

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

The Board of Directors hereby convenes the Annual General Meeting to be held on Thursday 5 April 2018 at 4 pm (CET) 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 2017.**
2. **Presentation and approval of the 2017 Annual Report.**
3. **Approval of the Board of Directors' fees:**

- a. Final approval of fees for 2017.

The Board of Directors proposes unchanged approval of the fees for 2017 that were pre-approved by the general meeting in 2017.

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 2017 amounts to DKK 6.6 m, cf. note 7.1 in the Annual Report (page 109).

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 2018

The Board of Directors proposes that fees of the Board of Directors remain unchanged in 2018. The fees for 2018 will be presented at the Annual General Meeting in 2019 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 8 per share, corresponding to a total dividend distribution of DKK 410m for 2017.

5. **Election of members to the Board of Directors**

The Board of Directors proposes the re-election of Vagn Ove Sørensen, Tom Knutzen, Caroline Grégoire Sainte Marie, Marius Jacques Kloppers, Richard Robinson Smith (Rob Smith) and Anne Louise Eberhard to the Board of Directors.

Information on the qualifications and positions held by the individual candidates is presented in Appendix 1 and is also available on the company's website, [www.flsmidth.com](http://www.flsmidth.com).

6. **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.

7. **Proposals from the Board of Directors**

The Board of Directors submits the following proposals:

#### **7.1 – Amendment of the articles of association – renewal of the Board of Directors' authorisation to increase the company's share capital**

The Board of Directors proposes that the existing authorisation granted in Article 4a of the Articles of Association to increase the company's share capital is extended so that it is applicable until and including 1 April 2023.

The new article 4a(1)(3) and (2)(3) will be worded as follows:

*"The authorisation shall apply for the period until and including 1 April 2023."*

The proposed amendments to the articles of association appear from Appendix 2 and is also available on the company's website, [www.flsmidth.com](http://www.flsmidth.com).

## 7.2 - 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.

## 8. Any other business

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### Adoption requirements

The proposal set forth in item 7.1 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.

### 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 29 March 2018.

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 not later than Tuesday 3 April 2018 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 VP Investor Services, Weidekampsgade 14, Postboks 4040, 2300 Copenhagen S, Denmark (fax: +45 4358 8867 or a scanned version to [vpinvestor@vp.dk](mailto:vpinvestor@vp.dk)) not later than Tuesday 3 April 2018 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 VP Investor Services, Weidekampsgade 14, Postboks 4040, 2300 Copenhagen S, Denmark (fax: +45 4358 8867 or a scanned version to [vpinvestor@vp.dk](mailto:vpinvestor@vp.dk)) not later than Wednesday 4 April 2018 at 12 noon (CET). 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 2017 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 articles of association. The 2017 Annual Report is only available in English.

As of Wednesday 14 March 2018, 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 [corp@flsmidth.com](mailto:corp@flsmidth.com).

### Electronic voting

Electronic voting (e-voter) will be used if one or more items on the agenda are put to vote.

E-voters will be handed out at the entrance to the Annual General Meeting.

**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.

**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, but before the Annual General Meeting begins it will be possible to enjoy a cup of coffee and some cake.**

Valby, 28 February 2018  
FLSmidth & Co. A/S

The Board of Directors



## Vagn Ove Sørensen

### Chairman of the Board of Directors of FLSmidth & Co. A/S

Vagn Ove Sørensen, age 58, Danish, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2009. Chairman of the Board since 2011.

#### Executive posts:

Besides his post at FLSmidth & Co. A/S, Vagn Ove Sørensen is Chairman of the Board of Directors of Air Canada, TIA Technology A/S (Denmark), Zebra A/S (Denmark), Scandic Hotels AB (Sweden), Select Service Partner Plc (UK), and Thor Denmark Holding ApS (Denmark). Vice Chairman of the Board of Directors of Nordic Aviation Capital A/S (Denmark). Member of the Board of Directors of CP Dyvig & Co. A/S (Denmark), VFS Global, Unilode Aviation Solutions, JP/Politikens Hus A/S (Denmark), Royal Caribbean Cruises Ltd. (USA), and Braganza AS (Norway). Senior Advisor to EQT Partners and Morgan Stanley. CEO of E-Force ApS (Denmark).

