

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

*The shareholders of Rezidor Hotel Group AB (publ) (the "Company") are hereby summoned to the Annual General Meeting of the shareholders to be held on Friday 16 April 2010, 10 am CET, at Radisson Blu Royal Viking Hotel, Vasagatan 1, Stockholm. Registration for the meeting will commence at 8.30 am CET.*

**A. Participation**

Shareholders who wish to participate in the Annual General Meeting must be recorded as shareholder in the register of shareholders maintained by Euroclear Sweden AB (the Swedish Securities Register Centre) on 10 April 2010, and notify the Company of their intention to attend the Annual General Meeting no later than on 12 April 2010, at 4 pm CET. The record date being a Saturday, the shareholder must be recorded in the register of shareholders no later than on 9 April 2010. The notification shall be made in writing to Rezidor Hotel Group AB (publ), Annual General Meeting, PO Box 7832, 103 98 STOCKHOLM, by telephone +46 (0)8 – 402 90 65, Mondays to Fridays 9 am – 4 pm CET, by facsimile (marked *Rezidor*) +46 (0)8 –10 53 67, or by e-mail to [AGM@Rezidor.com](mailto:AGM@Rezidor.com) or via the Company's website [www.Rezidor.com](http://www.Rezidor.com). When notifying the Company the shareholders shall state their name, personal identity number/registration number, address, telephone number and registered holding of shares. Shareholders who are represented by a proxy should send the original power of attorney, signed and dated by the shareholder, to the Company in advance of the Annual General Meeting. Notification forms and form powers of attorney are available at the Company's website [www.Rezidor.com](http://www.Rezidor.com). Shareholders wishing to bring one or two assistants should notify the Company thereof by the same procedure as stated above for the shareholders participation in the Annual General Meeting. 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 names in the register of shareholders maintained by Euroclear Sweden AB. The record date being a Saturday, such registration must be effected by Euroclear Sweden AB by 9 April 2010. This means that shareholders who need such registration must well in advance of 9 April 2010 notify the nominee thereof.

Any personal record data from powers of attorney and the register of shareholders maintained by Euroclear Sweden AB will be used for necessary registration and preparation of the voting list for 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. Consideration of whether the meeting has been properly convened.

7. Presentation of the annual accounts and the auditors' report and the consolidated accounts and the consolidated auditors' report.
8. The President & Chief Executive Officer's speech.
9. Report by the chairman of the Board of Directors on the work of the Board of Directors, the compensation committee, the audit committee and the finance 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, and
  - c) discharge from liability for the members of the Board of Directors and the President & Chief Executive Officer.
11. Determining the number of members of the Board of Directors.
12. Decision on remuneration of the Board of Directors and of the auditor.
13. Election of the Board of Directors and Chairman of the Board of Directors.
14. Decision on the Nominating Committee for the next Annual General Meeting.
15. Decision on the principles for compensation of the Company's key management.
16. Decision on a share based incentive programme for the Company's key management.
17. Decision on authorisation for the Board of Directors to resolve on the acquisition and transfer of the Company's own shares.
18. Decision concerning amendment of the Company's articles of association regarding time for and mode of notices.
19. Other matters incumbent on the Annual General Meeting under the Companies Act or the Company's articles.
20. Closing of the meeting.

## **B.2 Proposals for decision**

### Item 2 – Proposal for chairman of the meeting

As chairman of the Annual General Meeting the Nominating Committee proposes Dick Lundqvist, attorney at law.

### Item 10b) - Allocation of the Company's result

The Board of Directors proposes that no dividend be paid for the year 2009 and that the distributable funds are brought forward.

