

Nomination Committee Mandate and Charter

I Mandate

The Nomination Committee ("the NC") is a committee under the Board of Directors and shall prepare decisions for the Board of Directors to approve.

The Board of Directors authorizes the NC to:

- Review, investigate and monitor all areas within the Mandate and Charter;
- Obtain the necessary information from Group Executive Management and employees who are required to cooperate with the NC and answer any questions from the NC, relevant to its work; and
- Obtain advice, guidance and assistance from external consultants/specialists when deemed necessary or advisable for the performance of its functions. The company is expected to cover the expenses incurred in connection herewith.

II NC tasks

The NC has the following preparatory tasks:

- Generally advise and make recommendations to the Board of Directors in relation to the items listed below;
- Annually specify the skills that the Board of Directors must have to best perform its tasks; and evaluate the balance of skills, knowledge and experience available in the Board of Directors and the Group Executive Management;
- Annually evaluate performance of the Board of Directors and make recommendations to the Board of Directors with regard to any changes;
- Annually evaluate the skills, knowledge and experience of the individual members of the Board of Directors and report such details to the Board of Directors;
- Identify and recommend to the Board of Directors, candidates for the Board of Directors;

- Ensure a formal, thorough and transparent process for selection and nomination of candidates to the Board of Directors and when assessing its composition and nominating new candidates take into consideration the need for integration of new talent and the need for diversity in relation to international experience, gender and age, etc.;
- Annually review the company's compliance with the Recommendations for Corporate Governance and make recommendations to the Board of Directors for adoption of the company's corporate governance position.

III Members of the NC and Term

The NC shall consist of up to four members of the Board of Directors. The members of the NC, including the Chairman of the NC, shall be appointed by and among the members of the Board of Directors at the constituent Board meeting immediately after the General Meeting for a period until the next General Meeting. Reappointment is allowed.

IV Meetings

The NC shall meet as often as it determines appropriate, but at least two times each year. Further, the NC shall meet upon request of a member of the NC or the Board of Directors.

Meetings shall be convened by the Chairman of the NC at not less than four days' written notice to all members of the NC and such notice shall include an agenda for the meeting in question. Any written material relating to the individual agenda items shall, to the extent possible, be made available to the members together with the notice convening the meeting.

If deemed appropriate, the Chairman of the NC can decide that the NC meetings are held by video conference calls or telephone calls.

If deemed necessary by the Chairman of the NC, proxy arrangements may be made, under which a member of the NC in isolated cases may grant a power of attorney to another member where this is appropriate, having regard to the issue to be discussed.

Further, the Chairman of the NC can decide that a NC resolution may be passed following a written procedure. The proposed resolution shall be forwarded to the members of the NC and the Chairman of the NC shall subsequently seek to obtain a written, oral or electronically transferred statement from all members of the NC and subsequently arrange for the recording of the resolution in the minute book.

Only members of the NC are entitled and obliged to attend meetings of the NC. In order to ensure the NC's independence and objectivity, other members of the

Board of Directors or of the Group Executive Management respectively can participate in meetings only at the invitation of the NC, with a view to providing factual information. This includes the CEO, other executives, and is also the case for any external consultants with specific expertise in recruitment and HR.

Meetings of the NC shall be subject to the same confidentiality provisions that apply to the Board of Directors.

V Quorum and resolutions

Provided the meeting has been duly convened and held, a majority of the members of the NC shall constitute a quorum.

Resolutions require a simple majority of the members present at a meeting; however, all resolutions of the NC shall be sought to be made unanimously.

Any resolution of the NC in writing and signed by all of the members of the NC shall be fully as effective as if it had been made at a meeting duly called and held.

VI Minutes of meetings

Minutes of all meetings of the NC shall be prepared to document the fulfillment of the NC's responsibilities. The draft minutes shall be sent to the members of the NC prior to the tenth working day after the meeting date and in addition – as for meetings with participation of the CEO and other executives – to these participants to ensure the precise wording of the minutes. The minutes shall be approved by the NC at the following meeting. The approved minutes shall be maintained with the books and the records of the company.

VII Report to the Board of Directors and self-evaluation

The NC shall, when appropriate, inform the Board of Directors of the NC's activities and submit recommendations to the Board of Directors. The Board of Directors may consult the NC on any matter considered to be of relevance to the Board of Director's work.

An annual self-evaluation of the work and members of the NC shall be carried out, and shall be part of the self-evaluation of the Board of Directors.

The NC and the Chairman of the NC shall on the basis of the self-evaluation present any suggestions to the Board of Directors regarding improvement of the work of the NC.

VIII Publication

The NC shall contribute to the information regarding the NC in both the company's annual report and on the company's website. The NC shall provide the following information in connection with the preparation of the annual report. The NC shall

also ensure that the information regarding the NC in the annual report and on the website is accurate and adequate:

Annual

Report/website


- Inform that the company has established a NC
- Inform about the NC's Mandate and Charter
- Inform about the names of the members of the NC
- Inform about the specific profiles that the Nomination Committee applies to selection of Board members.
- Inform about who are members with special skills in the NC
- Inform about who is Chairman of the NC
- Inform about the number of meetings throughout the year

IX Other Issues

At least annually the Mandate and Charter shall be reviewed by the NC and any changes proposed by the NC shall be submitted to the Board of Directors for approval.

If the company has a controlling shareholder and such controlling shareholder decides to nominate directors, such nomination can take place without the involvement of the NC. If candidates are nominated by a controlling shareholder without the NC's involvement, the NC shall only follow the guidelines set out in this Mandate and Charter with respect to the directors not nominated by the controlling shareholder.


Thus approved at the meeting of the Board of Directors of FLSmidth & Co. A/S held on 26 August 2020.



Vagn Sørensen




Tom Knutzen



Gill Winckler




Anne Louise Eberhard



Rob Smith



Thras Moraitis



Mette Dobel



Søren Dickow Quistgaard



Claus Østergaard

