On 24 March 2021 at 4 pm (CET), the annual general meeting of FLSmidth & Co. A/S, CVR no. 58 18 09 12, was held as a fully electronic general meeting.

The agenda of the meeting was as follows:

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

   b. Preliminary determination of fees for 2021
4. Distribution of profits or covering of losses in accordance with the approved Annual Report
5. Presentation of the Remuneration Report 2020 for an advisory vote
6. Election of members to the Board of Directors
7. Election of company auditor
8. Proposals from the Board of Directors

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

   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

   8.3. Treasury shares
9. Proposal from shareholders AkademikerPension and LD Fonde
10. Any other business

The chairman of the Board of Directors, Vagn Sørensen, welcomed the shareholders and announced that the Board of Directors had appointed Klaus Søgaard, attorney-at-law, as chair of the general meeting in accordance with article 7 of the company's articles of association.

The chair outlined the provisions of the Danish Companies Act and the company's articles of association governing notice of annual general meetings and declared that the general meeting had been lawfully convened and was able to transact the items on the agenda.

The chair announced that the annual general meeting was held as an entirely electronic general meeting in order to ensure that the meeting was held in accordance with the Danish government's restrictions on assemblies and the Danish authorities' health and safety guidelines. For the safety of all participants, the general meeting was held without the possibility of physical attendance in accordance with the Danish Executive Order no. 2240 of 29 December 2020.

At the general meeting, a total of 39.39 % of the share capital, after adjustment for treasury shares, was represented. A total of 102 admission cards had been issued and 38 shareholders attended the general meeting electronically.

The chair summarised the requirements for adoption of items on the agenda and informed the general meeting that the Board of Directors' proposals under items 8.1 and 8.2 required adoption by two-thirds majority, and that all the remaining proposals on the agenda could be adopted by a simple majority of votes.

The chair informed the general meeting that the five four items on the agenda would be presented under one by the chairman of the Board of Directors.

Re. 1-5. The Board of Directors' report on the Company's activities in 2020; approval of the 2020 Annual Report; approval of the Board of Directors' fees; appropriation of profits or losses in accordance with the approved Annual Report; and presentation of the Remuneration Report 2020 for an advisory vote

The chairman of the Board of Directors presented the following report:

"When I spoke from this podium last year, it was at a general meeting with limited in-person attendance that had been postponed due to the COVID-19 pandemic. I had hoped that this year we would be able to meet with our shareholders under somewhat more normal conditions, but given the current circumstances, we have decided that holding an entirely virtual general

meeting would be the safest solution for all. Thank you to everyone attending our AGM today via webcast.

FLSmidth strives to be the leading supplier of sustainable productivity to the global mining and cement industries, and we are already well-positioned in this endeavour. We help our customers to increase their production, lower their operating costs and reduce their environmental footprint. This strategic focus remains unchanged regardless of the pandemic.

The year began with a good market outlook for Mining and a stable outlook for Cement, but the pandemic had both operational and financial implications and presented both challenges and opportunities for FLSmidth.

Our company has operated globally for nearly 140 years, and the vast crisis management experience we have amassed during that time proved to be an invaluable asset as the year progressed. In January, we assembled teams to deal with the supply chain situation, when the pandemic erupted in China. As COVID-19 began to spread in several parts of the world, we quickly established crisis management teams at our corporate headquarters in Copenhagen as well as in our regions with the main priority to secure the health and safety of our employees in a changing business environment. We stepped up our focus on cash flows, liquidity and credit lines, and a big priority, of course, was to help our customers sustain their production. Our employees have done a tremendous job adapting to the changing circumstances.

The pandemic has underscored the importance of our agile supply chain, and it has proven the strengths of the regional business structure we implemented in 2018.

Today, we have a greater share of local sales and more service staff close to our customers which has served us well through the lockdowns. Another cornerstone of our 2018 reorganisation was an improved focus on digitalisation. Over the past year, we have seen a step-change in customers' willingness to adopt our remote support solutions and digitalised optimisation of operations.

