



Item 7 - The board of directors' proposal for implementation of a share savings program II 2014 and transfer of shares under the share savings program

Background

As part of the acquisition (the "Acquisition") of Connecta AB ("Connecta"), the board of directors of Acando AB ("Acando" or the "Company") would like to increase the potential for retaining key employees in Connecta, as well as to offer these key employees a new incentive program to replace Connecta's current incentive program, and thus proposes that the EGM approve the implementation of a share savings program II 2014 (the "Program") for senior executives and other key employees that after the Acquisition are part of the Acando Group. The Program is directed to key employees within the current Connecta group.

The Program

Aims

The board of directors' main aim is to use the Program to increase the ability of the Company to retain key employees in Connecta after the Acquisition, to offer these key employees a new incentive program to replace Connecta's current incentive program, and to create an individual long-term ownership commitment among the participants in the Program. This is expected to stimulate greater interest in the Company's business operations and results, improve motivation, and increase the feeling of affinity within the Company. The Program will cover in total no more than 30 senior executives and other key employees in Connecta that after the Acquisition are part of the Acando Group, based in Sweden and other countries. Participants will, after a qualifying period of three years and assuming an investment of their own in Acando shares, be given the opportunity to receive allotments of additional Acando shares without consideration, the number of shares depending partly on the number of Acando shares they have purchased themselves and partly on whether certain performance conditions have been fulfilled. The term of the Program is proposed to be three years.

Conditions for participation

Participation in the Program assumes that the participant, during the period 1 August 2014 – 1 September 2014, acquires and locks into the Program class B Acando shares ("Savings Shares"). The board of directors can, however, in certain cases, allow class B Acando shares acquired before this period to qualify as Savings Shares, on condition that they are locked into the Program and are not included, or has been included, in any other option or share saving program or similar program. For each acquired Savings Share, after the expiry of a three year qualification period and subject to the fulfilment of certain performance conditions linked to Acando's earnings per share before taxes but after dilution ("EPS") for the financial years 2014-2016, the participant is entitled to receive one class B Acando share ("Matching Share") without consideration from Acando or another company within the Acando Group. Dependent on the fulfilment of certain other performance conditions linked to EPS for the financial years 2014-2016, the participant shall be entitled, without consideration, to receive an allotment of class B Acando shares (Performance Shares), provided that that conditions for Savings Shares have been met.

The allotment of Matching and Performance Shares under the Program will take place within a period of 30 trading days from the day after that on which the Company publishes its interim report for the second quarter of 2017.

A prerequisite for the participant's right to receive Matching and Performance Shares is that the participant continues to be employed within the Acando Group throughout the qualification period until the day of allotment and that the participant, during this period, has retained the Savings Shares that have been locked into the Program. The employee shall be able to produce the contract note for each Savings Share, as proof that the Savings Share was purchased during the period 1 August 2014 – 1 September 2014, or before that date if the board of directors has allowed this in accordance with the above, and that the employee still owns the Savings Share in question. The allotment of Matching and Performance Shares requires, in addition, that certain performance conditions are fulfilled.

Scope

The Program encompasses not more than 75,000 Savings Shares, not more than 75,000 Matching Shares and not more than 225,000 Performance Shares, respectively.

Participants will, within the framework of the Program, be able to acquire a maximum of 10,000 Savings Shares.

Each participant in the Program may receive not more than one Matching Share and three Performance Shares for each Savings Share acquired.

Any resolution on participation in the Program shall be conditional on that it, in the Company's judgment, can be offered with reasonable administrative costs and financial contribution. Prior to the allotment of Matching and Performance Shares, the board of directors shall assess whether the allotment is reasonable in relation to the Company's financial results, position and performance compared with competitors, as well as other factors. In this regard, the participant's maximum gross profit per Matching and Performance Share shall be limited to four times the share price of the class B Acando share at the time of the commencement of the qualification period,¹ for which reason the number of Matching and Performance Shares allotted to the participant may be reduced proportionally in order to achieve such limitation.

