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CODE OF ETHICS

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1. Introduction

- 1.1. Real Madrid Club de Fútbol is firmly committed to values and principles based on ethics, dignity, honourability and responsibility. As a sporting entity, it fully identifies with the spirit of competition subject to strict rules of fair play, and with the sport's pursuit to tackle violence, racism, xenophobia and intolerance.
- 1.2. By virtue of this commitment, the purpose of the Code of Ethics is to establish a code of conduct with strictly enforceable rules which contribute to the safeguarding and promotion of the aforementioned values and principles and, on that basis, to the maintenance of the good name and prestige of the Entity.
- 1.3. All those to whom this Code applies must be aware that, as a result of the current legislative framework in criminal matters, any legal person may be sentenced for offences committed by their managers and employees whenever the legal person in question in some way benefits from these offences. The club rejects any benefit obtained unlawfully or as a result of a failure to comply with any of the ethical standards or commitments contained in this Code. As a result, those to whom this Code applies must comply with any established standards and procedures with extreme rigour.
- 1.4. The Code of Ethics shall apply to the employees of Real Madrid. By extension, it shall also apply to any person who, at any given time, performs an important role in the Club, its Foundation or any company that acts under the authority of Real Madrid or provides services to Real Madrid, regardless of whether they are connected to the Club in a working, commercial or membership capacity or on any other basis. To that end, for purely illustrative purposes, it shall also apply to the conduct, either in the Club or the Foundation, of sports men and women, employees on permanent seasonal contracts, employees of subcontractors, the self-employed and other colleagues

The Club shall act accordingly in order to ensure that all the aforementioned parties are aware of the content of the Code of Ethics and that they understand the scope and extension of the obligations contained therein.

2. General Principles and Values

- 2.1. Real Madrid unconditionally subscribes to the UN Global Compact and to its 10 Principles on Human Rights, Labour, Environment, and Anti-Corruption. The professional conduct of all its employees must be respectful of these principles at all times.
- 2.2. Real Madrid expects all its employees to behave in an exemplary manner. Besides complying in a strict manner with legal regulations in commercial, employment and tax-related matters, employees shall avoid any behaviour which may be objectionable from an ethical perspective, even if does not fall foul of any judicial or legal framework. Their conduct shall be guided by the following principles and values:
 - (i) Integrity, transparency and ethical responsibility in their relations with other employees and with the partners of Real Madrid, suppliers, customers or third parties with whom, in the performance of their duties, they are required to work or establish a relationship.
 - (ii) Dedication to the duties entrusted by Real Madrid, expressly waiving any other activity that may be in competition or constitute a conflict of interest with them, or even undermine the required performance level.

- (iii) Integrity in the use and/or management of assets (tangibles or intangibles), work equipment, materials, reports, content, etc., made available for the work at the Club.
- (iv) Maximum confidentiality in relation to any activities, information or matters of any kind which affect Real Madrid, its members and any third parties connected to the Club.
- (v) Loyalty to the sporting spirit of fair play, while unconditionally tackling all kinds of fraud in competition or rigging of sporting results, including doping as a form of enhancing sporting performance and endangering the health of sportsmen and women.
- (vi) Full identification with the values of the sport, while actively tackling any acts of violence, racism, xenophobia or intolerance in sport.

3. Employee relations with members

- 3.1. In their relations with members of Real Madrid, employees shall act in accordance with strict principles of neutrality, without favouring any one member over another.
- 3.2. Employees must not receive any personal benefit from their relations with the members of the Club.
- 3.3. The principle of neutrality shall be extended to include all membership acts, not least electoral processes and meetings of members.

4. Relations between individual employees

- 4.1. The rights to dignity, equal treatment, non-discrimination and any other fundamental rights shall be respected. Under no circumstances shall any potential cases of discriminatory behaviour, abuse or harassment be tolerated in the workplace or, if appropriate, in any employment relationship with Real Madrid.

All employees are provided with the resources that they shall need to carry out their work in the best possible conditions, in strict compliance with applicable regulations on the prevention of occupational risks.
- 4.2. Employees shall maintain maximum levels of integrity and ethics with regard to their relations with members of the sporting staff of the Entity and any information about the sporting staff to which they are privy. Under no circumstances may they seek or obtain, either on their own behalf or on behalf of third parties, benefits from any prohibited actions, such as, for instance, the forms of conduct indicated below:
 - (i) Any form of behaviour that may be regarded as taking advantage of the image and/or reputation of the sportsmen or women of Real Madrid, or the presence of employees, players or technical staff at particular acts or events, even if their consent has been obtained.
 - (ii) Any actions which damage or prejudice the image and/or reputation of the sportsmen or women of Real Madrid.

