

Unofficial Translation

Notice of Annual General Meeting in Epiroc AB

The Shareholders of Epiroc AB (the "Company") are invited to attend the Annual General Meeting (the "Meeting") Thursday May 9, 2019 at 4.00 p.m. (CEST) at Aula Medica, Nobels väg 6, Solna, Sweden. Registration starts at 2.30 p.m.

Registration

Shareholders, intending to participate in the Meeting, must

- be recorded in the register of shareholders kept by Euroclear Sweden AB ("Euroclear") on Friday May 3, 2019, and
- notify the Company in writing of their intent to participate in the Meeting no later than Friday May 3, 2019, to the registration address Epiroc AB, "Årsstämma", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, or by telephone +46 8 401 43 02 work days between 9.00 a.m. to 4.00 p.m. (CEST) or on the Company's website www.epirocgroup.com/agm

Shareholders whose shares are held in trust by a bank or other trustee must temporarily register their shares in their own names in the register of shareholders of Euroclear to be able to participate in the Meeting. Such temporary registration must be recorded by Friday May 3, 2019. Shareholders should notify their trustees/banks well in advance of this date.

Shareholders who are represented by a proxy holder shall submit a proxy. A proxy form is available on www.epirocgroup.com/agm. The Company will also send a proxy form to those Shareholders who so request. Representatives of legal entities must be able to present a copy of the registration certificate or other similar authorization document to support the proxy. Please send such proxies and other authorization documents to the Company well in advance to ease the registration process at the Meeting.

Personal data obtained from notifications, proxies and the register of shareholders kept by Euroclear will solely be used for the necessary registration and preparation of the voting list for the Meeting. For information on the treatment of personal data please see Euroclear's privacy notice available at <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Entrance cards will be sent to the Shareholders who have notified their intention to participate. The proceedings will be simultaneously translated into English. Electronic devices for voting will be used to some extent.

The President & CEO's speech will after the Meeting be available on the Company's website www.epirocgroup.com/agm.

Epiroc Group Center

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Proposed agenda

1. Opening of the Meeting and election of Chair
2. Preparation and approval of voting register
3. Approval of the agenda
4. Election of one or two persons to attest the minutes
5. Determination whether the Meeting has been duly convened
6. Presentation of the Annual Report and the Auditor's Report as well as the Consolidated Financial Statements and the Consolidated Auditor's Report
7. The President & CEO's speech and questions from Shareholders to the Board of Directors and the Management
8. Decisions regarding
 - a) adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet
 - b) discharge from liability for board members and the managing director
 - c) allocation of the company's profit or loss according to the adopted balance sheet
 - d) record date for receiving the dividend
9. Determination of the number of
 - a) Board members, and
 - b) auditors and deputy auditors or registered auditing companies
10. Election of
 - a) Board members,
 - b) Chair of the Board, and
 - c) Auditors and deputy auditors or registered auditing companies
11. Determining the remuneration,
 - a) in cash or partially in the form of synthetic shares, to the Board of Directors, and the remuneration to its committees, and
 - b) to the auditors or registered auditing company
12. The Board's proposals regarding
 - a) guiding principles for the remuneration of senior executives
 - b) a performance based personnel option plan for 2019
13. The Board's proposal regarding mandates to
 - a) acquire A shares related to personnel option plan for 2019
 - b) acquire A shares related to remuneration in the form of synthetic shares
 - c) transfer A shares related to personnel option plan for 2019
 - d) sell A shares to cover costs related to synthetic shares to Board members
 - e) sell A shares to cover costs in relation to the performance based personnel option plans for 2014, 2015 and 2016
14. Adoption of instructions for the nomination committee
15. Closing of the Meeting

Item 8 c) and d) - The Board of Directors' proposals regarding dividend and record date

The Board proposes that the dividend for 2018 is decided to be SEK 2.10 per share to be paid in two equal instalments of SEK 1.05. The record date for the first instalment is proposed to be May 13, 2019 and for the second instalment October 30, 2019. If the Meeting decides as proposed, the first instalment is expected to be distributed by Euroclear on May 16, 2019 and the second instalment on November 4, 2019.