**Board status** (as defined by the Committee on Corporate Governance):  
Independent

**Shareholding in FLSmidth & Co. A/S:** 7,501

#### Background:

2001-2006: CEO, Austrian Airlines  
1994-2001: Executive Vice President, Scandinavian Airlines Systems

#### Education:

MSc (Economics and Business Administration), Aarhus Business School

#### Special competencies in relation to FLSmidth:

Former CEO, experience in acquisitions and disposals, financing, stock markets, international contracts and accounting.



## Tom Knutzen

### Vice Chairman of the Board of Directors of FLSmidth & Co. A/S

Tom Knutzen, age 55, Danish, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2012. Vice Chairman of the Board since 2017.

#### Executive posts:

Besides his post at FLSmidth & Co. A/S, Tom Knutzen is member of the Board of Directors of Chr. Augustinus Fabrikker A/S and Tivoli A/S, and CEO of Jungbunzlauer Suisse AG (Switzerland).

**Board status** (as defined by the Committee on Corporate Governance):  
Independent

**Shareholding in FLSmidth & Co. A/S:** 12,500

#### Background:

2012 - : CEO, Jungbunzlauer Suisse AG  
2006-2011: CEO, Danisco A/S  
2000-2006: CEO, NKT Holding A/S  
1996-2000: CFO, NKT Holding A/S

#### Education:

MSc (Economics) in Finance and Strategic Planning, Copenhagen Business School

#### Special competencies in relation to FLSmidth:

CEO, former CEO, experience in global high technology manufacturing companies, technology development, acquisitions and disposals, financing and stock markets, international contracts, and accounting.



## Caroline Grégoire Sainte Marie

### Member of the Board of Directors of FLSmidth & Co. A/S

Caroline Grégoire Sainte Marie, age 60, French, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2012.

#### Executive posts:

Besides her post at FLSmidth & Co. A/S, Caroline Grégoire Sainte Marie is member of the Boards of Directors of Groupama SA (France), Wienerberger AG (Austria), investor and member of the Board of Directors of CALYOS (Belgium) and Founding President of Definnov (France), and Senior Advisor to HIG European Capital Partners.

**Board status** (as defined by the Committee on Corporate Governance):  
Independent

**Shareholding in FLSmidth & Co. A/S:** 500

#### Background:

2009-2011: CEO, Frans Bonhomme  
2006-2009: CEO, Tarmac, France and Belgium  
1997-2006: Various managerial posts, Groupe Lafarge (France), including CEO of Lafarge Germany and Czech Republic, Senior Vice President for Mergers & Acquisitions in Lafarge's Cement Division, CFO of Lafarge Specialty Products.

#### Education:

BA Commercial Law, Institut d'Etudes Politiques de Paris

#### Special competencies in relation to FLSmidth:

Former CEO and CFO, experience in acquisitions and disposals, financing and stock markets, international contracts and accounting, and extensive knowledge of the cement industry.



## Marius Jacques Kloppers

**Member of the Board of Directors of  
FLSmidth & Co. A/S**

Marius Kloppers, age 55, Australian/South African, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2016.

**Board status** (as defined by the Committee on Corporate Governance):  
Independent

**Shareholding in FLSmidth & Co. A/S:** 0

**Background:**

2013-present: Advisor, BHP Billiton  
2007-2013: CEO, BHP Billiton  
1993-2007: Various executive positions, BHP Billiton  
1992-1993: McKinsey & Company, Consultant, The Netherlands  
1987-1991: Career break. PhD Material Science, MIT, USA/MBA-INSEAD, France  
1986-1987: Mintek, Engineer, South Africa

**Education:**

1991: MBA, INSEAD, France  
1990: PhD, Material Science, Massachusetts Institute of Technology, USA  
1985: Beng, Chemical, Univeristy of Pretoria, South Africa

**Special competencies in relation to FLSmidth:**

Former CEO, experience in mergers and acquisitions, financing and stock markets, international contracts, technology management, minerals and energy and process industry, large capital projects, and commodity markets and trading.



## Richard Robinson Smith (Rob Smith)

**Member of the Board of Directors of  
FLSmidth & Co. A/S**

Rob Smith, age 52, German/American, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2016.