Another outcome of the pandemic has been the increased global awareness of health, safety and the environment. Some of the world's largest, most densely populated and most polluted cities have experienced weeks or months with closed factories, car-free streets and, for the first time in years, fresh air and clear blue skies. This has sparked fresh momentum in the battle *against climate change, and it has accelerated the green energy transition and industrial decarbonisation. All of this favours FLSmidth as a premium supplier of sustainable solutions to the mining and cement industries. Both of these industries have a huge potential to reduce their environmental footprint. Combined, cement and minerals production currently account for approximately 10% of all global CO2 emissions.*

With rising populations, a growing middle class and a transition to greener energy, the demand for cement and minerals – and thus the environmental impact - will only increase during the next decade. A more sustainable future requires action from these industries, and we aim to lead this action towards zero emissions without compromising on quality or our customers' competitive strength.

Emissions from FLSmidth's own operations (scope 1 and scope 2 emissions) account for less than 1% of our overall emissions, while scope 3 emissions from our supply chain and customers' use of our equipment represent the vast majority.

Our approach to sustainability is to take responsibility for our own environmental footprint while helping our customers reduce theirs.

We delivered a strong in-house sustainability performance in 2020. The carbon intensity of FLSmidth's operations declined from 2.6 to 2.2 tonnes/DKKm revenue. Our water withdrawal declined from 222 to 197 thousand m3. Our share of women in management positions increased from 11% to 13%, and our safety KPI improved for the 7th consecutive year.

In November 2019, we announced our sustainability programme, MissionZero, to enable our customers in cement and mining to move towards zero emissions by 2030. As around 96% of our overall emissions derive from customers' use of our sold products (scope 3), MissionZero is the best tool we have to contribute to reducing global emissions.

In 2020, we reached significant milestones for MissionZero. Amongst others, we launched an innovative clay calciner system which reduces CO2 emissions in cement production by up to 40% compared to traditional clinker production. We signed a contract to substitute coal with our alternative fuels solution, the FLSmidth HOTDISC®, for two cement production lines in Korea, and in Turkey we are building a HOTDISC® solution for a new cement production line which will achieve 86% substitution of fossil fuels. Additionally, we started a cooperation with *the Vietnam National Cement Corporation with the goal of implementing technologies that can reduce greenhouse gas emissions and improve air quality.*

In support of our ambition to reduce energy usage and increase resource efficiency in the mining industry, FLSmidth is driving a number of research and development partnerships with customers, third parties and academic institutions around the world. We have seen increasing demand for our water recycling solutions from the global mining industry. Following the successful installation of a tailing management system which recirculates over 86% of the process water at Hindustan Zinc Limited's mine in Rajasthan, India, we were awarded an additional contract to deliver an integrated dry stack tailings solution to recover the process water at one of their other mines in Rajasthan.

To further our ambition to decarbonise the cement and mining industries and put FLSmidth on the path to carbon neutrality, in early January 2021 we committed to set science-based targets according to the Science Based Targets initiative. We are also aligning our practices and reporting of climate-related financial risk with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).

As part of this, we conducted a climate risk and opportunities analysis in late 2020 facilitated by an external advisor.

Digitalisation is an important lever to accelerate the journey towards zero emissions in cement and mining and the pandemic has accelerated customer adoption of digitalised operations and remote support. A good example of this is our new partnership with TITAN Cement Group to increase digitalisation and sustainability across the full flowsheet of all of their 17 cement plants.

Earlier in 2020, we received an order for our BulkExpert™ digital solution from a customer in Brazil. The solution will fully automate the stockyard operation of two large iron ore shipping export terminals in the south of the country, improving the production, quality and safety of the customer's operations.

On the innovation front, we launched the world's most OPEX- and CAPEX-efficient digitally-enabled gyratory crusher, and we took a major step in our artificial intelligence journey with the launch of our latest ProcessExpert system applicable for both mining and cement.

Furthermore, we supplemented our in-house innovation through the acquisition of KnowledgeScape, a global leader in digital optimisation solutions for the mineral processing industry.

Although demand for more digitalised and sustainable mine sites and cement plants is rising, the pandemic severely impacted our end markets in 2020.

