

Additional Non-Financial Information to the 2024 Management Report

INTRODUCTION

Meliá Hotels International S.A. (hereafter “Meliá” or “the Company”) publicly presents the following document, as complementary information to the Company’s Management Report for fiscal year 2024, in order to follow and comply with the guidelines of the Dow Jones Sustainability Index Annual Review, and correctly answer S&P Global Corporate Sustainability Assessment (CSA) questionnaire, which represents the efforts made and confirms the Company’s commitment to continuously work and align its business strategy with all three sustainability dimensions (Environmental, Social and Governance). As it will be mentioned along this document, the Company’s firm commitment also implies tackling impacts, risks and opportunities that were identified in the interaction with their main internal and external stakeholders, as established by the Corporate Sustainability Reporting Directive (CSRD) framework.

GOVERNANCE DIMENSION

1.2 CORPORATE GOVERNANCE

1.2.3 Non-Executive Chairperson/Lead Director

In addition, the board of directors appointed two independent vice-chairpersons to further strengthen the independence and segregation of functions within the board.

1.2.6 Board Effectiveness

The directors’ liability regime is the legal one, according to article 236 of the Spanish Companies Law. The Company’s Board of Directors regulation does not limit the legal regime.

1.3 MATERIALITY

1.3.2 Material Issues for Enterprise Value Creation

Our updated materiality analysis has enabled us to identify the most significant risks and opportunities that could affect our business, our ability to generate long-term value, and our relationships with stakeholders. In the following tables, we present three examples of these material risks and opportunities, demonstrating how we are managing them and measuring our progress.

Material Issue	Adaptation to climate change	Working conditions	Equality – Own workforce
Material Risk or Opportunity	<p>Assets and economic activities are threatened by the rising sea level. Increase in the frequency of damage to infrastructure due to natural disasters. Higher exposure to extreme temperatures.</p>	<p>Difficulty in attracting and retaining own employees due to working conditions and the characteristics of the sector.</p>	<p>Fostering a diverse and inclusive work environment to enhance employee engagement and improve business performance.</p>
Business Case	<p>Our coastal Hotels are exposed to increasing risks of physical damage and business interruption due to rising sea levels, extreme weather events, and changing climate patterns. This includes risks to infrastructure, guest safety, and operational continuity. These risks could lead to increased insurance premiums, decreased occupancy rates, and costly repairs, impacting our financial performance. Addressing climate adaptation is crucial for our long-term resilience and business success.</p> <p>Adapting to climate change protects critical assets, ensures business continuity, and safeguards guest and employee well-being. This reduces potential financial losses from property damage and operational disruption, maintains our competitive advantage, strengthens brand reputation, and fosters long-term resilience in the face of increasing climate-related risks.</p>	<p>Attracting and retaining talent is crucial for our success in the competitive hospitality industry. High employee turnover negatively impacts service quality, guest satisfaction, and operational efficiency, ultimately affecting our bottom line. Investing in our employees through a strong value proposition, focused on well-being, professional growth, and a positive work environment, enhances our employer brand, reduces recruitment and training costs, improves productivity, and drives long-term profitability.</p>	<p>We focus on raising awareness, training and creating inclusive work environments in an atmosphere of respect and acceptance, supported by training and internal process reviews, with a commitment to foster inclusion, diversity and equity in our teams enhancing our ability to understand and serve our diverse customer base. By fostering a workplace where all employees feel valued and respected, we boost employee engagement, reduce turnover, strengthen our employer brand and ultimately enhance our business performance and profitability.</p>
Business impact	Risk	Risk	Opportunity
Business strategies	<p>Our climate adaptation strategy leverages three key areas: 1) Optimizing energy consumption: Deploying</p>	<p>We are strengthening our employer brand and employee value proposition through several key initiatives:</p>	<p>Our diversity and inclusion strategy includes: Targeted programs: Partnering with organizations like ONCE</p>

	<p>environmental monitoring systems, integrating sustainability criteria into new construction/renovations, and implementing AI solutions for efficiency.</p> <p>2) Transitioning to renewable energy: Expanding solar photovoltaic capacity, procuring renewable energy through Guarantees of Origin, and exploring Power Purchase Agreements.</p> <p>3) Engaging our value chain: Working with hotel owners and partners to promote sustainable practices and reduce Scope 3 emissions, recognizing the importance of decarbonizing hotel infrastructure to avoid carbon lock-in. These initiatives contribute to both mitigating climate change and enhancing our resilience to its impacts.</p>	<p>Competitive compensation and benefits: Implementing fair wages, benchmarking salaries against local minimums, offering extra benefits and social benefits, and addressing the gender pay gap. Employee well-being: Fostering a positive and respectful work environment, promoting work-life balance, and providing opportunities for professional growth and development through training programs and clear career paths.</p> <p>Respecting labor rights: Upholding freedom of association and employee representation, adhering to national agreements and ILO principles.</p>	<p>Foundation and La Caixa Foundation to create inclusive employment opportunities for people with disabilities and those at risk of social exclusion.</p> <p>Formalized plans: Implementing Equality Plans (e.g., in Spain) with measurable objectives and actions to promote equal opportunities and address gender equality.</p> <p>Awareness and training: Celebrating diversity through events like "Meliá Diversity Week" and providing D&I training to employees to foster an inclusive workplace culture.</p> <p>Inclusive leadership development: Promoting inclusive leadership practices at all levels to create a respectful and supportive work environment.</p>
Target/Metric	<p>% emissions reduction scope 1 and 2.</p> <p>% of hotels with energy certification (in Spain).</p> <p>% of hotels with renewable energy installations.</p> <p>Emissions avoided (tons of CO₂e) through efficiency and renewable energy projects.</p> <p>Renewable energy capacity installed (kWp).</p>	<p>Turnover rate</p> <p>Base salary compared to local minimum salary by gender (ratio)</p> <p>Employees Net Promoter Score (eNPS)</p>	<p>Equality in the Board of Directors of the company</p>
Target year	2025	2025	2024
Progress	<p>8% emissions reduction scope 1 and 2 (2023-2024)</p> <p>%Hotels with energy certification (in Spain)</p> <p>%Hotels with renewable energy</p> <p>Emissions avoided (tCO₂): 3602 (2023) 2218 (2024)</p>	<p>Turnover rate: 25.4 (2023) 28.2 (2024)</p> <p>eNPS: 41.37 (2023) to 43.70 (2024)</p>	<p>Likewise, the Director Selection Policy was amended in June 2023, updating the objective of reaching a minimum of 40% of women in 2024. In this sense, it is worth noting that, with the appointment of Ms Mercedes Escarrer Jaume,</p>

			the company has fulfilled this objective.
Executive compensation	Meliá's long-term incentive plans for executives include sustainability objectives linked to the company's ESG performance. This reinforces our commitment to addressing climate change risks, incentivizing leadership to prioritize climate adaptation and resilience-building initiatives, contributing to the long-term sustainability and financial success of our business.	Executive compensation at Meliá is linked to performance on key ESG factors, including working conditions. As a part of the performance, results of the annual "Commitment & Engagement Results" survey are considered, which assesses the work environment in corporate areas and hotels. This incentivizes leadership to prioritize positive working conditions, employee engagement, and a supportive work environment, contributing to improved talent attraction and retention.	Meliá's executive compensation practices support the promotion of equality through the definition of a remuneration scheme according to dedication and responsibility assumed by Directors and to market conditions in order to attract and retain the most suitable profiles to cover the knowledge, competencies and experience required in the Board.

1.3.4 Material Issues for External Stakeholders/1.3.5 Materiality Metrics for External Stakeholders

Considering the latest update of our materiality analysis, the Company has identified the main impacts that its business activity represents to the environment and society, as well as those external aspects that may impact Meliá's operations and its capability to create financial long-term value. Therefore, in the following table we have included two impacts as an illustrative example from Meliá's materiality analysis, which was made following the principle of double materiality.

Material Issue	Ethics and Culture	Environmental impact
Impact external stakeholders	Positive impact: Creating a work environment that promotes ethical decision-making, integrity, and respect among stakeholders.	Negative impact: Use of energy from fossil fuels in the hotel operation
Cause of the impact	Company culture & Ethics	Mitigation of climate change
External stakeholder impacted	Environment, guests, employees, providers' employees, suppliers, shareholders and investors, owners and partners, regulators, community, tourism industry and competitors and society	Environment, investors and banks, corporate clients and travel partners and society.
Topic Relevance on external stakeholders	A strong ethical culture is crucial for building trust and creating positive	Our reliance on fossil fuels has significant implications for our stakeholders and the environment:

	<p>impacts for our key external stakeholders:</p> <p>Environment: Ethical conduct guides our environmental sustainability efforts, ensuring responsible resource management and minimizing our ecological footprint.</p> <p>Society: We demonstrate our commitment to society through ethical business practices, community engagement, and promoting human rights throughout our operations and supply chain.</p> <p>Clients: Our ethical culture underpins our commitment to providing high-quality services, fair pricing, and transparent communication, building customer trust and loyalty.</p> <p>External Employees: We promote ethical labor practices and fair treatment throughout our value chain, fostering positive relationships with suppliers and contractors and ensuring responsible sourcing.</p>	<p>Environment: Burning fossil fuels contributes to climate change, a critical global challenge impacting ecosystems, weather patterns, and long-term environmental sustainability. Reducing our reliance on fossil fuels is essential to mitigating these risks.</p> <p>Society: Climate change, driven by fossil fuel use, poses widespread societal risks, including extreme weather events, resource scarcity, and economic disruption. Our transition to cleaner energy sources contributes to a more sustainable future for all.</p> <p>Clients: Guests are increasingly concerned about the environmental impact of their travel choices. Reducing our fossil fuel dependence aligns with their values and enhances our brand reputation.</p> <p>External Employees: Transitioning to cleaner energy creates opportunities for innovation and collaboration within our value chain, supporting a more sustainable tourism ecosystem.</p>
<p>Output metric</p>	<p>Training on the Code of Ethics</p> <p>Complaints received and cases investigated</p> <p>Code of Ethics Office mailbox</p> <p>Our providers are requested to adhere or align to our Code of Ethics</p>	<p>Purchasing guarantees of origin</p> <p>Generating renewable energy in the hotel</p>
<p>Impact Valuation</p>	<p>Diligent and updated protection of ethical culture in the company with a low probability of misconducts.</p> <p>High level of complaints signals that the cause would need to be studied in more depth. On the contrary, if we don't receive any complaints then the training and awareness program would be revisited,</p>	<p>Energy efficiency plays a major role in reducing carbon emissions. By limiting the quantity of energy consumed during hotel operations, we can reduce our dependency on fossil fuels and lower carbon intensity. In this area, we promote initiatives such as the deployment of environmental monitoring, control and management systems; the integration of sustainability criteria into new construction, renovation or rehabilitation projects, planned on a</p>

		three-year basis; and the implementation of AI solutions in our facilities or cooling units, among others.
Impact metric (long-term metric)	No criminal cases/investigations against the company	Non-renewable energy consumption/stay % of non-renewable energy consumption

1.4 RISK & CRISIS MANAGEMENT

1.4.2 Risk Management Processes

The Company maintains a proactive risk culture strategy across all the levels of the organization, including its across the operations and in new product and service development. From the early stages of design, through to the launch, cross-functional teams work collaboratively to identify, assess and mitigate potential risks, whether operational, legal, financial, environmental, or reputational of the new product or service. This ensures that the new initiative not only meets customers’ demands but also aligns with the company’s standards. By integrating risk across the development stages, we not only improve risk awareness, but we also foster a culture of accountability and sustainability across our value chain. This is a crucial step for us to deliver safe and reliable solutions to our customers.

For example, when launching a new lease agreement, we conduct a comprehensive due diligence process that assesses structural integrity, local requirements, fire safety standards, and adequacy of the workplace. On the potential business partner or tenant, we have an established due diligence process to evaluate commercial, financial and business risks. As part of the lease agreements process, we ensure to include clauses related to insurance coverage, deposit fund, environmental risks, financial risks, health and safety measures and defined responsibilities between the landlord and tenant. This allows us to proactively mitigate exposure to risks whilst ensuring the safety of our employees, customers and assets. Including risk management into our leasing strategy ensures we grow in a sustainable manner that protects our business operations and reputation.

Some of these lease agreements involve food & beverage (f&b) offers. An activity in which we also incorporate a culture of risk in the development of our own new menus and buffet options. Together with the procurement and purchase department we evaluate the ESG risks of the provider to ensure it is aligned with our own company’s sustainability commitments. Our spaces are evaluated by our interior specialists and architects. To finally have a new product designed by our f&b team, identifying all the ingredients necessary to produce it to ensure the new product is labelled, safe for consumption and served in the necessary conditions.

External audits

We have different external audits across the different stages of our operations that complement our own audits. For this report, we would like to highlight two risk assessments carried out in 2024 that were audited: double materiality and climate risk analyses. Both reported in the Annual Report and audited yearly by an independent third-party auditor using the verified methods, tools and processes it identifies, assesses, controls and monitors our reported risks. The auditor uses the technical guidelines of the Spanish Official Register of Account Auditors (ICAC) and the new requirements set by the new European Corporate Sustainability Reporting Directive (CSRD).

In our 2024 Management Report, our double materiality assessment identified 76 different risks and opportunities that our company is exposed to. More information on this is available in the 2024 Annual Report. Additionally, our climate risk assessment identified the risks related to 'Natural catastrophes or disasters' that can damage the physical assets and cause disruption to our operations. This process involves identifying, evaluating, controlling and managing the risk exposure of our properties to climate change. We have continued creating mitigation plans for key destinations that are vulnerable to these events.

1.6 POLICY INFLUENCE

1.6.2 Largest Contributions & Expenditures

Entity	Objective	Annual Contribution (€)
Spanish Chamber of Commerce	Its main objective is to represent, promote and defend the general interests of Spanish companies. Given our international presence, we also form part of the Spanish Chambers of Commerce in the United Kingdom, France, Belgium, Luxembourg and Peru. Members since 2014.	65,000
Exceltur	Bringing together 34 of the most relevant companies in the Spanish tourism value chain. Members since 2002. Our Executive Vice President & CEO has chaired the organization since 2019.	66,010
FORETICA	Reference forum and leading business association for sustainability and corporate social responsibility in Spain. It promotes the integration of ethical, environmental, and social criteria into business management.	8,550

1.7 SUPPLY CHAIN MANAGEMENT

1.7.1 Code of Conduct

Our Code of Ethics was approved in 2012, reviewed in 2018, and updated in 2024. This incorporates all the relevant aspects to the new European directives in the topic of sustainability and due diligence. The Code of Ethics is the cornerstone of our governance model, on which our Policies and Company Norms rest. This code establishes the values, standards, commitments, and rules that guide the company's behavior to different stakeholders, such as suppliers.

The Code takes into account the main national and international standards in human rights and child labor commitments that it expects its suppliers to safeguard in the cultural context of their country, promoting equal opportunities and rejecting any type of discrimination or harassment on the grounds of race, color, sexual orientation, marital status, family responsibilities, age, religion, gender, disability, hierarchy or others.

Complementing this code's principles and values, in 2018, the Company considered key to establish a Code of Ethics for Suppliers with the objectives of ensuring criteria, practices and recommendations to ensure good governance on the relationship with suppliers that focused on enhancing the business ethics and transparency of supplier relationships by establishing additional guidance on supplier's selection, procedures and systems.

The code aims to be a cohesive instrument of the values that the company expects to share with its suppliers, on top of the legal obligations, to implement through its ethical obligations, on environmental protection of the land through the measurement of environmental risk and impact related to waste, license and permit requirements for operations, to ensure sustainable guidelines and provision of means to ensure correct waste management.

The Code for Suppliers specifies commitments on the prioritization of suppliers to ensure fair selection based on the objective business criteria, selecting responsible management criteria such as:

- Respect for human and labor rights that guarantee the dignity of workers, the total prohibition of child labor, forced labor and exploitation, the struggle against climate change, protection of the environment, support for innovation and clean or low-impact technology.
- Use of certified products or services endorsed by international standards.

Additionally, it includes commitment to positive social impact collaborations, anti-corruption and bribery and ethical sourcing.

1.7.2 Supplier ESG Programs

Aligned with the document Procurement Norm, we establish the principles and procedures that need to be followed in the procurement process of the company. This Norm establishes principles related to sustainability requirements and requirements for the protection of quality, human, and environmental rights. The tender process includes situations in which the supplier may be excluded, will require the company to approve the suppliers applying, be open to several suppliers, and establishes requirements the supplier must fulfill to be included in the tender.

Likewise, all suppliers considered for contracting must agree and sign an agreement clause that confirms the acceptance of the Code of Ethics and its guidelines, the Code of Ethics for Suppliers and the Sustainability Policy, or in some cases it will be accepted the signature of the conformity statement, which implies adhering to the Code of Ethics. If our sustainability requirements are not, the Company rules out establishing any commercial relationship with said supplier and the supplier is excluded from contracting, regardless of the commitment they might establish to be selected.

1.7.3 Supplier screening

Once the company is invited to the tender process we firstly carry out desk research using dedicated external tools to carry out screening on the supplier companies to identify potential sustainability risks in the supply chain such as reputational, legal, labor bad practices as well as

identifying potential legal cases or prosecutions that the company may face. The suppliers are then categorized by country and area to facilitate the analysis of the ESG risks they may be exposed to. The evaluation process of the tender offers includes a thorough analysis and fulfillment of financial, quality, solvency, and sustainability criteria.

1.7.4 Supplier Assessment and Development

Additionally, on top of our first supplier screening, during the contracting process, we have implemented Achilles, an external supplier assessment tool, to carry out supplier screening desk-based research on potential ESG-related risks. This tool leverages available data such as country of operation, sector, commodity and ESG risk indicators. To ensure a holistic evaluation of suppliers' potential negative sustainability impacts and risks.

The methodology was developed in collaboration with Foretica, a leading sustainability consultancy, external risk experts and industry professionals specializing in sustainability and procurement within the hospitality sector. Thus, the screening process is both rigorous and tailored to address the unique challenges faced by our industry.

The external assessment process is conducted directly with suppliers using the methodology outlined above. Once a performance score has been assigned, the supplier receives both the evaluation results and a corresponding action plan from the external provider. This enables the supplier to develop a targeted improvement strategy using the tool through which the evaluation was conducted.

The tool works not only as an assessment process but also as a monitoring system, allowing suppliers to track their progress, implement corrective actions, and establish mitigation plans. Moreover, the assessment tool offers training and resources to improve performance and scores.

For on-site assessments, the platform includes a dedicated module that allows us to request an audit directly. These are then carried out by the third-party provider on our behalf, ensuring a seamless and standardized evaluation process.

This information complements the pre-evaluation of our purchasing platform with which we register all suppliers complete, file and upload the characteristics of the product or service, and any basic documentation needed to comply with local regulations.

For instance, in the case of Spain, as it is detailed below:

- Contract in force and validated by the Company's Legal Department.
 - Acceptance of the MHI supplier's Code of Ethics, or failing that, the Conformity Statement of its own code. Attaching a copy of the document with date and signature.
- Acceptance of the Sustainability Clause. Attaching a copy of the document with date and signature.
- Certificate of being up to date with Social Security
- Certificate of being up to date with the Tax Agency.
- Civil liability insurance.
 - SG Criteria Questionnaire through the Company specialized in Sustainability and with recognized experience.
- Product technical documents, which may be required.

It is also worth mentioning that any complaint or request must be made within the Purchasing management system, currently Coupa, as well as the purchase process and registration, and the payment management process. Additionally, in Coupa, an incident guide is made available to the centers for the resolution of contingencies.

1.7.6 KPIs for Supplier Assessment and/or Development

Last year we launched a screening for 72 suppliers out of which 8 were significant, and in 2025, we are aiming to assess a total of 3,200 providers.

1.9 INFORMATION SECURITY

1.9.1 IT Security/Cybersecurity Governance

Christian Palomino, Global Information Technologies VP, is responsible for managing the company's cybersecurity strategy and for reporting periodically to the Board of Directors (Audit and Compliance Committee). In line with Meliá's commitment to addressing security risks, we have a strong regulatory framework based on the Information Security Policy, the Privacy Policy, and the Security and Privacy Regulations. Within the IT area, security is a company-wide issue that spans various operational areas to ensure effective risk management, taking into account the sensitivity and criticality of each environment. Additionally, the team responsible includes a figure who performs the functions of the CISO (Chief Information Security Officer), as well as a dedicated manager who organizes and coordinates the cybersecurity team, which is composed of 11 professionals.

1.9.3 Information Security Management Programs

The Internal Audit function performs Information Technology (IT) audits based on a structured methodology aligned with internationally recognized standards, primarily the NIST Cybersecurity Framework (CSF) and NIST Special Publication 800-53. Depending on the nature and scope of each engagement, other reference frameworks—such as COBIT, ISO/IEC 27001, PCI DSS, and GDPR—are also considered to ensure a comprehensive and risk-based evaluation.

These audits are designed to provide independent and objective assurance on the adequacy and effectiveness of IT controls, risk management practices, and compliance with internal policies and applicable regulations.

The scope of IT audits includes both corporate-level systems and hotel operations, and covers key areas such as IT governance, information security, access and identity management, network and infrastructure controls, system availability, business continuity, data integrity, and regulatory compliance.

Through this methodology, Internal Audit identifies and assesses technology-related risks, evaluates the effectiveness of existing controls, and recommends enhancements where needed. Risk prioritization is based on likelihood and impact, and results are formally communicated to management for timely resolution and continuous improvement.

Audit activities are supported by specialized tools, such as Diligent, which ensure efficient, centralized, and traceable management of risks and findings. This policy supports the

organization's commitment to maintaining a strong internal control environment and ensuring the reliability, integrity, and resilience of its IT operations.

ENVIRONMENTAL DIMENSION

2.1 ENVIRONMENTAL POLICY & MANGEMENT

2.1.2 Environmental Management Systems Verification

87,2% of our Environmental Management System (EMS) has been verified by a third party through certifications like ECOSTARS. In addition, all the hotels within the consolidated perimeter are included in the scope of Meliá's EMS "SAVE". Thereby all hotels are subject to annual internal auditing by the Company's specialists to ensure that environmental issues are identified, controlled, and supervised, systematically.

Type	Total	Ecostars	Earthcheck	Energy Certification	SAVE
Global integration	125	108	4	3	125
Coverage %	100%	86%	3%	2%	100%

2.1.3 Return on environmental investments

The company reports a positive Return on Environmental Investments. With CapEx of 734.494€ and OpEx of 93.216€, the total investment reaches 827.710€, contributing to sustainable development and environmental performance. Additionally, 100% of operations are covered by these environmental initiatives, ensuring comprehensive impact across all business activities.

2.1.4 Environmental violations

As for significant fines related to environmental violations, we are not aware of any sanctions imposed in 2024.

2.3 PACKAGING

2.3.1 Plastic Commitment – Programs

We have an ambition to promote initiatives that improve the sustainability of the products we use and are conscious of the waste we produce. Through our policies we have commitments to optimizing the life cycle of products, materials and resources, reducing the generation of waste, and promoting a circular and sustainable model, as well as the responsible management of waste generated in our hotel activities. Therefore, we have taken different plastic reduction initiatives over the last years (see Annual Report 2024, page 105-106). This section includes additional examples of initiatives not shown in the aforementioned document.

➤ *SafePack Program*

Replacement of containers with concentrated products (soap) in a fully recyclable single-layer container that adapts to existing dosing systems.

SafePack is a system developed by Diversey to reduce waste and lower CO2 emissions within the packaging industry. To achieve the objectives set by Diversey, SafePack has been carefully designed to not only reduce the amount of non-reusable and non-recyclable packaging, but also to ensure safe and ergonomic work conditions while maximizing efficiency in the discharge. On top of this, this design has a lower carbon footprint to previous/other packaging designs.

SafePack has been UN-approved to contain, and transport classified liquids. In addition, SafePack has received the “Nordic Ecolabelling” certificate awarded to fully recyclable packaging and the “EU Ecolabel” awarded according to the new criteria for organic certification. These achievements are also in line with the EU’s Green Deal thus making SafePack a sustainable package with market differentiation.

➤ ***Organic Capsules Program***

As a measure to reduce waste in Spain, Meliá purchases coffee beans that are organic and packaged in composable or fully recyclable pods. Meliá collaborates with Nespresso, a Company with a robust sustainability strategy that ensures Meliá’s objectives are achieved. Concretely, Nespresso's project revolves around collecting several customer's capsules (including those from Meliá) and transforming the aluminum that composes them into new products, which may be used in different sectors such as the automotive or IT industries. Of all capsules collected, Nespresso ensures that 100% are recycled, thus leaving no remaining unrecyclable components.

