

2024 Annual Report on the Remuneration of Directors

27 February 2025

PREAMBLE

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

This Report, which was unanimously approved by the Board of Directors at its meeting held on 27 February 2025, will be put to the consultative vote of the shareholders at the Ordinary General Shareholders' Meeting for 2025, as a separate item on the agenda.

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

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

DEFINITIONS

Senior Management: Members of the Group's Executive Committee, also known as the Senior Executive Team (SET). For the purposes of this Report, and following the instructions of CNMV's Circular 3/2021, of 28th of September, the Senior Management also includes those executives who report hierarchically to the Chairman and CEO, and the head of Internal Audit.

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

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

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

Chief Executive Officer or Executive Director: Mr Gabriel Escarrer Jaume, (Executive) Chairman and Chief Executive Officer of Meliá and, for the purposes of this Report, the only Director with executive functions.

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

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

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

Policy or Remuneration Policy: Remuneration Policy of Meliá for 2022 to 2024, or for 2025 to 2027, depending on the context and the section of the Report.

Proxy Advisors: Intermediary companies that offer advice and recommendations to institutional investors with regard to voting at General Shareholders' Meetings.

A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR (2025)

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

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

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

The Remuneration Policy applicable to 2025 is the Remuneration Policy for years 2025 to 2027, which was approved by the General Shareholders' Meeting of the Company held on 9 May 2024.

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

The Board of Directors analysed and discussed the report as well as the proposed changes for the 2025-2027 period with respect to the previous Policy.

At the proposal of the Appointments, Remuneration and Sustainability Committee, some aspects of the Policy were modified for years 2022 to 2024, in order to achieve a better alignment with the interests of the Company's shareholders and investors, the requirements of the Proxy Advisors and the best corporate governance practices at a national and international level.

The Remuneration Policy submitted for approval at the General Shareholders' Meeting maintains, in general terms, the same remuneration scheme for directors established in the previous policy and remains true to the principles that guided the previous Policy (moderation, prudence and long-term value generation, ensuring at all times that internal equity is maintained and external competitiveness is improved), although it presents the following main new features:

- **Reinforcement of the general principle of corporate sustainability.** This principle is reflected in the increased weighting of the corresponding sustainability metrics in line with the Company's commitment to this strategic area.
- **Greater clarity in the disclosure of Directors' remuneration in their capacity as such.** The remuneration elements of the Directors in their capacity as such have been detailed in order to improve transparency, as well as the remuneration for their membership of the different Committees, without prejudice to the fact that these remuneration elements may be reviewed

and/or updated on an annual basis during the term of the Policy by the Board of Directors.

- **Lead Director's Remuneration.** A specific remuneration is established for the Director who assumes the role of Lead Director, within the maximum limit of the remuneration of the Directors in their capacity as such. Following the appointment of Mr Gabriel Escarrer Jaume as Executive Chairman in June 2023 and the allocation of more functions and responsibility to the position of Lead Director, the Committee and the Board considered it necessary to remunerate the functions the Lead Director performs.
- **Greater clarity in the disclosure of the metrics and objectives of variable remuneration.** The disclosure of the metrics and objectives of both short-term variable remuneration and long-term variable remuneration is improved in order to enhance transparency, without prejudice to the fact that the metrics and objectives may be reviewed and/or updated on an annual basis during the term of the Policy.
- **Modification of the minimum period of long-term variable remuneration plans.** The minimum period for long-term variable remuneration plans has been modified to THREE (3) financial years. This modification has been made to adapt this remuneration item to market practice in comparable companies and, in this way, enhance the ability to retain, attract and recruit talent, placing the Company in a competitive situation with respect to comparable companies.
- Finally, in the review of the Policy, other technical improvements have been introduced to continue to advance in transparency and better understanding of the policy.

Upon calling for the 2024 General Shareholders' Meeting, the Board of Directors made available the mandatory report and the Remuneration Policy, which was approved by the General Shareholders' Meeting with **175,103,613 votes in favour** (i.e. 98.65% of the attending voting rights).

It should be noted that the recommendations of the main Proxy Advisors (ISS and Glass Lewis) were favourable to the new Remuneration Policy.

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

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

- To propose to the Board the Remuneration Policy applicable to Directors, General Managers and any individuals performing top management duties under direct supervision by the Board, Executive Committees or Chief Executive

Officers, as well as the individual remuneration and other contractual terms and conditions applicable to Executive Directors, ensuring compliance with such Policy.

- To conduct periodic reviews of the Remuneration Policy, assessing its adequacy and performance. In particular, to conduct periodic reviews concerning the assessment of the objectives or parameters involved in the remuneration schemes applicable to the executive director and the Senior Management.
- To ensure transparency in payments and inclusion of information concerning Directors' remuneration into the Annual Report on the Remuneration of Directors and the Corporate Governance Annual Report, submitting the Annual Report on the Remuneration of Directors to the Board for approval.

In the amendment to the Regulations of the Board carried out in June 2022, the responsibilities in terms of remuneration of the Committee were increased, including the following (in Article 15):

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

Remuneration of Directors in their capacity as such

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

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

The maximum amount approved by the General Shareholders' Meeting was updated and increased at the General Shareholders' Meeting held on 9 May 2024, which was set at ONE MILLION FOUR HUNDRED THOUSAND EUROS (€1,400,000) with effect from 1 January 2025.

Executive Director's Remuneration

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

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

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

In the current year (2025), such review was carried out by the Appointments, Remuneration and Sustainability Committee at the meetings held on 6 and 27 February 2025. The details, amount and methodology used for its determination will be explained throughout this Report.

With regard to the salary review of the CEO for 2025, at the date of issue of this Report, and considering the increases in the previous year, the Committee has proposed that the CEO's fixed remuneration not be increased during this year.

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

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

In addition, during 2023, on the occasion of the review of the CEO's remuneration scheme, the Committee received external advice from Willis Tower Watson (WTW), a company specialised in providing advice on senior executive remuneration. At the Committee's request, WTW prepared a benchmarking in which comparable companies in the tourism sector, IBEX 35 and other listed companies, were considered. This benchmarking was provided as an annex to the 2023 Annual Report on the Remuneration of Directors.

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

With regard to the participation of external advisors, the Committee and the Corporate Governance and Human Resources departments received consultancy services from a firm specialising in the field (Cuatrecasas) when preparing the new Remuneration Policy for 2025 to 2027.

Furthermore, as indicated in the previous section, in 2023, the Committee engaged the firm Willis Tower Watson (WTW) to conduct a remuneration benchmarking to analyse the remuneration scheme for the CEO.

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

The Remuneration Policy for 2025 to 2027 expressly provides for a section regarding the application of temporary exceptions.

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

- The application of this exception regime shall be duly justified on the grounds of exceptionality and necessity, always in view of the long-term interests of the Company and the Group and the sustainability and feasibility thereof.
- The Company must inform the market as soon as possible of the application of this exceptional regime, whether through publication of Inside Information / Other Relevant Information on the CNMV website, or through annual reports (ACGR and ARRD), as appropriate.
- The Board of Directors may agree the suspension, cancellation (total or partial), extension, replacement or temporary amendment of the following components of the remuneration scheme:
 - Fixed annual remuneration of Directors in their capacity as such.
 - Fixed annual remuneration of Executive Directors.
 - Short- and long-term variable remuneration, including parameters, objectives, assessment system, target amount, etc.
 - Remuneration in kind and other benefits.

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

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

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

Currently, such percentage is SEVENTY PERCENT (70%) of annual fixed remuneration (€900,000). This new scheme has been applied to the financial year commencing on 1 January 2024.

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

The long-term variable component is determined during the first year applicable to the variable remuneration cycle, i.e., for 2025 to 2027 cycle, the objectives, achievement levels and parameters will be determined in the first quarter of 2025.

