
Proposal of the Board of Directors of Sweco AB for resolutions on:

- A. Implementation of a performance based share savings scheme 2014**
 - B. Authorization for the Board of Directors to acquire and transfer the company's treasury shares within the scope of the share savings scheme**
 - C. Transfer of the company's treasury shares to participants in the share savings scheme**
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Background and rationale

The annual general meetings in 2011-2013 resolved to implement incentive schemes called the 2011, 2012 and 2013 Share Savings Scheme, respectively, aimed at senior executives and other key personnel within Sweco AB ("**Sweco**"). The Board of Directors maintains its view that it is important and in the shareholders' interest that the group's key personnel has a long term interest in the performance of the shares in the company. In light of the foregoing, and having regard to the fact that the investment periods of Share Savings Schemes 2011-2013 have expired, the Board of Directors proposes the long term performance based incentive scheme for the senior executives and other key personnel of the group as set out below (the "**2014 Share Savings Scheme**").

The main rationale for the 2014 Share Savings Scheme is to enhance the ability to retain and recruit key personnel and that the participants' individual long term commitment to ownership is expected to stimulate increased interest in the business and its profitability, increase motivation as well as their affinity with Sweco. The proposed conditions of the 2014 Share Savings Scheme correspond to those applicable to the 2011-2013 Share Savings Schemes.

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 class B shares in the company through NASDAQ OMX Stockholm within the scope of Share Savings Schemes 2011-2013 to ensure delivery of shares to the participants as well as to secure payment of social security contributions connected thereto. Against the background of some participants of the 2011-2013 Share Savings Schemes having subsequently left their employments with Sweco, not all shares set aside for the said schemes will be used. Thus, Sweco's current holding of treasury shares covers part of the shares needed for the 2014 Share Savings Scheme. In order to implement the 2014 Share Savings Scheme, the Board of Directors proposes that a maximum of 155,000 class B shares may be acquired and subsequently transferred onto participants in 2014 Share Savings Scheme as well as through NASDAQ OMX Stockholm to cover thereto related costs for social security contributions. The Board of Directors intends to propose that future annual general meetings for the duration of the scheme resolve on similar measures to the extent they are deemed necessary.

A. Implementation of a performance based 2014 Share Savings Scheme

The Board of Directors proposes that the Annual General Meeting resolves that the 2014 Share Savings Scheme be implemented, comprising a maximum of 155,000 class B shares in Sweco, pursuant to the following main conditions:

1. Up to 80 senior executives and other group key personnel will be offered to participate in the 2014 Share Savings Scheme.
2. Participation in the 2014 Share Savings Scheme requires the participants to acquire class B shares in Sweco ("**Savings Shares**") with their own funds at market rates through NASDAQ OMX Stockholm up to an amount corresponding to 5 to 10 percent of each participant's fixed annual salary for 2014 (the "**Base Salary**"). If a participant retains ownership to the Savings Shares until the time of the announcement of the results for the financial year 2017 (the "**Retention Period**") and the participant remains in the same or equivalent position in the Sweco group during the whole of the Retention Period, then each Savings Share entitles the participant to without consideration receive one (1) class B share in Sweco ("**Matching Share**") and – provided that the performance criteria set out in item 3 below are met – an additional one to four class B shares in Sweco ("**Performance Shares**").
 - The CEO and CFO (two employees) are entitled to acquire Savings Shares for an amount corresponding to no more than 10 percent of their respective Base Salary, and are eligible to receive up to four (4) Performance Shares for each retained Savings Share.
 - Heads of business areas (about four employees) are entitled to acquire Savings Shares for an amount corresponding to not more than 7.5 percent of their respective Base Salary, and are eligible to receive up to three (3) Performance Shares for each retained Savings Share.
 - Heads of subsidiaries and divisions (about 50 employees) are entitled to acquire Savings Shares for an amount corresponding to not more than 5 percent of their respective Base Salary, and are eligible to receive up to two (2) Performance Shares for each retained Savings Share.
 - Key personnel in central administration (about 24 employees) are entitled to acquire Savings Shares for an amount corresponding to not more than 5 percent of their respective Base Salary, and are eligible to receive up to one (1) Performance Share for each retained Savings Share.

Acquisitions of Savings Shares must be made by 31 December 2014, the Board of Directors, however, being authorized to extend that period, should a participant be prevented to acquire the shares during said period. Matching Shares and possible Performance Shares will be received within 20 days of the announcement of the results for the financial year 2017.