➤ ***Initiatives of recycled material as packaging solutions***

Circular economy in the hospitality industry is key to ensuring an innovative and sustainable model that seeks to increase the use of recycled material as packaging solutions. Through a circular model, we focus on closing the circle of the packaging we use in our hotels through collaboration with our drink suppliers to engage in a deposit and return system for recycling glass bottles. Thus, giving maximum use to the glass packaging that we purchase through these alliances.

Considering the main packaging we buy comes from the food and beverage operation in the hotel, this is where we focus our attention on our pursuit of positive and relevant impact. In Spain, we are encouraging hotels to buy water bottles from sustainable practices made with 100% recycled materials. We are evaluating this decision to consider whether to scale it up to other geographies. More information is in our Annual Report 2024 (page 106).

➤ ***Programs to ensure that recyclable packaging is actually recycled and Allocation of R&D resources to sustainable packaging and alternative solutions***

Adopting a circular economy model does not only contribute to the destinations’ sustainability but it also improves profitability and inclusion by society. Through the implementation of separate-colored bins in the sorting and recycling facilities of the hotel, as well as through training programs, we encourage our employees to sort the overall hotel waste to increase savings and reduce the environmental impact of the hotel.

For instance, in Valencia, Spain, the government has a strategic approach to include circular economy policies, projects and initiatives to draft a law to prevent waste, promote the environmental transition and promote circular economy. As leaders in sustainability and Spanish history, we are working on several research and development resources in this area. We provide Resuinsa with materials to research new recycled solutions from used linen and towels. In the Balearic Islands, with Gravity Wave, an organization dedicated entirely to taking plastic out of the oceans and giving it a second use, we have launched a partnership for the new Meliá Ibiza.

Globally we identify and categorize the packaged products that we use, to advance opportunities to reduce packaging and ensure that there is correct sorting in our hotels.

2.3.2 Packaging Materials

PACKAGING MATERIALS 2024	COVERAGE	TOTAL WEIGHT	RECYCLED	TARGET
	UNIT			
	% of cost of goods purchased	Tn	% of total weight	
A. Wood / Paper fiber packaging	0,02	0,52	-	
B. Metal (e.g. aluminum or steel) packaging	10,89	431,75	3,55	
C. Glass packaging	53,32	1.287,41	0,54	

2.3.3 Plastic Packaging

INDICATOR	UNIT	2021	2022	2023	2024
A. Total weight of plastic packaging	Tn	302,7	362,1	427,5	322,5
B. Recyclable plastic packaging	% of A	90,03	88,60	63,68	55,39
C. Compostable plastic packaging	% of A	6,80	6,72	3,53	0,03
D. Recycled content within your plastic packaging	% of A	2,89	4,75	7,87	1,26
Data Coverage	% of cost of goods purchased	15,2	16,2	16,3	28,7

The data reported in the tables above is related to our purchasing activity, from the material used for during the shipping process, storage and even the last piece of packaging. The containers of the products we need to provide our clients with our services and products are the packaging that we generate as waste in our activity. The source of the data is our SAP database for centralized Company purchasing.

These tables indicate data related to the main families of items with the highest purchase volume, where sustainability actions related to packaging have been prioritized: F&B and Equipment. In recent years, progress has been made to minimize packaging and encourage the use of recycled or certified material. The measurement is carried out for the main sub-families, recalculating the period 2019-2024 with new data.

Therefore, the above data indicates the weight of the final packaging of the units purchased in the reporting year for the main families of articles (higher % of turnover). For these families of items, it has been identified how much wood / metal / glass material is part of the product and its weight has been calculated with the following estimating: purchased units x weight of wood / metal / glass material on the product sheet. The data related to its origin (recycled material or certified material) have been identified in its product sheet or information provided by the supplier.

2.4 WASTE & POLLUTANTS

2.4.1 Waste Management Programs

Through our waste management program, we have hotels advancing on their waste management performance through collaborative measurements that help to identify opportunities to reduce waste generation.

Through this measurement we promote a circular model to align us with the European target to recycle 55% of all urban waste in 2025. We engage with our hotels to improve our sorting and integrate recycling programs, with our waste partners to pursue recycling initiatives and avoid sending recyclable waste to the landfill. Whenever possible, we aim to partner with waste management companies that are committed to diverting waste from landfills and prioritizing circular practices instead. The company is committed to continue advancing its waste management practices across operations by adopting processes that minimize waste generation, enhance operational efficiency and reduce both environmental and social impacts.

This year, our waste management program focused on non-hazardous waste, which constituted the majority of the waste generated due to the nature of our industry and business model. This year, as a first step, we introduced a new Non-Hazardous Waste Management Manual as part of our broader sustainability strategy. This manual is designed to inform, train and raise awareness about the importance of responsible waste management, while ensuring compliance with applicable regulations. It provides clear guidance on how to carry out effective waste segregation and handling in the different countries our global integration hotels are based.

The manual defines specific actions for each stage of the waste management process, aiming to prevent potential environmental harm and protect the health and safety of employees and guests. Its purpose is to promote environmental stewardship through impact reduction and to ensure alignment with relevant legislation and circular economy principles. It applies to all operational areas where waste is generated and enables each business unit to monitor its waste output and set reduction targets.

As a second major initiative, we launched a comprehensive waste separation program for employees available in Spain, France, United Kingdom, Italy, Germany, Dominican Republic and Mexico. The program is designed to raise awareness among staff and improve understanding of how to avoid unnecessary waste to go to the landfill and the environmental benefits of waste management. It also ensures that new employees are familiar with local waste sorting rules, supporting proper segregation and compliance from day one.

Locally in the Dominican Republic we have signed a voluntary public and private collaboration between the hotel companies and the local government reduce the use of plastic products of one use by 15% by 2025. This collaboration also includes sustainability commitments to advance on sustainable gastronomy, sustainable energy, biodiversity and local improvement of human rights, all which are aligned with the SDGs.

This program is part of a broader approach to waste reduction that improves reuse, recycling, recovery and landfill diversion. These efforts not only help close the consumption loop on waste but also create opportunities for innovation and resource efficiency. Investing in resources and programs that address waste includes decreased costs, reduced risks and improved reputation.

All establishments of the company have the obligation to recycle the used cooking oil from the kitchens to avoid it ending in rivers and seas. The certified supplier in Spain, recovers oil and transforms it into biofuel creating a clean energy source.

Regarding hazardous waste, specifically electronic appliances, in Spain there is an agreement with ERP, the first Collective Extended Producer Responsibility System (CEPR) for waste electrical and electronic equipment (widely known as WEEE) in Europe. Established by four multinational companies (Braun, Electrolux, HP and Sony) with the objective of providing a single waste management system for the companies associated with it. The final destination of the managed WEEE has been threefold: recycled (86.84%), reused as energy (3.58%) or eliminated (9.58%). The remaining hazardous waste that is not considered WEEE is managed by our partner Urbaser.

2.4.3 Food Loss & Waste Commitment

Meliá's commitment to sustainability is an essential factor in our activity. In recent years our approach has undergone a significant evolution, moving towards a much more global and strategic approach, adapted to the context in which we live, full of challenges, but also many opportunities.

In this context, combatting climate change and implementing sustainable business models based on ethical management are both indispensable.

We are focused on approaches that help strengthen the tourism value chain through opportunities linked to sustainability, where waste can become another resource and through the creation of partnerships required to ensure that this resource is valued. Reducing waste is both an ethical necessity and an opportunity to protect the environment and combat climate change. Food production consumes resources such as land, water and energy, so reducing production means reducing the impact of production.

At Meliá we are working on projects to help reduce food waste and to define models based on best practices to minimize the impact of our activity. Additionally, regarding the initiatives held in the Annual Report 2024 we would like to highlight key initiatives:

- Production ratios: adjustments to the amounts produced based on the number of customers using PAR Sheets.
- Stock optimization: adaptation and standardization of products offered on buffets.
- Product display: use of equipment of different sizes depending on the number of customers for each service, adapting the amounts displayed while maintaining attractive presentation.
- Product adjustments: removal of products that are not popular among customers.
- Time-period system: adaptation of products depending on the time of day in all-inclusive hotels.
- Awareness: use of posters with messages that make customers think.

➤ **Measurable group-wide targets to reduce Food Loss & Waste**

Meliá is actively working to reduce the amount of food waste from hotel buffets. Depending on the type of hotel and client, buffets differ in size and in type of food waste produced. Within essential and premium vacation hotels, Meliá carried out a study to identify the most significant types of food waste. In line with Meliá's sustainability efforts, in 2022 Meliá defined a Europe-wide objective within its essential and premium vacation hotels to reduce food waste by directly targeting products elaborated and ready to be consumed, using the right amount of product for each preparation, thus avoiding unnecessary waste.

➤ ***Food Loss & Waste Programs***

The hotels located in Palma (Mallorca) are involved in a circularity project to manage and reduce food waste in their value chain, collaborating with different interest groups. This project is led by TIRME, a Company specializing in the sustainable treatment of urban waste to promote "zero waste" through the recovery of urban waste and its transformation into compost and/or energy. To achieve "zero waste", TIRME involves different interest groups and encourages communication and collaboration between them.

For Meliá, involvement in this project means collaborating with different partners as follows:

- First, Meliá sensitizes its employees and ensures correct waste classification.
- The municipal waste collection Company collects organic waste generated in hotel establishments.
- The TIRME Company transforms this waste into organic compost.
- Local farmers, in this case Agro Mallorca and Son March, use this compost to grow vegetables and fruit.
- Subsequently, Meliá buys these products and vegetables directly from the farmers, thus closing the collaborative circle and promoting a circularity initiative.

Through blockchain technology, the entire process is recorded and traced, providing rigor and veracity to the project and its results, from a global vision and showing the participation and involvement of all the stakeholders involved.

➤ ***Programs established to measure food loss & waste***

The Company is on a continued improvement process to manage its food loss and waste to identify new production practices for its staff to be more efficient with the resources needed. We have several programs established to measure food and loss through our waste measurement program, partnerships and processes. Ranging from hotels giving their food to make compost for the local farmers in Spain, to organic matter being repurposed by our waste managers in France to offering products throughout Europe.

To take it further, we have also implemented food waste programs. In Asia for instance, two of our hotels have implemented technology to calculate the yield of the food that could have been eaten rather than the food that was thrown away. Through technology we will have data on how our kitchens behave, our food is consumed and how we produce our guests' breakfasts. We are extending this partnership to our hotels to measure and improve our food produce systems.

To reduce the total volume of food that has either been lost or wasted, is utilized for other processes that may have economic, environmental, or social benefits instead of being discarded without any value creation, since some level of food loss or waste might be inevitable. Therefore, it is essential that the current destination of food loss & waste volumes is tracked and that actions are taken to optimize the value created.

As such, in the Dominican Republic we launched a new repurpose food nutrient project in 2024 to recycle food loss as animal feed and compost, ensuring the involvement of the local community.

These programs' objectives are twofold. To have a measurement of how much food is not being consumed and to repurpose this leftover.

2.6 CLIMATE STRATEGY

2.6.1 Direct Greenhouse Gas Emissions (Scope 1)/2.6.2 Indirect Greenhouse Gas Emissions (Scope 2)/2.6.3 Indirect Greenhouse Gas Emissions (Scope 3)

CARBON FOOTPRINT						SCIENCE BASED TARGETS			
GRI: 305-1; 305-2; 305-3; 305-4; 305-5						GRI: 305-1; 305-2; 305-3; 305-4; 305-5			
GLOBAL INTEGRATION (PROPERTY AND LEASED HOTELS)	UNIT	2021	2022	2023	2024	2018	2024	SCIENCE BASED TARGET	REDUCTION TARGET
Total emissions scope 1	TCO ₂ eq	20.645	29.525	29.452	27.089	36.849	25.091	27.563	-25,2%
Total emissions scope 2 Market based	TCO ₂ eq	71.961	92.672	110.057	106.974				
Total emissions scope 2 Location based	TCO ₂ eq	100.773	133.253	157.183	153.112	152.441	153.112	114.026	-25,2%
Total emissions scope 1 y 2 Market based	TCO ₂ eq	92.606	122.197	139.509	134.063				
Total emissions scope 1 y 2 Location based	TCO ₂ eq	121.419	162.778	186.636	180.201	189.290	178.204	141.589	-25,2%
MANAGED HOTELS	UNIT	2021	2022	2023	2024	2018	2024	SCIENCE BASED TARGET	REDUCTION TARGET
Total emissions scope 1	TCO ₂ eq	17.736	41.504	66.911	46.919	50.564	43.915	37.822	-25,2%
Total emissions scope 2 - Location based	TCO ₂ eq	89.299	158.915	142.621	219.933	228.408	219.933	170.849	-25,2%
Total emissions scope 1 y 2 - Location based	TCO ₂ eq	107.035	200.420	209.532	266.851	278.971	263.848	208.671	-25,2%
AGREGGATED PERIMETER (PROPERTY, LEASED AND MANAGED HOTELS)	UNIT	2021	2022	2023	2024	2018	2024	SCIENCE BASED TARGET	REDUCTION TARGET
Total emissions scope 1	TCO ₂ eq	38.381	71.029	96.363	74.007	87.413	69.007	65.385	-25,2%
Total emissions scope 2 - Location based	TCO ₂ eq	190.073	292.169	299.804	373.045	380.849	373.045	284.875	-25,2%
Total emissions scope 1 y 2 - Location based	TCO ₂ eq	228.454	363.198	396.167	447.053	468.261	442.052	350.260	-25,2%

The table shown above has been developed with the objective of answering the questions in the following points:

- 2.6.1 Direct Greenhouse Gas Emissions
- 2.6.2 Indirect Greenhouse Gas Emissions (Scope 2)
- 2.6.3 Indirect Greenhouse Gas Emissions (Scope 3)
- 2.6.12 Emissions Reduction Targets

As shown on page 218 of our Management Report, we have two tables to show our progress in terms of carbon footprint.

The table called Carbon footprint is prepared taking into account the criteria set out in the General Data Requirements section of S&P Global’s Assessment Questionnaire, so the environmental data refers to the specific business structure of each particular year and there is no pro-forma backward consolidation of the current Company structure. Also, it reflects only those companies that fully consolidate into the business group (Owned and Leased) and Scope 2 is calculated as Market Based.

On the other hand, the table called Science Based Target Initiative is elaborated considering the methodology established by the GHG Protocol and the conditions under which the Meliá Hotel International group validated the science-based targets. Therefore, as indicated by this

methodology, a retrospective adjustment of the information should be made to align with the structure at the time of reporting.

In addition, regarding the SBTi objectives, the Meliá group validated them by selecting operational control and considering a scope two under the Location Based concept.

2.7 BIODIVERSITY

Preserving biodiversity is important because having a hotel near a healthy ecosystem attracts more visitors, especially those that during their stay seek to interact with nature. Clients going to hotels near beaches, mountains and rivers are likely to have chosen the destination for this reason, because the biodiversity of the surroundings offers guests visual amenities of natural services of the species and landscapes. The biodiversity of these destinations can be especially sensitive to sustainability risks and climate change risks, such as floods and heavy rainfalls, which impact the mitigation and ecosystem services.

2.7.1 Biodiversity Risk Assessment

The risk analysis of the Company integrates this process directly and follows the scope established by the CSRD that requires the analysis through the upstream and downstream value chain. Our Global Risk Map identifies the key risks we face as a Company. The map is reviewed every year and presented to the Board of Directors, and to the Audit and Compliance Committee, responsible, among other things, for the supervision of Risk Management Systems, including those that affect ESG issues.

At Meliá, in the last update of our materiality analysis, we included the double approach legislated by the CSRD where we carried (1) an analysis of the environment interaction and business model through different sources, and in terms of biodiversity we added the use of the tools Protected Planet and ENCORE to assess how our activities depend and impact on nature, (2) an identification of impacts, risks and opportunities (IROs), and (3) an assessment of the IROs.

The materiality analysis was carried out with the input of our stakeholders, especially those whom we have a closer relationship with, as a sign of our values of proximity and closeness.

This analysis was carried out from two different perspectives, location-specific and global business relevance. Each year, we conduct a comprehensive analysis of our presence in specially protected areas with the support of the 'Protected Planet' tool, the world's most extensive source of information on protected areas. The result of this year's exercise found that 27.2% of our portfolio is located in special protected areas with great natural wealth. This provides us with information on the risk of having a negative impact on the biodiversity of hotels near the area.

Despite biodiversity being able to be an important topic, the double materiality analysis did not consider it a critical or high importance issue. Despite this, at Meliá we understand the importance of managing biodiversity sensitive areas with the appropriate diligence since, over time, it will undoubtedly be an issue that will gain. Therefore, at Meliá we have a preventive management system for this dimension.

2.7.2 Biodiversity Commitment

Meliá's commitment to protecting the environment includes the preservation of ecosystems and biodiversity in different ways. Although this topic was not material to us, due to especial characteristics of Mexico and the Dominican Republic these areas require greater attention, so to prioritize biodiversity we created a new structure that included sustainability.

Regarding the value chain, we have incorporated mitigation practices with our fish suppliers to mitigate the risk of the fish population from being endangered and protect marine biodiversity. By establishing fishing restrictions based on the location and time of the year and applying it in our relationship with suppliers to reduce the interference in the reproductive cycles and development stages of the fish, which are key for the fish to recover for the next fishing season.

Additionally, as a result of our biodiversity assessments and audits, we have identified the vulnerable species that are in the area near the hotel, which may be affected by the hotel's activity and are recognized by clients and employees. The identification is followed by a classification system in risk of extinction, native or invasive species. Once the classification is carried out an analysis of the ecological context of the species and the operational impact is outlined. To understand the impact and risk, we may have on the habitat, food source or reproduction, through any potential noise or light pollution. From this, a legal analysis is carried out to identify regulations, directives or laws from the local, federal or national government on the identified species.

From this, we carry out a management plan to mitigate the negative impact we may be having on the species. The management plans have been supported by external experts whenever it is necessary for their implementation. In Mexico and Dominican Republic, we have carried out plans for turtles, birds, snails, iguanas, cats and coatis. These activities preserved endangered species, promoted reforestation, removed sargassum, controlled invasive species and certified our beaches with an external entity. More information is available in our 2024 Management Report (p. 98-101).

➤ ***Biodiversity with our stakeholders***

Participating in these initiatives not only allows us to take care of our natural environment but also helps us to strengthen the bonds with our colleagues through a rewarding experience and with the community. By coming together for a common cause, we not only make a tangible difference to our ecosystem but also inspire each other to be agents of positive change.

Awareness and education: Meliá is committed to educating guests, staff and local communities about the importance of environmental protection. All our programs include a strong environmental communication on awareness, internal training and signaling of key areas of the hotel about the species and rules established as well as activities that include participation and environmental training. For instance, in Mexico we carried our 16 training programs on ecosystem protection, turtles, plantation of local flora, compost and blue crab to 415 employees.

Collaboration and advocacy: Meliá collaborates with other stakeholders like governments, non-governmental organizations and the private sector, to advocate for policies and practices that protect the environment. By leveraging their influence and resources, Meliá can support the development of regulations and standards aimed at conserving natural areas, protecting endangered species, and minimizing the negative impacts of human activities on biodiversity. Meliá is also directly and actively participating in initiatives to preserve biodiversity through the protection of the natural areas surrounding its properties in Dominican Republic and Mexico.

These initiatives involve establishing protected areas, supporting local conservation organizations, or engaging in habitat restoration projects. By preserving natural areas, Meliá is helping safeguard critical habitats and ecosystems that are home to various plant and animal species, thereby directly protecting biodiversity.

2.7.3 No Deforestation Commitment

As mentioned before, Meliá has intensively worked on projects that encourage the conservation of natural resources, as it was carried out at the hotels in the Dominican Republic with the Mangrove Clean-up Initiative. The execution of this project is proof of the actions taken by the Company to prevent and implement actions that avoid deforestation in the ecosystems or natural protected areas that are nearby Meliá's business operation. It is also worth mentioning that the Mangrove Clean-up initiative follows the European Guidelines on biodiversity protection, and it is also eligible with one of the activities covered by the EU Green Taxonomy, representing real efforts made to invest capital on sustainable initiatives.

We are committed to improving our environmental impact and mitigating our impact. Consequently, in the Dominican Republic we joined the National Plan of reforestation with the Ministry of the Environment (MMARN) where we planted 2.000 native trees, more information is in the Annual Report 2024.

On our supply chain, we have providers for paper and wood that are FSC certified.

2.7.4 Biodiversity Exposure & Assessment

Meliá contributes to the conservation and protection of biodiversity in its destinations. Through preventative actions such as those mentioned above, Meliá is contributing to preserving ecosystems, protecting native species, mitigating possible impacts of its activities on the local biodiversity, and ensuring responsible and efficient use of natural resources. Despite the relatively low materiality of biodiversity for Meliá, the Company nonetheless considers this matter in its holistic Company-wide Environmental Management System. Meliá operates across 2,476,458 m² of land, emphasizing responsible use and safeguarding these areas. In addition, within the hotels in México and the Dominican Republic, given their economic and environmental significance, Meliá goes a step further by assuming a more proactive role. In these countries, the Company has created alliances and worked with experts in the field to contribute to protecting biodiversity by raising awareness and involving employees, guests, local communities, NGOs, and other stakeholders in the control and monitoring of animal and plant species.

SOCIAL DIMENSION

3.1 LABOR PRACTICES

3.1.1 Labor practices commitment / 3.1.2 Labor practices programs

Our company reaffirms its strong commitment to strict compliance with labor regulations in all the countries where we operate, ensuring full respect for legal working hour limits and the complete and transparent compensation of overtime, as well as setting minimum consultation or notice periods prior to mass terminations.

In all European Union countries, as well as in Mexico and the Dominican Republic, time tracking is legally mandatory. In any case, the requirement to record working hours is aimed at ensuring both compliance with standard working hours and the proper payment of overtime, which is also regulated under each country’s labor legislation. In these countries, we have systems in place to ensure accurate recording and monitoring of working hours.

3.1.6 Gender Pay Indicators

Employee level	Average Women Salary	Average Male Salary
Executive level (base salary only)	129.448	170.512
Executive level (base salary + other cash incentives)	134.060	227.063
Management level (base salary only)	87.736	113.590
Management level (base salary + other cash incentives)	106.769	141.596
Non-management level (base salary only)	19.597	17.895

3.2 HUMAN RIGHTS

3.2.1 Human Rights Commitment

In an increasingly complex and interconnected business environment, management systems must protect and respect human rights in all dimensions, put special attention to the most vulnerable. To ensure continuous improvement and anticipate possible risks, we annually review our internal control systems.

Protection level

	High	Medium	Low
Labor practices	99%	1%	-
Environment & biodiversity practices	87%	13%	-
Anti-corruption practices	100%	-	-

Probability of vulneration

	High	Medium	Low
Labor practices	2%	1%	97%
Environment & biodiversity practices	2%	8%	89%
Anti-corruption practices	2%	-	98%

Since 2019, we have incorporated the Modern Slavery Act (UK) guidelines to the Control Self-Assessment (CSA) or human rights assessment. In our example of sustainability leadership, this year, we are undertaking an update of the company’s Code of Ethics to incorporate this international standard, the new Corporate Sustainability Due Diligence Directive (CS3D) and other international rules to prevent, among others, human trafficking and smuggling in its

operations, through our employees, to continue fostering a safe environment for all its stakeholders.

3.2.2 Human Rights Due Diligence Process and the environment

For this reason, and as part of Meliá Hotels International's Human Rights Due Diligence System, in 2022 we updated our Human Rights Self-diagnosis to adapt it to the current reality of our portfolio. The purpose of this exercise is to identify potential risks and possible violations in our value chain in three clear dimensions: labor rights, anticorruption, and environment.

Human rights due diligence is a term introduced in the United Nations Framework to protect, respect, and remedy the harm caused by a Company during its business, and comprises the steps a Company must take to identify, prevent, mitigate and take responsibility for the way it impacts human rights. Broadly speaking, the objective of our exercise is to:

- Strengthen our global management system as a responsible Company.
- Gain knowledge to ensure an adequate level of external reporting.
- Gather information for the reinforcement of specific action plans.
- Identify opportunities for improvement or potential risks associated with this matter.
- Identify opportunities for training and capacity building in this area.

The questionnaire has simple questions around 3 dimensions: Labor Rights, Environment, with a direct focus on the prevention of impact on biodiversity and Anti-Corruption.

As for the environmental dimension, we defined a clear focus on measuring the degree of awareness and implementation of our preventive biodiversity management system and, therefore, the potential impact on destinations given the direct link between our operations and the potential impacts on biodiversity.

