



**Annual Report on the
Remuneration of
Directors**
Year 2022

MELIÀ HOTELS
INTERNATIONAL

Leisure at heart,
business in mind

2022 Annual Report on the Remuneration of Directors

27 February 2023

PREAMBLE

This Annual Report on the Remuneration of Directors has been reported by the Appointments, Remuneration and Sustainability Committee of Meliá Hotels International, S.A., and has been submitted to the Board of Directors for approval, in the context of the functions attributed according to the Regulations of the Board of Directors, and in compliance with the provisions of Article 541 of the Spanish Corporate Enterprises Act.

This Report, which was unanimously approved by the Board of Directors at its meeting held on 27 February 2023, will be put to the consultative vote of the shareholders at the Ordinary General Shareholders' Meeting for 2022, as a separate item on the agenda.

This Report has been prepared following the contents and guidelines of Circular 3/2021, of 28th September, of the CNMV, with the Company opting for the free-format model.

It is noted that all the documentation to which this Report refers (reports, Regulations of the Board of Directors, Remuneration Policy) is available on the corporate website of Meliá Hotels International.

DEFINITIONS

CNMV: Comisión Nacional del Mercado de Valores [*Spanish National Securities Market Commission*]

Committee or Appointments, Remuneration and Sustainability Committee: the Appointments, Remuneration and Sustainability Committee of Meliá.

Company or Meliá: the company Meliá Hotels International, S.A.

Chief Executive Officer or Executive Director: Mr Gabriel Escarrer Jaume, Executive Vice Chairman and Chief Executive Officer of Meliá and the only Director with executive functions.

Group: Meliá and all the subsidiaries thereof over which it holds, directly or indirectly, the control, according to the provisions of Article 42 of the Code of Commerce.

ARR / Report: This Annual Report on the Remuneration of Directors.

CEA or Spanish Corporate Enterprises Act: Legislative Royal Decree 1/2010, of 2nd July, which approves the consolidated text of the Spanish Corporate Enterprises Act.

Policy or Remuneration Policy: Remuneration Policy of Meliá for 2022 to 2024.

A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

A.1.1 Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Shareholders' Meeting, provided that these references are clear, specific and concrete. Such specific determinations for the current year as the Board may have made in accordance with the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting must be described, as regards directors' remuneration both in their capacity as such and for executive functions carried out.

In any case, the following aspects must be reported, as a minimum:

Description of the procedures and corporate bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.

The Remuneration Policy applicable to 2023 is the Remuneration Policy for years 2022 to 2024, which was approved by the General Shareholders' Meeting of Meliá Hotels International, S.A. held on 10 June 2021.

The procedure used to design the Remuneration Policy was detailed in the report approved by the Board of Directors and submitted to the shareholders for approval at the relevant General Shareholders' Meeting. The procedure is outlined below.

In accordance with Article 529(r) of the Spanish Corporate Enterprises Act, the Appointments, Remuneration and Sustainability Committee, previously considering the impact of the social and economic framework derived from COVID-19 and the Law amending the Spanish Corporate Enterprises Act and other financial regulations regarding the promotion of the long-term involvement of shareholders in listed companies, prepared a specific report on the Remuneration Policy that, in turn, was submitted to the Board of Directors.

The Board of Directors analysed and discussed the report as well as the proposed changes for the 2022-2024 period with respect to the previous Policy.

In particular, the Board positively assessed the continuity of the Remuneration Policy criteria implemented in the previous three-year period (2019-2021), in line with best practices and recommendations on remuneration and corporate government. In this sense, the new recommendations of the Good Governance Code of Listed Companies of the CNMV applicable in terms of remuneration were considered.

The Policy remains true to the principles of moderation, prudence and long-term value generation which guided the previous Policy, ensuring at all times that internal equity is maintained and external competitiveness is improved. In addition, it is worth mentioning that for its preparation the following principles were considered:

- To promote profitability, business strategy and the interest and long-term sustainability of the Company and, at the same time, adopt the necessary measures to avoid excessive risk-taking and compensation of unfavourable results.

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- To implement a remuneration scheme in line with dedication and responsibilities assumed by Directors as well as with market conditions (taking into account similar sectors and companies), in order to attract and retain the most suitable profiles to cover the knowledge, skills and experience required in the Board, ensuring that there are candidates suitable to hold office.
- To motivate and reinforce the achievement of results of the Company and the Group.
- To promote transparency and commitment to provide information to shareholders and investors.
- To include the applicable principles governing the Policy in the remuneration policy applicable to the other employees within the Group (schemes tailored to dedication and responsibility, long-term results, talent retention, etc.).

Upon calling for the 2021 General Shareholders' Meeting, the Board of Directors made available the mandatory report and the Remuneration Policy, which was approved by the General Shareholders' Meeting with 162,397,180 votes in favour (i.e. 98.47% of the attending voting rights).

The Remuneration Policy was prepared in accordance with the regulations applicable to the Company: Spanish Corporate Enterprises Act, Company Bylaws and Regulations of the Board of Directors. In particular, Article 37 of the Company Bylaws states that the remuneration of Directors in their capacity as such shall consist of an annual global salary for all Directors with a maximum amount to be approved by the General Shareholders' Meeting, which shall apply for as long as no modifications are made. This shall be without prejudice to any other fees or considerations that may be receivable from the Company based on a contractual relationship other than their position as Directors, to be governed by the applicable regulatory framework.

In general terms, the duties of the Appointments, Remuneration and Sustainability Committee concerning this process are the following, pursuant to Article 39(b) of the Company Bylaws and Article 15 of the Regulations of the Board of Directors:

- To propose to the Board the Remuneration Policy applicable to Directors, General Managers and any individuals performing top management duties under direct supervision by the Board, Executive Committees or Chief Executive Officers, as well as the individual remuneration and other contractual terms and conditions applicable to Executive Directors, ensuring compliance with such Policy.
- To conduct periodic reviews of the Remuneration Policy, assessing its adequacy and performance. In particular, to conduct periodic reviews concerning the assessment of the objectives or parameters involved in the remuneration schemes applicable to the executive director and top management positions.
- To ensure transparency in payments and inclusion of information concerning Directors' remuneration into the Annual Report on the Remuneration of Directors and the Corporate Governance Annual Report, submitting the Annual Report on the Remuneration of Directors to the Board for approval.

In the amendment to the Regulations of the Board carried out in June 2022, the responsibilities in terms of remuneration of the Committee were increased, including

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the following (in Article 15):

- To verify the information on remuneration of Directors and Senior Executives included in the various corporate documents.
- To propose the determination or verification of the accrued remuneration of Directors and senior executives and assess the degree of compliance with the criteria and objectives set.

Remuneration of Directors in their capacity as such

The remuneration of Directors in their capacity as such is composed of (i) a fixed annual salary, and (ii) fees for attendance at the meetings of the Company's Board of Directors and the Committees to which each Director belongs. This remuneration item also comprises the extraordinary tasks performed by those Directors assuming the functions of Chairman of each Committee or Board Secretary.

Thus, the individual remuneration payable to each Director as such, within the limits defined by the maximum amount approved by the General Shareholders' Meeting, is determined by the Board of Directors at the proposal of the Appointments, Remuneration and Sustainability Committee based on the functions and responsibilities assumed by each Director, their participation in Specialised Committees and their position in the same (member, Chairman, etc.), and other relevant objective and subjective circumstances (see "*Amount and nature of fixed components that are due to be accrued during the year by Directors in their capacity as such*"), as well as on the analysis of remuneration data of similar companies from external expert consultants conducted by the Human Resources Department.

Executive Director's Remuneration

The Chief Executive Officer is the only director currently undertaking managing tasks and receives additional amounts in consideration for the performance of such functions under the Services Agreement signed with the Company. These amounts include: (i) a fixed remuneration component; (ii) a short-term variable remuneration component; (iii) a long-term variable remuneration component; (iv) a remuneration in kind and other benefits; and (v) a remuneration for the position of administrator in other Group companies.

Pursuant to the Spanish Corporate Enterprises Act, the Company Bylaws and the Regulations of the Board of Directors, the Appointments, Remuneration and Sustainability Committee submits to the Board of Directors its proposal for the determination and/or modification of the Executive Director's remuneration, taking into account the remuneration analyses of similar companies from external consultants experts in this field, as well as the reports and proposals prepared by the Departments of Compensation (Human Resources), Sustainability, Finance and Corporate Governance of the Company.

On a yearly basis, the Committee reviews the degree of achievement of the CEO's objectives in order to determine the amounts to be paid as variable remuneration (including short-term and long-term items, where applicable) and then reports to the Board of Directors.

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In the current year (2023), such review (of objectives and the -potential- increase in fixed remuneration) was carried out by the Appointments, Remuneration and Sustainability Committee at the meetings held on 7 and 24 February 2023. The details, amount and methodology used for its determination will be explained throughout this Report.

Regarding long-term variable remuneration, during the current year, no review has been made of the scheme approved in 2022 and which is applicable to years 2022 to 2024.