### Items 11-13 - Proposal for the election of the Board of Directors, remuneration, etc.

The Nominating Committee, established in accordance with the nomination procedure decided by the Annual General Meeting on 23 April 2009, which represents the three largest shareholders and the Chairman of the Board of Directors, has stated, in relation to these items on the agenda that it will make the following proposals for decision by the shareholders:

that the number of members of the Board of Directors shall amount to seven;

- that the total remuneration to be apportioned amongst the members of the Board of Directors elected at the Annual General Meeting shall amount to 341.500 Euro, of which 60.500 Euro relates to Board committee work. Out of the total remuneration 65.000 Euro shall be paid to the Chairman of the Board of Directors, and 36.000 Euro to each of the other directors and in addition 9.000 Euro to the chairman of the audit committee, and 6.000 Euro to the respective chairman of the compensation committee and finance committee and 6.500 Euro for each member of the audit committee and 4.000 Euro for each member of the compensation and finance committees;
- that the following persons are re-elected to the Board of Directors: Göte Dahlin, Urban Jansson, Hubert Joly, Trudy Rautio, Barry Wilson and Benny Zakrisson;
- that Wendy Nelson is elected to the Board of Directors;
- that Urban Jansson is re-elected as Chairman of the Board of Directors; and
- that the auditors shall be entitled to a fee corresponding to the amount invoiced and approved.

Wendy Nelson (born 1968) is the Executive Vice President Radisson Brand Strategy of Carlson Hotels Worldwide since 1 January 2009. She previously served as Executive Vice President & Managing Director for Carlson Hotels Real Estate Company from 2006 to 2008. From 2003 to 2006 she worked as Vice President Real Estate for Carlson Restaurants Worldwide.

For further details about Wendy Nelson please see the Company's website [www.Rezidor.com](http://www.Rezidor.com).

It is noted that the registered public accounting firm Deloitte AB, which was elected as auditor at the annual general meeting held in 2009, will remain as auditor with Thomas Strömberg as the auditor in charge.

#### Item 14 – Proposal for appointment of the Nominating Committee

The Nominating Committee proposes the following with respect to the Company's nomination procedure:

The Company must have a Nominating Committee consisting of members appointed by each of the three largest shareholders (number of votes) and the Chairman of the Board. The names of the three owner representatives and the shareholders they represent must be published by the Company as soon as the Nominating Committee has been appointed but no later than six months before the Annual General Meeting. The largest shareholders will be contacted by the Chairman of the Board based on the Company's index of registered shareholders provided by Euroclear Sweden AB as of 31 August 2010. 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 must be given the opportunity to appoint a member.

The term of office for the Nominating Committee lasts until a new nominating committee is appointed. The chair of the Nominating Committee must be the member who represents the largest shareholder, unless the members unanimously agree on another chair.

If a member leaves the Nominating Committee before his/her work is completed, then the shareholder that appointed the member has the right to appoint a new Nominating Committee member. The members of the Nominating Committee do not receive remuneration.

If a significant change occurs in the Company's ownership structure and a shareholder (which after this significant ownership change becomes one of the three largest shareholders) expresses the desire to be a Nominating Committee member, then the Nominating Committee shall offer the shareholder a place on the Nominating Committee by replacing the representative of the smallest shareholder (number of votes) 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 the change in the Company's ownership structure has become one of the three largest shareholders or if such shareholder declines then the next largest shareholder is given the opportunity to appoint a member. Changes in composition of the Nominating Committee must be immediately publicly announced.

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

- Election of the Annual General Meeting chair
- Election of Board members and the Board chair
- Board remuneration with specifications for Board chair and other Board members and possible remuneration for committee work
- An auditor (when required), deputy auditor (as needed), and auditors' fees
- Principles 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 perform the tasks required by the Swedish Code of Corporate Governance for Nominating Committees.

Shareholders may submit nomination proposals to the Nominating Committee; such proposals must be sent to the attention of the Nominating Committee at the address found on the Company's website. 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 15 – Proposal for the principles for compensation to the Company's key management

The Board of Directors' proposal for principles of compensation and other employment terms of the Company's key management is, in summary that the compensation shall be individual and based on international market terms and set at a level required to recruit and retain management with appropriate competence and capacity to meet the Company's financial and strategic objectives. Key management means the Company's Executive Committee which includes seven persons including the President & Chief Executive Officer.

