

## 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 29 March 2023 at 4 pm (CEST) at the offices of the company, Vigerslev Allé 77, DK-2500 Valby.

### Agenda:

#### 1. The Board of Directors' report on the company's activities in 2022

#### 2. Presentation and approval of the 2022 Annual Report

#### 3. Approval of the Board of Directors' fees:

##### a. Final approval of fees for 2022.

The Board of Directors proposes unchanged approval of the fees for 2022 that were pre-approved by the general meeting in 2022.

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

The total remuneration to the members of the Board of Directors for 2022 amounts to DKK 6.6 m, cf. note 1.5 in the Annual Report (page 78).

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 2023

The Board of Directors proposes that fees of the Board of Directors remain unchanged in 2023. The fees for 2023 will be presented at the Annual General Meeting in 2024 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 3 per share, corresponding to a total dividend distribution of DKK 173 m for 2022.

#### 5. Presentation of the Remuneration Report 2022 for an advisory vote

The Board of Directors proposes the approval of the Remuneration Report 2022 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 2022. The Remuneration Report is presented in Appendix 1 and is also available on the company's website [www.flsmidth.com](http://www.flsmidth.com).

#### 6. Election of members to the Board of Directors

The Board of Directors proposes the re-election of Mr. Tom Knutzen, Mr. Mads Nipper, Ms. Anne Louise Eberhard, Ms. Gillian Dawn Winckler and Mr. Thrasyvoulos Moraitis to the Board of Directors.

Further, the Board of Directors proposes the election of Daniel Reimann as a new member to the Board of Directors.

Board member, Richard Robinson Smith (Rob Smith) does not seek re-election 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](http://www.flsmidth.com).

#### 7. Election of company auditor

The Board of Directors proposes the re-election of Ernst & Young 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

The Board of Directors proposes that the existing authorisations granted in article 4a of the Articles of Association to the Board of Directors to increase the company's share capital be extended so that they are applicable until and including 29 March 2028. The new article 4a will be worded as follows:

*"The Board of Directors is authorised to increase the share capital by issuing new shares in one or more tranches with pre-emption rights for the Company's existing shareholders and at a total nominal value of up to DKK 100,000,000, subject, however, to paragraph 3. The new shares must be paid in cash. The authorisation shall apply for the period until and including 29 March 2028.*

*Further, the Board of Directors is authorised to increase the share capital by issuing new shares in one or more tranches without pre-emption rights for the Company's existing shareholders and at a total nominal value of up to DKK 100,000,000, 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 29 March 2028.*

*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 authorizations in paragraphs 1 and 2."*

The proposed amendments to the articles of association is available on the company's website, [www.flsmidth.com](http://www.flsmidth.com).

## **8.2 – Treasury shares**

The Board of Directors proposes that it be authorized 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 authorization, 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. Shareholder Proposal (AkademikerPension and LD Fonde)**

Shareholder, AkademikerPension and LD Fonde, proposes that the Board of Directors shall communicate the company's efforts to respect human rights and labour rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs), and in alignment with the forthcoming Corporate Sustainability Reporting Directive (CSRD), the company shall perform and publish a double materiality assessment identifying which, if any, human rights related financial risks the company has identified, and how it seeks to address these. The disclosed information shall be updated and published at least once a year at reasonable cost, omitting proprietary information. The disclosed information shall be made public before the Annual General Meeting notice starting in 2024 and may be included in the existing reporting suite.

### **The proposing shareholder's full motivation for the proposal:**

*The pressure on companies to demonstrate respect for human rights is increasing as the link between long-term value creation and a prudent approach to human rights risks is becoming more and more established.*

*It is therefore increasingly important for companies and investors alike that companies demonstrate that they understand and navigate the business opportunities and risks related to the corporate duty to respect human rights and labour rights throughout the entire value chain. Failure to do so may leave the company vulnerable to operational disruptions, litigation risk and increased scrutiny by supervisory authorities as well as reputational risk and loss of license to operate in eyes of customers, employees, investors, and business partners.*

*The corporate duty to respect human rights is derived from the United Nations Guiding Principles on Business and Human Rights (UNGPs), adopted in 2011. The UNGPs have set out the international standard of practice for companies to respect international human rights (including labour rights) by identifying, preventing, mitigating, remedying, and accounting for human rights impacts associated with their business activities – commonly known as human rights due diligence. Companies that are operating (directly or through the value chain) in conflict-affected areas are, furthermore, expected to perform heightened human rights due diligence in light of the increased risk of human rights violations in these areas.*

*Though a soft law requirement under international law, the corporate duty to respect human rights has been an expectation of companies since the UNGPs was adopted in 2011. This is particularly the case for companies that publicly subscribe to these international norms.*

*The expectation has in recent years been underlined by the European Union's introduction of a range of regulatory initiatives which, in different ways, seek to address the impacts that businesses have on human rights and labour rights. Two of the main developments in this area are the Corporate Sustainability Due Diligence Directive (CSDDD), which includes a mandatory due diligence obligation with respect to human rights, and the Corporate Sustainability Reporting Directive (CSRD),*

which concerns disclosures on a range of sustainability matters including human rights from a double materiality perspective. The EU regulatory initiatives are largely based on the corporate duty to respect human rights as described in the UNGPs, though the human rights due diligence requirement under the UNGPs will likely be more comprehensive than the national implementation of the EU directive.

