-country tax reporting in line with the Global Reporting Initiative’s standard (GRI 207: Tax 2019) starting from Financial Year 2021. The findings of the assessment should be made public before the AGM in 2022. Commercially sensitive or confidential information shall be omitted.

The shareholders’ motivation in full:

“The GRI Standards make up the world’s most widely adopted sustainability reporting framework.

The GRI Tax Standard is the first global standard for comprehensive tax disclosure at the country-by-country level. It supports public reporting of a company’s business activities and payments within tax jurisdictions, as well as their approach to tax strategy and governance.

Global investors, civil society groups, labor organizations and other stakeholders have signaled their backing for the Tax Standard, as it will help address their growing demands for tax transparency.

The Tax Standard has been developed in response to concerns over the impact tax avoidance has on the ability of governments to fund services and support sustainable development – and to give clarity on how much companies contribute to the tax income of the countries, where they operate.

FLSmidth has already taken significant steps to demonstrate a responsible approach to corporate tax, e.g. by stating a position on tax in recent reporting, and we as long-term investors in the company have no reason whatsoever to believe that FLSmidth is not paying its fair share of tax.

However, investors and other stakeholders increasingly expect leading companies committed to sustainable development and corporate responsibility, such as FLSmidth, to lead the way on corporate tax transparency by producing public country-by-country reports (PCbCR) on tax.

Multinational companies are already required to produce country-by-country tax reports to government tax authorities based on the OECD BEPS-template. However, this information is generally not made available to investors or the public.

For certain industries PCbCR is mandatory under EU rules. This is the case for the banking sector, logging, and extractives industries. Tax transparency is increasingly becoming hard law, and leading companies that pay their fair share of tax stand to benefit from more fair competition likely to arise from increased level of tax transparency. In 2016 the EU Commission proposed a directive aimed at mandatory tax transparency on a country-by-country basis for multinational companies doing business in EU countries, but the legislative process could take several more years and approval depends on the backing of the EU Member States.

Meanwhile, leading companies such as Ørsted in Denmark and Vodafone in the UK have voluntarily decided to adopt PCbCR, going beyond the minimum legal disclosure requirements. This has been done in a way carefully designed not to expose sensitive information that could harm the companies. For instance, by avoiding disclosure of information that would erode their competitive position, which is perhaps the most common concern regarding PCbCR on tax.

Boards of global companies have a key role to play and should assess if and how their companies can help tackle the systemic societal issue of corporate tax avoidance and lack of transparency, which currently results in unfair competition and less tax revenue to fund essential public services globally.

We therefore ask the Company to undertake and complete an assessment of the extent to which it can report in line with the Global Reporting Initiative's standard 207 on tax starting from Financial Year 2021. The findings of the assessment should be made public before the company's Annual General Meeting in 2022.

The assessment - and any additional tax transparency - shall omit commercially sensitive or confidential information and be prepared at reasonable cost. A step-by-step approach to reporting in line with GRI could be considered."

The Board of Directors' position

The Board of Directors supports that the Company:

- undertakes an assessment of the extent to which it is able to publish corporate country-by-country tax reporting in respect of the financial year ending 31 December 2021, and
- publishes the findings of the assessment before the Annual General Meeting in 2022.

As stated in our Sustainability Report 2020 (page 59), during 2021, we will complete our evaluation of how to best comply with GRI 207 : Tax.

Our Group Tax Policy is publicly available at <https://www.flsmidth.com/en-gb/company/sustainability/policies-and-priorities> and we acknowledge the increasing public interest in the tax contributions made to societies by multinational businesses.

The company has commenced internal discussions on:

- the extent to which it is viable to publicly release country-by-country tax reporting,
- the appropriate balance between transparency of tax data, the relevance of the data and possible competitive disadvantages,
- the method, timing and forum of country-by-country tax disclosures.

10. Any other business

Adoption requirements

The proposals set forth in items 8.1 and 8.2 and of the agenda must be adopted by at least 2/3 of both the votes cast and of the share capital represented at the general meeting. The remaining proposals on the agenda can be adopted by a simple majority of votes.

Size of the share capital and the shareholders' voting rights

The company's share capital amounts to nominally DKK 1,025,000,000, divided into shares of DKK 20 each. Each share of DKK 20 carries 20 votes.

The date of registration is Wednesday 17 March 2021.

Shareholders holding shares in the company on the date of registration have the right to attend and vote at the general meeting. The number of shares held by a shareholder is calculated at the date of registration based on the recording of the shareholder's shares in the register of shareholders as well as any notices concerning ownership received by the company to be recorded in the register of shareholders. Attendance is also subject to the shareholder having timely obtained an admission card as described below.

Completely electronic general meeting

Subject to the Danish government's COVID-19 restrictions and to protect everyone's safety, the Annual General Meeting will be held as a completely electronic general meeting. Physical attendance will not be possible, however, shareholders can attend via a general meeting portal hosted by VP Securities A/S ("VGM Portal"), where shareholders may live stream, vote and submit questions in writing by a chat function during the general meeting.