Item 1, 9 and 10 - Proposals from the Nomination Committee regarding Chair of the Meeting, number of Board members, Chair, and other Board members and registered auditing company

The Nomination Committee, consisting of Petra Hedengran, the Chair of the Nomination Committee, Investor AB, Jan Andersson, Swedbank Robur Fonder, Ramsay Brufer, Alecta and Hans Ek, SEB Investment Management AB, who together represent more than 30% of the total number of votes in the Company, as well as Ronnie Leten, the Chair of the Board, propose as follows:

Item 1: That Sven Unger is elected Chair of the Meeting.

Item 9: That eight Board members be elected. That one registered auditing company be elected.

Item 10: That the following Board members are re-elected: Lennart Evrell, Johan Forssell, Jeane Hull, Ronnie Leten, Per Lindberg, Ulla Litzén, Astrid Skarheim Onsum and Anders Ullberg. That

Ronnie Leten is re-elected Chair of the Board. That Deloitte AB is re-elected as the auditing company which also is the Audit Committee's recommendation.

Information regarding all proposed Board members is available on www.epirocgroup.com/agm

Item 11 – Proposal from the Nomination Committee regarding remuneration to the Board of Directors and for committee work and audit fee

Remuneration of SEK 2,050,000 (1,950,000) to the chair and SEK 640,000 (625,000) each to the other Board members not employed by the Company. To the chair of the Audit Committee SEK 260,000 (225,000) and SEK 175,000 (150,000) each to the other members. To the Chair of the Remuneration Committee SEK 125,000 (100,000) and SEK 90,000 (75,000) each to the other members, and remuneration of SEK 70,000 (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.

Reflecting the ambition to further enhance the interest for the long term development of the Company, the Nomination Committee proposes that each Board member shall have the possibility to choose between receiving 50% of the remuneration in the form of synthetic shares and the rest in cash and to receive the whole remuneration in cash.

The Board proposes that the obligation of the Company to pay an amount corresponding to the synthetic shares as described above shall be hedged through the purchase of own A shares. Repurchased shares can be sold on the market in connection with the payment to the Board member in compliance with a request for mandate. The cost difference for the Company if all Board members choose to receive a part of their fee in the form of synthetic shares compared to receive the whole remuneration in cash is assessed to be very limited due to the hedging.

Audit fee is proposed to be as per approved invoice.

Item 12 – The Board's proposals regarding:

- a) guiding principles for the remuneration of senior executives**
- b) a performance based personnel option plan for 2019**

12 a) guiding principles for the remuneration of senior executives

The term "senior executives" covers the President & CEO and the other five members in the Group management team.

The proposal of the Board for 2019, is as follows:

The remuneration to the senior executives shall consist of a base salary, annual variable compensation, long term incentive programs, pension premiums and additional benefits.

The base salary reflects the position, qualification and individual performance.

The size of the annual variable compensation depends on the extent to which predetermined quantitative and qualitative goals are met. The variable compensation is limited to a maximum of 70% of the base salary for the President & CEO, to 60% for the Business Area Executives and to 40% for the other senior executives.

Pension premiums are paid in accordance with a premium based plan within a range of 25-35% of the base salary, depending on age. The standard retirement age is 65 years. Additional benefits consist of company car and private health insurance.

For expatriates certain other benefits apply in compliance with the Company's Conditions for Expatriate Employees.

In case of termination of employment of a senior executive by the Company, the compensation can amount to a maximum of 24 months base salary and a minimum of 12 months base salary depending on age, length of employment and possible income from other economic activity or employment.

The Board reserves the right to deviate from these guiding principles if special reasons for such deviation exist in an individual case.

12 b) a performance based personnel option plan for 2019

It is important that key personnel in Epiroc 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. In particular this applies to the group of key personnel that consists of the senior executives and the division presidents. It is also the assessment of the Board that a share related option program increases the attractiveness of Epiroc on the global market and enhances the possibility to recruit and keep key personnel in the Group.