The compensation shall consist of a balanced mix of basic salary, variable salary, pensions, a share-based incentive program for the key management and conditions for termination and termination payments.

The variable salary shall be according to international market terms, shall reward growth and earnings of the business and have a uniting effect for the Group. There shall be a maximum limit for the annual variable salary which varies between 150% to 200% of annual basic salary for the President & Chief Executive Officer and 45% and 75% of annual basic salary for the other members of the Executive Committee. Remuneration in the form of a long term share related incentive programme is dealt with under item 16.

Issues regarding the terms of employment for the President & Chief Executive Officer will be prepared by the Board of Director's compensation committee and will be resolved by the Board of Directors. The President & Chief Executive Officer resolves upon the terms of employment for the other Company key management after consent from the Board's compensation committee. It is proposed that the Board of Directors shall be authorised to deviate from the principles for compensation of the Company's key management if certain circumstances are at hand in a specific case.

#### Item 16– Share based incentive programmes

#### **Proposal for resolutions regarding A) the implementation of a long-term, performance-based incentive programme and B) transfers of own shares to participants in incentive programmes**

##### **Background and description**

Long-term incentive programmes for the senior executives of the Rezidor Group have previously been approved by shareholders at each of the Annual General Meetings 2009, 2008 and 2007. The Board of Directors considers that, in relation to the programme approved by the Annual General Meeting 2009, a partly modified long-term, performance-based incentive programme should be proposed to the Annual General Meeting 2010 and be implemented for the senior executives of the Group. The purpose of the proposed programme is to ensure that remuneration within the Group helps align executives with shareholders and that a suitable proportion of remuneration is linked to Company performance. The Board also considers that the proposed programme supports the retention of senior executives and reflects market practice.

Participants in the programme will be given the opportunity, after a three-year qualification period, to without consideration receive allotments of shares in the Company ("Performance Shares"), subject to the achievement of certain financial targets. The qualification period runs from the day awards under the programme are granted until the day for allotment of Performance Shares. The extent of each senior executive's participation in the programme shall be limited to a certain calculated value of the right to receive allotment of the Performance Shares in relation to the fixed base salary. Allotments of Performance Shares are conditional upon certain financial targets, linked to relative Total Shareholder Return ("TSR") and Earnings per Share ("EPS"), being achieved at the expiration of a three-year performance period comprising the financial years 2010 – 2012. Upon allotment of the relevant number of Performance Shares the participants shall also be entitled, for each Performance Share allotted, to

receive a cash amount equivalent to any cash dividend attributable to the Performance Share during the qualification period.

Incentive programmes in accordance with the principles set out above may be implemented also in forthcoming years, provided that each relevant Annual General Meeting resolves to that effect. For 2010 the Board of Directors proposes that the Annual General Meeting resolves on the implementation of a long-term, performance-based incentive programme with the main terms and conditions set out below (“Performance Share Programme 2010”).

**The Board of Director’s main proposal for a resolution is described under items A) – B) below**

*A) Main terms and conditions for Performance Share Programme 2010*

Participation in the Performance Share Programme 2010 shall comprise no more than 30 senior executives within the Group. The term of the Performance Share Programme 2010 shall be approximately three years and the programme shall in total comprise no more than 1,490,000 shares – of which no more than 1,210,000 shares may be transferred to participants in the programme as Performance Shares and no more than 280,000 shares may be transferred on a regulated market to cover social security costs and other costs related to the programme. The maximum number of shares that may be allotted as Performance Shares under the Performance Share Programme 2010 corresponds to approximately 0.81 per cent of the total number of outstanding, registered shares in the Company. Including the number of shares that may be sold on the market at the prevailing market price in order to cover social security costs and other costs related to the programme, the total number of shares corresponds to approximately 0.99 per cent of the total number of outstanding, registered shares in the Company.

Participants are given the opportunity to, provided that the TSR and EPS targets are achieved, receive without consideration allotments of Performance Shares after the expiration of the three-year qualification period. Upon allotment of the relevant number of Performance Shares the participants shall also be entitled, for each Performance Share allotted, to receive a cash amount equivalent to any cash dividend attributable to the Performance Share during the qualification period.