This link is important since, since 2018 Meliá incorporates the protection of the environment as a right included in its Human Rights Policy, years before the United Nations Assembly itself considered it as such in 2022. This declaration, in the context of the current climate crisis, precisely recognizes the right of people to enjoy healthy environmental and environmental surroundings, through the avoidance, among others, of crises involving the loss of nature and biodiversity, because of pollution and the non-management of waste generated.

And precisely because of the link between human rights, the environment and biodiversity, our self-diagnosis includes specific questions in this area. In general terms, from the analysis of the results of the exercise we can extract the high level of protection of these rights in business units as well as the low probability of situations of human rights violations and their impact on the 3 dimensions mentioned.

Below, we detail the issues that make up the environmental and biodiversity section, as well as the reference framework for this dimension, which is incorporated as a reference guideline or context to ensure understanding by the executive teams.

Additionally, the self-diagnosis includes 3 questions for each dimension (labor, environment, and anti-corruption), with the following response options:

- **Level of protection (high - medium - low):** I understand that in my hotel the level of protection of these rights is
- **Probability of violation (high - medium – low):** The probability that these rights will be violated in my hotel is ...

- Management capacity (Yes - No - Partially - I don't know - I can directly manage this area)

The results are available in our Annual Report 2024 (p. 195).

3.2.3 Human Rights Assessment

Human rights risks have been identified in 6.9% of our operations and mitigated entirely.

3.2.4 Human Rights Mitigation & Remediation

The number of sites with mitigation actions in place amounts to 16 work centers, including corporate offices.

3.3 HUMAN CAPITAL MANAGEMENT

3.3.2 Employee Development Programs

All our company programs are designed to be inclusive of all employees, regardless of their work schedule, whether full-time or part-time.

➤ Cultural education

As part of our commitment to fostering an inclusive and culturally aware workplace, we have embedded cultural awareness into our Bridge Program for Leaders. One of the modules focuses on situational leadership and includes a specific section on understanding and adapting to different cultural perspectives when leading teams.

In 2024, we launched the training initiative called Leading Diversity, designed for hotel and operations centers leaders. The program aims to raise awareness of the value of having diverse teams, address unconscious bias, and promote inclusive leadership practices. In its first edition, the program reached 62 senior leaders across the organization.

Additionally, our digital learning platform, eMeliá, offers a dedicated catalogue of microlearning content focused on cultural diversity topics from our key partners: Typsy, Thinking Heads and Goodhabitz.

To mark the World Day for Cultural Diversity for Dialogue and Development, we held the second edition of our Meliá Diversity Week, a global initiative to celebrate the richness of cultural diversity and promote intercultural dialogue and understanding. This year, 51 hotels participated in the campaign, reporting a total of 108 diversity-related activities, focusing on gender, generational, social, and ability-based inclusion. At a global level, we also highlight our Diversity Party, organized in partnership with the diversity consultancy Intercultures. This engaging event used games and music to explore key themes related to diversity and inclusion in a dynamic and participative environment. Furthermore, eMeliá continues to offer a variety of learning resources on inclusion and diversity, accessible to all employees worldwide.

➤ Transition programs for retired or terminated employees

At Meliá, we offer a specialized outplacement service for first and second-level executives, designed to provide human and professional support during a key transition in our leaders' careers.

Our goal is to facilitate their professional reintegration and help them navigate this stage with confidence, clarity, and new opportunities, always with respect for their trajectory and contributions.

The program includes:

- Personalized guidance tailored to the executive's profile and career goals.
- Support in crafting and positioning their CV, highlighting their unique value proposition.
- Interview preparation through simulations and key techniques to communicate their experience with impact.
- Guidance on managing professional relationships and networks, to effectively activate their connections.

The process lasts up to 9 months or until the executive is rehired, whichever comes first.

With this service, we reaffirm our commitment to talent at every stage, supporting our most senior leaders with empathy, a future-oriented vision, and responsible management change.

In addition, we also offer transition programs to support employees during temporary closure periods due to hotel renovations. We provide our employees with a tailored online training catalogue, enabling them to specialize in their respective areas or develop new skills. Available courses include Food & Beverage, Housekeeping, Digital Transformation, and Language Training.

➤ *Feel The Beat – Service Culture*

Feel The Beat is the service culture training program that builds content from Meliá Hotels International's values, starting from one common idea: our brand behavior defines the rhythm of the brand and are essential to generate brand identity. With the aim of incorporating the company values and keeping the service culture alive in the hotels.

The objective of this program is to develop skills to create engaging environments and great experiences for our customers, making sure that all the individuals working in our hotels know how their behaviors have a direct impact in the customer experience. The onsite training lasts for 4 hours and there is afterwards an online training called Beat Learning available through our online learning platform eMeliá.

Some examples of the business benefits are the following: Improving customer/guest experience, increasing brand reputation, customer loyalty and retention, improving employee satisfaction, compromise and retention and contributes to the onboarding of new employees to their hotel brand.

5.695 employees were trained during a total of 17.113 hours.

PARADISUS

GSS (Guest satisfaction survey) 2023: **80,8%**

GSS (Guest satisfaction survey) 2024: **83,5%**

ME BY MELIÁ

GSS (Guest satisfaction survey) 2023: **85%**

GSS (Guest satisfaction survey) 2024: **86,9%**

GRAN MELIÁ

GSS (Guest satisfaction survey) 2023: **88%**

GSS (Guest satisfaction survey) 2024: **88,4%**

MELIÁ HOTELS & RESORTS

GSS (Guest satisfaction survey) 2023: **81,7%**

GSS (Guest satisfaction survey) 2024: **83,6%**

INNSIDE

GSS (Guest satisfaction survey) 2023: **84,7%**

GSS (Guest satisfaction survey) 2024: **86%**

ZEL

GSS (Guest satisfaction survey) 2023: **86,1%**

GSS (Guest satisfaction survey) 2024: **81,5%**

THE MELIÁ COLLECTION

GSS (Guest satisfaction survey) 2023: **86,9%**

GSS (Guest satisfaction survey) 2024: **88,2%**

➤ *BRIDGE Leadership Program*

The BRIDGE leadership program has shown a clear impact on key business KPIs such as improved employee Net Promoter Score (eNPS), increased global engagement, and reduced Head of Department (HOD) turnover.

By equipping leaders with practical tools for communication, feedback, and team management, BRIDGE fosters a more consistent and motivating work environment. This leads to higher employee satisfaction and loyalty, reflected in stronger eNPS and engagement scores.

Moreover, BRIDGE strengthens leaders' confidence and sense of purpose, helping them navigate challenges more effectively. This support contributes to greater job satisfaction and stability in critical roles, significantly reducing HOD turnover and enhancing retention across the organization.

3.3.4 Hiring

3.3.4 Hiring	2021	2022	2023	2024
Total number of new employee hires	7593	10474	9191	9118
Percentage of open positions filled by internal candidates (internal hires)	64.2 %	65.8 %	56.7 %	68.7 %
Average hiring cost/FTE (€)	99.37 €	85.26 €	122.6 €	94.30 €

3.3.6 Long-Term Incentives for Employees

➤ *Executive Career Path: Long-Term Incentive Programs*

At Meliá, we have developed an executive career path within the hotel operations area that begins at the Hotel Head level and progresses through four stages: Executive Assistant Manager (EAM), Resident Manager (RM), and Hotel Manager or General Manager (HM/GM). In this way, the structure effectively addresses the key objectives typically associated with Long-Term Incentive Programs.

Long-term Vision and Progressive Development

The pathway is designed to foster a long-term vision and sustain professional growth through a sequential development model:

- Hotel Head, as the starting point of the executive journey
- EAM – Executive Assistant Manager, with an estimated duration of 1.5 years
- RM – Resident Manager, with an approximate period of 2 years
- HM/GM – Hotel Manager or General Manager, depending on the type of hotel unit.

Each stage enables professionals to strengthen their leadership capabilities, gain hands-on experience, and prepare to assume greater responsibilities. Progression is not automatic; rather, it is based on positive performance evaluations and the achievement of specific objectives defined for each stage. This reinforces a culture of continuous improvement and accountability.

➤ *Performance as the central advancement criterion*

At the core of the plan lies ongoing performance assessment, both quantitative and qualitative. In order to move to the next stage, candidates must demonstrate the achievement of operational and financial goals, along with effective team management. Furthermore, they are expected to maintain a consistent focus on delivering excellent guest experiences and to embody behaviors that reflect the company's core values. This progression model therefore encourages a culture of accountability, sustained effort, and continuous improvement, in line with the principles behind long-term performance-based incentive programs.

➤ *Compensation linked to progression.*

Each advancement between stages comes with a corresponding salary increase, acting as both recognition and motivation. Thus, compensation is directly tied to long-term performance and follows a value accumulation logic that rewards both demonstrated capability and commitment.

In this sense, the progressive reward structure becomes a long-term incentive tailored to the operational context of our hotels.

➤ *Retention and engagement of key talent*

The plan is designed for a select group of high-potential professionals identified early in their leadership trajectory. By offering a structured path with clearly defined milestones, the company strengthens employees' commitment, helps reduce turnover in critical positions, and ensures continuity in both knowledge and leadership style, always in alignment with our organizational culture.

➤ *Integration of strategic and sustainable objectives*

Throughout the entire path, we promote the integration of sustainability criteria in hotel management. As such, the evaluation process incorporates key aspects such as:

- Performance in energy and environmental efficiency
- Responsible people management
- Contribution to a safe, diverse, and inclusive workplace
- Engagement with the community and respect for the company's ethical standards
- Through this approach, we ensure that leadership development is fully aligned with the sustainability principles defined by our organization.

This executive career path, implemented across all our hotels, reflects the core pillars of long-term incentive programs: progressive development, sustained performance expectations, results-based rewards, retention of key talent, and strong alignment with the company's sustainability strategy.

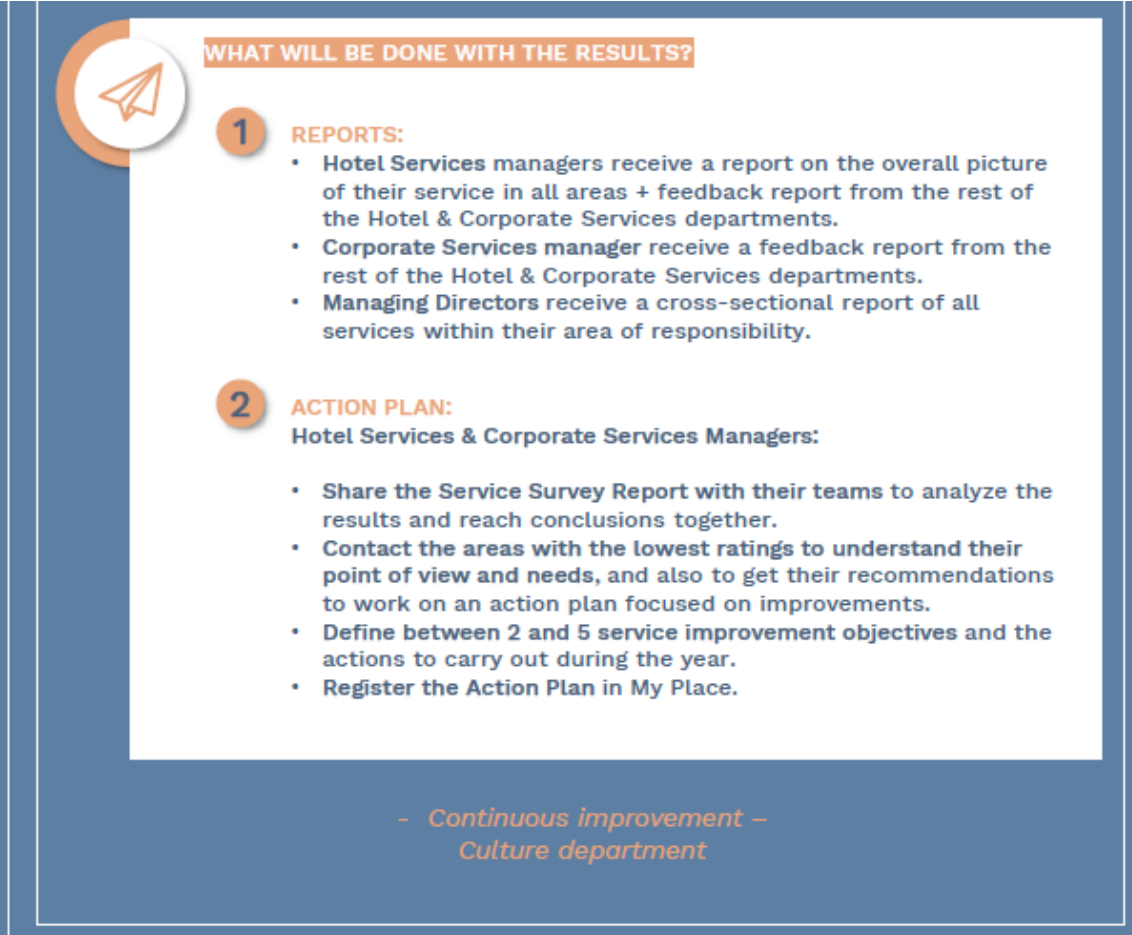
3.3.7 Employee support programs

The company fulfils the legal requirements set by the local government, as such our employees are able to benefit from paid parental leave for primary as well as non-primary caregivers, paid family or care leave beyond parental leave and, most of our employees could have breast-feeding facilities or lactation benefits available. Most of our employees are based in Spain.

3.3.8 Type of Performance Appraisal

➤ *Team-based Performance Appraisal*

Over the last few years, we have worked together to encourage a cultural change that promotes a closer relationship with the hotels, with a clear focus on the service vocation of all of us who are part of the company. Bearing in mind the preservation of this value of service vocation that has remained unchanged throughout our 65 years of history, the Internal Service Survey was created in 2023, whose main objective is to obtain feedback on the internal service provided by the Hotel & Corporate Services departments to the business areas in order to identify strengths and areas for improvement that will allow them to guide and work on an action plan focused on the continuous improvement of their service.



WHAT WILL BE DONE WITH THE RESULTS?

1 REPORTS:

- Hotel Services managers receive a report on the overall picture of their service in all areas + feedback report from the rest of the Hotel & Corporate Services departments.
- Corporate Services manager receive a feedback report from the rest of the Hotel & Corporate Services departments.
- Managing Directors receive a cross-sectional report of all services within their area of responsibility.

2 ACTION PLAN:
Hotel Services & Corporate Services Managers:

- Share the Service Survey Report with their teams to analyze the results and reach conclusions together.
- Contact the areas with the lowest ratings to understand their point of view and needs, and also to get their recommendations to work on an action plan focused on improvements.
- Define between 2 and 5 service improvement objectives and the actions to carry out during the year.
- Register the Action Plan in My Place.

*- Continuous improvement -
Culture department*

3.4 OCCUPATIONAL HEALTH AND SAFETY

3.4.1 OHS Policy

The objective is to reduce the workplace accident rate by 5%, strengthening our commitment to safer working conditions.

3.4.2 OHS Programs

Meliá incorporates ESG criteria in the selection of service providers, including health and safety criteria. All information on health and safety provided by suppliers is evaluated and managed on the internal platform set up for this purpose. In addition, the contracts with service providers have a specific clause in terms of guaranteeing adequate health and safety conditions and ensuring that the regulations on Occupational Risk Prevention are fully complied with.

3.4.3 Fatalities

During the reporting period, no work-related fatalities were recorded among the company's employees or its contractors.

3.4.4 / 3.4.5 Lost-Time Injury Frequency Rate

This section has been developed with the objective of answering the questions in the following points:

INDICATOR	2021	2022	2023	2024
Employees				
LTIFR (n/million hours worked)	22.44	26,93	24,36	26,56
Data coverage (as % of employees)	100	100	100	100
Contractors				
LTIFR (n/million hours worked)	0,55	0,31	0,48	0,33
Data coverage (as % of contractors)	100	100	100	100

3.5 CUSTOMER RELATIONS

3.5.1 Online Strategies & Customers online

In 2024, 39.7% of total revenues were generated through online channels, compared to 37.6% in 2023. Please note that the 2023 figure has been restated due to a perimeter change, which may affect year-on-year comparability.

3.5.1 Online Strategies & Customers Online	2021	2022	2023	2024
% of total customers using company's online services solutions/sales platform	34.1 %	23.9 %	24.85 %	25.84 %
Total number of new employee hires				
% of revenues generated online (e.g. through direct sales, advertising, etc.)	41.3 %	39.7 %	37.6 %	39.7 %

3.6 PRIVACY PROTECTION

3.6.1 Privacy Policy: Systems/Procedures

Throughout 2024, Meliá Hotels International conducted an independent external audit on personal data protection. The aim was to assess compliance with current legislation in this area, identify opportunities for improvement, and strengthen the trust of our stakeholders in the responsible management of information.

The audit was conducted by a third-party expert specialized in the field. The scope of this audit included a review of personal data processing activities specific to hotel operations and corporate processes.

In addition, the Company's Internal Audit Department periodically reviews aspects related to personal data protection as part of its work. For this purpose, it uses a review checklist developed in collaboration with the Data Protection Office, which allows us to measure the degree of compliance with certain key aspects related to Personal Data Protection.

The results of these audits serve as a basis for making the necessary adjustments and further strengthening our personal data protection mechanisms proactively, in line with our commitment to continuous improvement and with the provisions of our privacy policy regarding the performance of periodic audits to assess the degree of implementation and compliance with the measures established in data protection regulations and the commitments set forth in the Policy itself.

3.6.2 Customer Privacy Information

The company collects data from its customers for various purposes, including, for example, managing the bookings made and managing the provision of the contracted accommodation service. In addition, the company uses the data collected for other purposes that could be considered secondary, such as, among others, manage surveys and/or evaluations regarding the quality of the services provided in order to improve the products and services provided. In this specific case, quality surveys are sent to all customers (in those countries where this is permitted); therefore, it can be considered that for 100% of users, their personal data is used for secondary purposes.

3.7 COMMUNITY RELATIONS

3.7.1 Stakeholder Engagement Policy

We are aware of the importance of fostering lasting relationships with our stakeholders to maintain solid links, with the local communities of the destinations where we are present, due to the proximity and knowledge that our hotels present in the different destinations and cities acquire of their reality and their needs, we respond and attend to the requests that reach us through our different communication channels. Including those that ensure the protection of people at risk of vulnerability.

At the cornerstone of our engagement policy stands our Code of Ethics, which identifies the main stakeholders we interact with and establishes how we should be interacting with them.

Our stakeholders include different groups, with different concerns, needs and requests, whereby we need to attend and respond depending on the affected interest group and the department responsible for the relevant group.

- Shareholders and investors
- Employees
- Customers
- Owners, Landlords & Partners
- Suppliers
- Press and media
- Regulators and government
- Sector associations
- Associations & Social Entities
- Influencers

Depending on the type of stakeholder, we have tailored engagement programs. For instance, all type of property and hotels owners in Meliá from the four contracting/management styles, have a dedicated global engagement inbox (owners.relations@melia.com) as well as a direct relationship with the local Owner Relations/Hotels managers. These managers give support to the appropriate Board of Directors, to represent Meliá and provide a link between the owners and our organization, to simplify communications and facilitate the resolution of situations. Those hotels with Joint Ventures also engage with the team dedicated within the Real Estate & Sustainability department to this, that coordinates satisfaction and communication.

➤ **3.7.2 Stakeholder engagement programs**

Additionally, our clients have a Customer Service & Contact Center, available in 7 languages. In 2024, we received almost 22.000 emails ranging from bookings, cancelations, acknowledgments, complaints to doubts. You can find more information on this in our 2024 Annual Report as well as other programs such as our dedicated employment engagement platform (Meliá Careers) as well as on the Health & Safety Committees, established in each hotel. These programs are key for Meliá to engage with employees of different types, including those which are vulnerable.

CDP PRELIMINAR REPORT

2.6 CLIMATE STRATEGY

This section has been developed with the objective of answering the questions in the following points:

- 2.6.4 Climate Governance**
- 2.6.6 Climate-Related Management Incentives**
- 2.6.7 Climate Risk Management**
- 2.6.8 Financial Risks of Climate Change**
- 2.6.9 Financial Opportunities Arising from Climate Change**
- 2.6.10 Climate-Related Scenario Analysis**
- 2.6.11 Physical Climate Risk Adaptation**
- 2.6.12 Emissions Reduction Targets**

The CDP 2024 is not public as of the platform's closing date, however the next figures are aligned with the CDP guidelines and 2024 report.

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Question details	
Change from last year	No change
Rationale	It is crucial for investors and data users to understand your organization's risk exposure, especially regarding any environmental risks across your value chain which are anticipated to have substantive effects on your organization. This includes both risks which have already had an effect within the reporting year and risks which may have an effect in the future. If no environmental risks with substantive effects have been identified as part of your assessment, it is equally crucial for data users to understand how and why you have concluded that such risks are not anticipated to affect your organization.
Ambition	The organization discloses environmental risks which have had or are anticipated to have a substantive effect on the organization's strategy, business activities, value chain, financial position (e.g., assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows.
Response options	Please complete the following table:

0	1	2	3
Environmental issue	Environmental risks identified	Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain	Please explain
Climate change	Select from: <ul style="list-style-type: none"> • Yes, both in direct operations and upstream/downstream value chain [not shown to FS] • Yes, only within our direct operations [not shown to FS] • Yes, only in our upstream/downstream value chain (excluding direct operations) [not shown to FS] • Yes, only in our portfolio [FS only] • Yes, both within our direct operations or upstream value chain, and within our portfolio [FS only] • Yes, only within our direct operations or 	Select from: <ul style="list-style-type: none"> • Environmental risks exist, but none with the potential to have a substantive effect on our organization • Evaluation in progress • Lack of internal resources, capabilities, or expertise (e.g., due to organization size) • No standardized procedure • Not an immediate strategic priority • Insufficient data • Other, please specify 	Text field [maximum 2,500 characters]

	upstream value chain [FS only] <ul style="list-style-type: none"> • No 		
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[Fixed row]

Requested content	<p>General</p> <ul style="list-style-type: none"> • For the purposes of this response, the environmental risks reported should be those which: <ul style="list-style-type: none"> ○ Have had or are anticipated to have a substantive effect on your organization, in line with your definition of substantive effect provided in 2.4; ○ Have had or are anticipated to have a substantive effect at the corporate level, and not simply at the asset, business unit and/or geographic level where they may occur; and ○ Have had or are anticipated to have a substantive effect when considering the inherent risk (existing in the absence of controls, i.e. not considering any mitigation or management measures that have been or could be implemented) as well as the residual risk (remaining after a specific action has been taken to manage the risk). • Your selection in column 1 “Environmental risks identified” will determine whether columns 2 “Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain” and 3 “Please explain” will be presented and drive the appearance of rows in question 5.3. <p>Environmental risks identified (column 1)</p> <ul style="list-style-type: none"> • Select the appropriate “Yes” option if any risks have been identified as having had or having anticipated substantive effects before any response actions are accounted for. Consider both the risks which have been accepted and those to which you are responding when determining which option to select. • Note for financial services companies: Select option “Yes, only within our direct operations or upstream value chain” only if you have identified risks, but none of these relate to your lending, investing, or insurance activities relating to your portfolio. <p>Please explain (column 3)</p> <ul style="list-style-type: none"> • This column is presented if any option other than "Yes, both in direct operations and upstream/downstream value chain" or "Yes, both within direct operations or upstream value chain, and within our portfolio" is selected in column 1. • Explain why your organization has concluded that it is not exposed to environmental risks.
Explanation of terms	<ul style="list-style-type: none"> • Direct operations: all activities and sites (e.g., buildings, farms, mines, retail stores) over which the reporting organization has operational or financial control. This covers any internal supply chains between the organization’s business units (Based on TNFD, 2023; SBTN, 2023). • Environmental risks: potential threats (effects of uncertainty) posed to an organization that arise from its and wider society’s dependencies and impacts on the environment (Adapted from TNFD “Nature related risk”, 2023). • Inherent risk: the risk that exists in the absence of controls, i.e. not considering any potential mitigation or management measures that could be implemented. • Residual risk: the risk remaining after a specific action has been taken to respond to the risk. • Substantive effect: an effect that has a considerable or relatively significant effect on an organization at the corporate level in terms of risks and opportunities. This could include

	<p>operational, financial or strategic effects that undermine, or provide opportunities for, the entire organization or part of the organization.</p> <ul style="list-style-type: none"> Value chain: the entire sequence of upstream and downstream activities, sites, resources, and relationships associated with the reporting organization’s operations, starting with the raw materials and extending through end-of-life management, aimed at providing or receiving value from an organization's products and services within, upstream, or downstream of direct operations (Adapted from GHG, 2013; ESRS, 2023; SBTN, 2023).
Additional information	<p>Client Earth details some of the material business risks that companies may be exposed to as a result of plastic waste and sets out the legal obligations on business directors to take action to deal with these risks: Risk unwrapped: Plastic pollution as a material business risk.</p>