As part of the Atlas Copco Group, certain Epiroc employees have participated in Atlas Copco personnel option plans. The then existing personnel stock option plans were split between Atlas Copco and the Company in connection with the distribution and listing of the Company. The Board proposes for 2019 a personnel stock option plan corresponding to the personnel stock option plans previously approved by the annual general meetings of Atlas Copco AB.

Scope and main principles

Granting

The Board asks for the right to decide on the issuing of performance stock options that can give a maximum of 100 key personnel in the Group the possibility to acquire a maximum of 3,058,704 A shares.

Issuing

The issuing is dependent on the value increase of the Group expressed as Economic Value Added during 2019. In an interval of SEK 750,000,000 the issue varies linear from zero to 100% of the maximum number. The size of the plan and the limits of the interval have been established by the Board and are compatible with the goals in the long term business plan of the Group.

The issue of performance stock options is maximized to the following number per person within the respective key group:

category 1 – the President & CEO: 305,970 (262,520) options

category 2 – other members of the Group Management (5): 58,194 (52,326) options (average per person for the group)

category 3 – Division presidents (7): 48,846 (46,393) options

category 4 – other key personnel (87): 24,366 (23,142) options

The Board shall decide which persons shall be included in category 4 based on position, qualification and individual performance. The issuing of options will take place not later than March 20, 2020.

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

The term of the performance stock options

The term of the options shall be seven years from the date of granting. The options are not transferable.

Exercise

The options are exercisable earliest three years from granting. The right to exercise only applies during the period a person is deemed employed.

Exercise price

The exercise price shall be set to an amount corresponding to 110% of the average of the closing rates at Nasdaq Stockholm of A shares during a period of ten business days next following the date of the publishing of the full-year summary for 2019.

Maximized outcome

A single payment/assignment of shares under the stock option plan can never exceed four times the value of the exercise price.

Recalculation

In case there should be a decision at a general shareholders meeting regarding, for example, a reduction or increase of outstanding shares or a dividend beyond the dividend policy of the Company a recalculation can take place to preserve the value of the options.

A decision regarding such recalculation shall be taken by the Board.

Theoretical Value for the Recipient

A theoretical value on a personnel option has been established based on the Black & Scholes model for valuating options. As a base for the calculation, among other factors, a share price of SEK 88.03 and an expected volatility of 30% have been used. The theoretical value is calculated to amount to SEK 14.74 per personnel option or in total a maximum of SEK 45,085,297 for the whole plan.

Requirement for senior executives and division presidents regarding own investment

As prerequisite for the participation of the senior executives and division presidents (13 persons) in the personnel stock option plan 2019 applies that they have invested a maximum of 10% of their respective base salary for 2019, before tax, in A shares of the Company (20% for expatriates with net salary). The investment may be in cash or by pre-owned shares, however, not by shares that are obtained as part of the participation in the stock option plan for 2017 and 2018. The participation in the plan corresponds proportionally to the investment made. Those who have chosen to invest in A shares will get, in addition to the proportional participation in the plan, the right to acquire, three years after the investment year, the number of shares (matching shares) that corresponds to the number of shares acquired under 2019 at a price of 75% of the market value upon which the exercise price for the shares in the 2019 plan was based, subject to continued employment and continued ownership of the shares. If the number of the acquired shares has been reduced, the right to matching shares is reduced on a share by share basis.

The theoretical value for this is calculated to be SEK 25,69 per matching share or in total approximately SEK 1,236,383.

Delivery of shares

The personnel options shall give the right to acquire already issued A shares.

Item 13 – The Board's proposal regarding mandates to:

- a) acquire A shares related to personnel option plan for 2019**
- b) acquire A shares related to remuneration in the form of synthetic shares**
- c) transfer A shares related to personnel option plan for 2019**
- d) sell A shares to cover costs related to synthetic shares to Board members**
- e) sell A shares to cover costs in relation to the performance based personnel option plans for 2014, 2015 and 2016**

In order for the resolutions by the Meeting in accordance with 13 a), b), d) and e) above to be adopted, the resolutions must be supported by Shareholders holding at least two-thirds of the votes cast as well as of the shares represented at the Meeting. In order for the resolution by the Meeting in accordance with 13 c) above to be adopted, the resolution must be supported by Shareholders holding at least nine tenths of both the votes cast as well as of the shares represented at the Meeting. Should majority votes not be achieved, the intention of the Company is to hedge the financial exposure in connection with the 2019 personnel option plan and secure delivery of shares by entering into an equity swap agreement with a financial institution.

