This Code of Ethics for Suppliers was approved by the Board of Directors of Meliá Hotels International, S.A. on 6 June, 2018.
1. General principles and values of Meliá Hotels International

Meliá Hotels International, hereinafter “Meliá” or the “Company”, publicly defined its principles and values on approval of its Code of Ethics in 2012 (available on the corporate website www.meliahotelsinternational.com). The Code of Ethics contains its general commitments to all its stakeholders, among them its suppliers.

2. Meliá Hotels International supplier relationships

Meliá aims to comply with current legislation and also has an objective to constantly and gradually implement criteria, practices and recommendations related to good corporate governance and a sustainable and responsible business model.

After more than 60 years in the travel industry, our values (service vocation, excellence, innovation, coherence and proximity) are part of our business model and our commitment as a responsible company.

The general Meliá guidelines for conduct are defined in the Company’s Code of Ethics and focus on enhancing business ethics and transparency. In particular, the Company’s commitments with suppliers can be summarized as follows:

- To prioritize the fair selection of suppliers through objective business criteria, avoiding favourable treatment that distorts free competition. In addition to business criteria, selection also involves responsible management criteria such as:
  - Respect for human and labour rights that guarantee the dignity of workers, the total prohibition of child labour, forced labour and exploitation, the struggle against climate change, protection of the environment, support for innovation and clean or low-impact technology.
  - The use of certified products or services endorsed by international standards.
- To develop joint projects based on mutual collaboration and innovation that generate a positive social impact in the destinations where Meliá operates.
- To neither accept nor offer any consideration, gift or invitation of any kind, neither financial nor in kind, with a value that may exceed the merely symbolic or courteous in relation to the signature of a contract or securing or maintaining business or other advantages.
- To comply with commercial commitments in time, manner and content.
- To enable mechanisms to promote Meliá’s responsible and ethical management criteria within its supply chain.
Meliá builds long-term relationships based on trust, respect and mutual benefit and rooted in a strong ethical and responsible commitment. Suppliers are an essential part of Meliá’s success. Cooperation with our suppliers allows us to guarantee high quality services for our customers, ensuring the present and future viability of the companies.

Social sensitivity, the competitive environment and the evolution of business have made companies responsible for the impact caused by their supply chain. As part of its strong commitment to consolidate a sustainable and responsible business and reinforce its reputation, Meliá takes this impact into account in its business principles and Code of Ethics. The result of this commitment is this Code of Ethics for Suppliers (hereinafter, the “Code”). The Code can be viewed on the corporate website at www.meliahotelsinternational.com.


In this Code, “supplier” means any company, corporation, entity or individual, including employees, subcontractors, agents and other representatives of third parties that have commercial relationship involving the sale of goods or services with any company in the Meliá Hotels International Group.

In addition to compliance with any applicable legislation, this Code is intended to be a cohesive instrument of principles and values that the Company hopes its suppliers also share, internalising and applying these principles and values due to the confidence and peace of mind generated by doing the right thing.

Meliá’s commitment is strengthened by its observance of business conduct models such as the Universal Declaration of Human Rights, the Global Compact Principles, the Sustainable Development Goals (SDG) and the Convention on the Rights of the Child, which define the general challenges and commitments in the sections of this Code. The Company also supports industry initiatives, including the Global Code of Ethics for Tourism published by the World Tourism Organization which defines the principles for tourism development, the ECPAT Code (Eradicating Child Prostitution, Abuse and Traffic) focused on eradicating the exploitation of children, and the Global Sustainable Tourism Council that encourages sustainable development practices in the industry (see Annex 1 for more information).

Meliá recommends that its suppliers join the mentioned business conduct models.