The mining industry has been more resilient to the pandemic than many other industries, although certainly not immune. About 10% of the world's mine sites were shut down in April, but nearly all sites have since restarted production and most are running at high production rates. Under normal circumstances, this would mean good conditions for our service business but travel restrictions and limited site access have continued to impact on-site technical services. On the positive side, commodity prices have rebounded strongly following their sharp decline earlier in the year. Mining companies are generating good cash flows, but despite the healthy industry fundamentals, they have continued to defer large capital investments due to pandemic-induced uncertainty and delays related to prolonged environmental and other regulatory approval processes.

In the longer term, the switch to green energy and electric-powered transportation will create increased demand for copper and battery metals for which the mining industry will need to scale up investments in order to meet.

The cement industry was severely affected by travel restrictions and restricted site access in 2020. Customers deferred non-critical investments due to uncertainty and lower production rates which also caused reduced demand for spare and wear parts. Following the shutdown of about 20% of the world's cement plants outside of China in April, the share of cement plants in operation has since climbed back up above 95%. However, many plants continue to run at reduced capacity and cement customers will need to see improved cash generation before they ramp up investments.

The cement market is faced with ongoing overcapacity and we see no short- to medium-term recovery. Thus we continue activities to reshape our Cement business. Large economic stimulus programmes, combined with an increasing focus on lower-carbon cement, will create good opportunities in the medium- to long-term but the timing and extent of an overall rebound in the cement market remain uncertain. However, it is clear that the cement industry *will need substantial investments to meet the emissions reduction targets set by a growing number of cement producers as well as the recent commitments to carbon neutrality made by the Global Cement and Concrete Association and the European Cement Association. As the industry's leading and most innovative premium supplier with strong process know-how, we are strongly positioned to benefit from this development.*

Faced with highly uncertain global conditions due to the pandemic, we suspended our financial guidance in March. During April and May, a growing share of customers temporarily shut down or restricted access to their sites following guidelines from local authorities or through their own safety precautions. Global and local mobility restrictions also affected our supply chain, access to customer sites as well our own operations. During the summer, the situation improved in some regions but deteriorated elsewhere. Despite ongoing uncertainty, we reinstated our financial guidance in August and made the working assumption that business sentiment would improve gradually throughout the remainder of the year. As business sentiment failed to improve, we unfortunately had to let go of more than 1,700 colleagues during the year to adjust for a weaker outlook in Cement and a changed way of doing business due to the pandemic. We ended the year within our reinstated 2020 guidance.

Our financial results in 2020 were negatively impacted by the pandemic and the rapidly deteriorating business environment which affected order intake, revenue and EBITA. Despite the difficult market conditions, we secured four large orders and a book-to-bill of 113% for the year. Our organic order intake was on par with 2019, comprising growth in Mining and a decline in Cement.

Revenue for 2020 declined by 20% to DKK 16.4bn and the organic growth was negative 16%. Service accounted for 60% of revenue with the sale of projects and products accounting for 40%. The revenue decline mainly occurred in Cement, as that business was impacted both by the pandemic and the low backlog going into the year. We carried out activities to adjust the cost base accordingly but in some countries we were constrained from doing so by local labour restrictions related to COVID-19. Also, mobility restrictions restricted the utilisation of our global service technicians and resulted in more complex and costly logistics.

Though not immune to the pandemic, our Mining business was relatively resilient whereas the sharp decline in revenue had a severe impact on profitability in our Cement business.

Generally, there was a strong correlation between the pandemic and business activity in both Mining and Cement. Thus, our consolidated EBITA decreased by 54% to DKK 771m in 2020, while the EBITA margin ended the year at 4.7%, down from 8.1% in 2019. EBITA included implementation costs related to the Group business improvement programme of DKK 152m and costs related to additional Cement reshaping of DKK 40m.

Due to the lower earnings and the higher effective tax rate, profit for the year decreased from DKK 776m in 2019 to DKK 205m in 2020.

Our return on capital employed (ROCE) fell from 10.9% in 2019 to 5.1% in 2020 as a result of the lower EBITA for the year.

Due to the lower level of activity and our strong focus on cash flows, net working capital fell from 13.3% to 10.7% of revenue, while the free cash flow more than doubled to DKK 1bn in 2020. The impressive cash flow performance was not least due to our employees' extraordinary cash collection efforts from accounts receivable.

