

SHARE BONUS SCHEME 2014

Proposal of the Board of Directors for a Share Bonus Scheme 2014

Resolutions:

- a) **proposal on implementation of Share Bonus Scheme 2014**
- b) **proposal on amendment of the articles of association**
- c) **proposal on private placement of Series C shares**
- d) **proposal on authorization for the Board of Directors to repurchase the newly issued Series C shares**
- e) **proposal on authorization for the Board of Directors to repurchase Series B shares**
- f) **proposal on resolution to transfer Series B treasury shares**
- g) **proposal on authorization for the Board of Directors to transfer Series B treasury shares to secure payment of social security contributions**

Background and rationale

The Board of Directors of SWECO AB (publ), Reg. No. 556542-9841, (the "Company") holds the opinion that a long term commitment to holding equity in the Company can be expected to increase the interest in the business and its profitability, increase motivation and the affinity with the Company as well as establish focus on the group as a whole. Therefore, the Board of Directors proposes that the Company implements a share bonus scheme. The implementation of the share bonus scheme is in addition a cost efficient way for the Company to award bonuses to the employees in Sweden. This share bonus scheme, hereinafter referred to as Share Bonus Scheme 2014, shall replace the existing cash bonus scheme for employees in Sweden. The share bonus scheme does not entail any amendments to the existing bonus scheme for employees, with the exception for shares being allotted instead of cash being paid. It shall cover all employees with long term employments in Sweden in accordance with the rules for employee bonuses established by the Board of Directors, but exclude Senior Managers as well as managers who participate in other incentive schemes. A precondition for being awarded shares through the scheme is that the participant's employment at the time of the awarding of the bonus has not expired nor been terminated.

The proposal of the Board of Directors includes the implementation of the scheme as such (A), as well as several resolutions as a direct result of the implementation of Share Bonus Scheme 2014, i.e. resolutions on amendment of the articles of association (B), private placement of Series C shares (C), authorization for the Board of Directors to repurchase the newly issued Series C shares (D), authorization for the Board of Directors to repurchase Series B shares (E), transfers of Series B treasury shares (F), and authorization for the Board of Directors to transfer Series B treasury shares to secure payment of social security contributions (G), all in accordance with what is set out in the respective items below.

A. Proposal on implementation of Share Bonus Scheme 2014

The Board of Directors proposes that the annual general meeting resolves to adopt Share Bonus Scheme 2014 in accordance with the following.

1. Structure of Share Bonus Scheme 2014

Share Bonus Scheme 2014 is structured so as to relate to the Company's overall profitability targets and is structured to stimulate increased profitability and growth. Share Bonus Scheme 2014 entails that the employee receives shares in the Company corresponding to accrued bonus for 2014 divided by a base share price. The base share price shall correspond to the average purchase price weighted by volume for the Company's Series B shares during 24 March 2014 – 31 March 2014, less the amount corresponding to the dividend per share for the financial year 2013.

In order to enable the Company to deliver shares to the employees covered by Share Bonus Scheme 2014 the Board of Directors proposes three actions.

(i) Firstly, the Board of Directors proposes that the Company's articles of association are amended so that shares of a new Series, Series C, may be issued by the Company and that the Company issues shares by way of a private placement to a bank or financial institution agreed to in advance. Through an offer aimed at all holders of Series C shares (i.e. the agreed bank or financial institution) the Company subsequently repurchases the shares. The repurchased Series C shares are subsequently converted to Series B shares in accordance with the proposed new provision of the articles of association, to the extent required for the Company to meet its obligations under Share Bonus Scheme 2014. Any Series C shares not converted by the Company will, following the expiration of Share Bonus Scheme 2014, be cancelled by the Company.

(ii) Secondly, the Board of Directors proposes that the Board of Directors is authorized to resolve to repurchase Series B shares over the stock exchange.

Through the possibility to issue Series C shares and convert these into Series B shares as well as repurchasing Series B shares over the stock exchange as set out in items (i) and (ii) the flexibility required to ensure that the Company is able to meet its obligations under Share Bonus Scheme 2014 in the most cost efficient manner based on the liquidity of the Company's share on stock exchange will be established.

