

*N.B. The below is an unofficial translation of a Swedish text, in case of any discrepancies between the Swedish text and the English translation the Swedish text shall prevail.*

**Rezidor Hotel Group AB (publ)**  
**NOTICE TO ATTEND THE ANNUAL GENERAL MEETING**

*The shareholders of Rezidor Hotel Group AB (publ) (the “**Company**”) are hereby summoned to the Annual General Meeting to be held on Thursday 21 April 2016 at 3 p.m. CEST at Radisson Blu Royal Viking Hotel, Vasagatan 1, Stockholm, Sweden. Registration for the Annual General Meeting will commence at 2 p.m. CEST. As a service to non-Swedish speaking shareholders, the Annual General Meeting will be simultaneously interpreted into English.*

**A. Participation**

Shareholders who wish to participate at the Annual General Meeting must:

- (i) be recorded in the Company’s share register maintained by Euroclear Sweden AB on Friday 15 April 2016; and
- (ii) notify the Company of their intention to participate at the Annual General Meeting no later than on Friday 15 April 2016, preferably before 4 p.m. CEST. Such notification is to be made (a) in writing to Rezidor Hotel Group AB (publ), Annual General Meeting, P.O. Box 7832, SE-103 98 Stockholm, Sweden, (b) by telephone +46 (0)8 - 402 90 65, Mondays to Fridays from 9 a.m. to 4 p.m. CEST, (c) by e-mail to AGM@Rezidor.com or (d) via the Company’s website [www.Rezidor.com](http://www.Rezidor.com).

Entrance cards, which shall be presented at the entrance to the Annual General Meeting venue, will be sent out by Euroclear Sweden AB on or about Monday 18 April 2016.

When notifying the Company, the shareholders shall state their name, personal identity number/registration number (for Swedish permanent residents or companies), address, telephone number, registered holding of shares and the number of any advisors (not more than two). Shareholders who are represented by a proxy should send the original written power of attorney, signed and dated by the shareholder, to the Company well in advance of the Annual General Meeting. The power of attorney must not be more than one year old, however, the power of attorney may be older if it is stated that it is valid for a longer term, maximum five years. If issued by a legal entity, the power of attorney must be accompanied by a certified registration certificate or other document attesting to the authority of the signatory. A form power of attorney is available at the Company’s website [www.Rezidor.com](http://www.Rezidor.com).

Shareholders whose shares are registered in the name of a nominee through the trust department of a bank or similar institution must, in order to be entitled to participate in the Annual General Meeting, request that their shares are temporarily re-registered in their own name at Euroclear Sweden AB. Such re-registration must be effected by Friday 15 April 2016. This means that

shareholders who need such re-registration must notify the nominee thereof well in advance of 15 April 2016.

Any personal data from notices of participation, powers of attorney or the Company's share register will be used for necessary registration and preparation of the voting list for the Annual General Meeting and, where applicable, the minutes of the Annual General Meeting.

## **B. Matters at the Annual General Meeting**

### **B.1 Proposed Agenda**

1. Opening of the meeting.
2. Election of the chairman of the meeting.
3. Election of one or two persons to certify the minutes.
4. Preparation and approval of the voting list.
5. Approval of the agenda.
6. Decision of whether the meeting has been properly convened.
7. Presentation of the annual report and the auditors' report and the consolidated accounts and the consolidated auditors' report.
8. Speech by the President & CEO.
9. Report by the chairman of the Board of Directors on the work of the Board of Directors, the Compensation Committee and the Audit Committee and report on the work of the Nominating Committee.
10. Resolutions regarding:
  - a) adoption of the profit and loss account, the balance sheet and the consolidated profit and loss account and the consolidated balance sheet;
  - b) allocation of the Company's result according to the approved balance sheet as well as decision on record date for dividends; and
  - c) discharge from liability for the members of the Board of Directors and the President & CEO.
11. Decision on amendment of the Company's Articles of Association regarding the auditor's mandate period.
12. Determination of the number of members of the Board of Directors to be elected by the meeting.
13. Determination of the remuneration of the members of the Board of Directors and the auditor.
14. Election of the members of the Board of Directors and the Chairman of the Board of Directors.
15. Election of auditor.
16. Resolution on the Nominating Committee.
17. Resolution on the principles for compensation of the Company's key management.
18. Resolutions on:
  - a) implementation of a share-based, long-term remuneration program for 2016 (the "**LTIP 2016**");
  - b) transfers of own shares to participants in the LTIP 2016; and
  - c) authorisation for the Board of Directors to resolve on transfers of own shares on a regulated market to cover certain costs related to the LTIP 2016.