**Board status** (as defined by the Committee on Corporate Governance):  
Independent

**Shareholding in FLSmidth & Co. A/S:** 1,000

**Background:**

2013-present: Senior Vice President & General Manager at AGCO Corporation, USA  
2007-2013: TRW Automotive, VP and General Manager, Engine Components, Germany  
2005-2006: TYCO Electronics, VP Global Automotive Division, Germany  
2002-2005: Bombardier Transportation, VP and General Manager, Services Material Solutions, Germany  
2000-2001: Dell Computer Corporation, Director, Materials, Supply Chain Management, USA  
1994-2000: Lucas Industries/Lucas Varity, USA  
1987-1991: United States Army, USA

**Education:**

2001: PhD International Operations Management WHU - Graduate School of Management, Germany  
1994: MSc International Operations Management, WHU - Graduate School of Management, Germany  
1987: BSc Engineering, Princeton University, USA

**Special competencies in relation to FLSmidth:**

Experience in mergers and acquisitions, international contracts, technology management, industrial, operations and supply chain experience.

**Executive posts:**

Senior Vice President & General Manager at AGCO Corporation (USA).



## Anne Louise Eberhard

**Member of the Board of Directors of  
FLSmidth & Co. A/S**

Anne Louise Eberhard, age 54, Danish, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2017.

**Board status** (as defined by the Committee on Corporate Governance):  
Independent

**Shareholding in FLSmidth & Co. A/S:** 0

**Background:**

2017-present: Chief Commercial Officer and member of the General Management Team, Intrum Justitia AB  
2016-2017: Executive Vice President and member of the Executive Committee, Lindorff AS (Norway)  
2015-2017: Board Member and Member of the Risk and Audit Committee, Sampension KP Livsforsikring and Sampension Administrationssselskab A/S  
2015-2017: Board Member, Solix Group AB2014-2016: Independent advisor  
1984-2014: Senior Executive Vice President and Global Head of Corporate & Institutional Banking, Danske Bank A/S

**Education:**

2014: Leadership and Board Programmes at Harvard, INSEAD and CBS  
1999: MSc Law, University of Copenhagen  
1992: Graduate Diploma in Business administration, Management Accounting & Informatics, Copenhagen Business School

**Special competencies in relation to FLSmidth:**

Extensive experience with risk management, financial counselling of companies, among others in regards to turn around, mergers and acquisitions as well as accounting combined with a general commercial focus on customers, sales and products.

**Executive posts:**

Chief Commercial Officer and member of the General Management Team in Intrum Justitia AB. Member of the Boards of Directors in Finansiell Stabilitet SOV, Faculty member at CBS (CBS Executive, Board Education).

OLD

## Articles of Association FLSmidth & Co. A/S

### Name, registered office and objects of the Company

#### Article 1

The name of the company is FLSmidth & Co. A/S. The company's secondary names are F.L.Smidth & Co. A/S and FLS Industries A/S.

#### Article 2

[The provision has been omitted].

#### Article 3

The object of the Company is to carry on trade, engineering, manufacturing, transportation, shipping, investment and financing in Denmark and abroad and other business which in the opinion of the Board is naturally related hereto. The funds of the Company may also be invested in enterprises having one or more of these objects and in real estate and ships.

### Capital and shares

#### Article 4

The share capital amounts to DKK 1,025,000,000. The share capital has been fully paid up and is divided into share denominations of DKK 1 or multiples thereof.

No special rights shall be attached to any share, and no shareholder shall be required to have his shares redeemed in whole or in part.

The shares are negotiable shares registered in the name of the holder. The negotiability of the shares shall not be subject to any limitations.

The Company's register of shareholders is kept by VP Investor Services A/S, CVR No. 30 20 11 83. The shares are issued electronically via a securities centre through whom dividend is paid out.

#### Article 4a

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 and 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 1 April 2021.

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 and 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 1 April 2021.

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.

NEW

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No special rights shall be attached to any share, and no shareholder shall be required to have his shares redeemed in whole or in part.

The shares are negotiable shares registered in the name of the holder. The negotiability of the shares shall not be subject to any limitations.

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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 and 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 1 April 2023.*

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. 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.

### General Meetings

#### Article 5

Within the limits of statutory provisions and these Articles of Association, the Company's General Meeting shall be the highest authority of the Company.

General Meetings shall be held in Greater Copenhagen. General Meetings shall be called not earlier than five weeks and not later than three weeks prior to the meeting.