13 a) acquire A shares related to personnel option plan for 2019

The Board proposes that the Board is granted the mandate until the next Annual General Meeting to decide, on one or more occasions, on the acquisition of shares in the Company as follows:

1. Acquisition of not more than 3,250,000 A shares
2. The shares may only be acquired on Nasdaq Stockholm
3. The shares may only be acquired at a price per share within the registered trading interval, at any given point in time.

The acquisition is made with the intention to limit the economic risk caused by an increase of the share value during the period the performance stock options remain outstanding, to be able to fulfil

future delivery obligations under personnel option and matching share agreements, to cover alternative solutions and cash settlements as well as to cover, primarily, social charges.

13 b) acquire A shares related to remuneration in the form of synthetic shares

The Board proposes that the Board is granted the mandate until the next Annual General Meeting to decide, on one or more occasions, on the acquisition of shares in the Company as follows:

1. Acquisition of not more than 30,000 A shares
2. The shares may only be acquired on Nasdaq Stockholm
3. The shares may only be acquired at a price per share within the registered trading interval, at any given point in time.

The acquisition is made with the intention to hedge the obligation of the Company to pay remuneration, including social charges, to a Board member who has chosen to receive 50% of the remuneration in synthetic shares.

13 c) transfer A shares related to personnel option plan for 2019

The Board further proposes that the Meeting decides to transfer shares in the Company in relation to the Company's personnel option plan 2019, including the share saving/matching share part, according to the following:

1. A maximum of 3,150,000 A shares may be transferred. Right to acquire shares is to be granted the persons participating in the Company's proposed performance stock option plan 2019, with a right for each participant to acquire the maximum number of shares stipulated in the terms and conditions of this plan. The participant's right to acquire shares is conditional upon all terms and conditions of the Company's performance stock option plan 2019 being fulfilled. Shares are to be transferred on the terms and conditions stipulated by the plan, meaning inter alia, that what is stated therein regarding price and time during which the participants are to be entitled to use their right to acquire shares is also applicable to the transfer. Participants are to pay for the shares within the time and on the terms stipulated in the performance stock option plan 2019.
2. With respect to the number of shares that may be transferred under the Company's performance stock option plan, customary terms for recalculation as a result of bonus issue, share split, rights issues and similar measures apply in accordance with the terms and conditions of the plan.

As reason for the deviation from the Shareholders' right of first refusal and as the base for the transfer price in connection with the transfer of own shares, the Board states that the transfer of own shares is a part of the proposed performance stock option plan for 2019.

13 d) sale of A shares to cover costs related to synthetic shares to Board members

The Board proposes that the Board is granted the mandate until the next Annual General Meeting to decide, on one or more occasions, to sell not more than 15,000 A shares in the Company to cover the costs of giving a counter value of earlier issued synthetic shares and to, primarily, cover social charges.

Shares proposed to be sold were acquired based on mandates given at the Annual General Meeting each respective year to acquire the share for the stated purpose. The sale shall take place on Nasdaq Stockholm at a price within the registered price interval at any given time.

As reason for the deviation from the Shareholders' right of first refusal and as the base for the price in connection with the sale of own shares, the Board states that the sale of own shares is a part of the previously adopted decision regarding synthetic shares to the Board.

13 e) sale of A shares to cover costs in relation to the performance based personnel option plans for 2014, 2015 and 2016

The Board proposes that the Board is granted the mandate until the next Annual General Meeting to sell, at one or more occasions, a maximum of 7,900,000 A shares, in connection with the exercise of rights under the above mentioned performance stock option plans and related costs in order to cover costs, primarily cash settlements in Sweden, SAR and social costs.

Shares proposed to be sold were acquired each respective year based on mandate given at that year's Annual General Meeting to acquire the shares for the stated purpose. The sale shall take place on Nasdaq Stockholm at a price within the registered price interval at any given time.

