DEED OF GUARANTEE

18 JULY 2019

issued by
ATLAS COPCO AB
relating to Notes issued by
ATLAS COPCO FINANCE DAC
under the U.S.$3,000,000,000
EURO MEDIUM TERM NOTE PROGRAMME
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THIS DEED OF GUARANTEE is made on 18 July 2019

__________________________________________

BY:

(1) ATLAS COPCO AB (the Guarantor).

IN FAVOUR OF

(2) THE NOTEHOLDERS, THE COUPONHOLDERS AND THE ACCOUNTHOLDERS (as defined below and in the Deed of Covenant, respectively) (together, the Beneficiaries).

WHEREAS:

(A) Under the euro medium term note programme (the Programme) Atlas Copco AB, in its capacity as an issuer and Atlas Copco Finance DAC (Atlas Copco Finance and, together with Atlas Copco AB in its capacity as an issuer, the Issuers) may from time to time issue notes. The Guarantor has authorised the giving of its irrevocable guarantee in relation to the notes issued by Atlas Copco Finance (the Notes). References herein to “Noteholder” means in relation to any Note, at any time, the person who is the bearer of such Note.

(B) In connection with the programme, the Issuers and the Guarantor have entered into an amended and restated dealer agreement dated 18 July 2019 (the Dealer Agreement) and an amended and restated issue and paying agency agreement dated 18 July 2019 (the Agency Agreement) and the Issuers have executed a deed of covenant dated 18 July 2019 (the Deed of Covenant).

(C) The Guarantor has agreed to irrevocably guarantee the payment of all sums expressed to be payable from time to time by Atlas Copco Finance in respect of the Notes, Coupons and under the Deed of Covenant.

NOW THIS DEED OF GUARANTEE WITNESSES as follows:

1. INTERPRETATION

1.1 Definitions

All terms and expressions which have defined meanings in the Base Prospectus, the Dealer Agreement, the Agency Agreement or the Deed of Covenant shall have the same meanings in this Deed of Guarantee except where the context requires otherwise or unless otherwise stated herein.

All references in this Deed of Guarantee to sums, amounts or interest shall include any additional amounts payable pursuant to Condition 11 (Taxation).

1.2 Clauses

Any reference in this Deed of Guarantee to a Clause is, unless otherwise stated, to a clause hereof.

1.3 Other agreements

All references in this Deed of Guarantee to an agreement, instrument or other document (including the Base Prospectus, the Dealer Agreement, the Agency Agreement and the Deed of Covenant) shall be construed as a reference to that agreement, instrument or other document as the same may be amended, supplemented, replaced or novated from time to time. In addition, in the context of any
particular Tranche of Notes, each reference in this Deed of Guarantee to the Base Prospectus shall be construed as a reference to the Base Prospectus as supplemented and/or amended by the relevant Final Terms.

1.4 Legislation

Any reference in this Deed of Guarantee to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

1.5 Headings

Headings and sub-headings are for ease of reference only and shall not affect the construction of this Deed of Guarantee.

1.6 Benefit of the Deed of Guarantee

Any Notes issued under the Programme on or after the date of this Deed of Guarantee shall have the benefit of this Deed of Guarantee but shall not have the benefit of any subsequent guarantee relating to the Programme (unless expressly so provided in any such subsequent guarantee).

2. GUARANTEE AND INDEMNITY

2.1 Guarantee

The Guarantor hereby unconditionally and irrevocably guarantees:

(a) The Notes: to each Noteholder and/or Couponholder the due and punctual payment of all sums from time to time payable by Atlas Copco Finance in respect of the Notes, Coupons and the Deed of Covenant as and when the same become due and payable and accordingly undertakes to pay to such Noteholder and/or Couponholder, forthwith upon the demand of such Noteholder and/or Couponholder and in the manner and currency prescribed by the Conditions (as defined in the Deed of Covenant) for payments by Atlas Copco Finance in respect of the Notes, Coupons and the Deed of Covenant, any and every sum or sums which Atlas Copco Finance is at any time liable to pay in respect of the Notes, Coupons and the Deed of Covenant.