The total value of the right to receive allotments of Performance Shares is limited to 100 per cent of the 2010 base salary before taxes (“Base Salary”) for the Chief Executive Officer and the Chief Financial Officer, to 60 per cent of the Base Salary for the Chief Operating Officer and the Chief Development Officer, to 45 per cent of the Base Salary for other participants within the top management and to 30 per cent of the Base Salary for the rest of the participants in the programme. The allotment of Performance Shares shall be based on the participant’s Base Salary in relation to the average market value of the Company’s share during a period of five (5) trading days prior to the date of awards under Performance Share Programme 2010.

The financial targets, and thus the allotment of Performance Shares, will during a three-year performance period comprising the financial years 2010 – 2012 be based 75 per cent on the Company’s TSR (of which 75 per cent will vest subject to Rezidor’s TSR percentage outperformance of a comparator group of 11 publicly traded international hotel companies and 25 per cent will vest subject to Rezidor’s TSR percentage

outperformance of the constituents of the OMXS 30 Index) and 25 per cent on the Company's cumulative EPS. TSR is equal to the overall return a shareholder would receive on his shareholding taking into account both share price appreciation and dividends (if any). The Board of Directors believes that linking the allotment of Performance Shares to both TSR and EPS ensures the programme's robustness, is motivational for participants, and is in line with market practice.

The financial targets for allotments of Performance Shares under Performance Share Programme 2010 include a minimum level which must be achieved in order for any allotment to occur at all, as well as a maximum level in excess of which no additional allotment will occur. Should lower financial targets than the maximum level be achieved during the three-year performance period, a lower number of Performance Shares will be allotted.

Allotments of Performance Shares, as well as payments of the cash amount mentioned above, will take place in conjunction with the announcement of the Company's quarterly report for the first quarter 2013. Recalculation of the conditions for allotment of Performance Shares shall take place in the event of an intervening bonus issue, split, preferential rights issue and/or other similar events. Further, the programme contains a dilution limitation meaning that the number of Performance Shares that may be transferred to participants in the programme will be decreased proportionally should the market value of the Company's share, during a period until the expiration of the above mentioned period for establishing the market value of the Company's share, result in an aggregate number of Performance Shares (including the number of shares necessary to cover the social security costs and other cost related to the programme) that exceeds 1,490,000 shares.

Upon termination of the employment within the Group during the three-year qualification period the right to receive allotments of Performance Shares normally lapses. In case the Chief Executive Officer retires during the qualification period, the Chief Executive Officer's right to receive allotment of Performance Shares will be proportionately reduced in relation to remaining time of the qualification period. The Board of Directors shall under certain circumstances be entitled to adjust or terminate Performance Share Programme 2010 in advance. In addition, the Board of Directors shall be entitled to make such local adjustments of the programme that may be necessary to implement the programme with reasonable administrative costs and efforts in the concerned jurisdictions.

#### *B) Transfers of own shares to participants in incentive programmes*

The Board of Directors has, based on repurchase authorisations from the Annual General Meetings of 2007 and 2008, in total acquired 3,694,500 own shares on NASDAQ OMX Stockholm, corresponding to approximately 2.46 per cent of the total number of outstanding, registered shares in the Company. In total 1,089,207 shares have been repurchased to secure the obligations of the Company under Performance Share Programmes 2007 and 2008. The remaining 2,605,293 shares have been repurchased to ensure a more efficient capital structure.

The Board of Directors is of the opinion that presently there is no reason to hold the 2,605,293 shares for "capital structure reasons", but instead proposes that these shares, and the in total 299,830 shares that are no longer needed to secure the

obligations of the Company under Performance Share Programme 2007, may be transferred under Performance Share Programmes 2009 and 2010.