Though the corporate duty to respect human rights has been long-established, studies show that companies have not taken the necessary steps to demonstrate sufficient implementation of human rights due diligence processes in their operations. The Danish Institute for Human Rights (DIHR) has examined the public reporting of a number of large Danish companies and provided an analysis of the human rights policies and disclosed human rights due diligence practices of these companies in 2020, and again in 2022. The analyses indicate that more progress needs to be made in this area. This is also the case for FLSmidth.

FLSmidth is a signatory to the UN Global Compact and has committed to respecting human rights in line with the UNGPs. This includes identifying, mitigating, and remedying adverse impacts in the entire value chain, both on the supply side and on the customer side. Given that FLSmidth through its business partners operate in conflict-affected geographic territories and depend on sectors with a high risk of adverse impacts on human rights, it is important that the company can account for the necessary due diligence processes applied to handle these risks.

Furthermore, FLSmidth already employs and discloses a well-developed risk management process and identifies several risk topics that are potentially related to human rights risks, such as supply chain, compliance, geo-politics, safety, sustainability, and attracting and retaining employees, but currently with no or limited connection to this in its human rights disclosures and sustainability report.

By strengthening its ability to document its human rights due diligence and risk management processes, FLSmidth would stand to benefit. Not by pre-empting the regulatory requirements in the EU legislation, but by staying ahead of the curve in order to gain a competitive advantage.

#### **The Board of Directors' position**

The Board of Directors has had a good and constructive dialogue with AkademikerPension and LD Fonde about the precise wording of the proposal and the Board of Directors supports the proposal.

## **10. Any other business**

### **Adoption requirements**

The proposal set forth in item 8.1 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. The Remuneration Report set forth in item 5 of the agenda is only subject to an advisory vote in accordance with the Danish Companies Act.

### **Size of the share capital and the shareholders' voting rights**

The company's share capital amounts to nominally DKK 1,153,000,000, divided into shares of DKK 20 each. Each share of DKK 20 carries 20 votes.

The date of registration is Wednesday 22 March 2023.

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.

### **Admission card**

Shareholders who wish to attend the Annual General Meeting must request an admission card. The request must be received by the company no later than Friday 24 March 2023 at 11.59 pm (CET). Admission cards may be ordered via FLSmidth's InvestorPortal at [www.flsmidth.com/gf](http://www.flsmidth.com/gf).

FLSmidth & Co. A/S sends out admission cards by email. In order to receive an admission card, the shareholder's email address must be registered at FLSmidth's InvestorPortal at [www.flsmidth.com/gf](http://www.flsmidth.com/gf). Following registration the shareholder will receive an electronic admission card, which must be presented at the Annual General Meeting by using e.g. a smartphone or tablet. Alternatively, a printed version of the admission card may be presented. If the admission card is not presented, access may be granted to the general meeting on presentation of due proof of identity.

### **Proxy**

Proxies must be submitted electronically via FLSmidth's InvestorPortal at [www.flsmidth.com/gf](http://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](http://www.flsmidth.com/gf). If the form is used, the completed and signed form must be received by Euronext Securities (VP Securities A/S), Nicolai Eigtveds Gade 8, 1402 København K (scanned version to [CPH-investor@euronext.com](mailto:CPH-investor@euronext.com)), no later than Friday 24 March 2023 at 11.59 pm (CET).

**Postal vote**

Postal votes must be submitted electronically via FLSmidth's InvestorPortal at [www.flsmidth.com/gf](http://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](http://www.flsmidth.com/gf). If the form is used, the completed and signed form must be received by Euronext Securities (VP Securities A/S), Nicolai Eigtveds Gade 8, 1402 København K (scanned version to [CPH-investor@euronext.com](mailto:CPH-investor@euronext.com)), no later than Tuesday 28 March 2023 at 12 noon (CEST). A postal vote cannot be withdrawn.

**Additional information**

Until and including the day of the Annual General Meeting, the company's website, [www.flsmidth.com/gf](http://www.flsmidth.com/gf), will provide additional information about the general meeting, including the 2022 Annual Report, 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 and the proposed updated articles of association. The 2022 Annual Report is only available in English.

As of Wednesday 1 March 2023, the information will also be available for inspection by the shareholders at the company's head office at Vigerslev Allé 77, 2500 Valby, Denmark.

**Questions from shareholders**

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 [fls.ir@flsmidth.com](mailto:fls.ir@flsmidth.com).

**Webcast**

The entire Annual General Meeting will be webcasted live on the company's website, [www.flsmidth.com/gf](http://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.

**Parking**

The company's address is at Vigerslev Allé 77, 2500 Valby, Denmark. There are only a limited number of parking spaces at the address.

**The Annual General Meeting ends after the consideration of the last item on the agenda.**

Valby, 3 March 2023  
FLSmidth & Co. A/S

The Board of Directors