Tags		
Authority Type	All requesters	
Environmental Issue (Theme)	Question level	All
Questionnaire Sector	Question level	All, M-B

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Question details	
Question dependencies	This question only appears if you select any of the “Yes,” options in response to column “Environmental risks identified” of 3.1.
Change from last year	Modified guidance
Rationale	Your response to this question provides data users with an overview of the environmental risks affecting your organization now and in the future. Information on the current and anticipated financial effects of these risks, and your response strategy to manage and mitigate them, are critical elements for guiding investments as well as implementing corporate actions to improve business resilience and environmental stewardship.
Ambition	<p>The organization discloses environmental risks which have had or are anticipated to have a substantive effect on the organization’s strategy, business activities, value chain, financial position (e.g. assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows. The disclosure per risk includes:</p> <ul style="list-style-type: none"> ○ The timeframe, likelihood and magnitude associated with the effects of the risk, ○ Current and anticipated effects on the value chain and where these risks are located, ○ Whether the risks are physical (acute or chronic) or transition risks (policy, market, reputation, technology, liability), ○ The current and anticipated financial effects of the risks, ○ The costs of response to a risk, a description of the response and an explanation of the cost calculation, ○ (FS Sector) For financial institutions, environmental risks drivers are mapped to other risk management categories (e.g. credit risk, market risks, operational risk). <ul style="list-style-type: none"> ● (Financial Services sector) Financial institutions assess their portfolio for environmental risks, as well as measure and disclose the current and anticipated financial effect of the risks.
Response options	Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

1	2	3	4	5	6	7
Environmental issue the risk relates to	Risk identifier	Commodity	Risk type and primary environmental risk driver	Value chain stage where the risk occurs	Risk type mapped to traditional financial services industry risk classification	Country/area where the risk occurs
Climate change	Risk 1	N/A	Acute physical <ul style="list-style-type: none"> Cyclone, hurricane, typhoon, Storm (including blizzards, dust and sandstorm) and Tornado 	Select from: <ul style="list-style-type: none"> Direct operations Upstream value chain Downstream value chain [not shown to FS] Banking (Bank) portfolio [FS only] Investing (Asset manager) portfolio [FS only] Investing (Asset owner) portfolio [FS only] Insurance underwriting portfolio [FS only] End-of-life management [P only] 	Select all that apply: <ul style="list-style-type: none"> Capital adequacy and risk-weighted assets Liquidity risk Funding risk Market risk Credit risk Insurance risk Reputational risk Policy and legal risk Systemic risk Operational risk Strategic risk Other non-financial risk None	<ul style="list-style-type: none"> Germany Austria United States Spain France United Kingdom Italy Luxemburg Mexico The Netherlands Peru Dominican Republic Venezuela

8	9	10	11	12	13	14	15
River basin where the risk occurs	Mining project ID	Organization- specific description of risk	% of portfolio value vulnerable to this risk	Primary financial effect of the risk	Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude

N/A	N/A	<p>The increase in the frequency and intensity of extreme weather events such as high winds, hurricanes and tornadoes poses a significant physical risk to Meliá, particularly in tropical and coastal regions where the company has a high presence of hotels. These extreme weather events can cause structural damage to assets, disruptions to normal operations and logistical challenges to ensure the safety of customers and employees. They can also compromise the supply of basic services and generate disruptions in the value chain. This risk is considered within Meliá's Global Risk Map and is analyzed within the framework of the climate scenarios used by the company. The risk assessment considers specific aspects of the operating environment, such as the location of the hotels, their degree of exposure and the infrastructure available to mitigate impacts. The integration of this risk in the strategic planning processes makes it possible to anticipate vulnerabilities and define specific adaptation measures for the most exposed assets.</p>	N/A	<ul style="list-style-type: none"> • Increased insurance premiums • Impact in infrastructure • Damage to landscaping and outdoor amenities • Accessibility issues for guests 	<p>Select all that apply:</p> <ul style="list-style-type: none"> • Short-term • Medium-term • Long-term • The risk has already had a substantive effect on our organization in the reporting year 	<p>Select from:</p> <ul style="list-style-type: none"> • Virtually certain • Very likely • Likely • More likely than not • About as likely as not • Unlikely • Very unlikely • Exceptionally unlikely • Unknown 	<p>Select from:</p> <ul style="list-style-type: none"> • High • Medium-high • Medium • Medium-low • Low • Unknown
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16	17	18	19	20	21	22
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Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?	Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)
<p>In the reporting period, the risk associated with the increased frequency of strong winds, hurricanes and tornadoes has had a significant effect on Meliá's financial and operating position, especially in those assets located in high exposure areas such as Mexico, the Dominican Republic or the Mediterranean coast. The increasing occurrence of extreme weather events has increased pressure on operating and capital (CapEx) costs, especially related to corrective maintenance, structural repairs and infrastructure adaptation. These phenomena can cause disruptions in hotel activity, temporarily affecting operating revenues and altering cash flows due to the unexpected increase in disbursements related to the repair of damages.</p> <p>From an accounting perspective, this</p>	<p>In the coming years, the increased frequency and intensity of extreme weather events such as hurricanes, tornadoes and high winds are expected to have an increasingly significant effect on Meliá's financial and operating position, especially in assets located in highly exposed coastal areas such as Mexico, the Dominican Republic, the Caribbean and certain regions of Southern Europe. These weather events may generate severe material damage to infrastructure, cause temporary closures, service disruptions and directly affect revenues due to loss of occupancy or cancellations.</p> <p>In financial terms, the expected impact translates into a sustained increase in spending in corrective and preventive maintenance (CapEx), as well as higher insurance premiums in</p>	<p>Select from:</p> <ul style="list-style-type: none"> • Yes • No 	<p>Numerical field [enter a number from 0 to 999,999, 999,999,999 using up to 2 decimal places] 10.000.000 (€)</p>	<p>Numerical field [enter a number from 0 to 999, 999, 999,999,999 using up to 2 decimal places] 50.000</p>	<p>Numerical field [enter a number from 0 to 999, 999, 999,999,999 using up to 2 decimal places] 60.000</p>	<p>Numerical field [enter a number from 0 to 999, 999, 999,999,999 using up to 2 decimal places] 3.000.0000</p>

<p>risk can have a direct impact on items such as provisions, operating expenses, insurance and asset depreciation. At the financial level, the recurrence of these events contributes to an increase in insurance premiums and requires reinforcing coverage and emergency response capacity, affecting the company's financial stability and resilience.</p>	<p>regions considered high-risk. This trend may reduce operating margins and condition future investment planning by requiring the allocation of greater resources to strengthen the resilience of existing assets. In addition, pressure on cash flows is anticipated from unforeseen disbursements and possible changes in the seasonality of tourism demand.</p>						
<p>Although the impacts are geographically localized, the cumulative effect may strain liquidity in certain business units and compromise the ability to reinvest in infrastructure improvements. Although the risk has not generated a material consolidated loss at the group level, it has required the activation of preventive and corrective mechanisms that directly influence the operating margins of the assets exposed to the risk.</p>	<p>From an accounting standpoint, the effects could be reflected in items such as provisions for claims, asset impairment, adjustments in depreciation rates, and additional operating expenses. These impacts will be more noticeable in the long term, as the intensity and recurrence of events increase, requiring active risk management and the implementation of more robust contingency plans to protect both operational continuity and the financial sustainability of the business.</p>						

23	24	25	26	27	28	29	30
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Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)	Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
6.000.000	260.000.000	270.000.000	<p>The estimated financial impact values for this risk have been calculated using a projection model that combines historical data on damage caused by hurricanes, tornadoes and severe storms to operating assets, with future climate scenarios developed under the SSP2-4.5 and SSP5-8.5 frameworks. The analysis considers the estimated % of damage per hotel based on the type of meteorological event and its intensity, as well as the location and exposure of each asset. The methodology used is based on the analysis of maintenance and repair expenditure (CapEx) derived from past events, which is projected forward by adjusting the frequency and severity according to the weather scenario. The evolution of the average wind speed and the greater probability of category 4 or 5 events in the most vulnerable areas (mainly Mexico,</p>	<p>Infrastructure, technology and spending</p> <ul style="list-style-type: none"> Increase environment-related capital expenditure <p>Policies and plans</p> <ul style="list-style-type: none"> Increase insurance coverage 	10,000,000 (€)	COSTE DE LA RESPUESTA = PRIMA + FRANQUICIA	<p>SITUATION: The increasing frequency and intensity of cyclones, hurricanes and typhoons has a direct impact on Meliá's entire value chain. Damage to infrastructure, interruption of services, accessibility problems for guests, damage to landscaping and outdoor facilities, as well as an increase in operating costs, are some of the consequences experienced by the company.</p> <p>TASK: Implement a risk management mechanism against cyclones, hurricanes and typhoons to minimize the damage caused by them.</p> <p>ACTION: In order to manage the risk that could be posed by an increase in the frequency and intensity of cyclones, hurricanes and typhoons, and other extreme phenomena, Meliá has implemented the following measures:</p> <ul style="list-style-type: none"> Meliá's assets and operations are covered by an insurance policy, with premiums of €10M per year and an excess of €250K, which covers any potential liability that may arise from losses related to environmental effects, including those related to climate change with limits between €190 and €255 million. Specific emergency plans approved and implemented to minimize the consequences of

			<p>Dominican Republic and the Caribbean) have been used as a basis. For each time horizon (short, medium and long term), the accumulated potential damage is calculated and translated into an increase in annual maintenance costs per hotel unit, considering the built surface area, type of asset and local climatology.</p> <p>This approach allows the estimated figure to be directly linked to the main financial effect identified: the increase in capital expenditure associated with structural repairs and maintenance resulting from extreme weather events. In addition, conservative assumptions about inflation and the evolution of the insured value are integrated, without including indirect effects such as revenue losses due to temporary closure. The main limitation of the model lies in the uncertainty about the exact trajectory of future events and their specific location, although this is compensated for by sensitivity analysis and probabilistic ranges.</p>				<p>emergency situations.</p> <ul style="list-style-type: none"> - The Sustainability Committee, whose functions include ensuring that all risks that may arise from climate change are identified and controlled. - The Appointments and Remuneration Committee acts as supervisor of the proper functioning of the management of this type of risk. <p>RESULT: By way of example, in 2024, the Me Ibiza hotel suffered the impact of the DANA on November 11, causing damages of more than 17,000 euros, however, thanks to the implementation of these measures carried out by Meliá, the operation of the hotels was able to return to normal.</p>
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			This approach makes it possible to estimate more reliably the financial climate risk associated with this extreme physical phenomenon.			
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1	2	3	4	5	6	7
Environmental issue the risk relates to	Risk identifier	Commodity	Risk type and primary environmental risk driver	Value chain stage where the risk occurs	Risk type mapped to traditional financial services industry risk classification	Country/area where the risk occurs
Climate change	Risk 2	N/A	Acute physical <ul style="list-style-type: none"> Flooding (coastal, fluvial, pluvial, groundwater), Heavy precipitation (rain, hail, snow/ice) 	Select from: <ul style="list-style-type: none"> Direct operations Upstream value chain Downstream value chain [not shown to FS] Banking (Bank) portfolio [FS only] Investing (Asset manager) portfolio [FS only] Investing (Asset owner) portfolio [FS only] Insurance underwriting portfolio [FS only] End-of-life management [P only] 	Select all that apply: <ul style="list-style-type: none"> Capital adequacy and risk-weighted assets Liquidity risk Funding risk Market risk Credit risk Insurance risk Reputational risk Policy and legal risk Systemic risk Operational risk Strategic risk Other non-financial risk None 	<ul style="list-style-type: none"> Germany Austria United States Spain France United Kingdom Italy Luxemburg Mexico The Netherlands Peru Dominican Republic Venezuela

8	9	10	11	12	13	14	15
River basin where the risk occurs	Mining project ID	Organization- specific description of risk	% of portfolio value vulnerable to this risk	Primary financial effect of the risk	Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude
N/A	N/A	<p>The risk of increased frequency of extreme rainfall and flooding represents a significant threat to Meliá, especially in inland, coastal and tropical regions where many of its owned and managed hotels are located. These adverse weather conditions can cause flooding of facilities, power and water supply interruptions, blockage of access to hotels, preventive evacuations and damage to landscaped areas or outdoor swimming pools. Meliá considers this risk within its corporate ESG risk map, where physical impacts such as floods and torrential rains that directly affect the operational continuity of its assets are evaluated. Through contingency plans and specific insurance coverage, the company mitigates the effects of these events, especially in destinations such as the Caribbean, Southeast Asia and certain areas of the Spanish Mediterranean coast. In addition, the</p>	N/A	<ul style="list-style-type: none"> • Increased insurance premiums • Impact in infrastructure • Damage to landscaping and outdoor amenities 	<p>Select all that apply:</p> <ul style="list-style-type: none"> • Short-term • Medium-term • Long-term • The risk has already had a substantive effect on our organization in the reporting year 	<p>Select from:</p> <ul style="list-style-type: none"> • Virtually certain • Very likely • Likely • More likely than not • About as likely as not • Unlikely • Very unlikely • Exceptionally unlikely • Unknown 	<p>Select from:</p> <ul style="list-style-type: none"> • High • Medium-high • Medium • Medium-low • Low • Unknown

		Sustainability Committee monitors these risks as part of the integrated management system, in coordination with hotel emergency plans and climate change adaptation policies.					
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16	17	18	19	20	21	22
Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?	Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)
During the reporting year, the increase in the frequency and intensity of extreme rainfall events has had an operational impact on several Meliá hotel assets, particularly in countries such as Germany and the United Kingdom, which are more exposed. These events have caused moderate property damage, especially in facilities located in urban areas with limited drainage or near river courses. As a result, there have been temporary service interruptions and increased operating expenses for repairs, preventive maintenance and urgent interventions.	The progressive increase in heavy rainfall and flooding is expected to have an increasing impact on Meliá's hotel operations, especially in assets located in urban areas with limited drainage capacity or in proximity to watercourses. As these events intensify, as reflected in the SSP2-4.5 and SSP5-8.5 scenarios, recurring increases in operating costs for structural repairs, preventive maintenance and emergency management are anticipated. In the medium and long term, countries such as Germany, the United Kingdom, Spain and	Select from: <ul style="list-style-type: none"> • Yes • No 	Numerical field [enter a number from 0 to 999,999, 999,999,999 using up to 2 decimal places] 5,000,000 (€)	Numerical field [enter a number from 0 to 999, 999, 999,999,999 using up to 2 decimal places] 400.000	Numerical field [enter a number from 0 to 999, 999, 999,999,999 using up to 2 decimal places] 400.000	Numerical field [enter a number from 0 to 999, 999, 999,999,999 using up to 2 decimal places] 500.000

<p>From a financial point of view, this risk has increased the pressure on OpEx items, requiring interventions not foreseen in the initial budgets. Likewise, daily operations have been affected in certain locations, temporarily limiting occupancy and affecting income from lodging and complementary services.</p>	<p>Mexico present greater vulnerability due to their weather patterns and geographic location. This exposure could result in higher volatility in cash flows and the need for adjustments in asset maintenance and depreciation budgets.</p>					
<p>The direct impact on the income statement has been concentrated in additional costs rather than in prolonged revenue losses, although it has not been possible to isolate the exact economic effect of each episode since it is integrated in the general operating costs. The impact has been significant at the local level, but has not compromised the overall financial stability of the group, although it does highlight the need to reinforce critical infrastructures.</p>	<p>In terms of financial performance, the risk could translate into a reduction of operating margins in locations affected by non-recurring expenses, as well as possible impacts on hotel occupancy, especially in tourist periods if they coincide with severe weather episodes. While the impact may not compromise the company's overall viability, it does represent additional pressure on its profitability and financial planning.</p>					
<p>The exact financial quantification of the impact has not been broken down due to the lack of specific analytical accounting by climate event. However, a one-off increase in maintenance and contingency expenses has been identified for assets located in areas of higher exposure.</p>	<p>Given that future effects will depend on the intensity and frequency of extreme weather events, there is a high degree of uncertainty in accurately quantifying their impact. However, analyses suggest that the risk will be increasingly material, and adaptation plans and investments in resilience are being evaluated to mitigate its</p>					

effects.						
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23	24	25	26	27	28	29	30
Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)	Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
600.000	800.000	1.000.000	The financial impact associated with this risk was estimated based on the analysis of representative climate scenarios (SSP2-4.5 and SSP5-8.5), evaluating the relationship between the increase in the frequency and intensity of extreme precipitation events and the effect that these phenomena have on the operating costs of maintenance and repair of hotel assets. The methodological approach used combines the identification of geographical areas with greater climate vulnerability (such as Germany, the United Kingdom and Mexico), the current exposure of the hotel stock in those regions, and the projection of more severe weather conditions in the future. Based on these variables, we have estimated the relative increase in expenses derived from structural damage, leaks, infrastructure	<p>Infrastructure, technology and spending</p> <ul style="list-style-type: none"> Improve maintenance of infrastructure <p>Policies and plans</p> <ul style="list-style-type: none"> Amend the Business Continuity Plan <p>Compliance, monitoring and targets</p> <ul style="list-style-type: none"> Implementation of environmental best practices in direct operations 	5,000,000 (€)	COSTE DE LA RESPUESTA = PRIMA + FRANQUICIA	Meliá Hotels is strongly impacted by the increase in storms and adverse weather phenomena that directly affect Meliá's entire value chain, due to their impact on infrastructure, interruption of services, accessibility problems for guests, damage to landscaping and outdoor equipment and increased operating costs, among others. TASK: Implement a risk management mechanism for extreme weather events to minimize the damage caused by them. ACTION: In order to manage the risk that could be posed by an increase in the frequency and intensity of extreme precipitation associated with storm events such as tropical storms, thunderstorms, etc., Meliá has implemented the following measures: Meliá operations are covered by an insurance policy, with premiums of €15M per year and an excess of €250K, which covers any possible liability that could arise from claims related to environmental effects, including those related to climate change with limits between €190 and €255 million. - Specific emergency plans approved and implemented to

			<p>failures, and damages to hotel operations, especially in urban areas or areas with low drainage capacity.</p> <p>The calculation considers the relationship between the exposure of the assets, their specific location, the historical pattern of impacts and the expected evolution of rainfall in each time horizon. These impacts translate into increasing pressure on recurring maintenance costs, especially in facilities with higher vulnerability to heavy rainfall or repeated flooding.</p> <p>The information used comes from internal analyses based on IPCC projections and past experience with similar events in the countries identified. The risk is aligned with the primary financial effect defined as "Increased annual maintenance and repair costs", given the need for more frequent and costly interventions to maintain the functionality and operational safety of hotel infrastructures.</p>			<p>minimize the consequences of emergency situations.</p> <ul style="list-style-type: none"> - The Sustainability Committee, whose functions include ensuring that all risks that may arise from climate change are identified and controlled. - The Remuneration and Appointments Committee & Sustainability acts as supervisor of the proper functioning of the management of this type of risk. A recent example is the storm that affected the Peninsula and the Balearic Islands on December 7 and 8, 2024, causing damages to the Inside Calviá Beach and Momentum Plaza hotels for a value of 37,000€. <p>By implementing a risk management mechanism for extreme weather events, Meliá is actively working to mitigate the risks of climate change and protect its business from adverse weather events (UN Sustainable Development Goal 13).</p>
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			<p>This approach seeks to reflect in a qualitative manner the progressive deterioration of assets and the sustained economic pressure that can result from increasingly frequent extreme weather events, without the need to provide an exact figure for their valuation.</p>				
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1	2	3	4	5	6	7
Environmental issue the risk relates to	Risk identifier	Commodity	Risk type and primary environmental risk driver	Value chain stage where the risk occurs	Risk type mapped to traditional financial services industry risk classification	Country/area where the risk occurs
Climate change	Risk 3	N/A	Technology <ul style="list-style-type: none"> Transition to lower emissions technology and products 	Select from: <ul style="list-style-type: none"> Direct operations Upstream value chain Downstream value chain [not shown to FS] Banking (Bank) portfolio [FS only] Investing (Asset manager) portfolio [FS only] Investing (Asset owner) portfolio [FS only] Insurance underwriting portfolio [FS only] End-of-life management [P only] 	Select all that apply: <ul style="list-style-type: none"> Capital adequacy and risk-weighted assets Liquidity risk Funding risk Market risk Credit risk Insurance risk Reputational risk Policy and legal risk Systemic risk Operational risk Strategic risk Other non-financial risk None 	<ul style="list-style-type: none"> Germany Austria United States Spain France United Kingdom Italy Luxemburg Mexico The Netherlands Peru Dominican Republic Venezuela

8	9	10	11	12	13	14	15
River basin where the risk occurs	Mining project ID	Organization- specific description of risk	% of portfolio value vulnerable to this risk	Primary financial effect of the risk	Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude
N/A	N/A	<p>The risk associated with the increased costs of transitioning to low-emission technologies stems mainly from the increasing regulatory tightening and advancement of climate policies in the European Union, such as the Corporate Sustainability Reporting Directive (CSRD) and the Carbon-Boundary Adjustment Mechanism (CBAM). These initiatives put pressure on organizations, including the hotel sector, to invest in more energy-efficient technologies with a lower carbon footprint.</p> <p>In the case of Meliá Hotels International, this risk materializes in the need to progressively adapt its hotel assets to more demanding criteria in terms of energy efficiency and decarbonization, including the renovation of air conditioning systems, lighting, thermal insulation or the replacement of fossil fuels with renewable sources. This transition, although strategic and aligned with the company's ESG commitments, implies</p>	N/A	<ul style="list-style-type: none"> • Increased capital expenditures • Upfront costs to adopt/deploy new practices and processes • Increased indirect [operating] costs 	<p>Select all that apply:</p> <ul style="list-style-type: none"> • Short-term • Medium-term • Long-term • The risk has already had a substantive effect on our organization in the reporting year 	<p>Select from:</p> <ul style="list-style-type: none"> • Virtually certain • Very likely • Likely • More likely than not • About as likely as not • Unlikely • Very unlikely • Exceptionally unlikely • Unknown 	<p>Select from:</p> <ul style="list-style-type: none"> • High • Medium-high • Medium • Medium-low • Low • Unknown

		<p>an increase in operating and capital costs, especially in establishments located in European countries with stricter regulations. In addition, there are risks associated with the technical obsolescence of certain assets and possible operational disruptions during the implementation of these technologies.</p>					
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16	17	18	19	20	21	22
Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?	Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)
<p>The risk associated with the increased costs associated with the transition to low-emission technologies has begun to manifest itself in the organization's financial performance during the reporting year, mainly through an increase in direct operating costs and the capital required for the modernization of facilities and the acquisition of new technologies. This transition involves the replacement of carbon-intensive equipment with more energy-efficient or</p>	<p>Over the next few years, it is anticipated that the risk derived from the increased costs of the transition to low-emission technologies will continue to have a substantive effect on the organization's financial position, economic performance and cash flows. In the medium and long term, the increase in capital and operating costs, mainly linked to investment in clean technologies, equipment renewal, electrification of</p>	<p>Select from:</p> <ul style="list-style-type: none"> • Yes No 	<p>Numerical field [enter a number from 0 to 999,999,999,999,999,999 using up to 2 decimal places] 49.500.000€</p>	<p>Numerical field [enter a number from 0 to 999,999,999,999,999,999 using up to 2 decimal places] 330.000.000</p>	<p>Numerical field [enter a number from 0 to 999,999,999,999,999,999 using up to 2 decimal places] 300.000.000</p>	<p>Numerical field [enter a number from 0 to 999,999,999,999,999,999 using up to 2 decimal places] 500.000.000</p>

<p>electrified solutions, which entails significant outlays, especially in destinations where the existing infrastructure is not adapted.</p> <p>Furthermore, the transformation process requires investments in personnel training, adaptation of management systems and, in some cases, partial redesign of services, which temporarily affects operating efficiency and may generate cash flow tensions. This risk is accentuated by the evolution towards more demanding regulatory frameworks and by the increased cost of compliance (ESG reporting, verification of emissions, acquisition of certificates, etc.).</p> <p>Although the organization has planned these investments within its sustainability and climate transition strategy, uncertainty about the evolution of technological prices and the speed of global implementation may cause deviations in budgets and affect the profitability of certain business units. In this context, it has not been possible to precisely quantify the total financial effect due to the difficulty of isolating the specific impact of this risk from other operational and</p>	<p>thermal consumption and compliance with stricter environmental regulations, could put pressure on the profitability of certain operations and temporarily reduce available liquidity.</p> <p>This scenario is particularly relevant in facilities located in regions where climate regulatory frameworks are tightening or where access to green finance is limited or involves cost overruns.</p> <p>Likewise, the impact may be reflected in a reduction of operating margins in the initial stages of implementation, due to the amortization of new infrastructure and adaptation costs.</p> <p>However, it is expected that, once the initial investment effort has been absorbed, these measures will generate efficiencies in the medium term, both in terms of energy costs and regulatory and reputational resilience. Thus, the risk presents a dual effect: significant initial financial pressure, but with a potential positive return if effective strategic integration into the global energy transition is achieved.</p>					
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market factors. Nevertheless, a relevant pressure on operating margins is expected in the short and medium term.						
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23	24	25	26	27	28	29	30
Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)	Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
500.000.000	200.000.000	800.000.000	<p>The quantification of the financial impact associated with this risk was based on the estimate of the cost required to increase the energy rating of the hotels to category A. For this purpose, the average price per square meter (€/m²) required to undertake this transformation has been used as a reference indicator, applying it to the total built surface area of Meliá's establishments in each country evaluated.</p> <p>The calculation methodology used is based on an analysis by climate scenario (APS and NZE) and time horizon (short, medium and long term), considering three main factors: (1) the degree of exposure (number of hotels without A certification), (2) the unit cost of improvement per square meter depending on</p>	<p>Infrastructure, technology e investment</p> <ul style="list-style-type: none"> Increase environment-related capital expenditure <p>Policies y planes</p> <ul style="list-style-type: none"> Develop a climate transition plan [C only] 	49.500.000€	Total CAPEX eligible in fiscal year 2024.	In the fiscal year 2024, Meliá has recorded a total turnover of €1,826 Mn (+5%) with a total CapEx of €50 Mn (-35%), and a total OpEx of €155 Mn (-2%). Following the investment processes in the upgrade and repositioning of our hotels in previous years, this period CapEx has been reduced compared to 2023. Regarding the CAPEX financial metric, a total of 49,500,000 eligible has been allocated in 2024.