Taking into account that one of the objectives of the long-term remuneration scheme for years 2022 to 2024 will be calculated and assessed as of 15 March 2025, at the date of issue of this Report, the objectives and parameters of the long-term variable remuneration scheme for years 2025 to 2027 have not been set.

This remuneration system is intended to strike a balance between fixed and variable components, so that the fixed component represents a sufficiently large part of total remuneration, while variable items ensure that the personal performance of the Director is sustainable and aligned with risks, ensuring that variable remuneration accrual and collection parameters are determined in a very strict manner in both cases. Variable remuneration achievement percentages and caps are described in sections 7.3.2 and 7.3.3 of the Policy, as detailed below (see "Amount and nature of variable components").

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

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

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

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

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

Additionally, in line with good governance principles, and according to section 7.6 of the Remuneration Policy (*Payment deferral*), short- and long-term variable remuneration is paid following a reasonable period after the end of the last financial year considered for evaluation purposes, with payments being made within the 60 calendar days following the issuance of the annual accounts for that year, always provided that the accounts have been reviewed by the external auditors and upon proposal by the Appointments, Remuneration and Sustainability Committee.

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

- Code of Ethics: Establishing that directors and managers must be a role model of leadership for their teams, acting in an exemplary manner when facing conflicts and complex situations.

- Internal Code of Conduct: Document applicable to all persons who may have access to stock market information by reason of their position or functions.
- Human Resources Regulations: Specifically, governing obligations with respect to conflicts of interests and the use of confidential and inside information.
- Executive Behaviour Regulations: Document regulating potential conflicts of interests that may arise in the Company.

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

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

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

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

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

According to the above, at the General Shareholders' Meeting held on 16 June 2022 a remuneration system partially referenced to the share price was approved for the Executive Director, the Senior Management and other professionals within the Company.

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

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

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

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

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

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

Following the update of the remuneration scheme of Directors in their capacity as such carried out in 2024, the fixed remuneration of Directors in their capacity as such, for 2025, is made up of two components:

- A **fixed annual salary** in the amount of TWENTY-FOUR THOUSAND TWO HUNDRED AND FIFTY EUROS (€24,250) for each director for the current year.
- **Attendance fees** for the Board of Directors and Committee meetings they have actually attended in the following amounts for the current year:
 - SIX THOUSAND SIXTY EUROS (€6,060) for each Board meeting.
 - THREE THOUSAND THREE HUNDRED AND SIXTY EUROS (€3,360) for each meeting of a Committee of which the director is a member.

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- The Chairwomen of the Appointments, Remuneration and Sustainability Committee and of the Auditing and Compliance Committee additionally receive THREE THOUSAND THREE HUNDRED AND SIXTY EUROS (€3,360) for each meeting.
- The Secretary of the Board of Directors additionally receives SIX THOUSAND SEVEN HUNDRED AND TWENTY EUROS (€6,720) for each Board meeting.
- The Lead Director is additionally entitled to THREE THOUSAND THREE HUNDRED AND SIXTY EUROS (€3,360) for each meeting of the Board of Directors.

REMUNERACIÓN DE LOS CONSEJEROS EN SU CONDICIÓN DE TALES 2025-2027

Concepto	Importe	Forma de pago
PARTE FIJA		
Remuneración fija / anual	24.250,00 €	trimestral
PARTE VARIABLE		
Dieta por asistencia al Consejo	6.060,00 €	por sesión
Dieta por asistencia a Comisión (vocal)	3.360,00 €	por sesión
Dieta adicional Secretario Consejo	6.720,00 €	por sesión
Dieta adicional Presidente Comisión	3.360,00 €	por sesión
Dieta Consejero Coordinador	3.360,00 €	por sesión

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

In addition to the above, the CEO's remuneration package includes a fixed annual amount as a consideration for the executive duties performed under his corresponding agreement. At the date of issuance of this Report (27 February 2025), the CEO receives a fixed gross annual remuneration in the amount of NINE HUNDRED THOUSAND EUROS (€900.000). This is equivalent to the amount agreed in the CEO's services agreement.

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

- **Medical insurance:** Pursuant to the Remuneration Policy in force and the CEO's services agreement, the CEO has private medical insurance covering himself and his family for a yearly premium of TEN THOUSAND TWO HUNDRED AND SEVENTY-ONE EUROS AND TEN CENTS (€10,271.10).
- **Life and accident insurance:** The CEO also has life and accident insurance for a yearly premium of ONE THOUSAND NINE HUNDRED AND SEVENTY-NINE EUROS AND NINETY CENTS (€1,979.90) with the following coverage:

- €650,000 in the event of death for any cause;
- €650,000 in the event of disability for any cause;
- €650,000 in the event of death by accident (this being a cumulative amount in the event of death).

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

A.1.6 Amount and nature of variable components, differentiating between those established in the short and long terms. Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

SHORT-TERM REMUNERATION SCHEME

As regards the parameters of the CEO's short-term variable remuneration scheme for the current year (2025), the Appointments, Remuneration and Sustainability Committee, at its meeting held on 27 February 2025, informed and proposed to the Board of Directors the following scheme:

Set of economic / financial objectives: This set represents SEVENTY-FIVE PERCENT (75%) of total short-term variable remuneration and comprises FOUR (4) objectives:

- **To achieve a certain EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortization) at year-end 2025. To this end, the Group's EBITDA without capital gains has been considered and post - IFRS.

This objective is of a financial nature and represents 30% of total short-term variable remuneration. The Committee has reduced the percentage/weight of this objective compared to the previous year in order to include more objectives within the set of economic objectives. For confidentiality reasons, the amount of the EBITDA objective proposed by the Committee and approved by the Board of Directors will not be disclosed in this Report. However, this information will be provided in the next ARR (evaluation and assessment data of objectives for the year ended).

- **To achieve a certain leverage ratio.** This objective is of a financial nature and represents 30% of total short-term variable remuneration and is calculated using the following formula: the ratio between net financial debt (pre-IFRS) and EBITDA (pre-IFRS). For confidentiality reasons, the target of the indicated ratio proposed by the Committee and approved by the Board of Directors will

not be disclosed in this Report. However, this information will be provided in the next ARR (evaluation and assessment data of objectives for the year ended).

- **To achieve a certain EBITDA margin.** This objective is of a financial nature and represents 7.5% of total short-term variable remuneration. For confidentiality reasons, the target of the indicated ratio proposed by the Committee and approved by the Board of Directors will not be disclosed in this Report. However, this information will be provided in the next ARR (evaluation and assessment data of objectives for the year ended).
- **Flow of operations:** This objective is of a financial nature and represents 7.5% of total short-term variable remuneration. The objective has been defined as the amount of cash that should be generated by the Company after deducting operating expenses (rentals, taxes, interests and maintenance CAPEX). For confidentiality reasons, the target of the indicated ratio proposed by the Committee and approved by the Board of Directors will not be disclosed in this Report. However, this information will be provided in the next ARR (evaluation and assessment data of objectives for the year ended).

Set of non-financial objectives: This set represents TWENTY-FIVE PERCENT (25%) of total short-term variable remuneration and comprises four objectives:

- **Customer satisfaction (Net Promoter Score (NPS))** - objective based on the satisfaction level of customers of hotel establishments during 2025. This objective represents 5% of total variable remuneration. It is assessed based on the results obtained in the satisfaction surveys.
- **Development / Management Model:** Objective based on the net increase in signed rooms in 2025. This objective represents 10% of total variable remuneration. The achievement level of this objective will be calculated according to two variables: (i) on the one hand, the number of signed rooms determined by the Committee and, subsequently, approved by the Board, in which an achievement scale is established based on the development projects that result in the increase in rooms managed by the Group. This sub-objective represents 60% of the total of 10%; (ii) on the other hand, the FEES/PAR ratio. This variable measures the contribution of "fees" for each room, thus promoting and boosting growth linked to quality and not only to the number of rooms. For confidentiality reasons, the number of rooms proposed by the Committee will not be disclosed in this Report. However, this information will be provided in the next ARR (evaluation and assessment data of objectives for the year ended).
- **Work environment surveys:** This objective represents 5% of total short-term variable remuneration and will be measured based on the results obtained in the "Commitment & Engagement Results" survey launched annually by the Human Resources department to certain corporate areas and hotels. In particular, for the purpose of setting objectives, the results of the following indicators will be taken into account:

- Target commitment
- Engagement

Each indicator will be assessed separately at 50% (2.5%/2.5%) of the objective, applying the corresponding scale.