Despite the difficult market conditions, the order intake in Mining increased by 6% to DKK 12.8bn. The order intake was up by 13% organically, not least because we successfully penetrated the eastern European market, securing large orders for a total of DKK 2.4bn.

Mining accounted for 65% of consolidated revenue in 2020. Service made up 63%, while projects and products contributed 37% of segment revenue. Revenue from Mining fell by 13% to DKK 10.6bn in 2020, while the organic decrease in revenue was 7%. Despite good underlying conditions in the mining industry, the level of activity was impacted by the restricted access to customer mine sites due to the pandemic.

EBITA in Mining declined by 24% to DKK 888m, while the EBITA margin fell from 9.6% in 2019 to 8.4% in 2020.

The order intake in Cement fell by 24% to DKK 5.7bn in 2020, clearly impacted by the pandemic and by general overcapacity in the cement industry. Cement producers postponed non-critical investments and many plants ran at low output volumes.

Cement accounted for 35% of consolidated revenue in 2020. Service contributed 55%, while projects and products contributed 45% of segment revenue. Cement revenue was down by 31% to DKK 5.8bn, mainly due to project sales and the low order backlog going into the year, but also due to a severe negative impact from the pandemic.

Due to the sharp decline in revenue as well as costs related to business improvement activities, the Cement business incurred an EBITA loss for 2020 of DKK 118m for an EBITA margin of minus 2%. During 2020 we implemented and launched a number of initiatives to reshape the Cement business and align it to the lower revenue. These initiatives will continue in 2021, and I will now explain what they entail.

First of all, we executed our Group business improvement programme throughout the year, including site consolidation, improved logistical setup and headcount reductions. The programme was completed by the end of the third quarter, producing an EBITA improvement run rate of DKK 150m annually.

Effective 1 January 2021, we merged two of our smaller regions, Sub-Saharan Africa and Middle East and Sub-Continental India, to further reduce costs and complexity.

To further address the challenging cement market, we took additional steps in 2020 to increase outsourcing, simplify the Cement business and adjust the cost structure to improve profitability. In December, we divested our non-core fabric filter and pneumatic conveying systems businesses as a step towards simplifying the Cement business. As I have already mentioned, the initiatives to reshape our Cement business continues in 2021.

We are in a challenging situation right now of having to manage two industries, Mining and Cement, with highly diverging end markets. Consequently, we will continue to strengthen our two industries, while staying focused on leveraging synergies and ensuring clear capital allocation in order to capture growth opportunities and maximise value creation within both businesses. At the same time, we are considering acquisitions to strengthen our offerings, particularly in Mining and within the areas of sustainability and digitalisation. Whether and when acquisitions may materialise is subject to high uncertainty.

A strong focus on cash flows and sharp reduction of working capital served to reduce the Group's net interest-bearing debt by DKK 0.7bn to DKK 1.8bn in 2020. Nevertheless, our *financial gearing increased to 1.6 in 2020 from 1.2 in 2019 due to the drop in EBITDA. The financial gearing remains below our internal long-term maximum threshold of two times NIBD to EBITDA.*

Despite the profit for the year, equity at the end of 2020 was down by DKK 0.7bn to DKK 8.1bn due to currency effects. The equity ratio increased from 37% in 2019 to 40% in 2020 and remains well above the long-term minimum target of 30%.

Based on the financial results for 2020, the current financial situation and ongoing negotiations regarding potential acquisitions, the Board of Directors proposes a dividend of DKK 2 per share for a total pay-out of DKK 103m and a dividend yield of 0.9%. The pay-out ratio of 50% is in line with our targeted pay-out ratio of 30-50% of the annual results.

With continued high COVID-19 infection rates and lockdowns in many parts of the world, market uncertainty remains high. The ongoing vaccination programmes provide a likely path towards normalisation but it is difficult to predict when and how fast this will support our business.

We are guiding for group revenue of DKK 15.5-17.0bn and a group EBITA margin of 5-6%. The guidance is based on expectedly different developments in the two businesses, Mining and Cement, and the continued impact of the pandemic in the first half of 2021.

