

**REGULATIONS OF THE SUSTAINABILITY, ETHICS AND
INNOVATION COMMITTEE OF
MERLIN PROPERTIES, SOCIMI, S.A.**

**Regulations approved by the board of directors at the meeting held on March 24,
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(entry number 83 on the Company's registration sheet)**

REGULATIONS OF THE SUSTAINABILITY, ETHICS AND INNOVATION COMMITTEE OF MERLIN PROPERTIES, SOCIMI, S.A.

Chapter I Preliminary

The board of directors of Merlin Properties, SOCIMI, S.A. is aware of the importance currently placed by society, investors and stakeholders of all kinds that have dealings with companies, and listed companies in particular, on dedicating intelligence, creativity, time, and human and material resources to the inclusion of social, environmental, innovative and ethical aspects when defining the business sustainability strategy in the medium and long term.

In this connection, sustainability is conceived as a broad concept that covers the importance of the indicated non-financial aspects in terms of the company's activity and their impact not only on dealings with the indicated stakeholders but also on the performance of financial indicators.

Merlin Properties SOCIMI already integrates sustainability into its processes for the acquisition, renovation or operation of any of its assets, and its financing, promoting the inclusion of conditions linked to the fulfillment of sustainability indicators, but it also wishes to move forward with its sustainability commitments, firmly fostering the associated social, environmental, innovative, ethical and good governance aspects (in terms of sustainability) in order to define the present and future of Merlin Properties SOCIMI and its group.

Article 1. Nature and Purpose

1. In accordance with the Corporate Governance System of Merlin Properties, SOCIMI, S.A. (the "**Company**" or "**Merlin**"), the board of directors has set up the Sustainability, Ethics and Innovation Committee (the "**Committee**"), a permanent internal body, of an informative and advisory nature, without executive functions, with powers to advise, report and make proposals within its scope of action, which shall be governed by the provisions of the bylaws, the board regulations and these regulations (the "**Regulations**").
2. The purpose of the Regulations is to define:
 - (i) the principles of action of the Committee;
 - (ii) the basic rules governing its organization and functioning; and
 - (iii) the rules of conduct of its members.

Article 2. Approval and amendment of the Regulations

1. These Regulations have been approved by the board of directors.

2. The Regulations may only be amended by the board of directors, at the proposal of (i) the board chairman, (ii) half plus one of the directors, or (iii) the Committee itself.
3. Proposed amendments to the Regulations must be accompanied by an explanatory report. The wording of the proposal and the explanatory report must be attached to the call notice for the board meeting that is to discuss the proposal, and it must be expressly included on the meeting agenda. In order for the amendment to be valid, the relevant resolution must be adopted by an absolute majority of the directors present at the meeting, in person or by proxy.

Article 3. Interpretation

1. The Regulations implement and supplement the regulations applicable to the board of directors pursuant to the legislation in force and the Company bylaws which, in the event of any discrepancy, shall prevail over the provisions of the Regulations.
2. The Regulations shall be interpreted in accordance with the applicable statutory and bylaw provisions and with the principles and recommendations on the corporate governance of listed companies, having regard fundamentally to their spirit and purpose and to the corporate interest.
3. Any question or discrepancy relating to the interpretation of the Regulations shall be resolved by the Committee and, failing that, by its chairman, assisted by the persons designated for such purpose by the board of directors, as the case may be. The interpretation and resolution of any questions or discrepancies must be reported to the board of directors.

Article 4. Dissemination

Committee members, as well as board members (the “**directors**”), to the extent applicable to them, are obliged to know, comply with and ensure compliance with the Regulations. For such purpose, the board secretary must provide all of them with a copy of the Regulations when they accept their respective appointments, and a copy of the Regulations shall be posted on the corporate website of the Company.

