

**MELIÁ HOTELS INTERNATIONAL, S.A.** (the “**Company**”), in accordance with the provisions of the Securities Market Law, announces to the National Securities Market Commission the following:

### OTHER SIGNIFICANT INFORMATION

Pursuant to article 24 of the By-Laws and according to the resolutions adopted in writing and without meeting by the Board of Directors of 1 June, 2020, on today's date the notice of call of the General Shareholders' Meeting of MELIÁ HOTELS INTERNATIONAL, S.A. to be held on 10, July, or July 11, 2020 on first call and second call, respectively, at Hotel Meliá Palma Marina, Av. de Gabriel Roca, 29, 07014 Palma (Mallorca), has been published in the Official Commercial Registry Gazette (*Boletín Oficial del Registro Mercantil*), a copy of which is attached as per article 516.2 of the Royal Legislative Decree 1/2010, of 2 July, that approves restated text of the Spanish Companies Act.

On this same date, the Company has published on its website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) the notice of call, the full text of the proposed resolutions and the other information to be submitted to the General Shareholders' Meeting. This information, together with the rest of the required documentation, will be available to all shareholders, uninterruptedly, from now on and up to the holding of the Ordinary General Shareholders' Meeting.

Likewise, the proposals for resolutions to be submitted by the Board of Directors to the General Shareholders' Meeting, together with the mandatory reports and other information related to the Ordinary Shareholders' General Meeting, are attached hereto.

In Palma (Mallorca), 9 June, 2020  
Meliá Hotels International, S.A.

## MELIÁ HOTELS INTERNATIONAL, S.A.

### CALL FOR ORDINARY SHAREHOLDERS' GENERAL MEETING

By virtue of resolution of the Board of Directors of Meliá Hotels International, S.A. (the “**Company**”), adopted without a meeting on 1 June 2020, and under the extension provided for in Article 41.1 of Royal Decree-Law 8/2020 of 17<sup>th</sup> March in order to hold the Ordinary Shareholders' General Meeting after 30 June, shareholders are called to attend the Ordinary Shareholders' General Meeting that will be held at the “Meliá Palma Marina” Hotel, located at Avenida Gabriel Roca No.29, Palma (Majorca) at 1:00 p.m., on 10 July 2020 or, in the event that the legally required quorum is not met, they are likewise hereby called to attend on 11 July 2020 at second call, in the same place and at the same time, pursuant to the agenda set out below.

#### **Additional information in connection with the exceptional situation caused by COVID-19**

Due to the exceptional situation caused by COVID-19, it has been agreed that the Ordinary Shareholders' General Meeting shall be preferably attended via the electronic means set forth in this call notice. In such case, it is strongly recommended that shareholders exercise their rights in person or by proxy, via remote communication means in advance of the date of the General Meeting or via electronic means under the terms set forth in this call notice.

The members of the Board of Directors will attend the General Meeting according to the provisions of Article 180 of the Spanish Corporate Enterprises Act. To this effect and according to Royal Decree-Law 8/2020 of 17<sup>th</sup> March, the members of the Board of Directors may comply with that obligation by attending the meeting through an audio or video conference, the meeting being deemed to be held at the registered office.

The presence of employees and collaborators will be the strictly necessary for the proper organisation of the Shareholders' General Meeting.

The Company, five days prior to the date of the Meeting, will inform its shareholders through the website of Company and of the Comisión Nacional del Mercado de Valores [National Securities Market Commission] of any amendment or measure adopted in relation to the holding of the General Meeting, ensuring at all times the health and welfare of its shareholders, employees and directors and by making, where appropriate, the corresponding additional announcement.

The General Meeting will be broadcast in streaming, accessible from the Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) and from the platform of participation by electronic means or remote attendance.

If it is foreseeable that, on the scheduled dates to hold the Meeting, the existing measures under the state of emergency will continue in force, the mobility and meeting options will be limited or any other measure or recommendation by the administrative authorities will be in force throughout the national territory, or any part thereof, which prevent or advise against the holding of the Ordinary Shareholders' General Meeting of the Company with the physical attendance of the participants, and pursuant to the provisions of Article 41 of Royal Decree-Law 8/2020 of 17<sup>th</sup> March, on urgent extraordinary measures to deal with the economic and social impact of COVID-19, in that case, the Meeting would only be held via electronic means, with no physical attendance of the shareholders and the proxy holders, on the same dates and times as set forth in this call notice, and by applying the special rules included in the supplement to the call notice.

In such a case, the Company would inform the shareholders, as soon as reasonably possible and at least five days before the date scheduled to hold the general meeting at first call, by means of an additional call notice that would be published on the corporate website and on the website of the CNMV, therefore, shareholders are hereby recommended to regularly review the available information at any given time.

Likewise, it is hereby informed that, for reasons of hygiene and health, this year it has been decided not to give any gift to the shareholders attending the General Meeting, as has been the case until now.

The Meeting will be held according to the following

## **AGENDA**

### **One. Annual Accounts, Allocation of Results and Management of the Company.**

1.1.- Examination and approval, where appropriate, of the individual Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of Changes in Equity, Cash Flow Statement and Notes to the Annual Accounts) and the individual Management Report of Meliá Hotels International, S.A. for financial year ended 31 December 2019.

1.2.- Examination and approval, where applicable, of the consolidated Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of Changes in Equity, Cash Flow Statement and Notes to the Annual Accounts) and the consolidated Management Report of the Consolidated Group of Meliá Hotels International, S.A. for financial year ended 31 December 2019.

1.3.- Examination and approval, where appropriate, of the consolidated Statement of Non-Financial Information for the financial year ended 31 December 2019 and which is part of the consolidated management report.

1.4.- Examination and approval, where appropriate, of the management of the Company by the Board of Directors for the financial year 2019.

1.5.- Approval of the allocation of results for financial year 2019.

### **TWO.- Appointment and Re-Election of Members of the Board of Directors and Determination of the number of Directors thereof**

2.1- Re-election of Ms Carina Szpilka Lázaro as an External Independent Director.

2.2.- Appointment of Hoteles Mallorquines Agrupados, S.L. as an External Proprietary Director (represented by Mr. José María Vázquez-Pena Pérez).

2.3- Determination of the number of members comprising the Board of Directors.

### **THREE.- Amendment of the company Bylaws**

3.1- Amendment of Article 33 (amendment of the designation of the Appointments and Remuneration Committee), Article 39(a) (Audit and Compliance Committee – incorporation of a mechanism for replacing the Chairman in the event of absence) and Article 39(b) (Appointments and Remuneration Committee: amendment of the designation of the Committee and incorporation of a mechanism for replacing the Chairman in the event of absence) of the Company Bylaws.

3.2.- Capital reduction through the redemption of treasury shares and amendment of Article 5 of the company bylaws.

### **FOUR.- Delegations and Authorisations to the Board of Directors**

4.1.- Authorisation to the Board of Directors for the approval of a capital increase pursuant to Article 297.1.b) of the Spanish Corporate Enterprises Act, and delegation thereto to exclude pre-emptive subscription rights according to the provisions of Article 506 of such Law, leaving without effect the authorisation granted by the Shareholders' General Meeting held on 4 June 2015.

4.2.- Delegation to the Board of Directors of the power to issue fixed income securities, whether convertible and/or exchangeable into shares of the Company, within five years from the date of adoption of this resolution by the Meeting, determination of bases and methods for conversion and/or exchange, with power to exclude pre-emptive subscription rights of shareholders and bondholders, guarantee issues by the subsidiary companies and increase capital by the necessary amount, leaving without effect the authorisation granted by the Shareholders' General Meeting held on 4 June 2015.

4.3.- Authorisation to the Board of Directors for the derivative acquisition of treasury shares of the Company, directly or through subsidiaries, within five years from the date of adoption of this resolution by the Meeting and ratification of the acquisitions made since the last General Meeting, leaving without effect the authorisation granted by the Shareholders' General Meeting held on 4 June 2015.

## **FIVE.- Remuneration**

5.1.- Advisory vote on the Annual Report on Directors' Remuneration.

## **SIX.- Informative Items**

6.1.- Information regarding the Euro Commercial Paper Program.

**SEVEN.- Delegation of powers to interpret, correct, supplement, develop, formalise and execute the resolutions adopted by the Shareholders' General Meeting and delegation of powers for the execution in a Public Deed and registration of said resolutions and their correction, if any.**

## **Information Rights**

As from the date of publication of this call to the General Meeting, shareholders shall have the right to examine and obtain at the Company's registered office (C/ Gremio Toneleros 24, E-07009 Palma, Spain), to examine on its Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) and to request the delivery or immediate dispatch free of charge of the documents referred to in all the items which are going to be submitted for the approval of the Shareholders' General Meeting, as well as items merely for informational purposes of the agenda, including the full text of proposed resolutions and the mandatory reports, in particular the management report and the audit report, as well as the reports of the Board of Directors.

Likewise, the Annual Corporate Governance Report for 2019 approved by the Board of Directors on 26 February 2020, this call notice, the information on the number of shares and voting rights existing as of the date of this call notice, and the necessary forms for proxy and absentee voting will be also available to the shareholders at the Company's registered office and on the Company's website.

According to the provisions of Articles 197 and 520 of the Spanish Corporate Enterprises Act, shareholders may request to the Board of Directors, in writing until the fifth day prior to the scheduled date of the Shareholders' General Meeting, or verbally during its holding, any information or clarifications they may deem appropriate about the audit report, the items included in the agenda or the information available to the public that the

Company may have submitted to the Comisión Nacional del Mercado de Valores since the last Shareholders' General Meeting was held.

The right to information shall be exercised pursuant to the legal provisions and the provisions contained in the document of rights to information, absentee vote, representation and remote attendance for the Shareholders' General Meeting of Meliá Hotels International, S.A., available on the Company's website ([www.meliahotelsinternacional.com](http://www.meliahotelsinternacional.com)).

### **Supplement to the call notice and submission of proposed resolutions**

According to the provisions of Article 519 of the Spanish Corporate Enterprises Act, shareholders representing at least three per cent (3%) of the share capital, may request the publication of a supplement to the call of the General Meeting including one or more items on the Agenda, provided that those items are duly justified or, where appropriate, accompanied by a duly justified proposed resolution.

Likewise, shareholders representing at least three per cent (3%) of the share capital may submit reasonable proposed resolutions in relation to any items already included or that should be included on the agenda.

All the foregoing is without prejudice to the rights of a shareholder to make proposals during the holding of the General Meeting on items that do not need to be included in the agenda according to the provisions of the Spanish Corporate Enterprises Act.

These rights shall be exercised by reliable notification which is to be received at the registered office of the Company (C/ Gremio Toneleros 24, E-07009 Palma, Spain) within five (5) days from the publication of this call notice. The Company will ensure the communication of the proposed resolutions and any attached documents via its website ([www.meliahotelsinternacional.com](http://www.meliahotelsinternacional.com)), in accordance with the applicable law.

Such notice shall include the shareholder's or shareholders' name, and shall be accompanied by the relevant documents evidencing such status.

The supplement to the call notice will be published, at least, fifteen (15) days prior to the date scheduled for the Shareholders' General Meeting.

### **Special means of information – Electronic Shareholders' Forum**

Pursuant to the provisions of Article 539 of the Spanish Corporate Enterprises Act, Meliá Hotels International, S.A. has enabled an Electronic Shareholders' Forum which shall be accessible through the Company's website until the date that the General Shareholders' Meeting is held.

Access to the Forum, and the terms and conditions regarding its use and operation shall be governed by the provisions of the Electronic Shareholders' Forum Regulations, the contents thereof are available on the Company's website ([www.meliahotelsinternacional.com](http://www.meliahotelsinternacional.com)).

### **Physical Attendance**

Without prejudice to the recommendation of preference for the electronic means provided in this call, and according to the provisions of Article 22 of the Company Bylaws, shareholders holding at least 300 shares (individually or jointly with other shareholders that designate one of them to represent them) provided they have recorded their shares in the corresponding accounting record five days prior to the date of the General Meeting, who are up to date on the payment of capital calls and maintain, at least, such number

of shares until the date of the General Meeting, will be entitled to attend the meeting.

Attendance cards will be issued by the relevant participating entities in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR), responsible for keeping the accounting record of the Company's shares, as appropriate in each case. Such entities shall send to Meliá Hotels International, S.A., before the date scheduled for the Shareholders' General Meeting, a list of the cards which have been issued at the request of their respective clients.

Registration of attendance cards shall begin one hour before that scheduled for the General Meeting.

### **Attendance by Electronic Means**

In accordance to the recommendation of preference for the electronic means provided in this call, and in the light of the current situation caused by COVID-19 and for the purposes of ensuring that shareholders may exercise their rights safely, the Board of Directors has considered it appropriate to provide them with a platform of participation by electronic means at the Meeting, which ensures the exercise of the rights to vote, to grant a proxy, to remotely attend and to speak, without the need to be physically present at the Meeting's venue.

This measure is taken as a result of the exceptional circumstances caused by COVID-19 and for the purposes of prioritising the health protection of the Company's shareholders, members of the Board of Directors and employees making possible the organisation of the meeting, after analysing the practices and recommendations observed in national and international companies.

In order to ensure the identity of the attendees, proper exercise of their rights, real-time interactivity and appropriate conduct of the meeting, shareholders (or the proxy holders) who want to use the mechanisms of remote attendance shall be previously registered on the Company's website ([www.meli-hotels-international.com](http://www.meli-hotels-international.com)) or directly through the following link:

<https://www.councilbox.com/melia>

The Company reserves the right to request additional means of identification from shareholders or proxy holders as it may deem convenient to prove their status as shareholders and guarantee their authenticity. Likewise, the Company may put in place additional means of identification that duly guarantee the identity of shareholders and proxy holders.

In order to facilitate the use of the platform of participation by electronic means and remote attendance for shareholders, the Company has prepared a [Manual for Remote Attendance at the 2020 Shareholders' General Meeting](#). (Please click on the link to access the Manual).

### **Absentee Voting and Proxy**

(a) Absentee voting:

(i) Through the platform of participation by electronic means provided by the Company, by completing the registration as a shareholder and providing the documents evidencing the shareholder's identity and the ownership of shares, through the same platform and following the instructions contained therein.

(ii) by completing and signing the relevant form of absentee voting which is available to the shareholders on the Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) along with the documents evidencing the shareholders' identity and the ownership of shares, or

(iii) by completing and signing the section set aside for that purpose in the attendance card issued by the entities where shareholders have their shares deposited, and attaching a copy of the national ID card or the passport of the shareholder.

For sections (ii) and (iii), once the necessary documents are completed and signed, the shareholder must send them through one of the following means:

1. Via mail (ordinary post):

Meliá Hotels International, S.A.  
A / A: Investor Relations Department  
C/ Gremio de Toneleros, 24 - Polígono Son Castelló, 07009  
Palma (Balearic Islands) Spain.

2. Via telefax:

Meliá Hotels International, S.A.  
A / A: Investor Relations Department  
Fax No.: (+34) 971224515

3. Via email:

Meliá Hotels International, S.A.  
A / A: Investor Relations Department  
Email: [atencion.accionista@melia.com](mailto:atencion.accionista@melia.com)

(b) Proxy:

Every shareholder having the right to attend the Shareholders' General Meeting may be represented by another person, in accordance with the requirements and formalities laid down in the Bylaws, the Regulations of the Shareholders' General Meeting and in accordance with the law. The proxy must be given specifically for each General Meeting and can always be revoked. Personal attendance of the appointing shareholder at the General Meeting revokes the proxy.

In addition, the proxy will be revocable through the same means by which it was granted. In the event of a public request for proxy, the provisions of Articles 186, 187 and 526 of the Spanish Corporate Enterprises Act shall be complied with.

Appointment of a proxy holder by a shareholder and notification to the Company of that appointment or its revocation, as the case may be, may be carried out as follows:

(i) Through the platform provided by the Company for the issue of absentee vote or the granting of proxy, by providing the documents evidencing the shareholders' identity and the ownership of shares, as well as the identity of the proxy holder and, where appropriate, the voting instructions; or

(ii) By sending to the Company the voting proxy form which is available to the shareholders on the Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)), duly signed and completed, along with the documents evidencing the identity of the shareholder and the proxy holder, as well as the documents evidencing the ownership of shares and, where appropriate, the voting instructions; or

(iii) through the relevant attendance card issued by the entities responsible for keeping

the accounting record of the Company's shares, with the section containing the printed wording to grant proxy duly completed and, where appropriate, including the voting instructions, and attaching a copy of the national ID card or passport of the shareholder and the proxy holder.

For sections (ii) and (iii), once the necessary documents are completed and signed, the shareholder must send them through one of the following means:

1. Via mail (ordinary post):

Meliá Hotels International, S.A.  
A / A: Investor Relations Department  
C/ Gremio de Toneleros, 24 - Polígono Son Castelló, 07009  
Palma (Balearic Islands) Spain.

2. Via telefax:

Meliá Hotels International, S.A.  
A / A: Investor Relations Department  
Fax No.: (34) 971224515

3. Via email:

Meliá Hotels International, S.A.  
A / A: Investor Relations Department  
Email: [atencion.accionista@melia.com](mailto:atencion.accionista@melia.com)

(iv) Likewise, provided that the Shareholders' General Meeting can be held with the physical attendance of shareholders and proxy holders, shareholders may appoint or revoke the appointment of proxy holders (and communicate it to the Company), by completing and signing the proxy contained in the attendance card or the proxy form and its submission to the staff responsible for the attendance registration by the designated proxy holder physically attending the General Meeting, on the date and at the venue where the General Meeting is to be held, prior to the commencement thereof, along with the identity documents of the shareholder (copy) and of the proxy holder (original) and, if the form is used, the documents evidencing the ownership of shares. This submission shall serve as a notice under the terms of Article 522 of the Spanish Corporate Enterprises Act.

Proxy voting forms are available to shareholders on the Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)).

(c) Common provisions:

Proxies and absentee votes received by postal mail, fax or email as well as the appointment and notification of the proxy holder by electronic means will be admitted provided that they are received at least twenty-four (24) hours prior to the beginning of the Shareholders' General Meeting and comply with stipulated requirements, notwithstanding the provisions for the submission of the attendance card or proxy form by the proxy holder to the staff responsible for the attendance registration, prior to the holding of the General Meeting. Proxies and votes received through the platform of participation by electronic means will be admitted up to five (5) minutes before the scheduled start time of the General Meeting and provided that they comply with the requirements established.

Absentee vote and proxies rights shall be exercised in accordance with the legal provisions and the provisions contained in the document of rights to information, absentee vote, representation and remote attendance for the Shareholders' General Meeting of Meliá Hotels International, S.A., available on the Company's website



([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)).

### **Presence of a Notary Public**

Pursuant to the provisions of Article 203 of the Spanish Corporate Enterprises Act and Article 29.3 of the Bylaws, the Board of Directors has resolved to request the presence of a Notary Public to attend the Shareholders' General Meeting and to prepare the minutes of the General Meeting, which will serve as the minutes thereof and preclude the need for a specific resolution to approve the Minutes.

If necessary, the Notary Public may attend the Meeting through electronic means, by using real-time remote communication means which duly guarantee the fulfilment of the Notary's functions, according to the provisions of Royal Decree-Law 8/2020 of 17<sup>th</sup> March.

### **Recording and broadcast of the General Meeting**

The General Meeting shall be broadcast in streaming, being accessible to the public from the Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) and prior registration through the platform of participation by electronic means. Such recording shall be disclosed through channels provided to this effect and shall be publicly available to shareholders, institutional investors, voting advisors or any other interested party on the corporate website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)).

In this respect, you are informed that the General Meeting will be recorded and that your image may be captured in an audio-visual format. The legal ground for capturing your image and/or voice according to the mentioned purpose is the legitimate interest accepted in the laws when your image is purely ancillary.

