

Summary of the Board of Directors' Proposal for a Share-Based Long-Term Incentive Program 2015

The Board of Directors' proposal for offering allotment of Rezidor shares subject to certain terms and conditions (LTIP 2015)

- Participation to include no more than 35 executives
- Program consists of 2 components:
 - ✓ Matching Shares (*for Executive Committee members only*)
 - ✓ Performance Shares
- Requirement for participation in the program for Executive Committee members (not for other participants): *Personal investment in shares (Savings Shares)!*
- Maximum number of Savings Shares dependent on executives' role
- Matching Shares: 1 matching share for each Savings Share
- Performance shares: maximum number of Performance Shares dependent on executives role and achievement of 3-year cumulative EPS target
- Matching- and Performance Shares to be allotted after 3 years subject to continued employment

Maximum initial value of allotment of shares under LTIP 2015¹

| | | | <i>Performance Shares</i> | <i>Savings / Matching Shares</i> |
|---------------------|-----------------------------------|---------------|--|----------------------------------|
| Role | | <i>Groups</i> | <i>% of fixed annual gross base remuneration</i> | |
| Executive Committee | President and CEO | Group 1 | 150% | 5 – 10% |
| | Other Executive Committee members | Group 2 | 50% – 75% | 2.5% – 5% |
| Other participants | | Group 3 | 30% – 38% | N/A |

(1) The proposal implies a maximum total grant of 1,476,149 shares (including shares to cover costs for social security and other costs), equivalent to approximately 0.86% of total number of outstanding shares

Estimated maximum cost of LTIP 2015 c. €5.2m¹ (c.f. €4.6m in 2014)

Overview of the potential costs of LTIP 2015

| Scenario | Assumptions | Estimated cost to Rezidor | | | |
|----------------|---|------------------------------|--------------------|-----------------------------------|-----------------------|
| | Performance vesting level (of maximum) | Matching Shares ² | Performance Shares | Social security cost ³ | Total cost to Rezidor |
| 1 | 25% | €187k | €1,073k | €187k | €1,447k |
| 2 | 50% | €187k | €2,147k | €353k | €2,686k |
| 3 (maximum) | 100% | €187k | €4,293k | €710k | €5,190k |

- (1) Based on a share price of SEK 32,20 (€ 3.52) and a maximum of 1,476,149 shares
(2) Assumes no leavers during the performance period and maximum number of Savings Shares
(3) Assumes no share price change until the expiration of the performance period, for simplicity