The outlook for the mining industry remains positive. We expect the Mining business to grow both revenue and EBITA in the second half of 2021, as COVID-19 restrictions will expectedly begin to ease. We expect the EBITA margin for Mining to be in the high single digits.
The outlook for the cement industry remains impacted by overcapacity and no signs of improvement. The Cement business revenue is expected to decline further in 2021, and as a consequence, initiatives to reshape the Cement business will continue during the year. Due to continued Cement reshaping costs and low capacity utilisation in the service business, the Cement business is not expected to be EBITA positive in 2021.

In recent years, cement industry developments have diverged from those of the mining industry. Whereas fundamentals for the mining industry remain positive, overcapacity in the cement industry has put the returns of the cement producers under pressure, and the effect has been further accelerated by the ongoing pandemic. The structural changes in the cement *industry along with the pandemic have increased uncertainty around our mid- and long-term target levels and the timing for achieving these targets. Consequently, we decided on 10 February to withdraw these targets. Targets for our capital structure, including for the financial gearing, the equity ratio and the dividend policy remain unchanged.*

We will resume communication on the longer-term prospects for our Mining and Cement businesses when we have sufficient visibility.

I will now review the changes we made to our Group Executive Management in 2020.

Effective June 2020, Mikko Tepponen joined FLSmidth as Chief Digital Officer and a member of the Group Executive Management. Mikko brings proven experience in driving transformation journeys in other large industries, including Wärtsilä and Outotec. He has a strong track record from deploying digital solutions as an enabler for more sustainable and resource-efficient practices.

In July 2020, Roland M. Andersen joined FLSmidth as Group CFO and a member of the Group Executive Management. Roland brings 25 years of solid experience and competences from his time as CFO with public as well as private equity-owned companies, including Torm, Telenor, A.P. Moller Maersk and most recently NKT where he played a key role in leading the company through strategic transformation and acted as interim CEO for a period of time.

In August 2020, Chief Procurement Officer, Asger Lauritsen, was appointed to FLSmidth's Group Executive Management team. For the past four years, Asger has been responsible for our global supply chain, which includes both our own factories and external suppliers. Prior to joining FLSmidth in 2016, Asger had an accomplished international career within operations, procurement and supply chain in senior leadership roles at Norden, Maersk Line, DISA and Rosti.

Jan Kjaersgaard has decided to leave FLSmidth for personal reasons. Jan joined FLSmidth in March 2018 as President of the Product Company Division. In July 2018, he was appointed President of the Cement Industry, where he had an instrumental role in establishing the operating model for our Cement business.

Effective from November 2020, Carsten Riisberg Lund was appointed new Cement Industry President and member of Group Executive Management. Carsten has been with FLSmidth for the past 33 years in various roles, most recently as President of Region Europe, North Africa and Russia (ENAR). Carsten has also headed FLSmidth's former Material Handling division and spent three years as Managing Director in India.

Effective January 2021, Mikko Keto joined FLSmidth as President, Mining Industry and member of Group Executive Management. Mikko joins FLSmidth from Metso, where he worked for 10 years, including during the last two years as President, Minerals Services and Pumps, where he delivered growth in Services along with profitability improvement. He also served as a member of the company's executive team.

Mikko's appointment follows Manfred Schaffer's decision to retire after his huge contribution to FLSmidth's Mining business since 2014. To ensure a smooth transition, Manfred has kindly offered to stay with FLSmidth as an advisor for a period of time.

In accordance with the recommendations of the Danish Committee on Corporate Governance, I will now review and briefly comment on the remuneration of the Executive Management and the Board of Directors.

There were no deviations in 2020 from the general remuneration guidelines adopted by the shareholders at the general meeting.

The Group Executive Management, comprising the CEO, the CFO and the interim member registered with the Danish Business Authority, received total remuneration of DKK 18.6m in 2020, compared with DKK 25.2m in 2019. The decline was partly due to the severe impact of the pandemic on the financial results for 2020 and the fulfilment of targets and to the fact that the 2019 remuneration included a severance package of DKK 9.0m paid to the former CFO.

In 2020, no adjustments were made to the base salaries of the Group Executive Management.

Under the short-term incentive programme, there will be no pay-out relating to the financial targets of order intake, EBITA and cash flows from operations, which made up 80% of the programme. There may be pay-outs in relation to the individual KPIs, which make up 20% of the programme, but pay-out will be reduced by 50% according to a programme modifier.