Notwithstanding the foregoing, if you speak at the meeting, you are giving your consent for your image and/or voice to be part of the entire recording of the General Meeting and to be disclosed through the mentioned channels. In any case, you are informed that your image may be used totally or partially by MELIÁ HOTELS INTERNATIONAL, S.A., for its publication in any existing format, means or system, procedure of any type whether now existing or developed in the future, indefinitely and without receiving any consideration.

For further information on the processing of your image or voice, please see the [Privacy Note](#).

### **Data Protection**

Shareholders' personal data provided to the Company or submitted by the bank entities and the companies and stock agencies in which the shareholders might have deposited their shares, through the entity responsible for keeping the accounting record of the Company's shares, Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR), will be processed as follows:

**Data Controller:** MELIÁ HOTELS INTERNATIONAL, S.A., with registered office at Calle Gremio Toneleros, 24, 07009 Palma de Mallorca.

**Purpose:** To manage the development, fulfilment and control of the relationship existing with its shareholders with regard to the call and the holding of the General Meeting.

**Entitlement:** Your personal data will be processed to ensure compliance with the Company's legal obligations.

**Recipients:**

- The entity responsible for keeping the accounting record of the Company's shares, Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR).
- The entity responsible for the management of the platform of remote attendance and voting by electronic means.
- Public Administrations, in the cases provided for by Law.
- Registries and Notaries, in the cases provided for by Law.

**Rights:** Access, rectification, erasure, objection, restriction of processing and data portability.

For further information on the processing of your data, please see the [Privacy Note](#).

**Other significant information**

It is expected that the Shareholders' General Meeting will be held at first call, except otherwise announced, that is, on 10 July 2020, at the place and time first above written.

The Company will not be responsible for any prejudices the shareholders may suffer as a result of breakdowns, overloads, failures in the line, failures in the connection, or any other similar event, beyond the control of the Company, that prevent the use of the mechanisms for the exercise of the right to information, to vote and to grant a proxy by electronic means. Therefore, such events shall not constitute an illegal deprivation of the shareholders' rights.

For further information please contact us at the shareholders' information telephone number, from nine to two and from four to seven hours (09:00 to 14:00 and 16:00 to 19:00), on working days.

Shareholders' information telephone number: (+34) 971 22 45 54.

Email : [atención.accionista@melia.com](mailto:atención.accionista@melia.com)

Palma, on 5 June 2020. The Secretary of the Board of Directors, Luis María Díaz de Bustamante y Terminel.

Luis M<sup>a</sup> Díaz de Bustamante y Terminel,  
Director-Secretary of the Board of Directors of  
**MELIÁ HOTELS INTERNATIONAL, S.A.**

COMPLETE TEXT OF THE RESOLUTION PROPOSALS TO BE SUBMITTED TO THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF MELIÁ HOTELS INTERNATIONAL, S.A. ON JULY 10, 2020 ON FIRST CALL OR ON JULY 11, 2020 ON SECOND CALL

## **ONE. ANNUAL ACCOUNTS, ALLOCATION OF RESULTS AND MANAGEMENT OF THE COMPANY.**

**1.1.- Examination and approval, where appropriate, of the individual Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of Changes in Equity, Cash Flow Statement and Notes to the Annual Accounts) and the individual Management Report of Meliá Hotels International, S.A. for financial year ended 31 December 2019.**

The following proposal is submitted for the approval of the Meeting:

*“To approve the Annual Accounts (Balance Sheet, profit and loss account, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements) and the individual Management Report of Meliá Hotels International, S.A. for financial year ended 31 December 2019, verified by the auditor of the Company, Deloitte, S.L.”*

**1.2.- Examination and approval, where applicable, of the consolidated Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of Changes in Equity, Cash Flow Statement and Notes to the Annual Accounts) and the consolidated Management Report of the Consolidated Group of Meliá Hotels International, S.A. for financial year ended 31 December 2019.**

The following proposal is submitted for the approval of the Meeting:

*“To approve the consolidated Annual Accounts (Balance Sheet, profit and loss account, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements) and the consolidated Management Report of the Consolidated Group of Meliá Hotels International, S.A. for financial year ended 31 December 2019, verified by the auditor of the Company, Deloitte, S.L.”*

**1.3.- Examination and approval, where appropriate, of the consolidated statement of non-financial information for the financial year ended 31 December 2019 and which is part of the consolidated management report.**

The following proposal is submitted for the approval of the Meeting:

*“To approve the consolidated statement of non-financial information for Meliá Hotels International, S.A. referred to financial year 2019”.*

**1.4.- Examination and approval, where appropriate, of the management of the Company by the Board of Directors for the financial year 2019.**

The following proposal is submitted for the approval of the Meeting:

*“To approve the management of the Company by the Board of Directors for the financial year 2019”.*

### **1.5.- Approval of the allocation of results for financial year 2019.**

The following proposal is submitted for the approval of the Meeting:

*“To approve the allocation of the results for 2019 financial year which, as it transpires from the approved income statement, amounts to an income of €23,324,049.60, as follows:*

*Compensation of the account losses brought forward from previous years: €23,324,049.60.”*

## **TWO.- APPOINTMENT AND RE-ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS AND DETERMINATION OF THE NUMBER OF DIRECTORS THEREOF**

### **2.1.- Re-election of Ms Carina Szpilka Lázaro as an External Independent Director.**

The following proposal is submitted for the approval of the Meeting:

*“To re-elect Ms. Carina Szpilka Lázaro as Director, for the statutory period of four (4) years upon the proposal of the Appointments and Remuneration Committee and following the relevant report issued by the Board of Directors. In accordance with article 529 duodecies of the Spanish Companies Act, she will be considered as an Independent Director”*

### **2.2.- Appointment of Hoteles Mallorquines Agrupados, S.L. as an External Proprietary Director (represented by Mr. José María Vázquez-Pena Pérez).**

The following proposal is submitted for the approval of the Meeting:

*“To appoint Hoteles Mallorquines Agrupados S.L., represented by Mr. Jose María Vázquez-Pena Pérez, as a Director for the statutory period of four (4) years, at the proposal and prior explanatory report of the Board of Directors, issued based on the report of the Appointments and Remuneration Committee. Pursuant to Article 529 duodecies of the Corporate Enterprises Act, it shall be deemed to be an External Proprietary Director.”*

### **2.3.- Determination of the number of members comprising the Board of Directors**

The following proposal is submitted for the approval of the Meeting:

*“To fix the number of members of the Board of Directors of the Company at eleven (11), pursuant to the provisions of Article 242.1 of the Spanish Companies Act, Article 31.2 of the Bylaws and Article 8 of the Regulations of the Board of Directors.”*

## **THREE.- AMENDMENT OF THE COMPANY BYLAWS**

### **3.1.- Amendment of Article 33 (amendment of the designation of the Appointments and Remuneration Committee), Article 39(a) (Audit and Compliance Committee – incorporation of a mechanism for replacing the Chairman in the event of absence) and Article 39(b) (Appointments and Remuneration Committee: amendment of the designation of the Committee and incorporation of a mechanism for replacing the Chairman in the event of absence) of the Company Bylaws.**

The following proposal is submitted for the approval of the Meeting:

*“To amend articles 33, 39 bis and 39 ter of the Bylaws, that shall read as follows:*

#### **ARTICLE 33.- Appointments to the Board of Directors**

*33.1 Positions. The Board of Directors shall designate from amongst its members, upon prior report of the Appointments, Remuneration and Corporate Social Responsibility Committee, a Chairman to chair the Board, and, if so agreed, one or several Deputy Chairs, to replace the Chairman in cases of vacancy, absence or illness. If there are several Deputy Chairs, such substitution will be by the most senior one.*

*The Board of Directors shall designate a Secretary, upon prior report of the Appointments, Remuneration and Corporate Social Responsibility Committee, and, if agreed so, one or several Deputy Secretaries, the latter of which, if there are several, will be numbered successively and will replace the Secretary and Deputy of a superior rank in cases of vacancy, absence or illness. In the absence of Deputy Secretaries, the Board shall also designate, from amongst its members attending the respective meeting, the person that will perform the role of temporary Secretary at that time.*

*The Board of Directors shall also appoint a Coordinating Director from amongst its Independent Directors upon prior proposal of the Appointments, Remuneration and Corporate Social Responsibility Committee and, in any case, pursuant to the provisions in the Law, in these Bylaws and in the Regulations of the Board of Directors.*

#### **ARTICLE 39 bis.- Auditing and Compliance Committee**

**39.bis. 1 Positions.** *The Auditing and Compliance Committee will be formed by at least THREE (3) and at most FIVE (5) members, non-executive Directors, appointed by the Board of Directors the majority of which shall be Independent External Directors and ONE (1) of them shall be appointed taking into consideration his knowledge and experience in accounting, auditing or both. Jointly, the members of the Committee shall have the relevant expertise in relation to the sector of activity to which the Company belongs.*

*The Chairman of the Committee must be one of the Independent External Directors. The Chairman must be replaced every four years, and may be re-elected after a period one year after being replaced. Both the Chairman and the rest of the members of the Committee will be automatically replaced if they resign or are dismissed from their positions as members of the company Board of Directors and are not reinstated.*

*In the absence, vacancy or illness of the Chairman, he/she will be replaced at the corresponding meeting by the independent director with the greatest seniority on the Committee, and in his/her absence, by the independent director, member of the Committee, who is the oldest.*

*A Committee Secretary may be appointed, a position which may be held by the Secretary of the Board of Directors, a Director that may or may not be a member of the Committee itself, or even one of the company executives.*

**39.bis. 2 Organisation and operations.** *The Auditing and Compliance Committee will meet at least once per quarter, and as many times as is deemed appropriate about the needs of the company, as proposed by the Chairman of the Committee or on request from the majority of its members or from the Board of Directors. The responsibilities of the Auditing and Compliance Committee shall be those set forth in the Law, these Bylaws and the Regulations of the Board of Directors.*

**39. bis.3 Quorum and approval of resolutions.** *The Committee meeting will be considered valid on attendance, directly or via proxies, of at least half of its members, and will adopt resolutions approved by most participants. Company by-laws on the constitution and approval of resolutions by the Board of Directors will be applied to the Auditing and Compliance Committee with regard to any matters not expressly covered in this article. The Committee must report on all such resolutions and decisions to the Board of Directors. In case of a tie, the Chairman will wield a casting vote.*

#### **ARTICLE 39-ter. Appointments, Remuneration and Social Corporate Responsibility Committee**

**39.ter.1 Positions.** *The Appointments, Remuneration and Corporate Social Responsibility Committee shall be composed of a minimum of THREE (3) and a maximum of FIVE (5) External Directors, appointed by the Board of Directors, who have the skills, dedication and experience to perform their duties. At least TWO (2) of the members of the Committee shall be Independent External Directors.*

*The Chairman of the Committee shall be one of its members, who is an Independent External Director. The Chairman must be replaced every FOUR (4) years and may be re-elected after a period of ONE (1) year from his removal has elapsed. The Chairman and the other members of the Committee shall be automatically removed if they resign or are dismissed from their positions as Directors of the Board of Directors of the Company and are not reinstated therein.*

*In the absence, vacancy or illness of the Chairman, he/she will be replaced at the corresponding meeting by the independent director with the greatest seniority on the Committee, and in his/her absence, by the independent director, member of the Committee, who is the oldest.*

*A Secretary of the Committee may be appointed, which position may be filled by the Secretary of the Board or a member of the Board who may or may not be a member of the Committee or even one of the executives of the company.*

**39.ter.2 Organization and operation.** *The Appointments, Remuneration and Corporate Social Responsibility Committee will meet after its Chairman convenes it or at the request of the majority of its members or at the request of the Board of Directors, every time a report must be issued or proposals must be adopted and when it is deemed appropriate according to the needs of the company.*

*The duties of the Appointments, Remuneration and Corporate Social Responsibility Committee shall be those set forth in the Law, these Bylaws and the Regulations of the Board of Directors.*

*The Committee must take into consideration the suggestions sent to it by the Chairman, the Board members, the Executives or the shareholders of the Company.*

*The Executive Directors may attend the sessions of the Committee, at the request of the Chairman thereof, with a right to speak but not to vote.*

*Any member of the management team or of the staff of the company required to do so must attend the sessions of the Committee and provide collaboration and access to the information at his availability.*

*For better performance of its functions, the Appointments, Remuneration and Corporate Social Responsibility Committee may procure advice from external professionals.*

**39.ter.3 Quorum for constitution and approval of resolutions.** *The Committee shall be validly constituted with the attendance, directly or by proxy, of at least half of its members and shall approve its resolutions by a majority of the attendees. The provisions in the Bylaws on constitution and approval of resolutions in the Board of Directors shall apply to the Appointments, Remuneration and Corporate Social Responsibility Committee for whatever aspect not expressly provided for in this article.*

*The Committee shall inform the Board of Directors of the resolutions approved therein and of their decisions. In case of a tie, the Chairman has the casting vote.”*



### **3.2.- Capital reduction through the redemption of treasury shares and amendment of Article 5 of the company bylaws.**

The following proposal is submitted for the approval of the Meeting:

*"It is agreed to reduce the share capital of Meliá Hotels International, S.A. (the "Company") in ONE MILLION EIGHT HUNDRED SIXTY THOUSAND EURO (€ 1,860,000), through the redemption of 9,300,000 treasury shares, with a par value of 0.20€ each, and representing the 4.049% of the capital share of the Company.*

*This amount, as well as the number of shares, correspond to the amount resulting from the sum of the following:*

- (i) TWO HUNDRED NINETY THOUSAND SEVEN HUNDRED FIFTY EURO AND EIGHTY CENTS (€290,750.80), corresponding to 1,453,754 treasury shares existing at the date of the issue of this report, with a par value of 0.20€ each, acquired under the authorisations granted by the General Meeting of Shareholders held on 4 June 2015 and on 1 June 2011, within the limits established by articles 144 to 148 and 509 of the SCA; and*
- (ii) ONE MILLION FIVE HUNDRED SIXTY-NINE THOUSAND TWO HUNDRED FORTY-NINE EUROS AND TWENTY CENTS (€1,569,249.20), corresponding to 7,846,246 shares, with a nominal value of 0.20€ each, representing the 3,416% of the Company's share capital, acquired under the buy-back treasury shares approved by the Board of Directors on 17 October 2019, also under the authorisation granted by the General Meeting of Shareholders held on 4 June 2015.*

*Consequently, it is agreed to amend article 5 of the Bylaws, that shall read as follows:*

*"5.1 Stock capital. The capital stock is FORTY-FOUR MILLION EIGHTY THOUSAND EUROS (€44,080,000.-), represented by TWO HUNDRED TWENTY MILLION EIGHTY THOUSAND (220,080,000) SHARES each of a nominal value of TWENTY EURO CENTIMES (€0.20).*

*5.2 Shares. The shares are fully subscribed and paid up and constitute a unique single class and series."*

*The capital reduction will not involve any reimbursement of contributions as the Company itself is the holder of the redeemed shares and will be carried out with a charge to unrestricted reserves, through the allocation of a reserve for redeemed capital for an amount equal to the par value of the redeemed shares, all in application of the provisions of article 335 c) SCA.*

*Consequently, the Company's creditors will not have the right of opposition established in the aforementioned article.*

*It is also resolved to ratify the actions taken to date by the Board of Directors in relation to the Buy-Back Program.*

*It is also resolved to delegate the necessary powers to the Board of Directors to proceed with the execution of this resolution, being able to determine all those matters that have not been expressly established in this resolution or that are a consequence of it, as well as to adopt the resolutions, publish the announcements, carry out the actions and grant the public or private documents that are necessary or convenient for the most complete execution of the capital reduction, including the power to exclude the shares redeemed on the Spanish Stock Exchanges from trading and the cancellation of their accounting records.*

*Finally, by means of this resolution and in accordance with Article 249 bis, section I) SCA, the Board of Directors is expressly authorised so that it may, in turn, delegate the powers referred to in this resolution.”*

#### **FOUR.- DELEGATIONS AND AUTHORISATIONS TO THE BOARD OF DIRECTORS**

##### **4.1.- Authorisation to the Board of Directors for the approval of a capital increase pursuant to Article 297.1.b) of the Spanish Corporate Enterprises Act, and delegation thereto to exclude pre-emptive subscription rights according to the provisions of Article 506 of such Law, leaving without effect the authorisation granted by the Shareholders’ General Meeting held on 4 June 2015.**

The following proposal is submitted for the approval of the Meeting:

*“By virtue of the power conferred by Article 297.1.b) of the Spanish Companies Act (SCA), the Board of Directors is authorised to agree to increase the Company's capital, without prior consultation with the General Shareholders' Meeting, up to half of the current share capital, and may exercise said power, within the amount indicated, on one or more occasions, deciding in each case its suitability or convenience, as well as the amount and conditions it deems appropriate.*

*The capital increase, that where appropriate it is agreed, must be carried out within a maximum period of five (5) years from today. Such capital increase or increases may be carried out either by increasing the par value of the existing shares, with the requirements provided for by law, or by issuing new shares, ordinary or privileged, with or without a share premium, with or without voting rights, or redeemable shares, or several methods at the same time, consisting of the counter value of the new shares or the increase in the par value of the existing shares, in monetary contributions, including the transformation of unrestricted reserves, and even using both methods simultaneously, provided that it is permitted by current legislation.*

*By virtue of this delegation, the Board of Directors will be empowered to establish that, in the event of incomplete subscription, the capital will only be increased by the amount of the subscriptions made, and to redraft the article of the Bylaws relating to capital, once the increase has been agreed and executed.*

*This authorisation implies that the authorisation for the capital increase granted to the Board of Directors at the Shareholders' General Meeting on 4 June 2015 is no longer valid.*

*By virtue of this authorisation, the Board of Directors is also empowered to request the admission to official trading of any new securities that may be issued on any national or foreign stock exchange or regulated market, under the terms of any applicable legislation.*

*Likewise, the Board of Directors is expressly empowered to exclude, in whole or in part, the pre-emptive subscription right in relation to all or any of the issues it may decide on the basis of this authorisation, pursuant to Article 506 of the Spanish Companies Act, although this power will be limited to capital increases carried out under this authorisation and/or the delegation for the issue of bonds and debentures up to a maximum amount corresponding, in total, to 20% of the share capital on the date of adoption of this resolution.*

*Finally, by means of this resolution and in accordance with Article 249 bis, section I) SCA, the Board of Directors is expressly authorised so that it may, in turn, delegate, under the provisions of Article 249.2 of the Spanish Companies Act, the powers referred to in this resolution"*

**4.2.- Delegation to the Board of Directors of the power to issue fixed income securities, whether convertible and/or exchangeable into shares of the Company, within five years from the date of adoption of this resolution by the Meeting, determination of bases and methods for conversion and/or exchange, with power to exclude pre-emptive subscription rights of shareholders and bondholders, guarantee issues by the subsidiary companies and increase capital by the necessary amount, leaving without effect the authorisation granted by the Shareholders' General Meeting held on 4 June 2015.**

The following proposal is submitted for the approval of the Meeting:

*"To delegate to the Board of Directors of the Company, under the provisions of article 319 of the Regulations of the Mercantile Registry, Title XI of the current Spanish Corporate Act, Chapter V of Title XIV of the aforementioned Law and other regulations on the issue of bonds, the power to issue fixed income, convertible and/or exchangeable securities, with the power to exclude shareholders' pre-emptive subscription rights and with the power to substitute the delegated powers, in accordance with the following conditions:*

*(i) The issue of the securities may be made, in one or several times, within a maximum period of five (5) years from the date of adoption of this Agreement.*

*(ii) The authorisation is limited to the maximum amount of ONE AND A HALF BILLION EUROS (1,500,000,000 EUR) of nominal amount. Such an absolute limit of ONE AND A HALF BILLION EUROS (1,500,000,000 EUR) shall be reduced by the amount in which debentures, bonds or other similar securities have been issued under this authorisation or under other authorisations for the issue of convertible and/or exchangeable debentures, with or without pre-emptive subscription rights.*

*It is noted that, in accordance with article 510 of the Spanish Corporate Act, the limit on the issue of bonds and other securities that recognize or create debt established in article 405 of the Spanish Corporate Act, does not apply to the Company.*