Regarding the salary review of the Chief Executive Officer for 2023, at the date of issue of this Report, the Committee has also proposed to not increase the fixed remuneration paid to the Chief Executive Officer.

Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.

For the preparation of the Remuneration Policy, the preliminary analyses of remuneration data of similar companies conducted by the Company's Compensation Department (Human Resources), taken from different remuneration studies carried out by consultancy firms specialising in top management and directors' remuneration (Korn Ferry, Mercer, etc.), have been considered.

Information on whether any external advisors took part in this process and, if so, their identity.

With regard to the participation of external advisors, the Committee and the Corporate Governance and Human Resources departments received consultancy services from a firm specialising in the field (Cuatrecasas) when preparing the Remuneration Policy. In particular, the impact of the new regime established by the Spanish Corporate Enterprises Act and the improvements to be included in the new policy with regard to trends and best practices were analysed in detail.

Procedures set forth in the current remuneration policy for directors in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.

The Remuneration Policy for 2022 to 2024 expressly provides for a section regarding the application of temporary exceptions.

In particular, it is established that the Board of Directors, prior substantiated proposal by the Appointments, Remuneration and Sustainability Committee, may apply temporary exceptions to the remuneration scheme established in the Policy, according to the following terms and conditions:

- The application of this exception regime shall be duly justified on the grounds of exceptionality and necessity, always in view of the long-term interests of the Company and the Group and the sustainability and feasibility thereof.
- The Company must inform the market as soon as possible of the application of this exceptional regime, whether through publication of Inside Information / Other Relevant Information on the CNMV website, or through annual reports (ACGR and ARRD), as appropriate.

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- The Board of Directors may agree the suspension, cancellation (total or partial), extension, replacement or temporary amendment of the following components of the remuneration scheme:
 - Fixed annual remuneration of Directors in their capacity as such.
 - Fixed annual remuneration of Executive Directors.
 - Short- and long-term variable remuneration, including parameters, objectives, assessment system, target amount, etc.
 - Remuneration in kind and other benefits.

A.1.2 *Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their determination and to ensure an appropriate balance between the fixed and variable components of the remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, which will include, as the case may be, mention of the measures taken to ensure that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the company and measures in place to avoid conflicts of interest.*

Under the Remuneration Policy, variable remuneration only applies to Directors performing executive duties, so that the CEO is currently the only director whose remuneration scheme includes short-term and long-term variable remuneration components.

Concerning the short-term variable remuneration component, it is defined as a percentage of fixed remuneration, which is intended to promote performance and the achievement of yearly objectives (both at individual and Group level), taking into consideration long-term goals as well as the main risks faced by the Group.

Currently, such percentage is SIXTY PERCENT (60%) of annual fixed remuneration.

The Board of Directors annually determines and assesses achievement level of short-term variable remuneration at the proposal of the Appointments, Remuneration and Sustainability Committee, which generally sets such objectives during the first quarter of the year.

The long-term variable component is determined during the first year applicable to the variable remuneration cycle, i.e., for 2022 to 2024 cycle, the objectives, achievement levels and parameters were determined in May 2022.

This remuneration system is intended to strike a balance between fixed and variable components, so that the fixed component represents a sufficiently large part of total remuneration, while variable items ensure that the personal performance of the Director is sustainable and aligned with risks, ensuring that variable remuneration accrual and collection parameters are determined in a very strict manner in both cases. Variable remuneration compliance percentages and caps are described in sections 6.3.2 and 6.3.3 of the Policy, as detailed below (see "Amount and nature of variable components").

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When determining the Executive Director's remuneration scheme in the proposal submitted to the Board of Directors, the Appointments, Remuneration and Sustainability Committee analysed several market salary studies for similar positions in companies of a similar type and capital level, using data from internationally reputed consultancy firms and from public sources (including the CNMV's annual reports on remuneration).

The Committee takes into consideration the Company's Risk Map when setting the objectives linked to short-term and long-term variable remuneration, in order to define specific objectives aimed at mitigating risks.

Regarding long-term variable remuneration, the Committee also links the objectives of this remuneration scheme to the current strategic plan of the Company.

In particular, during the objective and parameter setting procedure linked to the short-term variable remuneration scheme for 2021 and 2022, the Committee paid special attention to the risk of pandemic and the social and economic situation caused by COVID-19 and its impact on the Company.

As concerns the actions adopted by the Company in relation to variable remuneration items in order to reduce excessive risk exposure, it must be noted that the Chairman of the Auditing and Compliance Committee (which has statutory supervisory responsibilities concerning the risk management system) and the Chairman of the Appointments, Remuneration and Sustainability Committee are both members of the two Committees. Their cross-membership in these two Committees is helpful in assessing the risks involved in the variable remuneration system when defining the system and also in order to determine the relevant factors in terms of compliance, accrual and payment.

The remuneration packages of the CEO and the Company's management team, whose performance can have an impact on the realisation of the risks identified in the Risk Map, comprise variable components linked to short-term and/or long-term objectives as defined in the Strategic Plan. The responsibilities assigned to these staff categories also include specific risk management functions, such as adopting the necessary measures to identify the main risks and reporting them to the Auditing and Compliance Committee via the appropriate channels.

Additionally, in line with good governance principles, and according to section 6.6 of the new Remuneration Policy, short-term and long-term variable remuneration is paid following a reasonable period after the end of the last financial year considered for evaluation purposes, with payments being made within the 60 calendar days following the issuance of the annual accounts for that year, always provided that the accounts have been reviewed by the external auditors and upon proposal by the Appointments, Remuneration and Sustainability Committee.

With regard to the measures envisaged to prevent conflicts of interest, in addition to the statutory provisions applicable to Directors (among others, Article 229 of the Spanish Corporate Enterprises Act), the Directors, the management team and all employees within the Group are subject to certain internal regulations specifically governing potential conflicts of interest and resolution procedures:

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- Code of Ethics: Establishing that directors and managers must be a role model of leadership for their teams, acting in an exemplary manner when facing conflicts and complex situations.
- Internal Code of Conduct: Document applicable to all persons who may have access to stock market information by reason of their position or functions.
- Human Resources Regulations: Specifically, governing obligations with respect to conflicts of interests and the use of confidential and inside information.
- Executive Behaviour Regulations: Document regulating potential conflicts of interests that may arise in the Company.

Furthermore, indicate whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or delivery of accrued and vested financial instruments, or whether any clause has been agreed reducing the deferred remuneration not yet vested or obliging the director to return remuneration received, when such remuneration has been based on figures that have since been clearly shown to be inaccurate.

According to the provisions of the Remuneration Policy and in line with good governance principles, short-term variable remuneration is paid following a reasonable period after the end of the financial year, with payment being made within the 60 calendar days following the issuance of the annual accounts, upon approval of the Board at the proposal by the Appointments, Remuneration and Sustainability Committee.

Regarding multi-year variable remuneration (long term), the payment also occurs following a reasonable period after the end of the last financial year of the Strategic Plan, and is made within the 60 calendar days following the issuance of the annual accounts for that year, upon approval of the Board of Directors at the proposal by the Committee.

Regarding annual fixed remuneration accrues at month end, so that the remuneration earned by each Director is proportional to the time such Director has been in office during that year.

In accordance with the Remuneration Policy in force, the Company may introduce remuneration systems referenced to the Company's share price or involving payment in shares or option rights over shares. In this sense, the General Shareholders' Meeting held on 10 July 2020 renewed the authorisation of the Board of Directors to acquire treasury shares, expressly including the following power: *"For the purposes of Article 146 of the Spanish Corporate Enterprises Act, the shares acquired under this authorisation, as well as those already held by the Company, may be delivered in whole or part, either directly or via the exercise of option rights over shares, to the employees or directors of the Company and/or its Group."*

According to the above, at the General Shareholders' Meeting held on 16 June 2022 a remuneration system partially referenced to the share price was approved for the executive director, the senior management and other professionals within the Company.

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As regards clawback clauses, i.e. provisions requiring a Director to return already received amounts, and reduction clauses (malus), both the Remuneration Policy and the CEO's Services Agreement include such clauses, allowing the Company to cancel (totally or partially) the payment of short- and long-term variable remuneration (malus clauses) or claim the reimbursement of remuneration amounts already paid (clawback clauses) under special circumstances.

These circumstances include fraud, serious breach of law or internal regulations, sanctions or convictions for acts attributable to the Executive Director, as well as in the case of material restatement of the financial statements based on which the Board assessed the degree of performance, provided that such restatement is confirmed by the external auditors and is not a consequence of an amendment to an accounting regulation.

The proportion of the amounts to be retained or recovered will be determined by the Board of Directors, following review by the Appointments, Remuneration and Sustainability Committee and, where appropriate, the Auditing and Compliance Committee, in view of the particular circumstances that resulted in the claim.

Both malus and clawback clauses will be applied to the variable remuneration for the year in which the event leading to the application of the clause occurred. Clawback clauses will remain in effect for the next THREE (3) years.

