

## **The Nomination Committee's statement**

The Nomination Committee has been active in evaluating the present Board of Atlas Copco AB prior to its proposal to the Annual General Meeting 2019. This is a continuation of the work started in 2015, when the Nomination Committee decided to prepare a successive renewal and rejuvenation of the Board. The Nomination Committee, which has been unchanged since 2015, has met three times ahead of this year's AGM.

The Nomination Committee has continued to focus on diversity, independence and gender balance in line with the requirements of the Swedish corporate governance. The Nomination Committee has, in this respect, decided to apply section 4.1 in the governance code as its diversity policy, which states that the board should exhibit diversity and breadth of qualifications, experience and background. In addition, gender balance should be strived for.

No new Board members are proposed for Atlas Copco AB. 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. A number of the board members have extensive experience from mechanical engineering business with a global reach. An important aspect for the Nomination Committee has been to form a strong team where members complement each other and hereby constitutes best possible support for the company's executives. The Nomination Committee's assessment of the Board's independence can be seen in the presentation of the proposed Board members. The Nomination Committee has also by the Chair of the Board been informed of the evaluation of the Board and its work and interviewed two board members.

A continued focus for the Nomination Committee is to create gender balance in the Board. Among the proposed Board members, who are not employed by the company, there are three women and five men, which constitute 38% women. The Nomination Committee will continue its work for increased gender balance.