

**SWECO AB (publ)****NOTICE OF ANNUAL GENERAL MEETING**

**Annual General Meeting in SWECO AB (publ) will be held on Thursday April 23, 2020, at 3 pm CET at Fotografiska, Stadsgårdshamnen 22, Stockholm**

**NOTIFICATION**

Holders of shares registered in their own name in the share register maintained by Euroclear Sweden AB by Friday, April 17, 2020, and who have notified the company of their intention to participate by Friday, April 17, 2020, at the following address: Sweco AB, "Sweco Årsstämma", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, are entitled to participate in the meeting. Notification of intention to participate can also be made by telephone on the following number + 46 (0) 8 402 90 73 during weekdays between 9 am and 5 pm CET, or through Sweco's website [www.swecogroup.com](http://www.swecogroup.com).

The notification shall include name, personal identity number (registration number for legal entities), address and telephone number, as well as the registered number of shares and counsel, if applicable. Registered participants for the meeting will receive an entrance pass by mail, which should be shown upon entry to the meeting.

**SHARES HELD BY NOMINEE SHAREHOLDERS**

Shareholders who hold their shares through nominee shareholders, must in order to exercise their right to vote at the general meeting, temporarily register the shares in their own name. Such a registration should be requested well in advance of Friday, April 17, 2020 with the bank or fund manager that holds the shares.

**POWERS OF ATTORNEY FOR PROXIES**

Shareholders who intend to be represented by proxies are requested to send original powers of attorney to the company prior to the general meeting. A proxy representing a legal entity shall provide a true copy of a registration certificate, or other evidence of authority, showing authorised signatories of the legal entity. A pro forma power of attorney is available at the company's web site [www.swecogroup.com](http://www.swecogroup.com).

**NUMBER OF SHARES AND VOTES**

At the time of publication of this notice, the total number of shares is 121,083,819, out of which 10,420,274 are Class A shares and 110,663,545 are Class B shares. The total number of votes is 21,486,628.5, where Class A shares hold one vote, and Class B shares and Class C Shares hold one tenth of one vote. Sweco holds 3,246,397 Class B treasury shares. These treasury shares do not entitle to voting at the general meeting.

**AGENDA PROPOSAL**

At the general meeting, to be opened by the Chairman of the Board of Directors, the following items shall be considered

1. Election of Chairman of the general meeting
2. Election of Secretary of the general meeting
3. Drafting and approval of the voting list
4. Approval of the agenda
5. Election of two scrutineers of the minutes of the meeting

6. Resolution on whether the meeting has been duly convened
7. Statement by the CEO
8. Presentation of the annual report and the auditor's report as well as the consolidated annual report and the auditor's report thereon for the year 2019
9. Resolutions on
  - a) approval of the profit and loss statement and the balance sheet, as well as the consolidated profit and loss statement and the consolidated balance sheet
  - b) approval of the allocation of profit as set forth in the approved balance sheet and record date for distribution of dividends
  - c) discharge from liability for the Directors and the CEO
10. Resolution on the number of Directors and Auditors to be appointed by the Annual General Meeting
11. Resolution on fees to the Directors and Auditors
12. Election of Directors and the Chairman of the Board of Directors
13. Election of Auditor
14. Resolution on guidelines for salary and other remuneration to senior executives within the Sweco group
15. Resolutions on
  - a) implementation of a Share Bonus Scheme 2020
  - b) transfer of Class B treasury shares to participants in the scheme
  - c) authorisation for the Board of Directors to sell Class B treasury shares to secure payment of social security contributions
16. Resolutions on
  - a) implementation of a performance-based Share Savings Scheme 2020
  - b) transfers of treasury shares to participants in the Share Savings Scheme
17. Resolution on
  - a) acquisitions of treasury shares
  - b) transfers of treasury shares for the purposes of company or business acquisitions
  - c) sales of treasury shares to cover costs for social security contributions related to Share Bonus Scheme 2019
  - d) sales of treasury shares to cover costs for social security contributions related to the 2017 Share Savings Scheme
18. Conclusion of the Annual General Meeting

## PROPOSALS FOR RESOLUTIONS

### **Item 1        Election of Chairman of the general meeting**

The Nomination Committee, which comprises Eric Douglas - Investment AB Latour, Birgitta Resvik - J. Gust. Richert Memorial Foundation and Johan Nordström – Skirner Förvaltning AB, and which represents approximately 64 percent of the votes and approximately 43 percent of the share capital in the company, proposes that Johan Nordström is appointed as Chairman of the general meeting.

