

This is a translation of the Swedish original. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

Proposal by the Board of Directors of Sandvik AB for authorization of the Board of Directors to resolve on acquisition of the Company's own shares

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to, for the period until the 2022 Annual General Meeting, resolve on acquisitions of the Company's own shares in accordance with the following conditions.

- Acquisitions shall take place on Nasdaq Stockholm.
- Acquisitions may only be made at a price per share within the price range (spread) applicable from time to time, meaning the spread between the highest purchase price and the lowest selling price prevailing and disseminated by Nasdaq Stockholm from time to time.
- The Company may acquire a maximum number of shares so that the Company's holding at any time does not exceed 10 per cent of the total number of shares in the Company.
- The authorization may be utilized on one or several occasions up to the 2022 Annual General Meeting.

The purpose of the authorization is to enable the Board of Directors to continuously adapt the Company's capital structure and thereby contribute to increased shareholder value.

In order for the resolution on authorization to be valid, it must be supported by shareholders representing at least two thirds of the votes cast as well as the shares represented at the Annual General Meeting.

The Board of Directors' statement, pursuant to Chapter 19, Section 22 of the Swedish Companies Act, is enclosed to this proposal.

Stockholm, March 2021

Sandvik Aktiebolag (publ)
The Board of Directors

Statement by the Board of Directors of Sandvik AB in accordance with Chapter 19, Section 22 of the Swedish Companies Act

The Board of Directors hereby issues the following statement regarding the proposed authorization for the Board to resolve on acquisitions of the Company's own shares, pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

The nature and extent of the Company's operations are stated in the Articles of Association and issued annual reports. Such nature and extent do not entail risks over and above those inherent, or reasonably to be expected, in the industry or otherwise inherent in business operations. For information on significant events, reference is made to the 2020 Annual Report.

The Company's unappropriated earnings as per 31 December 2020 amounted to SEK 34,615,296,559. Provided that the 2021 Annual General Meeting resolves to allocate the earnings in accordance with the Board's proposal, SEK 26,461,788,059 will be carried forward. The authorization to acquire the Company's own shares does not infringe on investments deemed to be required. In addition, the Company's liquidity reserve is in the form of an unutilized credit facility amounting to 9,000 million SEK, which means that the Company should reasonably be able to meet unexpected events and temporary fluctuations in cash flows of reasonable proportions. The Company's financial position supports the assessment that the Company will be able to continue its business and meet its obligations in both the short and long term.

In view of the above and based on what the Board is otherwise aware, the proposed authorization to acquire the Company's own shares is, in the Board's opinion, justified considering the requirements which the nature, extent and risks associated with the operations place on the size of the equity of the Company, and also taking into consideration the Company's need to strengthen its balance sheet, liquidity and financial position in general.

Stockholm, March 2021

Sandvik Aktiebolag (publ)
The Board of Directors