MERLIN

<u>**FOR INFORMATION PURPOSES. SPANISH VERSION PREVAILS.**</u>

REPORT ISSUED BY THE BOARD OF DIRECTORS OF MERLIN PROPERTIES, SOCIMI, S.A. IN RELATION TO THE APPOINTMENT OF MS. INÈS ARCHER TOPER AS AN INDEPENDENT DIRECTOR BY THE ANNUAL SHAREHOLDERS' MEETING

In Madrid, on April 4, 2024

1. Introduction

The Board of Directors of Merlin Properties, Socimi, S.A. (the "**Company**") issues this explanatory report on the appointment of Ms. Inès Archer Toper as an independent director of the Company (the "**Report**"), in compliance with the provisions of subarticle 5 of article 529 *decies* 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 proposal (made by the Appointments and Compensation Committee) for the appointment of Ms. Inés Archer Toper as an independent director of the Company, by the Annual Shareholders' Meeting to be held during 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 subarticle 5 of article 529 *decies* of the Capital Companies Law.

3. Proposal of the Appointments and Compensation Committee

In accordance with the provisions of subarticle 4 of article 529 *decies* of the LSC, the Appointments and Compensation Committee has prepared and presented to the Board of Directors a proposal for the appointment of Ms. Inés Archer Toper as independent director of the Company. Such proposal is attached hereto as a **Schedule** for ease of identification.

In short, the Appointments and Compensation Committee, in light of:

(i) Ms. Inés Archer Toper's extensive experience in the real estate sector, which is a key sector for the Company;

(ii) her profile as a highly qualified professional well suited to the discharge of duties as an independent director of the Company;

(iii) her prior experience, centered on the real estate sector;

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

has approved and proposed her appointment 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.

Ms. Inés Archer Toper has the competence, experience and merits necessary to meet all the above requirements. In addition, her presence on this Board of Directors would enable progress to be made in complying with the rule which requires a 40% presence of women on the Board and make it possible to initiate the plan for the orderly renewal of Board members to which the Appointments and Compensation Committee refers in its proposal.

In view of the above, and in light of the reasons put forward for her appointment by the Appointments and Compensation Committee (which this body echoes), the Board of Directors considers the appointment of Ms. Inès Archer Toper as a director of the Company to be justified and advisable, believing that such appointment will bring to the Board of Directors a new profile which is considered valuable in the pursuit of the Company's activity.

In addition, her 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 Ms. Inès Archer Toper are evidenced by her career, which shows that she has the skills required to serve as an independent director. In short, it should be noted that Ms. Inés Archer Toper:

(a) Trained at Paris universities, obtaining a Master's degree in Law from Paris 2 and a Master's degree in Real Estate Law from Paris 1.

(b) She is a Member of the Royal Institute of Chartered Surveyors and Fellow of the Royal Institute of Chartered Surveyors.

(c) Without prejudice to other positions previously held by the candidate, she has worked in recent years in the following entities:

   a. LBO FRANCE, as Senior Advisor.

   b. URBAN RENAISSANCE, Senior Advisor.

   c. EDMOND DE ROTHSCHILD, where she has formed part of:

      - AINA FUND, as Member of the investment committee.

      - GINKGO FUND, as Member of the investment committee.

      - BOSCALT FUND, as Member of the investment committee.

      - SMART FUND, as Member of the investment committee.

   d. JUNE PARTNERS, as Member of the strategy committee.

   e. NIMANIMMO, as chair.

   f. EDMOND DE ROTHSCHILD CORPORATE FINANCE, Senior Advisor, Real Estate Sector.

   g. EDMOND DE ROTHSCHILD CORPORATE FINANCE, Associate Director, Real Estate Sector.

   h. ACXIOR CORPORATE FINANCE, Partner, Real Estate Sector.

(d) The candidate has served, among others, on the following boards of directors:

   a. Cofinimmo S.A. (2013-present) Independent Director and Member of the Audit Committee.

   b. Gecina S.A. (2012-2024), as Independent Director and Chair of the Ethics Committee and Member of the Audit Committee.

   c. Eurosic, S.A. (2017-2023) as Independent Director.

   d. Segro PLC (2008-2010) as Director.

e. Icade (2000-2007) as Director.

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 Ms. Inès Archer Toper be appointed as an independent director of the Company for having the competence, experience and merits to do so.

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

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

Pursuant to the applicable legislation, Ms. Inès Archer Toper should be classed as an independent director of the Company.

Madrid, on April 4, 2024

MERLIN

Schedule

PROPOSAL MADE BY THE APPOINTMENTS AND COMPENSATION COMMITTEE OF MERLIN PROPERTIES, SOCIMI, S.A. IN RELATION TO THE PROPOSED APPOINTMENT AS INDEPENDENT DIRECTOR OF MS. INÈS ARCHER TOPER

Madrid, March 22, 2024

1. Introduction

The Appointments and Compensation Committee of Merlin Properties, SOCIMI, S.A. (the "**Company**") makes this proposal for the appointment of Ms. Inès Archer Toper 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 ("**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 from the board that assesses the competence, experience and merits of the proposed candidate, which will 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

2.1. Needs of the Board of Directors

In the context of Recommendation 14 of the Good Governance Code and of the current director selection policy, the Company has carried out a prior analysis of the Board's needs and the competences it requires, and of options which could favor gender diversity and avoid implicit biases that might entail discrimination.