In 2020, the Group Executive Management received pay-out for the 2017-2019 long-term incentive programme at slightly above the target level of 75%. No pay-out is expected for two of the three active long-term incentive programmes.

The financial KPIs for the Group Executive Management's performance-based remuneration in 2021 will relate to the order intake, the earnings margin, and cash flows from operating activities.

In continuation of the release of the annual report for 2020 and in line with previous years, the Board of Directors expect to grant conditional shares to a limited amount of people, comprising the Group Executive Management and key employees. A new feature of the 2021 LTIP programme will be targets relating directly to the company's sustainability ambitions. Vesting and granting will thus be conditional on the achievement of targets relating to the EBITA margin, the total shareholder return and to MissionZero.

The total remuneration to the Board of Directors amounted to DKK 6.4m in 2020, which was unchanged from 2019. The Board proposes that the remuneration to the members of the Board of Directors for 2021 remains unchanged.

In conclusion, I would like to thank the Executive Management and the Board of Directors for a good collaboration. I would also like to thank our shareholders for their support and to take this opportunity to welcome the many new private shareholders who invested in FLSmidth in 2020. Naturally, the biggest Thank You goes to the Group's employees who have shown such a fantastic ability to adapt in a year when the pandemic put us all to the test.

Any crisis will bring both challenges and opportunities. The current healthcare (and financial) crisis is no exception, and we will do everything in our power to seize the opportunities that may arise."
The chair opened for discussion in relation to items 1-5 on the agenda.

The chair then read out a submission from Leif Gundtoft, chairman of the employees' association of FLSmidth:

"Dear Board of Directors and Executive Management, dear shareholders,

As chairman of the employees' association of FLSmidth in Denmark, it is my privilege to have this submission read out at the general meeting on behalf of my colleagues.

Although we are all probably tired of talking about Covid-19, I have to address this. Last year, when I started preparing to speak at the general meeting, the world was quite different than what we know today. But then came the lockdowns due to Corona and the general meeting was held electronically and we had a rather shortened process. A year has gone by and another electronic general meeting is held. Our government has prohibited assemblies of more than 5 persons indoor and asks us to work from home where possible. It has been both new and frightening. But after a year with greater and lesser restrictions, we have seen working from home as a reflection of our flexibility as both employees, colleagues and Danes and Danish-minded. I believe that we have all been surprised of how well and efficient it has been for many of us to work from home, and I hope and believe that working from home, to some extent, has come to stay. I believe that I speak for all my colleagues working from home when I say that it will be good to meet with colleagues in "the real world" again. I also believe that a lot of us miss the physical contact with our customers and suppliers. Something is missing….

When I prepared for the general meeting last year, I studied the speeches held by our previous chairman, Claus Østergaard, and his predecessor, Jens Palle Andersen over the last 15 years.

A lot of these speeches have evolved around restructuring, Right sizing and similar measures, which meant that we had to say goodbye to many good colleagues.

Also this time around, we have had to say goodbye to many good and loyal colleagues.

It is a challenge for all of us to adapt to the changes, which has been necessary to function as both company and people. Luckily, there are many good and decent colleagues able to support each other and take on extra or new tasks as a consequence of the resignations.

FLSmidth has been here for many years. It is a company with proud and strong traditions. Besides the technical innovation and distinction that has marked FLS through many years, integrity has also been an important element in our self-perception and values. We are expected to behave in an orderly manner as both employees, company and as part of the world that surrounds us. This is done by cooperation, reflecting diversity and being at the leading edge of changes of both the social, financial and technical kind.

The world around us is changing, which forces us to adapt and change along with it. Mission Zero is an example of this where FLS addresses sustainability with ambitious targets. I am glad to see, that we are taking part in the solution of the problems the world is facing.

As employees, we are pleased to be a part of this new initiative, and expect to hold on to our traditions and the values of the company.

The employees' association is pleased to represent all employees in Denmark, which we have done for 76 years. This is quite an accomplishment. On 11 June 2020, we celebrated the 75th anniversary of our employees' association. However, we had to settle for a small celebration due to Covid-19. We look forward to celebrating our 100th anniversary in 2045.