This Code is based on the general principles and commitments of the Company’s Code of Ethics.
Given that Meliá aims to extend its values and principles to suppliers, we have segmented our commitments in the following areas:

3.1 Professional ethics
3.2 Human rights and child labour
3.3 Health, safety and hygiene at work
3.4 Product and service quality
3.5 Environment and community
3.6 Protection of information and assets

### 3.1 Professional ethics

*Meliá is committed to building lasting relationships based on trust, respect and mutual benefit and to select suppliers fairly and objectively. We invite our suppliers to apply business ethics and transparent management principles in their business relationships.*

We thus expect suppliers to assume the following commitments:

- To avoid any commercial activities that may create a conflict or interfere in the agreement to supply products and services to Meliá.
- To comply with all obligations assumed in the contract.
- To ensure the contracted products and/or services continue to be delivered under the agreed conditions in the event that the supplier is unable to supply the Company with the contracted products and/or services.
- To act responsibly with regard to advertising, sales and competition law.
- To neither accept nor offer any consideration, gift or invitation of any kind, neither financial nor in kind, whose value may exceed the merely symbolic or courteous.
- To neither accept nor offer any type of bribe, neither financial nor in kind, and to actively combat corruption, crime and money laundering.

### 3.2 Human rights and child labour

*To build relationships based on mutual trust, Meliá selects suppliers that respect fundamental labour rights and guarantee the dignity of their employees, with special attention to the prohibition of child labour, forced labour and exploitation. We aim to avoid our activity provoking or contributing to any direct or indirect negative consequences for human rights.*
We thus expect suppliers to assume the following commitments:

**Human rights**

- To ensure that employee rights are respected in accordance with applicable legislation.
- To respect workers’ rights to freedom of association and collective bargaining according to applicable legislation.
- To respect the social and cultural context of every country, promoting equal opportunities and rejecting any type of discrimination on the grounds of race, colour, sexual orientation, marital status, family responsibilities, age, religion, gender, disability, hierarchy or others.
- To pay employees a salary that, in the very least, complies with applicable wage legislation and clearly inform them of their contractual conditions.
- To provide employees with all the benefits required by law.
- To ensure that employees comply with applicable law and industry standards.
- To facilitate a work-life balance while ensuring coverage of the Company’s needs.

**Child labour**

Meliá believes that the eradication of any type of child exploitation and the involvement of its customers, employees and suppliers in that eradication requires very special attention. The Company places children at the heart of its social commitments and has close alliances with organisations such as UNICEF.

The Company supports and applies the International Conventions of the ILO on the elimination of the worst forms of child labour (Convention 182). This involves the abolition of all forms of slavery, the recruitment and use for illicit activities and child prostitution of children under the age of 18 and the application of the minimum age for employment in each particular country, being no lower than the age at which mandatory school education ends or, in all cases, no lower than 15 (Convention 138). In this regard, we expect our suppliers:

- To strongly reject child labour in their organisation and supply chain and employ control systems that validate that the age of employees is within the limits defined by applicable legislation.
- To actively contribute to the eradication of exploitation and define policies, procedures and measures designed to protect children.
- To identify employees who work in areas where children’s rights may be violated and help train these employees to detect and report incidents to local authorities.
- To report any child safety incident or potential risk within the organisation and its environment to local authorities.
3.3 Health, safety and hygiene at work

For Meliá, the health and safety of our suppliers is as important as that of our employees and customers. That is why we support our suppliers in the implementation of effective occupational risk prevention measures to help create a safe and healthy work environment.

We thus expect suppliers to comply with the following commitments:

- To take the measures required to ensure a safe, healthy and hygienic work environment for employees.
- To ensure that employees strictly observe all workplace health and safety guidelines regarding their exposure to hazardous substances or actions, and to implement control systems or guidelines to mitigate or minimise any risk.
- To define mechanisms and provide tools to prevent accidents and develop response procedures that minimise potential impacts.
- To promote and implement a health and safety culture among employees, providing training and information on preventative measures, the tools available and guidelines for action.
- In response to the specific best practices that Meliá implements in each country, suppliers also commit to comply with those best practices even if they are not required by local regulations.

3.4 Product and service quality

Meliá’s most important objective is to exceed the expectations of our customers through excellence in our services. We aim to ensure that suppliers apply the highest product and service quality and safety standards and thus guarantee consistency with our service excellence philosophy.