19. Resolution on proposal submitted by the shareholder Thorwald Arvidsson to adopt a zero vision as regards workplace accidents within the Company, to delegate to the Board of Directors to appoint a task force in order to implement such vision, and to annually submit a report on the work of the task force to the Annual General Meeting.
20. Resolution on proposal submitted by the shareholder Thorwald Arvidsson to adopt a vision on absolute equality within the Company, to delegate to the Board of Directors to appoint a task force in order to implement such vision, and to annually submit a report on the work of the task force to the Annual General Meeting.
21. Resolution on proposal submitted by the shareholder Thorwald Arvidsson to delegate to the Board of Directors to take necessary action to form a shareholders' association in the Company.
22. Resolution on proposal submitted by the shareholder Thorwald Arvidsson to delegate to the Board of Directors to, through contacts with relevant authorities, work to ensure that the members of the Board of Directors should not be allowed to invoice their board remuneration by a legal entity, whether Swedish or foreign.
23. Resolution on proposal submitted by the shareholder Thorwald Arvidsson to delegate to the Board of Directors to initiate an investigation of the possibilities to implement a quarantine for politicians before they can be elected as a member of the Board of Directors, to delegate to the Board of Directors to make a proposal regarding such quarantine no later than at the Annual General Meeting 2017, and to delegate to the Board of Directors to alert the Swedish government of the needed for such quarantine.
24. Resolution on proposal submitted by the shareholder Thorwald Arvidsson to delegate to the Board of Directors to alert the Swedish government office that the possibility to have different voting rights for shares should be abolished.
25. Resolution on proposal submitted by the shareholder Thorwald Arvidsson to delegate to the Board of Directors to prepare a proposal regarding representation for small and mid-size shareholders on the Board of Directors and the Nominating Committee of the Company, and to delegate to the Board of Directors to make a proposal regarding such representation no later than at the Annual General Meeting 2017.
26. Resolution on proposal submitted by the shareholder Thorwald Arvidsson to delegate to the Board of Directors to take necessary action to ensure that the organisation of the Company ensures that shareholder matters of a simple nature may be performed in Stockholm without having to involve the Company's Brussels headquarter.
27. Closing of the meeting.

## **B.2 Nominating Committee**

The Nominating Committee for the Annual General Meeting has consisted of Michael W. Andrew, representing the Carlson Group, Katja Bergkvist, representing Handelsbanken Fonder, Tomas Risbecker, representing AMF Försäkring och Fonder, and Trudy Rautio (however without voting rights), Chairman of the Board of Directors.

### **B.3 Proposals for decision**

#### **Item 2 – Chairman of the meeting**

The Nominating Committee proposes that Dick Lundqvist, member of the Swedish Bar Association, is elected as chairman of the Annual General Meeting.

#### **Item 10 b) – Allocation of the Company's result according to the approved balance sheet and record date for dividends**

The Board of Directors proposes that out of the approximately EUR 271.1 million which is at the disposal of the Annual General Meeting, approximately EUR 11.9 million is distributed as dividends to the Company's shareholders and approximately EUR 259.1 million is carried forward. The proposal implies a dividend of EUR 0.07 for each share. The proposed total amount to be distributed and the proposed total amount to be carried forward are based on all shares outstanding as of Tuesday 15 March 2016. The proposed record date is Monday 25 April 2016. If the Annual General Meeting decides in accordance with the proposal by the Board of Directors, the dividend is expected to be paid through Euroclear Sweden AB on Monday 2 May 2016.