Chapter II Actions and powers of the Committee

Article 5. Basic principles of action

The Committee, in exercising its powers, must comply with the basic principles of:

- (i) independence, preserving at all times the Committee’s independence to act with respect to instructions and relationships with third parties that could compromise it, as well as the freedom of opinion and judgment of its members;

- (ii) responsibility in advising the board of directors and other board committees on the monitoring, supervision, control and appropriate management by them of sustainability-related risks and, in particular, in relation to the identification and proposal of content for non-financial information, without prejudice to the responsibility of each body;
- (iii) constructive dialog that promotes the free speech of its members, a critical mindset and that, by favoring a diversity of opinions, contributes to enriching analyses and proposals; and
- (iv) sufficient analytical capability, seeking, where deemed necessary or advisable, both internal and external expert advice that may assist the Committee with aspects that are technical or particularly relevant, although the Committee must take into account any potential conflicts of interest that may exist when engaging the services of such expert.

Article 6. Powers and functions

The main functions of the Committee shall be as follows:

- (a) to advise the board of directors on the design and promotion of the culture and corporate values that foster responsible and sustainable business practices and a business strategy that mainstreams social and environmental aspects, responsible and ethical conduct by the Company and its Group, and stakeholder interests and expectations (in sustainability matters), making proposals to the board of directors on recommended changes to policies and regulations concerning responsible and sustainable business practices;
- (b) to promote innovation, particularly in relation to digitalization and technology, for the sustainable development of the Company and its group, making proposals to the board of directors on action plans and their implementation, in coordination and consultation with the executive team;
- (c) to advise the board of directors and oversee the disclosure and communication to the market of any information or report that makes reference to sustainability matters, non-financial information or matters falling under the Committee's remit or that may affect the corporate reputation. In particular, to ensure that information shared by the Company on its website regarding sustainability or reputational matters or matters pertaining to the Committee's remit is sufficient and appropriate;
- (d) to advise the board of directors on the formulation of the Group's sustainability strategy as regards relationships with stakeholders, including shareholders, investors, employees, customers, suppliers and communities in which the Group pursues its activities, and on the publication and public communication thereof;
- (e) to work with the other board committees on all aspects relating to the matters falling under its remit, such as:
 - a. with the compensation committee, to align the Group's compensation policy with the abovementioned culture and values and, in this regard, to

cooperate with the committee in identifying predetermined and quantifiable sustainability targets to which the variable compensation of executive directors, the management team and the workforce in general can be linked.

- b. with the audit and control committee, to analyze and determine the non-financial risks of the Company and its Group and to establish the guidelines, criteria and general principles that must guide the preparation of the non-financial information statement, cooperating with the committee to ensure that the content of non-financial information is in keeping with the Company's sustainable development strategy and reporting to the board of directors prior to the preparation by the board of any report containing non-financial information.
 - c. with the appointments committee, to advise and cooperate whenever required as regards the impact on sustainability and on the Company's sustainability strategy of good corporate governance, equality, diversity, inclusion, integration, occupational safety and work/life balance matters, the powers and functions with respect to which fall to the appointments committee.
- (f) to monitor and promote any necessary amendments to the Company's Code of Ethics, and ensure it is known and complied with. To supervise the Whistleblower Channel (canal.etico@merlinprop.com) of the Company, which enables employees and other personnel related to the Company such as directors, shareholders, suppliers, contractors or subcontractors to report potentially significant irregularities, including financial or accounting irregularities or of any other nature, related to the Company that they may detect at the Company. The Whistleblower Channel must guarantee confidentiality and provide for cases in which reports may be made anonymously, respecting the rights of the complainant and the person against whom the complaint is made. In the event of financial and accounting irregularities, they shall be reported to the Audit and Control Committee for analysis, monitoring and proposed action;
- (g) to promote the preparation and periodic adaptation of a sustainability plan or strategy at Merlin and periodically evaluate the degree of achievement of the set objectives;
- (h) to spur the Company and its group to obtain national and international sustainability certifications, working with the executive team on the plan to achieve this objective, and to monitor and promote the incorporation and proper positioning of the Merlin Group in the most renowned international sustainability indices. To this end, to analyze the different measurement tools, forums and observatories available at national and international level in the areas of corporate social responsibility and sustainability and to provide recommendations to improve the Merlin Group's position;
- (i) to know, promote, guide and supervise the objectives, action plans and practices of the Company in the areas of (i) corporate responsibility, including human rights, employee welfare, ethical conduct, sponsorship, the environment, biodiversity,