However, if the above circumstances result in a dismissal due to serious or negligent breach of the duties of the Executive Director, malus clauses may be applied to the total variable remuneration accrued and pending payment at the date on which the dismissal decision is adopted, depending on the damage caused.

A.1.3 Amount and nature of fixed components that are due to be accrued during the year by directors in their capacity as such.

The fixed remuneration of Directors in their capacity as such consists of two components:

- A fixed annual salary in the amount of TWENTY-ONE THOUSAND SIX HUNDRED AND THIRTY-SIX EUROS AND FORTY-FOUR CENTS (€21,636.44) for each director for the current year.
- Attendance fees for the Board of Directors and Committee meetings they have actually attended in the following amounts for the current year:
 - FIVE THOUSAND FOUR HUNDRED AND NINE EUROS AND ELEVEN CENTS (€5,409.11) for each Board meeting.
 - THREE THOUSAND EUROS (€3,000) for each meeting of a Committee of which the director is a member.
 - The Chairman of the Appointments, Remuneration and Sustainability Committee and the Chairman of the Auditing and Compliance Committee additionally receive THREE THOUSAND EUROS (€3,000) for each meeting.

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- The Secretary of the Board of Directors additionally receives SIX THOUSAND EUROS (€6,000) for each Board meeting.

At the date of issue of this Report, the Committee has proposed to not increase any component of the remuneration paid to the directors in their capacity as such during 2023.

A.1.4 Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

In addition to the above, the CEO's remuneration package includes a fixed annual amount as a consideration for the executive duties performed under his Services Agreement. At the date of issuance of this Report (27 February 2023), the CEO receives a fixed gross annual remuneration of SEVEN HUNDRED AND SIXTY-ONE THOUSAND EIGHTY-EIGHT EUROS AND SIX CENTS (€761,088.06). This is equivalent to the amount agreed in the CEO's Services Agreement.

At the date of issuance of this report, no increase in fixed remuneration compared to the previous year (2022) has been agreed.

A.1.5 Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.

- **Medical Insurance:** Pursuant to the Remuneration Policy in force and the CEO's Services Agreement, the CEO has private medical insurance covering himself and his family for a yearly premium of SIX THOUSAND SIX HUNDRED AND TWENTY-FOUR EUROS AND NINETY CENTS (€6,624.90).
- **Life and Accident Insurance:** The CEO also has life and accident insurance for a yearly premium of ONE THOUSAND NINE HUNDRED AND TWENTY-SIX EUROS AND THREE CENTS (€1,926.03) with the following coverage:
 - €650,000 in the event of death for any cause;
 - €650,000 in the event of disability for any cause;
 - €650,000 in the event of death by accident.

Likewise, the Executive Director has the right to the reimbursement of any reasonable expenses (travel, maintenance, mobile phone, representation and any other type of expense) incurred in the discharge of his duties for the Company, provided that these expenses are duly justified.

A.1.6 Amount and nature of variable components, differentiating between those established in the short and long terms. Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors

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applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

As regards the parameters of the CEO's short-term variable remuneration scheme for the current year (2023), the Appointments, Remuneration and Sustainability Committee, at its meeting held on 24 February 2023, informed and proposed to the Board of Directors the following scheme:

Set of economic / financial objectives: This set represents EIGHTY PERCENT (80%) of total short-term variable remuneration and comprises two objectives:

- (i) To achieve an EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) determined at the end of 2023. To this end, the Group's EBITDA without capital gains has been considered. This objective is of a financial nature. This objective represents 50% of total short-term variable remuneration.
- (ii) To achieve a certain debt ratio (in relation to the Group's EBITDA). This objective represents 30% of total short-term variable remuneration.

Set of non-financial objectives: This set represents TWENTY PERCENT (20%) of total short-term variable remuneration and comprises four objectives:

- (i) **Customer satisfaction** (Net Promoter Score (NPS)) - objective based on the satisfaction level of customers of hotel establishments during 2022. This objective represents 5% of total variable remuneration.
- (ii) **Development:** Objective based on the net increase in signed rooms in 2023. This objective represents 5% of total variable remuneration. The achievement level of this objective will be calculated according to a number of signed rooms determined by the Committee and, subsequently, by the Board, in which an achievement level is established based on the development projects that result in the increase in rooms managed by the Group.
- (iii) **Talent management:** This objective represents 5% of total short-term variable remuneration. The Committee (and, subsequently, the Board) has set a maximum rotation percentage in relation to a particular group of the Group's staff as a talent retention measure.
- (iv) **ESG:** Objective based on the Company's position in the internationally recognised sustainability indexes. This objective represents 5% of total variable remuneration and will be measured based on the position reached by the Company in the ranking.

According to the above, the short-term variable remuneration scheme of the CEO is in accord with the Remuneration Policy.

Regarding long-term variable remuneration, the indicators, goals, amounts and contents of the Multi-Year Plan (2022 - 2024) were prepared by the Appointments, Remuneration and Sustainability Committee, were approved by the Board of Directors on 5 April 2022 and were notified to the CNMV through ORI (Other Relevant

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Information) on the same date.

There follows a description of the main characteristics of the said long-term remuneration scheme, which is explained in more detail in Section B of this Report:

Plan duration: years 2022 to 2024, linked to the strategic objectives of the Company.

The **target Amount** (100%) of the said long-term variable remuneration will be 60% of his fixed annual salary for each year of duration of the plan, i.e., a total of 180% of his fixed salary, with the maximum amount to be received, according to the Remuneration Policy in force, being 150% of the said target amount.

Objectives: The long-term variable remuneration scheme consists of the following sets of objectives:

- i. **Evolution of the share price:** This objective represents 30% of the total, and its details were approved at the General Shareholders' Meeting held on 16 June 2022.

This part of the remuneration system is based on the evolution of the shares of Meliá compared to the arithmetic average of the evolution of a country index (IBEX 35) and the evolution of a sector index (Europe hotel sector Compset) which is comprised of certain hotel companies that are listed in Europe.

As a reference for the calculation of the indexes, the evolution between the share price at the close of the market on 31 December 2021 and the average share price from 15/12/24 to 15/03/2025, both days included, will be considered. The assessment of this objective and its accrual will be subject to the existence of a positive difference in favour of the share price of the Company compared to the prices taken as a reference.

- ii. **Financial soundness:** This objective represents 40% of the total.
- iii. **Business objective** (this objective includes the objectives linked to fees from third parties, and the own sales channel and centralised sales): It represents 20% of the total.
- iv. **Sustainability and position objectives:** This objective represents 10% of the total.

In line with good governance principles, long-term variable remuneration will be paid following a reasonable period after the end of the last financial year of the third year (i.e. 2025), with the payment being made within the first 60 calendar days following the preparation of the annual accounts for that year, upon approval of the Board at the proposal by the Appointments, Remuneration and Sustainability Committee.

Likewise, and as long as that said remuneration is partially referenced to the share price, and in accordance with the provisions of Article 219 CEA and Article 37.2 of the Company Bylaws, at the General Shareholders' Meeting held on 16 June 2022, a remuneration scheme partially referenced to the share price was approved for the executive director, the senior management and other professionals within the

Company.

Indicate the range, in monetary terms, of the different variable components according to the degree of achievement of the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

Considering each of the objectives of short-term variable remuneration, the maximum amount of each of them depending on the possible scales of achievement is indicated below:

Objective on the Company's EBITDA: This objective represents 50%, and the achievement levels range from 0% to 150%, therefore, the maximum amount to be received is THREE HUNDRED AND FORTY-TWO THOUSAND FOUR HUNDRED AND EIGHT-NINE EUROS AND SIXTY-THREE CENTS (€342,489.63).

Objective on debt ratio: This objective represents 30% of the total, and the achievement levels range from 0% to 120%, therefore, the maximum amount to be received is ONE HUNDRED AND SIXTY-FOUR THOUSAND THREE HUNDRED AND NINETY-FIVE EUROS AND TWO CENTS (€164,395.02).

NPS objective: This objective represents 5% of the total, and the achievement levels range from 0% to 130%, therefore, the maximum amount to be received is TWENTY-NINE THOUSAND SIX HUNDRED AND EIGHTY-TWO EUROS AND THREE CENTS (€29,682.03).

Development: This objective represents 5% of the total, and the achievement levels range from 0% to 130%, therefore, the maximum amount to be received is TWENTY-NINE THOUSAND SIX HUNDRED AND EIGHTY-TWO EUROS AND THREE CENTS (€29,682.03).

Talent management: This objective represents 5% of the total, and the achievement levels range from 0% to 100%, therefore, the maximum amount to be received is TWENTY-TWO THOUSAND EIGHT HUNDRED AND THIRTY-TWO EUROS AND SIXTY-FOUR CENTS (€22,832.64).

ESG: This objective represents 5% of the total, and the achievement levels range from 0% to 130%, therefore, the maximum amount to be received is TWENTY-NINE THOUSAND SIX HUNDRED AND EIGHTY-TWO EUROS AND THREE CENTS (€29,682.03).