#### **Item 11 – Proposal for amendment of the Company's Articles of Association regarding the e auditors' mandate period**

The Board of Directors propose that § 8 of the Company's Articles of Association is amended as follows:

"For the purpose of auditing the Company's annual report and accounts, as well as the management by the Board of Directors, one auditor in charge with an alternate auditor, or one registered firm of auditors, shall be appointed at the annual general meeting of the shareholders. ~~The mandate as the Company's auditor shall expire at the end of the annual general meeting held at the third (3rd) financial year after the election of the auditor.~~"

#### **Items 12–15 – Board of Directors, remuneration, etc.**

The Nominating Committee proposes:

- (i) that the number of members of the Board of Directors, elected by the Annual General Meeting, shall be six without deputy members.
- (ii) that the remuneration to the members of the Board of Directors, elected by the Annual General Meeting, shall remain unchanged from the previous year (however that the proposed number of members of the Board of Directors is less compared to last year) and, calculated on an annual basis, amount to in total EUR 338,500, of which EUR 33,500 relates to committee work, distributed as follows:
  - EUR 80,000 to the Chairman of the Board of Directors;
  - EUR 65,000 to the Vice Chairman of the Board of Directors;
  - EUR 40,000 to each of the other members of the Board of Directors;
  - EUR 9,000 to the chairman of the Audit Committee;
  - EUR 6,000 to the chairman of the Compensation Committee;

- EUR 6,500 to each of the other members of the Audit Committee; and
- EUR 4,000 to each of the other members of the Compensation Committee.

Provided that it is cost-neutral for the Company and after a written agreement between the Company and a (Swedish) limited liability company which is wholly-owned by a member of the Board of Directors, the Company may approve that the board remuneration is invoiced by such by a member of the Board of Directors wholly-owned company. In such case, the invoiced remuneration shall be increased with an amount corresponding to any social security payments pursuant to law and value added tax pursuant to law.

- (iii) that David P. Berg, Staffan Bohman, Anders Moberg, Wendy Nelson, Trudy Rautio and Charlotte Strömberg are re-elected for the period until the close of the next Annual General Meeting.

It being noted that Douglas M. Anderson and Göte Dahlin are not available for re-election.

For details about the proposed members to the Board of Directors, please see the Company's website [www.Rezidor.com](http://www.Rezidor.com).

- (iv) that Trudy Rautio is re-elected as Chairman of the Board of Directors.
- (v) that the auditor shall be entitled to a fee corresponding to the amount invoiced and approved.
- (vi) that the registered public accounting firm Deloitte AB is re-elected as the auditor of the Company for the period until the close of the next Annual General Meeting. Deloitte AB has informed the Nominating Committee that if Deloitte AB is elected as auditor, the auditor in charge will be Erik Olin.

#### **Item 16 – Nominating Committee**

The Nominating Committee proposes the following procedure for appointment of the Company's Nominating Committee:

The Company shall have a Nominating Committee consisting of one member appointed by each of the three largest shareholders of the Company and the Chairman of the Board of Directors (however without voting rights) (*i.e.*, in total four members). The names of the three owner representatives and the shareholders they represent shall be published by the Company as soon as the Nominating Committee has been appointed, however not later than six months before the Annual General Meeting. The largest known shareholders shall be contacted by the Chairman of the Board of Directors based on the Company's share register provided by Euroclear Sweden AB as of 31 August 2016. If any of the three largest shareholders declines to exercise its right to appoint a member to the Nominating Committee, then the next largest shareholder shall be given the opportunity to appoint a member.

The term of office for the Nominating Committee shall last until a new Nominating Committee is appointed. The chairman of the Nominating Committee shall be the member who represents the largest shareholder of the Nominating Committee, unless the members unanimously agree on another chairman. However, the Chairman of the Board of Directors may not be the Chairman of the Nominating Committee.

If a member leaves the Nominating Committee before its work is completed, then the shareholder that appointed the member shall have the right to appoint a new member to the Nominating Committee. The members of the Nominating Committee shall not receive any remuneration.

If a significant change occurs in the Company's ownership structure and a shareholder (which after such significant ownership change becomes one of the three largest shareholders of the Company) expresses to the chairman of the Nominating Committee the desire to appoint a member to the Nominating Committee, then the Nominating Committee shall offer the shareholder a place on the Nominating Committee by replacing the representative of the smallest shareholder on the Nominating Committee.

If any of the shareholders who appointed a representative to the Nominating Committee sells a substantial part of its shares in the Company before the Annual General Meeting, then the member appointed by such shareholder shall resign and be replaced by a new member appointed by a shareholder who, as a result of such change in the Company's ownership structure, has become one of the three largest shareholders of the Company, or if such shareholder declines, then the next largest shareholder shall be given the opportunity to appoint a member. Changes in the composition of the Nominating Committee shall be immediately publicly announced.