combatting climate change, emissions reductions, stakeholder relations, as well as the efficient and responsible use of resources, and (ii) corporate reputation, brand image, intellectual capital and other intangible assets;

- (j) any other powers attributed to it by virtue of the bylaws, the board regulations, the law and any other legislation applicable to the Company.

Chapter III Composition

Article 7.- Induction program and ongoing training

1. The Committee shall ensure that new Committee members receive an induction program on the functions of the Committee and the Company's other bodies, to ensure that they all have a uniform level of knowledge that facilitates their active participation from the outset.
2. The induction program shall cover at least:
 - (i) the Committee's role, responsibilities and objectives;
 - (ii) the functioning of the other specialized committees set up by the Company;
 - (iii) the time each Committee member is expected to dedicate to the Committee (commitment regarding level of dedication);
 - (iv) an overall view of the Company's business and organizational model and of its strategy; the Company's main activities; its financial structure; the most significant risks, both financial and non-financial; the entity's most important policies, including its code of ethics (meetings with key staff of the entity should be included); and
 - (v) the Company's reporting obligations.
3. The Committee shall periodically prepare a training program for its members on innovation and sustainable development trends that may emerge at any time in the sector in which the Merlin Group operates. It shall also encourage attendance at these training sessions by the other directors and executives of the Merlin Group as a tool for the dissemination and internal assumption of sustainability-related values and principles.

Article 8. Quantitative and qualitative composition

1. The Committee shall be made up of a minimum of three (3) and a maximum of five (5) members, who shall all be non-executive directors and a majority of whom shall be independent directors. They shall be appointed by the board of directors in all cases. The composition of the Committee shall take into account diversity and the principle of proportionality as regards gender, professional experience, skills, personal capabilities and industry knowledge.

2. It is presumed that Committee members, as members of the board of directors, ought to have the appropriate knowledge, skills and experience for the functions they are called on to discharge. This notwithstanding, as a whole they should have knowledge and experience in the following areas:
 - (i) corporate social responsibility and sustainability;
 - (ii) innovation, particularly as regards digitalization and new technologies;
 - (iii) social aspects in the broadest sense; and
 - (iv) good corporate governance.

In addition, the board of directors shall endeavor to ensure that both the Committee chairman and the majority of the Committee members have prior experience at comparable companies in terms of size or complexity as members of committees with equivalent functions or as members of senior management with functions in such area;

3. The number of members, the powers and the rules on the functioning of the Committee must favor its independent functioning. Thus, within the aforementioned limits, the Committee may submit a proposal to the board of directors to modify the number of its members, with a view to ensuring the most suitable number for its effective functioning.
4. Efforts shall be made to ensure the composition of the Committee is diverse, particularly as regards gender, professional experience, skills, personal capabilities and industry knowledge.

Article 9. Offices

1. The Committee shall appoint a Committee chairman from among the independent Committee members.

Among other aspects, the Committee chairman:

- (i) shall keep in regular contact with the key management personnel involved in sustainability, innovation, climate change and corporate social responsibility matters;
- (ii) shall be the person who channels and provides the necessary information and documentation to the other Committee members, with sufficient time for them to be able to analyze it prior to Committee meetings; and
- (iii) with a view to favoring a diversity of opinions that enriches the Committee's analyses and proposals, shall ensure that Committee members participate freely in deliberations and shall foster constructive dialog among its members, promoting free speech and a critical mindset.