(iii) Thirdly, the Board of Directors proposes that the annual general meeting resolves to approve transfers of any remaining Series B treasury shares, which the Company has acquired to secure delivery under the previous Share Savings Schemes 2011-2013, to the extent those shares are not required to meet the obligations under said Share Savings Schemes and also such shares as have been acquired to be used in acquisitions, to the extent those shares are not deemed to be needed for future acquisitions. To the extent such shares are available, the number of Series C shares converted by the Company, as well as the number of Series B shares acquired by the Company over the stock exchange to ensure that the Company can meet its obligations under Share Bonus Scheme 2014 will be decreased proportionally.

In total up to 1,200,000,000 shares may be issued, converted and repurchased as set out above in items (i) and (ii), less the possible decrease that can be the effect of the Company using Series B shares from earlier acquisitions under item (iii). Of the total 1,200,000,000 shares, no more than 900,000 Series C shares may be issued and converted under item (i) above. The maximum dilution effect of Share Bonus Scheme

2014 is thus approximately 1 percent of the share capital and approximately 0.5 percent of the votes, but could end up lower.

The maximum number of Series B shares that can be transferred under item (iii) above is 482,665.

2. Employees covered by Share Bonus Scheme 2014

Share Bonus Scheme 2014 shall cover all employees in Sweden holding long term employments in accordance with the rules on employee bonuses determined by the Board of Directors, however excluding Senior Managers and other managers participating in other incentive schemes. To be covered by Share Bonus Scheme 2014 and be eligible to receive shares in the Company it is required that the employee's employment with the group has not expired or been terminated at the time for the allotment of the shares. For employees that work part time or have seasonal employments or are absent because of parental leave, studies, illness etc., the right to bonus is decreased corresponding to the absence.

3. Term

Share Bonus Scheme 2014 shall apply for the financial year 2014, and allotment of shares in the Company shall take place during the first half of 2015.

4. Share bonus

The bonus per employee is based on the operational results per employee of the included business units. For maximum bonus, it is required that the results exceed a number of predetermined levels. To extent a level is not reached, the bonus is decreased by predetermined parameters. The results of several business units at several levels within the group are included, serving the purpose of ensuring that all included business units must produce good results for maximum bonus to be awarded. For unit and regional managers and similar positions also the number of employees for which the relevant manager is responsible and the growth of the relevant unit are considered. With respect to administrative staff only the number of business units for which the employee works is considered.

The maximum total bonus per employee is three monthly salaries. The maximum growth bonus per employee is one monthly salary.

To determine the number of shares to which the employee is entitled under Share Bonus Scheme 2014, the bonus shall be divided by the base share price in accordance with Section 1 above and Section 5 below. The number of shares to which the employee is entitled under Share Bonus Scheme 2014 is rounded up to the closest integer.

5. Adjustment of the base share price

The base share price in item Section 1 shall be recalculated in generally accepted manners if events have transpired that affect the share price, such as splits, bonus issues, cancellation and similar during the duration of the scheme. The recalculation shall be carried out by the Company in accordance with the provisions set out in Appendix 1.

6. Date for delivery of shares

The Company shall deliver the shares to which the employees are entitled under Share Bonus Scheme 2014 during the first half of 2015.

7. Dilution

If all Series C shares issued are used in Share Bonus Scheme 2014 the Company's share capital is increased by SEK 900,000 corresponding to a dilution of approximately 1 percent of the share capital and approximately 0.5 percent of the votes. The dilution is the same also when Share Savings Schemes 2011-2014 are considered, since delivery of shares thereunder is secured by acquiring shares over the stock exchange. The diluting effect of the shares and votes in the Company caused by Share Bonus Scheme 2014 has been calculated by the maximum number of shares and votes that could be issued and subsequently converted to be used within the scope of Share Bonus Scheme 2014 having been divided by the total maximum number of shares and votes in the Company following completion of Share Bonus Scheme 2014.

8. Estimated costs for Share Bonus Scheme 2014

The costs for Share Bonus Scheme 2014 that will encumber the profit and loss statement according to IFRS 2 are estimated at approximately SEK 62 million, mainly comprising costs of converting into as well as acquiring Series B shares to secure delivery of shares under Share Bonus Scheme 2014. In addition thereto, the results will be encumbered by costs for social security contributions related to the market value of the allotted shares, which are estimated to approximately SEK 18 million. Total costs, including costs for social security contributions, are thus estimated to approximately SEK 80 million based on the costs for bonuses in previous years and the expected number of employees during the relevant year.