We thus expect suppliers to comply with the following commitments:

- To comply with regulatory quality, safety, health and hygiene standards and additional criteria required by Meliá, and to facilitate any verification that Meliá deems appropriate at any time.
- To only use programmes, services, technologies, systems, etc., that have all the required authorisations and licenses in the performance of their activities or provision of their services.
- To promote constant improvements in the quality of products and services provided to Meliá and innovation in their supply chain.
3.5 Environment and community

Environmental protection is part of our commitment as a responsible company. We are committed to prioritising suppliers that show a responsible attitude towards the environment and we encourage the contracting of clean products, machinery, services and technology. We will promote projects that generate a positive impact on the environment and the communities in which we operate.

We thus expect suppliers to comply with the following commitments:

- To have an effective environmental management system that complies with local, national and international legal obligations.
- To minimise the environmental impact of their activity through the application of best practices.
- To constantly work to reduce environmental risk and impact related to waste, discharges or emissions, especially those that have an impact on greenhouse gas emissions.
- To have all the required environmental permits and licenses to carry out their activity.
- To encourage the use of sustainable guidelines, processes or technologies whenever possible to reduce consumption of materials (raw materials and packaging, among others) and resources such as water and energy, as well as defining actions for reuse, recycling or replacement of components with low-risk materials.
- To provide the means that allow the correct management of the waste generated by their activity and duly inform about the collection and/or recycling points for the products sold.
- To report to Meliá any sanctions applied for serious infringements in social or environmental matters.
- To integrate a commitment to the environment and society in all relevant activities, promoting awareness among employees.

3.6 Protection of information and assets

a. Information control and security

Meliá respects current regulations on data protection in countries where it operates, applying all necessary security measures to guarantee confidentiality.
We thus expect suppliers to comply with the following commitments:

- To implement the measures required to ensure the confidentiality and privacy of personal data related to Meliá customers and employees in accordance with applicable legislation.
- To consider the information to which they have access in the performance of their professional duties as strictly confidential.
- To ensure that information on Meliá is not transferred to any third party unless authorised in writing and that the supplier’s employees do not make improper use of that information.

b. Protection of resources and assets

*The resources and assets made available to the supplier by Meliá to facilitate their activity and guarantee the best service.*

We thus expect suppliers to comply with the following commitments:

- Take good care of assets, using them responsibly and only for professional purposes. Assets include, among others, real estate, furniture, machinery, intellectual property rights, and other resources that the Company provides to suppliers for the performance of their duties. In particular, suppliers commit:
  - To prohibit the theft of any Meliá assets.
  - To return the assets in the same condition in which they were received at the end of the professional relationship.
- To provide any information requested by Meliá regarding their activity, structure, financial situation and performance in accordance with applicable legislation and industry regulations.

4. Application of the Code of Ethics for Suppliers

This Code contains guidelines which are separate from any contractual agreement between Meliá and suppliers and do not exempt suppliers from compliance with their obligations under applicable law or contained in contracts signed with Meliá.

The Company is committed to providing support for implementing these requirements in the supply chain and the use of mechanisms that provide an appropriate response. To achieve this, suppliers must define and implement policies and procedures to put this Code into effect and also appoint a senior manager to be responsible for implementation.
Suppliers should make this Code known to all employees, particularly those who are in any way involved in the supply chain of Meliá. Meliá also encourages suppliers to promote these principles and guidelines within their own supply chains.

Meliá may carry out random checks to verify compliance with this Code.

Failure to comply may have consequences in the contractual relationship with Meliá depending on the severity of the breach. This may lead to disqualification as a Meliá supplier and termination of the contract; without prejudice to any other legal or administrative actions that may be applicable.

5. Supplier Complaints Channel

Meliá provides suppliers with a complaints channel to report any conduct (active or passive) which goes against the content of the Code and the Code of Ethics. The Complaints Channel is for both suppliers and their employees, as well as companies or third parties that have presented a tender to become Meliá suppliers.