(b) The Direct Rights: to each Accountholder the due and punctual payment of all sums from time to time payable by Atlas Copco Finance to such Accountholder in respect of the Direct Rights as and when the same become due and payable and accordingly undertakes to pay to such Accountholder, forthwith upon the demand of such Accountholder and in the manner and currency prescribed by the Conditions for payments by Atlas Copco Finance in respect of the Notes, Coupons and the Deed of Covenant, any and every sum or sums which Atlas Copco Finance is at any time liable to pay to such Accountholder in respect of the Notes, Coupons and the Deed of Covenant.

2.2 Indemnity

The Guarantor irrevocably and unconditionally agrees as a primary obligation to indemnify each Beneficiary from time to time (a) in respect of any sum payable by the Issuer under the Notes, Coupons or the Deed of Covenant and (b) from and against any loss, liability or cost incurred by such Beneficiary in recovering such sum and as a result of any of the obligations of Atlas Copco Finance under or pursuant to any Note, Coupon, the Deed of Covenant or any provision thereof.
being or becoming void, voidable, unenforceable or ineffective for any reason whatsoever, whether or not known to such Beneficiary or any other person, the amount of such loss being the amount which such Beneficiary would otherwise have been entitled to recover from Atlas Copco Finance. Any amount payable pursuant to this indemnity shall be payable forthwith upon demand by such Beneficiary and in the manner and currency prescribed by the Conditions for payments in respect of the Notes, Coupons and the Deed of Covenant. This indemnity constitutes a separate and independent obligation from the other obligations under this Deed of Guarantee and shall give rise to a separate and independent cause of action.

3. **COMPLIANCE WITH THE CONDITIONS**

The Guarantor covenants in favour of each Beneficiary that it will duly perform and comply with the obligations expressed to be undertaken by it in the Conditions.

4. **PRESERVATION OF RIGHTS**

4.1 **Principal obligor**

The obligations of the Guarantor hereunder shall be deemed to be undertaken as principal obligor and not merely as surety.

4.2 **Continuing obligations**

The obligations of the Guarantor hereunder shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever and, in particular but without limitation, shall not be considered satisfied by any intermediate payment or satisfaction of all or any of Atlas Finance Copco’s obligations under or in respect of any Note, Coupon or the Deed of Covenant and shall continue in full force and effect for so long as the Programme remains in effect and thereafter until all sums due from Atlas Copco Finance in respect of the Notes, Coupons and under the Deed of Covenant have been paid, and all other actual or contingent obligations of Atlas Copco Finance thereunder or in respect thereof have been satisfied, in full.

4.3 **Obligations not discharged**

Neither the obligations of the Guarantor hereunder nor the rights, powers and remedies conferred upon the Beneficiaries by this Deed of Guarantee or by law shall be discharged, impaired or otherwise affected by:

(a) **Winding up**: the winding up, liquidation, dissolution, administration, re-organisation or moratorium of Atlas Copco Finance or analogous proceeding in any jurisdiction or any change in its status, function, control or ownership;

(b) **Illegality**: any of the obligations of Atlas Copco Finance under or in respect of any Note, Coupon or the Deed of Covenant being or becoming illegal, invalid, unenforceable or ineffective in any respect;

(c) **Indulgence**: time or other indulgence (including for the avoidance of doubt, any composition) being granted or agreed to be granted to Atlas Copco Finance in respect of any of its obligations under or in respect of any Note, Coupon or the Deed of Covenant;

(d) **Amendment**: any amendment, novation, supplement, extension, (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement, waiver or release of, any obligation of Atlas Copco Finance under or in respect of any Note, Coupon or the Deed of Covenant or any security or other guarantee or
indemnity in respect thereof including without limitation any change in the purposes for which the proceeds of the issue of any Note or Coupon are to be applied and any extension of or any increase of the obligations of Atlas Copco Finance in respect of any Note, Coupon or the addition of any new obligations for Atlas Copco Finance under the Deed of Covenant; or

(e) *Analogous events*: any other act, event or omission which, but for this sub-clause, might operate to discharge, impair or otherwise affect the obligations expressed to be assumed by the Guarantor herein or any of the rights, powers or remedies conferred upon the Beneficiaries or any of them by this Deed of Guarantee or by law.