Through Share Bonus Scheme 2014 the group's total costs for bonuses is expected to decrease by between SEK 15 and 20 million for 2014 as compared to 2013. The costs shall also be seen in relation to the Company's total costs for salaries and compensation, which during 2013 amounted to SEK 4,685.4 million including costs for social security contributions. Administrative costs for Share Bonus Scheme 2014 have been estimated to a maximum of SEK 1 million.

9. Effects on key numbers

The total number of shares in the Company amounts to 91,516,847, of which 9,372,364 are Series A shares and 82,144,483 are Series B shares. As per 13 March 2014 the Company holds 482,665 Series B treasury shares.

To complete Share Bonus Scheme 2014 conversion into or acquisition of in total up to no more than 1,200,000 Series B shares may be carried out (including shares to secure payment of social security contributions), corresponding in total to approximately 1.3 percent of the total number of issued and outstanding shares and approximately 0.7 of the number of votes in the Company. Transfer without consideration of the up to 930,000 shares to the participants of Share Bonus Scheme 2014 is estimated to correspond to a dilution of the yield per share of no more than 1 percent. The up to 270,000 Series B shares that may primarily be transferred over NASDAQ OMX Stockholm to cover costs for social security contributions do not cause dilution of yield per share, since they are transferred to the current market price.

If also shares in the company related to Share Savings Scheme 2011, 2012, 2013 and 2014 are considered, the total number of shares included in Share Savings Scheme 2011, 2012, 2013 and 2014 (excluding Share Bonus Scheme 2014) is no more than 435,539 Series B shares (excluding shares to secure payment of social security contributions). This number corresponds to approximately 0.5 percent of the total number of shares and approximately 0.3 percent of the votes in the Company. Transfer without consideration of these shares to the participants in the relevant incentive schemes is estimated to correspond to a dilution of yield per share of no more than approximately 0.5 percent.

The dilution effect described above in Section 7 may affect the yield per share pursuant to the accounting standard IAS 33.

10. Other share based incentive schemes

The annual general meetings in 2011, 2012 and 2013 resolved to implement Share Saving Schemes 2011-2013, which have the following overall structure.

The Share Savings Schemes are, as opposed to Share Bonus Scheme 2014, aimed only at Senior Managers and other key personnel within the Company. This means that the participants, using own funds, acquire Series B shares in the Company ("Savings Shares") over NASDAQ OMX Stockholm for an amount corresponding to between 5 and 10 percent of the relevant participant's yearly annual fixed base salary for the financial year when the scheme was implemented. If the Savings Sharers are retained during the period until (including) the day of the announcement of the financial results for the financial year three years after the implementation of the scheme (the "Retention Period") and the participant holds his employment or corresponding employment in the Sweco group during the entire Retention Period, then each Savings Share entitles the participant to receive, without consideration, one Series B share in the Company ("Matching Share") as well as – provided that the predetermined performance targets are met – up to one to four Series B shares in the Company ("Performance Shares"). A precondition for Performance Shares being allotted is that the total yield of the Sweco share is positive. The allotment is also tied to the total yield of the Sweco share compared to a group of comparable companies.

Sweco's Board of Directors will, pursuant to authorizations given by the Annual General Meetings of 2011-2013, before the AGM 2014 have acquired a total of 374,583 Series B shares within the scope of the three Share Saving Schemes 2011-2013 over NASDAQ OMX Stockholm to secure delivery of shares to the participants as well as to secure payment of thereto connected costs for social security contributions.

As set out in the notice of the annual general meeting and the complete proposal of the Board of Directors, it is proposed that a Share Savings Scheme 2014 is implemented, structured on the same principles, described above, as those of Share Savings Schemes 2011-2013. In connection therewith, the Board of Directors proposes that the annual general meeting authorizes the Board of Directors to acquire in total 155,000 Series B shares over NASDAQ OMX Stockholm to secure delivery of shares to the participants and secure payment of thereto connected costs for social security contributions related to Share Savings Scheme 2014.

11. The preparation of Share Bonus Scheme 2014

The decision of the Board of Directors to propose that the annual general meeting resolves to implement Share Bonus Scheme 2014 was taken at the meeting of 13

February 2014 of the Board of Directors. The proposal has been drafted by the Compensation Committee with support of external consultants and has been approved by the Board of Directors.