- (ii) Any conduct which reveals, externally or to third parties not related to Real Madrid, any kind of information about the practices of the athletes, or any related to their professional development or personal and family life and, in particular, their personal and contractual details.

5. Employee relations with suppliers and customers

- 5.1. Employees shall respect the interests of Real Madrid in any relations established with suppliers and customers of the Club; in this capacity, they may not abuse their position to obtain any kind of personal benefit for themselves or any third parties. Moreover, employees undertake not to engage in commercial relations with any businesses or individuals that are known to breach the General Principles and Values of this Code of Ethics. By and large, "situations that generate competition" shall refer to any situations in which activities similar to those performed by the Club are carried out on behalf of employees themselves or any third parties; "situations that generate a conflict of interest" shall refer to any situations in which the personal or professional interests of the employees, his/her family and/or friends may conflict with those of Real Madrid.
- 5.2. Any employees with the authority to propose, authorise or approve any kind of contract with the Club, either in an employment or commercial capacity, in reference to assets owned by the Club, works, services or supplies of any kind, shall refrain from doing so in favour of their spouse, ascendants, descendants and/or relatives up to the second degree, either by blood or affinity, and of any companies or groupings directly or indirectly controlled, de jure or de facto, by any of the above or the employee in question or any in which they have a significant influence.
- 5.3. Employees shall avoid any situations where relations with suppliers and customers of the Club may constitute conflicts of interest, and they undertake to act in all circumstances to favour the interests of Real Madrid. In the event of a conflict of interest, the employee in question shall disclose it and refrain from exerting any influence or taking part in the decision-making process.
- 5.4. Likewise, employees shall treat in confidence any information disclosed to them in relation to suppliers and customers and this information shall, for all intents and purposes, be regarded as confidential information.
- 5.5. It is strictly forbidden for employees to request and/or receive any kind of gift, present, reward, patronage, etc. from suppliers or customers of the Club. The only exclusion of this prohibition relates to simple courtesies (such as, for instance, Christmas presents) for amounts in keeping with membership purposes. On a reciprocal basis, no gifts shall not be offered to third parties besides those that are authorised at institutional level, and provided that they are within the common limits as part of good business practices.
- 5.6. It is strictly forbidden for employees to provide any kind of remunerated service to the customers or suppliers of the Club. Any conduct of this kind shall be treated as a competing or competitive activity.
- 5.7. Employees shall be particularly rigorous in the use of business expenses and shall strictly administer restaurant, travel and match-hospitality expenses. These expenses shall be limited to the essential minimum threshold and always be in line with the needs of the Club.

6. Employee relations with other particular groups

6.1. Besides all the obligations contained in the previous sections, with regard to relations with the groups indicated below, employees shall act in accordance with the Principles and Values of this Code of Ethics, namely:

- (i) In their relations with players of the academy, not least minors: Without prejudice to the fulfilment of any essential obligations, employees shall treat these players in strict compliance with the principles of neutrality, impartiality and equal treatment, without deviating from their firm commitment to tackling racism, xenophobia, doping and violence in sport.

With respect to minors, the Club is aware that they should receive special protection to ensure that they develop as athletes and people. As a result, employees shall make every effort to prevent any form of abuse or harassment perpetrated by any person and shall closely monitor our young athletes by providing supervision and support.

All Real Madrid employees shall strive to comply with regulations on the protection of minors in terms of any processes to recruit players to the Youth Academy, and in terms of the training and development of our youngest athletes.

- (ii) In their relations with players' agents or representatives: Employees shall not engage in any behaviour or coordinated action with players' agents or representatives, or any instigated by the latter, which involves the use of the logo or name of Real Madrid with a view to enhancing reputation or image or gaining economic benefit, in favour of the represented player or his/her agent or representative. Employees shall defend the interests of Real Madrid in all transactions and avoid any action which may increase the price of signings for the Club.
- (iii) In their relations with social media: As a general principle, and unless specifically authorised by Real Madrid to act as a spokesperson or expressly authorised by the Communications Department, employees shall not become active on any form of social media in relation to matters that are directly or indirectly connected to Real Madrid.

At any rate, employees shall respect, to the greatest possible extent, their duty of confidentiality with regard to the information that has come to their attention in the performance of their activity at the Club.

- (iv) Public or private behaviour: Real Madrid employees shall refrain from any public or private behaviour which may be associated with their belonging to and/or employment at the Club or which may compromise the good image of Real Madrid, its prestige or its reputation.