Considering the weight of each objective, the maximum percentage to be received as short-term variable remuneration would be 135.50% and the minimum 0%. In this sense, the maximum amount to be received will be SIX HUNDRED AND EIGHTEEN THOUSAND SEVEN HUNDRED AND SIXTY-FOUR EUROS AND FIFTY-NINE CENTS (€618,764.59).

In relation to long-term variable remuneration, considering that the target amount is 180% of fixed remuneration of the Chief Executive Officer and that the maximum percentage to be received is 150%, the maximum amount to be received (in case of a maximum assessment for all the objectives previously indicated) is TWO MILLION FIFTY-FOUR THOUSAND NINE HUNDRED AND THIRTY-SEVEN EUROS AND SEVENTY-

SIX CENTS (€2,054,937.76).

A.1.7 Main characteristics of long-term savings schemes. Among other information, indicate the contingencies covered by the scheme, whether it is a defined contribution or a defined benefit scheme, the annual contribution that has to be made to defined contribution schemes, the benefits to which directors are entitled in the case of defined benefit schemes, the vesting conditions of the economic rights of directors and their compatibility with any other type of payment or compensation for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director.

Also indicate whether the accrual or vesting of any of the long-term saving plans is conditioned upon the achievement of certain objectives or parameters relating to the director's short-term and long-term performance.

Pursuant to the Remuneration Policy, the Executive Director benefits from a social welfare plan organised via contributions to a group life insurance scheme excluding pension commitments, due to the commercial nature of his relationship with the Company. In any case, the accrual or vesting of social welfare plan rights is not conditioned upon the achievement of any objectives or parameters related to the Director's performance.

Its basic features are as follows:

- Defined-contribution plan establishing a maximum annual contribution of 10% of his pensionable salary (equivalent to his fixed salary only and regardless of any reductions that may be approved during the year).
- The plan benefits are illiquid, so that they may only be received upon occurrence of any of the contingencies covered by the plan (retirement, disability or death).
- Retirement, disability and death benefits shall be equivalent to the accumulated balance in the insurance policy taken out and subject to the policy features and particularities.
- The beneficiaries of the Retirement Plan in the event of occurrence of any of the contingencies covered by the Plan shall be the CEO himself (in the event of retirement or disability) and the person designed in the beneficiary designation form, in the event of death of the insured. If no beneficiary is expressly designed, the following order of precedence shall apply by exclusion: the insured's spouse, otherwise his children, otherwise his parents, and otherwise his legal heirs.
- In the event of removal from office for causes other than those covered by the retirement plan, the CEO shall have no rights on the Accumulated Balance.

In the current year, plan contributions are not expected to rise with respect to the previous year.

A.1.8 *Any type of payment or compensation for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director, whether at the company's or the director's initiative, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, minimum contract term or loyalty, that entitles the director to any kind of remuneration.*

The CEO is the only director having signed a commercial agreement for the provision of services which governs the aforesaid items.

As regards compensations, this Services Agreement provides for compensation to the CEO if any of the following events occur:

- Unilateral termination by the Executive Director: due to (material and negligent) breach by the Company of its obligations under the agreement, or by reason of a material modification in the functions, powers, or terms and conditions of the services provided by the Executive Director due to causes not attributable to the Executive Director.
- Unilateral termination by the Company: other than as a result of a material and negligent breach by the Executive Director of his obligations to perform his duties with loyalty, diligence, good faith or any other legally binding requirement applicable to the exercise of his duties.

As regards the amount, and according to recommendation 64 of the Good Governance Code of Listed Companies of the CNMV, the Service Agreement provides for a compensation equal to the sum of the two following items:

- One year of the CEO's total annual fixed remuneration set for the current year.
- Short-term variable remuneration - the amount to be included shall be equal to the percentage of the part of the fixed remuneration set for the current year already accrued on the date on which the agreement is terminated.

Compensation will be paid within thirty (30) days from the date on which the Agreement is terminated, provided that the Company has verified that the CEO meets the criteria or conditions established to receive the compensation.

Furthermore, the CEO's Services Agreement includes a non-competition provision in the terms described in the following section of this Report.

A.1.9 *Indicate the conditions that the contracts of executive directors performing senior management functions should contain. Among other things, information must be provided on the duration, limits on amounts of compensation, minimum contract term clauses, notice periods and payment in lieu of these notice periods, and any other clauses relating to signing bonuses, as well as compensation or golden parachute clauses for early termination of the contractual relationship between the company and the executive director. Include, among others, the pacts or agreement on non-competition, exclusivity, minimum contract terms and loyalty, and post-contractual non-competition, unless these have been explained in the previous section.*

Pursuant to Article 249 of the Spanish Corporate Enterprises Act, the CEO signed a

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commercial agreement for the provision of services with the Company dated 27 November 2015. This Agreement was modified on 18 June 2019 to include new terms and conditions governing the clawback provision, social welfare plans and the protection of personal data, following the approval of the new General Data Protection Regulation, as well as to update fixed and variable remuneration amounts.

Additionally, several contractual amendments were signed during 2020 and 2021 in order to provide for the fixed remuneration reductions approved in these years, as well as the inclusion of certain amendments as a result of the application of the Remuneration Policy for 2022 to 2024 (i.e. malus clause).

This Agreement outlines his obligations and functions as Executive Director for the Company, detailing his remuneration for the performance of these functions.

The non-competition and exclusivity covenants included in the Agreement and referred to in this Section comply with the Remuneration Policy and are as follows:

Exclusivity: The CEO may not perform any other work, commercial or professional activity without the Company's consent.

Non-competition: The CEO may not directly or indirectly perform any professional activity or service involving actual, present, or potential competition with the Company or its Group.

There is also a non-competition after termination covenant applicable for one year, whereby the Company agrees to compensate the Director with one year's total remuneration based on the remuneration received by the Executive Director in his capacity as such at the time of termination. Should the Director breach his non-competition after termination covenant, he will reimburse to the Company all amounts received in relation thereto and compensate the Company in an amount equivalent to 150% of the same amount.

As regards duration, the agreement is for an indefinite term which is subject to the exercise of the position as Chief Executive Officer for the Company.

Regarding the notice periods, the agreement establishes that in the case of voluntary resignation by the Director, at least, a three-month notice period must be given.

A.1.10 The nature and estimated amount of any other supplementary remuneration that will be accrued by directors in the current year in consideration for services rendered other than those inherent in their position.

There is currently no supplementary amount or remuneration expected to accrue to Directors as a consideration for services other than those derived from their position for the current year.

A.1.11 Other items of remuneration such as any deriving from the company's granting the director advances, loans or guarantees or any other remuneration.

No advances, loans, or guarantees have been granted by the Company to the members

of the Board of Directors.

A.1.12 *The nature and estimated amount of any other planned supplementary remuneration to be accrued by directors in the current year that is not included in the foregoing sections, whether paid by the company or by another group company.*

No supplementary amounts or remuneration beyond those included in the sections above are currently expected to accrue.

A.2 *Explain any significant change in the remuneration policy applicable in the current year resulting from:*

(a) A new policy or an amendment to a policy already approved by the General Meeting.

(b) Significant changes in the specific determinations established by the Board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.

(c) Proposals that the Board of Directors has agreed to submit to the General Shareholders' Meeting to which this annual report will be submitted and for which it is proposed that they be applicable to the current year.

The Remuneration Policy applicable to the current year (2023) is the Policy approved by the General Shareholders' Meeting on 10 June 2021, which is applicable to the 2022-2024 three-year period, and which was already applied to the previous year (2022).

No modification of the Remuneration Policy is expected in the current year.

A.3 *Identify the direct link to the document containing the company's current remuneration policy, which must be available on the company's website.*

<https://www.meliahotelsinternational.com/es/shareholdersAndInvestors/ShareholdersDocs/2021/Politica%20Remuneraciones%202022-2024.pdf>

A.4 *Explain, taking into account the data provided in Section B.4, how account has been taken of the voting of shareholders at the General Shareholders' Meeting to which the annual report on remuneration for the previous year was submitted on a consultative basis.*

On 16 June 2022, the General Shareholders' Meeting approved with 97.554% of votes in favour the 2021 Annual Report on the Remuneration of Directors, which had been previously approved by the Board of Directors on 28 February 2022. This high percentage is indicative of the support given by shareholders to the Remuneration Policy.

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	General Meeting 2019	General Meeting 2020	General Meeting 2021	General Meeting 2022
% Approval ARR	97.28%	99.84%	99.48%	97.55%

In preparing this Annual Remuneration Report, the recommendations provided by the proxy advisors (especially Glass Lewis and ISS) in their reports submitted to the 2022 General Shareholders' Meeting were studied and taken into consideration.

B. OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED

B.1.1 *Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the Board of Directors and, where appropriate, the identity and role of any external advisors whose services may have been used in the process of applying the remuneration policy in the year last ended.*

The Remuneration Policy of the Board applicable during 2022 was approved by the General Shareholders' Meeting on 10 June 2021.