B. Proposal on amendment of the articles of association

The Board of Directors proposes that the annual general meeting resolves to amend the articles of association so that the articles of association have the wording set out in Appendix 2. The purpose of the amendment is to establish the possibility of issuing a new Series of shares, Series C shares, as part of Share Bonus Scheme 2014.

The Board of Directors, or the person authorized by the Board of Directors, shall be authorized to carry out such smaller adjustments to the resolution of the annual general meeting as may be required in connection with the registration by the Companies Registration Office.

C. Proposal on resolution on private placement of Series C shares

The Board of Directors proposes that the annual general meeting resolves on a private placement of Series C shares as follows.

1. Issue of 900,000 Series C shares.
2. The subscription price shall be SEK 1.
3. Subscription of the shares shall be made by 30 May 2014, however not prior to the Company's articles of association adopted as per item B above having been registered by the Companies Registration Office, by payment of the subscription price to the bank account designated by the Company.
4. All 900,000 Series C shares shall, in deviation of the existing shareholders' right of first refusal, be subscribed by a bank or financial institution agreed to in advance.
5. Through the issue the Company's share capital will be increased by SEK 900,000.
6. The issued Series C shares do not entitle to dividend distribution, in accordance with the Company's articles of association.
7. The Series C shares shall be covered by rights of cancellation and conversion as per the Company's articles of association.

The Board of Directors is of the opinion that it is beneficial to the Company and its shareholders that employees hold shares in the Company. In light thereof it is important to be able to implement Share Bonus Scheme 2014. The rationale for the deviation of the existing shareholders' right of first refusal is that the issue forms part of the implementation of Share Bonus Scheme 2014 and serves the purpose of enabling the Company to deliver shares. The intention is that the Company, through an offer aimed at holders of Series C shares (i.e. the bank or financial institution agreed to in advance) shall repurchase the issued shares and subsequently convert them into Series B shares to the extent required to meet the Company's obligations under Share Bonus Scheme

2014. The Company shall subsequently use the converted Series B shares to meet its obligations under Share Bonus Scheme 2014.

The issue price is based on the shares' quota value. The issue price is proposed to be the quota value to limit the company's costs for repurchasing the issued shares.

The Board of Directors, or the person authorized by the Board of Directors, shall be authorized to carry out such smaller adjustments to the resolution of the annual general meeting as may be required in connection with the registration by the Companies Registration Office.

D. Proposal on authorization for the Board of Directors to repurchase the newly issued Series C shares

The Board of Directors proposes that the annual general meeting resolves to authorize the Board of Directors to repurchase the issued Series C shares as follows.

1. The repurchase shall be for all issued Series C shares, in total 900,000 shares.
2. The repurchase shall be made by an offer aimed at all holders of Series C shares.
3. The repurchase shall be completed prior to the next annual general meeting.
4. The repurchase of the shares shall be made at a purchase price of SEK 1 per share, in total SEK 900,000.

The Board of Directors is of the opinion that it is beneficial to the Company and its shareholders that employees hold shares in the Company. In light thereof it is important to be able to implement Share Bonus Scheme 2014. The repurchase forms part of the implementation of Share Bonus Scheme 2014 and serves the purpose of enabling the company to deliver shares. The intention is that the repurchased shares shall be converted to Series B shares to the extent required to enable the company to fulfill its obligations under Share Bonus Scheme 2014. Thus, the converted Series B shares shall subsequently be used by the company to fulfill its obligations under Share Bonus Scheme 2014.

E. Proposal on resolution to authorize the Board of Directors to repurchase Series B shares

To enable the company to deliver Series B shares under Share Bonus Scheme 2014, and secure payment of thereto connected social security contributions, the Board of Directors proposes that the annual general meeting resolves to authorize the Board of Directors to acquire Series B shares on the following conditions.

1. The authorization may be used on one or several occasions, however no later than prior to the next annual general meeting.
2. Acquisition may be made of up to 1,200,000 Series B shares to ensure the company's compliance with its obligations under Share Bonus Scheme 2014.

3. Acquisitions may be made only to the extent the Company's total holding of shares in the Company at each point in time does not exceed 10 percent of all issued and outstanding shares in the Company.
4. Acquisitions shall be made via regulated markets on which the Company's shares are traded and may only be made at a price within the relevant registered price range, by which is meant the span between the highest purchase price and lowest sales price.