For confidentiality reasons, the objective proposed by the Committee and approved by the Board of Directors will not be disclosed in this Report. However, this information will be provided in the next ARR (evaluation and assessment data of objectives for the year ended).

- **Sustainability:** This objective represents 5% of total short-term variable remuneration, and will be measured in terms of compliance with, among others, the following initiatives:
 - * Consolidation of the sustainability governance model
 - * Update of Group Policies
 - * Reconciliation of Double Materiality and the risk map

Based on the weights of each of the objectives, as well as the achievement level of each of them, as explained in detail in the following section of the Report, the maximum (theoretical) total achievement percentage amounts to **137.50%**.

The **target amount** (100%) of the said long-term variable remuneration will be 70% of his fixed salary accrued during 2025 (i.e. the amount of €900,000), as indicated in previous sections. In other words, the target amount of the short-term variable remuneration for 2025 is SIX HUNDRED AND THIRTY THOUSAND EUROS (€630,000), with the maximum amount to be received, in relation to the maximum percentage of assessment of each of the objectives, as detailed in the following section, being EIGHT HUNDRED AND SIXTY-SIX THOUSAND TWO HUNDRED AND FIFTY EUROS (€866,250).

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

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Objetivo	Peso	% máximo cobro	TOTAL
EBITDA	30%	150%	283.500,00 €
RATIO APALANCAMIENTO	30%	130%	245.700,00 €
MARGEN EBITDA	7,5%	130%	61.425,00 €
FLUJO OPERACIONES	7,5%	150%	70.875,00 €
NPS	5%	130%	40.950,00 €
MODELO GESTORA	10%	130%	81.900,00 €
CLIMA LABORAL	5%	130%	40.950,00 €
ESG	5%	130%	40.950,00 €
	TOTAL	137,5%	866.250,00 €

LONG-TERM REMUNERATION SCHEME

A) 2022-2024 LONG-TERM REMUNERATION

During 2025, long-term variable remuneration for years 2022 to 2024 will accrue, since, for the assessment of one of the objectives that make up this scheme (evolution of Meliá's share price), the evolution between the share price at the close of the market on 31 December 2021 and the average share price from 15/12/24 to 15/03/2025, both days included, will be considered.

In this sense, the assessment of this objective and its accrual will be carried out after the preparation of this Report, i.e., during the second quarter of 2025.

There follows a description of the main characteristics of the said long-term remuneration scheme:

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

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

As a consequence of the amendment to the Chief Executive Officer's service agreement, the percentage applicable to year 2024 of the long-term variable remuneration will be 70% instead of the 60% originally planned. That is, the target amount (100%) will be calculated as follows:

- 60% of his fixed salary in 2022.
- 60% of his fixed salary in 2023.
- 70% of his fixed salary (modified amount) in 2024.

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

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

This part of the remuneration system is based on the evolution of the shares of Meliá compared to the arithmetic average of the evolution of a country index (IBEX 35) and the evolution of a sector index (Europe hotel sector Compset) which is made up of the following listed hotel companies: ACCOR, IHG, WITBREAD, SCANDIC, DALATA and NH.

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

the existence of a positive difference in favour of the share price of the Company compared to the prices taken as a reference (activation condition).

- ii. **Financial soundness:** This objective represents 40% of the total and is made up of two sub-objectives:
 - a) **EBITDA margin:** This objective represents 20%, and with the goal of reaching an EBITDA margin of 30% by year-end 2024. In any case, the margin achieved in 2024 must exceed that reported in 2019 (activation condition).
 - b) **Debt ratio (Debt / EBITDA):** This objective represents 20% and its assessment has two factors:
 - **Pre-IFRS 16** (objective that represents 60% of the aforementioned 20%). For its calculation, a range from 0% to a ratio of 4 times, up to 130% of achievement is defined in the case of reaching a ratio of 3.3 times.
 - **Post-IFRS 16** (objective that represents 40% of the aforementioned 20%), in which it is defined an achievement range from 0% for a ratio of 5.5 times to 130% if a ratio of 4.3 is reached.
- iii. **Business objectives:** This objective represents 20% of the total, and includes, in turn, objectives linked to fees from third parties in relation to total fees, and the ratio between the own sales channel and the total or centralised sales.
 - Fees from third parties with respect to total fees: This objective represents 10% of the total, and for its assessment, achievement ranges have been established, where 100% is equivalent to reaching 50% fees from third parties in 2024. This indicator would only be activated if the percentage obtained at the end of 2024 exceeds the percentage reported in 2019 (activation condition). The indicator of fees from third parties includes fees received under hotel management and franchise agreements for the management of third-party hotels.
 - Own channels with respect to centralised sales: This objective also represents 10% and for its assessment, achievement ranges have been established where 100% would mean reaching a 50% contribution from own channels in 2024, provided that the figure obtained exceeds the percentage reported in 2019 (activation condition).
- iv. **Sustainability and position objectives:** This objective represents 10% of the total and is fixed based on the position achieved by the Company in the international sustainability ranking Corporate Sustainability Assessment S&P Global ESG. In this regard, the objective was set based on the Company's position and score in 2024. Considering the change in methodology during the term of the plan, the final objective was set based on the Company's score in the ranking.

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

Likewise, and as long as that said remuneration is partially referenced to the share

price, and in accordance with the provisions of Article 219 CEA and Article 37.2 of the Company Bylaws, at the General Shareholders' Meeting held on 16 June 2022, a remuneration scheme partially referenced to the share price was approved for the Executive Director, the Senior Management and other professionals within the Company.

B) 2025-2027 LONG-TERM REMUNERATION

With regard to long-term variable remuneration corresponding to the next cycle (that is, years 2025 to 2027), the indicators, targets, amounts and content of the Multi-Year Plan will be drawn up and analysed by the Appointments, Remuneration and Sustainability Committee after the close of the previous Multi-Year Plan, i.e., in the second quarter of 2025.

Once these are approved by the Board of Directors, at the proposal of the Appointments, Remuneration and Sustainability Committee, they will be notified to the market via ORI (Other Relevant Information) and will be included in the next Annual Report on the Remuneration of Directors.

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

SHORT-TERM REMUNERATION SCHEME

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

Set of economic / financial objectives: This set represents SEVENTY-FIVE PERCENT (75%) of total short-term variable remuneration and comprises FOUR (4) objectives:

- (i) To achieve a certain EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) at year-end 2025

Objective's weight: 30%

Maximum % of collection or assessment: 150%

Maximum amount of collection: €283,500

- (ii) To achieve a certain leverage ratio (Debt ratio / EBITDA) at year-end 2025.

Objective's weight: 30%

Maximum % of collection or assessment: 130%

Maximum amount of collection: €245,700

- (iii) To achieve a certain EBITDA margin at year-end 2025

Objective's weight: 7.5%

Maximum % of collection or assessment: 130%

Maximum amount of collection: €61,425

(iv) Flow of operations

Objective's weight: 7.5%

Maximum % of collection or assessment: 150%

Maximum amount of collection: €70,875

Set of non-financial objectives: This set represents TWENTY-FIVE PERCENT (25%) of total short-term variable remuneration and comprises four objectives:

(i) **Customer satisfaction (Net Promoter Score (NPS))** - objective based on the satisfaction level of customers of hotel establishments during 2025.