In line with previous years, its implementation entails an analysis and proposal process by the Appointments, Remuneration and Sustainability Committee to the Board of Directors for approval.

In particular, in order to determine individual remuneration, special focus was given to directors' attendance at the meetings of the Board of Directors and the Committees to which they belong, as well as the special position as Chairman or Secretary of the Board or any of the Specialised Committees.

These factors determined the final amount paid to each Director, within the maximum limits defined by the General Shareholders' Meeting in the approved Remuneration Policy.

Fixed remuneration of the Chief Executive Officer, given the social and economic context, has not been reviewed in 2022.

As concerns the participation of external advisors, the Appointments, Remuneration and Sustainability Committee and the Corporate Governance and Human Resources departments received consultancy services from Cuatrecasas in respect of the formal execution of pay cut measures, especially with regard to their fitting into the Remuneration Policy.

B.1.2 *Explain any deviation from the procedure established for the application of the remuneration policy that has occurred during the year.*

During 2022 (compared to the previous two years) no deviation from the procedure established for the application of the Remuneration Policy occurred.

However, and in general, the Committee and the Board were limited by the lack of long-term visibility and the existing uncertainty as a result of the social and economic situation.

B.1.3 *Indicate whether any temporary exception has been applied to the remuneration policy and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity believes that these exceptions have been necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Similarly, quantify the impact that the application of these exceptions has had on the remuneration of each director over the year.*

In 2022 no temporary exception has been applied to the current Remuneration Policy.

B.2 *Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks, aligning it with the long-term objectives, values and interests of the company, including a reference to the measures adopted to ensure that the long-term results of the company have been taken into consideration in the remuneration accrued. Ensure that an appropriate balance has been attained between the fixed and variable components of the remuneration, the measures adopted in relation to those categories of personnel whose professional activities have a material effect on the company's risk profile and the measures in place to avoid any possible conflicts of interest.*

As explained in Section A.1, the main actions intended to reduce risk in the remuneration systems are based on the following:

On the one hand, the allocation of responsibilities and functions between the two Specialised Committees of the Board. To this respect, as explained above, one of the functions of the Auditing and Compliance Committee is to oversee the efficacy of the Company's internal control procedures, internal audit services, and risk management systems, including tax risk management; whereas the Appointments, Remuneration and Sustainability Committee is in charge of defining and monitoring compliance with the Remuneration Policy of the Board and the Company's management team.

Additionally, the cross-membership of Mr. Fernando D'Ornellas (External Independent Director and Coordinating Director) and Mr. Francisco Javier Campo (External Independent Director) in these two Committees helps to better evaluate the risks involved in the variable remuneration system, both when defining the system and when submitting it to the Board of Directors.

It must also be noted that the incorporation of the clawback provision into the CEO's remuneration system serves as a mitigating factor, since it provides the Company with a tool to recover all or part of the variable remuneration amounts paid to the CEO in any of the following events:

- When it is evidenced that the calculation and payment of variable remuneration was, totally or partially, based on information manifestly incorrect or inaccurate.
- In the case of material restatement of the financial statements based on which the Board assessed the degree of performance, provided that such restatement is confirmed by the external auditors and is not a consequence of an amendment to an accounting regulation.
- If the director is found in breach of the Code of Ethics and/or other applicable internal regulation.

On the other hand, the objectives associated with the CEO's variable remuneration include references to the Company's Risk Map, with a view to setting specific objectives aimed at mitigating risks.

B.3 Explain how the remuneration accrued and consolidated over the financial year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term and sustainable performance. Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, if applicable, how variations in the company's performance have influenced changes in directors' remuneration, including any accrued remuneration the payment of which has been deferred, and how such remuneration contributes to the short- and long-term results of the company.

Both the remuneration of Directors in their capacity as such and the remuneration of the Executive Director comply with the Remuneration Policy applicable during the 2022 financial year.

In principle, the remuneration structure applicable to Directors in their capacity as such has no variable components associated with the Company's global performance, but consists of the following:

- A fixed annual salary for each Director.
- Attendance fees for each meeting of the Board of Directors and the Committees to which each Director belongs.
- Additional attendance fees for the Chairmen of the Committees and the Secretary of the Board of Directors.

The remuneration of Directors in their capacity as such is based on the individual performance and dedication of each Director, their respective responsibilities and the tasks assigned to them at the Committees. Following the recommendations of good governance and certain remuneration policies of proxy advisors, the non-executive Directors do not have a variable component in their remuneration scheme, as provided for by the Remuneration Policy.

In relation to the Executive Director and his variable remuneration package (short and long term) linked to 2022, the Committee determined the said package taking into account the framework established by the Remuneration Policy, setting short- and long-term economic and non-economic objectives, as explained throughout this Report.

Regarding variable remuneration based on the sustainable long-term performance of the company, as it will be explained in section B.7 of the Report, the main objective (considering the relative weight compared to the other objectives) of the short-term remuneration scheme of the Chief Executive Officer was set precisely to ensure the Company's viability and profitability. In this sense, variable remuneration schemes of other qualifying employees were set taking into account the same objective (EBIDTA), in line with the objectives of the Chief Executive Officer, thus reinforcing the main objective of the Company.

B.4. Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:

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	Number	% of total
Votes cast	170,202,414	77.311%

	Number	% of votes cast
Votes in favour	166,038,976	97.554%
Votes against	3,105,888	1.825%
Abstentions	1,057,550	0.621%

B.5 Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined, their relative proportion with regard to each director and how they changed with respect to the previous year.

The General Shareholders' Meeting held on 6 June 2018 approved a modification of the total remuneration cap for Directors in their capacity as such, setting it at ONE MILLION TWO HUNDRED THOUSAND EUROS (€ 1,200,000). This cap will continue to apply until the General Shareholders' Meeting agrees to modify it.

Fixed remuneration components accrued during the 2022 financial year were determined pursuant to the Remuneration Policy applicable in 2022, based on the items described in Section B.3 above:

- A fixed annual salary in the amount of TWENTY-ONE THOUSAND SIX HUNDRED AND THIRTY-SIX EUROS AND FORTY-FOUR CENTS (€21,636.44) for each Director.

Since the Board is made up of ELEVEN (11) Directors¹, the total amount paid under this heading was TWO HUNDRED AND TWENTY-SEVEN THOUSAND ONE HUNDRED AND EIGHTY-THREE EUROS AND SIXTY-TWO CENTS (€227,183.62).

- Attendance fees for each meeting of the Board of Directors and the Committees to which each Director belongs.
 - FIVE THOUSAND FOUR HUNDRED AND NINE EUROS AND ELEVEN CENTS (€5,409.11) for each Director for each Board meeting.

With a total of SIX (6) in-person meetings of the Board and based on the attendance of each Director, the total amount paid as Board attendance fees was THREE HUNDRED AND TWENTY-NINE THOUSAND NINE HUNDRED AND FIFTY-FIVE EUROS AND SEVENTY CENTS (€329,955.7).

- THREE THOUSAND EUROS (€3,000) for attending each meeting of the Board's Committees.

During 2022, a total of EIGHT (8) meetings of the Appointments, Remuneration and Sustainability Committee and EIGHT (8) meetings of the Auditing and Compliance Committee were held. Based on each Director's attendance at these

¹ The Board of Directors is made up of (11) directors, however, in 2022, TWELVE (12) directors have served on the Board.

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meetings, the total amount paid as attendance fees for the Committees was ONE HUNDRED AND NINETY-EIGHT THOUSAND EUROS (€198.000), of which the amount of NINETY-SIX THOUSAND EUROS (€96,000) relates to attendance at the meetings of the Auditing and Compliance Committee, and ONE HUNDRED AND TWO THOUSAND EUROS (€102,000) relates to attendance at the meetings of the Appointments, Remuneration and Sustainability Committee.

The Chairman of the Appointments, Remuneration and Sustainability Committee and the Chairman of the Auditing and Compliance Committee additionally receive THREE THOUSAND EUROS (€3,000) for each attended meeting.

Based on the attendance of the Chairmen at their Committee meetings and in accordance to the pay reduction measures applied during the reporting period, the amount accrued under this heading was TWENTY-FOUR THOUSAND EUROS (€24,000) for the Chairman of the Appointments, Remuneration and Sustainability Committee and TWENTY-FOUR THOUSAND EUROS (€24.000) for the Chairman of the Auditing and Compliance Committee.

The Secretary of the Board of Directors also earns SIX THOUSAND EUROS (€6,000) for each Board meeting he attends. This amount does not accrue in sessions held in written form without a meeting. Based on attendance at all the meetings of the Board, the amount accrued under this heading is THIRTY-SIX THOUSAND EUROS (€36,000.00).

Thus, there has been no variation in the remuneration scheme of fixed components in 2022.

Variations with respect to the previous year (2021) are due to differences in the number of Committee meetings (the number of meetings of the Auditing and Compliance Committee has decreased).