General Meetings shall be called via the Company website, [www.flsmidth.com](http://www.flsmidth.com). General meetings shall also be called by written communication to all shareholders who have so requested, cf. Article 10a below regarding the use of electronic communication.

The notice of General Meetings shall indicate the time and venue of the Meeting and shall include the agenda stating the business to be transacted at the General Meeting. If a resolution is proposed at the General Meeting to amend the Articles of Association, the essential content of the said resolution must be stated in the notice. The notice convening General Meetings shall also include (1) a description of the size of the share capital and the voting rights of the shareholders, (2) a clear and precise description of the procedures which the shareholders must follow to attend and vote at the General Meeting, (3) the record date, (4) an indication of where and how the complete documents to be presented at the General Meeting, the agenda and the complete proposals are available, and (5) an indication of the internet address at which the information to be disclosed in accordance with Section 99 of the Danish Companies Act will be available. If decisions are to be made pursuant to Section 77, subsection 2; Section 92, subsections 1 or 5; or Section 107, subsections 1 or 2 of the Danish Companies Act, the notice of the Meeting shall include the full wording of the proposal to amend the Articles of Association.

The following information must be available at the Company's website, [www.flsmidth.com](http://www.flsmidth.com), for a minimum three week continuous period prior to the General Meeting: (1) The notice of the Meeting, (2) information about the total number of shares and voting rights on the date of sending out the notice, (3) the documents to be presented at the General Meeting, (4) the agenda and the complete proposals, and (5) the forms to be used when voting by proxy and when voting by letter unless the said forms are sent directly to the shareholders by post.

The Annual General Meeting shall be held before the end of April of each year.

Unless otherwise decided by the General Meeting pursuant to Section 100, subsections 2 - 8 of the Danish Companies Act, the General Meetings of the Company shall be conducted in Danish or English as

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. 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.

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The Annual General Meeting shall be held before the end of April of each year.

Unless otherwise decided by the General Meeting pursuant to Section 100, subsections 2 - 8 of the Danish Companies Act, the General Meetings of the Company shall be conducted in Danish or English as



decided by the Board of Directors. Documents prepared for the purpose of the General Meeting to be used in connection with or after the General Meeting shall be prepared in Danish or English as decided by the Board.

The Annual Report shall be prepared and presented in English.

Company announcements may be prepared in English only, if decided by the Board of Directors.

An extraordinary General Meeting shall be held if demanded by the Board of Directors or the auditor appointed at the General Meeting or if demanded in writing by shareholders controlling at least five percent of the share capital.

In order to be considered at the Annual General Meeting, proposals by shareholders for specific business to be included in the agenda of the Meeting must be submitted in writing to the Board of Directors not later than six weeks prior to the Meeting. The Board of Directors may decide that proposals by shareholders for specific business to be included in the agenda of the General Meeting which were received later than six weeks prior to the Meeting, may be included in the agenda of the General Meeting.

The Board of Directors is authorised to distribute extraordinary dividends.

#### **Article 6**

The agenda of the Annual General Meeting shall comprise the following:

1. Management's review
2. Submission and approval of the Annual Report
3. Distribution of profits or covering of losses in accordance with the approved Annual Report
4. Election of members to the Board of Directors
5. Appointment of auditor(s)
6. Other business proposed by the Board and/or by shareholders
7. Any other business

#### **Article 7**

The General Meeting shall be presided over by a chairman of the meeting appointed by the Board of Directors. The chairman of the meeting shall decide all questions relating to the transaction of business.

#### **Article 8**

A shareholder's right to attend and to vote at a General Meeting shall be determined by the number of shares which the shareholder controls at the record date. The record date is one week before the General Meeting. The shares owned by the individual shareholder shall be determined on the record date based on the entries regarding the shareholder's ownership in the register of shareholders and based on notifications of ownership received by the Company which are to be entered, but have not yet been entered in the register of shareholders.

Each DKK 1 share shall entitle the holder to one vote.

Each shareholder who is entitled to attend the General Meeting pursuant to Article 8, paragraph 1 and who wishes to attend the Meeting shall request an admission card not later than three days before the Meeting is to be held.

Shareholders who are entitled to attend a General Meeting in accordance with Article 8, paragraph 1 shall have the option of voting in writing (voting by

decided by the Board of Directors. Documents prepared for the purpose of the General Meeting to be used in connection with or after the General Meeting shall be prepared in Danish or English as decided by the Board.