With reference to the description above, the Board of Directors proposes that no more than in total 2,341,108 shares may be transferred to participants in Performance Share Programmes 2009 and 2010 as Performance Shares, whereof no more than 1,131,108 shares for the purpose of Performance Share Programme 2009 and no more than 1,210,000 shares for the purpose of Performance Share Programme 2010. Entitled to acquire shares without consideration shall be such persons within the Group that are participants in Performance Share Programme 2009 and 2010, respectively. Further, subsidiaries shall be entitled to acquire shares without consideration, in which case such company shall be obliged, pursuant to the terms and conditions of Performance Share Programme 2009 and 2010, respectively, to immediately transfer these shares to such persons within the Group participating in Performance Share Programme 2009 and 2010, respectively. Transfers of shares shall be made without consideration at the time and on such additional terms and conditions that participants in Performance Share Programme 2009 and 2010, respectively, are entitled to receive allotment of shares. The number of shares that may be transferred is subject to recalculation in the event of an intervening bonus issue, split, preferential rights issue and/or other similar events.

The Board of Directors' proposal pursuant to items A) – B) above shall be resolved on as one decision and requires that the resolution is supported by shareholders representing no less than nine-tenths of both the votes cast and the shares represented at the Annual General Meeting.

Item 17 – Authorisation for the Board of Directors to resolve on the acquisition and transfer of the Company's own shares

The Board of Directors proposes that the Annual General Meeting authorise the Board of Directors, at one or several occasions, however at the latest until the Annual General Meeting 2011, to decide on acquisitions of the Company's own shares and transfer of the Company's own shares. The purpose of the proposal is to *inter alia* give the Board of Directors an increased capacity to act in respect of organising the capital structure of the Company.

Acquisitions of the Company's own shares may take place on NASDAQ OMX Stockholm and by offers to the shareholders. Acquisitions may be made so that the holding of the Company's own shares does not exceed one tenth of all the shares in the Company (including shares that, as the case may be, are included in item 16) and transfers by not more than the number of shares held by the Company at any given time.

Transfers of the Company's own shares may take place on NASDAQ OMX Stockholm or in another manner than on NASDAQ OMX Stockholm. Transfers may be made by not more than the number of shares held by the Company at any given time and shall include the right to make decisions to deviate from the preferential right of the shareholders. The Company's own shares may be transferred with or without provisions regarding payment in kind or provisions regarding set off.

Item 18 – Decision concerning amendment to the Company's articles of association regarding time for and mode of notices

The Board of Directors proposes that the first paragraph of § 9 of the Articles of Association is amended as follows.

“Notices convening meetings of the shareholders shall be effected by public announcement in the Swedish Official Journal (Post- och Inrikes Tidningar) and *on the company's website*. *That notice has been made shall be published in the Swedish daily newspaper Svenska Dagbladet*”.

The Board of Directors also proposes that the second sentence in the second paragraph of § 9 of the Articles of Association is amended as follows:

“Notices for other extraordinary meetings of shareholders shall be effected no earlier than six weeks and no later than *three* weeks before the meeting.”

The Board of Directors further proposes that the general meeting's resolution on amendment of the Articles of Association under this item 18 shall be conditional upon an amendment of the time for and mode of convening general meetings in the Swedish Companies Act (SFS 2005:551) entering into force, which implies that the proposed wording of the first paragraph and the second sentence in the second paragraph in § 9 above is consistent with the Companies Act.

**C. Other**

The annual accounts and the auditors' report and complete proposals and statements regarding the agenda items 15 – 18 will be kept available at the Company's office at Rezidor Hotel Group AB (publ), Hemvärnsgatan 15, Box 6061, 171 06 SOLNA, from 15<sup>th</sup> of March 2010. The Board of Directors' complete proposals to resolutions will also be available at 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 to shareholders that so request and state their address. At the time for publication of the notice for the Annual General Meeting 2009 there are in total 150.002.040 shares and votes in the Company of which 3.694.500 shares and votes are held by the Company.

Stockholm in March 2010

The Board of Directors of Rezidor Hotel Group AB (publ)

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