### **Item 9b        Distribution of dividends and record date**

The Board of Directors proposes that a distribution of dividends of SEK 6.20 per share (the annual general meeting 2019 approved an ordinary dividend of SEK 5.5 per share), and that April 27, 2020, shall be the record date for the distribution. If the Annual General Meeting resolves in

accordance with the proposal, it is estimated that Euroclear Sweden AB will make dividend payments April 30, 2020.

**Item 10 Number of Directors and Auditor**

The Nomination Committee proposes that the Board of Directors shall comprise of seven Directors elected at the Annual General Meeting.

The Nomination Committee proposes that a registered audit firm be appointed as auditor.

**Item 11 Fees to the Directors and Auditor**

The Nomination Committee proposes that the fees to the Directors shall be SEK 900,000 (SEK 800,000 preceding year) to the Chairman and SEK 450,000 (SEK 400,000 preceding year) each to the other Directors elected by the general meeting, who are not also employed by the company.

The Nomination Committee proposes that fees to the members of Audit Committee shall be SEK 170,000 (SEK 150,000 preceding year) to the Chairman, and SEK 100,000 (SEK 90,000 preceding year) each to the other members of the Audit Committee, who are not also employed by the company.

The Nomination Committee further proposes that the fees to the members of the Remuneration Committee shall be SEK 120,000 (SEK 100,000 preceding year) to the Chairman, and SEK 80,000 (SEK 60,000 preceding year) each to the other members of the Remuneration Committee, who are not also employed by the company.

The fee to the Auditor is proposed to be in accordance with approved invoices.

**Item 12 Election of Directors and Chairman of the Board of Directors**

The Nomination Committee proposes re-election of Åsa Bergman, Gunnel Duveblad, Elaine Grunewald, Alf Göransson, Johan Hjertonsson, Johan Nordström, and Christine Wolff. Eva Lindqvist has requested not to be re-elected. Further, the Nomination Committee proposes that the annual general meeting re-elects Johan Nordström as Chairman of the Board of Directors.

**Item 13 Appointment of Auditor**

The Nomination Committee proposes based on the recommendation of the audit committee to appoint the auditing firm PriceWaterhouseCoopers AB, up until the conclusion of the annual general meeting 2021. PriceWaterhouseCoopers AB has informed that, provided that the proposal is accepted, the auditor in charge will be Michael Bengtsson.

**Item 14 Resolutions on guidelines for salary and other remuneration to senior executives**

The Board of Directors proposes that the Annual General Meeting adopts guidelines for remuneration to senior executives in the Sweco group in accordance with the following.

*Senior executives and area of application*

Senior executives will fall within the provisions of these guidelines. Senior executives include the President & CEO, the CFO and all managers who report directly to the President & CEO and is a member of the executive team. The guidelines shall be forward-looking, i.e. they shall be applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2020 Annual General Meeting. The guidelines shall not apply to any remuneration decided or approved by the general meeting.

*The decision-making process to determine, review and implement these guidelines*

The Board of Directors will appoint a Remuneration Committee, which will be charged with preparing the Board of Directors' decision to propose guidelines for executive remuneration and considering matters concerning employment terms, pension benefits and bonus schemes for senior executives, as well as monitoring and evaluating these guidelines (including its application) and remuneration structures, etc. The Remuneration Committee shall also deal with general employment terms and remuneration matters that apply to all employees of the company. The members of the Remuneration Committee shall be independent of the company and its executive management.

The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The President & CEO and other members of the executive management will not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

*Remuneration*

The Sweco Group's aim is to offer a competitive and market-based level of remuneration to recruit and retain its qualified senior executives. Remuneration to a senior executive comprises of the following components: base salary (fixed cash salary), short-term incentive ("STI") as well as pension and other benefits.

*Base salary and STI*

The remuneration shall be based on factors such as work duties, qualifications, experience, position and performance. In addition, the break-down between fixed base salary and STI, shall be proportionate to the employee's position and work description.

The satisfaction of criteria for awarding STI shall be measured over a period of one year. STI for the President & CEO and the CFO may not exceed 75 percent of the fixed annual base salary. For other senior executives, the STI may not exceed 50 percent of the fixed annual base salary. Due to acquisitions, exceptions to this maximum percentage may apply for a limited time, until integration with Sweco's short-term incentive program is aligned.

*Pension and other benefits*

The terms and conditions for pensions, including health insurance (Sw: *sjukförsäkring*), for Sweco's President & CEO and senior executives shall be market based relative to what generally applies to comparable senior executives in the market and shall normally be based on defined contribution pension schemes unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions.

STI shall for the President & CEO not qualify for pension benefits. For other senior executives, STI shall qualify for pension benefits to the extent required by mandatory collective agreement provisions.