There is no doubt that once we emerge from the Covid-19 crisis, our everyday life will be different. As a person going though sickness, it will take time for our community, our customers and our company to regain strength and return to normalcy. Maybe a new normal, different from what we are used to.

However, I am sure that FLS as both company, workplace and market leader, will pull through the radical changes we are facing.

On behalf of all employees I hereby wish FLSmidth a safe, sustainable and not least a prosperous year."

<u>The chairman of the Board of Directors, Vagn Sørensen</u> thanked for the contribution and mentioned that Leif Gundtoft was the new employee-elected member of the Board of Directors, and that the Chairman looked forward to the continued co-operation with the association.

<u>The chair</u> concluded that no other shareholders wished to speak and then proceeded to the individual items on the agenda.

<u>Re. 1. The Board of Directors' report on the company's activities in 2020</u>

The chair concluded with the consent of the general meeting that the general meeting had duly noted the Board of Director's report.

<u>Re 2-5: Approval of the Annual Report 2020, approval of the Board of Directors' fees, the appropriation of profits or losses in accordance with the approved Annual Report and approval of the Remuneration Report 2020 by advisory vote</u>

The chair referred to items 2-5 having been reviewed and discussed under item 1. As no other shareholders wished to make contributions, the chair concluded with the consent of the general meeting

- that the general meeting approved the Annual Report for 2020,

- that the general meeting approved the Board of Directors' fees as stated in the notice convening the general meeting, including (a) the final fees for 2020; and (b) the preliminary fees determined for 2021,

- that the general meeting approved the Board of Directors' proposal to pay out a dividend of DKK 2 per share for 2020, and

- that the general meeting approved the Remuneration Report 2020 by advisory vote.

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

The chair informed the meeting that all members of the Board of Directors elected by the general meeting were up for election annually, and that the board members elected by the general meeting must count not less than five and not more than eight members in accordance with article 11 of the articles of association. In addition, were the employee elected members of the Board of Directors.

The chair further informed that the Board of Directors had proposed re-election of: Vagn Ove Sørensen, Tom Knutzen, Richard Robinson Smith (Rob Smith), Anne Louise Eberhard, Gillian Dawn Winckler and Thrasyvoulos Moraitis.

As set out in the convening notice, the Board of Directors proposed election of six members.

The chair noted that information on the positions held by the individual candidates, including other background information, was presented in Appendix 1 to the notice convening the general meeting and was available on the company's website.

The chair concluded that Vagn Sørensen, Tom Knutzen, Richard Robinson Smith (Rob Smith), Anne Louise Eberhard, Gillian Dawn Winckler and Thrasyvoulos Moraitis were re-elected as members to the Board of Directors.

<u>Re. 7. Election of company auditor</u>

The chair informed the meeting that the Board of Directors had proposed that EY Godkendt Revisionspartnerselskab be re-elected as the company auditor in accordance with the recommendation of the Audit Committee. The chair further noted that the Audit Committee had declared that the Committee had not been influenced by third parties and had not been under any contractual obligation restricting the general meeting's appointment of certain auditors or firms of auditors.

The chair concluded with the consent of the general meeting that <u>the proposal had been adopted</u>.

<u>Re. 8. Proposals from the Board of Directors:</u>

The chair informed the meeting that the Board of Directors had tabled three proposals for approval by the general meeting.

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

The chair noted that the Board of Directors had proposed that the existing authorisations in article 4a of the articles of association to increase the company's share capital be extended so that they were applicable until and including 24 March 2026.

Articles 4a would 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."

The chair invited for comments from the general meeting.

There being no comments, the chair concluded with the consent of the general meeting that the proposal was adopted with the required majority.

Re. 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

The chair stated that due to the Covid-19 and the prohibition imposed on larger gatherings and in order to ensure flexibility in the future, the Board of Directors proposed to adopt a new article 9 of the articles of association to authorise the Board of Directors to resolve that general meetings could be held partially or fully by electronic means. It was 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.

Article 9 of the articles of association would subsequently 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."

Articles 9-16 were renumbered to articles 10-17 of the articles of association.