The Nominating Committee's task is to submit proposals to the Annual General Meeting for:

- election of the chairman of the Annual General Meeting;
- election of the members of the Board of Directors and the chairman of the Board of Directors;
- remuneration of the members of the Board of Directors with specifications for the chairman and the other members and any remuneration for committee work;
- election of auditor (when required), deputy auditor (when required) and the auditor's fees; and
- procedures regarding appointment of members of the Nominating Committee.

The Nominating Committee is entitled to engage and charge the Company for the cost of recruitment consultants and other consultants that are necessary for the Nominating Committee to fulfil its obligations. Besides its other obligations, the Nominating Committee must also perform the tasks required by the Swedish Code of Corporate Governance with respect to the Nominating Committee.

Shareholders may submit nomination proposals to the Nominating Committee; such proposals shall be sent to the attention of the Nominating Committee at the address found on the Company's website [www.Rezidor.com](http://www.Rezidor.com). The proposals of the Nominating Committee shall be included in the notice that convenes the Annual General Meeting. The proposals are also published on the Company's website.

#### **Item 17 – Principles for compensation and other employment terms for the Company's key management**

The Board of Directors proposes the following principles for compensation and other employment terms for the Company's key management (*i.e.*, the President & CEO and the other members of the Company's Executive Committee, in the following referred to as the "**Executives**") for 2016:

Remuneration and other terms of employment for the Executives shall be competitive and in line with international market practice as defined by a peer group of international



companies, both in terms of the level and the structure of the individual components of remuneration. The principles for compensation, which apply until the next Annual General Meeting, shall be applied in relation to every commitment on, and every change in, remuneration.

The individual components of total remuneration may consist of (i) fixed annual base remuneration, (ii) variable remuneration (annual and multi-year), (iii) pension contributions and (iv) other benefits.

*Fixed annual base remuneration*

The fixed annual base remuneration shall be an appropriate portion of the total remuneration and be reviewed and, if necessary, adjusted annually in line with the responsibilities, performance and level of remuneration of each Executive.

*Variable remuneration*

Variable remuneration may consist of annual and multi-year programs and shall be based on the principle of pay for performance.

Annual variable remuneration programs shall be cash-based and represent a potential to earn a percentage of the fixed annual base remuneration, subject to meeting certain ambitious, but achievable, predefined financial, operational and personal performance objectives. Depending on the level of performance achieved, annual variable remuneration may vary from 0 per cent up to 75 per cent of the fixed annual base salary of the Executive and with respect to the President & CEO up to 150 per cent of the fixed annual base salary.

Multi-year variable remuneration programs may be share based, normally covering a three-year qualification period. The design of such remuneration shall be intended to enhance the Company's performance and align the participants' and shareholders' long term interests. Participants include the Executives and a limited number of other key executives of the Rezidor Group. The material terms of any share based variable remuneration programs shall be resolved by a General Meeting.

The Board of Directors has proposed, subject to the approval of the Annual General Meeting, to implement a share based variable remuneration program for the three year period 2016–2018 (LTIP 2016), as is further set out in item 18 below. For a description of the outstanding share based variable remuneration programs in the Company, reference is made to note 32 in the 2015 annual report.

*Pension contributions*

All future pension commitments shall be in the form of defined contributions, calculated on a percentage of the fixed annual base remuneration and shall not be calculated on any variable elements of remuneration.

*Other benefits*

Other benefits may consist of, *inter alia*, company car, housing, paid schooling for under age children and travel allowances.

*Notice of termination and severance pay*

Termination notice periods shall normally not exceed 12 months or three months per five years of employment. Combined contractual notice periods and severance payments, in the event of termination by the Company (or as applicable another company within the Rezidor Group), shall not exceed 24 months. In case of dispute, applicable law may lead to severance payments exceeding the contracted amount and may exceed 24 months remuneration.

*The Board of Directors' preparation and decision-making on issues concerning remuneration and other terms of employment for the Company's key management*

The Compensation Committee is responsible for preparing and the Board of Directors decides on terms of employment and remuneration of the President & CEO. The Compensation Committee also prepares and proposes to the Board of Directors the principles for compensation of the Company's key management for decision by the Board of Directors and proposal to the Annual General Meeting.