Objective's weight: 5%

Maximum % of collection or assessment: 130%

Maximum amount of collection: €40,950

(ii) **Development / Management Model:**

Objective's weight: 10%

Maximum % of collection or assessment: 130%

Maximum amount of collection: €81,900

(iii) **Work environment and talent surveys:**

Objective's weight: 5%

Maximum % of collection or assessment: 130%

Maximum amount of collection: €40,950

(iv) **Sustainability:**

Objective's weight: 5%

Maximum % of collection or assessment: 130%

Maximum amount of collection: €40,950

LONG-TERM REMUNERATION SCHEME

A) **2022-2024 LONG-TERM REMUNERATION**

In relation to the 2022-2024 long-term variable remuneration, considering that the target amount is 190% of fixed remuneration of the Chief Executive Officer (60% for financial years 2022 and 2023, and 70% for financial year 2024) and that the maximum percentage to be received is 150%, the maximum amount to be received (in case of a maximum assessment for all the objectives previously indicated) is TWO MILLION THREE HUNDRED AND FOURTEEN THOUSAND NINE HUNDRED AND FIFTY-EIGHT EUROS AND FIFTY-ONE CENTS (€2,314,958.51).

The details of the calculation (of the target amount - 100%) are given below:

- Maximum amount to be received for the financial year 2022 (60% of the fixed remuneration in force in 2022 - €761,088.06): FOUR HUNDRED AND FIFTY-SIX THOUSAND SIX HUNDRED AND FIFTY-TWO EUROS AND EIGHTY-FOUR CENTS (€456,652.84)
- Maximum amount to be received for the financial year 2023 (60% of the fixed remuneration in force in 2023 - €761,088.06): FOUR HUNDRED AND FIFTY-SIX THOUSAND SIX HUNDRED AND FIFTY-TWO EUROS AND EIGHTY-FOUR CENTS (€456,652.84)
- Maximum amount to be received for the financial year 2024 (70% of the fixed remuneration in force in 2024 - €900,000): SIX HUNDRED AND THIRTY THOUSAND EUROS (€630,000).

Año	Base salario	%	TOTAL
2022	761.088,06 €	60%	456.652,84 €
2023	761.088,06 €	60%	456.652,84 €
2024	900.000 €	70%	630.000,00 €
		TOTAL	1.543.305,67 €

B) 2025-2027 LONG-TERM REMUNERATION

In relation to the 2025-2027 long-term variable remuneration, the target amount is 210% of fixed remuneration of the Chief Executive Officer and the maximum percentage to be received is 150%. In this sense, the target amount is ONE MILLION EIGHT HUNDRED AND NINETY THOUSAND EUROS (€1,890,000), and the maximum amount to be received (150% of the target amount) is TWO MILLION EIGHT HUNDRED AND THIRTY-FIVE THOUSAND EUROS (€2,835,000).

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

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

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

Its basic features are as follows:

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

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

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

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

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

- **Unilateral termination by the Executive Director:** In case of (material and negligent) breach by the Company of its obligations under the agreement, or by reason of a material modification in the functions, powers, or terms and conditions of the services provided by the Executive Director due to causes not attributable to the Executive Director.
- **Unilateral termination by the Company:** The agreement provides for the application of compensations provided that unilateral termination or cancellation by the Company is not due to a material and negligent breach by the Executive Director of his obligations to perform his duties with loyalty, diligence, good faith or any other legally binding requirement applicable to the exercise of his duties.

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

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

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

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

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

Pursuant to Article 249 of the Spanish Corporate Enterprises Act, the CEO signed a commercial agreement for the provision of services with the Company dated 27 November 2015.

This agreement was amended on several occasions, as described below:

- I. On 18 June 2019, to include new terms and conditions governing the clawback provision, social welfare plans and the protection of personal data, following the approval of the new General Data Protection Regulation, as well as to update fixed and variable remuneration amounts.
- II. Several contractual amendments were signed during 2020 and 2021 in order to provide for the fixed remuneration reductions approved in these years, as well as the inclusion of certain amendments as a result of the application of the Remuneration Policy for 2022 to 2024 (i.e. malus clause).
- III. Finally, in 2023, based on comparable remuneration studies and on the occasion of the CEO assuming new duties following his appointment as Executive Chairman, an addendum to the agreement was signed to reflect an increase in fixed remuneration and an increase in the target percentage of short- and long-term variable remuneration.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Remuneration Policy applicable to the current year (2025) is the Policy approved by the General Shareholders' Meeting on 9 June 2024, which is applicable to the 2025-2027 three-year period.

No changes to the aforementioned Remuneration Policy are planned for the current financial year.

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

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

On 9 June 2024, the General Shareholders' Meeting approved with 98.99% of votes in favour the 2023 Annual Report on the Remuneration of Directors, which had been previously approved by the Board of Directors on 29 February 2024.

	General Meeting 2020	General Meeting 2021	General Meeting 2022	General Meeting 2023	General Meeting 2024
% Approval ARR	99.84%	99.48%	97.55%	84.58%	98.99%

To this end, it should be noted that both the Committee and the Board of Directors considered the decrease in the number of votes received at the 2023 General Shareholders' Meeting, and this is why they increased the information and transparency in the 2023 Annual Report on the Remuneration of Directors, which was submitted for approval at the 2024 General Shareholders' Meeting. As a result of these improvements, more votes in favour of the aforementioned report were obtained, as indicated in the table above.

Specifically, these improvements or changes consisted of:

- Increasing information on metrics, objectives and level of achievement of variable remuneration.
- Including more detail on external advice received.
- Including, as far as possible, the benchmarking used by the Company.

Likewise, in preparing this Annual Report on Remuneration of Directors, the recommendations provided by the Proxy Advisors in their reports submitted to the 2024 General Shareholders' Meeting were studied and taken into consideration.

B. OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED (2023)

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

The Remuneration Policy applicable during 2024 was approved by the General Shareholders' Meeting on 10 June 2021, and is applicable to years 2022 to 2024.

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

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

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

As concerns the participation of external advisors, the Appointments, Remuneration and Sustainability Committee and the Corporate Governance and Human Resources departments received consultancy services from Willis Tower Watson (WTW) in respect of the formal execution of measures to increase the remuneration of the Chairman and CEO.

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

During 2024 no deviation from the procedure established for the application of the Remuneration Policy occurred.

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

In 2024 no temporary exception has been applied to the current Remuneration Policy.

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

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

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

Likewise, the cross-membership of Ms Montserrat Trapé Viladomat (Chairwoman of the Auditing and Compliance Committee) and Ms Cristina Aldámiz-Echevarría González de Durana (Chairwoman of the Appointments, Remuneration and Sustainability Committee) in these two committees favours the consideration of risks in the variable remuneration system, both in the process of defining the system and in its submission to the Board of Directors.

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

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

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

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

Both the remuneration of Directors in their capacity as such and the remuneration of the Executive Director comply with the Remuneration Policy applicable during the 2024 financial year.

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

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

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

In relation to the Executive Director and his variable remuneration package (short and long term) linked to 2024, the Committee determined the said package taking into account the framework established by the Remuneration Policy, setting short- and long-term economic and non-economic objectives, as explained throughout this Report.

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

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

	Number	% of total
Votes cast	177,500,748	80.60%

	Number	% of votes cast
Votes in favour	175,717,220	98.99%
Votes against	1,027,965	0.58%
Abstentions	755,563	0.43%

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

The General Shareholders' Meeting held on 6 June 2018 approved a modification of the total remuneration cap for Directors in their capacity as such, setting it at ONE MILLION TWO HUNDRED THOUSAND EUROS (€1,200,000), amount that was modified at the General Shareholders' Meeting held on 9 June 2024 in order to increase it to ONE MILLION FOUR HUNDRED THOUSAND EUROS (€1,400,000), with effect from 1 January 2025 (i.e., this increase is not applicable to 2024).

Fixed remuneration components accrued during the 2024 financial year were determined pursuant to the Remuneration Policy applicable in 2024 (from March 2024, the date on which the increase agreed by the Board of Directors came into effect), based on the items described in Section B.3 above:

- A fixed annual salary in the amount of TWENTY-FOUR THOUSAND TWO HUNDRED AND FIFTY EUROS (€24,250) for each Director.

