

The Nomination Committee's statement to the AGM 2022

The Nomination Committee has had six meetings ahead of this year's AGM and interviewed two Board members. The Nomination Committee has furthermore interviewed three potential Board candidates. In line with previous years' work the Nomination Committee has actively evaluated the Board of Atlas Copco AB. This is part of several years' efforts for a successive renewal and rejuvenation of the Board. The evaluation process includes taking part of the Chairman's yearly presentation to the Nomination Committee of his evaluation of the Board work. In addition, the Nomination Committees interviews with selective Board members. The Nomination Committee concludes that the Board continues to function well.

Since Board member Tina Donikowski announced that she is not available for re-election at the 2022 AGM, the Nomination Committee initiated a search for one or two new candidates and has now concluded to propose one new candidate for the AGM 2022. This means that the proposal to the AGM is that the Board shall continue to consist of eight shareholder elected Board members, with no alternates, until the AGM 2023.

The Nomination Committee proposes election of Heléne Mellquist as new Board member. Heléne Mellquist is an experienced board member and contributes with solid knowledge and experience from global mechanical engineering business in many geographical markets. Further information on her background and about the other proposed Board members is included in the notice to the AGM 2022.

The Nomination Committee focus on topics as diversity, independence and gender balance in line with the requirements in the Swedish corporate governance code. The Nomination Committee has, in this respect, decided to apply section 4.1 of the 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. Among the proposed Board members, who are not employed by the Company, to be elected by the 2022 AGM, there are two women and five men, which constitute 28% women. The Nomination Committee is committed to continue its work for increased gender balance.

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 basic business of the Atlas Copco Group. 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 management. 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 requirements.

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. This year's proposal is a further step towards reaching a competitive fee structure, which the Nomination Committee sees as vital for the ability to attract and maintain valuable competences in the Board.

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