FOR INFORMATION PURPOSES. SPANISH VERSION PREVAILS.

REPORT ISSUED BY THE BOARD OF DIRECTORS OF MERLIN PROPERTIES, SOCIMI, S.A. IN RELATION TO THE REELECTION OF MR. GEORGE DONALD JOHNSTON AS AN INDEPENDENT DIRECTOR BY THE ANNUAL SHAREHOLDERS' MEETING

In Madrid, on April 4, 2024

MERLIN

1. Introduction

The Board of Directors of Merlin Properties, SOCIMI, S.A. (the "**Company**") has prepared this explanatory report on the reelection of Mr. George Donald Johnston as an independent director of the Company (the "**Report**"), in compliance with the provisions of article 529.decies.5 of the Capital Companies Law ("**LSC**").

The Board of Directors is required by the provisions of the aforementioned article to issue an explanatory report providing an assessment of the (i) competence, (ii) experience and (iii) merits of the proposed candidate, to be accompanied by a proposal prepared by the Appointments and Compensation Committee, in the case of independent directors.

2. Purpose of the Report

In light of the above, this Report is issued by the Board of Directors of the Company for the purposes of:

(i) justifying the proposed reelection of Mr. George Donald Johnston as an independent director of the Company, by the Annual Shareholders' Meeting to be held in 2024; and

(ii) assessing the competence, experience and merits of the candidate proposed for the discharge of the office of independent director,

all of the above in accordance with the terms of article 529.*decies*.5 of the Capital Companies Law.

In this connection and in accordance with the provisions of article 529.decies.4 of the LSC, the Appointments and Compensation Committee has prepared and submitted to the Board of Directors a proposal for the reelection of Mr. George Donald Johnston as an independent director of the Company. Such proposal is attached hereto as a **<u>Schedule</u>** for ease of identification.

3. Proposal of the Appointments and Compensation Committee

In short, the Appointments and Compensation Committee, taking into account the work carried out to date by Mr. George Donald Johnston as a Company director, has considered and positively evaluated proposing his reelection, in view, among other factors, of the following:

(i) the director's availability and competences, which are those which are required and meet the needs of the Board of Directors and of the Company;

(ii) that the candidate is honorable and suitable and of recognized caliber, having the required competence, experience, qualification, background, availability and commitment to his function;

(iii) the absence of obstacles which prevent him from being a candidate;

(iv) the director's background, which makes it possible to maintain a diversity of knowledge, experience and ages on the Board;

(v) the excellent work performed to date by Mr. George Donald Johnston as a director of the Company;

(vi) that his reelection will maintain an adequate balance on the Board of Directors as a whole, which will enrich decision-making and bring a plurality of views to the discussion of matters within its competence;

(vii) the fact that he has a combination of merits appropriate to the discharge of the office of director, including a suitable academic and professional background;

(viii) his extensive experience in and knowledge of strategic consulting and capital markets as well as his competence as a director; and

(ix) the receipt of suitable and appropriate opinions from the other directors and, in particular, from the independent directors, for the purposes of his reelection as an independent director of the Company.

4. Justification of the proposal by the Board of Directors

The understanding of the Board of Directors is that for a director to be able to exercise their supervisory and control functions properly, they must have the required combination of skills and competencies in the following areas:

(i) proven competence and experience;

(ii) knowledge of the area in which the Company pursues its activity;

(iii) the ability to dedicate themselves to and involve themselves in the Company's businesses; and

(iv) knowledge additional and complementary to that regarding the Company's activity, such as knowledge of financial aspects.

The work performed at the Company by Mr. George Donald Johnston to date evidences his competence, experience and merits for retaining the office of director. His extensive experience and his conduct as a director of the Company ensure there will be a diversity of opinion in the debate of matters addressed by the Board of Directors.

In view of the above, and in light of the reasons put forward for his reelection by the Appointments and Compensation Committee (which the Board echoes), the

Board of Directors considers the reelection of Mr. George Donald Johnston as a director of the Company to be justified and advisable, in the belief that such reelection will allow the Board of Directors to continue having a member whose profile is considered valuable to the pursuit of the Company's business.

In addition, his position as an independent director will reinforce the role of the Board of Directors as an efficient supervisory body and serve as an effective counterbalance to the nominee directors.

5. Assessment of the competence, experience and merits of the candidate

The competence, experience and merits of Mr. George Donald Johnston are evidenced by his professional career, showing that he has the skills required to serve as an independent director. In summary, it should be noted that Mr. George Donald Johnston:

(i) has a degree in Political Science and Spanish from Middlebury College and a master's degree in International Economics and Latin American Studies from Johns Hopkins University;

(ii) he was a member of the Board of Directors of Bankers Trust International and member of its Management Committee. He joined Bankers Trust as Head of European M&A in 1992 and became co-head of Investment Banking in Europe while continuing to run BT Wolfensohn;

(iii) he spent 11 years at Salomon Brothers where he was head of the Investment Banking Division for Spain, Austria, Italy and Portugal from 1984 to 1990; and

(iv) Currently, Mr. George Donald Johnston is a member of the board of directors of Acerinox and chairman of its Audit and Control Committee; and member of the board of directors of Banco Sabadell, chairman of the Risk Committee and member of the Strategy and Sustainability Committee.