- (v) Other actions: Expressly forbidden actions include, but are not limited to, those through which Real Madrid employees are able to directly or indirectly obtain a benefit, economic or otherwise, on account of their access to information and events organised by the Club, especially through the subscription to any kind of sports betting in which Real Madrid appears, or the resale of tickets, hospitality invitations, season tickets or passes for any competition in which the Club is involved, and fraudulently facilitating the access of any person to the sporting events. It is also strictly forbidden to undertake any action which seeks to pre-determine the result of a match or competition, on the basis of a price, intimidation or simple agreements. Fraud or the rigging of results in sporting competition is completely at odds with the Club's Values and the spirit of sport, which is why any detected acts in this regard shall be prosecuted and sanctioned by the maximum penalty, including doping to enhance sporting performance and any risk to the health of sportsmen and women.

7. Use of IT tools and social media

- 7.1. The IT or communication systems, equipment and tools made available by the Club to its employees shall be used in strict accordance with professional purposes, and their use for private purposes, kept to a bare minimum, may only be justified by emergency situations or needs; any use for recreational, entertainment or commercial purposes unrelated to the activity of the Club is not allowed.
- 7.2. Real Madrid reserves the right to perform checks on the IT or communication systems, equipment and tools used by its employees, subject to applicable legal regulations.
- 7.3. Real Madrid employees shall save their IT archives and working documents at all times in the network directories expressly authorised for this purpose (without prejudice to the use of any necessary usernames or passwords). The Club may access any other archives, directories or storage systems.
- 7.4. Real Madrid employees shall avoid any use of their position at the Club or the Real Madrid brand, its symbols and the image of its teams and players, as part of their personal activities on social media and websites.

Even on a personal level, in their publications on these media or on any other support, Real Madrid employees shall refrain from posting any message that is incompatible with the Club values in terms of the protection of minors and tackling fraud in competition, doping, violence, racism, xenophobia and intolerance in sport.

8. Mechanisms to prevent criminal behaviour.

As a result of the criminal liability of legal persons, various mechanisms for the prevention of criminal behaviour for which Real Madrid may be criminally responsible are established below.

8.1. Deception

No false or misleading information may be distributed to our members, fans, customers or suppliers. Information shall be sent to the above via the most suitable means of communication in each given case.

The information that is provided shall be formalised in the clearest and most transparent way possible in contracts and attempts shall be made at all times to avoid the use of unintelligible language or abusive clauses.

8.2. Obstruction of Enforcement and Criminal Acts of Bankruptcy and offences against Public Finances and Social Security

It is expressly forbidden to engage in fraudulent accounting for the purposes of:

- (i) Asset stripping or any criminal act of bankruptcy.
- (ii) Circumvention of the payment of taxes to the Public Finances or Social Security.
- (iii) Obtaining subsidies on the basis of misrepresenting the required conditions
- (iv) Double entry bookkeeping, false entries and a failure to include the necessary entries.

8.3. IT Data

It is expressly forbidden to delete, damage, deteriorate, alter, erase or render inaccessible any external IT data, IT programmes or electronic documents by any means and without authorisation.

8.4. Intellectual Property Rights, the Market and Consumers

8.4.1. Concerning Intellectual Property

Real Madrid employees shall respect intellectual and industrial property in relation to courses, projects, programmes and IT systems; equipment, manuals and videos; knowledge, processes, technology, know-how and, in general, any other works and creations developed or established in the company, either as a result of its professional activity or that of third parties. Therefore, they shall be used in the performance of the professional activity of the company and all necessary materials used to support them shall be returned.

The image, name or brands of Real Madrid shall not only be used in the appropriate performance of professional activity in the company.

Professional secrecy shall be observed, even when the employment relationship comes to an end.

8.4.2. Concerning the Market and Consumers

Employees must maintain professional secrecy with regard to any non-public data or information to which they are privy as a result of the performance of their professional activity, whether they stem from or relate to customers, other employees or managers or any other third party.

Offers or advertising of products or services shall not contain any misrepresentations or any claims which falsely characterise them, such that they may seriously and obviously prejudice members, customers and fans.

8.4.3. Influence among Individuals and Sporting Bets

Influence among individuals: See point 5.5 of section 6, on employee relations with suppliers and customers.

Sporting Bets: See point (v) of section 6, on employee relations with other particular groups.