Since the Board is made up of ELEVEN (11) Directors, and considering the changes in the composition of the Board that took place during the 2024 financial year, the total amount paid under this heading was TWO HUNDRED AND THIRTY-SEVEN THOUSAND THREE HUNDRED AND SEVENTY-SEVEN EUROS AND NINETY-FOUR CENTS (€237,377.94).

- Attendance fees for each meeting of the Board of Directors and the Committees to which each Director belongs.
 - SIX THOUSAND SIXTY EUROS (€6,060) per Director for each Board meeting.

Considering the total number of meetings and based on the attendance of each Director at each of them, the total amount paid as Board attendance fees was FIVE HUNDRED AND TWENTY THOUSAND SIXTY EUROS AND NINETEEN CENTS (€520,060.19).

- THREE THOUSAND THREE HUNDRED AND SIXTY EUROS (€3,360) for attending each meeting of the Board's Committees.

During 2024, a total of NINE (9) meetings of the Appointments, Remuneration and Sustainability Committee and THIRTEEN (13) meetings of the Auditing and Compliance Committee were held.

Based on each Director's attendance at these meetings, the total amount paid as attendance fees for the Committees was TWO HUNDRED AND NINETY-FOUR THOUSAND NINE HUNDRED AND SIXTY EUROS (€294,960), of which the amount of ONE HUNDRED AND SIXTY-FOUR THOUSAND ONE HUNDRED AND SIXTY EUROS (€164,160) relates to attendance at the meetings of the Auditing and Compliance Committee, and ONE HUNDRED AND THIRTY THOUSAND EIGHT HUNDRED EUROS (€130,800) relates to attendance at the meetings of the Appointments, Remuneration and Sustainability Committee.

The Chairmen and Chairwomen of the Appointments, Remuneration and Sustainability Committee and of the Auditing and Compliance Committee additionally receive THREE THOUSAND THREE HUNDRED AND SIXTY EUROS (€3,360) for each attended meeting.

Based on the attendance of the outgoing Chairmen and the incoming Chairwomen at their Committee meetings, the amount accrued under this heading was TWENTY-SIX THOUSAND ONE HUNDRED AND SIXTY EUROS (€26,160) for the Directors who chaired the Appointments, Remuneration and Sustainability Committee and THIRTY-FIVE THOUSAND FIVE HUNDRED AND TWENTY EUROS (€35,520) for the Directors who chaired the Auditing and Compliance Committee.

The Secretary of the Board of Directors also earns SIX THOUSAND SEVEN HUNDRED AND TWENTY EUROS (€6,720) for each Board meeting he attends. This amount does not accrue in sessions held in written form without a meeting. Based on attendance at all the meetings of the Board (eight in total), the amount accrued under this heading is FIFTY-THREE THOUSAND AND FORTY EUROS (€53,040).

Thus, the only variation in the fixed remuneration scheme with respect to the 2023 financial year is that relating to the increase in the amounts accrued respectively for each of the items (attendance fees, fixed annual amount, etc.).

The total amount paid as remuneration to the Directors in their capacity as such amounts to ONE MILLION ONE HUNDRED AND SIXTY-SEVEN THOUSAND ONE HUNDRED AND EIGHTEEN EUROS AND TWELVE CENTS (€1,167,118.12). Resulting from the above, remuneration under this heading has not reached the maximum available amount (€1,200,000) in the year ended.

Variations with respect to the previous year (2023) are due to differences in the number of Committee meetings (the number of meetings of the Auditing and Compliance Committee has increased), and the changes in the composition of the Board (new members) and the mentioned increase in fixed amounts.

2024 ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS

CONCEPTO	IMPORTE INDIVIDUAL	IMPORTE TOTAL SATISFECHO
ASIGNACIÓN ANUAL FIJA	24.250,00 €	237.377,94 €
DIETA ASISTENCIA CONSEJO	6.060,00 €	520.060,19 €
DIETA ASISTENCIA SECRETARIO	6.720,00 €	53.040,00 €
DIETA ASISTENCIA CNR&S	3.360,00 €	130.800,00 €
DIETA ASISTENCIA CA&C	3.360,00 €	164.160,00 €
DIETA PRESIDENTES CNR&S	3.360,00 €	26.160,00 €
DIETA PRESIDENTES CA&C	3.360,00 €	35.520,00 €
TOTAL	-	1.167.118,13 €

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

The salary accrued to the Company's Executive Director in the 2024 financial year amounts to NINE HUNDRED THOUSAND EUROS (€900.000).

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

In particular, the Committee, during the financial year 2023, and on the occasion of the appointment of Mr Gabriel Escarrer Jaume as Executive Chairman (and Chief Executive Officer) on 22 June 2023, based on remuneration studies of comparable companies (benchmarking study prepared by an external advisor), proposed to the Board of Directors an increase in the annual fixed remuneration of the Chief Executive Officer. The Board of Directors, at its meeting held on 18 October 2023, analysed this proposal in detail and, taking into account that Mr Gabriel Escarrer Jaume had not had any increase since 2018 and that he became the Executive Chairman, in addition to the position of Chief Executive Officer of the Company, the Board of Directors unanimously agreed, with effect from 1 January 2024, to increase the fixed salary to €900,000.

In this sense, compared to the previous year (2023), there has been an increase of ONE HUNDRED AND THIRTY-EIGHT THOUSAND NINE HUNDRED AND ELEVEN EUROS AND NINETY-FOUR CENTS (€138,911.94). This represents an increase of 18.25% compared to the previous year.

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

In particular:

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

Not applicable.

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

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

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

Explain the short-term variable components of the remuneration systems

Only the Chief Executive Officer has variable components within his remuneration scheme, as mentioned in the Remuneration Policy for 2024. This variable remuneration has a short-term remuneration plan (annual) and a long-term remuneration plan (triennial).

Short-term variable remuneration items are set as a percentage of fixed remuneration. In this sense, in 2024, this percentage was 70% (following the increase set in 2023 and applicable in 2024).

In this sense, the target amount is SIX HUNDRED AND THIRTY THOUSAND EUROS

(€630,000) (hereinafter, the ‘Target Amount’).

This Target Amount involves a minimum theoretical collection amount of 0% and a maximum of **134.50%**. In this sense, the maximum theoretical amount to be received, in relation to the maximum percentage of assessment of each of the objectives as detailed in the following section, will be EIGHT HUNDRED AND FORTY-SEVEN THOUSAND THREE HUNDRED AND FIFTY EUROS (€847,350), and the minimum, ZERO EUROS (€0).

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

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

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

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

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

- 1) **Economic objectives** (EBITDA and Debt Ratio), in which maximum achievement is 150% and minimum achievement is 0%, with a scale that links the collection percentage to the achievement percentage. The assessment of these objectives is based on the achievement of annual goals which are defined separately in each objective, using the actual carrying amount at year end as a reference for achievement. This type of objectives has measurable goals and results; therefore, the percentage of achievement is the result of dividing the actual amount by the budgeted amount, if any.
- 2) **Non-economic objectives** (resulting from the assessment by the Board of the Chief Executive Officer and other non-financial objectives such as sustainability or development of the Company), which have a maximum achievement of 130% and a minimum of 0%.

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

highest level of achievement, the previous milestones must have been fulfilled.

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

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

At the date of this Report (27 February 2025), the Appointments, Remuneration and Sustainability Committee has carried out an assessment of the objectives set for short-term variable remuneration of the Chief Executive Officer, with the following levels having been approved:

Set of economic / financial objectives: This set represents SEVENTY-FIVE PERCENT (75%) of total short-term variable remuneration and comprises two objectives:

- (i) **To achieve a certain EBITDA** (Earnings Before Interest, Taxes, Depreciation and Amortization) at year-end 2024. To this end, the Group's EBITDA without capital gains has been considered. This objective is of a financial nature and represents 40% of total short-term variable remuneration.