2. The Committee shall appoint a secretary and may appoint a deputy secretary, neither of whom need be a Committee member. Where no such appointments are made, the board secretary and deputy board secretary shall act as the Committee secretary and deputy secretary.

Article 10. Term of office

1. Committee members shall hold office for as long as their appointment as Company directors remains in force, unless the board resolves otherwise. The renewal, reappointment and removal of directors making up the Committee shall be governed by what is resolved by the board.
2. The chairman must be reappointed or replaced every two (2) years, and may be reappointed for successive terms of equal duration.
3. Committee members reappointed as Company directors pursuant to a resolution of the shareholders' meeting shall continue to hold office on the Committee, without having to be reappointed, unless the board resolves otherwise.

Article 11. Vacation of office

Committee members shall cease to hold office:

- (i) when they cease to be Company directors;
- (ii) when, despite continuing to be Company directors, they cease to be nonexecutive directors;
- (iii) when so resolved by the board of directors.

**Chapter IV
Functioning**

Article 12. Annual work plan

1. Prior to the start of each year, the Committee shall approve an annual work plan covering at least:
 - (i) the specific objectives for each of the Committee's functions, particularly for any objectives that are new or refer to the most relevant matters;
 - (ii) the organization of the information and agenda for meetings, planning fixed sections (matters to be habitually discussed) and matters to be discussed only at certain meetings;
 - (iii) meetings or other means of periodic communication with the Senior Executives of the Company and the other board committees;
 - (iv) the training deemed appropriate for the correct performance of the Committee's functions.

2. When preparing the plan, it should be taken into account that the responsibilities of the Committee members are fundamentally supervisory and advisory in nature, and they should not take part in enforcement or management functions specific to management and the executive bodies of the Company.

Article 13. Meetings

1. Following the approval of the annual work plan, the Committee chairman must draw up the annual meeting calendar, having regard to the time to be dedicated to the various Committee functions, as well as to the meeting calendar of the board and of the shareholders' meeting, all of the foregoing with a view to preparing, as appropriate, the reports to be sent on the matters to be discussed by the board and the shareholders' meeting, as well as the report on the activities carried out by the Committee.
2. In any event, the Committee shall be called and shall meet at least once every quarter.
3. Notwithstanding the provisions of the preceding subarticles, the Committee shall meet whenever it is called by the Committee chairman, who must do so whenever the board or the board chairman request the issue of a report or the adoption of proposals and, in any event, when it is appropriate for the proper pursuit of its functions.
4. The board chairman and the managing director may request informative meetings of the Committee on an exceptional basis.

Article 14. Call

Committee meetings shall be called by the Committee chairman, either at his own initiative or at the request of the board chairman or any Committee member. Calls shall be made by letter, telegram, fax, email or any other means capable of providing evidence of its receipt.

Article 15. Meeting venue

1. Committee meetings shall ordinarily be held at the registered office but may also be held at any other venue determined by the chairman, whether in Spain or abroad, allowing for attendance in person, by telematic means or a mix of the two, as appropriate.
2. In addition, provided there are justified reasons to explain any member's inability to attend, the chairman may authorize the holding of Committee meetings with simultaneous attendance at different venues connected by audiovisual or telephonic means, provided that the identification of the members present and real-time interactivity and intercommunication and, consequently, the integrity of the meeting, is guaranteed.
3. Committee members not physically present at the meeting venue who use means of communication that allow for the meeting to be held simultaneously and

reciprocally with the meeting venue and with other members using means of distance communication, shall be considered attendees for all purposes and may cast their vote via the means of communication used.