Other benefits may be awarded, primarily in the form of life insurance, medical insurance (Sw: *sjukvårdförsäkring*) and company vehicles.

The pension premiums for premium defined pension and other benefits shall amount to approximately one third of the total annual remuneration.

*Foreign conditions*

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

*Criteria for payment of STI etc.*

STI shall be linked to predetermined, measurable criteria, which can be financial or non-financial. They may also be individualised, quantitative or qualitative objectives. The criteria shall be devised to comply with the company's long-term value creation and thus contribute to the company's business strategy and long-term interests, including its sustainability.

The criteria for payment of STI shall be based on profitability, growth and trade working capital and be divided as follows: STI shall to approximately one third be linked to the profitability of the superior business unit, to approximately one third be linked to the profitability of the own business unit and to approximately one third be linked to the growth or trade working capital of the own business unit.

To which extent the criteria for awarding STI has been satisfied shall be evaluated/determined when the measurement period has ended. The Remuneration Committee shall be responsible for the evaluation so far as it concerns STI to the President & CEO. For STI to other senior executives, the President & CEO shall be responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

The Board of Directors shall have the possibility that may follow under applicable law or contractual provisions, subject to the restrictions that may apply under law or contract, to in whole or in part reclaim STI paid on incorrect grounds (claw-back).

*Termination of employment*

In the event of dismissal by the company, the President & CEO has a notice period of no more than 18 months. In the event of the President & CEO's resignation, the notice period shall be no more than 6 months. For other senior executives, the term of notice shall normally be 12 months in the event of dismissal by the company and 6 months in the event of the executive's resignation.

Fixed base salary during the period of notice and severance pay may together not exceed an amount equivalent to the President & CEO's fixed base salary for 24 months, and 12 months for other senior executives. When termination is made by the executive there is no right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall only compensate for possible loss of income as a result of the non-compete undertaking and shall be based on the level of remuneration that the executive had at the time of the termination of employment.

*Salary and employment conditions for employees*

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by

including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

*Derogation from the guidelines*

The Board of Directors shall be entitled to temporarily resolve to deviate from these guidelines, in whole or in part, in individual cases, if there are extraordinary reasons therefore and a deviation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

**Item 15 Resolution on a) implementation of a Share Bonus Scheme 2020, b) transfers of Class B treasury shares to the participants in the scheme, c) authorisation for the Board of Directors to sell Class B treasury shares to secure payment of social security contributions**

*Background and rationale*

The Annual General Meeting of 2014 resolved to implement a so-called Share Bonus Scheme, aimed at employees in Sweden within Sweco AB ("Sweco") and its group of companies. The Share Bonus Scheme replaced the previous cash bonus scheme and did not entail any changes for relevant employees, with the exception for shares being allotted instead of cash being paid. Corresponding Share Bonus Schemes were implemented after decision by the Annual General Meetings of 2015-2019. The Board of Directors of Sweco holds the view that individual long-term commitment of employees by holding equity in Sweco can be expected to increase the interest in the business and its profitability, increase motivation and affinity with Sweco and establish focus as the group as a whole. Considering applicable pension rules in Sweden, share bonus schemes are a cost-effective way for Sweco to grant bonuses to employees in Sweden. In the light of the foregoing, the Board of Directors proposes that the Annual General Meeting of 2020 resolves to implement the incentive scheme, as set out below (the "Share Bonus Scheme 2020"), on terms and conditions principally corresponding to those applicable to the Share Bonus Scheme 2019. Share Bonus Scheme 2020 shall cover all employees with long-term employments in Sweden, in accordance with the rules adopted by the Board of Directors for employee bonuses but exclude senior executives and other key personnel who participate in Sweco's other incentive schemes.

The proposal of the Board of Directors includes (a) the implementation of the share bonus scheme as such, (b) the transfer of Class B treasury shares to participants in the scheme, and (c) authorisation for the Board of Directors to sell Class B treasury shares to secure payment of social security contributions, all in accordance with what is set out in the respective items below. The Share Bonus Scheme 2020 also involves a resolution on authorisation for the Board of Directors to resolve to acquire Class B treasury shares pursuant to a separate general repurchase authorisation proposal (item 17 on the agenda). As an alternative (in whole or in part) to (b) below and the Board of Directors' separate repurchase authorisation proposal, the Company may enter into equity swap agreement(s) with a third party in order to hedge the Company's obligations under Share Bonus Scheme 2020.