Assessment: Since an EBITDA of €533 million has been reached (according to the results of the financial statements prepared on 27 February 2025), and according to the scale approved by the Committee, the assessment of this objective is **104.51%**.

In this regard, it is informed that the assessment scale proposed by the Committee and approved by the Board in February 2024 is as follows:

EBITDA target: €510 million.

- Less than 80% of the target: 0% of collection.
- Between 80% and 150% of the target achievement: the collection percentage will be the same as the target achievement percentage.
- More than 150% of the EBITDA target achievement: the percentage of proportional collection based on the amount plus 50%.

Accrued amount: TWO HUNDRED AND SIXTY-THREE THOUSAND THREE HUNDRED AND SIXTY-FIVE EUROS AND TWENTY CENTS (€263,365.20).

- (ii) **To reduce the Group's indebtedness**, i.e. to reach a certain debt ratio (in relation to the Group's EBITDA). This objective represents 35% of total short-term variable remuneration, i.e. it has increased by 5% compared to the previous year. The formula for calculating this objective is as follows:

Debt / EBITDA (without capital gains).

Assessment: The ratio achieved at the end of 2024 was 2.22 (debt /

EBITDA), therefore the assessment, according to the scales set by the Committee, is **120%**.

In this regard, it is informed that the assessment scale proposed by the Committee and approved by the Board in February 2024 is as follows:

- Ratio below 2.95%: 0% of achievement of the objective.
- Ratio of 2.95: 80% of assessment of the objective.
- Ratio of 2.80: 100% of assessment of the objective.
- Ratio of 2.65: 120% of assessment of the objective.

Accrued amount: TWO HUNDRED AND SIXTY-FOUR THOUSAND SIX HUNDRED EUROS (€264,600).

Set of non-financial objectives: This set represents TWENTY-FIVE PERCENT (25%) of total short-term variable remuneration and comprises four objectives:

- (iii) **Customer satisfaction** (Net Promoter Score (NPS)) - objective based on the satisfaction level of customers of hotel establishments during 2024. This objective represents 5% of total variable remuneration. It is assessed based on the results obtained in the satisfaction surveys.

Assessment: 2024 closed with 59.8 based on the results of more than 350,000 surveys of guests staying at our hotels, which represents an achievement rate of **130%**.

Accrued amount: FORTY THOUSAND NINE HUNDRED AND FIFTY EUROS (€40,950).

- (iv) **Development / Management Model:** Objective based on the net increase in signed rooms in 2024. This objective represents 10% of total variable remuneration. The achievement level of this objective will be calculated according to a number of signed rooms determined by the Committee and, subsequently, by the Board, in which an achievement scale is established based on the development projects that result in the increase in rooms managed by the Group. The Committee increased the weight of this objective compared to the previous year (5% in 2023), and has added a variable for its assessment: FEES / PAR. This variable will measure the contribution of "fees" for each room, thus promoting and boosting growth linked to quality and not only to the number of rooms.

Assessment: Considering the net number of rooms calculated using the following formula: **gross number of signed rooms in 2024 minus the drop in number of rooms at the end of 2024 (termination of memberships, resolutions, etc.)**, and the fees / par formula explained below, the achievement level of this target has been set at **99%**.

In this regard, it is informed that the assessment scale proposed by the Committee and approved by the Board in February 2024 is as follows:

Room target: 6,500 rooms.

FEES / PAR target (fees / par paid on average for each room): for

management contracts, the objective was €2,500 (the calculation includes the basic fee and the incentive fee). For franchise contracts the target was €1,000 (including royalty and marketing fees).

The total number of rooms signed in 2024 was 5,120, and the total FEES/PAR was as follows:

In management contracts: €2,530.

In franchise contracts: €1,753.

Accrued amount: SIXTY-TWO THOUSAND THREE HUNDRED AND SEVENTY EUROS (€62,370).

- (v) **Work environment surveys:** This objective represents 5% of total short-term variable remuneration and will be measured based on the results obtained in the "Commitment & Engagement Results" survey launched annually by the Human Resources department to certain corporate areas and hotels. In particular, for the purposes of setting objectives, the results of the following indicators will be taken into account:

- Commitment: the target set for this objective was 88%.
- Engagement: the target for this indicator was 69%.

Each indicator has been assessed separately at 50% (2.5%/2.5%) of the objective, applying the corresponding scale, which is as follows:

- Assessment of 0% of the objective if the indicator is 5% (or more) below the established target.
- Assessment of 75% if the indicator is between 5% below and the target.
- Assessment of 100% of the objective if the indicator is equal to or higher than the set target by less than 5%.
- Assessment of 130% of the objective if the indicator is 5% or more higher than the set target.

Assessment: Having achieved results of 90% in the Commitment Target, and 74% in the Engagement Target, this represents 100% of achievement.

Accrued amount: THIRTY-ONE THOUSAND FIVE HUNDRED EUROS (€31,500).

- (vi) **ESG:** This objective represents 5% of total short-term variable remuneration and will be measured in terms of the Company's adaptation to the CSRD (Corporate Sustainability Reporting Directive) and improved positioning. All based on the following initiatives:

- * Realisation of the Double Materiality project.
- * Financial impact of climate risks.
- * To continue with the non-financial information reporting project.

Assessment: Having met the objective set after verification by the

Committee that the Company has made progress in adapting to the CSRD (taking into account that as of the date of issue of this report the aforementioned directive has not been transposed into Spanish law, and therefore, that the Company is still obliged to issue the Non-Financial Information Statement and not the Sustainability Report), it is considered that 100% of achievement has been reached. In this sense, it should be noted that the Double Materiality project has been carried out, and an external support project has been conducted to continue with the non-financial (sustainability) information reporting project.

Accrued amount: THIRTY-ONE THOUSAND FIVE HUNDRED EUROS (€31,500).

According to the weight of each of the objectives, as well as their level of achievement, the total achievement percentage amounts to **110.20%**.

As a whole, the amount to be paid to the Chief Executive Officer for short-term variable remuneration accrued in 2024, amounts to SIX HUNDRED AND NINETY-FOUR THOUSAND TWO HUNDRED AND EIGHTY-FIVE EUROS AND TWENTY CENTS (€694,285.20), which will be paid in cash in April 2025 (in a lump sum), a month in which the Company pays variable remuneration according to the mentioned good governance principles.

RV CORTO PLAZO 2024

Objetivo	Peso	% cumplimiento	TOTAL
EBITDA	40%	104,51%	263.365,20 €
DEUDA	35%	120,00%	264.600,00 €
NPS	5%	130,00%	40.950,00 €
MODELO GESTORA	10%	99,00%	62.370,00 €
CLIMA LABORAL	5%	100,00%	31.500,00 €
ESG	5%	100,00%	31.500,00 €
	TOTAL	110,2%	694.285,20 €

In relation to the short-term variable remuneration paid to the Chief Executive Officer in 2024, regarding the objectives set in 2023, the same amounted to a total of FIVE HUNDRED AND FORTY THOUSAND SIX HUNDRED AND FIFTY EUROS AND TWENTY-FIVE CENTS (€540,650.25).

Explain the long-term variable components of the remuneration systems

As indicated in previous sections of this Report, considering that one of the objectives of the long-term remuneration scheme (evolution of the share price) has a reference date of 15 March 2025, a date subsequent to the preparation of this Report, the Committee (and, therefore, the Board of Directors) has not proceeded with the assessment of the objectives linked to long-term variable remuneration. For these purposes, it is considered that this amount has not been accrued and, therefore, has not been included in section C of this Report.

Notwithstanding the above, the Committee and the Board, as a result of the recommendations for improvement received by the Proxy Advisors in recent years, have considered to include more details on the objectives and metrics that make up the long-term variable remuneration scheme.

