

Notice of the 2020 annual general meeting of Scandic Hotels Group AB

The shareholders of Scandic Hotels Group AB (556703-1702) ("Scandic") are hereby invited to participate in the annual general meeting to be held on Monday 15 June 2020 at 13.00, at Vasateatern (Scandic Grand Central), Vasagatan 19 in Stockholm, Sweden. Registration commences at 12.30.

Information regarding advance voting at the 2020 annual general meeting

In view of the rapid spread of the coronavirus that causes Covid-19, and being mindful of the health of our shareholders, Scandic has decided that shareholders should be able to exercise their voting rights by post before the annual general meeting. The company strongly encourages shareholders to use this option to minimise the number of participants present in person at the meeting, thereby helping to reduce the risk of spreading the coronavirus. Information regarding voting by post, proxy services, as well as template forms for postal voting and proxy, are available on Scandic's website at <https://www.scandichotelsgroup.com/corporate-governance/general-meeting/general-meetings/annual-general-meeting-2020/>.

Special arrangements in view of the outbreak of the coronavirus

The continued spread of the coronavirus remains difficult to assess with any certainty. At the time of the issuance of this notice, public gatherings of more than 50 participants are restricted. Scandic will comply with any applicable restrictions and limitations. If there is a risk that the number of people present at the annual general meeting will exceed the restrictions and limitations for gatherings applicable at the time, Scandic may decide to postpone the annual general meeting until a later date. As a further precautionary measure, Scandic has decided to implement following:

- Neither the chair of the board of directors nor the CEO will address the meeting. However, an address by the CEO will be made available on Scandic's website on the same day as the meeting takes place.
- Members of Scandic's board of directors and the CEO and other members of the Executive Committee will participate in the meeting via phone.
- The questions raised at the meeting will focus on the agenda items and other information that the participants have a legal right to receive. There will therefore be no general question session at this meeting. Scandic is aware that many shareholders at the moment would like to ask general questions about the company and its operations, and Scandic welcomes such questions and encourages those who wish to raise general questions about Scandic to contact Henrik Vikström at Henrik.Vikstrom@scandichotels.com or +46 709 52 80 06.
- No food or other refreshments will be served.
- To facilitate for shareholders who will not participate in person, it will be proposed that the annual general meeting is webcasted on Scandic's website.

Scandic is closely monitoring the impact of the coronavirus outbreak in Sweden, and in case of updated government instructions or recommendations from relevant authorities, Scandic may decide on additional precautionary measures in connection with the meeting. For information and updates, please visit Scandic's website at <https://www.scandichotelsgroup.com/corporate-governance/general-meeting/general-meetings/annual-general-meeting-2020/>.

To be entitled to participate in the annual general meeting shareholders must

- be recorded in the share register kept by Euroclear Sweden AB on Tuesday 9 June 2020, and
- give notice to Scandic of their intention to participate no later than on Tuesday 9 June 2020.

Shareholders may register on Scandic's website <https://www.scandichotelsgroup.com/corporate-governance/general-meeting/general-meetings/annual-general-meeting-2020/> (private individuals only), by phone to the following number: + 46 (0)8-402 92 48, or in writing to the following address: Scandic Hotels Group AB (publ), AGM 2020, c/o Euroclear Sweden, P.O. Box 191, SE-101 23 Stockholm, Sweden. Shareholders shall in their notice state their name, personal identification number or company registration number, address, telephone number and the number of advisors (if any).

Shareholders whose shares are registered in the names of nominees must temporarily re-register such shares in their own name in order to be entitled to attend the annual general meeting. In

order for such re-registration to be completed on Tuesday 9 June 2020 shareholders must inform their nominees well before that day.

Shareholders participating by proxy or representative should send documents of authorization to the mail address above well before the annual general meeting.

Shareholders voting by post shall send their postal votes to be received by Scandic no later than on Tuesday 9 June 2020. A duly completed voting form is considered as notification of attendance to the annual general meeting. The completed and signed form shall be sent to the post address stated above. A completed and signed form may also be submitted electronically and is to be sent to Camilla Köhler at camilla.kohler@scandichotels.com.

Information and templates for power of attorney and postal voting, in Swedish and in English, are available on Scandic's website <https://www.scandichotelsgroup.com/corporate-governance/general-meeting/general-meetings/annual-general-meeting-2020/>.