4.4 **Settlement conditional**

Any settlement or discharge between the Guarantor and the Beneficiaries or any of them shall be conditional upon no payment to the Beneficiaries or any of them by Atlas Copco Finance or any other person on its behalf being avoided or reduced by virtue of any laws relating to bankruptcy, insolvency, liquidation or similar laws of general application for the time being in force and, in the event of any such payment being so avoided or reduced, the Beneficiaries shall be entitled to recover the amount by which such payment is so avoided or reduced from the Guarantor subsequently as if such settlement or discharge had not occurred.

4.5 **Exercise of Rights**

No Beneficiary shall be obliged before exercising any of the rights, powers or remedies conferred upon it by this Deed of Guarantee or by law:

(a) *Demand*: to make any demand of Atlas Copco Finance, save for the presentation of the relevant Note or Coupon;

(b) *Take action*: to take any action or obtain judgment in any court against Atlas Copco Finance; or

(c) *Claim or proof*: to make or file any claim or proof in a winding up or dissolution of Atlas Copco Finance,

and (save as aforesaid) the Guarantor hereby expressly waives presentment, demand, protest and notice of dishonour in respect of any Note or Coupon.

4.6 **Deferral of Guarantor's rights**

The Guarantor agrees that, so long as any sums are or may be owed by Atlas Copco Finance in respect of any Note, Coupon or under the Deed of Covenant or Atlas Copco Finance is under any other actual or contingent obligation thereunder or in respect thereof, the Guarantor will not exercise any rights which the Guarantor may at any time have by reason of the performance by the Guarantor of its obligations hereunder:

(a) *Indemnity*: to be indemnified by Atlas Copco Finance;

(b) *Contribution*: to claim any contribution from any other guarantor of Atlas Copco Finance’s obligations under or in respect of any Note, Coupon or the Deed of Covenant; or

(c) *Subrogation*: to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Beneficiary against Atlas Copco Finance in respect of
amounts paid by the Guarantor under this Deed of Guarantee or any security enjoyed in connection with any Note, Coupon or the Deed of Covenant by any Beneficiary.

4.7 Status

The Guarantor irrevocably undertakes that its obligations hereunder will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5(a) (Negative Pledge)) unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank pari passu and rateably without any preference among such obligations of the Guarantor in respect of the Notes of the same issue and at least pari passu with all other unsubordinated and unsecured indebtedness and money obligations involving or otherwise related to borrowed money of the Guarantor, present or future.

5. DEPOSIT OF DEED OF GUARANTEE

This Deed of Guarantee shall be deposited with and held by the Fiscal Agent for so long as the Programme remains in effect and thereafter until the date on which all the obligations of Atlas Copco Finance under or in respect of the Notes or Coupons (including, without limitation, its obligations under the Deed of Covenant) have been discharged in full. The Guarantor hereby acknowledges the right of every Beneficiary to the production of this Deed of Guarantee.

6. STAMP DUTIES

The Guarantor shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable upon or in connection with the execution and delivery of this Deed of Guarantee, and shall indemnify each Beneficiary against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable value added tax) which it may incur or which may be made against it as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

7. BENEFIT OF DEED OF GUARANTEE

7.1 Deed poll

This Deed of Guarantee shall take effect as a deed poll for the benefit of the Beneficiaries from time to time.