		<p>the regulatory scenario, and (3) the expected urgency of compliance in each scenario. The NZE scenarios show higher investment figures, due to the fact that they imply a faster and deeper transformation, which requires advancing investments and undertaking renovations in more establishments in less time. In turn, corrective factors linked to the maturity of the hotel stock and its current degree of energy efficiency have been incorporated. This analysis has made it possible to estimate the projected annual CapEx values for each country affected and time horizon, reflecting the most significant effects in Spain, Mexico and the Dominican Republic.</p> <p>These figures have been aggregated at the regional level and by type year to model the total financial pressure arising from this transition risk. All assumptions used have been aligned with industry projections and technical studies of the hotel sector.</p>				
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Risk type and primary environmental risk driver (column 4)	
<p>Policy</p> <ul style="list-style-type: none"> • Carbon pricing mechanisms [C only] • Changes to international law and bilateral agreements • Changes to national legislation • Changes to regulation of existing products and services • Increased difficulty in obtaining operations permits • Increased difficulty in obtaining water withdrawal permits [W only] • Introduction of regulatory standards for previously unregulated contaminants [W only] • Increased pricing of water [W only] • Lack of globally accepted and harmonized definitions [P only] • Lack of mature certification and sustainability standards • Limited or lack of river basin management [W only] • Limited or lack of transboundary water management [W only] • Mandatory water efficiency, conservation, recycling or process standards [W only] • Poor enforcement of environmental regulation • Poor coordination between regulatory bodies • Protected area designation [M-B only] • Regulation of discharge quality/volumes [W only] • Statutory water withdrawal limits/changes to water allocation [W only] • Uncertainty and/or conflicts involving land tenure rights and water rights [F, W, B only] • Other policy risk, please specify <p>Liability</p> <ul style="list-style-type: none"> • Exposure to sanctions and litigation • Non-compliance with legislation • Moratoria and voluntary agreements [W, F only] • Regulation and supervision of environmental risk in the financial sector [FS only] • Other liability risk, please specify <p>Technology</p> <ul style="list-style-type: none"> • Dependency on water intensive energy sources [C, W only] • Inability to increase yield of existing production areas [F only] • Lack of access to data or monitoring systems • Limited access to drought-resistant crop varieties [W-AC/FB only] • Limited access to soil conservation and other sustainable techniques [AC/FB/PF only] • Transition to bio-based chemicals [W-CH only] • Transition to reusable products [P only] • Transition to recyclable plastic products [P only] • Transition to increasing renewable content [P only] • Transition to increasing recycled content [P only] • Transition to lower emissions technology and products [C only] • Transition to water efficient and low water intensity technologies and products [W only] • Transition to water intensive, low-carbon energy sources [C, W only] 	<p>Reputation</p> <ul style="list-style-type: none"> • Exclusion of vulnerable and marginalized stakeholders (e.g., informal workers) [P only] • Impact on human health • Increased partner and stakeholder concern or negative partner and stakeholder feedback • Insurance underwriting that could create or contribute to systemic risk for the economy [FS only] • Investing that could create or contribute to systemic risk for the economy [FS only] • Lending that could create or contribute to systemic risk for the economy [FS only] • Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress) • Stigmatization of sector • Other reputation risk, please specify <p>Acute physical</p> <ul style="list-style-type: none"> • Avalanche • Cold wave/frost • Cyclone, hurricane, typhoon • Drought • Flooding (coastal, fluvial, pluvial, groundwater) • Glacial lake outburst • Heat wave • Heavy precipitation (rain, hail, snow/ice) • Landslide • Pollution incident [W, P only] • Rupture of tailings dams [W-MM only] • Storm (including blizzards, dust and sandstorm) • Subsidence • Tornado • Toxic spills [W only] • Wildfires • Other acute physical risk, please specify <p>Chronic physical</p> <ul style="list-style-type: none"> • Acid rock drainage and metal leaching [MM, CO, M-B only] [W and B only] • Change in land-use • Changing precipitation patterns and types (rain, hail, snow/ice) • Changing temperature (air, freshwater, marine water) • Changing wind patterns [C only] • Coastal erosion • Declining ecosystem services [F, W, B only] • Declining water quality [W only] • Groundwater depletion [W only] • Heat stress [C, F only] • Inadequate water-related infrastructure [W only] • Increased ecosystem vulnerability [F, W, B only] • Increased levels of environmental pollutants in freshwater bodies [W only]

<ul style="list-style-type: none"> • Unsuccessful investment in new technologies • Other technology risk, please specify <p>Market</p> <ul style="list-style-type: none"> • Changing customer behavior • Contraction of insurance markets, leaving clients exposed and changing the risk parameters of the credit [FS only] • Inability to attract co-financiers and/or investors due to uncertain risks related to the environment [FS only] • Inadequate access to water, sanitation, and hygiene services [W only] • Increased costs and/or uncertainties related to the cost of virgin plastics [P only] • Lack of availability and/or increased cost of certified sustainable material [C, F, P only] • Lack of availability and/or increased cost of raw materials [F only] • Lack of availability and/or increased cost of recycled or renewable content [C, W, F, P only] • Leakage markets [F only] • Limited visibility of embedded commodities [F only] • Loss of clients due to a fund's poor environmental performance outcomes (e.g. if a fund has suffered climate-related write-downs) [CC-FS only] • Rise in risk-based pricing of insurance policies (beyond demand elasticity) [FS only] • Uncertainty about commodity origin and/or legality [F only] • Uncertainty in market signals • Other market risk, please specify 	<ul style="list-style-type: none"> • Increased levels of macro or microplastic leakage to air, soil, freshwater and/or marine bodies [P only] • Increased severity of extreme weather events • Limited area for disposing solid waste [M-B only] • Land loss to desertification [F only] • Leaching of hazardous substances from plastics [P only] • Ocean acidification • Operations in or adjacent to areas important for biodiversity [M-B only] • Permafrost thawing [C, W only] • Poorly managed sanitation [W only] • Precipitation or hydrological variability • Rationing of municipal water supply [W only] • Reserves located in or adjacent to areas important for biodiversity [M-B only] • Saline intrusion [F, W only] • Scarcity of land resources [F only] • Sea level rise • Seasonal supply variability [F, W only] • Soil degradation • Soil erosion • Solifluction • Temperature variability • Threatened species in or near mining operation [M-B only] • Water stress • Other chronic physical risk, please specify
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Primary financial effect of the risk (column 12)	
<ul style="list-style-type: none"> • Brand damage • Change in revenue mix and sources • Closure of operations • Constraint to growth • Decrease in shareholder value • Decreased access to capital • Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets • Decreased revenues due to reduced demand for products and services • Decreased revenues due to reduced production capacity • Delays in securing operating licenses • Devaluation of collateral and potential for stranded, illiquid assets [FS only] • Disruption in production capacity • Disruption to sales • Disruption in upstream value chain • Disruption to workforce management and planning • Fines, penalties or enforcement orders 	<ul style="list-style-type: none"> • Increased capital expenditures • Increased compliance costs • Increased cost of capital • Increased credit risk • Increased direct costs • Increased indirect [operating] costs • Increased insurance claims liability [FS only] • Increased insurance premiums • Increased production costs • Litigation • Loss of license to operate • Mine closure [MM, CO, M-B only] • Reduced availability of insurance on assets in "high-risk" locations • Reduced profitability of investment portfolios [FS only] • Upfront costs to adopt/deploy new practices and processes • Other, please specify: • Impact in infrastructure • Damage to landscaping and outdoor amenities • Accessibility issues for guests

Primary response to risk (column 27)	
<p>Agricultural practices</p> <ul style="list-style-type: none"> • Adopt alternative crop management strategies to reduce fertilizer and pesticide use [W-AC/FB only] 	<p>Infrastructure, technology and spending</p> <ul style="list-style-type: none"> • Adopt water efficiency, water reuse, recycling and conservation practices [W only]

<ul style="list-style-type: none"> • Adopt alternative livestock management practices [AC/FB only] • Adopt better animal waste management practices [W-AC/FB only] • Adopt sustainable irrigation practices [W only] • Avoid sourcing from jurisdictions with a high risk of deforestation and conversion of other natural ecosystems [F only] • Improve soil health [F, W only] • Reduce food waste throughout the value chain [AC/FB only] • Species management and/or recovery [F only] • Transition from production/sourcing of cattle products [F - Cattle only] • Transition towards a diversified product portfolio that includes alternative proteins [F - Cattle only] • Transition towards a diversified product portfolio that includes alternative materials [recycled and/or plant-based] [F - Cattle only] • Use drought resistant crop varieties [AC/FB only] • Other agricultural practice, please specify <p>Diversification</p> <ul style="list-style-type: none"> • Develop new products, services and/or markets • Increase supplier diversification • Marketing campaign[s] • Market expansion • Improve emergency response systems in sourcing regions [F only] • Improve fire management systems in sourcing regions [F only] • Other diversification, please specify <p>Engagement</p> <ul style="list-style-type: none"> • Align organization’s public policy engagement with its environmental strategy • Engage in multi-stakeholder initiatives • Engage with customers • Engage with local communities • Engage with NGOs/special interest groups • Engage with regulators/policy makers • Engage with River Basin Organizations [W only] • Engage with suppliers • Engage with trade unions • Ensure grievance mechanisms are available to relevant stakeholders [FW] • Introduce/strengthen environmental incentives • Other engagement, please specify <p>Compliance, monitoring and targets</p> <ul style="list-style-type: none"> • Ensure no deforestation and no conversion in own operations [F only] • Establish site-specific targets • Establish organization-wide targets 	<ul style="list-style-type: none"> • Establish and improve end-of-life infrastructure and/or technology [P only] • Implementing buffer stocks or dual sourcing • Improve maintenance of infrastructure [C, W only] • Improve pollution abatement and control measures [P, W only] • Increase environment-related capital expenditure • Increase geographic diversity of facilities • Increase investment in R&D • Increase investment in water, sanitation and hygiene [WASH] [W only] • Greater focus on brownfield expansion [M-B only] • Secure alternative water supply [W only] • Take action to move from single-use plastic products/packaging towards reuse models [P only] • Take action to remove single-use plastic products/packaging [P only] • Take action to switch to recycled content to reduce virgin plastic [P only] • Take action to switch to technically recyclable plastic [P only] • Take action to switch to plastic which is recyclable in practice and at scale [P only] • Take action to reduce microplastic emissions [P only] • Utilize aquifer storage to accrue recharge credits [W only] • Other infrastructure, technology and spending, please specify <p>Nature based solutions, restoration and conservation</p> <ul style="list-style-type: none"> • Biodiversity offsetting [F, M-B only] • Implement ecosystem restoration and long-term protection [C, F, W only] • Engage and support landscape and jurisdictional initiatives [F, M-B only] • Implement nature-based solutions • Promotion of sustainable forest management, including financial incentives [F only] • Support catchment and river restoration [W only] • Support river basin restoration [W only] • Voluntary engagement in conservation projects (including reforestation, afforestation and ecosystem restoration) [F, M-B only] • Other nature-based solution, restoration and conservation, please specify <p>Policies and plans</p> <ul style="list-style-type: none"> • Adopt regenerative agriculture policies [F and W only] • Amend the Business Continuity Plan • Consider relevant transboundary water policies and agreements at national, bilateral or regional level [W only] • Develop a circular economy plan [P only] • Develop a plan to reduce macro and microplastic leakage [P only] • Develop a climate transition plan [C only]
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<ul style="list-style-type: none"> • Greater compliance with regulatory requirements • Greater due diligence • Greater traceability of commodities [F only] • Implementation of environmental best practices in direct operations • Improve monitoring of direct operations • Improve monitoring of upstream and downstream activities • New or tighter supplier performance standards • Promotion of best practice and awareness in the value chain • Promotion of certification, including financial incentives [F, M-B only] • Other compliance, monitoring or target, please specify 	<ul style="list-style-type: none"> • Develop drought emergency plans • Develop flood emergency plans • Improve alignment of public policy influencing activity with environmental commitments [C, F, W only] • Increase insurance coverage • Increased use of sustainably sourced materials • More ambitious environmental commitments and policies • More ambitious no-conversion commitments and policies [F only] • More ambitious policies and commitments to protect natural ecosystems [F, W, M-B only] • Participation in environmental collaborative industry frameworks, initiatives and/or commitments • Use risk transfer instruments • Other policies or plans, please specify <p>Pricing and credits</p> <ul style="list-style-type: none"> • Implement internal price on carbon [C only] • Implement internal price on water [W only] • Increase internal price on carbon [C only] • Increase internal price on water [W only] • Purchase water quality credits [W only] • Promotion/purchase of carbon credits [C, F only] • Other pricing or credit, please specify
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<p>Requested content</p>	<p>General</p> <ul style="list-style-type: none"> • Risks reported should include those which either have had or are anticipated to have a substantive effect on your strategy, business activities, value chain, financial position (e.g. assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows, irrespective of whether the risk has been responded to or accepted. • If a risk relates to multiple environmental issues (e.g. climate change and water), repeat the risk in a row for each relevant environmental issue and use the same risk identifier (column 2) and provide the same information across these rows. • Your selection in column 13 “Time horizon over which the risk...” and column 18 “Are you able to quantify the financial effect of the risk?” will determine the appearance of subsequent columns: <ul style="list-style-type: none"> • If you select “Yes” (i.e. you can provide financial figures related to the risk), columns 19 “Financial effect figure in the reporting year (currency)” to column 25 “Explanation of financial effect figure” may be presented depending on the time horizons selected in column 13 “Time horizon over which the risk...”. <p>Risk identifier (column 2)</p> <ul style="list-style-type: none"> • Select a unique identifier from the drop-down list to track the risk across subsequent questions and reporting years. Select from Risk1-Risk100 and maintain consistency by using the same identifier for recurring risks. For new risks, use a unique identifier that you have not previously used. • If the risk relates to multiple environmental issues, use the same identifier in each row referring to the risk. <p>Risk type and primary environmental risk driver (column 4)</p>
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- The risk types are based on the TNFD's categories of nature-related physical (acute and chronic) and transition (policy, market, reputation, technology, liability) risks. See the Explanation of terms for more information on the types of risks.

Value chain stage where the risk occurs (column 5)

- Note for financial services companies: The options shown will be driven by the organizational activities you selected in 1.10.
- Refer to the "Explanation of Terms" section for definitions of value chain stages.

Risk type mapped to traditional financial services industry risk classification (column 6)

- When assessing environmental risks in this column, consider their alignment with your existing organizational framework. Determine how these risks integrate into your traditional industry risk framework, particularly regarding the classification of potential financial effect. If an identified risk corresponds to multiple industry risk categories, select all that apply.
 - Capital adequacy and risks weighted assets: refers to the minimum amount of capital that must be held by financial institutions in order to reduce the risk of insolvency.
 - Liquidity risk: occurs when a financial institution cannot meet its short-term debt obligations.
 - Funding risk: refers to the risk associated with the effect on a project's cash flow from higher funding costs or lack of availability of funds.
 - Market risk: refers to the possibility of loss resulting from an adverse movement in asset prices.
 - Credit risk: refers the possibility of a loss resulting from a counterparty's failure to repay a loan or meet contractual obligations.
 - Insurance risk: refers to the possibility of loss resulting from an event(s) that triggers the insurer to pay claims.
 - Reputational risk: refers to the risk for negative public perception or to the potential of uncontrollable events to have an effect on a company's reputation.
 - Policy and legal risk: refers to the possibility that legal action will be taken because of an individual's or corporation's actions, inaction, products, services, or other events.
 - Systemic risk: the possibility that an event at the company level could trigger severe instability or collapse an entire industry or economy.
 - Operational risk: refers to the possibility of loss resulting from failed processes, systems, human error or outside influences.

Organization-specific description of risk (column 10)

- Provide further contextual information on the risk driver, including more detail on the exact nature, location and/or regulation of the effect concerned, as well as any notable geographic/regional examples.
- Include organization-specific details, such as references to activities, programs, products, services, methodologies, or operating locations specific to your organization's business or operations.

% of portfolio value vulnerable to this risk (column 11)

- Provide the proportion of your total portfolio value based on total assets value (as reported in 1.10) that is vulnerable to this risk. See "Explanation of terms" for a definition of vulnerability.

Magnitude (column 15)

- The magnitude describes the extent to which the effect, if it occurred, would affect your business. You should consider the business as a whole and therefore the magnitude can reflect both the damage that may be caused and the exposure to that potential damage.

- For example, two organizations may have identical facilities located on a coast in an area which is vulnerable to sea level rise. However, if organization A relies on that facility for 90% of its production capacity and organization B relies on it for only 40% of its production capacity, the magnitude of a sea level rise effect on organization A will be comparatively higher than that on company B.
- It is not possible for CDP to accurately define terms for magnitude as they will vary from organization to organization. For example, a 1% reduction in profits will have different effects on different organizations depending on the profit margins on which they work. Therefore, organizations are asked to determine magnitude on a qualitative scale. Factors to consider include:
 - The proportion of business units affected;
 - The size of the effect on those business units;
 - The dependency of the company on those units; and
 - The potential for shareholder or customer concern.
- If the financial effect has not been assessed by your organization, select “Unknown”.

Effect/Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the [reporting year/selected future time horizons] (columns 16 & 17)

- These columns appear dependent on selections in column 13 “Time horizon over which the risk is anticipated to have a substantive effect on the organization”.
 - Provide qualitative information about the effect of the risk on your organization, including details on the primary financial effect. You may also detail any other effects of the risks.
 - Describe how the financial position, financial performance and cash flows could change as a result of the effect of the risk, for example: business stability is weakened and cash flows tighten, which will possibly lead to liquidity issues.
- If a quantitative figure cannot be provided in the following columns, explain why here and describe the financial effect in relative terms (e.g., as a percentage relative to a stated or publicly available figure) or provide a qualitative estimate. Otherwise, if you are unable to provide any information to quantify the effect, state “The effect has not been quantified financially”.
 - Examples of reasons for being unable to provide a quantitative figure include: “the effects are not separately identifiable” or “the level of measurement uncertainty is too high, rendering quantitative information about this risk not useful”.
 - In the latter case, this column should also be used to provide a description of the financial effect in relative terms (for example as a percentage relative to a stated or publicly available figure) or give a qualitative estimate of the financial effect. Otherwise, if you have no information about the financial effect, please state “The effect has not been quantified financially”. Quantitative information could include:
 - The line items, totals and subtotals within the related financial statements that are likely to be affected or have been affected by that risk.

Are you able to quantify the financial effect of the risk? (column 18)

- It is acknowledged that figures provided will be estimates and, where possible, assumptions made in arriving at a financial effect figure should be stated in column 26 “Explanation of financial effect figures”.

Financial effect/Anticipated financial effect figure [...] minimum/maximum (currency) (columns 19-25)

- These columns are only presented if you select “Yes” in column 18 “Are you able to quantify the financial effect of the risk?”, corresponding to the time horizons selected in column 13 “Time horizon over which...”.
- Provide the figure for the financial effect in the reporting year, if relevant. Provide the estimated figure/range for the financial effect per future time horizon, prior to considering any mitigation measures in place.

- This figure should be in the same currency that you selected in 1.2 for all financial information disclosed throughout your response.
 - Financial figures should reflect the effect of the risk on your organization's financial performance, such as revenue and costs and its financial position, such as assets and liabilities.
 - For example, for organizations with a medium-term horizon of 3-5 years, a cumulative figure/range should be provided for the years covered by the time horizon.
- For risks which have had an effect in the reporting year (column 19 "Financial effect figure in the reporting year (currency)"), consider the following when calculating the financial effect of the risk, alongside any other relevant financial effect of the risk:
 - For physical risks:
 - The value of capital expenditure on infrastructure asset repair or replacement as a result of loss and damage,
 - The percentage increase in insurance costs due to loss and damage,
 - Capital expenditure on adaption due to the effects of physical risks,
 - Costs associated with the relocation of operations and suppliers due to the effects of physical risks.
 - For policy risks:
 - A description and value of any fines/penalties received,
 - A description and value of clean-up costs,
 - A description and value of costs relating to loss of operating areas,
 - A description and value of litigation action taken against the organization associated with environmental related issues.
 - For market risks:
 - The costs related to loss of market access,
 - The costs related to raw material and natural resource price volatility.
 - For reputational risks:
 - The increased costs/loss of revenue due to reputational risks,
 - The decreased revenues due to reduced demand for products and services and reduced production capacity.
 - For technological risks:
 - Expenditure on R&D for new and alternative technologies related to mitigation and adaptation of risks.
 - For all risks:
 - Any other effects from environmental risks which have resulted in increased direct and indirect (operating) costs, increased capital expenditures, increased credit risk, decreased access to capital and asset value, decreased asset useful life leading to write-offs, asset impairment or early retirement of existing assets.

Explanation of financial effect figures (column 26)

- This column is only presented if you select "Yes" in column 18 "Are you able to quantify the financial effects of the risk?".
- Explain all financial effect figures across the selected time horizons reported in columns 19-25 and describe the methodology used to determine these figures (or ranges), including:
 - The approach utilized for calculation;
 - The calculation method employed;
 - How the figure relates to the primary effect identified in column 12 "Primary financial effect of the risk";

- The numerical values used in the calculation; and
- Any underlying assumption influencing the figure.

Cost of response to risk (column 28)

- This column only appears if you select any option other than “Plastics” in column 1 “Environmental issues”.
- Provide a quantitative figure representing the cost of your risk response actions. If there are no costs associated with responding to the risk, enter 0.
- If an absolute value cannot be provided, report a percentage value by entering 0 in this column and reporting the percentage figure in column 29 “Explanation of cost calculation”, including an explanation of the percentage calculation.
- This figure should be in the same currency that you selected in question 1.2 for all financial information disclosed throughout your response.

Explanation of cost calculation (column 29)

- This column only appears if you select any option other than “Plastics” in column 1 “Environmental issues”.
- Explain the methodology used to calculate the figure for the cost of managing the risk (in column 28), including the numerical values used in your calculation.
- If there are no costs associated with responding to the risk, explain how you arrived at a figure of 0, even if the cost is absorbed into business-as-usual activities.

Description of response (column 30)

- Provide details of your organization’s response to mitigate, control, transfer or accept the risk, including, if applicable, how the risk has been managed so far and future risk management procedures.
- You may also provide the financial effect figures of the residual risk, if applicable.
- Describe the effect the response has had/is likely to have.
- Include an example of organization-specific risk response actions (e.g., activities, projects, products and/or services).
- Report whether the response strategy involves any collective action initiatives or contributes to the progress of a UN Sustainable Development Goal.
- Note for water security disclosers: Your public response to this question may be shared with the Water Action Hub for knowledge sharing and collaboration in water stewardship. Before submitting your disclosure to CDP, you will be requested to indicate your permission for CDP to share contact details. This enables the Hub to contact you about a project suitable for sharing on their platform and obtain your consent. This is optional. Provide as much relevant information as possible about your response, particularly local projects, including:
 - Partners involved in the joint project/initiative (e.g., organization names or government offices) or who you would like to work with (e.g., government agencies, other companies, NGOs);
 - Project objectives, including expected benefits for the river basin beyond the organization.
 - Timeline (e.g., start/end date or ongoing project); and
 - Specific location, if possible.