*(iii) The securities referred to in this delegation may be debentures, bonds and other simple fixed-income securities or debt instruments of an analogous nature in any of the forms permitted by law, including bonds, promissory notes or warrants or other analogous securities that may directly or indirectly entitle the holder to subscribe to or acquire shares in the Company, whether newly issued or already in circulation, payable by physical delivery or by way of differences. This delegation also includes fixed-income securities convertible and/or exchangeable for shares of the Company.*

*(iv) The delegation to issue securities shall extend, as broadly as required by law, to setting the various economic terms, regime, aspects and conditions of each issue. In particular, and by way of illustration and not limitation, the Board of Directors of the Company shall determine the nominal value and type of issue for each issue; in the case of warrants or similar securities, the issue price and/or premium as well as the exercise price and other applicable conditions for the acquisition or subscription of the underlying shares, redemption price, currency or issue currency, interest rate, redemption, anti-dilution mechanisms, subordination clauses, issuance guarantees, place of issue, admission to trading, whether the securities are voluntarily or necessarily convertible/exchangeable and even on a contingent basis, to whom the conversion or exchange option is attributed, applicable legislation, etc.*

*(v) The Board of Directors may determine any procedure, type, clause, term or condition permitted by law, in relation to the issue, redemption, indication of profitability or conditions thereof, as well as resolve any questions related to the authorised issue.*

*(vi) The Board may also appoint the Syndicate Commissioner and approve the fundamental rules that are to govern the legal relations between the Company and the Syndicate of Debt Security*

*Holders, and may, in agreement with the latter, change or modify the conditions or circumstances initially established.*

*(vii) In the case of the issue of convertible and/or exchangeable bonds and for the purposes of determining the bases and methods of conversion and/or exchange, it is agreed to establish the following criteria:*

- a) If the conversion and/or exchange ratio is fixed, the securities issued shall be valued at their nominal amount and the shares at the exchange rate determined by the resolution of the Board of Directors making use of the delegation, or at the exchange rate determined on the date(s) indicated in that resolution and based on the stock market price of the Company's shares on the date(s) or period(s) taken as a reference, with or without a discount and, in any case, with a minimum that may not be less than the greater of (i) the arithmetic mean of the closing prices of the Company's shares on the Continuous Market during the period to be determined by the Board of Directors, which shall not be more than three months nor less than fifteen days prior to the date on which the Board of Directors approves the issue of the securities, making use of this delegation of authority; and (ii) the closing price of the shares on the Continuous Market on the day prior to the date of the meeting of the Board of Directors which, making use of this delegation, approves the issue of the securities.*
- b) If the conversion and/or exchange ratio is variable, the securities shall also be valued at their nominal amount and the price of the shares for the purposes of conversion and/or exchange shall be the arithmetic mean of the closing prices, the weighted average price or other reference to the quotation of the Company's shares on the continuous market during a period to be determined by the Board of Directors, which shall not exceed three months or less than five days before the date of conversion and/or exchange, with a premium or, where appropriate, a discount on the said price per share. The premium or discount may be different for each conversion and/or exchange date of each issue (or, as the case may be, each tranche of an issue), although in the case of a discount on the price per share, it must be set by the Board of Directors or by whomever is authorised by the Board, on such terms as are considered appropriate in the market at any given time.*
- c) In accordance with Article 415 of the Spanish Corporate Act, debentures, bonds or other securities may not be converted into shares of the Company when the par value of such debentures, bonds or securities to be converted is less than the par value of the shares in which they are converted. Nor may debentures, bonds or fixed-income securities that are convertible be issued for less than their par value.*

d) *Where conversion and/or exchange is appropriate, any fractions of shares to be delivered to the holder of the debentures or bonds shall be rounded down to the nearest whole number, and each holder shall receive in cash the difference which may arise in such case.*

e) *At the time of approving an issue under the authorisation contained in this Agreement, the Board of Directors shall issue a report developing and specifying, on the basis of the criteria described above, the bases and methods of conversion specifically applicable to the aforementioned issue. This report will be accompanied by the corresponding report from the auditor of the accounts, other than the auditor of the Company, appointed for this purpose by the Commercial Registry, mentioned in article 414 of the Spanish Corporate Act.*

*(viii) In any case, the delegation for the issue of convertible and/or exchangeable bonds or debentures shall include, but not be limited to:*

*(a) The power, under the provisions of Article 511 of the Spanish Corporate Act, to exclude, in whole or in part, the right to preferential subscription, where appropriate, when this is necessary to raise financial resources on international markets or otherwise required by the corporate interest, when this is justified by the interests of the Company.*

*In any case, if the Board of Directors decides to suppress the pre-emptive subscription right in relation to a specific issue of convertible securities that it may decide to make under this authorisation, it will issue, at the same time as it approves the issue and in accordance with the provisions of Articles 417 and 511 of the Spanish Corporate Act, a report detailing the specific reasons of corporate interest that justify such a measure, and the corresponding report of an auditor, other than the Company's auditor, shall be obtained, in which a technical judgement is made on the reasonableness of the data contained in the directors' report and on the suitability of the conversion ratio and, if applicable, of its adjustment formulas, to compensate for any dilution of the shareholders' economic participation. These reports will be made available to the shareholders and communicated to the first General Meeting held after the corresponding issuance resolution.*

*b) In accordance with Article 297.1.b) of the Spanish Corporate Act, the power to increase capital by the amount necessary to meet conversion requests, up to 20% of the capital stock. This power may only be exercised to the extent that the Board, adding up the capital increased to meet the issue of convertible debentures or bonds and the remaining capital increases agreed under the authorisations granted by the Shareholders' Meeting, does not exceed the limit of 20% of the capital stock at the time the resolution is adopted by the Shareholders' Meeting.*

*This authorisation to increase the share capital to cater for the conversion of securities includes the power to issue and put into circulation, on one or more occasions, the shares representing the*

capital that are necessary to carry out the conversion, as well as the power to redraft Article 5 of the Articles of Association relating to the amount of the share capital and the number of shares in circulation and, if appropriate, to cancel the part of the capital increase that was not necessary for the conversion of securities into shares.

In accordance with the provisions of article 304.2 of the Spanish Corporate Act, in the capital increase carried out by the Board of Directors to meet such requests for conversion or exercise, there will be no preemptive subscription rights for the Company's shareholders.

c) The power to develop and specify the bases and modalities of conversion and/or exchange established in paragraph (vii) above and, in particular and in its broadest terms, to determine the time of conversion and/or exchange, which may be limited to a predetermined period, the ownership of the right of conversion and/or exchange, which may be attributed to the Company or to the bondholders, the manner of satisfying the bondholder (by conversion, exchange or even a combination of both techniques, which may be at his or her discretion or at the Company's discretion at the time of execution) and, in general, such other terms and conditions as may be necessary or advisable for the issue.

(ix) The Board of Directors is also authorised, for the same period of 5 years, to guarantee, on behalf of the Company, the issues of fixed income securities of its subsidiaries.

(x) The rules set out in the previous sections shall apply, *mutatis mutandis*, in the event of the issue of warrants or other similar securities that may entitle the holder to subscribe to newly issued shares in the Company, including the delegation of the broadest powers, with the same scope as the previous numbers, to decide on all that it deems appropriate in relation to such securities.

(xi) The holders of convertible or exchangeable securities and warrants shall enjoy all the rights recognized to them under current legislation.

(xii) The Board of Directors, at the successive General Meetings held by the Company, shall inform the shareholders of the use, if any, of the delegation of powers referred to in this Resolution.

(xiii) The delegation in favour of the Board of Directors provided for herein also includes the application for the admission to trading, when the Board of Directors considers it appropriate, on official or unofficial, organized or unorganized, national or foreign secondary markets, of the securities issued by virtue of this delegation, as well as the shares issued as a result of the conversion of the said securities, empowering the Board of Directors to carry out the necessary procedures and actions for the admission to trading before the competent bodies of the various

*national or foreign securities markets, also providing any guarantees or commitments required by the legal provisions in force.*

*(xiv) By means of this resolution and in accordance with article 249 bis section I) of the Spanish Corporate Act, the Board of Directors is expressly authorised to delegate the powers referred to in this resolution to the Chief Executive Officer.*

*(xv) This authorisation implies the annulment of the authorisation to issue convertible and/or exchangeable bonds for shares of the Company conferred on the Board of Directors at the General Meeting of Shareholders, dated 4 June 2015, without affecting the current issues formalized under this authorisation."*

**4.3.- Authorisation to the Board of Directors for the derivative acquisition of treasury shares of the Company, directly or through subsidiaries, within five years from the date of adoption of this resolution by the Meeting and ratification of the acquisitions made since the last General Meeting, leaving without effect the authorisation granted by the Shareholders' General Meeting held on 4 June 2015.**

The following proposal is submitted for the approval of the Meeting:

*"To expressly authorise the Board of Directors to acquire and dispose of the Company's shares under the following conditions:*

- The acquisition and disposal may be carried out by means of purchase and sale, exchange or any other operation permitted by law, at one or several times, directly or through subsidiary companies.*
- The acquisitions must be made for a price or value of compensation that may not be less than 90% or more than 110% with respect to the closing price of the previous day.*
- This authorisation is granted for a period of five (5) years from the adoption of this resolution.*
- Acquisitions may be made, at any time, up to the maximum amount permitted by law, and shall be subject to the provisions of the Treasury Stock Policy and other applicable regulations, as well as the limitations established for the acquisition of treasury shares by the regulatory authorities of the markets where the Company's shares are admitted to trading.*
- For the purposes of the provisions of Article 146 of the Law on Corporations, the shares acquired under this authorisation, as well as those previously held by the Company, may be delivered, in whole or in part, directly or within the framework of the exercise of option rights, to the employees or directors of the Company and/or its Group.*



*By means of this resolution and in accordance with Article 249 bis, section I), the Board of Directors is expressly authorised to delegate the powers referred to in this resolution to the Chief Executive Officer.*

*This authorisation implies that the authorisation granted to the Board of Directors at the General Shareholders' Meeting on 4 June 2015 will be rendered null and void, without affecting the acquisitions made under this authorisation."*

## **FIVE. - REMUNERATIONS**

### **5.1 Advisory vote on the Annual Report on Directors' Remuneration**

The following proposal is submitted for the approval of the Meeting:

*"Submit as advisory vote the Annual Report on Directors' Remuneration prepared by Appointments and Remuneration Committee, that has been previously approved by the Board of Directors of Meliá Hotels International, S.A. held on February 26, 2020".*

## **SIX. -. INFORMATIVE POINTS**

### **6.1.- Information regarding the Euro Commercial Paper Program.**

Information regarding point 6.1 of the agenda:

*"The Board of Directors of the Company, pursuant to the authorisation granted by the General Shareholders' Meeting dated June 4, 2015, approved on 26 February 2020, the formalization of the Commercial Paper Issuance Program ("Euro Commercial Paper Program") for a maximum amount of 300,000,000 Euros. The formalization of the said program was executed on 26 May, 2020.*

*To that end, the Board of Directors has prepared the corresponding information document."*

Being it merely informative, this point is not submitted to vote.

## **SEVEN. - Delegation of powers to interpret, correct, supplement, develop, formalise and execute the resolutions adopted by the Shareholders' General Meeting and delegation of powers for the execution in a Public Deed and registration of said resolutions and their correction, if any.**

The following proposal is submitted for the approval of the Meeting:

*"With regard to the resolutions of this General Shareholders' Meeting and notwithstanding the empowerments included in the previous resolutions, it is resolved to delegate into Mr. Gabriel Escarrer Juliá, Chairman, and Mr. Gabriel Escarrer Jaume, Vice Chairman and Managing Director; Mr. Luis María Díaz de Bustamante y Terminel, Secretary-Director of the Board of Directors of the Company; and Mr. Juan Ignacio Pardo García, Vice Secretary non-Director of*

*the Board of Directors, the specific and necessary powers, jointly and severally and as broad as required and necessary in Law, to:*

- a) Interpret, clarify, complement, remedy, apply, complete, publicize, execute and develop the resolutions adopted in this Meeting;*
- b) To appear before Notaries and Registrars, public and private Organizations, Authorities and Civil Servants, Accounts Auditors, Securities Firms, Banks and Bankers, making any representations deemed advisable, depositing and executing and signing any Deeds, Minutes, Accounts, Briefs, Agreements, Reports and documents, both public and private, that they deem necessary, even clarifying, correcting and rectifying them, totally or partially, according to the rating of the competent Registrars, Authorities and Civil Servants, so that the aforementioned resolutions are duly formalized and materialized, where appropriate, with the corresponding entry and deposit in the appropriate Registry.*
- c) To attach and, as appropriate, transcribe the notarial Minutes of this Meeting to the Minutes' Book; and*
- d) To issue any Certificates, even for clarification, corrective, rectification or supplemental purposes, totally or partially, as necessary for and on the preceding resolutions, and for their appropriate implementation."*

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■ RIGHTS TO INFORMATION, ABSENTEE VOTE, REPRESENTATION AND REMOTE ATTENDANCE AT THE SHAREHOLDERS' GENERAL MEETING OF MELIÁ HOTELS INTERNATIONAL, S.A.

## 1. Right to Information

Pursuant to the provisions of articles 197 and 520 of the Spanish Companies Act, shareholders may request to the Board of Directors, on writing until the fifth previous day to the date of the Shareholders' General Meeting, or verbally during its celebration, any information or clarifications they may deem necessary about the auditor's report, regarding the items included in the agenda of the general meeting and the information available to the public that the Company may have submitted to the National Securities Market Commission from the celebration of the previous Shareholders' General Meeting.

Any requests for information may be exercised within the aforementioned period through mail, telefax or email as follows, attaching a copy of shareholder's national identity document or passport and documentation evidencing ownership of the shares:

### 1. Via mail (ordinary post):

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
C/ Gremio de Toneleros, 24 -Polígono Son Castelló, 07009  
Palma (Balearic Islands) Spain.

### 2. Via telefax:

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
Fax No: (34) 971224515

### 3. Via mail:

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
Email: [atencion.accionista@melia.com](mailto:atencion.accionista@melia.com)

Such requests shall be answered by any of the members of the Board of Directors or through authorisation of the latter, by the Investor Relations Director, up until the date of the Shareholders' Meeting General and through the same means by which they were made, once the identity and title as shareholder of the petitioner have been verified. Valid requests made in writing and the answers provided in writing by the members of the Board of Directors or, where appropriate, the Investor Relations Director, shall be published on the website of the Company ([www.meli-hotels-international.com](http://www.meli-hotels-international.com)).

Information or explanation requests made during the Meeting by shareholders attending by electronic means shall be governed by the provisions of section 5(iii) below.

The Board of Directors may refuse to send the information requested in the following cases:

Shall a discrepancy between the present translation and the original document in Spanish-language appear, the text of the original Spanish-language document shall always prevail.

(a) If the request is not within the scope and requisites of the period for exercising the right as determined by the law and the Regulations of the Shareholders' General Meeting;

(b) Whether the publicising of the information requested might, in the opinion of the Directors, prejudice the Company's interests, unless such request is supported by shareholders representing at least a quarter of the share capital;

(c) If the information is unnecessary for the protection of shareholders' rights or there are objective reasons to believe that it may be used for ultra vires purposes or publication thereof may prejudice the Company or related companies;

(d) if, prior to making a specific question, the information requested is clearly, expressly and directly made available to all shareholders on the Company's website under a question-answer format, the board members may simply answer that their reply may be found in the information provided in such a format;

(e) if the petitioner has acted in a clear abuse of rights; or

(f) if this is the result of legal or statutory provisions, or of court or administrative decisions.

The shareholder shall be responsible of providing evidence to prove its request has been sent to the Company in due time and form.

## **2. Absentee votes**

For absentee votes, shareholders shall:

(i) complete the registration as a shareholder in the platform provided by the Company for that purpose, the link thereof which is published along with the call notice will also be available on the company's website, providing the documents evidencing the shareholder's identity and the ownership of shares, through the same platform and following the instructions provided therein, or

(ii) complete and sign the corresponding absentee vote form available on the Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) together with the documentation evidencing Shareholder's identity and the ownership of the shares, or

(iii) complete and sign the section reserved for such purpose on the attendance card issued by the entities where they might have deposited their shares, attaching a copy of shareholder's national identity document or passport.

In the case of points (ii) and (iii), once the required documents have been completed and signed, shareholders must send them through one of the following means:

**1. Via mail (ordinary post):**

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
C/ Gremio de Toneleros, 24 -Polígono Son Castelló, 07009  
Palma (Balearic Islands) Spain.

**2. Via telefax:**

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
Fax No: (34) 971224515

**3. Via mail:**

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
Email: [atencion.accionista@melia.com](mailto:atencion.accionista@melia.com)

Any votes sent by mail, telefax or email, as well as those sent by electronic means, will be accepted providing the Company receives them at least twenty-four (24) hours before the beginning of the General Meeting and they meet any requisites established herein.

Should the shareholder have sent the Company two or more absentee votes through different means and their content does not match, the Company shall only validate the one with the issue date closest to the date of the General Meeting and, should they have been issued on the same date or if there is uncertainty regarding the date, the absentee vote form available to the Shareholders on the Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) shall prevail.

Likewise, the vote, regardless of the means used for its cast, shall render any proxy granted ineffective, and the proxy will be deemed to have been revoked if granted previously, or not to have been granted at all if granted subsequently.

Similarly, votes cast by means of signing the printed card, providing the Company receives them well in advance, shall render the vote effected by electronic means, either previously or subsequently, ineffective.

The result of the vote shall be properly indicated in the absentee vote form, in the attendance card or through the platform available on the Company's website, as the case may be. If no result is indicated, it shall be deemed that the shareholder votes in favour of the proposals of the Board of Directors in relation to the items included in the agenda of the call notice. In relation to any proposals on items not included in the agenda of the call notice, it shall be deemed that the shareholder votes against, unless otherwise indicated.

Should disagreement on the result of the vote persist, the Investor Relations Director may determine through other reasonable means which is the result of the vote.

Shall a discrepancy between the present translation and the original document in Spanish-language appear, the text of the original Spanish-language document shall always prevail.

### 3. Proxy

Pursuant to the provisions of article 184 of the Spanish Companies Act, every shareholder having the right to attend the General Meeting may be represented thereat by another person, complying with the requisites and formalities required under the Bylaws, the Regulations of the Shareholders' General Meeting and in accordance with the law, in which case the proxy holder shall exercise the right to attend (in person or through electronic means) or to vote at the Meeting on behalf of the shareholder granting the proxy.

The proxy must be granted on a special basis for each General Meeting, except the proxy holder being a spouse, descendant or parent of the shareholder; or when the proxy holder possesses a general power of attorney, in the terms established in article 9.3 of the Regulations of the Shareholders' General Meeting and will always be revocable. The attendance in person at the Meeting of the shareholder represented will be deemed to be a revocation. Moreover, the proxy will always be revocable through the same means by which it was made.

In the event of a public request for representation, the provisions of articles 186, 187 and 526 of the Spanish Companies Act will apply.

The appointment or revocation of the proxy holder and notification thereof to the Company may be made by the following means:

(i) the platform provided by the Company for the issue of absentee vote or the granting of proxy, the link thereof will be published along with the call notice and will be available on the company's website, by providing the documents evidencing the shareholders' identity and the ownership of shares, as well as the identity of the proxy holder and, where appropriate, the voting instructions through the same platform and following the instructions contained therein; or

(ii) the submission to the Company of the voting proxy form which is available to the shareholders on the Company's website ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)), duly signed and completed, along with the documents evidencing the identity of the shareholder and the proxy holder, as well as the documents evidencing the ownership of shares and, where appropriate, the voting instructions; or

(iii) the relevant attendance card issued by the entities responsible for keeping the accounting record of the Company's shares, with the section containing the printed wording to grant proxy duly completed and, where appropriate, including the voting instructions, and attaching a copy of the national ID card or passport of the shareholder and the proxy holder.