Resulting from the above, remuneration under this heading has not reached the maximum available amount (€1,200,000) in the year ended.

B.6 Explain how the salaries accrued and vested by each of the executive directors over the past financial year for the performance of management duties were determined, and how they changed with respect to the previous year.

The salary accrued to the Company's Executive Director in the 2022 financial year amounts to SEVEN HUNDRED AND SIXTY-ONE THOUSAND EIGHTY-EIGHT EUROS AND SIX CENTS (€761,088.06).

This amount was set by the Appointments, Remuneration and Sustainability Committee after analysing several market salary studies for similar positions in companies of a similar type and capital level, using data from internationally reputed consultancy firms and from public sources (including the CNMV's report on Remuneration Reports).

As regards variations with respect to the previous year (2021), the increase in the amount accrued in 2022 compared to the amount accrued in the previous year mainly resulted from the pay reduction measures adopted by the Company during the previous year (2021) which have not been applied in 2022.

To this respect, the difference between the salary accrued in 2022 and the salary accrued in 2021 was SIXTY-SEVEN THOUSAND FOUR HUNDRED AND SEVENTY EUROS AND TWENTY-THREE CENTS (€67,470.23), that is, the salary accrued in 2022 was 8.86% more than in the previous year.

B.7 Explain the nature and the main characteristics of the variable components of the remuneration systems accrued and vested in the year last ended.

In particular:

- a) Identify each of the remuneration plans that determined the different types of variable remuneration accrued by each of the directors in the year last ended, including information on their scope, date of approval, date of implementation, any vesting conditions that apply, periods of accrual and validity, criteria used to evaluate performance and how this affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be able to adequately measure all the conditions and criteria stipulated, explaining the criteria and factors applied in regard to the time required and the methods of verifying that the performance or any other kind of conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.
- b) In the case of share options and other financial instruments, the general characteristics of each plan must include information on the conditions both for acquiring unconditional ownership (vesting) of these options or financial instruments and for exercising them, including the exercise price and period.

Not applicable.

- c) Each director that is a beneficiary of remunerations systems or plans that include variable remuneration, and his or her category (executive director, external proprietary director, external independent director or other external

director).

As mentioned in this report, the only member of the Board of Directors who receives variable remuneration is the Chief Executive Officer, Mr. Gabriel Escarrer Jaume.

d) Information is to be provided on any periods for accrual, vesting or deferment of payment of vested amounts applied and/or the periods for retention/unavailability of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration systems

Only the Chief Executive Officer has variable components within his remuneration scheme, as mentioned in the Remuneration Policy for 2022. This variable remuneration has a short-term remuneration plan (annual) and a long-term remuneration plan (triennial).

Short-term variable remuneration items are set as a percentage of fixed remuneration. In this sense, in 2022, this percentage was 60%, i.e., FOUR HUNDRED AND FIFTY-SIX THOUSAND SIX HUNDRED AND FIFTY-TWO EUROS AND EIGHTY-FOUR CENTS (€456,652.84) (hereinafter, the “Target Amount”).

This Target Amount involves a minimum theoretical collection amount of 0% and a maximum of 143%. In this sense, the maximum theoretical amount to be received will be SIX HUNDRED AND FIFTY-THREE THOUSAND THIRTEEN EUROS AND FIFTY-SIX CENTS (€ 653,013.56) and the minimum, ZERO EURO (€0).

For their determination and calculation of the final amount, different objectives that are linked to the Company’s most critical results and annual goals previously determined by the Appointments, Remuneration and Sustainability Committee are weighted. For the determination of variable remuneration of the Chief Executive Officer and the final level of achievement, the same criteria established for the executives of the Company’s senior management are followed.

Every year, the Board of Directors proceeds with the approval of the objectives of the Chief Executive Officer for the current year and the determination of the final level of achievement thereof for the year ended, prior submission of the said objectives by the Appointments, Remuneration and Sustainability Committee in the first quarter of the year.

The short-term variable remuneration model of the Chief Executive Officer is aligned with the model applied by the Company to other people who have short-term variable remuneration, and the said model includes, for the year ended, annual indicators and goals linked to:

1. Comply with the annual economic goals previously established.
2. Mitigate the risk identified as most relevant for the Company.
3. Individual performance as top executive.
4. Company’s Development Model.

The levels of achievement of such objectives are divided into two groups:

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- 1) Economic objectives (EBITDA and Debt Ratio), in which maximum achievement is 150% and minimum achievement is 0%, with a scale that links the collection percentage to the achievement percentage. The assessment of these objectives is based on the achievement of annual goals (budget) which are defined separately in each objective, using the actual carrying amount at year end as a reference for achievement. This type of objectives has measurable goals and results; therefore, the percentage of achievement is the result of dividing the actual amount by the budgeted amount.
- 2) Non-economic objectives (resulting from the appraisal by the Board of the Chief Executive Officer and the number of Development Projects signed and in force during the year of accrual), which have a maximum achievement of 130% and a minimum of 0%.

These objectives are assessed based on a performance scale defined by the Appointments, Remuneration and Sustainability Committee. Each level of achievement consists of attaining a series of milestones, considering that in order to attain the highest level of achievement, the previous milestones must have been fulfilled.

The variable remuneration model for the executives of the company, including the Executive Directors, is reviewed annually by the Appointments, Remuneration and Sustainability Committee, adjusting indicators and objectives depending on the Group's priorities.

In line with good governance principles, short-term variable remuneration is paid following a reasonable period after the end of the financial year, with payment being made within the 60 calendar days following the issue of the annual accounts, provided that they are audited and upon agreement by the Appointments, Remuneration and Sustainability Committee.

At the date of this Report (February 2023), the Appointments, Remuneration and Sustainability Committee has carried out an evaluation of the objectives set for short-term variable remuneration of the Chief Executive Officer, with the following levels having been approved:

***Main objective** (which represents 60% of total variable remuneration), i.e., to achieve an EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) determined at the end of 2022. To this end, the Group's EBITDA without capital gains was considered. This objective is of a financial nature.

Assessment: Since an EBITDA in the amount of €418.5 million has been reached, the main objective has been met by 111.60%. In order to measure achievement of this objective, the results for 2022 prepared by the Group Companies department and subsequently audited by the Group's external auditor have been considered. The achievement level of this objective has been calculated based on a scale established by the Committee at the meeting held on 25 February 2022 and subsequently approved by the Board, in which an achievement level in relation to the EBITDA amount reached at the end of the year was established. The Committee considers that reporting on the objectives on this matter before the evaluation could involve providing sensitive information to the market.

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Accrued amount: THREE HUNDRED AND FIVE THOUSAND SEVEN HUNDRED AND SEVENTY-FOUR EUROS AND SEVENTY-FOUR CENTS (€305,774.74).

***Execution of corporate transactions** under the “asset light” management model of the Company. This objective represents 20%² of total variable remuneration and is of a financial nature. It relates to the company’s performance and the long-term strategy with respect to the management model. Most of the planned transactions have not been carried out due to the social and economic situation.

Assessment: The objective has been met by 0 % and, therefore, no amount is accrued under this heading.

***Measures to adapt the Group’s financial structure**, in order to reduce the debt ratio and protect the equity in its consolidated balance sheet. This objective represents 5% of total variable remuneration and is of a financial nature. The Committee has assessed within this objective the actions in relation to debt reduction and the renegotiations made during the year in relation to this objective.

Assessment: The objective has been met by 50%.

Accrued amount: ELEVEN THOUSAND FOUR HUNDRED AND SIXTEEN EUROS AND THIRTY-TWO CENTS (€11,416.32).

***Development**, an objective based on the net increase in rooms signed in 2022. This objective represents 5% of total variable remuneration and is of a non-financial nature. The achievement level of this objective has been calculated based on the number of signed rooms established by the Committee at the meeting held on 25 February 2022 and subsequently approved by the Board, in which an achievement scale based on the development projects involving an increase in rooms managed by the Group was established.

Assessment: 9,383 rooms have been achieved, when the objective set was 7,842 rooms (achievement level - 100%), therefore, it is considered that the objective has been met by 119.65%.

Accrued amount: TWENTY-SEVEN THOUSAND THREE HUNDRED AND NINETEEN EUROS AND TWENTY-SIX CENTS (€27,319.26).

***ESG objective.** Objective based on the Company’s position in the internationally recognised sustainability indexes. This objective represents 5% of total variable remuneration and is of a non-financial nature.

The Committee is aware of the weight and importance of sustainability in the market and for the Group and, for this reason, included this objective in the variable remuneration scheme of the Chief Executive Officer. In this sense, it is also aware that

² Erratum: In the Annual Remuneration Report for 2021, it was informed that this objective represented 20% (page 6, question A.16) while in page 7 it was wrongly informed that it represented 10%.

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the weight of this objective (5%) may be considered low compared to the financial objectives and, for this reason, wants to note that this is because the priorities of the Company, in the social and economic framework and given the financial situation of the Company, are to promote profitability.