Privacy policy for processing of personal data in conjunction with the annual general meeting

For information on how your personal data is processed, please visit <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Proposed agenda

1. Opening of the meeting.
2. Election of a chair of the meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination as to whether the annual general meeting has been duly convened.
7. Presentation of the annual report and the audit report as well as the consolidated accounts and the audit report for the group.
8. Resolutions regarding:
 - a. the adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet,
 - b. treatment of Scandic's earnings in accordance with the adopted balance sheet, and
 - c. discharge from liability for the members of the board of directors and the CEO.
9. Determination of the number of members of the board of directors and the number of auditors.
10. Determination of fees for the members of the board of directors and the auditors.
11. Election of members of the board of directors, chair of the board of directors and auditors.
12. Resolution on guidelines for remuneration to senior executives.
13. Resolution to amend the articles of association.
14. Closing of the meeting.

PROPOSALS BY THE NOMINATION COMMITTEE (ITEMS 2, 9-11)

The nomination committee has proposed the following:

ITEM 2 Attorney at law Jesper Schönbeck, Vinge, to be chair of the annual general meeting.

ITEM 9 Six (6) board members elected by the general meeting.
One (1) auditor and no deputies.

ITEM 10 Fees to the directors elected by the annual general meeting and for committee work in accordance with the following:

- Chair of the board of directors: SEK 850,000 (2019: SEK 775,000);
- Other board members: SEK 365,000 (2019: SEK 350,000);
- Chair of the audit committee: SEK 155,000 (2019: SEK 150,000);
- Other audit committee members: SEK 60,000 (unchanged);
- Chair of the compensation committee: SEK 100,000 (unchanged);
- Other compensation committee members: SEK 50,000 (unchanged);
- Chair of the investment committee: SEK 110,000 (2019: SEK 100,000); and
- Other investment committee members: SEK 55,000 (2019: SEK 50,000).

All board members, on their own initiative and with effect from Q2 2020, has decided on reducing their board fees with 30% until further notice, by giving up this portion of the fee.

Fees to the auditor shall be paid in accordance with approved invoices.

ITEM 11 Re-election of Ingalill Berglund, Per G. Braathen, Grant Hearn, Martin Svalstedt and Fredrik Wirdenius as board members and election of Kristina Patek as new board member for the period until the end of the next annual general meeting.

Re-election of Per G. Braathen as chair of the board of directors for the period until the end of the next annual general meeting.

Susanne Mørch Koch, Riitta Savonlathi and Christoffer Lundström have declined re-election.

Information about the proposed new board member

Kristina Patek

Born: 1969. Swedish citizen.

Education: Master of Science in Business Studies and Economics, Uppsala University.

Other current assignments: Senior investment director at Stena Sessan, board member of Didner & Gerge Fonder and nominated for election to the board of Resurs Holding AB. Chair of the nomination committee for Scandic.

Previous positions: Management consultant at Accenture and Cell Network, investment manager at Ratos, partner of the private equity fund Scope and head of M&A at the Tieto Corporation.

Independent in relation to major shareholders: No.

Independent in relation to the company and management: Yes.

In accordance with the audit committee's recommendation, re-election of PricewaterhouseCoopers AB as auditor for the period until the end of the next annual general meeting. PricewaterhouseCoopers has informed Scandic that Sofia Götmar-Blomstedt will continue as auditor in charge.

PROPOSALS BY THE BOARD OF DIRECTORS

TREATMENT OF SCANDIC'S EARNINGS (ITEM 8B)

The board of directors proposes that no dividend is paid to the shareholders, and that funds at the disposal of the annual general meeting are carried forward.

GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES (ITEM 12)

The board of directors proposes the following guidelines for remuneration to Scandic's CEO and the other members of the Executive Committee (the "senior executives"). Subject to the shareholders' approval, the effective date of these guidelines will be 15 June 2020. However, the maximum level for variable cash remuneration will apply for 2020. The intention of the board of directors is that these remuneration guidelines will remain in place for four years from the date of its approval.

The guidelines' connection to Scandic's business strategy, long-term interests and sustainability

Scandic aims to grow profitably by taking advantage of the demand for hotel experiences in its markets with a leading hotel portfolio and a customer focused approach. Scandic's strategic focus is to constantly develop its customer offering, optimize distribution and drive profitability. All areas of operation shall be characterized by a sustainable approach and demonstrate values that contribute to committed and motivated team members.