3. The allocation of Performance Shares is dependent on the achievement of certain goals for the total yield of the Sweco share (performance adjusted to take dividends into account) during the Retention Period. The evaluation of performance shall be based on a combination of the Sweco share's total yield in

relation to the total yield of a certain number of benchmark companies (so-called relative total yield) and the requirement that the Sweco share's total yield must be positive during the Retention Period (so-called absolute total yield), all based on the following principles:

- Absolute total yield: For Performance Shares to be allocated, it is required that the Sweco share's total yield is positive during the Retention Period.
- Relative total yield: If the requirement under absolute total yield is fulfilled, then the potential allocation of Performance Shares is based on the total yield of the Sweco share in relation to the total yield of the benchmark companies.
 - 35 percent of the maximum number of Performance Shares will be allocated if the total yield of the Sweco share matches the median of the benchmark companies.
 - 100 percent of the maximum number of Performance Shares will be allocated if the total yield of the Sweco share is higher than that of any of the benchmark companies.
 - If the total yield of the Sweco share is higher than the median, but lower than that of the highest of the benchmark companies, then the allocation will be prorated.

The benchmark companies, as determined by the Board of Directors, will comprise publicly traded consulting engineering companies that are active and compete on the same markets as Sweco does.

4. Before the number of Performance Shares to be allocated is finally determined, the Board of Directors shall evaluate if allocation pursuant to the principles set out in item 3 is reasonable, having regard to Sweco's results and financial position, to conditions on the stock market and to other circumstances. If the Board of Directors finds that it is not reasonable, then the Board of Directors shall be able to resolve to decrease the number of Performance Shares to be allocated to the lower number of shares that the Board of Directors finds reasonable.
5. The number of Matching Shares and possible Performance Shares that can be allotted as a result of retaining Savings Shares can be re-calculated as a result of splits and reverse splits of shares etc.
6. Participation in the 2014 Share Savings Scheme presupposes that the participation is legally possible and that the participation in Sweco's sole opinion can be made with reasonable administrative costs and financial input.
7. The Board of Directors shall be responsible for the details and management of the 2014 Share Savings Scheme within the framework of the main conditions, and the Board of Directors is authorized to make minor adjustments to these conditions as required by law or for administrative reasons. The Board of Directors shall also be authorized to adjust or deviate from the conditions as required by local regulations and existing market practices.

B. Authorization for the Board of Directors to decide on the acquisition and transfer of the company's treasury shares within the scope of the share savings scheme

To facilitate the transfer of Matching Shares and Performance Shares under the 2014 Share Savings Scheme and to cover thereto related costs for social security contributions, the Board of Directors proposes that the Annual General Meeting also authorizes the Board of Directors to decide on acquisitions and transfers of the company's class B treasury shares as follows:

1. The authorization may be utilized on one or several occasions, but not later than by the Annual General Meeting in 2015.
2. The additional number of class B shares required for delivery of Matching Shares and Performance Shares to participants of the 2014 Share Savings Scheme may be acquired, however in no case more than 123,000 shares.
3. The additional number of class B shares required to cover social security contributions related to the 2014 Share Savings Scheme may be acquired and transferred, however in no case more than 32,000 shares.
4. Acquisitions under item 2 above as well as acquisitions and transfers under item 3 above shall be made over NASDAQ OMX Stockholm for a price within the relevant registered price range.

C. Transfer of the company's treasury shares to participants in share savings scheme

To facilitate the delivery of Matching Shares and Performance Shares under the 2014 Share Savings Scheme, the Board of Directors finally proposes that the Annual General Meeting resolves to transfer the company's class B treasury shares subject to the following conditions:

1. The number of class B shares required for the allocation of Matching Shares and Performance Shares to participants of 2014 Share Savings Scheme may be transferred, however in no case more than 123,000 shares.
2. Participants in the 2014 Share Savings Scheme shall be eligible to acquire shares, the maximum number of shares each participant is entitled to acquire is subject to the terms and conditions of the scheme.
3. Said participants' right to acquire shares may be exercised throughout the period during which the participants are entitled to receive Matching Shares and Performance Shares as set forth in the 2014 Share Savings Scheme, i.e. within 20 days from the day for the announcement of the results for the financial year 2017.
4. The transfers of the shares shall be made without consideration.
5. The number of shares that are transferred under the 2014 Share Savings Scheme may be subject to recalculation as a result of splits and/or reverse splits of shares etc.

The rationale for the deviation of the existing shareholders' rights of pre-emption when transferring the company's treasury shares is to facilitate for Sweco to transfer Matching Shares and Performance Shares to the participants in the 2014 Share Savings Scheme.