The chair invited for comments on the proposal. There being no comments, the chair concluded with the consent of the general meeting that the proposal was adopted with the required majority.

Re. 8.3 Treasury shares

The chair announced that the Board of Directors had proposed 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.

The chair invited comments on the proposal. The chair concluded that there were no comments, why the proposal was adopted with the consent of the general meeting.

Re. 9. Proposal from shareholders AkademikerPension and LD Fonde

The chair announced that shareholders AkademikerPension and LD Fonde had proposed, that the Company, at a reasonable cost, should 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 should be omitted.

The shareholders' full motivation was included in the notice to convene the annual general meeting. Further, AkademikerPension and LD Fonde had forwarded speaking notes that the chair presented to the general meeting.

"This speech is held on behalf of LD Fonde and AkademikerPension, who have invested roughly DKK 100 million in total in FLSmidth.

Generally speaking we as shareholders are pleased. For a number of years, both the mining and cement industries have faced difficult conditions, which is reflected in the company's financial results. However, in our opinion, FLSmidth has done whatever was possible in a very challenging market. The company has had an eye on ensuring and strengthening the long-term viability of the company. For this reason the company and the management deserves our praise.

This is also the case of FLSmidth's efforts in relation to climate change issues. Following the introduction of 'MissionZero' and a very promising initiation of an ambitious effort in 2019, FLSmidth is definitely going places. FLSmidth is working towards realising the potential that the company sees in the market, and we believe this to be a very dedicated effort where the customers are the centre of attention whether in the cement or mining industry.

Our view, that the ambition of FLSmidth entails what we and many other believe to be good practice, has been confirmed. This includes a managerial approach in line with the recommendations of "Task Force on Climate related Financial Disclosures", also known as TCFD.

TCFD provides a consistent framework for business related assessments and reporting of climate related risks and opportunities. In addition to this is the work of FLSmidth with 'Science Based Targets', meaning sound and responsible targets with the Paris Agreement in mind.

Our proposal on taxes tabled at this general meeting shifts focus on to a different topic that is essential for both the company and the community it is a part of.

We would like to express our great appreciation of the Board of Directors' support in relation to this proposal. Our proposal is about an assessment of to which extent it is possible for FLSmidth to report in more detail and enhance transparency in regards to business and tax payments for each of the countries that the company operates in.

Our proposal is driven by the belief that transparency is the basis of a successful business and fair competition, and the proposal points towards an international standard also known as 'public country-by-country reporting'. First of all, the reason for this proposal is that undermining the tax base has proven to restrict a sustainable development in many countries. Second, a few weeks ago following 4-5 years tug-of-war, a majority at the European Council adopted a decision that companies with an annual turnover of more than EUR 750 million must publish the numbers relating to the annual turnover and tax payments on a country-by-country basis. This is a major step towards a legal requirement.

We often hear boards of directors expressing concerns on enhancing transparency in the tax area, as one-sided transparency may give the competitor an unfair advantage. This is understandable and there must be a balance. The level of transparency must not undermine the competitiveness and this is the balance that our proposal seeks to find.

Relatively few companies have taken the initiative to include country-by-country reporting in their annual reports. But we believe that those who have done so, as an example Ørsted, is at the leading edge and contributes to the decisive development. This is why we believe that FLSmidth, and most of the Danish companies, will gain an advantage by being in the front of the line by, first of all, assessing the possibility of enhancing transparency on tax payments.

Again, a great appreciation for the support of the Board of Directors on this proposal and we look forward to the results of the assessment.

Thank you for your attention!"

The chairman of the Board of Directors, Vagn Sørensen thanked AkademikerPension and LD Fonde for the kind words, and a good and well-formulated proposal as well as a constructive dialogue. The chairman emphasised that good communications with shareholders always had been, and would remain, a priority for FLSmidth.

Re. 10. Any other business

Since no shareholder wished to take the floor, the chair declared that there were no further items on the agenda for the general meeting to consider and passed the floor to the chairman of the Board of Directors.

Vagn Sørensen thanked the chair of the general meeting and the shareholders for their attendance and commitment to the company.

The general meeting was adjourned.

The general meeting closed at 5.10 pm (CET).

Klaus Søgaard, chair