

Recalculation of the base share price

The provisions set out in items A-I below shall, in the situations listed herein, apply to the base share price applicable to the calculation of the number of shares to which an employee is entitled under Share Bonus Program 2017.

The term share value refers to the average price for Series B shares in SWECO AB (publ) (the "Company"). The average price is measured as the average of the daily maximum and minimum prices paid for the shares according to the Nasdaq Stockholm's list for Series B shares in the Company for each trading day during the period in question.

In connection with recalculation pursuant to items C and E below, the average price is measured as the average of the daily maximum and minimum prices paid for the shares for each trading day during the applicable subscription or offer period according to items C and E below.

In connection with recalculation according to item F below, the average price is measured as the average of the daily maximum and minimum prices paid for the shares for each trading day during a 25-day period commencing on the first trading day on which the shares were listed without the right to extraordinary dividends.

In connection with recalculation according to item G below, the average price is measured as the average of the daily maximum and minimum prices paid for the shares for each trading day during a 25-day period commencing on the first trading day on which the shares were listed without the right to repayment.

In the absence of prices paid on a certain day, the closing quoted bid price for the day in question shall instead be used in the calculation. A day on which neither a price paid nor a bid price was quoted shall not be used in the calculation.

In cases where neither a price was paid nor a bid price was quoted on at least half of the trading days in the aforementioned periods, the share value shall be measured in an amount equal to Net Present Value as determined by an appraiser.

- A. If the Company executes a *bonus issue*, a recalculated base share price shall be applied. The Company shall recalculate the share base price according to the following formula:

$$\text{Recalculated base share price} = \frac{\text{previous share base price} \times \text{number of shares before bonus issue}}{\text{number of shares after bonus issue}}$$

- B. If the Company executes a *share consolidation or a share split*, a recalculation comparable to that specified in item A shall be carried out.

- C. If the Company executes a *new issue of shares*, with pre-emptive rights entitling the shareholders to subscribe for shares by cash payment, a recalculated base share price shall be applied. The Company shall carry out the recalculation according to the following formula:

$$\text{Recalculated base share price} = \frac{\text{previous base share price} \times \text{share value}}{\text{share value increased by the theoretical value of the subscription right}}$$

The recalculated base share price shall be rounded off to two decimal places.

The theoretical value of the subscription right shall be calculated according to the following formula:

$$\text{Theoretical value of subscription right} = \frac{\text{Maximum number of new shares that can be issued pursuant to the share issue resolution} \times (\text{share value} - \text{issue price for the new shares})}{\text{number of shares prior to share issue resolution}}$$

In the event the resulting value is less than zero, the theoretical value of the subscription right shall be set at zero.

- D. If the Company carries out an *issue of convertibles or subscription options*, in both cases with pre-emptive rights for the shareholders to subscribe for such debt instru-

ments for cash payment, recalculation shall be carried out as specified in item C above.

- E. Where, under circumstances other than those stated in items A-D above, the Company offers all shareholders the opportunity to acquire securities or other rights of any type with pre-emptive rights from the Company pursuant to Chapter 13, Section 1 of the Swedish Companies Act, or decides, pursuant to the aforementioned principles, to issue such securities or rights to the shareholders free of consideration, a recalculated base share price shall be applied. The Company shall carry out the recalculation according to the following formula:

$$\text{Recalculated base share price} = \frac{\text{previous base share price} \times \text{share value}}{\text{share value increased by the value of the right to participate in the offer, i.e. the value of the purchase right}}$$

Where the shareholders have received purchase rights and trading of these has taken place, the value of the right to participate in the offer shall be deemed equivalent to the value of the purchase right. In connection with this, the value of the purchase right shall be deemed equal to the volume-weighted average daily value of the maximum and minimum quoted price paid each trading day during the applicable registration period. In the absence of prices paid for a certain day, the closing quoted bid price for the day shall instead be used in the calculation. A day on which neither a price was paid nor a bid price was quoted shall not be used in the calculation.

Where the shareholders have not received purchase rights or trading of these has not taken place, recalculation of the base share price shall be carried out by applying, to the extent possible, the principles stated above in this item.

- F. Where a decision is made to pay cash dividends to the shareholders, whereby these receive dividends which together with other dividends paid during the same financial year exceed 8 per cent of the share's average price during the 25 trading days immediately preceding the day on which the Board of Directors of the Company made public its intention to propose such dividend to the General Meeting, a recalculated base share price shall be applied. The recalculation shall be based on the total dividends exceeding 5 per cent of the share's average price during the said period (extraordinary dividend). The Company shall carry out the recalculation according to the following formula:

$$\text{Recalculated base share price} = \frac{\text{previous base share price} \times \text{share value}}{\text{share value increased by extraordinary dividend paid per share}}$$

The provisions of this item F on recalculation in connection with dividends pertain only to ordinary shares. Dividends in respect of preference shares do not require any recalculation of the base share price.

If the Company receives an unconditional shareholder contribution, the base share price shall be recalculated in respect of this. The recalculation shall be carried out by the Company according to the principles stated above in this item.

- G. If the Company's share capital is *reduced*, with repayment to the shareholders, a recalculated base share price shall be applied. The Company shall carry out the recalculation according to the following formula:

$$\text{Recalculated base share price} = \frac{\text{previous base share price} \times \text{share value}}{\text{share value increased by the amount to be repaid per share}}$$

The provisions of this item G on recalculation in connection with reduction and repayment pertain only to ordinary shares. Redemption of shares which are redeemable pursuant to a reservation in the Articles of Association, and a reduction of the share capital with subsequent repayment do not require any recalculation of the base share price.

- H. In recalculating the base share price according to the aforementioned, the value shall always be rounded to one decimal place, with hundredths of .05 or above rounded up.
- I. If the Company takes a measure pursuant to the aforementioned and if application of the recalculation formula intended for such measure is not possible in light of the technical structure of the measure or for some other reason, or would lead to a clearly unreasonable result, the Company shall refer the question of recalculation to an appraiser.

The appraiser shall then determine whether application of the recalculation formula in question would be deemed to lead to an unreasonable result and, where he/she finds

this to be the case, with observance of the principles stated in this appendix shall recalculate the base share price in a manner which he/she finds appropriate to achieve a reasonable result.

The aforementioned shall be applied *mutatis mutandis* where the Company takes a measure which does not require recalculation according to the above but which does require recalculation according to stock market practice, and where failure to recalculate would lead to a clearly unreasonable result. In such cases, the appraiser shall determine whether recalculation should be carried out and, if applicable, shall perform the recalculation with the application of customary recalculation practices.