Note that these criteria are not scored but are crucial to building a project to share in the Water Action Hub and without this detail the project may not be suitable to transfer to this platform.

Requested content – [sector] (if applicable)	<p>Note for oil and gas sector organizations:</p> <ul style="list-style-type: none"> • Consider the effect of national and international emissions targets on oil and gas product demand. Will these targets lead to a shift towards a less carbon-intensive fuel mix? How will fuel efficiency standards influence demand for fuel? • Identify other regulatory factors affecting demand reduction such as restrictions on flaring or requirements for a certain level of climate-related performance (e.g., requirement for carbon sequestration). • Include these drivers in your response and explain how your portfolio of reserves is evolving in response to these regulatory changes. <p>Note for electric utility sector organizations:</p> <ul style="list-style-type: none"> • Electric utilities should consider, among other issues: <ul style="list-style-type: none"> • How national and international targets on demand management might affect electricity demand; • Implications of related policies such as building regulations promoting energy-efficient buildings; • Policies promoting renewable electricity supply and technologies for GHG emissions reduction, e.g. CO2 capture and storage, clean coal technologies and energy storage; <p>The effects of any emissions trading schemes and compliance with emissions reduction targets, including the analysis of possible scenarios and their effect on your organization;</p> <ul style="list-style-type: none"> • Consideration of carbon prices on wholesale and retail power prices across different markets in which you operate and the extent to which carbon prices may be reflected in electricity prices in these markets, based on current and anticipated regulatory requirements. <p>Note for auto and auto component manufacturing organizations:</p> <ul style="list-style-type: none"> • Consider the financial and strategic implications of current and planned national, regional, and international policies aimed at increasing automobile fuel efficiency and developing “clean” engines in each market you operate in. • Consider the effect of related environmental policies, such as regulations and standards concerning air quality, alternative fuels usage, and sustainable mobility on your business. • Specifically, you should consider how climate change policy may affect your sales, potential loss of market share, and additional compliance costs. Describe strategies for managing or passing down increased costs throughout the value chain, if applicable. <p>Note for agricultural sector organizations:</p> <ul style="list-style-type: none"> • Report on risks that may affect the revenue associated with the agriculture/forestry, processing/manufacturing and/or distribution. These risks often stem from: <ul style="list-style-type: none"> ○ Physical factors, e.g. extreme weather events that disrupt production/supply of raw materials. ○ Changes in regulation pertaining to agricultural, processing, manufacturing, distribution and/or consumption activities. ○ Changes in consumer demands and new market trends. <p>Note for organizations with coal reserves:</p> <ul style="list-style-type: none"> • Refer to CDP Technical Note: Guidance for companies with coal reserves for comprehensive information on disclosing demand and stranded asset risk. <p>Note for financial services companies:</p> <ul style="list-style-type: none"> • Report risks that are inherent and could have an effect on your investing, financing, underwriting and/or operational activities, regardless of any prior actions taken to respond to these risks.
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	<ul style="list-style-type: none"> • Financial effect figures should reflect the direct financial effect on your business, such as the potential write-downs or devaluation of assets, rather than merely portfolio exposure. • Describe risks by sector and/or geography, as relevant. • Consider both physical and transition risks, including the risk of stranded assets. These are assets that are no longer economically viable as a result of climate-related transition or physical risks. • For banks: <ul style="list-style-type: none"> ○ Describe concentrations of credit exposure to carbon-related assets. ○ Disclose environmental risks (transition and physical) in lending and other financial intermediary activities. • For insurance companies: <ul style="list-style-type: none"> ○ Consider environmental risks on re-/insurance portfolios, including physical, transition and liability risks; ○ Consider potential increases in litigation, such as directors and officers (D&O) liability claims; and ○ Describe environmental risks relevant to your investment portfolio as an asset owner. • Asset owners/asset managers: <ul style="list-style-type: none"> ○ Consider environmental risks for each product or investment strategy. <p>Note for real estate organizations:</p> <ul style="list-style-type: none"> • Real estate, being a location-bound and long-term investment, faces significant exposure to environmental risks. • Consider "stranding risks" – where assets may be devaluated or underperform, making them "stranded". • Stranded assets may be subject to write-downs due to: <ul style="list-style-type: none"> ○ Demand shifts towards sustainable properties, putting pressure on 'non-green' assets; and ○ Increased exposure to acute physical risks (e.g., storms, flooding, wildfires). <p>Notes for capital goods sector organizations:</p> <ul style="list-style-type: none"> • End markets supplied by this sector are subject to increasing regulation and decarbonization targets; from building standards to mandated technologies for power generation. Organizations in this sector are thus indirectly exposed to risks in their value chain, and should consider, among other issues, risks associated with: <ul style="list-style-type: none"> ○ Carbon pricing regulation and stricter emissions constraints on products and services; ○ Shifts in end-market demand away from fossil fuel-dependent technologies.
<p>Explanation of terms</p>	<ul style="list-style-type: none"> • Access to capital: cash flows from sources other than an organization’s sales and other revenues. It includes cash infusions from investors or securing lines of credit with banks and other lenders. • Afforestation: establishment of forest through planting and/or deliberate seeding on land that, until then, was not classified as forest, which implies a transformation of land use from non-forest to forest. (FAO, 2015). • Alternative livestock management practices (Food, beverage & tobacco and agricultural commodities sectors only): livestock management refers to practices that aim to reduce water use and pollution from waste generated in animal husbandry operations e. g by reducing the amount of water needed, evaporation and amount of waste that needs cleaning, feed adequate fiber, reduce the time cattle spend on the yard. • Animal waste (Food, beverage & tobacco and agricultural commodities sectors only): manure, slurries or other animal by-products derived from animal husbandry operations to be eliminated or discarded as no longer useful or required.

- Better animal waste management practices (Food, beverage & tobacco and agricultural commodities sectors only): practices that aim to minimize pollution and nutrient losses through leaching or runoff from animal manure, slurries and other by-products. This can be the result of practices that reduce the generation of waste, increase its re-use and recycling on and off-farm or the recovery of useful components.
- Bio-based chemicals (Chemical sector only): bio-based products are wholly or partly derived from materials of biological origin, excluding materials embedded in geological formations and/or fossilized.
- Biodiversity offsetting: measures taken to compensate for any residual significant, adverse impacts that cannot be avoided, minimized and/or rehabilitated or restored, in order to achieve no net loss or a net gain of biodiversity. Offsets can take the form of positive management interventions such as restoration of degraded habitat, arrested degradation or averted risk, protecting areas where there is imminent or projected loss of biodiversity ([BBOP, 2012](#))
- Capital expenditure: a measure of the value of purchases of fixed assets such as property, buildings, an industrial plant, technology, or equipment. Put differently, CapEx is any type of expense that an organization capitalizes, or shows on its balance sheet as an investment, rather than on its income statement as an expenditure.
- Circular economy plan: a time-bound action plan that clearly outlines how an organization will achieve its strategy to pivot its existing assets, operations, and entire business model towards a trajectory that aligns with a circular economy. Transitioning to a circular economy entails decoupling economic activity from the consumption of finite resources. This means eliminating waste and pollution, as well as circulating products and materials through designing for durability, reuse, remanufacturing, and recycling (adapted from [Ellen MacArthur Foundation](#)).
- Conversion: loss of a natural ecosystem as a result of its replacement with agriculture or another land use, or due to a profound and sustained change in the natural ecosystem's species composition, structure, or function.
 - Deforestation is one form of conversion (conversion of natural forests)
 - Conversion includes severe degradation or the introduction of management practices that result in a profound and sustained change in the ecosystem's species composition, structure, or function.
 - Change to natural ecosystems that meets this definition is considered to be conversion regardless of whether or not it is legal ([AFi, 2024](#)).
- Deforestation: loss of natural forest as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation.
 - Severe and sustained degradation (scenario iii in the definition) constitutes deforestation even if the land is not subsequently used for non-forest land use.
 - Loss of natural forest that meets this definition is considered to be deforestation regardless of whether or not it is legal.
 - The definition of deforestation signifies "gross deforestation" of a natural forest where "gross" is used in the sense of "total; aggregate; without deduction for reforestation or other offset." (adapted from [AFi, 2024](#)).
- Direct costs: also known as "costs of goods or services sold". These expenses can be attributed to the manufacture of a particular product or the provision of a particular service.
- Downstream value chain: the activities, sites, resources, relationships, and stakeholders which receive products and/or services from your organization. The downstream value chain varies depending on the nature of the business but may include customers, distributors, logistics providers, and packaging suppliers (Adapted from [ESRS, 2023](#)).
- Due diligence: a risk management process implemented by an organization to identify, prevent, mitigate, and account for how it addresses environmental and social risks and impacts in its operations, supply chains, and investments (adapted from [AFi, 2024](#)).

- Ecosystem services: the contributions of ecosystems to the benefits that are used in economic and other human activity ([UN System of Environmental Economic Accounting, 2021](#))
- Efficient fertilizer and pesticides management (Food, beverage & tobacco and agricultural commodities sectors only): implementation of practices that aim at optimizing the application and minimizing the losses to environment of fertilizer and pesticides or their residues.
- End-of-life infrastructure and technology: establishing and improving infrastructure and technology for end-of-life management of materials and substances, including facilities and technology for their collection, sorting and processing (adapted from [European Environmental Bureau](#)).
- Grievance mechanism: any routinized process through which grievances concerning business-related negative impacts on human rights or the environment can be raised, and remedy can be sought.
 - Grievance mechanisms may be State-based or non-State based and they may be judicial or non-judicial ([AFI, 2024](#))).
- Indirect (operating) costs: the essential expenses incurred in order to maintain the business including wages, rent, transport, energy (electricity, fuel, etc.), maintenance, and so on. These expenses cannot be attributed to the manufacture of a particular product or the provision of a particular service - they are standard costs that apply regardless of the volume of goods produced.
- Landscape and jurisdictional initiatives: the on-the-ground collaborative programme to set common goals, take collective action while reconciling different interests, and monitor progress towards improving social, environmental, and economic outcomes at a landscape/jurisdictional scale
- Leakage market: a market in which capital, income or commodities are diverted to non-compliant activities (creating a potential for environmental damage and reputational risk, for example).
- Likelihood: the terms used to describe likelihood are taken from the Intergovernmental Panel on Climate Change's (IPCC) 2013 reports. They are associated with probabilities, indicating the percentage likelihood of the event occurring. It is not necessary for respondents to have calculated probabilities for the risks they are considering, however they can give an indication as to the meaning of the terms:
 - Virtually certain: 99–100% probability
 - Very likely: 90–100%;
 - Likely: 66–100%;
 - More likely than not: 50–100%;
 - About as likely as not: 33–66%;
 - Unlikely: 0–33%;
 - Very unlikely: 0-10%;
 - Exceptionally unlikely: 0–1%.
- Macro plastics: macro plastics are large plastic waste that are readily visible, with dimensions larger than 5 mm (adapted from [Plastic Leak Project](#)).
- Micro plastics: micro plastics are small plastic particulates below 5 mm in size (adapted from [Plastic Leak Project](#)).
- Multi-stakeholder initiative: an initiative that is governed by different stakeholder groups, including private sector companies and their associations, civil society organizations (e.g., environmental and social NGOs) and possibly farmer organizations, government organizations and knowledge providers ([SAI Platform, 2015](#)).

- No-conversion (also referred to as: deforestation- and conversion-free): commodity production, sourcing, or financial investments that do not cause or contribute to the conversion of natural ecosystems (as defined by the [Accountability Framework, 2024](#)).
 - No-conversion refers to no gross conversion of natural ecosystems, which the Accountability Framework specifies as the appropriate policy and goal on this topic for companies and supply chains.
 - The terms “no-conversion” and “conversion-free” are used in favor of “zero-conversion” because “zero” can imply an absolutist approach that may be at odds with the need to sometimes accommodate minimal levels of conversion at the site level in the interest of facilitating optimal conservation and production outcomes (see [AFi’s definition for minimal level \[of deforestation or conversion\], 2024](#)). (Adapted from [AFi, 2024](#)).
- No-deforestation (also referred to as: deforestation-free): commodity production, sourcing, or financial investments that do not cause or contribute to deforestation (as defined by the [Accountability Framework, 2024](#)).
 - No-deforestation refers to no gross deforestation of natural forests, which the Accountability Framework specifies as the appropriate policy and goal on this topic for companies and supply chains.
 - In the context of the Accountability Framework, deforestation refers to the loss of natural forest (see definition of deforestation).
 - The terms “no-deforestation” and “deforestation-free” are used in favor of “zero deforestation” because “zero” can imply an absolutist approach that may be at odds with the need sometimes to accommodate minimal levels of conversion at the site level in the interest of facilitating optimal conservation and production outcomes (see [AFi’s definition for minimal level \[of deforestation or conversion\], 2024](#)). (Adapted from [AFi, 2024](#)).
- Physical risks:
 - Acute – occurrence of short term, specific events that change the state of nature. For example, oil spills, forest fires or pests affecting a harvest;
 - Chronic – gradual changes to the state of nature. For example, pollution stemming from pesticide use or climate change.
- Recycled content: proportion, by mass, of recycled material in a product. Only pre-consumer and post-consumer materials shall be considered as recycled content (adapted from [ISO 14021:2016](#)).
 - Pre-consumer recycled content: content that has been recycled from materials diverted from the waste stream during a manufacturing process (adapted from [EMF’s Global Commitment definitions and reporting guidelines](#)).
 - Post-consumer recycled content: content that has been recycled from materials generated by households or by commercial, industrial and institutional facilities in their role as end users of the product which can no longer be used for its intended purpose (adapted from [EMF’s Global Commitment definitions and reporting guidelines](#) and [ISO 14021:2016](#)).
- Reforestation: re-establishment of forest through planting and/or deliberate seeding on land classified as forest ([FAO, 2015](#)).
- Restoration: is the process of assisting the recovery of an ecosystem that has been degraded, damaged, or destroyed ([SER, 2002](#)).
- Reuse models: an established model which creates an organizational, technical and financial system to ensure the possibility of reuse in a closed-loop, open-loop or hybrid system (adapted from Ellen MacArthur Foundation’s [Global Commitment definitions and reporting guidelines](#)).
- Revenue: gross income arising from the operations of an organization over a period of time.

- Single-use plastic products: a product that is made wholly or partly from plastic and that is not conceived, designed or placed on the market to accomplish, within its life span, multiple trips or rotations by being returned to a producer for refill or re-used for the same purpose for which it was conceived ([Single-Use Plastics Directive](#)).
- Soil conservation practices (Food, beverage & tobacco and agricultural commodities sectors only): practices that deter the soil degradation in quantity or quality, decreasing erosion or nutrient depletion of the soils, i.e. reduced tillage, use of mulching or cover crops.
- Sustainable forest management: The process of managing a forest for achieving the continuous production of desired forest products and services without reducing its inherent values and future productivity, avoiding undesirable social-environmental effects (adapted from [ITTO](#)).
- Sustainable irrigation practices (Food, beverage & tobacco and agricultural commodities sectors only): practices that optimize irrigation water use leading to a decrease in the total amount of water used in irrigation i.e. through more efficient application of water at the field or irrigation system levels.
- Traceability: the ability to follow a product or its components through stages of the supply chain (e.g. production, processing, manufacturing, and distribution) (Adapted from [AFi, 2024](#)).
- Transition risks:
 - Policy – changes in the policy context due to new (or enforcement of existing) policies to create positive impacts on the environment or mitigate negative impacts on the environment.
 - Technology – Substitution of products or services with a reduced impact on the environment and/or reduced dependency on the environment. For example, the replacement of plastics with biodegradable containers.
 - Market – Changing dynamics in overall markets, including changes in consumer preferences, which arise from changing physical, regulatory, technological and reputational conditions and stakeholder dynamics. For example, the market value of an organization is affected by assets that have decreased in value because there is insufficient freshwater for the production process, or the value of the business' production process is reduced by the emergence of new technologies that require less water to operate.
 - Reputation – Changes in perception concerning an organization's actual or perceived environmental impacts, including at the local, economic and societal level. This can result from direct organization impacts, industry impacts and/or impacts of activities upstream and/or downstream in a value chain.
 - Liability – Liability risks that arise directly or indirectly from legal claims. As laws, regulations and case law related to an organization's preparedness for environmental action evolves, the incident or probability of contingent liabilities arising from an organization may increase (Adapted from [TNFD, 2023](#)).
- Tree plantations: a forest predominantly composed of trees established through planting and/or deliberate seeding that lacks key elements of natural forest native to an area such as species composition and structural diversity.
 - Tree plantations generally have one or a few tree species and tend to include one or more of the following characteristics (i) planted on cleared land, (ii) harvest regularly, (iii) trees are of even ages, (iv) products from plantation are managed and processed for commercial plantation.
 - Tree plantations can consist of tree planted for timber, pulp, non-timber forest products (e.g., rubber latex), or ecosystem services (e.g., soil stabilization). Plantation dominantly by agricultural species (e.g., fruits or oil palm) are considered agriculture, not tree plantations ([AFi, 2019](#)).
- Upstream value chain: (also referred to as "supply chain") the activities, sites, resources, relationships, and stakeholders that provide products and/or services to your organization.

	<p>This typically involves activities early in the value chain, such as production or development. The upstream value chain varies depending on the nature of the business but may include raw material, component, or equipment suppliers (Adapted from ESRS, 2023).</p> <ul style="list-style-type: none"> • Water stress ('areas with'): a concept that considers physical quantity aspects related to water resources, including water availability. As good practice, a water stressed area should be measured at the catchment level as a minimum. Commonly accepted global indicators to assess areas as water stressed and their thresholds for reporting to CDP include: <ul style="list-style-type: none"> • Water availability – category equal to/greater than 'High risk': 3.4 (WWF Water Risk Filter). WWF recommends that users also take into consideration 'Medium risk': 2.6. This category is based on a multi-model approach which integrates the best available global water scarcity risk indicators: water depletion, baseline water stress, and blue water scarcity. • Baseline water stress – indicator equal to/greater than 'High': 40-80% (WRI Aqueduct Water Risk Atlas). This refers to ratio of total annual water withdrawals to available renewable water supply. • Baseline water depletion – indicator equal to/greater than 'High': 50-75% (WRI Aqueduct Water Risk Atlas). This refers to the ratio of total annual water consumption to available renewable water supply. • Vulnerability: the propensity or predisposition to be adversely affected. Vulnerability encompasses a variety of concepts and elements, including sensitivity or susceptibility to harm and lack of capacity to cope and adapt (IPCC).
Example response	<i>(see below)</i>

Tags		
Authority Type	All requesters	
Environmental Issue (Theme)	Question level	All
Questionnaire Sector	Question level	All (+M-B)

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Question details	
Question dependencies	This question only appears if you select any of the “Yes,...” options in response to column 1 “Environmental risks identified” in the “Climate change”, “Forests”, or “Water” row of 3.1.
Change from last year	Modified guidance
Rationale	This question provides investors and data users with more transparency over the vulnerability of an organization to the substantive effects of environmental risks. Quantifying vulnerability can provide an understanding of the degree to which the organization stands to be affected by their anticipated risks. This can inform how and where the organization responds to environmental risk within their financial planning and strategy.
Ambition	<p>The organization discloses organization-wide information, including:</p> <ul style="list-style-type: none"> ○ Amount and proportion of total annual revenue vulnerable to 1) physical risks and 2) transition risks, ○ Amount and proportion of assets vulnerable to 1) physical risks and 2) transition risks, ○ Amount of capital expenditure deployed towards risks.

Response options	Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.
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1	2	3	4	5	6	7	8
Environmental issue	Financial metric	Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)	% of total financial metric vulnerable to transition risks for this environmental issue	Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)	% of total financial metric vulnerable to physical risks for this environmental issue	Amount of CAPEX in the reporting year deployed towards risks related to this environmental issue	Explanation of financial figures
Climate change	Select from: <ul style="list-style-type: none"> Assets Liabilities Revenue CAPEX OPEX Other, please specify 	Numerical field [enter a number from 0 to 999,999,999,999,999,999 using up to 2 decimal places] 13.000.000,00	Select from: <ul style="list-style-type: none"> Less than 1% 1-10% 11-20% 21-30% 31-40% 41-50% 51-60% 61-70% 71-80% 81-90% 91-99% 100% 	Numerical field [enter a number from 0 to 999,999,999,999,999,999 using up to 2] 200.000,00	Select from: <ul style="list-style-type: none"> Less than 1% 1-10% 11-20% 21-30% 31-40% 41-50% 51-60% 61-70% 71-80% 81-90% 91-99% 100% 	Numerical field [enter a number from 0 to 999,999,999,999,999,999 using up to 2] 49.500.000	Text field [maximum 2,500 characters] (<i>explicación en columna de a continuación</i>)

8

Explanation of financial figures

Text field [maximum 2,500 characters]

Meliá faces a significant potential impact on its OpEx estimated at €13M as a result of the risks of transition to a low-carbon economy. This impact arises mainly from stricter climate regulation and the increase in the price of carbon in the context of the IEA's Net Zero Emissions by 2050 scenario, which poses a higher level of demand in terms of climate action. Spain, where the company has a large presence, is particularly affected in the short term by this combination of factors. The estimate of this financial impact has been made by applying the methodology based on the International Energy Agency's Global Energy and Climate Model Documentation 2024. This model offers carbon price projections up to 2050 under two climate scenarios: NZE and Announced Pledges Scenario (APS). Based on these projections, the evolution of the carbon price has been calculated over three time horizons (short, medium and long term), applying it to all the company's countries and hotel assets, in order to evaluate the increase in operating costs derived from emissions in each scenario.

In addition, an additional potential impact on OpEx of €200,000 has been identified related to physical risks, especially those linked to the increase in extreme temperatures, affecting both clients and employees. In this case, under a high emissions scenario (IPCC SSP5-8.5), Spain and the Dominican Republic emerge as the most vulnerable territories, due to their increasingly hotter climates and the high concentration of hotel assets, which intensifies the effects of the thermal increase. The methodology used to quantify this impact is based on the calculation of the additional air conditioning effort required due to the increase in the average temperature in the countries where the company operates. This calculation is based on the study "The Effect of Outdoor Temperature on the Performance of a Split-Unit Type Air Conditioner Using R22 Refrigerant", which establishes a direct relationship between outdoor temperature and the energy performance of air conditioning systems. Based on this relationship, the additional energy effort required and its corresponding impact on operating costs have been estimated, also considering the level of climate vulnerability of each country in three time horizons.