The Compensation Committee approves, on proposal from the President & CEO, compensation levels etc. for the other members of the Company's Executive Committee.

*Authority to decide on deviations from these principles for compensation*

The Board of Directors shall be authorized to deviate from these principles for compensation if specific reasons for doing so exist in any individual case.

In 2015, the Board exercised its authority to deviate from these principles and put in place a one-time retention bonus for 2016 subject to certain conditions. For the President & CEO the bonus amounts to 150 percent of the annual base remuneration and for the Executives the bonus varies from 50 per cent to 75 per cent of the annual base remuneration. In addition, for one Executive the Board also put in place an additional performance based remuneration for 2016 and 2017. This additional performance based remuneration may vary from 0 up to 50,000 EUR per year, with up to an additional EUR 150,000 payable at the end of 2017 based on the Executive's cumulative performance in the years 2015, 2016 and 2017.

**Item 18 – LTIP 2016**

**Item 18 a) – Implementation of a share-based, long-term remuneration program for 2016**

The Board of Directors proposes that the Annual General Meeting resolves to implement the LTIP 2016 (share-based, long-term incentive program for 2016) with the following principal terms and conditions:

- i. The program is proposed to include up to 40 executives of the Rezidor Group, who are divided into the following three groups: (i) the President & CEO ("**Group 1**"), (ii) other members of the Company's Executive Committee ("**Group 2**"), and (iii) other key management of the Rezidor Group ("**Group 3**"). The LTIP 2016 will comprise of a Matching Share Program and a Performance Share Program. Participants in Group 1 and 2, respectively, will be offered the opportunity to participate in the Matching Share Program and the Performance Share Program. Participants in Group 3 will be offered the opportunity to participate in the Performance Share Program. Invitation to participate in the LTIP 2016 shall normally be given by the Company no later than on 31 May 2016.
- ii. Participants in Group 1 and 2, respectively, who accept the invitation to participate in the LTIP 2016 shall acquire Rezidor shares on Nasdaq Stockholm, and/or allocate shares already held to the LTIP 2016 ("**Saving Shares**"). Such acquisitions and/or allocations shall normally be made no later than on 31 December 2016. The investment in and/or allocation of Saving Shares must amount to not less than five per cent, and not more than ten per cent of the fixed annual gross base remuneration for 2016 for a participant in Group 1, and not less than 2.5 per cent, and not more than five per cent for a participant in Group 2, in each case converted into SEK. The



- maximum number of Saving Shares that may be acquired and/or allocated by a participant under the LTIP 2016 shall be calculated by dividing an amount corresponding to the maximum percentage of such participant's fixed annual gross base remuneration for 2016, as set out above, by the market price of the Rezidor share on Nasdaq Stockholm and be rounded off, as is further set out in item vii) below.
- iii. In order to qualify for allotment of Matching Shares (as defined below), a participant in Group 1 and 2, respectively, shall meet certain requirements, including (a) that Saving Shares are held by the participant for at least three years after such participant has entered into the LTIP 2016, and (b) that the participant remains employed with a company within the Rezidor Group, and has not given, nor been given notice of termination, until the expiration of such period. Exemptions may be prescribed by the Board of Directors to these requirements in specific cases, including a participant's death, disability, retirement or the divestiture of the participant's employing company within the Rezidor Group.
  - iv. Subject to the requirements in items ii) and iii) above being fulfilled, each participant in Group 1 and 2, respectively, shall be entitled to one share in the Company ("**Matching Share**") for each Saving Share held.
  - v. Subject to the requirements in items ii) and iii) above being fulfilled, and the performance target in item ix) below, a participant in Group 1 and 2, respectively, will also have the opportunity to be allotted additional shares ("**Performance Shares**").
  - vi. A participant in Group 3 will be offered the opportunity to be allotted Performance Shares, subject to the performance target in item ix) below, and provided that such participant remains employed with a company within the Rezidor Group and has not given, nor been given, notice of termination until the expiration of a three-year period as from the day the participant entered into the LTIP 2016. Exemptions may be prescribed by the Board of Directors to the employment requirement in specific cases, including a participant's death, disability, retirement or the divestiture of the participant's employing company within the Rezidor Group.
  - vii. The maximum number of Performance Shares that may be allotted to a participant under the LTIP 2016 shall be calculated by dividing an amount corresponding to a certain percentage of each participant's fixed annual gross base remuneration for 2016, by the market price of the Rezidor share on Nasdaq Stockholm, and be rounded off to the immediately higher whole number of shares. The relevant percentage of the fixed annual gross base remuneration for 2016 shall be 150 per cent for a participant in Group 1, between 50–75 per cent for a participant in Group 2, and between 30–38 per cent for a participant in Group 3, in each case converted into SEK. The market price of the Rezidor share shall correspond to the volume-weighted average price paid for the Rezidor share on Nasdaq Stockholm (in SEK), during a period of five consecutive trading days immediately before the day the participants are invited to participate in the LTIP 2016.
  - viii. The performance target under the LTIP 2016 shall be based on the Rezidor Group's cumulative earnings per share for the financial years 2016–2018.
  - ix. Allotment of Matching Shares and Performance Shares will be determined by the Board of Directors in 2019 after the expiry of the three-year qualification period. In connection therewith, the Board of Directors will publish the performance target levels and to what extent these levels have been fulfilled. If the maximum performance level is reached or exceeded, the allotment of Performance Shares will amount to (but not exceed) the