Assessment: The objective has been met by 120%. The Committee (and the Board) have increased the target percentage for this objective that initially was set at 100% (as mentioned in the Annual Remuneration Report for 2021) since a higher position than that set at the time by the objective has been achieved. The initial objective (100%) was to achieve a silver position in the international sustainability index S&P Global ESG Index, and finally a gold category has been achieved.

Accrued amount: TWENTY-SEVEN THOUSAND THREE HUNDRED AND NINETY-NINE EUROS AND SEVENTEEN CENTS (€27,399.17).

***Talent retention.** This objective represents 5% of total variable remuneration and is of a non-financial nature. The Committee (and subsequently, the Board) set a maximum rotation percentage in relation to a particular group of the Group's staff as a talent retention measure.

Assessment: The objective has been met by 120%. As in the previous objective, the Committee (and the Board) have increased the target percentage that initially was set at 100% (as mentioned in the Annual Remuneration Report for 2021) since a much better result than that set by the objective has been achieved.

Accrued amount: TWENTY-SEVEN THOUSAND THREE HUNDRED AND NINETY-NINE EUROS AND SEVENTEEN CENTS (€27,399.17).

According to the weight of each of the objectives, as well as their level of achievement, the total achievement percentage amounts to **86.88%**.

As a whole, the amount to be paid to the Chief Executive Officer for short-term variable remuneration accrued in 2022, amounts to THREE HUNDRED AND NINETY-NINE THOUSAND THREE HUNDRED AND EIGHT EUROS AND SIXTY-SIX CENTS (€399,308.66), which will be paid in cash in April 2023 (in a lump sum), a month in which the Company pays variable remuneration according to the mentioned good governance principles.

In relation to the short-term variable remuneration paid to the Chief Executive Officer in 2022, regarding the objectives set in 2021, the same amounted to a total of FOUR HUNDRED AND FIFTY-SIX THOUSAND SIX HUNDRED AND SIXTY-TWO EUROS AND EIGHTY-FOUR CENTS (€456,662.84).

Explain the long-term variable components of the remuneration systems

The **target amount** (100%) of the said long-term variable remuneration is 60% of the fixed annual salary for each year of the duration of the plan, i.e., a total of 180% of the fixed salary, with the maximum amount to be received, according to the Remuneration Policy, being 150% of the said target amount.

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That is, the target amount (100%) amounts to a total of ONE MILLION THREE HUNDRED AND SIXTY-NINE THOUSAND NINE HUNDRED AND FIFTY-EIGHT EUROS AND FIFTY-ONE CENTS (€1,369,958.51) and the maximum amount to be received (150% of the target amount) amounts to a total of TWO MILLION FIFTY-FOUR THOUSAND NINE HUNDRED AND THIRTY-SEVEN EUROS AND SEVENTY-SIX CENTS (€2,054,937.76).

Objectives: The long-term variable remuneration scheme consists of the following sets of objectives:

- i. **Evolution of the share price:** This objective represents 30% of the total of the plan and its details were approved at the General Shareholders' Meeting held on 16 June 2022.

This part of the remuneration system is based on the evolution of the shares of Meliá compared to the arithmetic average of the evolution of a country index (IBEX 35) and the evolution of a sector index (Europe hotel sector Compset) which is comprised of certain hotel companies that are listed in Europe.

As a reference for the calculation of the indexes, the evolution between the share price at the close of the market on 31 December 2021 and the average share price from 15/12/24 to 15/03/2025, both days included, will be considered. The assessment of this objective and its accrual will be subject to the existence of a positive difference in favour of the share price of the Company compared to the prices taken as a reference.

- ii. **Financial soundness:** This objective represents 40% of the total and comprises two sub-objectives: the first one is tied to the EBITDA margin, and the second one to the debt ratio in relation to EBITDA.
- iii. **Business objectives:** This objective represents 20% of the total, and includes, in turn, objectives linked to fees from third parties in relation to total fees, and the ratio between the own sales channel and the total or centralised sales.
- iv. **Sustainability and position objectives:** This objective represents 10% of the total and is fixed based on the position achieved by the Company in an international sustainability ranking.

B.8. *Indicate whether certain variable components have been reduced or clawed back when, in the former case, payment of non-vested amounts has been deferred or, in the latter case, they have vested and been paid, on the basis of data that have subsequently been clearly shown to be inaccurate. Describe any amounts that were reduced or clawed back pursuant to malus or clawback provisions, why these were enforced and the corresponding financial year.*

In line with the Recommendations of the Good Governance Code of Listed Companies, the CEO's Services Agreement was modified in 2019 to incorporate a reimbursement or reduction mechanism (clawback) with respect to variable remuneration. This also implied a modification of the Remuneration Policy that was approved by the General Shareholders' Meeting on 18 June 2019.

In addition, in 2021, the Remuneration Policy for 2022 to 2024 was approved, which already provided for the inclusion of the malus clause in the Services Agreement of the

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Chief Executive Officer, leading to the amendment thereof in 2021 to include, among other things, the said malus clause. In this sense, the malus clause entered into force on 1 January 2022.

The Company did not reduce or claim the reimbursement of any amounts with respect to the CEO's variable remuneration during the 2022 financial year. All of the foregoing is without prejudice to the functions attributed to the Appointments, Remuneration and Sustainability Committee in relation to this matter, and considering the fact that the valid period to claim a reduction or reimbursement of any amount under the clawback provision is THREE (3) years from the date of payment or settlement.

B.9 *Explain the main characteristics of the long-term savings schemes where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefit, whether financed in whole or in part by the company or through internal or external contributions, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies covered, the conditions on which the economic rights vest in favour of the directors and their compatibility with any type of compensation for early termination or cessation of the contractual relationship between the company and the director.*

A Social Welfare Plan was incorporated into the CEO's remuneration scheme in accordance with the Remuneration Policy for 2022, which includes the following characteristics:

- Defined-contribution plan establishing a maximum annual contribution of 10% of his pensionable salary (equivalent to his fixed salary only and without taking into account the pay cuts agreed during the year for purposes of calculating the said 10%).
- The plan benefits are illiquid, so that they may only be received upon occurrence of any of the contingencies covered by the Plan (retirement, disability or death).
- Retirement, disability and death benefits shall be equivalent to the accumulated balance in the insurance policy taken out and subject to the policy features and particularities.
- The beneficiaries of the Retirement Plan in the event of occurrence of any of the contingencies covered by the Plan shall be the CEO himself (in the event of retirement or disability) and the person designed in the beneficiary designation form, in the event of death of the insured. If no beneficiary is expressly designed, the following order of precedence shall apply by exclusion: the insured's spouse, otherwise his children, otherwise his parents, and otherwise his legal heirs.
- In the event of removal from office for causes other than those covered by the retirement plan, the CEO shall have no rights on the Accumulated Balance.

During 2022, contributions to this Plan amounted to SEVENTY-SIX THOUSAND ONE HUNDRED AND EIGHT EUROS AND EIGHTY CENTS (€ 76,108.80).

B.10 *Explain, where applicable, the compensation or any other type of payment deriving from the early cessation, whether at the company's or the director's initiative,*

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or from the termination of the contract in the terms provided therein, accrued and/or received by directors during the year last ended.

N/A

B.11 *Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, if so, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.*

In 2022 no changes in the CEO's Service Agreement have been made.

B.12 *Explain any supplementary remuneration accrued by directors in consideration of the provision of services other than those inherent in their position.*

N/A

B.13 *Explain any remuneration deriving from advances, loans or guarantees granted, indicating the interest rate, their key characteristics and any amounts returned, as well as the obligations assumed on their behalf by way of guarantee.*

No advances, loans, or guarantees have been granted by the Company to the members of the Board of Directors.

B.14 *Itemise the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the various salary components.*

During the 2022 financial year, and in accordance with the remuneration scheme described throughout this Report, the only Director receiving remuneration in kind was the CEO:

Private Medical Insurance: The CEO has private medical insurance covering himself and his family for an annual premium of SIX THOUSAND SEVENTY-SEVEN EUROS AND FORTY CENTS (€6,077.40).