*a) Implementation of Share Bonus Scheme 2020*

Up to 1,100,000 may be repurchased via the stock exchange pursuant to proposal to authorise the Board of Directors to repurchase Class B treasury shares, or, alternatively, will be covered by treasury shares already held by the Company, see further in item b) below. The Share Bonus Scheme 2020 entails that the employee receives shares in Sweco corresponding to the accrued bonus for 2020 divided by a base share price. The base share price shall correspond to the average purchase price weighted by volume for the Sweco's Class B shares during the period 16 March 2020 – 27 March 2020, less the amount corresponding to the dividend amount per share for the financial year 2019. Share Bonus Scheme 2020 shall apply for the financial year 2020, and allotment of shares in the company shall take place during the first half of 2021. The bonus per employee is based on the operational results (EBITA) per employee of the included business units. For maximum bonus, it is required that the result exceeds certain predetermined amount levels. To the extent a level is not achieved, 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 manager is responsible shall be 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.

*b) Proposal on transfer of Class B treasury shares to participants in the scheme*

The Board of Directors proposes that the Annual General Meeting resolves to transfer Class B treasury shares on the following conditions. The number of Class B treasury shares required for the allocation of shares to participants in the Share Bonus Scheme 2020, however not more than 825,000 shares, may be transferred. The right to acquire shares shall be held by employees who are participants in the Share Bonus Scheme 2020, where the maximum number of shares each participant is entitled to acquire is subject to the terms and conditions of the scheme. The transfer of shares to the employees included in the Share Bonus Scheme 2020 shall be made without consideration and be made in the first half of 2021. The number of Class B shares in Sweco that may be transferred under this Section b may be subject to recalculation in case of bonus issues, splits and/or reverse splits of shares, preferential rights issues or similar events impacting the number of shares in Sweco. Transfers are permitted of Class B treasury shares that (i) were acquired under the Share Bonus Scheme 2020 pursuant to the Board of Directors' separate repurchase authorisation proposal, (ii) were acquired or are held for the purpose of securing Sweco's obligations under the company's other Share Bonus Schemes or Share Savings Schemes but are no longer required thereunder, and (iii) were acquired for the completion of acquisitions, but are not expected to be required for future acquisitions. Together with the shares transferred under Section c (ii)-(iii) below, a total of up to 1,100,000 shares may be transferred under these items (ii)-(iii). The Board of Directors is of the view that it is beneficial to Sweco and its shareholders that Sweco's employees are shareholders in Sweco. In light thereof, it is important to implement the Share Bonus Scheme 2020. The transfer of the shares to the employee's forms part of the implementation of Share Bonus Scheme 2020 and has the purpose of fulfilling Sweco's obligations towards the employees entitled to receive shares in accordance with the conditions of the Share Bonus Scheme 2020.

*c) Authorisation for the Board of Directors to sell Class B treasury shares to secure payment of social security contributions*

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board of Directors to sell Class B treasury shares on the following conditions. Sales of Class B shares

may be made over Nasdaq Stockholm at a price within the at the time relevant registered price, meaning the span between the highest registered purchase price and the lowest registered sell price. Sales of shares may be made of the number of Class B shares required to secure Sweco's costs, including costs for social security contributions, connected to the Share Bonus Scheme 2020, however no more than 275,000 shares. Sale of shares may also be made outside Nasdaq Stockholm to a bank or other financial institution, in deviation from the shareholders' pre-emption rights. Such sale 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. The authorisation may be used on one or more occasions, however no later than prior the next Annual General Meeting. The number of Class B shares in Sweco that are sold under this Section c may be subject to recalculation in case of bonus issues, splits and/or reverse splits of shares, preferential rights issues or similar events impacting the number of shares in Sweco. Sales are permitted of Class B treasury shares that (i) were acquired under the Share Bonus Scheme 2020 pursuant to the Board of Directors' separate repurchase authorisation proposal and (ii) were acquired or are held for the purpose of securing Sweco's obligations under the company's other Share Bonus Schemes and the Company's Share Savings Schemes, but are no longer needed under those schemes, as well as such shares as the Company has acquired to complete acquisitions but are no longer required thereunder, and (iii) were acquired for the completion of acquisitions, but are not expected to be required for future acquisitions. Together with the shares transferred under Section b (ii)-(iii) above, a total of up to 1,100,000 shares may be sold under these items (ii)-(iii). The Board of Directors is of the view that it is beneficial to Sweco and its shareholders that Sweco's employees are shareholders in Sweco. In light thereof, it is important to implement the Share Bonus Scheme 2020. The transfer of the shares under this authorisation forms part of the implementation of Share Bonus Scheme 2020 and has the purpose of enabling the transfer of treasury shares and securing costs, including social security contributions connected to the Share Bonus Scheme 2020.