7.2 Benefit

This Deed of Guarantee shall enure to the benefit of each Beneficiary and its (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed of Guarantee against the Guarantor.

7.3 Assignment

The Guarantor shall not be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder. Each Beneficiary shall be entitled to assign all or any of its rights and benefits hereunder.

8. PARTIAL INVALIDITY

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining
provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

9. **NOTICES**

9.1 **Address for notices**

All notices and other communications to the Guarantor hereunder shall be made in writing (by letter or fax) and shall be sent to the Guarantor at:

Atlas Copco AB
SE - 105 23 Stockholm
Sweden
Fax: + 46 8 743 8037
Attention: Anna-Stina Wedlund, Corporate Counsel

or to such other address or fax number or for the attention of such other person or department that the Guarantor has notified to the Noteholders in the manner prescribed for the giving of notices in connection with the Notes.

9.2 **Effectiveness**

Every notice or other communication sent in accordance with Clause 9.1 (Notices – Address for notices) shall be effective upon receipt by the Guarantor; provided that any such notice or other communication which would otherwise take effect after 4.00pm on any particular day shall not take effect until 10.00am on the immediately succeeding business day in the place of the Guarantor.

10. **CURRENCY INDEMNITY**

If any sum due from the Guarantor under this Deed of Guarantee or any order or judgment given or made in relation thereto has to be converted from the currency (the first currency) in which the same is payable under this Deed of Guarantee or such order or judgment into another currency (the second currency) for the purpose of (a) making or filing a claim or proof against the Guarantor, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to this Deed of Guarantee, the Guarantor shall indemnify each Beneficiary on demand against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Beneficiary may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. This indemnity constitutes a separate and independent obligation from the other obligations under this Deed of Guarantee and shall give rise to a separate and independent cause of action.

11. **LAW AND JURISDICTION**

11.1 **Governing law**

This Deed of Guarantee and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.
11.2 **English courts**

The courts of England have exclusive jurisdiction to settle any dispute (a *Dispute*), arising from or connected with this Deed of Guarantee (including a dispute regarding the existence, validity or termination of this Deed of Guarantee or any non-contractual obligation arising out of or in connection with this Deed of Guarantee) or the consequences of its nullity.

11.3 **Appropriate forum**

The Guarantor agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

11.4 **Rights of the Beneficiaries to take proceedings outside England**

Clause 11.2 (Law and Jurisdiction - English courts) is for the benefit of the Beneficiaries only. As a result, nothing in this Clause 11 (Law and Jurisdiction) prevents the Beneficiaries, to the extent allowed by law, from taking proceedings relating to a Dispute (*Proceedings*) in any other courts with jurisdiction. To the extent allowed by law, the Beneficiaries may take concurrent Proceedings in any number of jurisdictions.

11.5 **Process agent**

The Guarantor agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Atlas Copco UK Holdings Limited, Swallowdale Lane, PO Box 79, Hemel Hempstead, Herts HP2 7HA, England or at any address of the Guarantor in Great Britain at which service of process may be served on it. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Guarantor, the Guarantor shall, on the written demand of any Beneficiary addressed and delivered to the Guarantor appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Beneficiary shall be entitled to appoint such person by written notice addressed and delivered to the Guarantor. Nothing in this paragraph shall affect the right of any Beneficiary to serve process in any other manner permitted by law. This Clause applies to Proceedings in England and to Proceedings elsewhere.

12. **MODIFICATION**

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to Notes, including the modification of any provision of this Deed of Guarantee. Any such modification may be made by supplemental deed poll if sanctioned by an Extraordinary Resolution and shall be binding on all Beneficiaries.
IN WITNESS WHEREOF THIS DEED OF GUARANTEE has been executed by the Guarantor and is intended to be and is hereby delivered on the date first before written.

EXECUTED as a deed
by ATLAS COPCO AB
acting by:

Kenneth Lagerborg  Håkan Osvald