Life and Accident Insurance: The CEO has life and accident insurance for a yearly premium of ONE THOUSAND NINE HUNDRED AND FORTY-NINE EUROS AND NINETEEN CENTS (€1,949.19) with the following coverage:

- €650,000 in the event of death for any cause
- €650,000 in the event of disability for any cause
- €650,000 in the event of death by accident

B.15 *Explain the remuneration accrued by any director by virtue of payments made by the listed company to a third company in which the director provides services when these payments seek to remunerate the director's services to the company.*

N/A

B.16 *Explain and detail the amounts accrued in the year in relation to any other remuneration concept other than that set forth above, whatever its nature or the group entity that pays it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true image of the total remuneration accrued by the director. Explain the amount granted or pending payment, the nature of the consideration received and the reasons for those that would have been considered, if applicable, that do not constitute remuneration to the director for his/her status as such or in consideration for the performance of their executive functions and whether or not has been considered appropriate to be included among the amounts accrued under the “Other items” heading in Section C.*

In addition to the amounts and remuneration items described above, the CEO has received fees in the amount of ONE HUNDRED AND EIGHT THOUSAND THREE HUNDRED AND EIGHTY EUROS AND EIGHT CENTS (€108,380.08) for belonging to the board of directors of the following Group companies:

- FIFTY-TWO THOUSAND ONE HUNDRED AND EIGHTY-FOUR EUROS AND SEVENTY-TWO CENTS (€52,184.72) per year from the German company Sol Melia Deutschland GmbH.
- THIRTY-FOUR THOUSAND SIX HUNDRED AND FIFTY-NINE EUROS AND THIRTY-SIX CENTS (€34,659.36) per year (equivalent to £30,672) from the English company Lomondo Limited; and
- TWENTY-ONE THOUSAND FIVE HUNDRED AND THIRTY-SIX EUROS (€21,536) per year from the French company Sol Melia France, S.A.S.

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C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

<i>Name</i>	<i>Type</i>	<i>Period of accrual in year 2022</i>
Mr Gabriel Escarrer Juliá	Proprietary Director	From 01.01.2022 to 31.12.2022
Mr Gabriel Escarrer Jaume	Executive Director	From 01.01.2022 to 31.12.2022
Ms María Antonia Escarrer Jaume	Proprietary Director	From 01.01.2022 to 28.02.2022
Mr. Alfredo Pastor Bodmer (Hoteles Mallorquines Asociados, S.L.)	Proprietary Director	From 01.01.2022 to 31.12.2022
Mr. Jose María Vázquez-Pena Pérez (Hoteles Mallorquines Agrupados, S.L.)	Proprietary Director	From 01.01.2022 to 31.12.2022
Mr. Luis María Díaz de Bustamante y Terminel	Proprietary Director	From 01.01.2022 to 31.12.2022
Mr. Fernando d'Ornellas Silva	Independent Director	From 01.01.2022 to 31.12.2022
Mr. Francisco Javier Campo García	Independent Director	From 01.01.2022 to 31.12.2022
Ms Carina Szpilka Lázaro	Independent Director	From 01.01.2022 to 31.12.2022
Ms Cristina Henríquez de Luna Basagoiti	Independent Director	From 01.01.2022 to 31.12.2022
Ms Cristina Aldámiz Echevarría González de Durana	Independent Director	From 01.01.2022 to 31.12.2022
Ms Montserrat Trapé Viladomat	Independent Director	From 16.06.2022 to 31.12.2022

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C.1 Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i. Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total year 2022	Total year 2021
Mr Gabriel Escarrer Juliá	22	16							38	43
Mr Gabriel Escarrer Jaume	22	32		761	457			9	1280	1205
Ms María Antonia Escarrer Jaume	0	11							11	37
Mr. Alfredo Pastor Bodmer (Hoteles Mallorquines Asociados, S.L.)	22	32							54	54
Mr. Jose María Vázquez-Pena Pérez (Hoteles Mallorquines Agrupados, S.L.)	22	32							54	54
Mr. Luis María Díaz de Bustamante y Terminel	22	92							114	107
Mr. Fernando d'Ornellas Silva	22	104							126	111
Mr. Francisco Javier Campo García	22	104							126	119
Ms Carina Szpilka Lázaro	22	80							102	95
Ms Cristina Henríquez de	22	56							78	78

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Luna Basagoiti										
Ms Cristina Aldámiz Echevarría González de Durana	22	32							54	16
Mr. Juan Arena de la Mora	0	0							0	38
Hoteles Mallorquines Consolidados, S.L.	0	0							0	28
Ms Montserrat Trapé Viladomat	11	16							27	0

Remarks

ii. *Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments*

N/A

iii. *Long-term savings schemes*

	<i>Remuneration from vesting of rights to savings schemes</i>

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Savings schemes with vested economic rights		Savings schemes with non-vested economic rights	
	2022	2021	2022	2021	2022	2021	2022	2021
Mr Gabriel Escarrer Jaume			76	76			304	228

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<i>Remarks</i>

iv. Details of other items

<i>Name</i>	<i>Item</i>	<i>Remuneration amount</i>
Mr Gabriel Escarrer Jaume	Life insurance	2
Mr Gabriel Escarrer Jaume	Health insurance	7

<i>Remarks</i>

b) Remuneration of directors of the listed company for seats on the boards of other subsidiary companies

i. Remuneration accruing in cash (thousands of euros)

<i>Name</i>	<i>Fixed remuneration</i>	<i>Attendance fees</i>	<i>Remuneration for membership of board committees</i>	<i>Salary</i>	<i>Short-term variable remuneration</i>	<i>Long-term variable remuneration</i>	<i>Compensation</i>	<i>Other items</i>	<i>Total year 2022</i>	<i>Total year 2021</i>
Mr Gabriel Escarrer Jaume		108							108	104

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c) Summary of remuneration (thousands of euros):

This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

Name	Remuneration accruing in the Company					Remuneration accruing in group companies					
	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year 2022, company	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year 2022, group	Total in year 2022, company + group
Mr Gabriel Escarrer Juliá	38				38						38
Mr Gabriel Escarrer Jaume	1271		76	9	1356	108					1464
Ms María Antonia Escarrer Jaume	11				11						11
Mr. Alfredo Pastor Bodmer (Hoteles Mallorquines Asociados, S.L.)	54				54						54
Mr. Jose María Vázquez-Pena Pérez (Hoteles Mallorquines Agrupados, S.L.)	54				54						54
Mr. Luis María Díaz de Bustamante y Terminel	114				114						114
Mr. Fernando d'Ornellas Silva	126				126						126
Mr. Francisco Javier Campo García	126				126						126

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Ms Carina Szpilka Lázaro	102				102						102
Ms Cristina Henríquez de Luna Basagoiti	78				78						78
Ms Cristina Aldámiz Echevarría González de Durana	54				54						54
Ms Montserrat Trapé Viladomat	27				27						27
TOTAL	2056		76	9	2141						2249

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C.2 Indicate the evolution in the last 5 years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company.

	Total amounts accrued and % annual variation								
	Year 2022	% variation 2022/2021	Year 2021	% variation 2021/2020	Year 2020	% variation 2020/2019	Year 2019	% variation 2019/2018	Year 2018
Executive Directors	1,464	5%	1392	75%	795	-70%	2615	84%	1418
<i>Mr Gabriel Escarrer Jaume</i>	1,464	5%	1392	75%	795	-70%	2615	84%	1418
External Directors	785	1%	780	5%	744	12%	664	11%	597
<i>Mr Gabriel Escarrer Juliá</i>	38	-13%	43	-20%	54	10%	49	0%	49
<i>Mr. Alfredo Pastor Bodmer (Hoteles Mallorquines Asociados, S.L.)</i>	54	0%	54	0%	54	-	-	-	-
<i>Mr. Jose María Vázquez-Pena Pérez (Hoteles Mallorquines Agrupados, S.L.)</i>	54	0%	54	150%	22	-	-	-	-
<i>Ms María Antonia Escarrer Jaume (Hoteles Mallorquines Consolidados S.L.)</i>	11	-82%	65	-4%	68	-13%	78	8%	72
<i>Mr. Luis María Díaz de Bustamante y Terminel</i>	114	7%	107	3%	104	-9%	114	6%	108
<i>Mr. Fernando d'Ornellas Silva</i>	126	14%	111	1%	110	-17%	132	15%	115
<i>Mr. Francisco Javier Campo García</i>	126	6%	119	11%	107	-5%	112	24%	90
<i>Ms Carina Szpilka Lázaro</i>	102	8%	95	15%	83	-2%	84	0%	84
<i>Ms Cristina Henríquez de Luna Basagoiti</i>	78	0%	78	16%	68	150%	27		
<i>Ms Cristina Aldámiz Echevarría González de Durana</i>	54	233%	16	-	-	-	-	-	-
<i>Mr. Juan Arena de la Mora</i>	0	-100%	38	-50%	77	13%	68	-14%	79
<i>Ms Montserrat Trapé Viladomat</i>	27	-	-	-	-	-	-	-	-
Consolidated results of the company	156,311	158%	-217,391	67%	-663,771	-525%	156,312	-16%	185,395
Average employee remuneration	17	6%	16	-2%	17	-7%	18	-4%	19

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Remarks

In the Annual Remuneration Report for 2021 it was stated that the consolidated results of the company in 2021 were in the amount of (271,391) (thousand euros) when, in fact, these were in the amount of (217,391). This information has been updated in table C.2.

D. OTHER INFORMATION OF INTEREST

If there are any significant issues relating to directors' remuneration that it has not been possible to include in the foregoing sections of this report, but which it is necessary to include in order to provide more comprehensive and reasoned information on the remuneration structure and practices of the company with regard to its directors, list them briefly.

This annual remuneration report was approved by the Board of Directors of the company in its meeting of **27 February 2023**.

Indicate whether any director voted against or abstained from approving this report. **NO.**