The maximum number of class B Acando shares included in the Program amounts to approximately 0.3 percent of the number of issued shares after dilution and approximately 0.2 percent of the number of votes after dilution.

The board of directors, or a committee appointed by the board of directors shall, by applying the above guidelines, have the right to adopt more detailed terms for the Program. Minor deviations may be made from the above guidelines should the board of directors deem that special grounds prevail in individual cases.

Performance conditions

The Matching Shares are allotted in the ratio one Matching Share for each acquired Savings Share, given a positive EPS result for the financial years 2014-2016 (>0) and in addition to the requirements mentioned above. The allotment of Performance Shares, in addition to the requirements mentioned above, shall be dependent on the fulfilment of certain performance conditions related to EPS for the financial years 2014-2016. Up to the EPS level < SEK 1.09 / share, no Performance Shares will be allotted. At the EPS level SEK 1.53 / share, provision is made for one Performance Share per Savings Share, and at EPS > SEK 1.90 / share, provision is made of two additional Performance Shares. The exact number of Performance Shares will be calculated as a linear interpolation between the breakpoints in the table below. For example, at an

¹ Calculated in accordance with the official exchange list quoted average volume-weighted price paid on the specified date for class B Acando shares on NASDAQ OMX Nordic.

EPS of SEK 1.32 / share, provision is made of 1 Matching Share and 0.5 Performance Shares per Savings Share.

Allotment per Savings Share	1 Matching Share	No allotment of Performance Shares	Allotment of 1 Performance Share	Allotment of 3 Performance Share
Outcome EPS 2014, SEK	>0	<1.09	1.53	>1.90

Allotment of Matching and Performance Shares is then made by one-third of the participant's share for each year of fiscal years, 2014, 2015 and 2016. The requirement for allotment of Matching Shares is that EPS > 0 is reached for each business year and of Performance Shares that the threshold value for the allotment (EPS > 1.09) is reached each fiscal year. Acando's overall financial target, of increasing EPS by at least 15 percent per annum is the basis on which the performance conditions in the table have been determined.

Hedging

The Program involves some financial risk to the Company resulting from fluctuations in the price of class B Acando shares. To ensure that the Program can be implemented in a cost-effective and flexible manner, the board of directors considered a number of methods to facilitate the transfer of class B Acando shares under the Program, such as the transfer of already acquired shares in the Company and a share swap agreement with a third party.

The board of directors considers that the most cost-effective and flexible method to facilitate the transfer of class B Acando shares under the auspices of the Program is the transfer of already acquired shares in the Company. At present, Acando holds about 500,000 shares, in excess of the shares which are judged to be required for the fulfilment of the conditions in the four ongoing share savings programs. Should the necessary majority not be obtained for this proposal, the board of directors proposes to hedge the transfer through entering into a share swap agreement with a third party.

Estimated expense and value of the Program

Generally accepted accounting principles (IFRS 2) require that the value of the right to Matching and Performance Shares under the Program shall be recognized as a personnel cost in the income statement during the qualifying period. The rights which accrue to the participants under the Program do not constitute securities and cannot be pledged, transferred or disposed of other than through being exercised. It is, however, possible to estimate the value of each right to a Matching and Performance Share. The board of directors has estimated the value of each right to a Matching and Performance Share at SEK 11.00. The estimate is based on generally accepted valuation principles, using the closing price for the class B Acando shares on 3 June 2014, and deducting the present value of estimated dividends for financial years 2014-2016. The total estimated value of the Matching and Performance Shares which are expected to be transferred under the Program, based on the above-mentioned special performance conditions being 50 percent achieved and with an estimate of staff turnover, is around SEK 1.2 million. This is equivalent to about 0.2 percent of Acando's market capitalization on 3 June 2014.

Social security contributions will be recognized as an expense in the income statement through regular provisions in accordance with generally accepted accounting principles. The amount of

these regular provisions will be revalued in line with the trend in the value of the right to Performance Shares, and the contributions payable on the allotment of Performance Shares.