A successful implementation of the remuneration guidelines will ensure that Scandic can attract and retain the best people, enabling us to execute our business strategies and serve our long-term interests, including our sustainability goals. In addition, long-term share-based plans have been implemented in Scandic. Such plans have been resolved by the general meeting and are therefore excluded from these guidelines.

Remuneration guidelines by element

Scandic shall offer a total remuneration in line with market conditions to enable Scandic to recruit and retain the managers Scandic needs to meet its short-term and long-term targets. The remuneration to the senior executives may consist of fixed salary, variable cash remuneration, pension and other benefits. Additionally, the general meeting may resolve on, among other things, long-term share incentive plans. The remuneration guidelines do not apply to share-based long-term incentive plans or ordinary board remuneration, which are subject to separate resolutions at the general meeting.

In the preparation of the board of directors' proposal for these remuneration guidelines, salary levels, variable pay structures and employment conditions for employees of the company have been taken into account.

Fixed salary shall be in line with market conditions and mirror the demands and responsibility that the position entails as well as individual performance. The fixed salary for the CEO and the other senior executives is revised once every year.

Variable cash remuneration shall be based on Scandic's fulfilment of objectives determined in advance. These objectives are determined for the promotion of Scandic's/the group's short-term and long-term targets, long-term development, value creation and financial growth and shall be designed in a way that does not encourage an excessive risk-taking.

The variable cash remuneration is subject to an overall cap and may not amount to more than 100% of the fixed annual salary. In this context, fixed annual salary means cash salary earned during the year, excluding pension, supplements, benefits and similar. The 100% cap applies also to variable cash remuneration awarded in extraordinary circumstances, if any, such as extraordinary arrangements made on individual basis for recruiting or retaining purposes or in case of exceptional performance beyond the individual's ordinary tasks.

Payment is made after year-end following the compensation committee's determination of achievement against the annual corporate targets and the achievement of annual individual objectives for the CEO. The CEO will determine the achievement of annual individual objectives

for other senior executives. As regards financial criteria, the evaluation shall be based on the latest financial information made public by Scandic. The compensation committee and the CEO will use the discretion afforded them by shareholders to ensure that rewards properly reflect the business performance of Scandic, and will take into account any relevant environmental, social, and governance (ESG) matters when determining outcomes.

Scandic shall have the right, under applicable law or contractual provisions, subject to the restrictions that may apply under applicable law or contract, to in whole or in part reclaim annual variable cash remuneration paid on incorrect grounds (claw-back).

Long-term share and share price related incentive plans are resolved upon by the general meeting – irrespective of these guidelines. The aim of having long-term share and share price related incentive plans is to create a long-term commitment to Scandic, to attract and retain senior executives and other key employees and to ensure the shareholder perspective. Long-term share and share price related incentive plans, if any, may constitute a complement to the fixed salary and the variable cash remuneration, with participants to be invited to participate based on, among other things, competence and performance. The outcome shall be dependent on the fulfilment of certain predetermined performance requirements that shall secure shareholder value, such as growth, profitability and capital efficiency.

Pension benefits for the senior executives will be based on the typical market practice in the senior executive's employment or residence, and shall preferably consist of premium based pension plans, but may also be defined benefits pursuant to collective agreements.

Other benefits that may be provided will be in accordance with market practice which may change from time to time. Other benefits may include for example company car, healthcare and life insurance, etc. In addition thereto, mobility related benefits for example relocation support, tax filing support, or similar may be offered for a limited period of time.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Employment contract, termination of employment and severance pay

Executive contracts are typically with indefinite duration but may be offered on occasion for fixed term. Upon termination of employment, the notice period may not exceed 12 months.

Fixed salary during notice periods and severance payment, including payments for any restrictions on competition, shall in aggregate not exceed an amount equivalent to the fixed salary for 18 months. The total severance payment shall for all senior executives be limited to the existing monthly salary for the remaining months up to the age of 65.

Upon termination of employment a non-compete clause may restrict the employee from engaging in a competing business. The non-compete clause restriction covers no more than nine (9) months following termination of employment. During the non-compete clause period Scandic may pay the former employee an amount corresponding to no more than 60% of nine (9) months' fixed pay.

Remuneration to board members

Board members, elected at general meetings, may in certain cases receive compensation for services performed within their respective areas of expertise, outside of their board duties. Compensation for such services shall be paid on market terms and be approved by the board of directors.