For sections (ii) and (iii), once the necessary documents are completed and signed, the shareholder must send them through one of the following means:

**1. Via mail (ordinary post):**

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
C/ Gremio de Toneleros, 24 -Polígono Son Castelló, 07009  
Palma (Balearic Islands) Spain.

**2. Via telefax:**

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
Fax No: (34) 971224515

**3. Via mail:**

MELIÁ HOTELS INTERNATIONAL, S.A.  
A/A: Investor Relations Department  
Email: [atencion.accionista@melia.com](mailto:atencion.accionista@melia.com)

(iv) Likewise, provided that the Shareholders' General Meeting can be held with the physical attendance of shareholders and proxy holders, shareholders may appoint or revoke the appointment of proxy holders (and communicate it to the Company), by completing and signing the proxy contained in the attendance card or the proxy form and its submission to the staff responsible for the attendance registration by the designated proxy holder physically attending the General Meeting, on the date and at the venue where the General Meeting is to be held, prior to the commencement thereof, along with the identity documents of the shareholder (copy) and of the proxy holder (original) and, if the form is used, the documents evidencing the ownership of shares. This submission shall serve as a notice under the terms of Article 522 of the Spanish Companies Act.

Any proxies received by mail, telefax or email, as well as any notification of the appointment or revocation of appointment of the proxy holder through electronic means, will be accepted providing they are received at least twenty-four (24) hours before the start of the General Meeting and comply with the requisites established. The person appointed as proxy holder by these means may exercise the proxy by attending the meeting both physically, provided that the meeting can be held with the physical attendance of shareholders and their proxy holders, or by electronic means, under the terms provided for in section 5 below.

The shareholder shall be responsible for providing evidence to prove its proxy has been sent to the Company in due time and form.

Should the shareholder have sent the Company the proxy voting form and also the attendance card with the section on proxy completed, the Company shall only validate the document with the issue date closest to the date of the General Meeting and, should they have been issued on the same date, or if there is uncertainty regarding the date, the proxy voting form available to the Shareholders on the website of the Company ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) shall prevail.

Shall a discrepancy between the present translation and the original document in Spanish-language appear, the text of the original Spanish-language document shall always prevail.



If a shareholder validly grants a proxy through electronic means on the one hand, and, on the other, through printed card submitted by the appointed proxy holder physically attending the General Meeting, or sent by mail well in advance, the printed card shall prevail over the proxy by electronic means, regardless of their respective dates.

If the name of the proxy holder is not expressly stated, it will be understood that the proxy is granted to the Chairman of the Board of Directors. Likewise, it will be understood that the proxy granted to the Chairman is granted to the person who is chairing the Meeting on his behalf, in the event that the Chairman is not able to attend it.

In relation to the specific voting instructions, these shall be properly marked in the proxy voting form, in the attendance card with the wording to grant the proxy or through the platform available on the Company's website, as the case may be. If no mention is made, it will be understood that the specific instruction given by the shareholder is to vote in favour of the proposals of the Board of Directors in relation to the items included in the agenda of the call notice.

In connection with any proposals on items not included in the agenda of the call notice, except where the shareholder granting the proxy expressly indicates otherwise (in which case it will be understood that the proxy holder is instructed to abstain from voting), the proxy also extends to proposals on items not included in the agenda. In such case, the specific instruction of the shareholder to the proxy holder is to vote for the proposal in the sense most appropriate for the interests of the Company and the shareholder, except as otherwise specified by the shareholder.

If the appointed proxy holder, according to the above indications, is subject to a conflict of interest in the voting on any of the proposals which, included or not in the agenda, are submitted to the General Meeting, and the represented shareholder had not given specific voting instructions in this respect, it will be understood that the proxy is granted to Secretary of the Board of Directors.

For the avoidance of doubt, there is a conflict of interest in the event that items relating to the termination of or the filing of an action for liability against the proxy holder and which are not included in the agenda, are submitted to the Shareholders' General Meeting, provided that the proxy holder is also director of the Company.

#### **4. Errors, defects or omissions in the cards or forms**

Should the attendance card or absentee vote or proxy (with or without voting instructions) forms contain any errors, defects or omissions which cannot be remedied by applying the criteria established in this document, the Company may accept and validate the documents submitted and determine the sense of the instructions received taking into account the set of criteria on interpretation contained in this document and any other Company's rules or

recommendations on corporate governance, ensuring the company's interests and respecting the principles of legal certainty and the guarantee of the rights of the shareholder.

In order to solve the errors, defects or omissions contained within the cards or forms, the shareholder may indicate, through the corresponding card or form, a phone number, email address or any other contact data that allows the Company to contact the shareholder for this purpose.

## **5. Remote attendance and vote by electronic means**

Pursuant to the provisions of Article 22.6 of the Company Bylaws, Article 18.3 of the Regulations of the Shareholders' General Meeting and Royal Decree-Law 8/2020 of 17<sup>th</sup> March, and due to the inability to predict whether the same restrictions that prevent or limit the physical attendance will continue to exist on the scheduled date for the holding of the General Meeting, the Board of Directors has agreed that the attendance at the General Meeting can also be made through electronic means allowing the real-time remote connection with the venue where the General Meeting will be held ("remote attendance").

The mechanisms for remote attendance at the Meeting will be available on the corporate website of Meliá Hotels International ([www.meliahotelsinternational.com](http://www.meliahotelsinternational.com)) and will be published along with the call notice of the Meeting.

The remote attendance mechanisms will be closed following the end of the General Meeting or, where appropriate, if there is no quorum to hold the meeting.

In order to ensure the identity of the attendees, proper exercise of their rights, real-time interactivity and appropriate conduct of the meeting, shareholders (or their proxy holders) who want to use the remote attendance mechanisms, must register previously through the means made available by the Company on its website, by following the instructions published for that purpose in the call notice of the General Meeting and on the website.

The remote attendance at the Meeting shall be subject to following basic rules and, where not expressly provided for in such rules, the contents of the call notice and the Company's website shall apply, which shall be interpreted in conformity with the Law, the Bylaws and the Regulations of the Shareholders' General Meeting:

(i) Connection, registration and attendance:

Pursuant to the provisions of the Regulations of the Shareholders' General Meeting and for the purposes of allowing the proper management of the remote attendance systems, the shareholder (or his/her proxy holder) who wants to attend the General Meeting and to vote through remote communication means shall register previously as a shareholder (or, where appropriate, as a proxy holder) by providing all the relevant documents evidencing such status,

through the means made available by the Company on its website and following the instructions contained therein.

The registration of attendees through a system other than that provided by the Company or which does not include the documents evidencing the status of shareholder or proxy holder, shall not be admitted. The Company reserves the right to request additional means of identification from shareholders (or their proxy holders) as and when it may so deem convenient to prove such status and guarantee the authenticity of the vote or proxy.

The registration of shareholders in the platform enabled for the issuance of votes or proxies, speeches, access to documents and follow-up of the Meeting or other functions, will be made available at the time of publication of the call notice, up to one hour before the start time of the Shareholders' General Meeting.

The connection of the shareholder (or his/her proxy holder) who has previously made the registration in the enabled platform will be opened from the date of publication of the call notice until the end of the Shareholders' General Meeting. The vote, proxy or wording of speeches by the shareholder (or his/her proxy holder) may be issued from the date of opening of the platform and up to five (5) minutes before the scheduled start time of the Shareholders' General Meeting, in order to duly compose the quorum, the voting results and to include the speeches during the Meeting.

If the Shareholders' General Meeting is held at second call, the scheduled period will be extended to the date of holding thereof with the same time limits already mentioned for each of the actions.

(ii) Speech:

The shareholders (or their proxy holders) who, in the exercise of their rights, intend to speak at the Meeting and, where appropriate, to request information or explanations in relation to the items of the agenda, or clarifications on the information accessible to the public provided by the Company to the Comisión Nacional del Mercado de Valores from the holding of the last General Meeting or in relation to the auditor's report, or to make proposals, shall indicate their intention to do so at the time of registration. Following such an indication and, exclusively, through the means provided for such purpose, the remote attendees may prepare in writing and send their speech or question from the time of their registration in the platform, until the end of the period authorised for that purpose.

The remote attendee who wants his/her speech to be recorded in the minutes of the Meeting shall expressly indicate it in the text thereof.

The requests for information or clarification made by remote attendees may be answered in writing within seven days following the date of the Meeting, pursuant to the provisions of the Spanish Companies Act.

(iii) Votes:

The casting of votes through telematic means on proposals concerning the items included in the agenda may be made from the time of registration of the shareholder, according to the procedure set forth in section i) above and until the closing of the voting period for the purposes of constitution of the quorum and approved resolutions. In relation to proposals not included in the agenda, the provisions of section 2 above shall apply.

In any case, the remote voting process in relation to all the proposals submitted to the Meeting shall end before the reading of the summaries of the proposals for approved resolutions by the Secretary of the Meeting. For the voting of proposals for resolutions, the procedure provided for in the Bylaws and the Regulations of the General Meeting shall be applied.

The attendance in person (physical or remote) at the Shareholders' General Meeting of a shareholder who granted proxy or effected the vote by remote communication systems, whichever means was used to cast it, shall have the effect of a revocation of said proxy or vote. The physical attendance in person shall invalidate the remote attendance.

(iv) Other issues:

The Company reserves the right to change, suspend, cancel or restrict the mechanisms of remote attendance at the Meeting where technical or safety reasons so require. The Company will not be responsible for any prejudices the shareholders may suffer as a result of breakdowns, overloads, failures in the line, failures in the connection, or any other similar event, beyond the control of the Company, that prevent the use of the mechanisms of remote attendance at the Meeting.

## TOTAL NUMBER OF SHARES AND VOTING RIGHTS ON THE DATE OF THE CALL TO 2020 ANNUAL GENERAL SHAREHOLDERS' MEETING

### Meliá Hotels International, S.A.

For the purposes specified in Article 518 of Spanish Companies Act, it is reported that on the date of the call to General Shareholders' Meeting, convened for July 10<sup>th</sup> and 11<sup>th</sup>, 2020, on first and second calling respectively, the capital share of Meliá Hotels International, S.A. is represented by 229,700,000 ordinary shares (229,700,000 voting rights). Each share shall give right to one vote.

In accordance with the provisions of section 5.2 of the Bylaws of Meliá Hotels International, S.A., there is one single class and series of shares.

In Palma, 9 June, 2020

**ORDINARY GENERAL SHAREHOLDERS' MEETING  
ABSENTEE VOTE FORM**

Absentee vote form for the Ordinary General Shareholders' Meeting of MELIÁ HOTELS INTERNATIONAL, S.A. to take place at the Hotel Meliá Palma Marina, located in Palma, Av. de Gabriel Roca, 29, at 1 p.m. on July 10, 2020 on first call, or on the following day on second call, at the same place and time.

\_\_\_\_\_ (full name or company name),  
holder of \_\_\_\_\_ shares in MELIÁ HOTELS INTERNATIONAL, S.A., with ID/Passport number \_\_\_\_\_, with telephone number \_\_\_\_\_ and e-mail address \_\_\_\_\_ hereby cast my distance vote, indicating below the vote on the Resolution Proposals submitted to the Ordinary General Shareholders' Meeting:

<b>Resolution Proposal<sup>1</sup></b>	<b>In favor</b>	<b>Against</b>	<b>Abstention</b>
<b>1.1</b>			
<b>1.1</b>			
<b>1.2</b>			
<b>1.3</b>			
<b>1.4</b>			
<b>1.5</b>			
<b>2.1</b>			
<b>2.2</b>			
<b>2.3</b>			
<b>3.1</b>			
<b>3.2</b>			
<b>4.1</b>			
<b>4.2</b>			
<b>4.3</b>			
<b>5.1</b>			
<b>6.1</b>	////////////////////	////////////////////	////////////////////
<b>7</b>			

In the event any resolutions not included in the Agenda are submitted to vote, it will be understood that I cast my vote in the manner proposed by the Chairman of the General Meeting<sup>2</sup>, notwithstanding any instructions to the contrary by ticking the corresponding box below:

<b>IN FAVOR</b>	
<b>AGAINST</b>	
<b>ABSTENTION</b>	

In any case, this form shall be accompanied by documentation evidencing through suitable means the identity of the shareholder (and its legal representative, in the case of a legal entity) and ownership of the shares. The Company shall evaluate the suitability

<sup>1</sup> Point sixth of the Agenda is not submitted to vote.

<sup>2</sup> Following provisions of arts. 523 and 526 of the Capital Companies Act, it is hereby stated that in the event the Chairman should be involved in a conflict of interest when voting on any proposals which, not included in the Agenda, might be submitted at the Meeting, the power of representation will be deemed to have been conferred on the Secretary or, failing this or in the case of conflict of interest, on the Vice Secretary non-director.

and sufficiency of the means evidencing such identity and ownership of the shares.

## **PERSONAL DATA PROTECTION**

Shareholder's personal data provided to the Company or submitted by the bank entities and the companies and agencies in which the shareholders might have deposited their shares, through the entity in charge of keeping the book-entry registry of the Company, *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores*, S.A. (IBERCLEAR), will be processed as follows:

**Data controller:** MELIÁ HOTELS INTERNATIONAL, S.A., with registered office at Calle Gremio Toneleros, 24, 07009 Palma.

**Purpose:** manage development, observance, and control of the relationship between the Company and shareholders regarding notice to call and the General Meeting.

**Entitlement:** your personal data will be processed for the observance of Company's legal obligations.

### **Recipients:**

- The entity in charge of keeping the book-entry registry of the Company, *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores*, S.A. (IBERCLEAR)
- Public Administrations, in the cases provided by Law.
- Registries and Notaries, in the cases provided by Law.

**Rights:** to access, rectification, to erasure, to object, to restriction of processing and to data portability.

In case you wish to obtain more information regarding the processing of your personal data, please check our [Privacy Policy](#).

Signature of Shareholder.

In \_\_\_\_\_, on \_\_\_\_\_, 2020.

**ORDINARY GENERAL SHAREHOLDERS' MEETING  
VOTE DELEGATION FORM (PROXY)**

Vote delegation form (proxy) for the Ordinary General Shareholders' Meeting of MELIÁ HOTELS INTERNATIONAL, S.A. to take place at the Hotel Meliá Palma Marina, located in Palma, Av. de Gabriel Roca, 29, at 1 p.m. on July 10, 2020 on first call, or on the following day on second call, at the same place and time.

I, \_\_\_\_\_ (full name or company name), holder of \_\_\_\_\_ shares in MELIÁ HOTELS INTERNATIONAL, S.A., with telephone number \_\_\_\_\_ and e-mail address \_\_\_\_\_ hereby delegate my vote to<sup>4</sup>:

- The Chairman of the Board of Directors of MELIÁ HOTELS INTERNATIONAL, S.A.
- Mr./Ms. \_\_\_\_\_, bearer of National Identity Card n° \_\_\_\_\_

Below are the instructions for exercising the voting right for the Resolution Proposals to be submitted to the Ordinary General Shareholders' Meeting:

<b>Resolution Proposal<sup>5</sup></b>	<b>In favor</b>	<b>Against</b>	<b>Abstention</b>
<b>1.1</b>			
<b>1.2</b>			
<b>1.3</b>			
<b>1.4</b>			
<b>1.5</b>			
<b>2.1</b>			
<b>2.2</b>			
<b>2.3</b>			
<b>3.1</b>			
<b>3.2</b>			
<b>4.1</b>			
<b>4.2</b>			
<b>4.3</b>			
<b>5.1</b>			
<b>6.1</b>	////////////////////	////////////////////	////////////////////
<b>7</b>			

In the event any resolutions not included on the Agenda are submitted to a vote, (i) and in the case I have conferred my representation in favor of the Chairman of the Board of Directors, it will be understood that I cast my vote in the manner proposed by the Chairman of the General Meeting, notwithstanding any instructions to the contrary indicated herein by ticking the corresponding box below, and (ii) in the event I have conferred my representation in favor of a third party other than the Chairman, he/she will vote on such resolutions in the manner he/she deem appropriate, notwithstanding any instructions to the contrary by ticking the corresponding box below.

<sup>3</sup> It will be understood that the proxy is conferred to the Chairman of the Board of Directors in case the delegation does not include a nominative or legible expression of the beneficiary of the delegation, or if the same is made in favour of the Board of Directors in general.

<sup>4</sup> In case of delegations in favor of the Chairman of the Board of Directors, the latter will vote in favor of all proposals submitted by the Board in respect of the various items of the Agenda, unless in relation thereto the instructions for exercising the voting right should indicate otherwise. For the effects of the provisions of arts. 523 and 526 of the Capital Companies Act, it is hereby stated that in the event the Chairman should be involved in a conflict of interest when voting on any proposals which, included or not in the Agenda, might be submitted at the Meeting, the power of representation will be deemed to have been conferred in favor of the Secretary or, failing this or in the case of conflict of interests, the Vice Secretary non-director

<sup>5</sup> Point sixth of the Agenda is not submitted to vote.



<b>IN FAVOR</b>	
<b>AGAINST</b>	
<b>ABSTENTIÓN</b>	

In any case, this form should be accompanied by documentation evidencing through suitable means the identity of the shareholder (and its legal representative, in the case of a legal entity) and the designated representative, as well as the ownership of the shares. The Company shall evaluate the suitability and sufficiency of the means evidencing such identity and ownership of the shares.

## **PERSONAL DATA PROTECTION**

Shareholder's personal data provided to the Company or submitted by the bank entities and the companies and agencies in which the shareholders might have deposited their shares, through the entity in charge of keeping the book-entry registry of the Company, Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR), will be processed as follows:

**Data controller:** MELIÁ HOTELS INTERNATIONAL, S.A., with registered office at Calle Gremio Toneleros, 24, 07009 Palma.

**Purpose:** manage development, observance, and control of the relationship between the Company and shareholders regarding notice to call and the General Meeting.

**Entitlement:** your personal data will be processed for the observance of Company's legal obligations.

### **Recipients:**

- The entity in charge of keeping the book-entry registry of the Company, Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR)
- Public Administrations, in the cases provided by Law.
- Registries and Notaries, in the cases provided by Law.

**Rights:** to access, rectification, to erasure, to object, to restriction of processing and to data portability.

In case you wish to obtain more information regarding the processing of your personal data, please check our [Privacy Policy](#).

Signature of the Shareholder:

In \_\_\_\_\_, on \_\_\_\_\_, 2020.

# Report of the Board of Directors in relation to the proposal for re-election of a Director of Meliá Hotels International, S.A.

Board of Directors  
26 April 2020

## *Index*

- 1. Report and proposal for appointment of the Board of Directors**
- 2. Report of the Appointments and Remuneration Committee**

# REPORT AND PROPOSAL OF THE BOARD OF DIRECTORS OF MELIÁ HOTELS INTERNATIONAL, S.A., IN RELATION TO THE RE-ELECTION OF A DIRECTOR INCLUDED IN THE AGENDA FOR THE ORDINARY GENERAL SHAREHOLDERS' MEETING CALLED FOR THE YEAR 2020.

## 1. Purpose of the report.

This report has been drafted by the Board of Directors of MELIÁ HOTELS INTERNATIONAL, S.A. (hereinafter, the "**Company**") in relation to the proposal to re-elect Ms. Carina Szpilka Lázaro as Independent Director, that shall be submitted to the General Shareholders' Meeting for its approval jointly with Appointments and Remuneration Committee's proposal (hereinafter, the "**Committee**"), in accordance with article 529 decies, sec. 4 and 5 and article 529 quindecies 3 c) of the Spanish Companies Act (hereinafter, the "**SCA**"), as well as with article 15.2 a) of the Regulations of the Board of Directors.

## 2. Prior analysis.

As indicated in the Committee proposal attached to this report, Ms. Carina Szpilka Lázaro was appointed for the first time as director of the Company by co-optation on February 25, 2016 and ratified and re-elected in office by the General Meeting of Shareholders held on June 23, 2016, this being her last appointment to date.

