



Sandvik's Annual General Meeting 2014

Sandvik AB held its Annual General Meeting on 13 May 2014 in Sandviken, Sweden.

In his speech, Olof Faxander, President and CEO, commented on the 2013 financial year and the trend for the first quarter of 2014. The presentation comprised a report on Sandvik's results both on Group level and Business Area level. Olof Faxander emphasized that innovation has always been central for Sandvik and will be very important for Sandvik also in the future. Olof Faxander also talked about Sandvik's new vision, We set the industry standard, as well as the Group's new core values: Customer Focus, Passion to win, Innovation and Fair Play.

Adoption of the Profit and Loss Accounts and Balance Sheets

The General Meeting adopted the Profit and Loss Account and Balance Sheet for the parent company as well as the Consolidated Profit and Loss Account and Consolidated Balance Sheet for 2013. The Board members and the President were discharged from liability for the financial year 2013.

Dividend

The General Meeting resolved on a dividend of SEK 3.50 per share. The record date for payment of the dividend was set at Friday, 16 May 2014. The dividend is expected to be sent by Euroclear Sweden AB on Wednesday, 21 May 2014.

Board of Directors

Pursuant to the Nomination Committee's proposal Olof Faxander, Jürgen M Geissinger, Johan Karlström, Hanne de Mora, Anders Nyrén, Simon Thompson and Lars Westerberg were re-elected members of the Board. Anders Nyrén was re-elected Chairman of the Board.

Resigning Board member Fredrik Lundberg was thanked for his service.

The employee unions have appointed Jan Kjellgren and Tomas Kärnström as members of the Board and Thomas Andersson and Alicia Espinosa as deputy members of the Board.

Fees to the Board

The General Meeting resolved pursuant to the Nomination Committee's proposal that the fee to each Board member not employed by the company should be SEK 600,000 (previously SEK 550,000) and that the fee to the Chairman of the Board should be SEK 1,700,000 (previously SEK 1,650,000). Further, the following fees were resolved on: SEK 150,000 (unchanged) to each Board member elected by the General Meeting who is a member of the Audit Committee, SEK 175,000 (unchanged) to the Chairman of the Audit Committee, SEK 100,000 (unchanged) to each Board member elected by the General Meeting who is a member of the Remuneration Committee and SEK 125,000 (unchanged) to the Chairman of the Remuneration Committee.

Resolution on guidelines for remuneration of senior executives

The General Meeting resolved to adopt the Board's proposal regarding guidelines for remuneration of senior executives.

Resolution on a long-term incentive program (LTI 2014)

The General Meeting approved the Board's proposal on a long-term incentive program (LTI 2014) in the form of a performance share program for about 350 senior executives and key employees in the Group.

LTI 2014 comprises approximately 350 senior executives and key employees within the Sandvik Group. Participation requires that an investment in Sandvik shares be made. Each Sandvik share invested in entitles the participant to be allotted, after a period of three years, one Sandvik share free of charge. Provided that

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certain performance targets with respect to Earnings Per Share are met, each Sandvik share invested in also entitles the participant to be allotted further Sandvik shares free of charge.

The intention of the Board of Directors is to also propose the Annual General Meetings 2015 and 2016 to resolve on long-term incentive programs in accordance with the principles of LTI 2014. The total number of shares that can be allotted pursuant to the long-term incentive programs during the years 2014–2016 must not exceed 12,540,000 shares, which corresponds to approximately one per cent of the number of outstanding shares in Sandvik. LTI 2014 comprises up to 3,500,000 shares. The delivery of these shares will be secured through a share swap agreement with a third party.

The total cost of LTI 2014 is estimated at up to 293 million SEK, based on the assumption of maximum performance and a highest price per share of 100 SEK.

Shareholder proposal

The General Meeting resolved to reject the proposal by shareholders Kjell Andersson and Knut Tersmeden to place the Group's business units in different companies and distribute them to the shareholders as separately listed. The same two shareholders' proposal for special examination was not supported by owners of the required number of shares.

Wilhelm Haglund medal

Petri Liljaranta, Tapani Sormunen and Sami Hanski, Sandvik Construction, were named product developers of the year and were awarded the Wilhelm Haglund Medal for developing the DPi series – a new surface top hammer drill rig series.

Stockholm, 13 May 2014

Sandvik AB

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Sandvik Group

Sandvik is a global industrial group with advanced products and world-leading positions in selected areas – tools for metal cutting, equipment and tools for the mining and construction industries, stainless materials, special alloys, metallic and ceramic resistance materials as well as process systems. In 2013 the Group had about 47,000 employees and representation in 130 countries, with annual sales of about 87,000 million SEK.