8.5. Money Laundering

Each of the following activities is expressly prohibited:

- (i) Transactions involving natural or legal persons domiciled in tax havens or risk territories.
- (ii) Transactions involving natural or legal persons whose owners occupy or have occupied pre-eminent political positions, senior management positions or similar in countries generally deemed to be non-democratic, including their close relatives.
- (iii) Transactions involving any persons who are being prosecuted for or have been found guilty of offences, or are in the public domain or common knowledge, or are suspected of being involved in criminal activity, provided that these activities result in ill-gotten gains and may be deemed to underlie the crime of money laundering, and any transactions carried out by people related to the foregoing persons (e.g. family and professional ties or descent, in which there is overlap in the domicile or overlap of representatives or authorised signatories, etc.).
- (iv) Transactions involving natural or legal persons whose domicile is unknown or involves a simple connection (e.g. PO box, shared registered addresses, professional offices, etc.) or with supposedly false or probably inaccurate data.
- (v) Transactions involving recently formed legal persons, when the amount is high in relation to its equity.
- (vi) Transactions involving legal persons when the characteristics of the transaction do not appear to correspond with the activity carried out by the buying company, or even when the latter does not perform any activity.
- (vii) Transactions involving Foundations, Cultural and Recreational Associations and, in general, not-for-profit organisations, when the characteristics of the transaction do not correspond with the objectives of the entity.
- (viii) Transactions involving legal persons that, although registered in Spain, predominantly consist of foreign citizens or non-resident citizens in Spain.
- (ix) Cash deposits of a value greater than € 2,500, or payment by marketable instruments in which the true identity of the paying agent is not recorded.

8.6. Rights of Foreign Citizens

All foreign workers shall obtain a work permit. Otherwise, they cannot be hired.

The worker shall be informed of the following:

- (i) The characteristics of the position and the tasks to be performed;
- (ii) Regulatory and salary-related aspects governed in accordance with the collective bargaining agreement;
- (iii) The standards and procedures to be adopted with a view to preventing any possible risks for health related to the corresponding activity;

This information is issued to the worker who shall accept it only if it is fully understood.

8.7. Non-permissible Town Planning, Construction or Building

Real Madrid undertakes not to act in any way that may breach applicable town planning legislation, not least with respect to non-buildable areas, filing for permits and approval of town planning plans, and not to behave in any way which may be taken as a request for an illegal licence or permit.

8.8. Natural Resources and Environment

The following behaviours are expressly prohibited:

- (i) Undertaking any activity that has an impact on the environment in violation of applicable legislation in this area.
- (ii) Managing waste in any way that violates applicable legislation or internal rules and regulations.
- (iii) Filing for licenses or permits when the activity to be carried out is deemed to pollute the environment and suitable measures have not been taken to avoid harmful consequences.
- (iv) Avoiding, delaying or falsifying the performance of compulsory inspections.
- (v) Intentionally damaging protected natural spaces, when the special protective arrangements relating to these spaces are known.

8.9. Public Health

8.9.1. Marketing of food and drink

Any services involving the processing of food shall be provided in compliance with health and safety standards both during their preparation and their storage. Any breach of the legal order regulating health and safety standards may endanger the health of people. It is expressly forbidden to market food and drink in breach of current regulations.

8.9.2. Doping

See point (v) of section 6, concerning employee relations with other particular group, insofar as it exclusively relates to fraud or the rigging of results in sporting competitions.

8.10. Bribery and Influence Peddling

It is forbidden to deliver, promise or offer any kind of payment, fee, gift or remuneration to any authorities, public servants or officials or managers of companies or public bodies, either directly to them or indirectly through people or companies related to them, provided that the recipient is the public official or employee or any other person indicated by the latter. This prohibition refers both to the authorities, civil servants or public officials of Spain and those of any other country.

This limitation does not extend to:

- (i) Advertising materials of an insignificant value.
- (ii) Normal invitations that do not exceed the limits that are deemed to be reasonable for usual, membership and courtesy purposes.
- (iii) Occasional courtesies for specific and exceptional causes provided that they are not in cash and are restricted to modest and reasonable limits.

8.11. Rights of Workers

See point 4.1 of section 4, on relations between individual employees.