The following is a summary of the analysis carried out by the Board of Directors, based on the Committee proposal, and in relation to the proposal for the re-election of Ms. Carina Szpilka Lázaro as Independent Director.

At its meeting held on February 27, 2017, the Board of Directors approved the Selection of Directors Policy and, in accordance with the principles established therein, and taking into account the abovementioned situation, the Appointments and Remuneration Committee and the Board of Directors itself, to the extent necessary, have analyzed the composition requirements for the Board at short and medium-term to determine the specific director profiles required by the Company.

They did analyze, among other, the following:

- ✓ Professional profiles and skills of the Directors.
- ✓ Directors' diversity of knowledge and experience.
- ✓ Potential conflicts of interest.
- ✓ Availability to properly discharge their duties as Directors.
- ✓ Absence of incompatibilities.

- ✓ The balance between different types of Directors, in order to guarantee that all interests are properly represented in the Board of Directors, as well as the equitable valuation of skills, profiles, knowledge, experience and professional functions of the same.
- ✓ Diversity of gender, age and seniority.

In particular, the recommendations of the CNMV (Code of Good Governance of Listed Companies) regarding diversity objectives in the Board of Directors have been taken into account, in order to maintain the percentage of women in the Board.

While performing her duties since its initial appointment, Ms. Carina Szpilka Lázaro has demonstrated:

- Extensive knowledge and experience in several areas of activity which are essential for the group, including finance, banking, technological and digital, thereby enhancing the analysis of the Company's needs and projects and increasing the diversity of perspectives present when matters submitted for their consideration are discussed.
- Excellent performance of her duties from ethical, knowledge and dedication perspective.

As a result of the aforementioned analysis, the Board recommends maintaining its current composition (in relation with both size and composition of the Directors as well as its diversity) which is comprised of members with diverse profiles, an extraordinary level of qualification and professional skills and capability of providing the Company with added value at short and medium-term, encouraging debates and promoting the adoption of well-founded decisions. Therefore, the Board and the Committee judge very favorably the profile, skills, knowledge and experience of Ms. Carina Szpilka Lázaro, whose re-election will be proposed to the General Shareholders' Meeting.

### **3. Justification of the proposal for re-election.**

In preparing and assuming the proposals for re-election made by the Appointments and Remuneration Committee, the Board of Directors took into consideration the suitability of the candidate's professional profile in relation to the needs of the business performed by the Company and the industry in which it operates, her international experience, her performance level to date, as well as whether he has sufficient availability to properly perform her duties.

In this regard, the Board of Directors believes that Ms. Carina Szpilka Lázaro adequately combines the necessary skills and competencies within the following areas, among others:

- a) knowledge of the industry in which the Company operates, as well as other areas with synergies to the Company;
- b) experience and knowledge of economic, banking and financial matters;
- c) innovation and transformation of the digital medium and new technologies;
- d) training and international experience and knowledge of relevant geographic markets for the Company; and
- e) experience and knowledge of management, leadership and business strategy.

The CV of Ms. Carina Szpilka Lázaro is attached to the accompanying proposal of the Committee, and confirms her worth and technical skills, her merits based on which she should continue to hold the position, her extensive experience in industries relevant to the Company and the group, and her knowledge of various business fields, guaranteeing a variety of viewpoints during the Board of Directors' debates, maintaining a high percentage of independent directors and consolidating a high qualitative level in the Board's structure as a whole.

Lastly, the Committee has verified that Ms. Carina Szpilka Lázaro meets all of the requirements of honor, suitability, technical solvency, competency, experience, qualification, education, availability and commitment to the duties specific to the position, and that there are no grounds for incompatibility, prohibition or conflict of interests.

#### **4. Proposal for re-election of Ms. Carina Szpilka Lázaro.**

The Board believes, in accordance with the provisions established in art. 529 decies of sec. 4 and 5 of the SCA, that Ms. Carina Szpilka Lázaro meets the necessary requirements to continue performing her duties as Director, in accordance with the principles established in the Selection of Directors Policy.

Category under which she must be classified: Independent Director, in accordance with the definition established in art. 529 duodecies of sec. 4 of the Spanish Companies Act.

The Board of Directors has concluded, upon the proposal of the Committee, that given that she is currently performing the duties for which she is responsible as an Independent Director, her knowledge of the activities carried out by the Company and the industry in which it operates, nationally as well as internationally, will allow Ms. Carina Szpilka Lázaro to continue contributing in a very positive way and with added value, to the operation of the Board of Directors, and

submits the following proposal, made by the Appointments and Remuneration Committee, to the General Shareholders' Meeting for its approval:

*"[●] - Re-election of Ms. Carina Szpilka Lázaro as External Independent Director*

*To re-elect Ms. Carina Szpilka Lázaro as Director, for the statutory period of four (4) years upon the proposal of the Appointments and Remuneration Committee and following the relevant report issued by the Board of Directors.*

*In accordance with article 529 duodecies of the Spanish Companies Act, she will be considered as an Independent Director".*

## APPENDIX

### REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF MELIÁ HOTELS INTERNATIONAL, S.A. ON THE RE-ELECTION OF MS. CARINA SZPILKA LÁZARO.

Palma, February 25, 2020

#### 1. Preamble

The duties assigned to the Appointments and Remuneration Committee, regulated in article 39 Ter of the Corporate Bylaws and 15 of the Regulations of the Board of Directors, in accordance with the aforementioned article 15, include the following:

“[...]

*15.2 Organisation and responsibilities.*

[...]

*a) Appointment and reelection of Directors*

*To define and review the criteria to be applied with regard to the composition of the Board of Directors and the selection of candidates, and in particular, to assess the competencies, knowledge, abilities, and experience necessary in the Board of Directors to define the competences and aptitudes necessary of the candidates that must cover vacant.*

[...]

*To submit to the Board any proposals on the appointment of Independent Directors so that the Board may directly designate such Directors (Co-opt) or adopt the proposals for their submission to the General Shareholders' Meeting for approval as well as their re-election or removal by the General Shareholders Meeting.*

[...]”

Ms. Carina Szpilka Lázaro was first appointed as director of the Company by co-option on February 25, 2016 and ratified and re-elected in the position by the General Shareholders' Meeting held on June 23, 2016, this being her last appointment until the date.

In consequence, taking into account the next expiration of her position as Director, and according to art. 529 of the Spanish Companies Act, should therefore be considered for its re-

election for a four (4) year term, and, if so, be proposed to the Board of Directors in order to submit it to General Shareholders' Meeting approval.

For this purpose, the Committee has analyzed the advisability of her reelection, collecting in this report the result of the work carried out by the Committee, for subsequent submission to the Board of Directors.

## **2. Verification of compliance with Selection of Directors Policy:**

In accordance with the principles established in Selection of Directors Policy approved on February 27, 2017 by the Board of Directors, in order to inform and advise the Board of Directors within the analysis of the Company's needs and the suitability of re-election of Ms. Carina Szpilka Lázaro, the Committee took into consideration, among others, the business carried out by the Company, the countries in which it is performed, the specific management needs of a multinational company, its obligations to society and the Company's principles.

Likewise, recommendation number 14 of the Unified Code of Good Governance and the Company's diversity policy have been taken into account in order to continue promoting diversity of gender, age and training within the Board of Directors. The re-election of Ms. Carina Szpilka would maintain the percentage of women on the Board of Directors (27.27%) as well as that of directors with the independent category (54.54%).

The conclusion drawn from the aforementioned analysis is that the Board of Directors should keep among its members directors with extensive experience in various sectors of activity, with knowledge of Company's internal operations, rooted in the values of a family business and the capability to adapt to an industry which is constantly evolving and expanding, both at a geographic and technological level.

## **3. Assessment of Ms. Carina Szpilka Lázaro, whose re-election will be proposed to the General Shareholders' Meeting:**

In particular, after the analysis of Ms. Carina Szpilka Lázaro profile, the Appointments and Remuneration Committee took into account:

- a. The knowledge and experience of the candidate for reelection acquired throughout her professional career, specifically her experience in the banking and financial sector is highly valued.



- b. Her knowledge of various business sectors and professional background acquired in the performance of various functions in different companies and entities and especially her knowledge of the digital economy, the technology sector and information technologies.
- c. The excellent performance of her functions as an Independent Director and as a member of the Audit and Compliance Committee.
- d. Her high attendance ratio to the sessions of the Board of Directors and the Audit and Compliance Committee and her active and enriching participation in the dynamics, debates and evaluations that take place in them.
- e. Her honor, suitability, technical solvency, skills, experience, qualification, availability and commitment to her duties.

#### **4. Verification of compliance with the requirements to be a Director of the Company.**

The Committee verified that the candidate up for re-election continues to fulfill the general requirements which must be met by all directors of the Company, in accordance with that established by applicable regulations.

Specifically, the Committee verified that candidate's conduct and professional career are fully aligned with the Company's principles and that there are no grounds for incompatibility or impediments to her performing her office.

#### **5. Conclusion.**

As a result of the foregoing, the Committee concluded that it will propose to the Board of Directors the re-election of Ms. Carina Szpilka Lázaro as an Independent Director of the Company, to be submitted by the Board to the General Shareholders' Meeting worded as follows:

*"[●] - Re-election of Ms. Carina Szpilka Lázaro as External Independent Director.*

*To re-elect Ms. Carina Szpilka Lázaro as Director, for the statutory period of four (4) years upon the proposal of the Appointments and Remuneration Committee and following the relevant report issued by the Board of Directors. In accordance with article 529 duodecies of the Spanish Companies Act, she will be considered as an Independent Director".*

## **ANNEX TO THE REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF MELIÁ HOTELS INTERNATIONAL, S.A. ON THE THE RE-ELECTION OF MS. CARINA SZPILKA LÁZARO.**

### **Professional and biographical profile of of Ms. Carina Szpilka Lázaro.**

Degree in Economic and Business Sciences from ICADE E-2 and Executive MBA from Instituto de Empresa in Madrid. She has held positions at Santander Investment, Argentaria (currently, BBVA) and ING Direct between 1991 and 2013, being the CEO of ING Direct in France for the last five years and then in Spain.

She has also developed her activity as volunteer as Vice-Chairman of Unicef Spain and as member of the Board of Trustees of Fundación Create. She is currently Independent Director of Abanca, Grifols and Meliá Hotels International; founding member and Chairman of K Fund Venture Capital and Chairman of ADigital.

She has received numerous awards, including: “Mujer Directiva del Año” (Female Director of the Year) award, Fedepe (2011), “Premio a la carrera fulgurante” (The Brilliant Career Award), ICADE (2012), “Medalla de oro del forum alta dirección” (Gold Medal of Senior Management Forum) (2012), “Premio Emprendedores al Mejor Directivo del año” (Entrepreneurs Award to the Best Director of the Year) (2013), “Premio #EITalento Cinco Días al Talento Ejecutivo” (Cinco Días #TheTalent Award for Executive Talent) (2014), “Premio a la Excelencia Profesional” (Award for Professional Excellence), ADigital (2014) and Eisenhower Innovation Fellow, (2014).

# Report of the Board of Directors in relation to the proposal for appointment of a Director of Meliá Hotels International, S.A.

Board of Directors  
1 June 2020

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1. Report and proposal for appointment of the Board of Directors
2. Report of the Appointments and Remuneration Committee

# REPORT AND PROPOSAL OF THE BOARD OF DIRECTORS OF MELIÁ HOTELS INTERNATIONAL, S.A., IN RELATION TO THE APPOINTMENT OF AN EXTERNAL PROPRIETARY DIRECTOR INCLUDED IN THE AGENDA OF THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 10 AND 11 JULY 2020 AT FIRST AND SECOND CALL, RESPECTIVELY.

## 1. Purpose of the report.

This report is drawn up by the Board of Directors of Meliá Hotels International, S.A. (hereinafter, “Meliá” or the “Company”) in relation to the proposal for appointment of Hoteles Mallorquines Agrupados S.L. (hereinafter, “HMA”) as an External Proprietary Director, whose natural person representative will be Mr. Jose María Vázquez-Pena Pérez, and which is submitted to the General Shareholders’ Meeting along with the favourable report of the Appointments and Remuneration Committee (hereinafter, the “Committee”), pursuant to the provisions of Article 529 decies of sec. 4 and 5 and Article 529 quindecies 3 (d) of the Spanish Companies Act (hereinafter, the “SCA”), as well as Article 15.2(a) of the Regulations of the Board of Directors.

## 2. Prior analysis.

As mentioned in the explanatory report of the Committee, following the resignation of Mr. Sebastián Escarrer Jaume on 16 May 2020, HMA has proposed to the Committee its appointment as an external proprietary director, in its capacity as significant shareholder of the Company (holder of 10.38% of the share capital of Meliá), and Mr. Jose María Vázquez-Pena Pérez as its natural person representative.

According to the content of that report, MHA has included in its proposal the reasons why it considers that it is appropriate to propose its own appointment as legal person, providing coherence to the representation system of significant shareholders in the Board, and in line with the representation structure used by the other proprietary directors, since Hoteles Mallorquines Asociados, S.L. (significant shareholder holding 13.206% of the share capital of Meliá) and Hoteles Mallorquines Consolidados, S.L. (significant shareholder of 23.379% of the share capital of Meliá) are represented in the Board of Directors by legal persons, promoting the professionalization of the profiles that represent the proprietary directors.

There follows an analysis carried out by the Board on the report of the Committee in relation to the proposal for appointment of HMA as Proprietary Director, represented by Mr. Jose María Vázquez-Pena Pérez.

According to the principles set forth in the Selection Policy for Directors and taking into account the abovementioned situation, the Committee and the Board of Directors itself, where appropriate, have analysed the requirements on the composition of the Board of Directors in the short and medium term in order to determine the specific Director profiles the Company needs.

Among others, the following aspects have been analysed:

- Profiles and professional skills of Directors.
- Diversity of knowledge and expertise of Directors.
- Potential situations of conflicts of interest.
- Time available for the Directors to properly perform their duties as such.
- Absence of incompatibilities.
- The filling of the vacancy of an external proprietary director by another proprietary director promotes the proper balance between the different categories of Directors, ensuring the correct representation of the total interests within the Board of Directors, as well as the fair assessment of their skills, profiles, know-how, experiences and professional abilities.
- Presence of women on the Board of Directors, taking into account the goal for 2020 concerning the presence of one third of women on the Board, as well as the Recommendation No. 14 of the Unified Good Governance Code of the CNMV regarding achieving 30% female representation on the Board.

For such analysis, the competency matrix prepared by the Committee and subsequently approved by the Board has been taken into account.

As a conclusion of this analysis, the Board understands that it is advisable to maintain the current composition of the Board of Directors (as for the number of directors) made up of members with different profile, extraordinary training and professional competence, who are able to add value in the short and medium term to the Company, enriching the debate and favouring the adoption of proven decisions.

In this sense, both the Board and the Committee have favourably assessed the proposal made by HMA, which offers itself for its appointment as legal person director, and appointing Mr. Jose María Vázquez-Pena Pérez as its natural person representative.

### 3. Justification of the proposal for appointment.

The Board of Directors submits to the General Shareholders' Meeting the appointment of the legal person HMA as an external proprietary director, including its representation by Mr. Jose María Vázquez-Pena Pérez. All this prior report of the Committee, and following an analysis of the current composition of the Board of Directors and its needs, an assessment of the conditions to be met by the directors for the performance of their duties and the availability required to properly carry out their tasks, pursuant to the Selection Policy for Directors.

In particular, the Board of Directors endorses the conclusions and arguments of the Committee's explanatory report and, in this sense, has favourably assessed the advisability of appointing HMA, represented by Mr. Jose María Vázquez-Pena Pérez, as a Proprietary Director, since he duly combines sufficient skills and competencies, among others, in the fields below:

- a) Experience in companies of the energy sector, and expertise as regards organisation, human resources, appointments and remuneration committees, procurement, security, and real estate management.
- b) Legal skills thanks to his training and expertise in the legal field.
- c) Competencies on strategy and family board issues, and
- d) Experience as a member of other boards of directors.

The curriculum of Mr. Jose María Vázquez-Pena Pérez, attached to the Committee's report, gives credit to his worth and technical expertise, his merit to take office as natural person representative, his knowledge of the sector in which the Company operates and his knowledge on legal, strategy and human resources issues, which ensure the contribution of informed and experienced perspectives to the discussions at the meetings of the Board of Directors, thus consolidating the high-quality education of the members of the Board of Directors as a whole.

Finally, as verified by the Committee, Mr. Jose María Vázquez-Pena Pérez satisfies the requirements as to good repute, suitability, technical soundness, skills, expertise, qualifications, training, availability and commitment to the functions inherent in the position, and no incompatibility, prohibition or conflict are known to exist.

With regard to the legal entity proposed as Director, the Committee has confirmed that HMA is not affected by circumstances of incompatibility or prohibition as defined in the current legislation, the bylaws or the regulations, nor is involved in a situation of permanent conflict with the Company's interests.

The relevant report regarding the appointment of HMA and its representation by the natural person Mr. Jose María Vázquez-Pena Pérez, which was drawn up by the Committee on 29 May 2020 and contains as an annex the corresponding curriculum, is attached hereto as **Annex I**.

#### **4. Proposal for the appointment of Hoteles Mallorquines Agrupados, S.L.**

The Board, as provided for by Article 529i (4) of the SCA and following the contents of the prior report of the Committee, considers that HMA, represented by Mr. Jose María Vázquez-Pena Pérez, meets the specific requirements for the performance of its functions as Director, according to the principles set out in the Selection Policy for Directors.

Proposed category: Proprietary Director, as defined in Article 529 duodecies of sec. 3 of the SCA, at the proposal of the significant shareholder itself, HMA.

The Board of Directors has concluded that the appointment of HMA, represented by Jose María Vázquez-Pena Pérez, will positively contribute and add value to the operations of the Board of Directors and, therefore, it submits to the General Shareholders' Meeting the proposal below for approval:

***“2.2-Appointment of Hoteles Mallorquines Agrupados, S.L. as a Director, represented by Mr. Jose María Vázquez-Pena Pérez.)***

*To appoint Hoteles Mallorquines Agrupados S.L., represented by Mr. Jose María Vázquez-Pena Pérez, as a Director for the statutory period of four (4) years, at the proposal and prior explanatory report of the Board of Directors, issued based on the report of the Appointments and Remuneration Committee. Pursuant to Article 529 duodecies of the Corporate Enterprises Act, it shall be deemed to be an External Proprietary Director”.*

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# REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF MELIÁ HOTELS INTERNATIONAL, S.A. ON THE APPOINTMENT OF HOTELES MALLORQUINES AGRUPADOS, S.L. AS AN EXTERNAL PROPRIETARY DIRECTOR

Palma (Majorca), on 29 May 2020

## 1. Preamble

The functions entrusted to the Appointments and Remuneration Committee (hereinafter, the “Committee”) of Meliá Hotels International, S.A. (hereinafter, the “Company” or “Meliá”) as governed by Article 39(b) of the Company Bylaws and Article 15 of the Regulations of the Board of Directors, include:

“(a) Appointment and re-election of directors:

*To define and review the criteria to be followed for the composition of the Board of Directors and the selection of candidates and, in particular, to assess the competencies, knowledge, abilities and expertise which are required in the Board of Directors in order to define the necessary competencies and skills that the candidates must offer to fill each vacancy.*

*To report any proposals for the appointment of the other directors so that the Board may either directly appoint them by co-optation or submit the decision to the General Shareholders’ Meeting, along with any re-election or removal by the General Shareholders’ Meeting. [...]”*

Likewise, according to the provisions of Article 529(i) of the Spanish Companies Act “*the proposal for appointment of the natural person representative shall be subject to the report of the appointments and remuneration committee*”.

The Committee issues this report in the context of the proposal from the significant shareholder, Hoteles Mallorquines Agrupados, S.L. (hereinafter, “HMA”) in relation to the appointment of HMA as an external proprietary director, which also includes the appointment of Mr. Jose María Vázquez-Pena Pérez as its natural person representative.