The long-term compensation scheme is based on six variables, determined on the basis of solvency indicators, business performance, ESG criteria and share performance. In addition, each indicator has an activation condition as detailed below.

The **target amount** (100%) of the said long-term variable remuneration is 60% of the fixed annual salary for each year of the duration of the plan (with the exception of 2024, year to which 70% will be applied as set out in the new service provision agreement), i.e., a total of 190% of the fixed salary, with the maximum amount to be received, according to the Remuneration Policy, being 150% of the said target amount.

That is, the target amount (100%) amounts to a total of ONE MILLION FIVE HUNDRED AND FORTY-THREE THOUSAND THREE HUNDRED AND FIVE EUROS AND SIXTY-SEVEN CENTS (€1,543,305.67) and the maximum amount to be received (150% of the target amount) amounts to a total of TWO MILLION THREE HUNDRED AND FOURTEEN THOUSAND NINE HUNDRED AND FIFTY-EIGHT EUROS AND FIFTY-ONE CENTS (€2,314,958.51).

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

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

This part of the remuneration system is based on the evolution of the shares of Meliá compared to the arithmetic average of the evolution of a country index (IBEX 35) and the evolution of a sector index (Europe hotel sector Compset) which is made up of the following listed hotel companies: ACCOR, IHG, WITBREAD, SCANDIC, DALATA and MINOR.

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

- ii. **Financial soundness:** This objective represents 40% of the total and is made up of two sub-objectives:
 - a) **EBITDA margin:** This objective represents 20%, and with the goal of reaching an EBITDA margin of 30% by year-end 2024. In any case, the margin achieved in 2024 must exceed that reported in 2019 (activation condition).
 - b) **Debt ratio (Debt / EBITDA):** This objective represents 20% and its

assessment has two factors:

- **Pre-IFRS 16** (objective that represents 60% of the aforementioned 20%). For its calculation, a range from 0% to a ratio of 4 times, up to 130% of achievement is defined in the case of reaching a ratio of 3.3 times.
 - **Post-IFRS 16** (objective that represents 40% of the aforementioned 20%), in which it is defined an achievement range from 0% for a ratio of 5.5 times to 130% if a ratio of 4.3 is reached.
- iii. **Business objectives:** This objective represents 20% of the total, and includes, in turn, objectives linked to fees from third parties in relation to total fees, and the ratio between the own sales channel and the total or centralised sales.
- Fees from third parties with respect to total fees: This objective represents 10% of the total, and for its assessment, achievement ranges have been established, where 100% is equivalent to reaching 50% fees from third parties in 2024. This indicator would only be activated if the percentage obtained at the end of 2024 exceeds the percentage reported in 2019 (activation condition). The indicator of fees from third parties includes fees received under hotel management and franchise agreements for the management of third-party hotels.
 - Own channels with respect to centralised sales: This objective also represents 10% and for its assessment, achievement ranges have been established where 100% would mean reaching a 50% contribution from own channels in 2024, provided that the figure obtained exceeds the percentage reported in 2019 (activation condition).
- iv. **Sustainability and position objectives:** This objective represents 10% of the total and is fixed based on the position achieved by the Company in the international sustainability ranking Corporate Sustainability Assessment S&P Global ESG. In this regard, the target was set based on the Company's position and score in 2024. Considering the change in methodology during the term of the plan, the final target was set based on the Company's score in the ranking.

RV LARGO PLAZO 2022-2024

Objetivo	Peso	Base €	TOTAL
EVOLUCIÓN VALOR DE LA ACCIÓN	30%	1.543.305,67 €	462.991,70 €
SOLVENCIA FINANCIERA	40%	1.543.305,67 €	617.322,27 €
NEGOCIO	20%	1.543.305,67 €	308.661,13 €
SOSTENIBILIDAD	10%	1.543.305,67 €	154.330,57 €
	TOTAL	100,00%	1.543.305,67 €
		150%	2.314.958,51 €

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

clawed back pursuant to malus or clawback provisions, why these were enforced and the corresponding financial year.

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

In addition, in 2021, the Remuneration Policy for 2022 to 2024 was approved, which already provided for the inclusion of the malus clause in the Services Agreement of the Chief Executive Officer, leading to the amendment thereof in 2021 to include, among other things, the said malus clause. In this sense, the malus clause entered into force on 1 January 2022.

The Company did not reduce or claim the reimbursement of any amounts with respect to the CEO's variable remuneration during the 2024 financial year. All of the foregoing is without prejudice to the functions attributed to the Appointments, Remuneration and Sustainability Committee in relation to this matter, and considering the fact that the valid period to claim a reduction or reimbursement of any amount under the clawback provision is THREE (3) years from the date of payment or settlement.

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

A Social Welfare Plan was incorporated into the CEO's remuneration scheme in accordance with the Remuneration Policy for 2024, which includes the following characteristics:

- Defined-contribution plan establishing a maximum annual contribution of 10% of his pensionable salary (equivalent to his fixed salary only and without taking into account the pay cuts agreed during the year for purposes of calculating the said 10%).
- The plan benefits are illiquid, so that they may only be received upon occurrence of any of the contingencies covered by the Plan (retirement, disability or death).
- Retirement, disability and death benefits shall be equivalent to the accumulated balance in the insurance policy taken out and subject to the policy features and particularities.
- The beneficiaries of the Retirement Plan in the event of occurrence of any of the contingencies covered by the Plan shall be the CEO himself (in the event of retirement or disability) and the person designed in the beneficiary designation form, in the event of death of the insured. If no beneficiary is expressly designed,

the following order of precedence shall apply by exclusion: the insured's spouse, otherwise his children, otherwise his parents, and otherwise his legal heirs.

- In the event of removal from office for causes other than those covered by the Retirement Plan, the CEO shall have no rights on the Accumulated Balance.

During 2024, contributions to this Plan amounted to SEVENTY-SIX THOUSAND ONE HUNDRED AND EIGHT EUROS AND EIGHTY CENTS (€76,108.80).

B.10 *Explain, where applicable, the compensation or any other type of payment deriving from the early cessation, whether at the company's or the director's initiative, or from the termination of the contract in the terms provided therein, accrued and/or received by directors during the year last ended.*

N/A

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

In 2024, no changes in the CEO's Service Agreement have been made. By way of clarification, it should be noted that the changes resulting from the increases in the remuneration scheme of the Chairman and CEO (fixed and variable remuneration) were carried out in 2023.

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

N/A

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

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

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

During 2024, and in accordance with the remuneration scheme described throughout this Report, the only Director receiving remuneration in kind was the CEO:

Private Medical Insurance: The CEO has private medical insurance covering himself and his family for an annual premium of NINE THOUSAND ONE HUNDRED AND FIFTY-ONE EUROS AND EIGHTY CENTS (€9,151.80).

Life and Accident Insurance: The CEO has life and accident insurance for a yearly premium of ONE THOUSAND NINE HUNDRED AND NINE EUROS AND SEVENTY-ONE CENTS (€1,909.71) with insurance coverages of:

- €650,000 in the event of death for any cause
- €650,000 in the event of disability for any cause
- €650,000 in the event of death by accident (this being a cumulative amount in the event of death).

Note that the amounts indicated in this section differ from the amounts indicated in section A.15 of the Annual Report on the Remuneration of Directors for 2023. This is due to the current conditions of the health insurance market, which is experiencing notable increases in costs due to structural factors:

- Uptrend in the consumer price index for medical insurance: This index has reached 9.5% in 2024, driven by the rising cost of medical services and technological developments.
- Demographic and healthcare system context: The ageing of the population and the growing pressure on the public system have increased the demand for private services.