Registration of electronic participation

It is important to register for the general meeting in advance if you wish to attend the full electronic general meeting. You can register as follows and by no later than Friday 19 March 2021, at 23:59:

- electronically via via FLSmidth's InvestorPortal at www.flsmidth.com/gf, or via VP Securities A/S' website, www.vp.dk/gf
- by contacting VP Securities A/S on tel. no. (+45) 43 58 88 66, or by email to vpinvestor@vp.dk.

Once you have registered, you will receive a confirmation by email. The email contains a link to the VGM portal, as well as information about the actual conduct of the electronic general meeting

Proxy

Proxies must be submitted electronically via FLSmidth's InvestorPortal at www.flsmidth.com/gf (requires electronic password) or in writing by using the proxy/postal vote form that can be downloaded at www.flsmidth.com/gf. If the form is used, the completed and signed form must be received by VP Securities A/S, Weidekampsgade 14, 2300 Copenhagen S, Denmark or a scanned version to vpinvestor@vp.dk, not later than Friday 19 March 2021 at 11.59 pm (CET).

Postal vote

Postal votes must be submitted electronically via FLSmidth's InvestorPortal at www.flsmidth.com/gf (requires electronic password) or in writing by using the proxy/postal vote form that can be downloaded at www.flsmidth.com/gf. If the form is used, the completed and signed form must be received by VP Securities A/S, Weidekampsgade 14, 2300 Copenhagen S, Denmark or a scanned version to vpinvestor@vp.dk, not later than Tuesday 23 March 2021 at 12 noon (CET). A postal vote cannot be withdrawn.

Questions from shareholders

Questions prior to the general meeting

Shareholders may submit questions to the agenda or documents etc. to be used at the Annual General Meeting in writing to FLSmidth & Co. A/S, Vigerslev Allé 77, 2500 Valby, Denmark, or by email to corpir@flsmidth.com. To ensure the progress of the general meeting, the Board of Directors encourages shareholders to, to the extent possible, submit questions in writing ahead of the general meeting. Such questions will be answered in writing prior to the general meeting or verbally at the general meeting.

Questions during the general meeting

Technical questions | Shareholders experiencing technical difficulties may contact the VGM Portal hotline on phone +45 43 58 88 94 for assistance.

Questions regarding items on the agenda | Following the presentation of the agenda items, it will be possible to ask written questions and submit comments concerning the proposals via the VGM Portal. Due to the limitations of the VGM Portal, it is recommended to keep questions and comments brief and concise. Shareholders must log into the VGM Portal in order to ask questions /provide comments in writing. Shareholders' written questions/comments will be presented by the chairman of the general meeting and answered verbally during the meeting if possible or in writing after the meeting if necessary.

Electronic voting

Shareholders, who have not already submitted their votes by proxy or postal vote, may vote electronically during the general meeting through the VGM Portal. Shareholders must log into the VGM Portal in order to be able to vote. Delays on the electronic lines may occur in connection with the transmission of the general meeting and the vote. In utmost cases, these delays may last several minutes. The chairman of the general meeting will conduct the meeting accordingly, however, FLSmidth does not assume any responsibility for shareholders' questions, comments, proposed amendments or votes casted, if any, not being received in time for them to be taken into consideration at the relevant item on the agenda.

Technical requirements for participation

Each shareholder must ensure to be in possession of a computer, mobile phone/tablet with an internet browser, as well as a sufficient and well-functioning internet connection. The device/computer must have the latest version of Edge, Chrome or Firefox installed. Internet Explorer *cannot* be used.

We recommend that each shareholder tests the device and internet connection by logging on to the VGM Portal in due time ahead of the start of the general meeting. The VGM Portal will be open to testing after the shareholder has registered.

Shareholders experiencing technical problems may contact the VGM Portal hotline on telephone +45 43 58 88 94 for assistance.

Further information on technical requirements and the procedure for electronic participation will also be available in the confirmation email upon registration.

Additional information

Until and including the day of the Annual General Meeting, the company's website, www.flsmidth.com/gf, will provide additional information about the general meeting, including the Annual Report 2020, the Remuneration Report 2020, information about the total number of shares and voting rights on the date of the notice, this notice with the agenda and the complete proposals, including appendices, the proxy/postal vote form for the Annual General Meeting, the articles of association as well as a practical guide for electronic registration and participation. The Annual Report 2020 and Remuneration Report 2020 are only available in English.

As of Tuesday 2 March 2021, the information will also be available for inspection by the shareholders at the company's head office at Vigerslev Allé 77, 2500 Valby, Denmark.

Webcast

The entire Annual General Meeting will be webcasted live on the company's website, www.flsmidth.com/gf, and the webcast will subsequently be available on the website. The webcast will only cover the podium. Reference is made to the company's personal data policy available on the company's website for additional information on collection and processing of personal data in connection with the Annual General Meeting.

Valby, 23 February 2021
FLSmidth & Co. A/S

The Board of Directors