

ATLAS COPCO AB AGM Date: 2013-04-29

- 1 Opening of the Meeting and election of Chairman: Sune Carlsson** **For**
- 2 Preparation and approval of voting list** **For**
- 3 Approval of agenda** **For**
- 4 Election of one or two persons to approve the minutes** **For**
- 5 Determination whether the Meeting has been properly convened** **For**
- 8a Approve the Profit and Loss Account and the Balance Sheet and the Consolidated Profit and Loss Account and the Consolidated Balance Sheet** **For**
- 8b Discharge the Board members and the President** **For**
- 8c Approve the dividend** **For**
- 8d Decision regarding record date for receiving dividend** **For**

9 Set the number of board members and deputy members **For**

It is proposed to set the number of directors to be elected on the board to 10 directors. This complies with the minimum requirement under Swedish Companies Act 8 Chap para. 46 of three directors.

10 Elect the Board

Oppose

It is common practice for board members in Sweden to be elected using a slate system. Slate elections are evaluated taking into consideration the balance of independent representation on the board. The Nomination Committee proposes the re-election of the following board members: Sune Carlsson, Staffan Bohman, Johan Forssell, Ronnie Leten, Ulla Litzén, Gunilla Nordström, Anders Ullberg, Peter Wallenberg Jr and Margareth Övrum and new election of Hans Stråberg. It is further proposed that Sune Carlsson is elected Chairman of the Board and Hans Stråberg is elected Vice Chairman. There is insufficient independent representation on the proposed board.

11 Approve remuneration to the Board of Directors

Abstain

It is proposed to set the remuneration at SEK 1,850,000 (previous year SEK 1,800,000) to the Chairman, SEK 750,000 to the vice chairman (SEK 645,000) and SEK 555,000 (SEK 540,000) to each of the other seven Board members not employed by the Company. Remuneration will remained unchanged for the members of the Audit Committee of SEK 200,000 to the Chairman, SEK 125,000 to the other members of this committee, SEK 60,000 to each of the members of the Remuneration Committee and remuneration of SEK 60,000 to each Board member who, in addition to the above, participates in a committee in accordance with a decision of the Board of Directors. The company has not presented any justification for the increase in fees and it is noted that fees were also increased in the previous year.

12a Approve guiding principles for the remuneration of senior executives **Oppose**

The Board of Directors seeks authority to approve the guiding principles for remuneration to senior executives. Executive remuneration comprises a base salary, variable compensation, long term incentive programs, pension premium and additional benefits. While it is welcomed that there is a cap on variable remuneration, there are concerns over the lack of disclosure of performance criteria applied at the annual bonus. In addition, severance arrangements are deemed to be excessive.

12b Approve performance stock option plan for 2013 **Oppose**

The board seeks approval to issue performance stock options under the stock option plan for 2013. Under the plan, 315 key personnel can acquire up to 4.1m A shares, equivalent to approximately 0.5% of the issued A shares. The shares will be issued if the target for Economic Value Added (EVA) during 2013 is met. There is no disclosure of quantifiable targets. A pay out from incentive awards should be contingent on achievement of at least two hurdles. Schemes which pay out for success against one of two hurdles are considered to be relatively poor at aligning shareholder interests as they can allow pay out in circumstances which may not have commensurate benefit to shareholders. In addition, it is of concern that quantifiable targets are not disclosed.

13a Acquire series A shares related to personnel option plan for 2013 **Oppose**

It is proposed to acquire shares for use in the option plan proposed in resolution 12b. As Triodos opposed to the plan, we also oppose to this resolution.

13b Acquire series A shares related to remuneration in the form of synthetic shares **For**

13c Transfer series A shares related to personnel option plan for 2013 **Oppose**

It is proposed to transfer shares for use in the option plan proposed in resolution 12b. As Triodos opposed to the plan, we also oppose to this resolution.

13d Sell series A shares to cover costs related to synthetic shares to the Board of Directors **For**

13e Sell shares in connection with the performance personnel option plans 2008, 2009 and 2010 **Oppose**

The Board seeks authority to sell up to 8.1m A and B shares in connection with the exercise of rights under the 2008, 2009 and 2010 stock option plans in order to cover costs, primarily cash settlements in Sweden, SAR and social costs. Though it is recognized that the company has a legal responsibility to fulfil agreements entered with employees including executives, this proposal is considered to be an enabling proposal to these plans over which there are concerns with respect to the use of sufficient performance criteria and disclosure of targets.