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

N/A

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

In addition to the amounts and remuneration items described above, the CEO has received fees in the amount of ONE HUNDRED AND THREE THOUSAND SEVEN HUNDRED AND FIFTY-FOUR EUROS AND SEVENTY-TWO CENTS (€103,754.72) for belonging to the board of directors of the following Group companies:

- FIFTY-TWO THOUSAND ONE HUNDRED AND EIGHTY-FOUR EUROS AND SEVENTY-TWO CENTS (€52,184.72) per year from the German company Sol Melia Deutschland GmbH.
- THIRTY THOUSAND THIRTY-FOUR EUROS (€30.034) per year from the English company Lomondo Limited; and

- TWENTY-ONE THOUSAND FIVE HUNDRED AND THIRTY-SIX EUROS (€21,536) per year from the French company Sol Melia France, S.A.S.

C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

<i>Name</i>	<i>Type</i>	<i>Period of accrual in year 2024</i>
Mr Gabriel Escarrer Juliá	Proprietary Director	From 01/01/2024 to 26/11/2024
Mr Gabriel Escarrer Jaume	Executive Director	From 01/01/2024 to 31/12/2024
Mr Alfredo Pastor Bodmer	Proprietary Director	From 01/01/2024 to 31/12/2024
Mr Jose María Vázquez-Pena Pérez (Hoteles Mallorquines Agrupados, S.L.)	Proprietary Director	From 01/01/2024 to 20/06/2024
Mr Luis María Díaz de Bustamante y Terminel	Proprietary Director	From 01/01/2024 to 31/12/2024
Mr Fernando d'Ornellas Silva	Other External Director	From 01/01/2024 to 31/12/2024
Mr Francisco Javier Campo García	Other External Director	From 01/01/2024 to 20/06/2024
Ms Carina Szpilka Lázaro	Independent Director	From 01/01/2024 to 31/12/2024
Ms M ^a Cristina Henríquez de Luna Basagoiti	Independent Director	From 01/01/2024 to 31/12/2024
Ms Cristina Aldámiz Echevarría González de Durana	Independent Director	From 01/01/2024 to 31/12/2024
Ms M ^a Montserrat Trapé Viladomat	Independent Director	From 01/01/2024 to 31/12/2024
Ms Mercedes Escarrer Jaume	Proprietary Director	From 20/06/2024 to 31/12/2024
Mr Cristóbal Valdés Guinea	Independent Director	From 20/06/2024 to 31/12/2024

2024 ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS

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

a) Remuneration from the reporting company:

i. Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total year 2024	Total year 2023
Mr Gabriel Escarrer Juliá	18	42							60	27
Mr Gabriel Escarrer Jaume	24	48		900	694			11	1677	1363
Hoteles Mallorquines Asociados, S.L.	0	0							0	27
Mr Jose María Vázquez-Pena Pérez (Hoteles Mallorquines Agrupados, S.L.)	11	18							29	60
Mr Luis María Díaz de Bustamante y Terminel	24	127							151	123
Mr Fernando d'Ornellas Silva	24	92							116	126
Mr Francisco Javier Campo García	5	64							69	123
Ms Carina Szpilka Lázaro	24	110							134	102
Ms Cristina Henríquez de Luna Basagoiti	24	83							107	84
Ms Cristina Aldámiz Echevarría González de	24	124							148	78

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Durana										
Ms Montserrat Trapé Viladomat	24	121							145	75
Mr Alfredo Pastor Bodmer	24	48							72	33
Ms Mercedes Escarrer Jaume	10	24							34	0
Mr Cristóbal Valdés Guinea	10	24							34	0

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

N/A

iii. *Long-term savings schemes*

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

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Savings schemes with vested economic rights		Savings schemes with non-vested economic rights	
	2024	2023	2024	2023	2024	2023	2024	2023
Mr Gabriel Escarrer Jaume			76	76			456	380

2024 ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS

iv. Details of other items

<i>Name</i>	<i>Item</i>	<i>Remuneration amount</i>
Mr Gabriel Escarrer Jaume	Life insurance	2
Mr Gabriel Escarrer Jaume	Health insurance	9

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

i. Remuneration accruing in cash (thousands of euros)

<i>Name</i>	<i>Fixed remuneration</i>	<i>Attendance fees</i>	<i>Remuneration for membership of board committees</i>	<i>Salary</i>	<i>Short-term variable remuneration</i>	<i>Long-term variable remuneration</i>	<i>Compensation</i>	<i>Other items</i>	<i>Total year 2024</i>	<i>Total year 2023</i>
Mr Gabriel Escarrer Jaume		104							104	104

c) Summary of remuneration (thousands of euros):

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

Name	Remuneration accruing in the Company					Remuneration accruing in group companies					
	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year 2024, company	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year 2024, group	Total in year 2024, company + group
Mr Gabriel Escarrer Juliá	60				60						60
Mr Gabriel Escarrer Jaume	1677		76	11	1764	104				104	1868
Mr Jose María Vázquez-Pena Pérez (Hoteles Mallorquines Agrupados, S.L.)	29				29						29
Mr Luis María Díaz de Bustamante y Terminel	151				151						151
Mr Fernando d'Ornellas Silva	116				116						116
Mr Francisco Javier Campo García	69				69						69
Ms Carina Szpilka Lázaro	134				134						134
Ms Cristina Henríquez de Luna Basagoiti	107				107						107
Ms Cristina Aldámiz	148				148						148

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Echevarría González de Durana											
Ms Montserrat Trapé Viladomat	145				145						145
Mr Alfredo Pastor Bodmer	72				72						72
Ms Mercedes Escarrer Jaume	34				34						34
Mr Cristóbal Valdés Guinea	34				34						34
TOTAL	2776		76	11	1764	104				104	2967

2024 ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS

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

	Total amounts accrued and % annual variation								
	Year 2024	% variation 2024/2023	Year 2023	% variation 2023/2022	Year 2022	% variation 2022/2021	Year 2021	% variation 2021/2020	Year 2020
Executive Directors	1,868	20%	1,552	6%	1,464	5%	1,392	75%	795
<i>Mr Gabriel Escarrer Jaume</i>	1,868	20%	1,552	6%	1,464	5%	1,392	75%	795
External Directors	1,099	29%	854	9%	785	1%	780	5%	744
<i>Mr Gabriel Escarrer Juliá</i>	60	122%	27	-29%	38	-13%	43	-20%	54
<i>Hoteles Mallorquines Asociados, S.L.</i>	0	N/A	27	-51%	54	0%	54	0%	54
<i>Mr. Jose María Vázquez-Pena Pérez (Hoteles Mallorquines Agrupados, S.L.)</i>	29	-51%	60	10%	54	0%	54	150%	22
<i>Mr Luis María Díaz de Bustamante y Terminel</i>	151	23%	123	7%	114	7%	107	3%	104
<i>Mr Fernando d'Ornellas Silva</i>	116	-8%	126	0%	126	14%	111	1%	110
<i>Mr Francisco Javier Campo García</i>	69	-44%	123	-2%	126	6%	119	11%	107
<i>Ms Carina Szpilka Lázaro</i>	134	32%	102	-1%	102	8%	95	15%	83
<i>Ms Cristina Henríquez de Luna Basagoiti</i>	107	28%	84	7%	78	0%	78	16%	68
<i>Ms Cristina Aldámiz Echevarría González de Durana</i>	148	91%	78	43%	54	233%	16	N/A	0
<i>Ms Montserrat Trapé Viladomat</i>	145	94%	75	175%	27	N/A	0	N/A	0
<i>Mr Alfredo Pastor Bodmer</i>	72	118%	33	0%	0	N/A	0	N/A	0
<i>Ms Mercedes Escarrer Jaume</i>	34	N/A	0	N/A	0	N/A	0	N/A	0
<i>Mr Cristóbal Valdés Guinea</i>	34	N/A	0	N/A	0	N/A	0	N/A	0

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<i>Consolidated results of the company</i>	224,424	50%	149,318	-4%	156,311	158%	-217,391	-67%	-663,771
<i>Average employee remuneration</i>	20	0	20	18%	17	6%	16	-2%	17

D. OTHER INFORMATION OF INTEREST

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

This annual remuneration report was approved by the Board of Directors of the company in its meeting of **27 February 2025**.

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