#### *Costs for Share Bonus Scheme 2020, effects on key numbers*

The costs for Share Bonus Scheme 2020 are based on the IFRS 2 reporting standard and estimated at approximately SEK 165 million. 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 55 million. Through the Share Bonus Scheme 2020 the group's total costs for bonuses is expected to decrease by approximately SEK 25 million for 2020 as compared to the costs if cash bonus had instead been granted. Administrative costs for Share Bonus Scheme 2020 have been estimated to a maximum of SEK 1 million. Transfer without consideration of the up to 825,000 shares to the participants of Share Bonus Scheme 2020 is estimated to correspond to a dilution of the yield per share of no more than 0.7 percent. The up to 275,000 Class B shares that may primarily be transferred over Nasdaq 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.

#### *Voting majority*

The Annual General meeting's resolutions pursuant to Sections a - c above shall be put to a vote jointly. Thus, the majority rules set out in Chapter 16 of the Companies Act shall be applied, meaning shareholders holding at least nine tenths of cast votes as well as the shares represented at the meeting must vote in favor of the resolution to be valid. The resolution shall also be conditional upon the annual general meeting resolving in accordance with the Board of Directors' separate repurchase authorisation proposal (item 17 on the agenda).

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**Item 16 Resolution on a) the implementation of a performance-based Share Savings Scheme 2020 and b) to transfer treasury shares to participants in the Share Savings Scheme**

*Background and rationale*

Since 2011, the Annual General Meetings have resolved to implement so-called Share Savings Schemes aimed at senior executives and other key personnel within Sweco AB (“Sweco”) and its group of companies, each scheme with duration until either (i) the publication of the year-end report of the third financial year following its implementation (the 2011-2015 Share Savings Schemes) or (ii) the fourth business day following the publication of the year-end report of the third financial year following its implementation (the 2016-2019 Share Savings Schemes). The Board of Directors maintains its view that it is important and in the shareholders’ interest that the group’s key personnel have 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 previous Share Savings Schemes 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 “Share Savings Scheme 2020”).

The main rationale for the Share Savings Scheme 2020 is to enhance the ability to recruit and retain 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 the affinity with Sweco. The proposed conditions of the Share Savings Scheme 2020 principally correspond to those applicable to the 2019 Share Savings Scheme.

In order to implement the Share Savings Scheme 2020, the Board of Directors proposes that a maximum of 104,000 Class B shares may be acquired and subsequently transferred onto participants in the Share Savings Scheme 2020. As an alternative (in whole or in part), Sweco may enter into equity swap agreement(s) with a third party in order to hedge Sweco’s obligations to deliver Matching Shares and Performance Shares to the participants in the Share Savings Scheme 2020.

*a) Implementation of performance based Share Savings Scheme 2020*

The Board of Directors proposes that the Annual General Meeting resolves that the Share Savings Scheme 2020 is implemented; comprising a maximum of 82,500 Class B shares in Sweco, pursuant to the following main conditions. Up to 100 senior executives and other group key personnel will be offered to participate in the Share Savings Scheme 2020. Participation in the Share Savings Scheme 2020 requires the participants to acquire Class B shares in Sweco (“Savings Shares”) with their own funds at market rates through Nasdaq Stockholm up to an amount corresponding to 5 to 10 percent of each participant’s fixed annual salary for 2020 (the “Base Salary”). If a participant retains ownership of the Savings Shares until the fourth business day after the day of the publication of the year-end report for the financial year 2023 (the “Retention Period”) and the participant remains in the same, equivalent or higher position in the Sweco group during the whole of the Retention Period, then each Savings Share entitles the participant to without consideration receive one Class B share in Sweco (“Matching Share”) subject to the absolute total shareholder return being positive during the Retention Period and – provided that the performance criteria set out in the fourth paragraph below are met – an additional one to four Class B shares in Sweco (“Performance Shares”).

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The Group President and CFO (two persons) 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 Performance Shares for each retained Savings Share. Presidents of Business Areas (eight persons) are entitled to acquire Savings Shares for an amount corresponding to no more than 7.5 percent of their respective Base Salary and are eligible to receive up to three Performance Shares for each retained Savings Share. Heads of Group Staff – part of Executive Team (currently four persons) are entitled to acquire Savings Shares for an amount corresponding to no more than 5 percent of their respective Base Salary and are eligible to receive up to two Performance Shares for each retained Savings Share. Heads of subsidiaries and divisions (approx. 50 persons) are entitled to acquire Savings Shares for an amount corresponding to no more than 5 percent of their respective Base Salary and are eligible to receive up to two Performance Shares for each retained Savings Share. Key personnel in central administration (approx. 36 persons) are entitled to acquire Savings Shares for an amount corresponding to no more than 5 percent of their respective Base Salary and are eligible to receive up to one Performance Share for each retained Savings Share.