The total cost of the Program including social security contributions is estimated, based on an annual share price rise of 10 percent, administrative expenses and advisory expenses, at around SEK 1.8 million, which is equivalent on an annual basis to approximately 0.02 percent of Acando's personnel costs for 2013.

The Company's theoretical maximum cost for the Program, in respect of social security contributions, can be determined since the participants maximum potential earnings per share is four times the share price at the time of the commencement of the qualification period. If all the participants in the Program remain as employees during the life of the Program, and the Company's earnings per share exceed the condition for maximum allocation, the Company's total expense for social security contributions will be $4 \times \text{SEK } 13.70 \text{ per share (share price as at 3 June 2014)} \times 300,000 \text{ shares} \times 31.42 \% = \text{approximately SEK } 5.2 \text{ million}$.

To the extent that a share swap agreement is entered into to hedge the obligations under the Program, the estimated expense will rise by about SEK 0.7 million. Any fluctuations in the value of the swap agreement during the life of the Program will be recognized as an income or expense in the income statement.

In the view of the board of directors, the positive effects expected to arise from the senior executives and other key employees increasing their shareholdings and, in addition, further increasing their holdings through Matching and Performance Shares outweigh the costs associated with the Program.

Impact on key ratios

On a pro forma basis, the expense of the Program will have a negative effect equivalent to a reduction in earnings per share of around SEK 0.01.

Preparation of the proposal

The proposal to the extraordinary general meeting on the Program has been designed by the remuneration committee with the help of external advisors, and in consultation with certain major shareholders. At the board meeting of 8 June 2014, the board of directors resolved that a new incentive program should be proposed to the extraordinary general meeting. With the exception of members of staff who prepared the material for the remuneration committee, no employee who may be covered by the Program has participated in preparing the conditions for the Program.

THE PROPOSAL OF THE BOARD OF DIRECTORS

The board of directors proposes that the extraordinary general meeting pass a resolution on the implementation of the Program as described above and in accordance with the guidelines given below in section A.

Since the board of directors considers that the most cost-effective and flexible method of transferring Class B shares under the Program is to transfer already acquired shares, the board of directors proposes that the transfer be hedged in this way, in accordance with item B below.

Should the necessary majority not be obtained for this proposal, the board of directors proposes that the transfer be hedged by entering into a share swap agreement with a third party in accordance with item C below.

A. Implementation of a share savings program

With reference to the above, the board of directors proposes the implementation of a share savings program based on the main terms and principles stated below.

- a) The Program will cover in total no more than 30 senior executives and other key employees in Connecta that after the Acquisition are part of the Acando Group, based in Sweden and other countries. Participants will, after a qualifying period of three years and assuming an investment of their own in Acando shares, be given the opportunity to receive allotments of additional Acando shares without consideration, the number of shares depending partly on the number of Acando shares they have purchased themselves and partly on whether certain performance conditions have been fulfilled.
- b) The term of the Program is proposed to be three years.
- c) Participation in the Program assumes that the participant, during the period 1 August 2014 – 1 September 2014, acquires and locks into the Program class B Acando shares ("Savings Shares"). The board of directors can, however, in certain cases, allow class B Acando shares acquired before this period to qualify as Savings Shares, on condition that they are locked into the Program and are not included in any other option or share saving program or similar program. For each acquired Saving Share, after the expiry of a three year qualification period and subject to the fulfilment of certain performance conditions linked to EPS for the financial years 2014-2016, the participant is entitled to receive one class B Acando share ("Matching Share"). Dependent on the fulfilment of certain other performance conditions linked to EPS for the financial years 2014-2016, the participant shall be entitled, without consideration, to receive an allotment of class B Acando shares ("Performance Shares"), provided that that conditions for Savings Shares have been met.
- d) The allotment of Matching and Performance Shares under the Program will take place within a period of 30 trading days from the day after that on which the Company publishes its interim report for the second quarter of 2017.
- e) A prerequisite for the participant's right to receive Matching and Performance Shares is that the participant continues to be employed within the Acando Group throughout the qualification period until the day of allotment and that the participant, during this period, has retained the Savings Shares that have been locked into the Program. The employee shall be able to produce the contract note for each Savings Share, as proof that the Savings Share was purchased during the period 1 August 2014 – 1 September 2014, or before that date if the board of