maximum number of Performance Shares that may be allotted subject to item vii) above. If performance is below the maximum level but meets or exceeds the minimum level, Performance Shares will be allocated to the participants based on the level of fulfilment. Performance at the minimum level will result in an allotment of 25 per cent of the maximum number of Performance Shares that may be allotted. No allotment of Performance Shares will be made if performance is below the minimum level.

- x. The total allotment of shares under the LTIP 2016 (including Matching Shares and any Performance Shares) and shares that may be transferred on a regulated market to cover certain costs related to the LTIP 2016, may not exceed 1,707,077 shares, corresponding to approximately 1.0 per cent of the total number of outstanding shares (meaning the total number of issued shares in the Company reduced by the number of own shares held by the Company). If required, allotments of Performance Shares shall be reduced on a *pro rata* basis to ensure that allotment does not exceed this maximum number of shares that may be allotted.
- xi. If all conditions for the allotment of Matching Shares and Performance Shares, respectively, under the LTIP 2016 are met, allotment of Matching Shares and Performance Shares, respectively, will take place following the publication of the interim financial report for the second quarter 2019. Allotment will be free of charge except for participants' tax liabilities.
- xii. Certain deviations from or adjustments of the terms and conditions for the LTIP 2016 may be made pursuant to local rules and regulations as well as applicable market practice or market conditions.
- xiii. If material changes would occur within the Rezidor Group or on the market that, according to the Board of Directors' assessment, would lead to the conditions for allocation of Performance Shares no longer being reasonable, the Board of Directors will also have the right to make other adjustments of the LTIP 2016, e.g., a right to resolve on a reduced allotment of Performance Shares.
- xiv. Recalculation of the conditions for allotment of Matching Shares and Performance Shares shall take place in the event of any intervening bonus issue, split, preferential rights issue and/or other similar corporate events.
- xv. The Board of Directors, or a committee established by the Board of Directors for these purposes, shall be responsible for the preparation and management of the program, within the framework of the aforementioned terms and conditions.

*Hedging measures for LTIP 2016*

The Board of Directors considers that using repurchased own shares provides the most cost-efficient and flexible hedge for the LTIP 2016 (see item 18 b) below).

**Item 18 b) – Transfers of own shares to participants in the LTIP 2016**

In order to secure delivery of shares to participants in the LTIP 2016, the Board of Directors proposes that the Annual General Meeting resolves on transfers of shares already held by the Company to participants in the LTIP 2016, and to subsidiaries of the Company, on the following terms and conditions:

- i. No more than in total 1,484,415 shares may be transferred to participants in the LTIP 2016 as Matching and/or Performance Shares.