Acquisitions of Savings Shares must be made by 31 December 2020. The Board of Directors are, however, authorised to extend that period, should a participant be prevented to acquire the shares during said period. Matching Shares and any Performance Shares will be received within 40 days of the publication of the year-end report for the financial year 2023.

The allocation of Performance Shares is dependent on the achievement of certain by the Board of Directors determined goals for the total shareholder return of the Sweco B 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 B share's total shareholder return in relation to the total shareholder return of a certain number of benchmark companies (so-called relative total shareholder return) and the requirement that the Sweco B share's total shareholder return must be positive during the Retention Period (so-called absolute total shareholder return). For Performance Shares to be allocated, it is required that the Sweco B share's absolute total shareholder return is positive during the Retention Period. If the requirement under absolute total shareholder return is fulfilled, then the potential allocation of Performance Shares is based on the total shareholder return of the Sweco B share in relation to the total shareholder return of the benchmark companies. 35 percent of the maximum number of Performance Shares will be allocated if the total shareholder return 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 shareholder return of the Sweco share is higher than that of all the benchmark companies. If the total shareholder return 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 linear. The group of 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.

The Board of Directors shall be authorised to decrease the number of Performance Shares allocated, if the Board of Directors deems allocation in accordance with the foregoing principles, having regard to Sweco's results and financial position, the conditions on the stock market and to other circumstances, not to be reasonable.

The Board of Directors shall be responsible for the details and management of the Share Savings Scheme 2020 within the framework of the main conditions, and the Board of Directors shall be authorised to make the minor adjustments to these conditions as required by law or for

administrative reasons. Further, the Board of Directors shall also be authorised to adjust or deviate from the conditions as required by local laws and regulations and existing market practices.

*b) Transfers of treasury shares to participants of the Share Savings Scheme*

To enable the transfer of Matching Shares and Performance Shares under the Share Savings Scheme 2020, the Board of Directors finally proposes that the Annual General Meeting resolves to transfer up to 82,500 Class B treasury shares. The right to acquire shares shall vest in participants in the Share Savings Scheme 2020, where the maximum number of shares each participant is entitled to acquire is subject to the terms and conditions of the scheme during the period, they are entitled to receive Matching Shares and Performance Shares. The transfers of the shares shall be made without consideration.

Transfers are permitted of Class B treasury shares that (i) were acquired under the Share Savings Scheme 2020 pursuant to the Board of Directors' separate repurchase authorisation proposal, (ii) were acquired or are held for the purpose of securing Sweco's obligations under the company's other Share Savings Schemes or share bonus schemes, but that are no longer required thereunder, and (iii) were acquired for the completion of acquisitions, but that are expected not to be required for future acquisitions.

The rationale for the deviation of the existing shareholders' rights of pre-emption when transferring the company's treasury shares is to facilitate Sweco to transfer Matching Shares and Performance Shares to the participants in the Share Savings Scheme 2020.

*Costs for the Share Savings Scheme 2020, effects on key ratios*

The maximum cost for the Share Savings Scheme 2020 has been estimated to approximately SEK 10.1 million, not including social security contributions (at maximum allocation of Performance Shares). The costs for social security contributions, based on the assumption of a yearly expected increase in share price of 5.5 percent until to the date of allocation, is estimated to not more than approximately SEK 3.4 million. Administrative costs for the Share Savings Scheme 2020 have been estimated to not more than SEK 1 million.

The transfers of Class B treasury shares without consideration to the participants of the Share Savings Scheme 2020 are estimated to dilute the earnings per share by no more than approximately 0.07 percent. The up to 21,500 Class B shares that may be transferred over Nasdaq Stockholm to cover social security contribution costs do not have a diluting effect on the earnings per share, as these are transferred at market rates.

If also treasury shares acquired within the scope of previous Share Savings Schemes are considered, the total number of shares included in the 2017-2019 Share Savings Schemes (being the schemes that are still outstanding) and the Share Savings Scheme 2020 amounts to a maximum of 269,647 Class B shares (excluding shares required to cover costs for social security contributions). This corresponds to approximately 0.22 percent of the total number of shares and approximately 0.13 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 earnings per share of no more than 0.22 percent.

*Voting majority*

A resolution by the Annual General Meeting in accordance with the proposal of the Board of Directors set out in Section a - b above, must be made as one decision applying the majority rules set out in Chapter 16 of the Swedish Companies Act, 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 proposal for the resolution to be valid. The resolution shall be conditional upon the Annual General Meeting resolving in accordance with the Board of Directors' separate repurchase authorisation proposal.