The mentioned proposal has been carried out following the resignation of Mr. Sebastián Escarrer Jaume on 16 May 2020, as external proprietary director, whose last re-election was proposed by HMA in 2017.



## 2. Verification of compliance with the Selection Policy for Directors and observance of recommendations

Following the resignation of Mr. Sebastián Escarrer Jaume, who, according to the company's records, was appointed on the proposal of the Company HMA, the said company considers it appropriate to modify its participation in the Board of Directors of Meliá by proposing its appointment as legal person, in line with the way in which other significant shareholders represented on the Board of Meliá have organised such participation.

- Hoteles Mallorquines Asociados, S.L.: external proprietary director since 2019 and whose natural person representative is Mr. Alfredo Pastor Bodmer.
- Hoteles Mallorquines Consolidados, S.L.: external proprietary director since 2000 and whose natural person representative is Ms Maria Antonia Escarrer Jaume.

Likewise, HMA considers that the participation in the Board of Meliá through a legal person gives it greater flexibility and facilitates dissociation between the person who holds the position of natural person representative and the director and significant shareholder thus contributing, through rotation, to the professionalisation of its representation in the Company's Board.

On the other hand, HMA has emphasised that its appointment as legal person would not affect the directors' responsibility regime because, according to the provisions of Article 236.5 of the Spanish Companies Act, *"the natural person appointed for the permanent exercise of the functions inherent in the position of legal person director shall meet the legal requirements established for the directors, shall be subject to the same duties and shall be jointly and severally liable with the legal person director"*. In fact, its appointment would extend the responsibility regime since both the company (HMA) and its natural person representative (Mr. José María Vázquez-Pena Pérez) would have responsibility.

Regarding the proposal for appointment, according to the principles established in the Selection Policy for Directors and for the purposes of duly informing and advising the Board of Directors in the analysis of the Company's needs and the advisability of the appointment of HMA as a Director, represented by Mr. Jose María Vázquez-Pena Pérez, the Committee has considered, inter alia, the activities carried out by the Company, the countries in which these activities are carried out, the ordinary management needs of a multinational company, its commitments to the social sphere, the best practices in Corporate Governance and the general principles of the Company.

The Committee has promoted, through the mentioned Selection Policy for Directors, as the guiding principles: the maintenance of a proper balance between the different categories of Directors ensuring the correct representation of the total interests within the Board, always based on an assessment of skills, profiles, knowledge, expertise and professional functions.

The outcome of such analysis is that the Board of Directors must include and maintain among its members Directors with extensive professional background and wide experience in different sectors, with a perfect knowledge of the operations of the Company and commitment to its values, and with ability to understand and adapt in a constantly-changing industry growing both geographically and technologically. To achieve this, the competencies, skills, and expertise of the directors have been assessed according to the competency matrix recently reviewed by the Committee.

In relation to the recommendations by the Good Governance Code of Listed Companies, the recommendations concerning the percentages of proprietary and independent directors have been considered, in particular: *“That the percentage of proprietary directors divided by the number of non-executive directors is no greater than the proportion of the equity interest in the company represented by said proprietary directors and the remaining share capital.”*

In this sense, the Board of Directors, with a total of ELEVEN (11) members, shall consist of SIX (6) external independent directors, FOUR (4) external proprietary directors and ONE (1) executive director. In other words, with the proposal for appointment the proportion of external proprietary directors and external independent directors (36% vs 54%) would be maintained and, although it complies with the right of proportional representation of significant shareholders, it maintains a relatively low percentage of proprietary directors compared to the percentage of independent directors.

Finally, the Committee has used the data of the Spencer Stuart Index of Board of Directors (2019) as a reference in relation to the medium size of Boards of Directors (11 members), percentage of independent directors over the total number of directors (44%), as well as the average seniority of the members (6.4 years).

### **3. Assessment of Hoteles Mallorquines Agrupados, S.L. and its natural person representative**

HMA is a Spanish company with registered address at Calle Nureduna, No. 10, 3<sup>º</sup> Palma de Mallorca, with Tax ID number B07009343, and which will be represented by Mr. Jose María Vázquez-Pena Pérez. The Committee has confirmed that the shareholder HMA, in its capacity as

significant shareholder (holder of 10.38% of the share capital of Meliá), has the right to propose the appointment of a representative in the Board of Directors of Meliá, in the event the General Shareholders' Meeting sets the number of Directors to eleven (11), according to the proposal of the Board.

With regard to the legal person proposed as Director, HMA, it should be noted that such company is duly registered with the Commercial Registry of Palma de Mallorca, in Sheet PM-6787, Volume 1691, Folio 201 and with Tax ID No. B-07009343. The Committee has confirmed that HMA is not affected by circumstances of incompatibility or prohibition as defined in the current legislation, the bylaws or the regulations, nor is involved in a situation of permanent conflict with the Company's interests, therefore, it favourably reports to the Board of Directors on its appointment as Proprietary Director.

The Company will be represented in the Board of Directors of Meliá by Mr. Jose María Vázquez-Pena Pérez, whose CV is attached to this Report as Annex I.

On the other hand, after analysing the profile of Mr. Jose María Vázquez-Pena Pérez, as well as the competencies and expertise reflected in the competency matrix of the Board, the Committee positively assesses:

- a) His legal training and many years of experience as HM and General Services Director of Unión Fenosa, company in which he held the position of Secretary in subsidiaries, Secretary of the Appointments and Remuneration Committee and member of the Executive Committee of the Group.
- b) His knowledge, according to the above paragraph, as regards organisation, human resources, procurement, security, and real estate management in such Group.
- c) His advisory and consultancy services currently provided to individuals and companies on issues relating to his professional background; his capacities in terms of consulting in several Boards, including Family Boards.

Finally, the Committee considers that the appointment of Mr. Jose María Vázquez-Pena Pérez facilitates the rotation of positions within the Board of Directors, and promotes the professionalisation of the proprietary director profiles.

#### **4. Verification of compliance with the requirements to be a Director of the Company**

The Committee has verified that the candidate to be member of the Board of Directors complies with the general requirements expected from every Director of the Company, according to the provisions of the applicable regulations.

In particular, the Committee has verified that the behaviour and professional career of both the legal person and its natural person representative, are impeccable and are fully aligned with the Company's principles and that they are not affected by circumstances of incompatibility or prohibition as defined in the current legislation, the bylaws or the regulations, nor are involved in a situation of permanent conflict with the Company's interests which may prevent their exercise as Director and natural person representative in the Board of Directors of Meliá.

#### **5. Conclusion**

As a result of the foregoing, the Committee has resolved to favourably report to Board of Directors on the appointment of HMA, represented by Mr. Jose María Vázquez-Pena Pérez, which reads as follows:

*“To favourably report to the Board of Directors on the appointment of Hoteles Mallorquines Agrupados S.L., represented by Mr. Jose María Vázquez-Pena Pérez, as Proprietary Director of the Company, at the proposal of the significant shareholder Hoteles Mallorquines Agrupados S.L. for the corresponding proposal by the Board to the General Shareholders' Meeting.”*

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**ANNEX TO THE REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE  
OF MELIÁ HOTELS INTERNATIONAL, S.A. ON THE APPOINTMENT OF HOTELES  
MALLORQUINES AGRUPADOS, S.L. (NATURAL PERSON REPRESENTATIVE - D. JOSE  
MARÍA VÁZQUEZ-PENA)**

**Professional and biographical profile of Mr. Jose María Vázquez-Pena Pérez.**

He has a Law degree from the Universidad de Santiago de Compostela. General Management Programme from the IESE.

He began his professional career as a lawyer in the Ministry of Employment.

Two years later, he joined the energy company Fenosa, in which he developed his career for 31 years. In 2009 he left the company after being acquired by Gas Natural, moment in which he was General Manager of Human Resources and responsible for Organisation, HR, Corporate University, Procurement and Logistics, Real Estate Management, Corporate Works, Security and General Services.

He was a member of the Executive Committee of Unión Fenosa and of several Board of Directors of the Group and Secretary of the Appointments and Remuneration Committee.

Since 2010, he provides advisory and consultancy services to individuals and companies on issues relating to his professional background.

Currently, he is involved in the company of renewable energies Smartener, and is advisor of the Family Board of the Escarrer family.

# Report of the Board of Directors on the proposed amendment of the Company Bylaws

Board of Directors  
26 February 2020

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1. Purpose
2. Scope and justification of amendments  
Annex I - Bylaws

## 1. Purpose

This report is drawn up by the Board of Directors of Meliá Hotels International, S.A. (hereinafter the "**Company**") in accordance with the provisions of Article 286 of the Spanish Companies Act (hereinafter the "**SCA**"), to justify the proposal to be submitted for approval by the Company's General Meeting of Shareholders, regarding the amendment of Articles 33, 39 bis and 39 ter of the Company Bylaws.

This report will be made available to the shareholders in the manner provided for in article 287 SCA, and will be published on the Company's website, all in accordance with the provisions of article 518 SCA.

Once the amendment of the Bylaws has been approved, the Board will proceed to reflect the pertinent modifications in the Regulations of the Board, preparing the corresponding report and reporting on the amendments of the Regulations in the following General Meeting of Shareholders.

## 2. Scope and justification of amendments

### 2.1 Change in the name of the Appointments and Remuneration Committee

The Appointments and Remuneration Committee, in its meeting held on 21 November 2019, and after taking into consideration the recommendations on corporate social responsibility and the integration of ESG (Environmental, Social and Governance) criteria at the Board of Directors and the specialized Committees, approved the proposal to modify its own name to "**Appointments, Remuneration and Corporate Social Responsibility Committee**".

As a result of that decision, it is necessary to amend both the Bylaws and the Board Regulations to reflect the new name of the Appointments and Remuneration Committee.

### 2.2 Inclusion of a mechanism to replace the Chairman of the Committees

On the other hand, it is also proposed to amend Articles 39 bis (Audit and Compliance Committee) and 39 ter (Appointments and Remuneration Committee) to regulate the case of absence of the Chairman of each Committee. In this regard, it is proposed that, in the event of his/her absence, the longest-serving independent external director should act as a substitute for the Chairman of the respective Committee. In particular, it is proposed to include the following paragraph:

*"In the absence, vacancy or illness of the Chairman, he/she will be replaced at the corresponding meeting by the independent director with the greatest seniority on the*

*Committee, and in his/her absence, by the independent director, member of the Committee, who is the oldest".*

For information purposes, a table showing the amendments to the Company Bylaws is attached to this document as **Appendix I**.

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## Annex I Company Bylaws

Previous wording	New wording
<p><b>ARTICLE 33.- Appointments to the Board of Directors</b></p> <p>33.1 Positions. The Board of Directors shall designate from amongst its members, upon prior report of the Appointments and Remuneration Committee, a Chairman to chair the Board, and, if so agreed, one or several Deputy Chairs, to replace the Chairman in cases of vacancy, absence or illness. If there are several Deputy Chairs, such substitution will be by the most senior one.</p> <p>The Board of Directors shall designate a Secretary, upon prior report of the Appointments and Remuneration Committee, and, if agreed so, one or several Deputy Secretaries, the latter of which, if there are several, will be numbered successively and will replace the Secretary and Deputy of a superior rank in cases of vacancy, absence or illness. In the absence of Deputy Secretaries, the Board shall also designate, from amongst its members attending the respective meeting, the person that will perform the role of temporary Secretary at that time.</p>	<p><b>ARTICLE 33.- Appointments to the Board of Directors</b></p> <p>33.1 Positions. The Board of Directors shall designate from amongst its members, upon prior report of the Appointments, <del>and</del> Remuneration <u>and Corporate Social Responsibility</u> Committee, a Chairman to chair the Board, and, if so agreed, one or several Deputy Chairs, to replace the Chairman in cases of vacancy, absence or illness. If there are several Deputy Chairs, such substitution will be by the most senior one.</p> <p>The Board of Directors shall designate a Secretary, upon prior report of the Appointments, <del>and</del> Remuneration <u>and Corporate Social Responsibility</u> Committee, and, if agreed so, one or several Deputy Secretaries, the latter of which, if there are several, will be numbered successively and will replace the Secretary and Deputy of a superior rank in cases of vacancy, absence or illness. In the absence of Deputy Secretaries, the Board shall also designate, from amongst its members attending the respective</p>

<p>The Board of Directors shall also appoint a Coordinating Director from amongst its Independent Directors, upon prior proposal of the Appointments and Remuneration Committee and, in any case, pursuant to the provisions in the Law, in these Bylaws and in the Regulations of the Board of Directors.</p>	<p>meeting, the person that will perform the role of temporary Secretary at that time.</p> <p>The Board of Directors shall also appoint a Coordinating Director from amongst its Independent Directors upon prior proposal of the Appointments, <del>and</del> Remuneration <u>and Corporate Social Responsibility</u> Committee and, in any case, pursuant to the provisions in the Law, in these Bylaws and in the Regulations of the Board of Directors.</p>
<p><b>ARTICLE 39 bis. - Auditing and Compliance Committee</b></p> <p>39.bis. 1 Positions. The Auditing and Compliance Committee will be formed by at least THREE (3) and at most FIVE (5) members, non-executive Directors, appointed by the Board of Directors the majority of which shall be Independent External Directors and ONE (1) of them shall be appointed taking into consideration his knowledge and experience in accounting, auditing or both. Jointly, the members of the Committee shall have the relevant expertise in relation to the sector of activity to which the Company belongs.</p> <p>The Chairman of the Committee must be one of the Independent External Directors. The Chairman must be replaced every four years, and may be re-</p>	<p><b>ARTICLE 39 bis. - Auditing and Compliance Committee</b></p> <p>39.bis. 1 Positions. The Auditing and Compliance Committee will be formed by at least THREE (3) and at most FIVE (5) members, non-executive Directors, appointed by the Board of Directors the majority of which shall be Independent External Directors and ONE (1) of them shall be appointed taking into consideration his knowledge and experience in accounting, auditing or both. Jointly, the members of the Committee shall have the relevant expertise in relation to the sector of activity to which the Company belongs.</p> <p>The Chairman of the Committee must be one of the Independent External Directors. The Chairman must be replaced every four years, and may be</p>

<p>elected after a period one year after being replaced. Both the Chairman and the rest of the members of the Committee will be automatically replaced if they resign or are dismissed from their positions as members of the company Board of Directors and are not reinstated.</p> <p>A Committee Secretary may be appointed, a position which may be held by the Secretary of the Board of Directors, a Director that may or may not be a member of the Committee itself, or even one of the company executives.</p> <p>39.bis. 2 Organisation and operations. The Auditing and Compliance Committee will meet at least once per quarter, and as many times as is deemed appropriate about the needs of the company, as proposed by the Chairman of the Committee or on request from the majority of its members or from the Board of Directors. The responsibilities of the Auditing and Compliance</p>	<p>re-elected after a period one year after being replaced. Both the Chairman and the rest of the members of the Committee will be automatically replaced if they resign or are dismissed from their positions as members of the company Board of Directors and are not reinstated.</p> <p><u>In the absence, vacancy or illness of the Chairman, he/she will be replaced at the corresponding meeting by the independent director with the greatest seniority on the Committee, and in his/her absence, by the independent director, member of the Committee, who is the oldest.</u></p> <p>A Committee Secretary may be appointed, a position which may be held by the Secretary of the Board of Directors, a Director that may or may not be a member of the Committee itself, or even one of the company executives.</p> <p>39.bis. 2 Organisation and operations. The Auditing and Compliance Committee will meet at least once per quarter, and as many times as is deemed appropriate about the needs of the company, as proposed by the Chairman of the Committee or on request from the majority of its members or from the Board of Directors. The responsibilities of the</p>
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<p>Committee shall be those set forth in the Law, these Bylaws and the Regulations of the Board of Directors.</p> <p>39. bis.3 Quorum and approval of resolutions. The Committee meeting will be considered valid on attendance, directly or via proxies, of at least half of its members, and will adopt resolutions approved by most participants. Company by-laws on the constitution and approval of resolutions by the Board of Directors will be applied to the Auditing and Compliance Committee with regard to any matters not expressly covered in this article. The Committee must report on all such resolutions and decisions to the Board of Directors. In case of a tie, the Chairman will wield a casting vote.</p>	<p>Auditing and Compliance Committee shall be those set forth in the Law, these Bylaws and the Regulations of the Board of Directors.</p> <p>39. bis.3 Quorum and approval of resolutions. The Committee meeting will be considered valid on attendance, directly or via proxies, of at least half of its members, and will adopt resolutions approved by most participants. Company by-laws on the constitution and approval of resolutions by the Board of Directors will be applied to the Auditing and Compliance Committee with regard to any matters not expressly covered in this article. The Committee must report on all such resolutions and decisions to the Board of Directors. In case of a tie, the Chairman will wield a casting vote.</p>
<p><b>ARTICLE 39-ter. Appointments and Remuneration Committee</b></p> <p>39.ter.1 Positions. The Appointments and Remuneration Committee shall be composed of a minimum of THREE (3) and a maximum of FIVE (5) External Directors, appointed by the Board of Directors, who have the skills, dedication and experience to perform their duties. At least TWO (2) of the members of the Committee shall be Independent External Directors.</p>	<p><b>ARTICLE 39-ter. Appointments <del>and</del> Remuneration <u>and Social Corporate Responsibility</u> Committee</b></p> <p>39.ter.1 Positions. The Appointments, <del>and</del> Remuneration <u>and Corporate Social Responsibility</u> Committee shall be composed of a minimum of THREE (3) and a maximum of FIVE (5) External Directors, appointed by the Board of Directors, who have the skills, dedication and experience to perform their duties. At least TWO (2) of the members of the Committee shall be Independent External Directors.</p>

<p>The Chairman of the Committee shall be one of its members, who is an Independent External Director. The Chairman must be replaced every FOUR (4) years and may be re-elected after a period of ONE (1) year from his removal has elapsed. The Chairman and the other members of the Committee shall be automatically removed if they resign or are dismissed from their positions as Directors of the Board of Directors of the Company and are not reinstated therein.</p> <p>A Secretary of the Committee may be appointed, which position may be filled by the Secretary of the Board or a member of the Board who may or may not be a member of the Committee or even one of the executives of the company.</p> <p>39.ter.2 Organization and operation. The Appointments and Remuneration Committee will meet after its Chairman convenes it or at the request of the</p>	<p>The Chairman of the Committee shall be one of its members, who is an Independent External Director. The Chairman must be replaced every FOUR (4) years and may be re-elected after a period of ONE (1) year from his removal has elapsed. The Chairman and the other members of the Committee shall be automatically removed if they resign or are dismissed from their positions as Directors of the Board of Directors of the Company and are not reinstated therein.</p> <p><u>In the absence, vacancy or illness of the Chairman, he/she will be replaced at the corresponding meeting by the independent director with the greatest seniority on the Committee, and in his/her absence, by the independent director, member of the Committee, who is the oldest.</u></p> <p>A Secretary of the Committee may be appointed, which position may be filled by the Secretary of the Board or a member of the Board who may or may not be a member of the Committee or even one of the executives of the company.</p> <p>39.ter.2 Organization and operation. The Appointments, <del>and</del>, Remuneration <u>and Corporate Social Responsibility</u> Committee will meet</p>
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<p>majority of its members or at the request of the Board of Directors, every time a report must be issued or proposals must be adopted and when it is deemed appropriate according to the needs of the company.</p>	<p>after its Chairman convenes it or at the request of the majority of its members or at the request of the Board of Directors, every time a report must be issued or proposals must be adopted and when it is deemed appropriate according to the needs of the company.</p>
<p>The duties of the Appointments and Remuneration Committee shall be those set forth in the Law, these Bylaws and the Regulations of the Board of Directors.</p>	<p>The duties of the Appointments, <del>and</del> Remuneration <u>and Corporate Social Responsibility</u> Committee shall be those set forth in the Law, these Bylaws and the Regulations of the Board of Directors.</p>
<p>The Committee must take into consideration the suggestions sent to it by the Chairman, the Board members, the Executives or the shareholders of the Company.</p>	<p>The Committee must take into consideration the suggestions sent to it by the Chairman, the Board members, the Executives or the shareholders of the Company.</p>
<p>The Executive Directors may attend the sessions of the Committee, at the request of the Chairman thereof, with a right to speak but not to vote.</p>	<p>The Executive Directors may attend the sessions of the Committee, at the request of the Chairman thereof, with a right to speak but not to vote.</p>
<p>Any member of the management team or of the staff of the company required to do so must attend the sessions of the Committee and provide collaboration and access to the information at his availability.</p>	<p>Any member of the management team or of the staff of the company required to do so must attend the sessions of the Committee and provide collaboration and access to the information at his availability.</p>

<p>For better performance of its functions, the Appointments and Remuneration Committee may procure advice from external professionals.</p> <p>39.ter.3 Quorum for constitution and approval of resolutions. The Committee shall be validly constituted with the attendance, directly or by proxy, of at least half of its members and shall approve its resolutions by a majority of the attendees. The provisions in the Bylaws on constitution and approval of resolutions in the Board of Directors shall apply to the Appointments and Remuneration Committee for whatever aspect not expressly provided for in this article. The Committee shall inform the Board of Directors of the resolutions approved therein and of their decisions. In case of a tie, the Chairman has the casting vote.</p>	<p>For better performance of its functions, the Appointments, <del>and</del> Remuneration <u>and Corporate Social Responsibility</u> Committee may procure advice from external professionals.</p> <p>39.ter.3 Quorum for constitution and approval of resolutions. The Committee shall be validly constituted with the attendance, directly or by proxy, of at least half of its members and shall approve its resolutions by a majority of the attendees. The provisions in the Bylaws on constitution and approval of resolutions in the Board of Directors shall apply to the Appointments, <del>and</del> Remuneration <u>and Corporate Social Responsibility</u> Committee for whatever aspect not expressly provided for in this article. The Committee shall inform the Board of Directors of the resolutions approved therein and of their decisions. In case of a tie, the Chairman has the casting vote.</p>
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# Report of the Board of Directors on the proposed amendment of the Company Bylaws to reflect the reduction in capital through the redemption of treasury shares

Board of Directors  
1 of June of 2020

## *Index*

- 1. Purpose**
- 2. Justification of the proposal**
- 3. Main terms and conditions of the Capital Reduction**



## 1. Purpose

This report is drawn up by the Board of Directors of Meliá Hotels International, S.A. (hereinafter, the "**Company**") in accordance with the provisions of articles 286 and 318 of the Spanish Companies Act (the "**SCA**"), to justify the proposal to be submitted for approval by the Company's General Shareholders' Meeting, regarding the amendment of Article 5 (Share Capital) of the Company Bylaws, as a result of the reduction of capital through the redemption of treasury shares (the "**Capital Reduction**").