Accordingly, the Committee has paid particular attention in its analyses to the following aspects:

(i) compliance with the rule requiring a 40% presence of women on the board;

(ii) taking into account that in four years there will be six directors, out of a current total of 13, who will cease to be classed as independent directors (as they will have been in office for twelve years) and that of these, there are 3 independent directors whose term expires in 2 years and who are the current chairs of the Board's commissions and committees, the need to establish a plan for the orderly renewal of the Board's membership entailing the incorporation of new members;

(iii) the incorporation of new directors with previous experience in real estate matters, which would strengthen the Board of Directors' knowledge in this area.

Based on these premises, the Committee engaged Spencer Stuart to select female directors with different profiles. This report is on one of the candidates identified as a result of such work.

2.2. Regarding the candidate

The view of the Committee is that any director of Merlin should have, as a minimum, the following attributes:

(i) the candidate should be honorable and suitable and of recognized caliber, competence, experience, qualification, training, availability and commitment to their function;

(ii) they should preferably have pursued their professional activity in listed companies;

(iii) there should be no obstacles which prevent them from being a candidate for director;

(iv) they should enable the Board to continue to have an extensive presence of highly qualified professionals who, with their contributions, enrich its debates and decision-making processes, with the Board's membership being composed primarily of independent directors.

In relation to the foregoing, the candidate proposed meets these requirements amply. It is clear from her curriculum vitae that her profile is suited to the requirements outlined. Ms. Inès Archer Toper:

(a) Trained at Paris universities, obtaining a Master’s degree in Law from Paris 2 and a Master’s degree in Real Estate Law from Paris 1

(b) She is a Member of the Royal Institute of Chartered Surveyors and Fellow of the Royal Institute of Chartered Surveyors

(c) Without prejudice to other positions previously held by the candidate, she has worked in recent years in the following entities:

   a. LBO FRANCE, as Senior Advisor

   b. URBAN RENAISSANCE, as Senior Advisor

   c. EDMOND DE ROTHSCHILD, where she has formed part of:

      - AINA FUND, as Member of the investment committee
      - GINKGO FUND, as Member of the investment committee
      - BOSCALT FUND, as Member of the investment committee
      - SMART FUND, as Member of the investment committee

   d. JUNE PARTNERS, as Member of the strategy committee

   e. NIMANIMMO, as chair

f. EDMOND DE ROTHSCHILD CORPORATE FINANCE, Senior Advisor, Real Estate Sector

g. EDMOND DE ROTHSCHILD CORPORATE FINANCE, Associate Director, Real Estate Sector

h. ACXIOR CORPORATE FINANCE, Partner, Real Estate Sector

(d) The candidate has formed part, among others, of the following boards of directors:

a. Cofinimmo S.A. (2013-present) Independent Director and Member of the Audit Committee.

b. Gecina S.A. (2012-2024), as Independent Director and Chair of the Ethics Committee and Member of the Audit Committee.

c. Eurosic, S.A. (2017-2023) as Independent Director

d. Segro PLC (2008-2010) as Director

e. Icade (2000-2007) as Director

In this respect, the understanding of the Appointments and Compensation Committee is that:

(i) Ms. Inès Archer Toper has extensive experience in the real estate sector, which is a key sector for the Company;

(ii) her profile is that of a highly qualified professional well suited to the discharge of duties as an independent director of the Company, given her extensive experience and merits in relevant sectors, as well as her in-depth knowledge in various business fields and, primarily, the real estate sector;

(iii) her prior experience, centered on the real estate sector, can bring enormous benefits in decision-making processes in relation to the new sectors which the Company is now entering;

(iv) the director’s background will make it possible to maintain diversity in terms of knowledge, experience and ages on the board.

(v) she has served on the managing bodies of listed companies engaging in activities similar to that of the Company.

In light of the foregoing, it is clear that her presence on the Board of Directors, and her appointment as an independent director, would bring significant benefits to the managing body, allowing for greater depth in its discussions and providing an additional vision based on experience.

3. Absence of obstacles preventing her appointment as director

It has been confirmed that there exists no legal incompatibility and that the impediments or limitations established in corporate governance regulations do not apply to the candidate.

4. Conclusions and proposal of the Appointments and Compensation Committee.

In conclusion, the Appointments and Compensation Committee considers Ms. Inès Archer Toper to have the (i) competence, (ii) experience and (iii) merits necessary to be appointed as an independent director of the Company; and, accordingly, it proposes her appointment by the Shareholders' Meeting as an independent director of the Company.

5. Category of director in which she should be classed

Having regard to Ms. Inès Archer Toper's characteristics, and pursuant to the applicable legislation, she should be classed as an independent director of the Company.

In Madrid, on March 22, 2024.