9. Ethics Committee and Compliance Officer

- 9.1. In view of the importance of this Code of Ethics, an Ethics Committee is formed and a Compliance Officer is appointed. They shall be responsible for guaranteeing the observance of and compliance with the precepts, obligations and instructions contained in this code.
- 9.2. The Ethics Committee shall comprise a total of between 3 and 6 members appointed by the Club's Board. The Board may delegate its composition and appointment to the Executive Committee of the Club.
- 9.3. The Compliance Officer is a single member who is supported by a legal office external to the entity.
- 9.4. The main functions of the Ethics Committee and the Compliance Officer, notwithstanding any others which help to fulfil them or are duly attributed by the Board, are as follows:
 - (i) Interpret the content of this Code of Ethics and, if necessary, clear up any discrepancies in interpretation that may arise in relation to the same.
 - (ii) Clear up any doubts that employees may have in terms of behaviour and actions.
 - (iii) Monitor and propose updates of or amendments to the Code of Ethics. At any rate, the Board shall be exclusively authorised to amend the Code of Ethics.
 - (iv) Process any complaints which, by virtue of the procedure regulated in subsequent sections, are submitted on account of breaches of the obligations of the Code of Ethics.

- (v) Disclose, promote and enforce the obligations arising from the Code of Ethics.
 - (vi) Report to the Management of Real Madrid, at least once a year, with regard to its activities, proposals and the distribution of and compliance with the Code.
- 9.5. The Ethics Committee, whose composition is featured in appendix number 1, shall respond to any ethical or legal breaches of this code. The Compliance Office, whose approval is featured in appendix number 2, shall respond to any criminal act.

10. Reporting, investigation and penalty procedure

- 10.1. The procedure described below relates to the reporting, investigation and, if necessary, sanction of any forms of behaviour in breach of the standards established in the Code of Ethics.
- 10.2. The procedure shall be based on principles of confidentiality, an adversarial system, immediacy and promptness and shall suspend the prescription of possible breaches. Its regulating principles are as follows:
- (i) Any employee that is aware of a possible breach of the Code of Ethics shall inform the Ethics Committee of any facts that he/she deems to be relevant, by providing as much detail as possible.
 - (ii) In this capacity, the facts and other relevant circumstances may be reported/notified either in writing to the Ethics Committee, or by appearing in person before the Club's Compliance Officer, who shall officially record the statements which shall be signed by the informant. The identification of the person that reports the facts shall be regarded as confidential information.
 - (iii) In addition, any person who is not an employee of the Club but who is aware of any breach of this Code of Ethics shall inform the Secretary of the Ethics Committee via the CSR, Compliance and Good Governance or Ethics Committee inboxes, at the following e-mail addresses: cumplimiento@corp.realmadrid.com/comisionetica@corp.realmadrid.com. The person in question shall identify himself/herself and provide a legitimate basis for submitting the complaint which shall be treated in the strictest of confidence.
 - (iv) If there are any signs that Code of Ethics has been violated, the Ethics Committee shall undertake a confidential investigation in which the cooperation of those involved shall be required. The result shall be reported to those concerned and if the investigation finds that the Code of Ethics has been violated in any possible way, it shall inform the Executive Committee which shall subsequently implement the corresponding disciplinary or exculpatory measures.

11. Disciplinary measures

- 11.1. Any breach of the Code may result in employment-related sanctions, without prejudice to any of an administrative or criminal nature which may also apply.

- 11.2. The disciplinary measures at Real Madrid are extended to all those that are part of the Club:
- (i) In the case of Members, the Articles of Association provide for a Supervisory Body, the Membership Discipline Committee and a penalty system outlined in Clause 57.
 - (ii) In the case of Club employees, the provisions of the Workers' Statute and all other labour legislation in force shall apply. The Ethics Committee or, if applicable, the Compliance Officer is authorised to propose disciplinary measures to the Club Management with respect to matters within its remit. The Club Management systematically opts for an exemplary nature and maximum rigour in the imposition of penalties, regardless of the judicial qualification that may be subsequently established on the basis of these penalties.
 - (iii) In the case of the Club's athletes, the provisions of labour legislation in force and any internal rules and regulations agreed with the athletes themselves shall apply.
- 11.3. In relation to the Reporting Channel, the following forms of behaviour shall be subject to employment-related sanctions:
- (i) Any failure to report a breach of this Code when this breach is known to the party concerned.
 - (ii) Any false complaints reported with a view to prejudicing a third party.
 - (iii) Any discriminatory behaviour or harassment against any person that has made a complaint.
- 11.4. Reporting procedure:
- (i) It should be noted that there is a reporting procedure for any kind of complaint. This procedure includes rights and obligations both for the party making the complaint and the party against whom the complaint is made.
 - (ii) This procedure applies to all communications issued via the club's reporting channel.

12. Monitoring and Reviewing the Code of Ethics

- 12.1. This Code of Ethics reflects the practices which, although not previously regulated, have always been adopted by the Club up to this point. The Code of Ethics shall be permanently monitored to ensure that it is reviewed on a regular basis and that it is fit for purpose at all times.