directors has allowed this in accordance with the above, and that the employee still owns the Savings Share in question. The allotment of Matching and Performance Shares requires, in addition, that certain performance conditions be fulfilled.

- f) The Program encompasses not more than 75,000 Savings Shares, not more than 75,000 Matching Shares and not more than 225,000 Performance Shares, respectively.

Participants will, within the framework of the Program, be able to acquire a maximum of 10,000 Savings Shares.

Each participant in the Program may receive not more than one Matching Share and three Performance Shares for each Savings Share acquired.

- g) Any resolution on participation in the Program shall be conditional on that it, in the Company's judgment, can be offered with reasonable administrative costs and financial contribution. Prior to the allotment of Matching and Performance Shares, the board of directors shall assess whether the allotment is reasonable in relation to the Company's financial results, position and performance compared with competitors, as well as other factors. In this regard, the participant's maximum gross profit per Matching and Performance Share shall be limited to four times the share price of the class B Acando share at the time of the commencement of the qualification period,² for which reason the number of Matching and Performance Shares allotted to the participant may be reduced proportionally in order to achieve such limitation.
- h) The number of Matching and Performance Shares may be subject to recalculation as a result of an intervening bonus issue, split, rights issue and/or similar events.
- i) The board of directors, or a committee appointed by the board of directors shall, by applying the above guidelines, have the right to adopt more detailed terms for the Program. Minor deviations may be made from the above guidelines should the board of directors deem that special grounds prevail in individual cases. The board of directors shall also, in cases circumstances arise that significantly affect the difficulty in achieving the set performance targets, adjust them so that the estimated difficulty level is maintained.
- j) The maximum number of class B Acando shares included in the Program shall amount to approximately 0.3 percent of the number of issued shares after dilution and approximately 0.2 percent of the number of votes after dilution.

B. That the transfer of already acquired own class B shares may take place

Background

The Company holds 1,542,000 class B shares as per 8 June 2014. The board of directors estimates that 1,000,000 of the shares needs to be utilized to meet the conditions in the four current share saving programs. Of the class B shares in treasury, the board of directors proposes that the extraordinary general meeting resolve that the transfer of up to 300,000 shares under the

² Calculated in accordance with the official exchange list quoted average volume-weighted price paid on the specified date for class B Acando shares on NASDAQ OMX Nordic.

Program may take place in accordance with the conditions stated below. Given that, 1,300,000 shares in total are held as hedge for current share savings programs.

A decision to transfer the Company's own class B shares may be taken on the following conditions:

- a) Transfer may only be made of class B Acando shares, whereby 300,000 class B shares may be transferred without consideration to the participants in the Program.
- b) The right to obtain class B shares without consideration shall lie with persons within the Acando Group who are participants in the Program. Furthermore, subsidiaries shall be entitled to acquire class B shares without consideration, upon which such companies shall be obliged, in accordance with the conditions of the Program, immediately to transfer the shares to persons within the Acando Group who participate in the Program.
- c) Transfers of class B shares shall be made without consideration on the date and on the other conditions on which participants in the Program are entitled to acquire shares, i.e. within a period of 30 trading days counted as of the day after the Company publishes the interim report for the second quarter of 2017.
- d) The number of class B shares that may be transferred within the framework of the Program may be subject to recalculation as a result of an intervening bonus issue, split, rights issue and/or similar events.