In short, in the view of the Board of Directors, the candidate meets the appropriate and necessary requirements in terms of suitability, competence, experience, training, merits and commitment in order to continue forming part of the Board of Directors of the Company.

6. Conclusions of the Board of Directors.

In light of the foregoing, the Board of Directors considers it justified that Mr. George Donald Johnston be reelected as an independent director of the Company.

The Board of Directors therefore proposes to the Annual Shareholders' Meeting to be held during 2024, as does the Appointments and Compensation Committee, that he be reelected as an independent director of the Company.

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7. Category of director to which he belongs or in which he should be classed

Mr. George Donald Johnston would be classed as an independent director of the Company.

Madrid, on April 4, 2024

Schedule

FOR INFORMATION PURPOSES. SPANISH VERSION PREVAILS.

PROPOSAL ISSUED BY THE APPOINTMENTS AND COMPENSATION COMMITTEE OF MERLIN PROPERTIES, SOCIMI, S.A. IN RELATION TO THE REELECTION OF MR. GEORGE DONALD JOHNSTON AS AN INDEPENDENT DIRECTOR

In Madrid, on March 22, 2024

MERLIN

1. Introduction

The Appointments and Compensation Committee (the "**Committee**") of Merlin Properties, Socimi, S.A. (the "**Company**") has prepared this proposal for the reelection of Mr. George Donald Johnston as an independent director of the Company (the "**Proposal**"), in compliance with the provisions of subarticle 4 of article 529 *decies* of the Capital Companies Law (the "**LSC**").

According to that article, the Appointments and Compensation Committee is responsible for proposing the appointment or reelection of members of the Board of Directors in the case of independent directors.

In addition, pursuant to the provisions of subarticle 5 of article 529 *decies* of the LSC, the Proposal must be accompanied by an explanatory report by the Board that assesses the competence, experience and merits of the proposed candidate, which is to be attached to the minutes of the Shareholders' Meeting or of the meeting of the Board itself.

2. Analysis by the Appointments and Compensation Committee – Suitability of the candidate

Given that the period for which Mr. George Donald Johnston was appointed as a director is coming to an end, the Appointments and Compensation Committee commenced the corresponding process in order to evaluate and propose his reelection as a director of the Company.

In the context of Recommendation 14 of the Good Governance Code and of the current director selection policy, this committee has taken into account the following in its analysis:

(i) the needs of the Board of Directors, in the context of which consideration has been given to the advisability of the Board continuing to have an extensive presence of highly qualified professionals who, with their contributions, enrich the Board's debates and decision-making process, with the Board's membership being composed primarily of independent directors;

(ii) the diversity of knowledge, experience and ages required by the Board, which is maintained with the reelection of Mr. Johnston;

The Committee also taken into consideration the following:

(i) the director's availability and competences, which are those which are required and meet the needs of the Board of Directors and of the Company;

(ii) that the candidate is honorable and suitable and of recognized caliber, having the required competence, experience, qualification, background, availability and commitment to his function;

(iii) the absence of obstacles which prevent him from being a candidate;

(iv) the director's background, which makes it possible to maintain a diversity of knowledge, experience and ages.

In addition, the Appointments and Compensation Committee has taken into account:

(i) the excellent work performed to date by Mr. George Donald Johnston as a director of the Company;

(ii) that his reelection will maintain an adequate balance on the Board of Directors as a whole, which will enrich decision-making and bring a plurality of views to the discussion of matters within its competence;

(iii) the fact that he has a combination of merits appropriate to the discharge of the office of director, including a suitable academic and professional background;

(iv) his extensive experience in and knowledge of strategic consulting and capital markets as well as his competence as a director; and

(v) the receipt of suitable and appropriate opinions from the other directors and, in particular, from the independent directors, for the purposes of his reelection as an independent director of the Company.

The foregoing has enabled this Committee to conclude that his reelection as an independent director of the Company would bring significant benefits to this managing body.

3. Conclusions and proposal of the Appointments and Compensation Committee

In conclusion, the Appointments and Compensation Committee considers that Mr. George Donald Johnston has the (i) competence, (ii) experience and (iii) merits necessary to be reelected as an independent director of the Company and, accordingly, proposes his reelection by the Shareholders' Meeting as an independent director of the Company.

Likewise, this Appointments and Compensation Committee has evaluated and considered justified (and reports favorably in this regard) that Mr. Johnston should continue holding the position of (i) chair of the Audit and Control Committee and (ii) member of this Appointments and Compensation Committee, posts which he has performed in a manner above reproach.

4. Category of director in which he should be classed

Having regard to Mr. George Donald Johnston's characteristics and in accordance with the applicable legislation, he should continue to be classed as an independent director of the Company.

In Madrid, on March 22, 2024.