**Item 17 Resolution on authorisation for the Board of Directors to resolve on a) acquisitions of treasury shares b) transfers of treasury shares for the purposes of company or business acquisitions c) sales of treasury shares to cover costs for social security contributions related to Share Bonus Scheme 2019 d) sales of treasury shares to cover costs for social security contributions related to the 2017 Share Savings Scheme**

*a) Authorisation for the Board of Directors to resolve on acquisitions of treasury shares*

To enable Sweco AB ("Sweco") to deliver shares under the proposed Share Bonus Scheme 2020 (item 15 on the agenda) and the proposed Share Savings Scheme 2020 (item 16 on the agenda) and to cover thereto related costs for social security contributions, as well as to give the Board greater freedom of action in working to optimise Sweco's capital structure, including to enable Sweco to use treasury shares as consideration in, or otherwise finance, potential future company or business acquisitions, the Board of Directors proposes that the 2020 Annual General Meeting authorises the Board of Directors to resolve on acquisitions of Sweco Class B treasury shares on the following terms and conditions: 1. The authorisation may be used on one or several occasions up until the next Annual General Meeting. 2. The number of acquired Sweco Class B shares may, together with Sweco shares otherwise acquired and held by Sweco, at any given time not exceed ten (10) percent of all issued shares in Sweco. 3. Acquisitions shall be made over Nasdaq Stockholm (or any other regulated market on which the Sweco share is traded, as the case may be). 4. Acquisitions may be made at a price within the relevant registered price range on Nasdaq Stockholm (or any other regulated market on which the Sweco share is traded, as the case may be), meaning the spread between the highest purchase price and the lowest selling price prevailing from time to time.

*Voting majority*

For the resolution to be valid, shareholders representing at least two thirds of the votes cast as well as the shares represented at the Annual General Meeting must vote in favor of the Board of Directors' proposal.

*b) Authorisation for the Board of Directors to resolve on transfers of treasury shares for the purposes of company or business acquisitions*

The Board of Directors proposes that the 2020 Annual General Meeting authorises the Board of Directors to resolve on the transfer of Sweco Class B treasury shares on the following terms and conditions: 1. The authorisation may be used on one or several occasions up until the next Annual General Meeting. 2. Transfers may be undertaken of up to all Sweco Class B shares held by Sweco at the time of the Board of Directors' resolution, provided, however, that transfers of treasury shares required for the purposes of delivering shares under Sweco's Share Bonus Schemes and Share Savings Schemes and covering thereto related costs for social security

contributions may not be made under this authorisation. 3. Transfers may, in deviation from the shareholders' pre-emptive rights, be carried out outside a regulated market in conjunction with company or business acquisitions. The compensation for transferred shares shall closely correspond to the market value of the Sweco Class B share at the time of the resolution on the transfer, and shall be paid in cash, in kind or by set-off of claims against Sweco. The Board of Directors shall be entitled to determine the other terms and conditions of the transfer, applying the provisions of the Swedish Companies Act. The rationale for the deviation the shareholders' pre-emptive rights when transferring treasury shares is to enable the financing of company and business acquisitions in a cost-efficient manner.

*Voting majority*

For the resolution to be valid, shareholders representing at least two thirds of the votes cast as well as the shares represented at the Annual General Meeting must vote in favor of the Board of Directors' proposal.

*c) Authorisation for the Board of Directors to resolve on sales of treasury shares to cover costs for social security contributions related to Share Bonus Scheme 2019*

The 2019 Annual General Meeting resolved to implement a share bonus scheme called Share Bonus Scheme 2019 aimed at Sweco employees in Sweden holding long-term employments. In order to facilitate the implementation of Share Bonus Scheme 2019, the 2019 Annual General Meeting resolved to authorise the Board of Directors to sell up to 500,000 Class B treasury shares to cover thereto connected costs, including social security contributions. Since the 2019 Annual General Meeting, the Board of Directors has not sold any Class B treasury shares to cover those costs. Against this background, and since the authorisation expires in connection with the 2020 Annual General Meeting, the Board of Directors proposes that the 2020 Annual General Meeting shall resolve that up to 500,000 Class B treasury shares may be sold to cover these costs. The Board of Directors therefore proposes that the 2020 Annual General Meeting resolves to authorise the Board of Directors to resolve on sales of Class B treasury shares on the following terms and conditions. 1. Sales of Class B shares may be made over Nasdaq Stockholm (or any other regulated market on which the Sweco share is traded, as the case may be) at a price within the relevant registered price range, meaning the spread between the highest purchase price and the lowest selling price prevailing from time to time. 2. Sales of Class B shares may be made of the number of Class B shares required to secure Sweco's costs, including costs for social security contributions, connected to Share Bonus Scheme 2019, however no more than 500,000 shares. 3. Sales of shares may also be made outside Nasdaq Stockholm to a bank or other financial institution, in deviation from the existing shareholders' pre-emption rights. Such transfer may be made at a price within the relevant registered price range at the stock exchange at the time, with such deviation on market terms that the Board of Directors finds reasonable. 4. The authorisation may be used on one or several occasions up until the next Annual General Meeting. 5. Sales may be made of (i) those Class B shares that have been acquired within the scope of Share Bonus Scheme 2019, (ii) such Class B shares as have been acquired within the scope of Sweco's previous Share Bonus Schemes and Sweco's Share Savings Schemes but are no longer required for those schemes, and (iii) such shares as Sweco has acquired to complete planned acquisitions but are not deemed required for future acquisitions. 6. The number of Class B shares that may be sold under this authorisation may be subject to recalculation as a result of bonus issues, splits, preferential rights issue and/or similar event that affects the number of shares in Sweco between now and the transfer.