C. Equity swap agreement with a third party

The board of directors proposes that the extraordinary general meeting, should the necessary majority not be obtained for item B above, resolve to hedge the financial exposure to which the Program is expected to give rise by the Company entering into a share swap agreement with a third party, whereby the third party in its own name on NASDAQ OMX Stockholm shall acquire and transfer shares in the company for employees who are participants in the Program.

Conditions

The resolution adopted by the shareholders' meeting regarding the implementation of the Program according to item A above shall be conditional on the shareholders' meeting resolving either in accordance with the board of directors' proposal under item B above or in accordance with the board of directors' proposal under item C above. The resolution shall also be conditional on the Acquisition being declared unconditional and completed by Acando.

Majority requirements

The resolution adopted by the shareholders' meeting regarding the implementation of the Program according to item A above shall require a majority of more than half of the votes cast at the meeting. A valid resolution under item B above shall require that shareholders representing not less than nine-tenths of the votes cast as well as the shares represented at the meeting approve the resolution. A valid resolution under item C above shall require a majority of more than half of the votes cast at the meeting.

The board of directors' explanatory statement

The board of directors wishes to increase the ability of the Company to retain key employees that today are employed in Connecta and its subsidiaries after the contemplated Acquisition. Moreover, an individual long-term ownership commitment among the participants in the Program is expected to stimulate greater interest in the Company's business operations and results,

improve motivation, and increase the feeling of affinity within the Company. The board of directors believes that the implementation of an incentive program as above will benefit the Company and its shareholders. The program will provide a competitive and motivation-improving incentive for senior executives and other key employees within the Group.

The Program has been designed to reward the participants for increased shareholder value by allotting class B shares, based on the fulfilment of conditions in respect of results and operations. Allotments shall also require a private investment by each respective participant through the acquisition of class B shares by them at market price. By linking the employees' remuneration to an improvement in the Company's results and value, the long-term value growth of the Company is rewarded. Based on these circumstances, the board of directors considers that the implementation of the Program will have a positive effect on the Acando Group's continued development, and will thus be beneficial to the shareholders and the Company.

The transfer of already acquired class B shares in accordance with item B above, forms part of the implementation of the proposed Program.

In the light of what has been set out above, the board of directors believes that it will be beneficial to the Company and its shareholders for participants in the Program to be encouraged to become shareholders in the Company.

The board of directors or the person appointed by the board of directors is authorized to make any minor adjustments to the above resolutions that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB respectively.

Acando AB (publ)

Stockholm in June 2014

The Board of Directors

Summary of incentive programs

1. An incentive program was approved by the annual general meeting held on 5 May 2011 ("2011 program"). The 2011 program involved 1,000,000 class B shares. Acando holds all these shares with the aim of transferring them without consideration to the participants in the 2011 program during the period of 30 trading days from the day after that on which the Company publishes its interim report for the period April-June 2014. The 2011 program was subscribed to by 28 senior executives.
2. An incentive program was approved by the annual general meeting held on 26 April 2012 ("2012 program"). The 2012 program involved 1,000,000 class B shares. Acando holds all these shares with the aim of transferring them without consideration to the participants in the 2012 program during the period of 30 trading days from the day after that on which the Company publishes its interim report for the period April-June 2015. The 2012 program was subscribed to by 34 senior executives.
3. An incentive program was approved by the annual general meeting held on 2 May 2013 ("2013 program"). The 2013 program involved 1,000,000 class B shares. Acando holds all these shares with the aim of transferring them without consideration to the participants in the 2013 program during the period of 30 trading days from the day after that on which the Company publishes its interim report for the period April-June 2016. The 2013 program was subscribed to by 32 senior executives.
4. An incentive program was approved by the annual general meeting held on 5 May 2014 ("2014 program"). The 2014 program involved 1,000,000 class B shares. Acando holds all these shares with the aim of transferring them without consideration to the participants in the 2014 program during the period of 30 trading days from the day after that on which the Company publishes its interim report for the period April-June 2017. The 2014 program is currently under subscription and encompasses not more than 50 senior executives.