The decision-making process to determine, review and implement the remuneration guidelines

The board of directors has established a compensation committee. The compensation committee's tasks include preparing the board of directors' decision to propose remuneration guidelines for the CEO and the Executive Committee. Proposal for new remuneration guidelines shall be prepared at least every fourth year and submitted to the general meeting. The remuneration guidelines shall be in force until new guidelines are adopted by the general meeting.

The compensation committee shall also monitor and evaluate the annual implementation of these guidelines. In order to avoid any conflict of interest, remuneration is managed through well-defined processes ensuring no individual is involved in the decision-making process related to their own remuneration.

Deviation from the guidelines

The board of directors may temporarily resolve to deviate from the guidelines, in whole or in part, if there in an individual case are special circumstances where a deviation is necessary in order to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the compensation committee's tasks include preparing the board of directors' resolutions in respect to remuneration-related matters for the CEO and the Executive Committee. This includes any resolutions to temporarily deviate from the guidelines.

Information regarding levels and structure for remuneration within Scandic, and evaluation of programs for variable remuneration and the company's application of the guidelines for remuneration to senior executives during 2019

For information regarding the application of, and deviation from, the guidelines for remuneration to the senior executives during 2019, see the board of directors' evaluation of remuneration to the senior executives (report according to the Swedish Corporate Governance Code 9.1), and the auditor's statement according to Chapter 8, section 54 of the Swedish Companies Act. Both documents will no later than 25 May 2020 be available on Scandic's website <https://www.scandichotelsgroup.com/corporate-governance/general-meeting/general-meetings/annual-general-meeting-2020/>.

AMENDMENT OF THE ARTICLES OF ASSOCIATION (ITEM 13)

The board of directors proposes that the articles of association are amended. A new section is proposed to be inserted in the articles of association allowing the board of directors to collect powers of attorney in accordance with the procedure described in Chapter 7, section 4, paragraph 2 of the Swedish Companies Act (2005:551) and allowing the board of directors to decide that shareholders shall have the right to provide their votes by post before a general meeting.

Proposed wording

11§ (new section) *The board of directors may collect powers of attorney in accordance with the procedure described in Chapter 7, section 4, second paragraph of the Companies Act (2005:551).*

The board of directors has the right before a general meeting to decide that shareholders shall be able to exercise their right to vote by post before the general meeting.

As a consequence of the insertion of a new section 11 a renumbering of the following sections is proposed, whereby the old section 11 becomes section 12, and so forth.

MISCELLANEOUS

Shares and votes

As of the date of this notice, there are in total 102,985,075 shares in Scandic. The Company has only one series of shares and the total number of votes in Scandic thus amounts to 102,985,075. As of the date of this notice, Scandic holds no own shares.

Special majority requirements for item 13

The resolution under item 13 is valid only if supported by shareholders holding not less than two thirds (2/3) of both the votes cast and the shares represented at the annual general meeting.

Documentation

The nomination committee's motivated statement explaining its proposals regarding the board of directors and information regarding proposed board members are available at Scandic's website, <https://www.scandichotelsgroup.com/corporate-governance/general-meeting/general-meetings/annual-general-meeting-2020/>. No later than 25 May 2020, also the board of directors' evaluation of remuneration to the senior executives (report according to the Swedish Corporate Governance Code 9.1), will be available at the website.

The annual report, the auditor's report and the auditor's statement pursuant to Chapter 8, section 54 of the Swedish Companies Act regarding the remuneration guidelines for the senior executives will no later than 25 May 2020 be available at Scandic's office, Scandic Hotels Group AB, Sveavägen 167, SE-102 33, Stockholm, Sweden and on the website <https://www.scandichotelsgroup.com/corporate-governance/general-meeting/general-meetings/annual-general-meeting-2020/>. The documents will also be sent to shareholders who so request and state their address.

Information at the annual general meeting

The board of directors and the president and CEO shall, if any shareholder so requests and the board of directors believes that it may be done without material harm to Scandic, at the annual general meeting provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of Scandic's or its subsidiaries' financial situation and Scandic's relation to other companies within the group.

Authorisation

The board of directors, or such person that the board of directors may appoint, shall be authorised to make the minor adjustments in the resolutions adopted by the annual general meeting as may be required in connection with registration with the Swedish Companies Registration Office and Euroclear Sweden.

Stockholm in May 2020

Scandic Hotels Group AB (publ)

The board of directors