### *Voting majority*

For the resolution to be valid, shareholders representing at least two thirds of the votes cast as well as the shares represented at the Annual General Meeting must vote in favor of the Board of Directors' proposal.

#### *d) Authorisation for the Board of Directors to resolve on sales of treasury shares to cover costs for social security contributions related to the 2017 Share Savings Scheme*

Pursuant to the authorisation granted to the Board of Directors by the 2017 Annual General Meeting, Sweco has acquired Class B shares over Nasdaq Stockholm to secure costs for social security contributions within the scope of the 2017 Share Savings Scheme. The Retention Period for the 2017 Share Savings Scheme expires on the fourth business day after the day of the publication of the year-end report of the current financial year, which means that Sweco shall deliver Matching and Performance Shares, if any, to the participants remaining in the scheme. Such deliveries generally entail that social security contributions must be paid. The Board of Directors therefore proposes that the 2020 Annual General Meeting resolves to authorise the Board of Directors to resolve on the sale of Class B treasury shares on the following terms and conditions:

1. The authorisation may be used on one or several occasions up until the next Annual General Meeting.
2. The number of Class B shares required to cover social security contributions within the 2017 Share Savings Scheme, however no more than 36,400 shares, may be sold for the purposes thereof.
3. Sales of Class B shares may be made over Nasdaq Stockholm (or any other regulated market on which the Sweco share is traded, as the case may be) at a price within the relevant registered price range, meaning the spread between the highest purchase price and the lowest selling price prevailing from time to time.
4. Sales may be made of (i) Class B shares acquired under the authorisation granted by the 2017 Annual General Meeting, (ii) Class B shares held to secure Sweco's obligations under Sweco's other Share Savings Schemes or Share Bonus Schemes, but that are no longer required thereunder, and (iii) Class B shares acquired to complete acquisitions, but that are not expected to be required to complete future acquisitions.
5. The number of Class B shares that may be sold under this authorisation may be subject to recalculation as a result of bonus issues, splits, preferential rights issue and/or similar event that affects the number of shares in Sweco between now and the transfer.

### *Voting Majority*

For the resolution to be valid, shareholders representing at least two thirds of the votes cast as well as the shares represented at the Annual General Meeting must vote in favor of the Board of Directors' proposal.

## **INFORMATION PROVIDED AT THE GENERAL MEETING**

The Board of Directors and the CEO shall, upon the request of a shareholder, and if the Board of Directors deems that it can be done without inflicting material damage to the Company, provide information on circumstances that may affect the assessment of an item on the agenda, on circumstances that may affect the assessment of the Company's or its subsidiaries' financial standing or the Company's relations to other members of the Group.

## **DOCUMENTS**

The full wording of the proposals of the Board of Directors, the annual report and other documents that are required by the provisions of the Swedish Companies Act will be available at the Company - SWECO AB (publ), Gjörwellsgatan 22, Stockholm, and on the Company's web site – [www.swecogroup.com](http://www.swecogroup.com) – as of April 2, 2020 and be sent to any shareholder that so requests and

provides its postal address. The full proposals may also be ordered by telephone on the following number +46 (0) 8 402 90 73.

For the convenience of non-Swedish speaking shareholders that are attending the Meeting, the proceedings of the Annual General Meeting will be simultaneously interpreted into English.

**PROCESSING OF PERSONAL DATA**

For information on how personal data is processed in connection with the Annual General Meeting, visit [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf)

**Stockholm, March 2020**  
**SWECO AB (publ)**  
**The Board of Directors**

**Web based annual report**

The web based Annual Report 2019 will be available, as from April 2, 2020, at the following address: [www.swecogroup.com](http://www.swecogroup.com)