This report will be made available to the shareholders in the manner provided for in article 287 SCA, and will be published on the Company's website, all in accordance with the provisions of article 518 SCA.

## 2. Justification of the Proposal

The Company's Board of Directors, in compliance with the agreement reached on 17 October 2019 in relation to the program for the buyback of treasury shares (the "**Buy-Back Program**"), the purpose of which was the redemption of the treasury shares acquired by the Company by means of a capital reduction at the next general meeting of shareholders, proceeds accordingly to propose such a reduction on the terms and conditions set out in this report.

In execution of the aforementioned Buy-Back Program, as reported through the corresponding *ORI* (Other Relevant Information), the Company has acquired a total of 7,846,246 treasury shares (corresponding to 3.416% of the share capital) and invested a total amount of € 46,051,882 (including expenses).

The purpose of the Capital Reduction is to improve the shareholders' remuneration policy.

## 3. Main terms and conditions of the Capital Reductions

It is proposed to reduce the share capital by the amount of ONE MILLION EIGHT HUNDRED SIXTY THOUSAND EURO (€ 1,860,000), through the redemption of 9,300,000 treasury shares, with a par value of 0.20€ each, and representing the 4.049% of the capital share of the Company.

This amount, as well as the number of shares, correspond to the amount resulting from the sum of the following:

- (i) TWO HUNDRED NINETY THOUSAND SEVEN HUNDRED FIFTY EURO AND EIGHTY CENTS (€290,750.80), corresponding to 1,453,754 treasury shares existing at the date of the issue of this report, with a par value of 0.20€ each, acquired under the authorizations granted by the General Meeting of Shareholders held on 4 June 2015 and on 1 June 2011, within the limits established by articles 144 to 148 and 509 of the SCA; and

- (ii) ONE MILLION FIVE HUNDRED SIXTY-NINE THOUSAND TWO HUNDRED FORTY-NINE EUROS AND TWENTY CENTS (€1,569,249.20 ), corresponding to 7,846,246 shares, with a nominal value of 0.20€ each, representing the 3,416% of the Company's share capital, acquired under the Buy-Back Program.

Likewise, in the event that the aforementioned Capital Reduction agreement is approved, Article 5 of the Company Bylaws, which establishes the share capital, would be amended so that it reflects the new figure for capital and the new number of shares in circulation (after deduction of the treasury shares proposed for redemption).

Such article shall read as follows:

*"5.1 Stock capital. The capital stock is FORTY-FOUR MILLION EIGHTY THOUSAND EUROS (€44,080,000.-), represented by TWO HUNDRED TWENTY MILLION EIGHTY THOUSAND (220,080,000) SHARES each of a nominal value of TWENTY EURO CENTIMES (€0.20).*

*5.2 Shares. The shares are fully subscribed and paid up and constitute a unique single class and series."*

The Capital Reduction would not involve any reimbursement of contributions as the Company itself is the holder of the redeemed shares and would be carried out with a charge to unrestricted reserves, through the allocation of a reserve for redeemed capital for an amount equal to the par value of the redeemed shares, all in application of the provisions of article 335 c) SCA.

Consequently, the Company's creditors will not have the right of opposition established in the aforementioned article.

It is also proposed that the General Shareholders' Meeting ratify the actions carried out to date by the Board of Directors in relation to the Buy-Back Program approved on 17 October 2019 and authorize the Board of Directors to execute the Capital Reduction agreement (with express powers of substitution), being able to determine those points that have not been expressly established in the reduction agreement or that are a consequence of it, and to adopt the agreements, publish the announcements, carry out the actions and grant the public or private documents that are necessary or convenient for the most complete execution of the Capital Reduction.

In particular, it is proposed that the Board of Directors be empowered (with express powers of substitution) to take the necessary steps and actions to ensure that, once the Capital Reduction agreement has been executed, the shares redeemed on the Spanish stock exchanges are delisted and their accounting records cancelled.

With regard to the deadline for execution of the Capital Reduction agreement, the Board of Directors points out that article 342 of the SCA establishes that the redemption of own shares must be carried out within one month of the completion of the Buy-Back Program.

In this case, taking into account the following circumstances (i) the early termination of the Buy-Back Program; (ii) the delay of the General Shareholders' Meeting (initially scheduled for the first half of June) due to the COVID-19 crisis; and (iii) the extensions of the deadlines established in Royal Decree Law 8/2020 of 17 March 2020 (in turn amended by Royal Decree Law 11/2020 of 31 March 2020), the Board considers that it could be materially impossible to execute the Capital Reduction agreement within the aforementioned one-month period.

In this context, the Board of Directors will execute the Capital Reduction as soon as the resolution is adopted by the General Shareholders' Meeting.

#### **4. Proposal for an agreement to be presented to the General Shareholders' Meeting**

The Board of Directors of the Company submits the following resolution to the General Shareholders' Meeting for approval:

##### **"3.2.- Capital reduction through the redemption of treasury shares and amendment of Article 5 of the company bylaws.**

It is agreed to reduce the share capital of Meliá Hotels International, S.A. (the "**Company**") in ONE MILLION EIGHT HUNDRED SIXTY THOUSAND EURO (€ 1,860,000), through the redemption of 9,300,000 treasury shares, with a par value of 0.20€ each, and representing the 4.049% of the capital share of the Company.

This amount, as well as the number of shares, correspond to the amount resulting from the sum of the following:

- (i) TWO HUNDRED NINETY THOUSAND SEVEN HUNDRED FIFTY EURO AND EIGHTY CENTS (€290,750.80), corresponding to 1,453,754 treasury shares existing at the date of the issue of this report, with a par value of 0.20€ each, acquired under the authorizations granted by the General Meeting of Shareholders held on 4 June 2015 and on 1 June 2011, within the limits established by articles 144 to 148 and 509 of the SCA; and
- (ii) ONE MILLION FIVE HUNDRED SIXTY-NINE THOUSAND TWO HUNDRED FORTY-NINE EUROS AND TWENTY CENTS (€1,569,249.20), corresponding to 7,846,246 shares, with a nominal value of 0.20€ each, representing the 3,416% of the Company's share capital, acquired under the buy-back treasury shares approved by the Board of

Directors on 17 October 2019, also under the authorization granted by the General Meeting of Shareholders held on 4 June 2015.

Consequently, it is agreed to amend article 5 of the Bylaws, that shall read as follows:

*“5.1 Stock capital. The capital stock is FORTY-FOUR MILLION EIGHTY THOUSAND EUROS (€44,080,000.-), represented by TWO HUNDRED TWENTY MILLION EIGHTY THOUSAND (220,080,000) SHARES each of a nominal value of TWENTY EURO CENTIMES (€0.20).*

*5.2 Shares. The shares are fully subscribed and paid up and constitute a unique single class and series.”*

The capital reduction will not involve any reimbursement of contributions as the Company itself is the holder of the redeemed shares and will be carried out with a charge to unrestricted reserves, through the allocation of a reserve for redeemed capital for an amount equal to the par value of the redeemed shares, all in application of the provisions of article 335 c) SCA.

Consequently, the Company's creditors will not have the right of opposition established in the aforementioned article.

It is also resolved to ratify the actions taken to date by the Board of Directors in relation to the Buy-Back Program.

It is also resolved to delegate the necessary powers to the Board of Directors to proceed with the execution of this resolution, being able to determine all those matters that have not been expressly established in this resolution or that are a consequence of it, as well as to adopt the resolutions, publish the announcements, carry out the actions and grant the public or private documents that are necessary or convenient for the most complete execution of the capital reduction, including the power to exclude the shares redeemed on the Spanish Stock Exchanges from trading and the cancellation of their accounting records.

Finally, by means of this resolution and in accordance with Article 249 bis, section I) SCA, the Board of Directors is expressly authorized so that it may, in turn, delegate the powers referred to in this resolution.”

# Report of the Board of Directors on the Proposal to delegate the issuance of bonds and debentures

Board of Directors  
18 May 2020

## *Index*

1. Purpose
2. Justification of the proposal
3. Proposed agreement to be submitted to the Shareholders' General Meeting

Shall a discrepancy between the present translation and the original document in Spanish-language appear, the text of the original Spanish-language document shall always prevail.

## 1. Purpose

This report is drawn up by the Board of Directors of Meliá Hotels International, S.A. (hereinafter, the "**Company**") in accordance with the provisions of Articles 286, 297, 417 and 511 of the Spanish Companies Act (the "**SCA**"), to justify the proposal to be submitted for approval by the Company's General Shareholders' Meeting, regarding the authorisation of the Board to issue convertible and/or exchangeable bonds and/or debentures.

This report will be made available to the shareholders in the manner provided for in article 287 SCA, and will be published on the Company's website, all in accordance with the provisions of article 518 SCA.

## 2. Justification of the Proposal

The Ordinary General Meeting of Shareholders of the Company held on 4 June 2015 agreed to delegate to the Board of Directors, under the provisions of article 319 of the Regulations of the Mercantile Registry, Title XI of the SCA, Chapter V of Title XIV of the aforementioned Law and other regulations on the issue of bonds, the power to issue fixed income securities, convertible and/or exchangeable securities, with the power to exclude shareholders' pre-emptive rights and with the power to replace delegated powers, within a period of five years, thereby rendering the authorisation granted by the resolution of the General Meeting held on 1 June 2010 null and void with respect to the period of the authorisation pending.

In view of the fact that this five-year period will expire this current year, it is agreed to propose to the General Shareholders' Meeting the approval of a new delegation agreement in the Board of Directors.

The Board of Directors considers it appropriate to have, with all the guarantees, the delegated powers admitted in the regulations in force, in order to be in a position to raise on the stock markets the funds that are necessary for the adequate management of the corporate interests. The purpose of the delegation is to provide the Company's administrative body with the room for maneuver and the capacity to respond that the competitive environment in which it operates demands, in which the success of a strategic initiative or financial transaction depends, to a large extent, on the possibility of carrying it out quickly, without the delays and costs that inevitably are involved in convening and holding a General Shareholders' Meeting.

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In the case of obtaining financing by the Company, the current economic situation and the high volatility of the markets means that the immediacy of the possible execution of decisions takes on special importance and becomes a determining factor in the successful achievement of the potential attraction of additional funds.

For this purpose and under the provisions of article 319 of the Mercantile Registry Regulations and article 511 of the SCA, it is proposed that the Company's General Shareholders' Meeting delegate to the Board of Directors the power to issue convertible bonds with the express power to exclude, in whole or in part, when legally existing, the pre-emptive subscription right, if the corporate interest so requires.

This proposed resolution is submitted to the General Shareholders' Meeting and provides for the authorisation of the Board of Directors to issue warrants, debentures, bonds and other fixed-income securities or debt instruments of a similar nature within a period of five years, whether simple or convertible or exchangeable for newly issued or outstanding shares of the Company, or a combination of different formulas, including cash, whether necessary, voluntary or contingent, at one or more times and with a joint limit of ONE AND A HALF BILLION EUROS (1,500,000,000-) of nominal amount, with the express power to exclude, in whole or in part, when legally existing, the pre-emptive subscription right.

The proposal envisages that the Board of Directors be authorised, in the event that it decides to issue debentures or bonds, to attribute to them the character of convertible and/or exchangeable and to agree, in the event that they are convertible, the capital increase necessary to meet the conversion, provided that this increase by delegation does not exceed 20% of the share capital. Without prejudice to the maximum limit established in article 297.1.b) of the SCA, the Board of Directors considers it appropriate to reduce the limit to 20%, following best practices in corporate governance, and in particular Recommendation number 5 of the Code of Good Governance of Listed Companies of the CNMV.

In particular, the proposed resolution to be submitted for approval by the Company's General Shareholders' Meeting establishes that the securities issued under its auspices will be valued at their nominal amount and the shares at the fixed (determined or determinable) or variable exchange rate determined by the resolution of the Board of Directors.

The proposal also contains the bases and methods of conversion of the debentures or bonds into shares, although it delegates to the Board of Directors itself the specification of these bases and methods of conversion for each specific issue within the limits established by the General Meeting. In this way, it will be the Board of Directors that determines whether the securities are convertible and/or exchangeable; whether they are necessary or voluntary or even contingent; whether the conversion and/or exchange operates at the option of the holder or the issuer; the conversion ratio of the shares issued for the conversion or those used for the exchange of the income securities, which may be fixed or variable, valuing the shares in accordance with one of the procedures indicated in the following paragraphs, at its discretion, depending on what the Board of Directors deems most appropriate at any given time. In any case, the Board will formulate, at the time of approving the issuance, a report detailing the specific bases and methods of conversion applicable to the said issuance, which will be the subject to the corresponding report by the accounts auditor, other than the Company's auditor, referred to in article 414.2 of the SCA.

Specifically, it is foreseen that, in the event that the securities are issued with a fixed conversion and/or exchange ratio, they will be valued at their nominal amount and the shares at the exchange rate determined by the resolution of the Board of Directors making use of the delegation, or at the exchange rate determined on the date(s) indicated in the said resolution and based on the stock market price of the Company's shares on the date(s) or period(s) taken as a reference, with or without a discount and, in any case, with a minimum that may not be less than the greater of (i) the arithmetic mean of the closing prices of the Company's shares on the Continuous Market during the period to be determined by the Board of Directors, which shall not be more than three months nor less than fifteen days prior to the date on which the Board of Directors approves the issue of the securities, making use of this delegation of authority; and (ii) the closing price of the shares on the Continuous Market on the day prior to the date of the meeting of the Board of Directors which, making use of this delegation, approves the issuance of the securities.

In this way, the Board considers that it is given a sufficient margin of flexibility to fix the value of the shares for the purposes of conversion on the basis of market conditions and other applicable considerations, although this must be at least substantially equivalent to their market value at the time the Board agrees to issue the bonds or debentures.

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On the other hand, in the event that the issue is made with a variable conversion and/or exchange ratio, the price of the shares for the purposes of conversion and/or exchange established by the Board of Directors must be the arithmetic mean of the closing prices, the weighted average price or other reference price of the Company's shares on the continuous market over a period to be determined by the Board itself, not exceeding three months and not less than five days prior to the conversion or exchange date, and the Board may set a premium or, where appropriate, a discount on that price per share, which may be different for each conversion or exchange date of each issue. It may also set other limits by taking a minimum and/or maximum reference price of the shares for the purposes of conversion and/or exchange.

Once again, the Board considers that this gives it sufficient room for maneuver to set the variable conversion ratio in accordance with market circumstances and the other considerations that the Board must take into account.

In both cases it is established, as a minimum limit, that the value of the share for the purposes of the conversion and/or exchange ratio of the bonds into shares may never be less than its nominal value (as established in articles 59.2 and 415 of the SCA). It is envisaged that the Board will be empowered to determine whether or not the valuation of each bond or note, for the purposes of the conversion and/or exchange ratio of the bonds or notes into shares, will include the interest accrued and not paid at the time of the conversion and/or exchange.

It is also stated that the authorisation to issue fixed-income securities includes, by application of the provisions of article 511 of the SCA, the attribution to the Board of Directors of the power to exclude shareholders' pre-emptive rights when this is necessary to raise financial resources on the markets or otherwise required by the company's best interest.

The Board of Directors considers that this additional possibility, which significantly increases the room for maneuver and the capacity for response offered by the simple delegation of the power to issue bonds or convertible debentures, is justified, on the one hand, by the flexibility and agility with which it is necessary to act in today's financial markets, in order to be able to take advantage of the times when market conditions are most favourable. On the other hand, because such a measure may be necessary when the capture of financial resources is intended to be carried out on international markets. This option is also justified by the relative lowering of the costs associated with the operation (including, in particular, the fees of the financial institutions) that such exclusion usually allows in comparison with an issue with pre-emptive

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rights. However, it should be noted that the exclusion of the pre-emptive subscription right is a power delegated by the General Meeting to the Board of Directors and that it is up to the latter, in view of the specific circumstances and in compliance with legal requirements, to decide in each case whether or not to exclude such a right.

In accordance with the provisions of Articles 414 and 511 of the SCA, on the occasion of each resolution to issue convertible debentures or other securities that is carried out under the proposed delegation, a report must be prepared by the directors explaining the bases and methods of conversion, accompanied by other reports from an auditor, other than the company's auditor, appointed for this purpose by the Mercantile Registry.

These reports will be made available to the shareholders and communicated to the first Shareholders' General Meeting to be held after the extension of the agreement.

In the event that the Board of Directors decides to make use of the possibility of excluding the pre-emptive subscription right in relation to a specific issue of convertible bonds that it may resolve to use the authorisation granted by the Shareholders' General Meeting and in accordance with the provisions of section 2. a) and b) of article 417 of the SCA, the justification of the proposal for suppression must be included in the report of the directors and in the report of the aforementioned independent expert a technical judgment on the reasonableness of the data contained in the report of the directors and on the suitability of the conversion ratio and, if appropriate, of its adjustment formulas, to compensate for any dilution of the economic participation of the shareholders.

This faculty will in any case be limited to those capital increases carried out under this authorisation and the delegation to increase share capital up to the maximum amount corresponding, in total, to 20% of the share capital at the date of adoption of this resolution.