Requested content	<p>General</p> <ul style="list-style-type: none"> • While question 3.1.1 asks for the financial effects of risks identified per specific risk and time horizon, this question enables investors and data users to understand the amount and proportion of your organization's current financial metrics that are vulnerable to financial effects of all environmental risks identified, regardless of when they may occur. This gives context to an organization's risk profile and helps to put the effects of risks in perspective. • Options in column 1 "Environmental issue" are dependent on selections in column 1 "Environmental risks identified" of 3.1. • You should report at least one row for each environmental issue presented in column 1 "Environmental issue", based on the financial metric in column 2 "Financial metric" most relevant to your business. You may choose to add rows to report based on additional financial metrics. • As per the TCFD and TNFD LEAP guidance, "vulnerability encompasses a variety of concepts and elements, including sensitivity or susceptibility to harm and lack of capacity to cope and adapt" (see Explanation of Terms for definition of vulnerability). For organizations following the LEAP approach, vulnerability is determined in the Assess phase, considering the likelihood of the risk arising and the organization's ability to mitigate the risk. • Environmental risks to which your organization is vulnerable may relate to one or more environmental issues. For example, if you have assessed a particular asset to be vulnerable to climate-change induced flooding risk, you may include the asset in the calculation of vulnerability to both climate and water-related risks. • Consider the amount and proportion of the financial metric vulnerable to risks which are anticipated to have a substantive effect on the organization in any time horizon. For example, all assets vulnerable to physical risks in any of the short, medium, or long-term time horizons should be included when calculating the option selected in column 5 "Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)". <p>Financial metric (column 2)</p> <ul style="list-style-type: none"> • Select the financial metric for which you have assessed your organization's vulnerability to risks related to the environmental issue in column 1. • If reporting multiple financial metrics to indicate your organization's vulnerability to risks for each environmental issue, you may add rows to report additional financial metrics. • You should report the metrics that are most relevant to your business activities.
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	<p>% of total financial metric vulnerable to physical/transition risks for this environmental issue (column 4 & 6)</p> <ul style="list-style-type: none"> • Out of the total of the financial metric selected in column 2 “Financial metric”, indicate the proportion of that metric considered vulnerable to risks relating to this environmental issue. • Calculate this number by dividing the value provided in column 3 “Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)” by the total value of the selected financial metric. <ul style="list-style-type: none"> ○ E.g. If “Climate change” is the environmental issue in column 1 “Environmental issue” and “Revenue” is the financial metric selected in column 2 “Financial metric”, divide the value of your revenue vulnerable to climate-related risks by your total revenue. • Select the closest range to the calculated % and provide an explanation in column 8 “Explanation of financial figures”. <p>Amount of CAPEX in the reporting year deployed towards risks related to this environmental issue (column 7)</p> <ul style="list-style-type: none"> • This column only appears if you select “CAPEX” in column 2 “Financial metric”. • Indicate the total amount of capital expenditure in the reporting year that was spent towards risks relating to each environmental issue. <ul style="list-style-type: none"> ○ E.g. If you purchased a particular asset in the reporting year as a response to a climate-related risk, the capital expenditure associated with this purchase should be included in the figure reported in row “Climate change”. <p>Explanation of financial figures (column 8)</p> <ul style="list-style-type: none"> • There are differing approaches to the calculation of vulnerability to risk. Describe the methodology used to derive the figures, including: <ul style="list-style-type: none"> ○ The approach employed for calculation; and ○ Any assumptions underlying the figure.
<p>Explanation of terms</p>	<ul style="list-style-type: none"> • Assets: entities functioning as stores of value and over which ownership rights are enforced by institutional units, individually or collectively, and from which economic benefits may be derived by their owners by holding them, or using them, over a period of time (the economic benefits consist of primary incomes derived from the use of the asset and the value, including possible holding gains/losses, that could be realized by disposing of the asset or terminating it). • Capital expenditure: a measure of the value of purchases of fixed assets such as property, buildings, an industrial plant, technology, or equipment. Put differently, CapEx is any type of expense that an organization capitalizes, or shows on its balance sheet as an investment, rather than on its income statement as an expenditure. • Liabilities: an obligation which requires one unit (the debtor) to make a payment or a series of payments to the other unit (the creditor) in certain circumstances specified in a contract between them. • Revenue: gross income arising from the operations of an organization over a period of time. • Vulnerability: the propensity or predisposition to be adversely affected. Vulnerability encompasses a variety of concepts and elements, including sensitivity or susceptibility to harm and lack of capacity to cope and adapt (Intergovernmental Panel on Climate Change, 2022).

Tags		
Authority Type	All requesters	
Environmental Issue (Theme)	Question level	C, F, W
Questionnaire Sector	Question level	All

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Question details	
Change from last year	No change
Rationale	Companies are requested to report whether they are subject to, or potentially subject to, mandatory carbon pricing systems. This question has evolved to include whether companies are currently regulated by a carbon pricing system – including carbon markets or taxation – or whether they expect to be regulated in the future. Companies responding “Yes” will be further prompted to identify the systems in which they participate and to provide additional details about their exposure to these systems. This information allows investors to consistently track and analyze corporate expectations and the associated costs of carbon pricing regulations, and forces unregulated companies to consider potential future exposure.
Response options	<p>Select one of the following options:</p> <ul style="list-style-type: none"> • Yes • No, but we anticipate being regulated in the next three years • No, and we do not anticipate being regulated in the next three years

Requested content	<p>General</p> <ul style="list-style-type: none"> Companies responding “Yes” will be further prompted to identify the systems in which they participate and to provide additional details about their exposure to these systems.
Additional information	<p>Carbon pricing policies: Carbon pricing is a key policy mechanism to drive greenhouse gas emissions reductions and mitigate the dangerous impacts of climate change. Policies primarily manifest in one of two ways; or, in some countries, areas and regions, both ways:</p> <ul style="list-style-type: none"> An emissions trading scheme, also known as a cap and trade system, is a market-based allowance system in which participants can buy and sell a set amount of allowances based on their emissions levels. Low emitters will have allowances left over for sale, which higher emitters will buy to offset their emissions – operating in a demand and supply scenario. A carbon tax which attaches a fee to carbon emissions. <p>These policies in practice vary specifically on a case-by-case basis.</p> <p>For more information, please see:</p> <ul style="list-style-type: none"> State and Trends of Carbon Pricing 2022. World Bank, 2022. Carbon Pricing Dashboard CDP’s Carbon Pricing web page CDP’s Technical Note Carbon Pricing: CDP Disclosure Best Practice

Tags		
Authority Type	All requesters	
Environmental Issue (Theme)	Question level	CC only
Questionnaire Sector	Question level	All (except FS)

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Question details	
Question dependencies	This question only appears if you select “Yes” or “No, but we anticipate being regulated in the next three years” in response to 3.5.
Change from last year	No change
Rationale	This question provides data users with insight into an organization’s long-term compliance and regulatory risk management strategy for the carbon pricing systems they are regulated by or anticipate being regulated by.
Response options	This is an open text question with a limit of 5,000 characters.
Requested content	General

Opportunity disclosure***(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?***

Question details	
Change from last year	No change
Rationale	It is crucial for investors and data users to know whether your organization has identified any environmental opportunities within your direct operations or across your value chain with the potential to have substantive effects on your organization. This includes both opportunities which have already had an effect in the reporting year, as well as opportunities which may have an effect in the future. If no environmental opportunities with substantive effects have been identified as part of your assessment, it is equally crucial for data users to understand how and why your organization has concluded that you are not presented with any opportunities.
Ambition	The organization discloses environmental opportunities which have had or are anticipated to have a substantive effect on its business activities, value chain, financial position (e.g., assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows.
Response options	Please complete the following table

0	1	2	3
Environmental issue	Environmental opportunities identified	Primary reason why your organization does not consider itself to have environmental opportunities	Please explain

<p>Climate change</p>	<p>Select from:</p> <ul style="list-style-type: none"> • Yes, we have identified opportunities, and some/all are being realized • Yes, we have identified opportunities but are unable to realize them • No 	<p>Select from:</p> <ul style="list-style-type: none"> • Opportunities exist, but none anticipated to have a substantive effect on organization • Evaluation in progress • Lack of internal resources, capabilities, or expertise (e.g., due to organization size) • No standardized procedure • Not an immediate strategic priority • Judged to be unimportant or not relevant • Other, please specify 	<p>Text field [maximum 2,500 characters]</p>
<p>Forests</p>			
<p>Water</p>			

Biodiversity [M-B only]			
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[Fixed row]

Requested content	<p>General</p> <ul style="list-style-type: none"> For the purposes of this response, the opportunities reported should only be those which have had or are anticipated to have substantive effects on your organization, in line with your definition of substantive effects provided in 2.4. <p>Please explain (column 3)</p> <ul style="list-style-type: none"> Appears if any option other than “Yes, we have identified opportunities, and some/all are being realized” is selected in column 1. If relevant to your selection in column 2 “Primary reason why your organization does not consider itself to have environmental opportunities” describe: <ul style="list-style-type: none"> how you identified opportunities; when you will next repeat an assessment of opportunities; specific reasons why you have not yet conducted an opportunity assessment/why it is considered unimportant for your business; the evaluation process that is in progress and indicate when the evaluation will be complete; and any other organization-specific details such as your evaluation process. If “Yes, we have identified opportunities but are unable to realize them”, is selected in column 1, describe the factors that prevent your organization from realizing identified opportunities.
Requested content – [sector] only (if applicable)	<p>Note for financial services sector companies:</p> <ul style="list-style-type: none"> For the purposes of this response, the opportunities reported should be inherent and have the potential for substantive effects on your investing, financing, underwriting and/or operational activities. Further details can be provided in subsequent questions.
Explanation of terms	<ul style="list-style-type: none"> Environmental opportunities: opportunities are generated through impacts and dependencies on nature, and can occur: <ul style="list-style-type: none"> When organisations avoid, reduce, mitigate or manage nature-related risks, for example, connected to the loss of nature and ecosystem services that the organization and society depend on; Through the strategic transformation of business models, products, services, markets and investments that actively work to reverse the loss of nature, including by restoration, regeneration of nature and implementation of nature-based solutions (Adapted from TNFD “Nature related opportunities”, 2023). Substantive effect: an effect that has a considerable or relatively significant effect on an organization at the corporate level in terms of risks and opportunities. This could include operational, financial or strategic effects that undermine, or provide opportunities for, the entire organization or part of the organization.

Tags		
Authority Type	All requesters	
Environmental Issue (Theme)	Question level	CC, F, W, B
Questionnaire Sector	Question level	All (+ M-B)

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Question details	
Question dependencies	This question only appears if you select either of the “Yes,...” options in response to column “Environmental opportunities identified” of 3.6.
Change from last year	Modified guidance
Rationale	Your response to this question provides data users with an overview of the environmental opportunities which have had a substantive effect on your organization in the reporting year or are estimated to have a substantive effect in the future. Information on the current and estimated potential scale of these opportunities, as well as your response strategy to seize these opportunities, enable data users to see how your organization is implementing corporate actions to improve business resilience and environmental stewardship.
Ambition	<ul style="list-style-type: none"> The organization discloses environmental opportunities which have had or are anticipated to have a substantive effect on its business activities, value chain, financial position (e.g., assets and liabilities), financial performance (e.g., revenue and expenditure), and cash flows. The disclosure per opportunity includes: <ul style="list-style-type: none"> The timeframe, likelihood, and magnitude associated with the effects of the opportunity, Whether the opportunities are related to resource efficiency, energy source, capital flow and financing, products and services, markets, reputational capital and/or resilience, How the organization is responding to opportunities, including changes made to pursue them, relevant time periods, and how opportunities are prioritized, (Financial Services sector) Financial institutions assess their portfolios for environmental opportunities, and measure and disclose the potential financial effect of the opportunities.
Response options	Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

1	2	3	4	5	6
Environmental issue the opportunity relates to	Opportunity identifier	Commodity	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/area where the opportunity occurs
Climate change	Select from: Opp1-100 Opp1	N/A	Grouped option (single-select group; single-select option) from dropdown list below Markets • Expansion into new markets (Openings in new markets due to an improvement in	Select from: • Direct operations • Downstream value chain [not shown to FS] • Upstream value chain	Select all that apply: [Country/area drop-down list] • Germany • Austria • United States • Spain • France • United Kingdom • Italy • Luxemburg

			climate conditions)		<ul style="list-style-type: none"> • México • The Netherlands • Peru • Dominican Republic • Venezuela
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7	8	9	10	11	12	13
River basin where the opportunity occurs	Mining project ID	Organization specific description	Primary financial effect of the opportunity	Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude
Select all that apply: <ul style="list-style-type: none"> • River basin drop-down list • Not known • Other, please specify N/A	Select all that apply: <ul style="list-style-type: none"> • All disclosed mining projects • Project 1-70 N/A	Text field [maximum 1,500 characters] As a consequence of climate change, Meliá Hotels International has identified an opportunity to expand into new markets, especially in northern regions and temperate zones that are expected to benefit from milder summers. According to the climate analysis carried out, countries such as Germany, the United Kingdom and the United States could experience an increase in tourism demand due to the loss of attractiveness in southern destinations that are more exposed to heat waves and water stress. This change responds to a geographic redistribution of	Select from: Response drop-down list below table Primary financial effect: <ul style="list-style-type: none"> • Increased revenues through access to new and emerging markets 	Select all that apply: <ul style="list-style-type: none"> • Short-term • Medium-term • Long-term • The opportunity has already had a substantive effect on our organization in the reporting year 	Select from: <ul style="list-style-type: none"> • Virtually certain • Very likely • Likely • More likely than not • About as likely as not • Unlikely • Very unlikely • Exceptionally unlikely • Unknown 	Select from: <ul style="list-style-type: none"> • High • Medium-high • Medium • Medium-low • Low • Unknown

		<p>tourism patterns and new traveler preferences, which represents a strategic opportunity to improve occupancy rates and drive the opening or repositioning of assets in these areas. The company already operates in many of these countries and is evaluating hotel growth and development plans adapted to this emerging climate trend.</p>				
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14	15	16	17	18	19
Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period	Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effects of the opportunity?	Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term - minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)
<p>Text field [maximum 2,500 characters] During fiscal year 2024, the opportunity related to the opening of new markets as a result of improved weather conditions has not generated directly quantifiable financial effects.</p> <p>However, relevant potential impacts have been identified</p>	<p>Text field [maximum 2,500 characters]</p> <p>In the coming years, climate</p>	<p>Select from:</p> <ul style="list-style-type: none"> • Yes • No 	<p>Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 600.000</p>	<p>Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 100.000</p>	<p>Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 200.000</p>

<p>under future climate scenarios. Under the APS scenario, projected revenues from increased tourism demand in countries such as Germany and the UK amount to +€200,000 in the short term (2025-2040), +€600,000 in the medium term (2041-2070) and +1,600,000 in the long term (2071-2100). In the NZE scenario, the effect is more moderate, with estimated revenues of +€100,000 in the short term, +€200,000 in the medium term and +€300,000 in the long term.</p> <p>These values reflect opportunities associated with more favorable weather conditions in northern regions, which may translate into increased tourism in those areas. Although these impacts have not yet materialized in the reporting period, the information has been incorporated into the company's strategic analysis. There have been no identifiable changes in the financial position, financial performance or cash flows arising from this opportunity during 2024. The financial quantification</p>	<p>change is expected to have a positive effect on Meliá Hotels International's business in certain regions of Northern Europe and North America, due to milder weather conditions during the traditionally warm months. This improvement could favor growth in markets such as Germany, the United Kingdom and the United States. According to the climate analysis developed, the APS scenario estimates a cumulative increase in revenues of +200,000 in the short term (2025-2040), +600,000 in the medium term (2041-2070) and +1,600,000 in the long term (2071-2100). In parallel, the NZE scenario projects increases of +€100,000, +€200,000 and +€300,000 for the same time horizons, respectively.</p> <p>These values reflect opportunities</p>				
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<p>has been developed from the ROCC climate analysis, based on NZE and APS scenarios, to support the forward-looking assessment of climate opportunities.</p>	<p>arising from the progressive shift in tourism demand to areas with superior climatic comfort as a result of global warming. Although the financial effect has not yet materialized, the estimated revenues could have a direct positive impact on the company's financial performance in these markets. This development could also influence future capital allocation decisions towards regions with greater climatic attractiveness. Consequently, a favorable impact on the income statement through revenues is anticipated, with no projected effects on the balance sheet or cash flows in the short term at this time.</p> <p>This opportunity has been integrated into</p>				
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	Meliá's long-term strategic analysis as part of the study of risks and opportunities related to climate change.				
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20	21	22	23	24	25	26	27
Anticipated financial effect figure in the medium-term - minimum (currency)	Anticipated financial effect figure in the medium-term - maximum (currency)	Anticipated financial effect figure in the long-term - minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)	Explanation of financial effect figures	Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 200.000	Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 600.000	Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 300.000	Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 1.600.000	Text field [maximum 2,500 characters] The estimated financial impact figures for this opportunity are based on an internal analysis that considers how climate change may modify global tourism flows, favoring regions in Northern Europe and North America. The approach applied uses recognized climate scenarios (APS and NZE) and considers three time horizons: short term (2025-2040), medium term (2041-2070) and long term (2071-2100). In each, an increase in tourism demand attributable to more pleasant weather conditions during the high season is projected, allowing for the calculation of a potential increase in income. For the APS scenario, the estimated income from this effect amounts to +200,000€ in the short term, +600,000€ in the medium term and +1,600,000€ in the long term. In the more conservative NZE scenario, the estimated figures are: +€100,000,	Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 0 (€)	Text field [maximum 2,500 characters] We believe that the costs of realizing this opportunity will be absorbed by the business in its normal activities as our estimate assumes that there is an increase in capacity occupancy, already installed in all geographies.	Text field [maximum 2,500 characters] SITUATION: Although tourism is a vulnerable sector in terms of the impact of changes in weather patterns, adverse weather events, possible continued degradation of destinations due to climate and temperature changes may also represent an opportunity for those hotel facilities located in colder regions, where the average temperature and heating days will increase. This could translate into possible warmer winters and a reduction in gas consumption and thus our GHG emissions. In addition, these temperature changes could result in an extension of the summer season in the Mediterranean region, increasing the productivity of our hotels located in these areas. TASK: Take advantage of the opportunity of improved temperatures in

				<p>+€200,000 and +€300,000, respectively. These values have been calculated by applying percentages of expected demand increase on historical data of tourism activity in the identified countries (mainly Germany and UK), considering only the effect of projected thermal comfort. The methodology focuses on the impact on annual revenues, without incorporating other economic variables such as cost structure, margins or required investments. The estimates are subject to the average temperature assumptions associated with each climate scenario and do not consider additional regulatory, fiscal or technological effects..</p>			<p>certain latitudes to offer vacation services to our clients. ACTION: Meliá already has hotels in northern Spain, the UK, Germany, Austria, France, Italy, Holland and Luxembourg, where it is anticipated that this opportunity can be realized and generate a profit for the company. RESULT: We believe that the costs of realizing this opportunity will be absorbed by the business in its normal activities as our estimate assumes an increase in the occupancy of the capacity already installed in all the geographies mentioned..</p>
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1	2	3	4	5	6
Environmental issue the opportunity relates to	Opportunity identifier	Commodity	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/area where the opportunity occurs
Climate change	Select from: Opp1-100 Opp 2	N/A	Grouped option (single-select group; single-select option) from dropdown list below Products and services <ul style="list-style-type: none"> Shift in consumer preferences (Cambios en el comportamiento/preferencias del cliente) 	Select from: <ul style="list-style-type: none"> Direct operations Downstream value chain [not shown to FS] Upstream value chain 	Select all that apply: [Country/area drop-down list] <ul style="list-style-type: none"> Germany Austria United States Spain France United Kingdom Italy Luxemburg Mexico The Netherlands Peru Dominican Republic Venezuela

7	8	9	10	11	12	13
River basin where the opportunity occurs	Mining project ID	Organization specific description	Primary financial effect of the opportunity	Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude

Select all that apply: <ul style="list-style-type: none"> River basin drop-down list Not known Other, please specify N/A	Select all that apply: <ul style="list-style-type: none"> All disclosed mining projects Project 1-70 N/A	Text field [maximum 1,500 characters] Meliá Hotels International has identified a relevant opportunity derived from the growing interest of customers for sustainable, certified and environmentally reputable accommodations. This preference is reflected in	Select from: Response drop-down list below table Increased revenues resulting from increased demand for products and services	Select all that apply: <ul style="list-style-type: none"> Short-term Medium-term Long-term The opportunity has already had a substantive effect on our organization in the reporting 	Select from: <ul style="list-style-type: none"> Virtually certain Very likely Likely More likely than not About as likely as not Unlikely Very unlikely Exceptionally unlikely 	Select from: <ul style="list-style-type: none"> High Medium-high Medium Medium-low Low Unknown
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		<p>markets with high environmental awareness, such as Germany, the United Kingdom and other European countries, where sustainability significantly influences the purchasing decision. The opportunity is directly linked to the change in tourism consumption patterns, driven by customers' increased climate sensitivity. The climate analysis carried out has estimated that this change can translate into a substantial increase in revenues in certain establishments, strengthening the company's competitive positioning in key segments.</p> <p>This trend also responds to reputational pressures and market expectations, consistent with the transition risks identified, such as the tightening of environmental requirements by customers, investors and other stakeholders. The company has begun to incorporate this vision into its sustainability strategy and product development.</p>		year	<ul style="list-style-type: none"> Unknown 	
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14	15	16	17	18	19
<p>Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period</p>	<p>Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons</p>	<p>Are you able to quantify the financial effects of the opportunity?</p>	<p>Financial effect figure in the reporting year (currency)</p>	<p>Anticipated financial effect figure in the short-term - minimum (currency)</p>	<p>Anticipated financial effect figure in the short-term – maximum (currency)</p>
<p>Text field [maximum 2,500 characters]</p> <p>During fiscal year 2024, there is no financial impact directly attributable to this opportunity that is identifiable in the consolidated financial statements of Meliá Hotels International. However, the prospective climate analysis shows early indications of positive developments in markets such as Germany and Spain in terms of hotel sustainability, which could translate into improvements in brand perception and customer loyalty.</p> <p>In the APS scenario, the projected financial impact in the short term (2025-2040) amounts to +€6,000,000 and in the NZE scenario to +€11,000,000, in the form of additional</p>	<p>Text field [maximum 2,500 characters]</p> <p>This opportunity is expected to have an increasingly positive effect on Meliá Hotels International's financial position and economic performance over the coming time horizons. In a context of increased environmental awareness and social pressure from consumers, hotels with a better environmental reputation and sustainable certifications show greater potential for attracting demand, especially in markets such as Germany and Spain.</p>	<p>Select from:</p> <ul style="list-style-type: none"> • Yes • No 	<p>Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]</p> <p>76,000,000 (€)</p>	<p>Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places]</p> <p>6.000.000</p>	<p>Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places]</p> <p>11.000.000</p>

<p>revenues. These results reflect economic potential linked to increased demand for hotels with sustainable certifications or better environmental reputation. Although the company has not broken these figures down operationally in its income statements, it is recognized that this trend may have an increasing positive effect on revenues in certain assets of the group, especially in regions with greater climate and regulatory sensitivity.</p> <p>Therefore, although there has not yet been a financial effect accounted for or separated during the reporting period, the available information points to an incipient impact, with relevant implications for the evolution of the revenue line and, consequently, for the improvement of future profitability and operating cash flows.</p>	<p>According to the climate scenarios analyzed, the projected financial impact translates into an increase in annual revenues of +32,500,000€ in the APS scenario in the medium term (2041-2070) and +50,000,000€ in the long term (2071-2100). In the NZE scenario, which is more ambitious from a regulatory and social point of view, the estimated additional revenues amount to +48,000,000€ and +53,000,000€ in the same periods respectively. These effects would materialize as additional income in the income statement and could result in higher profitability of assets, especially those repositioned or designed with sustainable criteria.</p> <p>As a result, we anticipate a direct effect on</p>					
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		the revenue line, a strengthening of competitiveness in key markets, and a potential increase in operating cash flows. The company may also benefit from increased customer loyalty and differentiated market positioning, with no projected effects on the book value of assets or liabilities at this time.						
20	21	22	23	24		25	26	27
Anticipated financial effect figure in the medium-term - minimum (currency)	Anticipated financial effect figure in the medium-term - maximum (currency)	Anticipated financial effect figure in the long-term - minimum (currency)	Anticipated financial effect figure in the long-term - maximum (currency)	Explanation of financial effect figures		Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 32.500.000	Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 50.000.000	Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 50.000.000	Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 50.000.000	Text field [maximum 2,500 characters] The financial impact figures associated with this opportunity have been calculated based on projections of additional revenues attributable to increased demand in hotels with sustainable certifications or a positive environmental reputation. The approach applied		Numerical field [enter a number from 0 to 999,999,999,999 using up to 2 decimal places] 0 (€)	Text field [maximum 2,500 characters] We believe that the costs of realizing this opportunity will be absorbed by the business as usual. In fact, leading the transformation of the tourism model towards a more sustainable model that	Text field [maximum 2,500 characters] SITUATION: Currently, Meliá Hoteles International is recognized as the first company in the global tourism sector and the first European company in terms of sustainability, according to the CSA carried out by S&P Global. The