Article 16. Constitution

1. Committee meetings shall be validly constituted when the majority of the Committee members are present, in person or by proxy. This notwithstanding, the Committee shall also be deemed validly constituted without prior call if all Committee members are present, in person or by proxy, and unanimously resolve to hold the meeting and agree on the items to be discussed on the agenda.
2. The meeting shall be chaired by the Committee chairman. In the event of vacancy, illness, impossibility or absence of the Committee chairman, the meeting shall be chaired by the longest-serving Committee member and, where two or more members have served an equal term, by the eldest of them.
3. The Committee secretary shall act as the meeting secretary. In the event of vacancy, illness, impossibility or absence of the Committee secretary, the deputy board secretary shall act as secretary and, in their absence, the person designated by the Committee for such purpose.
4. Committee members may grant a proxy to another member by serving notice thereof on the Committee secretary, stating the terms of the proxy. They cannot, however, grant a proxy in relation to matters that involve them personally or with respect to which they have a conflict of interest.

Article 17. Resolutions

1. Resolutions shall be adopted by a majority of the members present, in person or by proxy. In the event of a tie, the chairman shall have the casting vote.
2. The Committee may also adopt resolutions in writing and without holding a meeting where no member objects to the procedure, in accordance with the provisions of the law and the bylaws, and votes may be cast in writing or via email, provided that the identity of the member casting their vote can be guaranteed.
3. Minutes shall be taken of the resolutions adopted at each meeting, and details thereof shall be reported to the plenary session of the board of directors, sending or delivering a copy of the minutes to all board members.

Article 18. Conflicts of interest

Where the matters to be discussed at Committee meetings have a direct impact on any Committee member or on persons related to them and, in general, where the Committee member is subject to a conflict of interest, they must leave the meeting until the decision is made, and shall be discounted from the number of Committee members used to calculate the quorum and majorities in connection with the matter in question.

Article 19. Attendance

1. At the request of the Committee chairman, by way of a petition addressed to the board chairman, any director may be asked to attend Committee meetings.
2. By way of a reasoned request, the Committee chairman may also require the attendance of any director, manager or employee of the Company, as well as of any member of the managing bodies of investees whose nomination was proposed by the Company, provided that there is no legal impediment, or of any adviser or external guest.
3. Meetings cannot be attended by persons who do not form part of the Committee if the aspects discussed are not within the scope of the powers or functions of such persons or they have not been invited by the Committee chairman.
4. The presence of executives or other directors, executive or otherwise, or of advisers or guests at Committee meetings shall be occasional and only where necessary, following an invitation by the Committee chairman, and shall be limited strictly to those items on the agenda for which they are invited.

Chapter V. Relations

Article 20. Relations with the board

1. The Committee chairman shall report to the board on the matters discussed and the resolutions adopted at Committee meetings at the first board meeting held after each Committee meeting.
2. Within the first three months following the end of the Company's fiscal year, the Committee shall submit a report on the Committee's work during the preceding year to the board for approval.

Chapter VI.

Prerogatives of the Committee, duties of Committee members and evaluation of its functioning

Article 21. Prerogatives

1. The Committee may access, without restriction, any type of information or documentation available to the Company in connection with the matters falling under the Committee's remit and deemed necessary by the Committee for the performance of its functions.
2. The Committee may also enlist, with a charge to the Company, the cooperation or advisory services of external professionals, who must address their reports directly to the Committee chairman. In such case, the Committee shall ensure that any potential conflicts of interest do not jeopardize the independence of the external advice received.

Article 22. Duties of Committee members

1. Committee members must act with independence of judgement and action with respect to the rest of the organization and must perform their work with the utmost professional diligence and competence.
2. Committee members shall be subject, in such capacity, to all duties of directors provided for in the board regulations, insofar as they apply to the functions performed by the Committee.

Article 23. Evaluation

As a part of the annual evaluation of the board of directors, the Committee's performance shall be evaluated with a view to enhancing its functioning and improving the planning for the following year, either directly by the Committee or, if so decided by the board of directors, by an external consultant. Independently of the procedure chosen, the board of directors shall be informed of the aspects evaluated and of the findings of the evaluation, so that they can be taken into account in the annual evaluation of the board.