In addition, in view of the fact that, under certain circumstances, it may be appropriate for the activity of raising financial resources in international markets to be carried out by a subsidiary Group incorporated and domiciled in a jurisdiction whose corporate and tax laws are more familiar to the institutional and professional investors to whom it may be eventually agreed to direct a specific issuance, and being an essential condition for the success of the operation that the issuance is launched by the subsidiary, if any, is guaranteed by the Company, the Board of Directors also requests the express authorisation of the Shareholders'

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General Meeting so that the Company can guarantee the obligations of any kind that may arise for the subsidiary companies in the issues made by them.

Finally, it is proposed that the necessary resolutions be adopted so that the securities issued by virtue of this delegation are admitted to trading on any secondary market, organized or non-organized, official or unofficial, national or foreign.

### 3. Proposed agreement to be submitted to the Shareholders' General Meeting

In accordance with the information contained in this report, the following proposal is made to the General Shareholders' Meeting:

“To delegate to the Board of Directors of the Company, under the provisions of article 319 of the Regulations of the Mercantile Registry, Title XI of the current Spanish Corporate Act, Chapter V of Title XIV of the aforementioned Law and other regulations on the issue of bonds, the power to issue fixed income, convertible and/or exchangeable securities, with the power to exclude shareholders' pre-emptive subscription rights and with the power to substitute the delegated powers, in accordance with the following conditions

(i) The issue of the securities may be made, in one or several times, within a maximum period of five (5) years from the date of adoption of this Agreement.

(ii) The authorisation is limited to the maximum amount of ONE AND A HALF BILLION EUROS (1,500,000,000 EUR) of nominal amount. Such an absolute limit of ONE AND A HALF BILLION EUROS (1,500,000,000 EUR) shall be reduced by the amount in which debentures, bonds or other similar securities have been issued under this authorisation or under other authorisations for the issue of convertible and/or exchangeable debentures, with or without pre-emptive subscription rights.

It is noted that, in accordance with article 510 of the Spanish Corporate Act, the limit on the issue of bonds and other securities that recognize or create debt established in article 405 of the Spanish Corporate Act, does not apply to the Company.

(iii) The securities referred to in this delegation may be debentures, bonds and other simple fixed-income securities or debt instruments of an analogous nature in any of the forms permitted by law, including bonds, promissory notes or warrants or other analogous securities that may directly or indirectly entitle the holder to subscribe to or acquire shares in the

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Company, whether newly issued or already in circulation, payable by physical delivery or by way of differences. This delegation also includes fixed-income securities convertible and/or exchangeable for shares of the Company.

(iv) The delegation to issue securities shall extend, as broadly as required by law, to setting the various economic terms, regime, aspects and conditions of each issue. In particular, and by way of illustration and not limitation, the Board of Directors of the Company shall determine the nominal value and type of issue for each issue; in the case of warrants or similar securities, the issue price and/or premium as well as the exercise price and other applicable conditions for the acquisition or subscription of the underlying shares, redemption price, currency or issue currency, interest rate, redemption, anti-dilution mechanisms, subordination clauses, issuance guarantees, place of issue, admission to trading, whether the securities are voluntarily or necessarily convertible/exchangeable and even on a contingent basis, to whom the conversion or exchange option is attributed, applicable legislation, etc.

(v) The Board of Directors may determine any procedure, type, clause, term or condition permitted by law, in relation to the issue, redemption, indication of profitability or conditions thereof, as well as resolve any questions related to the authorised issue.

(vi) The Board may also appoint the Syndicate Commissioner and approve the fundamental rules that are to govern the legal relations between the Company and the Syndicate of Debt Security Holders, and may, in agreement with the latter, change or modify the conditions or circumstances initially established.

(vii) In the case of the issue of convertible and/or exchangeable bonds and for the purposes of determining the bases and methods of conversion and/or exchange, it is agreed to establish the following criteria:

- a) If the conversion and/or exchange ratio is fixed, the securities issued shall be valued at their nominal amount and the shares at the exchange rate determined by the resolution of the Board of Directors making use of the delegation, or at the exchange rate determined on the date(s) indicated in that resolution and based on the stock market price of the Company's shares on the date(s) or period(s) taken as a reference, with or without a discount and, in any case, with a minimum that may not be less than the greater of (i) the arithmetic mean of the closing prices of the Company's shares on the Continuous Market during the period to be determined by the Board of Directors, which shall not be

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more than three months nor less than fifteen days prior to the date on which the Board of Directors approves the issue of the securities, making use of this delegation of authority; and (ii) the closing price of the shares on the Continuous Market on the day prior to the date of the meeting of the Board of Directors which, making use of this delegation, approves the issue of the securities.

- b) If the conversion and/or exchange ratio is variable, the securities shall also be valued at their nominal amount and the price of the shares for the purposes of conversion and/or exchange shall be the arithmetic mean of the closing prices, the weighted average price or other reference to the quotation of the Company's shares on the continuous market during a period to be determined by the Board of Directors, which shall not exceed three months or less than five days before the date of conversion and/or exchange, with a premium or, where appropriate, a discount on the said price per share. The premium or discount may be different for each conversion and/or exchange date of each issue (or, as the case may be, each tranche of an issue), although in the case of a discount on the price per share, it must be set by the Board of Directors or by whomever is authorised by the Board, on such terms as are considered appropriate in the market at any given time.
- c) In accordance with Article 415 of the Spanish Corporate Act, debentures, bonds or other securities may not be converted into shares of the Company when the par value of such debentures, bonds or securities to be converted is less than the par value of the shares in which they are converted. Nor may debentures, bonds or fixed-income securities that are convertible be issued for less than their par value.
- d) Where conversion and/or exchange is appropriate, any fractions of shares to be delivered to the holder of the debentures or bonds shall be rounded down to the nearest whole number, and each holder shall receive in cash the difference which may arise in such case.
- e) At the time of approving an issue under the authorisation contained in this Agreement, the Board of Directors shall issue a report developing and specifying, on the basis of the criteria described above, the bases and methods of conversion specifically applicable to the aforementioned issue. This report will be accompanied by the corresponding report from the auditor of the accounts, other than the auditor of the Company, appointed for this purpose by the Commercial Registry, mentioned in article 414 of the Spanish Corporate Act.

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(viii) In any case, the delegation for the issue of convertible and/or exchangeable bonds or debentures shall include, but not be limited to:

(a) The power, under the provisions of Article 511 of the Spanish Corporate Act, to exclude, in whole or in part, the right to preferential subscription, where appropriate, when this is necessary to raise financial resources on international markets or otherwise required by the corporate interest, when this is justified by the interests of the Company.

In any case, if the Board of Directors decides to suppress the pre-emptive subscription right in relation to a specific issue of convertible securities that it may decide to make under this authorisation, it will issue, at the same time as it approves the issue and in accordance with the provisions of Articles 417 and 511 of the Spanish Corporate Act, a report detailing the specific reasons of corporate interest that justify such a measure, and the corresponding report of an auditor, other than the Company's auditor, shall be obtained, in which a technical judgement is made on the reasonableness of the data contained in the directors' report and on the suitability of the conversion ratio and, if applicable, of its adjustment formulas, to compensate for any dilution of the shareholders' economic participation. These reports will be made available to the shareholders and communicated to the first General Meeting held after the corresponding issuance resolution.

b) In accordance with Article 297.1.b) of the Spanish Corporate Act, the power to increase capital by the amount necessary to meet conversion requests, up to 20% of the capital stock. This power may only be exercised to the extent that the Board, adding up the capital increased to meet the issue of convertible debentures or bonds and the remaining capital increases agreed under the authorisations granted by the Shareholders' Meeting, does not exceed the limit of 20% of the capital stock at the time the resolution is adopted by the Shareholders' Meeting.

This authorisation to increase the share capital to cater for the conversion of securities includes the power to issue and put into circulation, on one or more occasions, the shares representing the capital that are necessary to carry out the conversion, as well as the power to redraft Article 5 of the Articles of Association relating to the amount of the share capital and the number of shares in circulation and, if appropriate, to cancel the part of the capital increase that was not necessary for the conversion of securities into shares.

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In accordance with the provisions of article 304.2 of the Spanish Corporate Act, in the capital increase carried out by the Board of Directors to meet such requests for conversion or exercise, there will be no preemptive subscription rights for the Company's shareholders.

c) The power to develop and specify the bases and modalities of conversion and/or exchange established in paragraph (vii) above and, in particular and in its broadest terms, to determine the time of conversion and/or exchange, which may be limited to a predetermined period, the ownership of the right of conversion and/or exchange, which may be attributed to the Company or to the bondholders, the manner of satisfying the bondholder (by conversion, exchange or even a combination of both techniques, which may be at his or her discretion or at the Company's discretion at the time of execution) and, in general, such other terms and conditions as may be necessary or advisable for the issue.

(ix) The Board of Directors is also authorised, for the same period of 5 years, to guarantee, on behalf of the Company, the issues of fixed income securities of its subsidiaries.

(x) The rules set out in the previous sections shall apply, *mutatis mutandis*, in the event of the issue of warrants or other similar securities that may entitle the holder to subscribe to newly issued shares in the Company, including the delegation of the broadest powers, with the same scope as the previous numbers, to decide on all that it deems appropriate in relation to such securities.

(xi) The holders of convertible or exchangeable securities and warrants shall enjoy all the rights recognized to them under current legislation.

(xii) The Board of Directors, at the successive General Meetings held by the Company, shall inform the shareholders of the use, if any, of the delegation of powers referred to in this Resolution.

(xiii) The delegation in favour of the Board of Directors provided for herein also includes the application for the admission to trading, when the Board of Directors considers it appropriate, on official or unofficial, organized or unorganized, national or foreign secondary markets, of the securities issued by virtue of this delegation, as well as the shares issued as a result of the conversion of the said securities, empowering the Board of Directors to carry out the necessary procedures and actions for the admission to trading before the competent bodies

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of the various national or foreign securities markets, also providing any guarantees or commitments required by the legal provisions in force.

(xiv) By means of this resolution and in accordance with article 249 bis section I) of the Spanish Corporate Act, the Board of Directors is expressly authorised to delegate the powers referred to in this resolution to the Chief Executive Officer.

(xv) This authorisation implies the annulment of the authorisation to issue convertible and/or exchangeable bonds for shares of the Company conferred on the Board of Directors at the General Meeting of Shareholders, dated 4 June 2015, without affecting the current issues formalized under this authorisation.”



# Report of the Board of Directors on the proposal to renew the authorisation of the Board to increase the share capital

Board of Directors  
18 May 2020

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1. Purpose
2. Scope and justification of the proposal
3. Full text of the proposal to be submitted to the General Meeting of Shareholders

## 1. Purpose

This report ("**Report**") is formulated by the Board of Directors of Meliá Hotels International, S.A. (hereinafter the "**Company**") in accordance with the provisions of Articles 286, 297, 308 and 506 of the Spanish Companies Act (hereinafter the "SCA"), to justify the proposal to be submitted for approval by the Company's General Shareholders' Meeting, regarding the delegation to the Board of Directors of the power to agree to a capital increase.

In accordance with the provisions of Article 297 of the SCA, capital increases may not under any circumstances exceed half of the Company's capital at the time of the authorisation and must be carried out by means of monetary contributions within a maximum period of five (5) years as from the resolution of the Meeting.

In addition, and as permitted by article 506 SCA, when the General Shareholders' Meeting delegates to the directors the power to increase the share capital in accordance with the provisions of the aforementioned articles, it may also empower them to exclude the pre-emptive subscription right in relation to the issues of shares that are the object of delegation when the interests of the Company so require, although, for such purposes, such proposal for exclusion must be included in the notice of the General Meeting and a report by the directors justifying the proposal must be made available to the shareholders. In this sense, it is reported that the delegation to the Board of Directors to increase the capital contained in the proposal to which this Report refers also includes the power to exclude, in whole or in part, the pre-emptive subscription rights of shareholders and holders of convertible bonds, when the interest of the Company so requires.

In any case, it is expressly stated that the total or partial exclusion of the pre-emptive subscription right is only a power that the General Shareholders' Meeting attributes to the Board and whose exercise will depend on the Board of Directors' own decision, taking into account the circumstances in each case and with respect to the legal requirements.

If, in use of the aforementioned powers, the Board decides to suppress the pre-emptive subscription right in relation to a specific capital increase that it may decide to carry out under the authorisation granted by the General Shareholders' Meeting, it will issue, at the time of agreeing the increase, a report detailing the specific reasons of corporate interest that justify such a measure, which will be the subject to the corresponding report by the auditor (other than the Company's auditor, appointed for this purpose by the Mercantile Registry).

Both reports will be made available to the shareholders and communicated to the first General Meeting held after the extension agreement, in accordance with the provisions of the above-mentioned provision. In any case, the nominal value of the shares to be issued, plus, if applicable, the amount of the corresponding share premium, must correspond to the fair value of the company's shares as determined by the report of the aforementioned accounts auditor.

## 2. Scope and justification of the proposal

The dynamics of any trading company and, in particular, for those companies whose shares are admitted to official trading, requires that its governing and administrative bodies have at their disposal at all times the most suitable instruments for providing an adequate response to the demands of the company itself or the needs of the market. These needs may include providing the Company with new resources to meet such demands, which will normally be obtained through new capital contributions.

In view of the fact, on the one hand, that such needs cannot be foreseen beforehand and, furthermore, that it is necessary to attend the General Meeting to increase the amount of share capital, with the costs and delays that its holding would entail, thus hindering an agile and efficient response, the SCA itself allows the Shareholders' General Meeting to authorise the Board of Directors to increase the share capital, within certain limits and complying with a series of requirements, without prior consultation to the General Meeting.

Based on this legal possibility, frequently used by companies whose shares are admitted to official trading, and in view of the forthcoming expiry of the previous authorisation agreed by the General Meeting on 4 June 2015, it is proposed to the General Meeting to renew the authorisation to the Board of Directors to increase the share capital, in one or more times, up to 50% of the share capital, an increase that the Board of Directors may resolve by means of monetary contributions during a maximum period of 5 years from the date of authorisation by the General Meeting, with provision for an incomplete subscription and exclusion of the pre-emptive subscription right if applicable, all in accordance with the SCA.

The Board of Directors considers that the power to exclude pre-emptive rights usually leads to a relative reduction in the financial costs associated with the operation and makes it possible to significantly increase the speed of action and response of the Board of Directors, enabling the Company to take advantage of the moments when market conditions are most favourable for the execution of a capital increase.

If the Board of Directors agrees to make use of the aforementioned power to exclude the pre-emptive subscription right, it is proposed that this be limited, in total, to 20% of the Company's

share capital on the date the resolution is adopted by the General Shareholders' Meeting. All of the above in order to limit the possible dilution effect on shareholders, and taking into account the recommendations and best practices of corporate governance, and in particular, Recommendation number 5 of the Code of Good Governance of Listed Companies of the CNMV, which establishes *"That the board of directors does not submit to the general meeting a proposal to delegate powers to issue shares or convertible securities with exclusion of the pre-emptive subscription right, for an amount exceeding 20% of the capital at the time of the delegation"*.

Furthermore, this proposal envisages the application, where appropriate, for the admission to trading on official or unofficial, organized or not, national or foreign secondary markets of the shares issued by the Company by virtue of the delegation, empowering the Board of Directors to carry out the necessary formalities and actions for admission to trading on the competent bodies of the various national or foreign securities markets.

### 3. Full text of the proposal to be submitted to the General Meeting of Shareholders

In accordance with the information contained in this report, the following proposal is made to the General Shareholders' Meeting:

*"By virtue of the power conferred by Article 297.1.b) of the Spanish Companies Act (SCA), the Board of Directors is authorised to agree to increase the Company's capital, without prior consultation with the General Shareholders' Meeting, up to half of the current share capital, and may exercise said power, within the amount indicated, on one or more occasions, deciding in each case its suitability or convenience, as well as the amount and conditions it deems appropriate.*

*The capital increase, that where appropriate it is agreed, must be carried out within a maximum period of five (5) years from today. Such capital increase or increases may be carried out either by increasing the par value of the existing shares, with the requirements provided for by law, or by issuing new shares, ordinary or privileged, with or without a share premium, with or without voting rights, or redeemable shares, or several methods at the same time, consisting of the counter value of the new shares or the increase in the par value of the existing shares, in monetary contributions, including the transformation of unrestricted reserves, and even using both methods simultaneously, provided that it is permitted by current legislation.*

*By virtue of this delegation, the Board of Directors will be empowered to establish that, in the event of incomplete subscription, the capital will only be increased by the amount of the subscriptions made, and to redraft the article of the Bylaws relating to capital, once the increase has been agreed and executed.*

*This authorisation implies that the authorisation for the capital increase granted to the Board of Directors at the Shareholders' General Meeting on 4 June 2015 is no longer valid.*

*By virtue of this authorisation, the Board of Directors is also empowered to request the admission to official trading of any new securities that may be issued on any national or foreign stock exchange or regulated market, under the terms of any applicable legislation.*

*Likewise, the Board of Directors is expressly empowered to exclude, in whole or in part, the pre-emptive subscription right in relation to all or any of the issues it may decide on the basis of this authorisation, pursuant to Article 506 of the Spanish Companies Act, although this power will be limited to capital increases carried out under this authorisation and/or the delegation for the issue of bonds and debentures up to a maximum amount corresponding, in total, to 20% of the share capital on the date of adoption of this resolution.*

*Finally, by means of this resolution and in accordance with Article 249 bis, section I) SCA, the Board of Directors is expressly authorised so that it may, in turn, delegate, under the provisions of Article 249.2 of the Spanish Companies Act, the powers referred to in this resolution".*

# Information document on the Euro Commercial Paper Programme

Board of Directors

1 June 2020

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1. Purpose
2. Euro Commercial Paper Programme
3. Summary of the general terms and conditions of the Programme

## 1. Purpose

The purpose of this document is to inform the shareholders of Meliá Hotels International, S.A. (hereinafter, the “**Company**”) of the Euro Commercial Paper Programme, registered on May 26<sup>th</sup>, 2020, with the Irish Stock Exchange, entity operated by Euronext Dublin, in the maximum amount of EUR 300,000,000 (*Euro Commercial Paper Programme 2020 or ECP 2020*) and the status of the outstanding issues made under the euro commercial paper programme registered by the Company in May 2019 with the said stock exchange and in the same amount (*Euro Commercial Paper Programme 2019 or ECP 2019*).

## 2. Euro Commercial Paper Programme

### ECP 2020

The Board of Directors of the Company at its meeting held on 26<sup>th</sup> February 2020, in the exercise of the authorisation granted by the General Shareholders’ Meeting held on 4 June 2015, approved the registration of a programme for the issue of commercial paper, commonly called Euro Commercial Paper Programme or ECP, in the maximum amount of EUR 300,000,000, whereby the Company can issue short-term debt securities, with a maturity of less than 364 days up to the said amount (hereinafter, the “**Programme**”) and during the twelve-month term of the ECP 2020. The Programme was registered with the Irish Stock Exchange and on such regulated market the following issues made under the ECP 2020 will be admitted to trading. Now, therefore, it is hereby stated that on the date hereof no issues have been made under the ECP 2020.

### ECP 2019

With regard to the ECP 2019, which was already reported on the General Shareholders’ Meeting held on 18<sup>th</sup> June 2019, it is hereby stated that during the term of the programme, issues were made in the total amount of THREE HUNDRED AND THIRTY-FIVE MILLIONS EURO (335,000,000 €) – taking into account that the balance of the outstanding issues at any time did not exceed the maximum amount of € 300,000,000. At 31 December 2019 there were no outstanding issues.

## 3. Summary of the general terms and conditions of the ECP 2020

Maximum amount of the Programme	€ 300,000,000
Minimum face amount of issued securities	Depending on the currency: Euro: 100,000 American Dollars: 500,000 Pounds: 100,000 Swiss Francs: 500,000
Registered with	Irish Stock Exchange, operated by Euronext Dublin
Type of debt	European Commercial Paper
Signature date of the renewal of the Programme	26 May 2020
Maturity of the renewal of the Programme	364
Debt Rank	Unsecured Debt
Maturity of issues	Up to 364 days
Redemption Price	100%