				<p>considers the evolution of customer behavior in key markets, such as Germany and Spain, and their increased propensity to choose accommodations perceived as environmentally responsible.</p> <p>Three time horizons have been defined (short, medium and long term) and two climate scenarios have been used: APS and NZE. For each combination, a cumulative annual increase in income attributable to this consumption preference is estimated. In the APS scenario, the projected figures are: +6,000,000 (short term, 2025-2040), +32500,000 (medium term, 2041-2070) and +50,000,000 (long term, 2071-2100). In the NZE scenario, the values are: +11,000,000€, +50,000,000€ and +55,000,000€, respectively,</p> <p>The calculation is based on historical revenue data by country, applying adjustment factors linked to the evolution of sustainable certifications and perceived image improvement, without considering changes in cost structure or additional investments. The results are presented in constant euros and are</p>	<p>guarantees the integration of ESG criteria, to ensure the generation of long-term economic, environmental and social value, is one of the company's strategic pillars and is part of the roadmap until 2024. Likewise, as mentioned above, our development is supported by the renewal of the Top 1% in the sector, in S&P Global's Corporate Sustainability Assessment (CSA) in 2022, which allows us to have a solid position as a responsible company.</p>	<p>efforts made in this area in recent years have given us a solid position as a responsible company.</p> <p>TASK: Meliá will continue to work to strengthen its position as an industry leader in sustainability and climate change.</p> <p>ACTION: We monitor annually (TIMELINE) the evolution of the opportunity related to the increase in revenues derived from the increase in demand for products and services, within the framework of the TCFD.</p>
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				<p>conditioned by the assumptions of progressive environmental awareness, adoption of certifications in the hotel sector and consolidation of customer preference for sustainability attributes. No discount factors or inflationary adjustments have been applied, since the objective is to estimate the direct effect on the revenue line.</p>			
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Opportunity type and primary environmental opportunity driver (column 4)	
<p>Capital flow and financing</p> <ul style="list-style-type: none"> • Access to new financing options • Access to sustainability linked loans • Incentives to promote low-carbon agriculture [C-AC/FB/PF only] • Financial reward from buyers • Payment for ecosystem services (other than REDD+) • Price premium for deforestation and conversion-free materials [F only] • REDD+ • Other capital flow and financing opportunity, please specify <p>Energy source [CC only]</p> <ul style="list-style-type: none"> • Participation in carbon market [CC only] • Shift toward decentralized energy generation [CC only] • Use of carbon capture and storage [CC only] • Use of low-carbon energy sources [CC only] • Use of renewable energy sources [CC only] • Other energy source opportunity, please specify [CC only] <p>Markets</p> <ul style="list-style-type: none"> • Easier access to cheaper and/or more available credit • Enhanced financial performance of investee companies as a result of being able to access new markets and develop new products to meet green consumer demand [FS only] • Expansion into new markets • Increased brand value • Increased demand for transparency in mineral supply chains [MM, M-B only] • Improved supply chain engagement • Increased availability of products with reduced environmental impact [other than certified products] • Increased demand for certified and sustainable materials • Increased demand for funds that invest in companies that have positive environmental credentials [FS only] 	<p>Products and services</p> <ul style="list-style-type: none"> • Ability to diversify business activities • Development of climate adaptation, resilience and insurance risk solutions [FS only] • Development of new products or services through R&D and innovation • Increased sales of existing products and services • Increased security of production [F, B only] • Increased value chain transparency • Reduced impact of product use on water resources [W only] • Shift in consumer preferences • Other products and services opportunity, please specify <p>Reputational capital</p> <ul style="list-style-type: none"> • Improved community relations • Improved ratings by sustainability/ESG indexes • Reputational benefits resulting in increased demand for products/services • Strengthened social license to operate • Other reputational capital opportunity, please specify <p>Resilience</p> <ul style="list-style-type: none"> • Capacity building [M-B only] • Contribution to biodiversity knowledge [M-B only] • Improved customer education [M-B only] • Improved resilience to future regulatory changes • Improved staff retention • Increased reliability and environmental resilience of investment chain [FS only] • Increased resilience to impacts of climate change • Increased upstream value chain resilience • Participation in environmental collaborative industry frameworks, initiatives and/or commitments • Shift in business model • Other resilience opportunity, please specify <p>Resource efficiency</p> <ul style="list-style-type: none"> • Agricultural expansion in degraded land [F only] • Cost savings • Improved field recovery factor [W-OG only] • Increased efficiency of production and/or distribution processes • Move to more energy/resource efficient buildings [CC only]

Dropdown options:

<ul style="list-style-type: none"> • Increased diversification of financial assets [e.g., green bonds and infrastructure] [FS only] • Increased growth in the alternative protein market [Cattle and soy only] [F] • Increased sales of liability and other insurance to cover environmental risks [FS only] • More timely preparation for investors in adhering to current and potentially stricter future regulation in relation for fiduciary duty [FS only] • Reduced risk of asset stranding considered in investment decision making [FS only] • Stronger competitive advantage • Use of public sector incentives • Other markets opportunity, please specify 	<ul style="list-style-type: none"> • Reduced water usage and consumption [CC, W only] • Reduction of food loss and waste in the value chain [AC/FB only] • Regenerative production [F, W, B] • Use of more efficient modes of transport [CC only] • Use of recycling • Water recovery from sewage treatment [W only] • Use of new technologies • Other resource efficiency opportunity, please specify
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Primary financial effect of the opportunity (column 10)
<p>Reduced direct costs</p> <p>Reduced indirect (operating) costs</p> <p>Increased revenues resulting from increased demand for products and services Increased revenues through access to new and emerging markets</p> <p>Increased revenues resulting from increased production capacity Increased revenue resulting from price premiums</p> <p>Increased revenue resulting from direct payments from downstream companies Increased access to capital</p> <p>Increased access to capital at lower/more favorable rates Increased value of fixed assets</p> <p>Increased diversification of financial assets</p>

Requested content	<p>General</p> <ul style="list-style-type: none"> • Opportunities reported should include those which either have had or are anticipated to have substantive effect on your strategy, business activities, value chain, financial position (e.g. assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows. • If an opportunity relates to multiple environmental issues (e.g. climate change and water), repeat the opportunity in a row for each relevant environmental issue and use the same opportunity identifier (column 2) and provide the same information across these rows. • Your selection in column 11 “Time horizon over which the opportunity...” and column 16 “Are you able to quantify the financial effect of the opportunity?” will determine the appearance of subsequent columns: <ul style="list-style-type: none"> ○ If you select “Yes” (i.e. you can provide financial figures related to the opportunity), columns 17 “Financial effect figure in the reporting year (currency)” to column 24 “Explanation of financial effect figure” may be presented depending on the time horizons selected in column 11 “Time horizon over which the opportunity ...”. <p>Opportunity identifier (column 2)</p>
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- Select a unique identifier to identify the opportunity in subsequent questions, if required, and to track the status of the opportunity in subsequent reporting years. Use the same identifier in subsequent years for the same opportunity. For any new opportunities you are adding, always use a new identifier that you have not used previously.
- If the opportunity relates to multiple environmental issues, use the same identifier in each row referring to the opportunity. E.g. Use Forest and Climate change rows to report a sustainability linked loan that references low-emissions and deforestation/conversion free product targets.

Commodity (column 3)

- This column only appears for the “Forests” row.
- If the opportunity does not relate to any commodity, select “Not applicable”.

Opportunity type and primary environmental opportunity driver (column 4)

Select an option from the drop-down menu that best describes the type of the identified opportunity:

- Resource efficiency – opportunities related to improving resource efficiency across production and distribution processes, buildings, machinery/appliances, and transport/mobility.
- Energy source - opportunities related to shifting energy usage toward low emission energy sources.
- Resilience – opportunities related to the development of adaptive capacity to respond to and develop with change and uncertainty [adapted from [TNFD, 2023](#)]. They may be especially relevant for organizations with long-lived fixed assets or extensive supply or distribution networks; those that depend critically on utility and infrastructure networks or natural resources in their value chain; and those that may require longer-term financing and investment
- Markets – opportunities in new markets or types of assets that may help organizations to diversify their activities and better position themselves for the transition to a lower-carbon and nature positive economy including consumer demands consumer and investor sentiment and stakeholder dynamics [adapted [from TNFD](#)].
- Products and services - opportunities related to innovation and development of new products and services that protect, manage or restore nature [adapted [from TNFD](#)]
- Reputational capital - Changes in perception concerning a company's actual or perceived nature impacts, including the consequent impacts on society and engagement of stakeholders [TNFD, [2023](#)].
- Capital flow and financing - Access to All requesters, improved financing terms or financial products connected to the management of nature-related dependencies, impacts, risks and opportunities [TNFD, [2023](#)].

Value chain stage where the opportunity occurs (column 5)

- Note for financial services companies: The options shown will be driven by the organizational activities you selected in 1.10.
- Refer to the “Explanation of Terms” section for definitions of value chain stages.

Organization-specific description (column 9)

- Provide further context on the opportunity driver, including more detail on the exact nature, location, and/or regulation of the effect concerned, as well as any notable geographic/regional examples.
- Include information on how the opportunity links to any of the organization's risks, as reported in 3.1.1.
- Include organization-specific detail, such as references to activities, programs, products, services, methodologies, or operating locations specific to your organization's business or operations.

Primary financial effect of the opportunity (current or anticipated) (column 10)

- This column refers to the potential financial effect that the opportunity could have on your organization. The financial effects of environmental opportunities on organizations are not always clear or direct, and for many organizations there might be more than one financial effect associated with an environmental opportunity.
- Select the option that you deem to have the biggest effect. You can provide additional details on other financial effects in column 24 "Explanation of financial effect figures".

Magnitude (column 13)

- The magnitude describes the extent to which the effect, if it occurred, would affect your business. This should consider the business as a whole and therefore the magnitude can reflect both the opportunity and the extent to which it applies throughout the organization.
- An assessment of the 'magnitude' of the potential financial benefit arising from an absolute value will vary in scale and metric from organization to organization so it is not possible for CDP to accurately define the terms for magnitude. For example, two organizations may report a potential financial effect figure of \$500,000. For organization A this could represent a 1% increase in profits, but a 15% increase in revenue for organization B. Therefore, organizations are asked to determine magnitude on a qualitative 5-point scale from High to Low.
- Factors to consider include:
 - The proportion of business units affected.
 - The size of the effect on those business units; and
 - The potential for shareholder or customer response.
- If the financial effect has not been assessed by your organization, select "Unknown".

Effect / Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization [in the reporting year / in the selected time horizons] (column 14 & 15)

- These columns appear dependent on selections in column 11 "Time horizon over which...".
- Provide details on the effects of the opportunity on financial position (e.g. assets and liabilities), financial performance (e.g., revenue or expenditure) and cash flows of your organization:
 - Examples of reasons why no quantitative figure can be included are: "the effects are not separately identifiable" or "the level of measurement uncertainty is too high such that quantitative information about this opportunity would not be useful".
 - In the latter case, this column should also be used to provide a description of the financial effect in relative terms (for example as a percentage relative to a stated or publicly available figure) or give a qualitative estimate of the financial effect. Otherwise, if you have no information about the financial effect, please state "The effect has not been quantified financially". Quantitative information could include:

- The line items, totals and subtotals within the related financial statements that are likely to be affected or have been affected by that opportunity.

Are you able to quantify the financial effects of the opportunity? (column 16)

- It is acknowledged that figures provided will be estimates and, where possible, assumptions made in arriving at a financial effect figure should be stated in column 24 "Explanation of financial effect figures".

Financial effect/Anticipated financial effect figure [...] minimum/maximum (currency) (columns 17-23)

- Your selection in column 11 "Time horizon over which..." drives the appearance of column 17 "Financial effect figure in the reporting year (currency)" to column 23 "Anticipated financial effect figure in the long-term – maximum (currency)".
- Provide the figure for the financial effect in the reporting year, if relevant. Provide the estimated figure/range for the financial effect of the opportunity per future time horizon.
- This figure should be in the same currency that you selected in question 1.2 for all financial information disclosed throughout your response.
 - Financial effect figure – minimum (currency): use this field to report the lower point of your estimated financial effect associated with the opportunity. For example, if the range is from US \$5,000 to \$50,000, "5,000" should be reported here.
 - Financial effect figure – maximum (currency): use this field to report the upper point of your estimated financial effect associated with the opportunity. For example, if the range is from US \$5,000 to \$50,000, "50,000" should be reported here.
- Provide a cumulative figure/range for the years covered by the time horizon in the respective columns. For example, if an organization's medium-term is 3-5 years, then figures for the sum of these three years should be provided in the respective columns.
- When providing a single financial figure, companies should respond to both the "minimum" and "maximum" columns with the same figure.

Explanation of financial effect figures (column 24)

- This column is only presented if you select "Yes" in column 16 "Are you able to quantify the financial effects of the opportunity?".
- Describe how you arrived at this figure (or range) for each of your selected time horizons, including:
 - What approach was employed to calculate the figure;
 - The calculation method;
 - The figures used in your calculations; and
 - Any assumptions the figure is dependent on.
- You can also describe here other financial effects of the selected opportunity (other than the main effect identified in column 9 "Organization-specific description" and provide more details on the nature of the effect in case you selected "Other, please specify" in column 9 "Organization-specific description".

Cost to realize opportunity (column 25)

- Provide numerical data on the cost to realize opportunity. If there are no costs to this, enter 0.
- If you cannot provide an absolute value, you may report a percentage value by entering 0 in this column and then reporting the percentage figure in column 26 "Explanation of cost calculation", including an explanation for how the percentage was calculated.

	<p>Explanation of cost calculation (column 26)</p> <ul style="list-style-type: none"> • Provide an explanation of how the figure for the cost of realizing the opportunity was calculated, including the figures used in your calculation. • If there are no costs to realize the opportunity, you should still explain how you arrived at a figure of 0, even if the cost is absorbed into business-as-usual activities. <p>Strategy to realize opportunity (column 27)</p> <ul style="list-style-type: none"> • Use this text field to provide information on methods you are using or plan to use to exploit the opportunity and maximize its potential realization. Make sure to include: <ul style="list-style-type: none"> ○ An example of organization-specific activities, projects, products and/or services which are aiming to realize the opportunity; and ○ An explanation of how this opportunity has been prioritized in relation to other opportunities.
Requested content – [sector] only (if applicable)	<p>Note for electric utility sector organizations:</p> <ul style="list-style-type: none"> • Consider: <ul style="list-style-type: none"> ○ Opportunities that may arise from emissions trading; ○ The opportunities that national or international targets on energy efficiency and demand management might present for your organization e.g. revenue implications from energy services business units; ○ Your organization’s views on any opportunities that may result from policies on renewable energy or low emissions technologies e.g. current or planned investments in these areas; and ○ The extent to which you receive financial incentives to reduce the electricity use of customers. <p>Note for agricultural sector organizations:</p> <ul style="list-style-type: none"> • Agricultural organizations should report on opportunities that the revenue associated with the agricultural/forestry, processing/manufacturing and/or distribution of raw materials and goods. For example, opportunities might arise from: <ul style="list-style-type: none"> ○ Increased efficient by reducing energy use during the production of raw materials and/or the manufacture of food, beverage and other goods; ○ Reduced costs due to carbon payments by adopting practices or technology to reduce carbon footprint; ○ Government of private financial incentives for adoption low impact agriculture/forestry. <p>Note for financial services companies:</p> <ul style="list-style-type: none"> • Consider opportunities associated with financial products and services such as green and blue bonds, sustainable infrastructure, sustainable loans/mortgages, sustainable insurance products, financial products and services ensuring resiliency, specialty environmental risk advisory services and others, or opportunities your clients/investees are exploiting that have a positive effect on your portfolio (e.g. clients reducing costs through water efficiency resulting in less credit risk) • Note that if providing a financial effect figure, this figure should represent the financial effect on your business. For example, the potential interest income generated by green loans should be reported, as opposed to the potential size of the green loan book. • You should consider providing a description of your opportunities by sector and/or geography, as appropriate. <p>Note for capital goods sector organizations:</p>

	<ul style="list-style-type: none"> • In line with the TCFD’s recommendations, organizations in this sector should consider opportunities for products or services that improve efficiency, reduce energy use and support closed-loop product solutions.
<p>Explanation of terms</p>	<ul style="list-style-type: none"> • Access to capital: cash flows from sources other than an organization’s sales and other revenues. It includes cash infusions from investors or securing lines of credit with banks and other lenders. • Agricultural expansion in degraded land: is the expansion of agricultural activities such as soy, palm oil, and timber production into degraded lands (e.g. unproductive pasture for cattle ranching), with the objective of avoiding the need of converting forests and/or other natural ecosystems. • Alternative protein: a general term that covers plant-based and food-technology alternatives to animal protein (FAIRR). • Climate change adaption: adjustment to climate change's current or expected effects so the consequences to the business and environment are alleviated and beneficial opportunities are realized (adapted from IPCC, 2018). • Direct costs: also known as “costs of goods or services sold”. These expenses can be attributed to the manufacture of a particular product or the provision of a particular service. • Downstream value chain: the activities, sites, resources, relationships, and stakeholders which receive products and/or services from your organization. The downstream value chain varies depending on the nature of the business but may include customers, distributors, logistics providers, and packaging suppliers (Adapted from ESRS, 2023). • Environmental Reserve Quotas or CRA (Brazil only): a Brazilian offsetting mechanism that allows landowners with a deficit of the minimum forest cover requirement to purchase surplus compliance obligations from other landowners, according to the Brazilian Forest Code. Each CRA relates to one hectare of surplus vegetation (WWF, 2015). • Forestry fund: general term used for financial mechanisms designed to support the conservation and sustainable use of forests, by investing in sustainable forestry practices. • Green bonds: are bonds where the proceeds are allocated to environmental projects. • Increased availability of products with reduced environmental impact (other than certified products): the availability of supply from agricultural production that is not necessarily certified and has reduced environmental impact compared to usual practices. This includes practices such as, Integrated Crop-Livestock-Forest (ICLF) systems, cattle intensification, and organic production. • Indirect (operating) costs: the essential expenses incurred to maintain the business including wages, rent, transport, energy (electricity, fuel, etc.), maintenance, and so on. These expenses cannot be attributed to the manufacture of a particular product or the provision of a particular service - they are standard costs that apply regardless of the volume of goods produced. • Letters of Credit (LCs): under documentary trade finance, a Letter of Credit (LC) is provided for each individual shipment. At the request of the buyer, a bank issues an LC to the assure the suppliers of payment for their shipment (CPSL, 2014). • Likelihood: the terms used to describe likelihood are taken from the Intergovernmental Panel on Climate Change’s (IPCC) 2013 reports. They are associated with probabilities, indicating the percentage likelihood of the event occurring. It is not necessary for respondents to have calculated probabilities for the risks they are considering, however they can give an indication as to the meaning of the terms: <ul style="list-style-type: none"> ○ Virtually certain: 99–100% probability;

	<ul style="list-style-type: none"> ○ Very likely: 90–100%; ○ Likely: 66–100%; ○ More likely than not: >50–100%; ○ About as likely as not: 33–66%; ○ Unlikely: 0–33%; ○ Very unlikely: 0-10%; ○ Exceptionally unlikely: 0–1%. <ul style="list-style-type: none"> • Low carbon agriculture: actions to reduce the greenhouse gas emissions from agriculture. • Nature-based Solutions: actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits (UNEA-5). • • Price premium: is where higher prices for sustainable agricultural products are paid due to an agreement among stakeholders in the value chain, to pay higher prices for production that is free from deforestation and that follows other environmental and social criteria. • REDD+: is an approach to reducing emissions from deforestation and forest degradation. It creates incentives for countries and communities to engage in the sustainable management of forests, conservation of forests and the enhancement of forest carbon stocks (UNFCCC, 2022). • Regenerative Production: a range of approaches used to manage agroecosystems that provide food and materials – be it through agriculture, aquaculture or forestry etc. — in ways that create positive outcomes for nature. These outcomes include, but are not limited to, healthy soils, improved air and water quality, and higher levels of carbon sequestration. They can be achieved through a variety of context-dependent practices and can together help regenerate degraded ecosystems and build resilience on farms and in surrounding landscapes. Farmers may draw on several different schools of thought, such as regenerative agriculture, restorative aquaculture, agroecology, organic, permaculture, agroforestry, and conservation agriculture, to help them apply the most appropriate set of practices to drive regenerative outcomes in their managed agroecosystems (Adapted from EMF). • Revenue: gross income arising from the operations of an organization over a period of time. • Upstream value chain: (also referred to as ‘supply chain’) the activities, sites, resources, relationships, and stakeholders that provide products and/or services to your organization. This typically involves activities early in the value chain, such as production or development. The upstream value chain varies depending on the nature of the business but may include raw material, component, or equipment suppliers (Adapted from ESRS, 2023).
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Tags		
Authority Type	All requesters	
Environmental Issue (Theme)	Question level	CC, F, W, B
Questionnaire Sector	Question level	All (+ M-B)

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Question details	
Question dependencies	This question only appears if you select either of the “Yes” options in response to column “Environmental opportunities identified” in the Climate change, Forests, or Water row of 3.6.
Change from last year	Modified guidance
Rationale	This question provides investors and data users with a more complete picture of alignment of finance the substantive effects of environmental opportunities. The proportion of individual financial metrics that are aligned with opportunities can inform strategy to addressing each environmental issue due to each metric’s implications and distinctive role within an organization's financial accounting and strategy.
Ambition	The organization discloses organization-wide information, including: <ul style="list-style-type: none"> ○ Amount and proportion of assets and business activities aligned with environmental opportunities. ○ Amount of expenditure deployed towards opportunities.
Response options	Please complete the following table. You are able to add rows by using the “Add Row” button at the bottom of the table.

1	2	3	4	5
Environmental issue	Financial metric	Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)	% of total financial metric aligned with opportunities for this environmental issue	Explanation of financial figures
Climate change	Select from: <ul style="list-style-type: none"> • Assets • Revenue • CAPEX • OPEX • Other, please specify 	Numerical field [enter a number from 0 to 999,999,999,999,999 using up to 2 decimal places] 11.500.000	Select from: <ul style="list-style-type: none"> • Less than 1% • 1-10% • 11-20% • 21-30% • 31-40% • 41-50% • 51-60% • 61-70% • 71-80% • 81-90% • 91-99% • 100% 	Text field [maximum 2,500 characters] <p>To calculate the amount and proportion of revenues aligned with environmental opportunities, a total of €11,500,000 attributable to opportunities has been considered, compared to the total turnover of €1,826,028,722.53 M (Management Report and Annual Accounts 2024 Meliá Hoteles Integrated), which represents approximately 0.624% of the annual total. This calculation has been made under the assumption that, in the Net Zero Emissions (NZE) scenario, the moderation of the increase in temperatures (compared to a warming of 4 °C) continues to generate a redistribution of tourism demand towards destinations in Northern Europe, in line with observed climate patterns.</p> <p>The methodology used to estimate this figure is based on a mixed quantitative-qualitative approach, supported by external sources on consumer behavior and sectoral analysis.</p>

			<p>According to a study by Mabrian, hotels in Spain with sustainable certifications experience an average 5% increase in revenues compared to those without certification. This data has been used as a corrective factor to estimate the economic impact attributable to positive environmental practices. The academic report "Determinants of the willingness to pay for a more sustainable destination. The case of the Western Costa del Sol", which indicates that 23.8% of tourists would be willing to pay more for sustainable experiences, which supports the hypothesis of higher income derived from the integration of environmental criteria.</p> <p>The geographical breakdown of the opportunity shows that Germany accounts for 55% of the total estimated associated revenue, followed by the United Kingdom (24%) and the United States (10%), consistent with a progressive shift in tourism flows towards more resilient and sustainable destinations. These data reflect the substantive effect of environmental opportunities on Meliá's revenues, derived from both a sustainable strategic positioning and the evolution of international tourism demand.</p>
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[fixed row, add row]

Requested content	<p>General</p> <ul style="list-style-type: none"> • While question 3.6.1 asks for the financial effects of risks identified per specific risk and time horizon, this question enables investors and data users to understand the amount and proportion of your organization's current financial metrics that are vulnerable to financial effects of all environmental risks identified, regardless of when they may occur. This gives context to an organization's risk profile and helps to put the effects of risks in perspective. • Options in column 1 "Environmental issue" are dependent on selections in column 1 "Environmental issue" of 3.6. • You should report at least one row for each environmental issue presented in column 1 "Environmental issue", based on the financial metric in column 2 "Financial metric" most relevant to your business. You may choose to add rows to report based on additional financial metrics. • Environmental opportunities with which your organization's finances are aligned may relate to one or more environmental issues. For example, if your organization had anticipated gains in revenue due to increased brand value resulting from water and forest initiatives undertaken, you may include the revenue in the calculation of alignment with both water and forest related opportunities. • Consider the amount and proportion of the financial metric aligned with opportunities which are anticipated to have a substantive effect on the organization in any time horizon. For example, all assets aligned with opportunities in any of the short, medium, or long-term time horizons should be included when calculating column 3 "Amount of total financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)". <p>Financial metric (column 2)</p> <ul style="list-style-type: none"> • Select the financial metric for which you have assessed your organization's alignment to opportunities related to the environmental issue selected in column 1. <ul style="list-style-type: none"> ○ If CAPEX is selected, consider the amount and proportion of CAPEX deployed toward environmental opportunities. • If multiple financial metrics are relevant to depicting your organization's opportunities per environmental issue, you may add rows to report based on additional financial metrics. • You should report the metrics that are most relevant to your business activities. <p>Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2) (column 3)</p> <ul style="list-style-type: none"> • Indicate the amount of the financial metric considered aligned with opportunities relating to this environmental issue. In other words, what is the amount of the financial metric that could take advantage of opportunities relating to this environmental issue. For example: <ul style="list-style-type: none"> ○ If an organization in the energy sector puts 5% of their CAPEX in the reporting year into renewables, then that 5% of their CAPEX is aligned with climate change-related opportunities, as that 5% can take advantage of the energy transition.
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1.6 POLICY INFLUENCE

1.6.3 Lobbying and Trade Associations - Climate Alignment

