

## **Appendix 6**

**To**

### **MINUTES FROM ATLAS COPCO AB – ANNUAL GENERAL MEETING 24 APRIL 2008**

#### **ATLAS COPCO AB**

#### **A performance related personnel option program for 2008**

The Board have established that the performance target for granting of the maximum number of personnel options in the 2007 personnel option program have been met. Granting of personnel options under the 2007 program will take place no later than during March 2008.

#### Background and reasons for the proposal

In the opinion of the Board, it is important, and it is also in the best interest of the shareholders, that key personnel in Atlas Copco have a long term interest in a good value development of the shares of the company and align their performance in a manner that enhances such a development. It is also the assessment of the Board that a share related option program increases the attractiveness of Atlas Copco on the global market and enhances the possibility to recruit and keep key personnel in the Group.

The proposal of the Board has been prepared by the Remuneration Committee of the company. The President has not participated in the preparation of or the decision regarding the proposal.

#### The Complete Proposal

##### *Granting*

The Board has the right to decide on the granting of personnel options that can give a maximum of 245 key personnel in the Group the possibility to acquire a maximum of 4,130,000 Atlas Copco series A-shares.

The granting is dependent on the value increase of the Group expressed as Economic Value Added (EVA) during 2008. In an interval of 900 million SEK the granting varies linear from zero to 100% of the maximum grant. The size and the limits of the interval have been established by the Board and is in full compliance with the goals for the Group set in the long range plan.

The Granting of personnel options is maximized to the following number per person within the respective key groups:

category 1 – the President (1) – 117,500 personnel options

category 2 – Business Area Executives (3) – 58,750 personnel options

category 3 – other members of the Group management and division Presidents (24) - 29,375 personnel options

category 4 – other key personnel (approx 213) – 14,687 personnel options.

The Board shall decide which persons shall be included in the categories above based on position, qualification and individual performance. The granting of personnel options will take place not later than March 20, 2009.

The Board shall have the right to introduce an alternative incentive program for key personnel in such countries where the granting of personnel options is not feasible. Such alternative incentive solutions shall, to the extent possible, have terms and conditions corresponding to the ones applicable to the personnel option programme.

#### *The term of the personnel options*

The term of the personnel options shall be five years from the date of the grant. The personnel options are not transferable.

#### *Exercise periods*

The personnel options can be used for the purchase of shares as follows:

one third not earlier than one year from the grant

two thirds not earlier than two years after the grant

all not earlier than three years after the grant.

#### *Exercise price*

The exercise price shall be set to an amount corresponding to 110 percent of the average of the closing rates at the Stockholm Stock Exchange of the series A-shares during a period of 10 business days next following the date of the publishing of the annual accounts (fourth quarter press release) for the year 2008 operations.

#### *Re-calculation*

In case – during the term of the personnel options – a meeting of shareholders should decide, for example, on an increase or reduction of the issued shares or dividend over and above the dividend policy of the company a recalculation can take place in order to preserve the value of the personnel options. The decisions regarding a recalculation shall be taken by the Board.

#### *Theoretical value for the recipient*

A theoretical value of a personnel option has been calculated based on Black & Scholes model for evaluating options. As a base for the calculation a share rate of 90.25 SEK and an expected volatility of 27% have been used among other parameters. The theoretical

value has been calculated to 16.39 SEK per personnel option or altogether maximum 68.8 million SEK for the whole program.

*Delivery of shares and costs*

Personnel options shall give the right to purchase already issued shares. In Sweden, the options can be utilized for cash exercise in which case the option holder receives the difference between the share value per exercise and the exercise price.

In addition of the costs in order to secure the company's commitments, the granting of personnel options will result in accounting effects in accordance with IFRS 2. The personnel options shall be booked as personnel cost (excluding social charges) over the vesting period and be recorded directly against equity. The recorded amount shall continuously be re-evaluated during the vesting period of the personnel options.