Complaints can be presented as follows:

- **By post to the following address:**
  Meliá Hotels International
  Attention: Ethics Committee
  Gremi Boters, nº 24
  Polígono Son Castelló
  07009 – Palma de Mallorca
  Balearic Islands – SPAIN

- **Through the Meliá Hotels International corporate website:**
  (www.meliahotelsinternational.com/canalddenunciasproveedores).

- **Through the following link:** https://melia.xperta.es/incidencias/creарproveedor?lang=es

The complaints or claims received will be processed by the Ethics Committee, an independent body whose main function is to manage complaints or claims presented through the Complaints Channel.

The Ethics Committee guarantees the confidentiality of data on both the people who use the Complaints Channel and the facts that are brought to their attention.

The corporate website (www.meliahotelsinternational.com) contains a document named “Complaints Channel Regulations” which explains how the Complaints Channel works and provides more information about the personal data processing policy.
6. Code Office

If you have any questions or suggestions regarding the content or application of the Code, you may contact the Code Office at codigo.etico@melia.com.

Annex 1.
Global and industry frameworks and standards

This document reinforces Meliá’s commitment to global and industry standards and conduct models, all of which have been evaluated and considered in the definition of this Code.

GLOBAL FRAMEWORKS AND STANDARDS

- **Universal Declaration of Human Rights**: adopted by the General Assembly of the United Nations in its Resolution 217 A (III) of December 10, 1948, includes the rights considered basic rights.

- **Convention on the Rights of the Child**: The Convention was approved as an international human rights treaty on November 20, 1989 and came into force on September 2, 1990. In its 54 articles it recognizes that children (human beings under the age of 18) are individuals with the right to physical, mental and social development and the right to freely express their opinions.

- **Global Compact Principles**: A United Nations initiative created in 2001 to encourage responsible corporate behaviour. It includes 10 principles in four areas: employee relations, human rights, the environment and anti-corruption.

- **Sustainable Development Goals (SDG)**: Following agreement of the Member States of the United Nations on September 25, 2015, 17 Sustainable Development Goals and 169 targets were defined to achieve three major challenges over the next 15 years: end poverty, fight inequality and injustice and tackle climate change. The commitment and responsibility for compliance lies with governments, companies and civil society.

- **Modern Slavery Act 2015**: In March 2015, a law against modern slavery, servitude, forced or compulsory labour and human trafficking was approved in the United Kingdom and rapidly became a global benchmark. Since then, all companies that offer products or services in the United Kingdom and have global revenues of 36 million pounds or more must publish a declaration on slavery and human trafficking.

- **SA8000 Social Responsibility Standard**: Voluntary certification created by Social Accountability International and based on international agreements on working conditions, including issues such as social justice, workers’ rights and business strategy for dealing with the social aspects of work, among others.

- **Business Social Compliance Initiative**: A private, non-governmental and non-profit initiative which aims to improve social conditions in the global supply chain.

- **ISO 20400**: The first international standard for sustainable procurement, that defines guidelines for making sustainability part of organisational procurement strategy and processes, defining principles of sustainable procurement in terms of accounting, transparency, respect for human rights and ethical behaviour.

### INDUSTRY FRAMEWORKS AND STANDARDS

- **Global Code of Ethics of Tourism by the World Tourism Organisation**: The Code, adopted in 1999 by the UNWTO General Assembly and endorsed by the General Assembly of the United Nations in 2001, is a collection of principles designed to guide tourism development to ensure the industry generates maximum social and economic benefits while at the same time minimising any negative impact the industry may have.

- **ECPAT Code (Eradicating Child Prostitution Abuse and Traffic)**: ECPAT International is a global network of organisations and individuals working together to eradicate child prostitution and pornography and the trafficking of children for sex.

- **Global Sustainable Tourism Council**: Supported by the United Nations, this is a global initiative to promote and raise awareness and recognition about the best sustainable tourism practices around the world. Created in 2010, in its first year it had already attracted 110 members in every region in the WTO.