As reason for the deviation from the Shareholders' right of first refusal and as the base for the price in connection with the sale of own shares, the Board states that the sale of own shares is an integrated part of the previously adopted performance stock option plans. Due to current legislation, this has to be re-approved annually.

Item 14 - Adoption of instructions for the nomination committee

The nomination committee proposes that the following instructions for the nomination committee shall apply until an annual general meeting decides otherwise.

- a) The Company shall have a nomination committee consisting of one representative of each of the four shareholders, directly registered or ownership grouped, controlling the largest number of votes, which desires to appoint a representative. In addition to these four members, the chairman of the Board of Directors shall be a member of the nomination committee.
- b) The nomination committee shall be formed based on the shareholders that, as per the last banking day in August the year before the annual general meeting, have been recorded in the share register kept by Euroclear.
- c) The chairman of the Board shall, as soon as information become available regarding ownership as stated above, contact a representative of each of the four largest shareholders in the Company, which then have the right to appoint one representative each to the nomination committee. The members of the nomination committee shall be announced no later than six months prior to the annual general meeting. The name of the shareholder appointing a member shall be published.
- d) The chairman of the nomination committee shall be the representative of the shareholder representing the most votes. The chairman of the nomination committee shall not be a member of the Company's Board of Directors.
- e) If earlier than three months before the annual general meeting, one or more shareholders that have appointed members to the nomination committee cease to belong to the four shareholders controlling the largest number of votes, the members appointed by said shareholders shall leave their places in the nomination committee and the shareholder(s) that currently is among the four largest shareholders shall, after having contact with the chairman of the nomination committee, have the right to appoint its own member of the nomination committee.
- f) A shareholder that has become one of the four largest shareholders later than three months before an annual general meeting shall, instead of having the right to appoint a member of the nomination committee, have the right to appoint a representative that shall be co-opted to the nomination committee.
- g) A shareholder, which has appointed a member of the nomination committee, has the right to dismiss its appointed member and appoint a new member of the nomination committee. Changes to the composition of the nomination committee shall be made public as soon as such changes have taken place.
- h) The main objective and duties of the nomination committee are to propose candidates for the post of chairman and members of the Board of Directors and the Company's auditors, as well as propose fees and other remuneration to each of the members of the Board of Directors and to the auditors. The nomination committee shall conduct its duties in accordance with the Swedish Code of Corporate Governance and thus particularly aim at an appropriate composition of the Company's Board of Directors characterized by diversity and breadth of the appointed members' qualifications, experience and background.

Shares and Votes

The Company has issued in total 1,213,738,703 shares of which 823,765,854 are A shares and 389,972,849 are B shares. A shares have one vote and B shares have one tenth of a vote. On April 1, 2019 out of such shares the Company holds 14,391,554 A shares, which corresponds to the same number of votes.

Information at the Annual General Meeting

If a Shareholder so requires and the Board believes that the information can be given without causing harm to the Company, the Board and the President & CEO shall give information regarding an item on the agenda or circumstances that might affect the evaluation thereof or circumstances that could affect the evaluation of the economic position of the Company or a subsidiary Company or the Company's relation to another Company within the Group.

If a Shareholder wishes to submit questions in advance, such should be sent to: Epiroc AB, Attn: General Counsel, Epiroc AB, P.O. Box 4015, SE-131 04 Nacka, Sweden or to board@epiroc.com.

Documentation

The Annual Report and the Auditor's Report as well as the proposals from the Nomination Committee and the Board, information regarding all Board members and the statement by the nomination Committee regarding the Board, statements by the auditor and the Board will be available at the Meeting and is available on www.epirocgroup.com/agm and with the Company, and can be sent free of charge to those shareholders who so requests and state their address as of 5 April 2019.

In connection with the Meeting, two awards will be presented;
"The **United in Performance** Award" - honoring customer collaboration.

"The **Inspired by Innovation** Award" - honoring the most innovative technical development in the Group, which has had a proven commercial success.

Nacka, April 2019

Epiroc AB (publ)

The Board of Directors