

The Nomination Committee's statement to the AGM 2024

The Nomination Committee has had four meetings ahead of this year's AGM. In line with previous years' work the Nomination Committee has actively evaluated the Board of Atlas Copco AB (the "**Board**"). The evaluation process includes taking part of the Board's internal assessment of its work as well as the Chairman's view on the Company's strategy and challenges in a medium term perspective. In addition, the Nomination Committee has interviewed two board members. The Nomination Committee concludes that the Board continues to function well.

For several years the Nomination Committee has worked for a successive renewal, rejuvenation and increased internationalization of the Board. In its work before the AGM 2024, the Nomination Committee has concluded that the Board can be expanded by one person, provided that the right profile can be identified and recruited.

This search process has been successful, and it is with pleasure that the Nomination Committee nominates Karin Rådström as a new board member. Karin Rådström, born in 1979 and civil engineer from KTH, is currently CEO of the German truck manufacturer Mercedes-Benz Trucks and part of the board of management in Daimler Trucks group. Before her current assignment, Karin had a long career within the Scania group, where she was, among other things, sales manager and belonged to the group management.

In the fall of 2023, the Board announced that Vagner Rego will succeed Mats Rahmström as CEO on May 1, 2024. Vagner Rego, who is a Brazilian citizen, started his career within Atlas Copco in 1996 and has worked in several positions within the business areas Compressor Technique and Power Technique. The Nomination Committee proposes that Vagner Rego is also elected as a board member.

In summary, the Nomination Committee proposes that the Board is expanded from eight to nine board members, with the re-election of all current board members, except for the departing CEO, Mats Rahmström, and the new election of Karin Rådström and Vagner Rego. Hans Stråberg is proposed to be re-elected as chairman of the Board.

More detailed presentations of the proposed board members can be found in the proposal for the election of board members and at www.atlascopcogroup.com/agm.

In accordance with the requirements of the Swedish corporate governance code, the Nomination Committee has paid particular attention to issues of diversity, independence and equal gender distribution. In this regard, the Nomination Committee has chosen, as before, to apply section 4.1 of the code as its diversity policy, which states that the composition of the Board should be characterized by diversity and breadth in terms of competence, experience and background. In addition, gender balance should be strived for.

The Nomination Committee believes that the proposed Board reflects a broad and complementary experience from a number of important business sectors and global markets as well as a composition characterised by diversity and breadth. Several Board members have extensive experience from mechanical engineering business with a global reach, which is the main orientation of the Atlas Copco Group.

Among the proposed Board members, who are not employees of Atlas Copco AB, four are women and four are men, which means an even gender distribution. The Nomination Committee therefore considers the goal of an even gender distribution to be met. The Nomination Committee has also assessed the Board's independence in respect to both Group Management and to major owners and hereby concluded that the proposed Board fulfils all external requirements regarding independence.

The Nomination Committee has previously noted that the Atlas Copco Board fees are low compared to other listed Swedish and European companies of similar size and complexity. After a substantial adjustment of the fees at the 2022 AGM, and in light of today's uncertainty regarding inflation, global tension and the economy, the Nomination Committee is proposing a moderate fee adjustment this time. However, larger increases are proposed for the work in the Board's Committees, due to a significantly increased workload as a result of new regulations. Particularly, this applies for the work in the Audit Committee.

The Nomination Committee's assessment remains that the remuneration levels need to be increased in the long term in order to attract and retain valuable competence on the Board.

The Nomination Committee's proposal to re-elect E&Y as Auditing Company follows the recommendation from the Audit Committee.

