

The Nomination Committee's statement to the AGM 2023

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. This is part of several years' efforts for a successive renewal, rejuvenation and increased internationalization of 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 addition, the Nomination Committee has interviewed the CEO. The Nomination Committee concludes that the Board continues to function well.

Board member Staffan Bohman announced to the Nomination Committee during the fall 2022 that he is not available for re-election at the 2023 AGM. As a consequence the Nomination Committee has searched for potential Board member replacements and out of several candidates has decided to propose one new candidate for the AGM 2023.

The Nomination Committee proposes the election of Jumana Al-Sibai who is currently the CEO of the German mechanical engineering company MAHLE Behr. Through the election of Jumana Al-Sibai Atlas Copco will add a Board member who is operational with solid knowledge about global mechanical engineering operations and established knowledge and experience from several geographic markets, including China.

In addition to the above the Nomination Committee's proposal for the 2023 AGM is the re-election of current Board members, excluding Staffan Bohman, as well as the re-election of Hans Stråberg as Chairman of the Board. The proposed Board would thus, unchanged, consist of eight members without deputies elected by the AGM. A more detailed presentation of the proposed Board members can be found in the proposal for the election of Board members.

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. Among the proposed Board members, who are not employees of Atlas Copco AB, three are women and four are men, which means a female share of 43%. The Nomination Committee therefore considers the goal of an even gender distribution to be met.

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. 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, the Nomination Committee's assessment is that 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.