The Annual Report shall be prepared and presented in English.

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Shareholders who are entitled to attend a General Meeting in accordance with Article 8, paragraph 1 shall have the option of voting in writing (voting by



correspondence) before the General Meeting is held pursuant to Section 104, subsection 2 of the Danish Companies Act.

The shareholder has the right to attend the General Meeting by proxy. Both the shareholder and the proxy may attend accompanied by an adviser. The proxy shall produce a signed and dated instrument to this effect.

#### **Article 9**

All business transacted at a General Meeting shall be decided by a simple majority of votes unless statutory provisions or the present Articles of Association require a qualified majority of votes.

The adoption of a resolution to amend these Articles of Association or to wind up the Company requires, subject to any additional requirements by the Danish Companies Act, that the resolution is passed by not less than two thirds of the votes cast as well as of the share capital represented at the General Meeting.

The Board of Directors shall adopt a decision to amend the Articles of Association pursuant to Section 106, subsection 2 of the Danish Companies Act.

#### **Article 10**

Minutes of the proceedings at the General Meeting shall be kept and shall be signed by the chairman of the meeting.

#### **Electronic Communication**

##### **Article 10a**

The Company uses electronic document exchange and electronic mail (electronic communication) in its communication with the shareholders. The Company may at all times choose to communicate by ordinary post instead.

Electronic communication may be used by the Company for convening Annual and Extraordinary General Meetings, including distribution of the agenda and complete proposals, proxies, statements by the Board of Directors and auditors, interim reports, annual reports as well as all other announcements and documents which, in accordance with the Company's Articles of Association or the Danish Companies Act, must be exchanged between the Company and the shareholders as well as general information from the Company to the shareholders.

Information regarding the requirements for the systems in use as well as the procedure with the Company in respect of electronic communication will be published on the Company's website.

The Company shall request an email address from the shareholders to which announcements etc. may be sent. It is the responsibility of the shareholders to ensure that the Company is in possession of the correct email address.

#### **Board of Directors and Management**

##### **Article 11**

The Board of Directors is elected by the General Meeting apart from those Board members otherwise elected pursuant to the provisions of the Danish Companies Act on representation of employees. Board members elected at the General Meeting shall

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constitute not less than five (5) and not more than eight (8) members.

The members of the Board elected at the General Meeting shall retire at each Annual General Meeting. Re-election may take place.

The members of the Board shall elect from their own number a Chairman and a Vice Chairman. Simple majority shall apply to all resolutions to be passed by the Board. In case of equality of votes the Chairman or in his absence the Vice Chairman shall have the casting vote. The Board constitutes a quorum when more than half of the members of the Board are present.

If a member of the Board of Directors is unable to attend a meeting, in isolated cases he may authorise one of the other members in writing to act on his behalf with respect to specific proposed resolutions on the agenda, and he shall be considered present at the meeting when represented by his proxy. By way of exception the Chairman may demand a written poll to decide a matter.

The members of the Board of Directors shall receive an annual fee which shall be approved by the General Meeting.

#### **Article 12**

The Board of Directors shall lay down rules of procedure on how its business shall be carried out.

Minutes of the proceedings at Board meetings shall be kept and shall be signed by all the members of the Board of Directors.

The auditors' records shall be submitted at each Board meeting. Each entry in the records shall be signed by all members of the Board.

#### **Article 13**

The Board of Directors shall appoint the Management comprising at least two but not more than six members, and shall determine Management remuneration.

The Board of Directors may appoint vice presidents and grant powers of procuration.

#### **Article 14**

The Company has adopted guidelines for incentive pay to the Management pursuant to section 139 of the Danish Companies Act. The guidelines have been approved by the Annual General Meeting and are accessible on the Company website [www.flsmidth.com](http://www.flsmidth.com).

#### **Article 15**

The signature of the Chairman of the Board or the Vice Chairman jointly with the signature of another member of the Board, or the signature of the Chairman or Vice Chairman jointly with the signature of an Executive Officer, or the joint signatures of two Executive Officers shall be binding upon the Company.

#### **Auditors**

#### **Article 16**

The financial statements of the Company shall be audited by one or two state authorised public accountants appointed by the General Meeting for the term of one year.

#### **Annual accounts**

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To be adopted at the Company's Annual General Meeting on 5 April 2018.