F. Proposal on transfer of Series B treasury shares

The Board of Directors proposes that the annual general meeting resolves to authorize the Board of Directors to transfer treasury shares on the following conditions.

1. The company shall transfer the number of Series B treasury shares, which the company is obliged to transfer under the conditions of Share Bonus Scheme 2014 adopted as set out above, in total up to 930,000 shares. The right to acquire shares shall be held by employees who are entitled to receive shares under the conditions of Share Bonus Scheme 2014.
2. The transfer of shares to the employees included in Share Bonus Scheme 2014 shall be made without consideration and be made in first half of 2015.
3. Transfers can be made of (i) such shares as have been acquired under item D above and have subsequently been converted to Series B shares, (ii) such Series B shares as have been acquired under item E above, and (iii) such Series B shares as have been acquired by the company to ensure delivery under the earlier Share Savings Schemes 2011-2013, but are not needed under those schemes as well as such shares as the Company has acquired to complete planned acquisitions but are not deemed required for future acquisitions (in total up to 482,665 shares may be transferred under this item (iii) less the shares transferred under item G5 (iii) below).
4. The number of Series B shares in the Company that may be transferred under this item F may be subject to recalculation as a result of bonus issues, splits, preferential rights issue and/or similar event that occurs between now and the transfer.

The Board of Directors is of the opinion that it is beneficial to the Company and its shareholders that the company's employees are shareholders in the Company. In light thereof, it is important to implement Share Bonus Scheme 2014. The transfer of the shares to the employees forms part of the implementation of Share Bonus Scheme 2014 and serves the purpose of fulfilling the Company's obligations towards the employees entitled to receive shares in accordance with the conditions of Share Bonus Scheme 2014.

G. Proposal on resolution to authorize the Board of Directors to transfer Series B treasury shares to secure payment of social security contributions

The Board of Directors proposes that the annual general meeting resolves to authorize the Board of Directors to transfer Series B treasury shares on the following conditions.

1. Transfers of Series B shares may be made over NASDAQ OMX Stockholm at a price within the relevant registered price, by which is meant the span between the highest registered purchase price and the lowest registered sales price.
2. Transfers of shares may be made of the number of Series B shares required to secure the Company's costs, including costs for social security contributions, connected to Share Bonus Scheme 2014, however no more than 270,000 shares.
3. Transfer of shares may also be made outside NASDAQ OMX Stockholm to a bank or financial institution, in deviation from the existing shareholders' right of first refusal. Such transfer may be made at a price corresponding to the registered price range at the stock exchange, with such deviation on market terms that the Board of Directors finds reasonable.
4. The authorization may be used on one or more occasions, however no later than prior to the next annual general meeting.
5. Transfers may be made of (i) those shares that have been acquired under item D above and subsequently converted to Series B shares, (ii) those Series B shares that have been acquired under item E above, and (iii) such shares as the Company has previously acquired to ensure delivery under Share Savings Schemes 2011-2013 but are no longer needed under those schemes, as well as such shares as the Company has acquired to complete planned acquisitions but are not deemed required for future acquisitions (in total up to 482,665 shares may be transferred under this item (iii) less the shares transferred under item F3(iii) above).
6. The number of Series B shares in the Company that may be transferred under this item G may be subject to recalculation as a result of bonus issues, splits, preferential rights issue and/or similar event that happens between now and the transfer.

The Board of Directors is of the opinion that it is beneficial to the company and its shareholders that the Company's employees are shareholders in the company. In light thereof, it is important to implement Share Bonus Scheme 2014. The transfer of the shares to the employees forms part of the implementation of Share Bonus Scheme 2014 and serves the purpose facilitating the transfer of treasury shares and securing costs, including social security contributions, connected to Share Bonus Scheme 2014.

H. Voting majority etc.

As the above resolutions are conditional upon the annual general meeting resolving in accordance with each of the proposals under items A-G, it is proposed that the resolution of the annual general meeting on each of the said items is taken as one decision. The resolution then requires that shareholders representing at least nine tenths of both the votes cast and the shares represented at the meeting votes in favor.

I. Appendices

- a) Recalculation of base share price, Appendix 1
- b) Articles of association, Appendix 2

- c) Statement of the Board of Directors pursuant to Section 2 of Chapter 18 and Section 22 of Chapter 19 of the Companies Act, Appendix 3

Stockholm, March 2014
SWECO AB (publ)
The Board of Directors