- ii. Own shares may be transferred to participants in the LTIP 2016 subject to the terms and conditions of the LTIP 2016, and free of charge to subsidiaries of the Company, being employing companies of participants in the LTIP 2016, provided that such subsidiaries immediately transfer the shares to the relevant participants in the LTIP 2016.
- iii. Transfers of own shares shall be made free of charge (except for participants' tax liabilities as set forth in item 18 a) xi) above), at the time and on such additional terms and conditions that participants in the LTIP 2016 become entitled to be allotted shares, *i.e.* following publication of the interim financial report for the second quarter 2019.
- iv. The number of own shares that may be transferred is subject to recalculation in the event of any intervening bonus issue, split, preferential rights issue and/or other similar corporate events.

The reason for deviating from the shareholders' preferential rights is the following:  
The proposed transfers of own shares already held by the Company to participants in the LTIP 2016 is an integrated part of the implementation of the LTIP 2016 and, as stated above, provides the most cost-efficient and flexible hedge for the LTIP 2016. The Board of Directors considers it to be an advantage for the Company, and for the Company's shareholders, that the participants in the LTIP 2016 are offered the opportunity to become shareholders in the Company.

If the Annual General Meeting resolves not to approve the proposal as per above, the Board of Directors may instead hedge the Company's commitment to transfer shares – in whole or in part – to participants in the LTIP 2016 by way of an agreement (equity swap agreement, certificate or similar) with a financial institution engaged for this particular purpose, which according to such agreement will in its own name acquire and transfer Rezidor shares to participants in the LTIP 2016.

**Item 18 c) – Authorization for the Board of Directors to resolve on transfers of own shares on a regulated market to cover certain costs related to the LTIP 2016**

In order to cover social security contributions and other costs related to LTIP 2016, the Board of Directors proposes that it shall be authorized to resolve on transfers of own shares already held by the Company on a regulated market on the following terms and conditions:

- i. The authorization may be exercised on one or several occasions, however until the Annual General Meeting 2017 at the latest.
- ii. No more than 222,662 shares already held by the Company may be transferred to cover social security contributions and other costs related to the LTIP 2016.
- iii. Transfers may only be made on Nasdaq Stockholm, at a price within the from time-to-time prevailing range of prices (spread), meaning the interval between the highest purchase price and the lowest sale price.
- iv. The number of shares that may be transferred is subject to recalculation in the event of any intervening bonus issue, split, preferential rights issue and/or other similar corporate events.

**Items 19–26 – Proposals submitted by the shareholder Thorwald Arvidsson**

The proposals are set out in the agenda

**C. Other**

*Total number of shares and votes in the Company*

At the time for publication of this notice there are in total 174,388,857 shares and votes in the Company of which 3,681,138 shares and votes are held by the Company.

*Majority requirements*

The Board of Directors' (i) proposal under item 18 a) above requires that the resolution is supported by shareholders representing more than half of the votes cast at the Annual General Meeting, (ii) proposal under item 18 b) above requires that the resolution is supported by shareholders representing not less than nine-tenths of the votes cast as well as the shares represented at the Annual General Meeting, and (iii) proposals under items 11 and 18 c) above require that the resolutions are supported by shareholders representing not less than two thirds of the votes cast as well as the shares represented at the Annual General Meeting.

*Complete proposals, etc.*

The annual report and the auditors' report and complete proposals and statements regarding items 11, 17 and 18 of the agenda will be kept available at the Company's offices at Klarabergsviadukten 70 C7, SE-111 64 Stockholm, Sweden, no later than as from Thursday 31 March 2016. The documents will also be available as from the same date on the Company's website [www.Rezidor.com](http://www.Rezidor.com) and will be presented at the Annual General Meeting. Copies of the documents will be sent free of charge to shareholders that so request and state their address.

*Information at the Annual General Meeting*

At the Annual General Meeting, a shareholder may request that the Board of Directors and the President & CEO provide information on (i) any circumstances that may affect the assessment of an item on the agenda, (ii) any circumstances that may affect the assessment of the Company's financial position, (ii) the Company's relationship to other companies within the Rezidor Group, (iv) the consolidated balance sheet, and (v) such circumstances regarding the other companies within the Rezidor Group as specified in items (i) and (ii). The Board of Directors and the President & CEO will only be obliged to comply with a request for information if the Board of Directors determines that such disclosure may take place without significant harm to the Company.

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Stockholm in March 2016  
**Rezidor Hotel Group AB (publ)**  
*The Board of Directors*