Costs for the 2014 Share Savings Scheme

The costs for the 2014 Share Savings Scheme are based on the IFRS 2 reporting standard and will be amortized over three years.

The Board of Directors has made a preliminary cost calculation for the 2014 Share Savings Scheme, which is based on a SEK 140 price per share at final allocation, that the maximum number of Performance Shares is allocated following the Retention Period, an estimated annual staff turnover of 5 percent and that each participant invests in Savings Shares to the maximum permitted amount. The value of the Matching Shares and the Performance Shares have been calculated based on a SEK 100 price per share at the implementation of the scheme, an estimate of the future volatility of the company's share and the shares of the benchmark companies as decided by the Board of Directors, as well as the correlations between the respective total yields of these shares. Based on the above assumptions, the value of each Matching Share has been calculated to SEK 100 and the value of each Performance Share has been calculated to SEK 43.

In total, this results in a maximum cost for the 2014 Share Savings Scheme of approximately SEK 6 million, excluding costs for social security contributions. The cost for social security contributions based on an annual appreciation of the Sweco share of 10 percent until the time for allocation is not more than approximately SEK 4 million. These costs should be viewed in relation to Sweco's costs for salaries and compensations, which during 2013 amounted to SEK 4,685.4 million including social security contributions. Administrative costs for the 2014 Share Savings Scheme are estimated to no more than SEK 1 million.

Effects on key ratios

Sweco has issued 91,516,847 shares, out of which 9,372,364 are class A shares and 82,184,483 are class B shares. As per 13 March 2014, Sweco holds 482,665 class B treasury shares.

The implementation of the 2014 Share Savings Scheme requires up to 123,000 additional class B treasury shares to be acquired (not including shares to cover social security contributions), corresponding to approximately 0.1 percent of the total number of outstanding shares and approximately 0.1 percent of the number of votes in the company. Transfer of these shares without consideration to the participants of the 2014 Share Savings Scheme is estimated to correspond to a dilution of profit per share of up to 0.1 percent. The up to 32,000 additional class B shares that may be acquired and transferred over NASDAQ OMX Stockholm to cover costs for social security contributions do not have a diluting effect on the profit per share, since they are transferred at market prices.

If also treasury shares acquired within the scope of the 2011-2013 Share Savings Schemes are considered, the total number of shares included in the 2011-2014 Share

Savings Schemes amounts to a maximum of 435,539 class B shares (excluding shares required to cover costs for social security contributions). This corresponds to approximately 0.5 percent of the total number of shares and approximately 0.3 percent of the votes in the company. Transfers without consideration to the participants of the respective schemes are estimated to correspond to a dilution of yield per share of no more than 0.5 percent.

Other share based incentive schemes

The annual general meetings in 2011-2013 resolved to implement the 2011, 2012 and 2013 Share Savings Scheme, respectively, on conditions corresponding to those proposed for the 2014 Share Savings Scheme.

	Share Saving Scheme			Total
	2011	2012	2013	
Number of participating senior executives/key personnel	28	30	35	–
Number of Savings Shares acquired by participants through own funds at market rates	28 543	34 107	28 132	90 782
Maximum number of Matching and Performance Shares that can be allotted to the participants ¹⁾	89 095	126 150	97 294	312 539
The Retention period runs until the announcement of the financial results for the financial year	2014	2015	2016	–

1) If the Savings Shares are retained until the expiration of each respective Retention Period and the employee still holds his employment, each Savings Share entitles the participant to receive one Matching Share without consideration and – if the Sweco share meets the total yield requirement – up to one to four Performance Shares.

The Board of Directors has also proposed that the Annual General Meeting shall resolve on the implementation of a share bonus scheme (see separate proposal).

Preparation of the proposal

The 2014 Share Savings Scheme has been prepared by the Remuneration Committee, in conjunction with the Board of Directors as a whole. The proposal has been adopted by the Board of Directors. Neither the President nor other executives who may be eligible to participate in the 2014 Share Savings Scheme has participated in the preparation or the adoption of the proposal.

Voting Majority

The general meeting's resolution to implement the 2014 Share Savings Scheme pursuant to item A above, the authorization for the Board of Directors to acquire and transfer the company's treasury shares pursuant to item B as well as the transfer of the company's treasury shares pursuant to item C shall be made as one. Thus, the conditions set out in Chapter 16 of the Swedish Companies Act shall be applied, meaning that shareholders holding at least nine tenths of the cast votes as well as the shares represented at the meeting must vote in favor of the proposals.

Stockholm, March 2014

SWECO AB (publ)

The Board of Directors