MERLIN

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RESOLUTION PROPOSED TO THE ANNUAL SHAREHOLDERS' MEETING OF MERLIN PROPERTIES, SOCIMI, S.A. CALLED FOR APRIL 29 AND APRIL 30, 2025, ON FIRST AND SECOND CALL, RESPECTIVELY

<u>ITEM SIX ON THE AGENDA</u>:

Approval of a share-based incentive plan targeted at executives and employees, including the executive directors of the Company, and applicable in fiscal years 2025 to 2027. Allocation of shares to the plan. Delegation of powers

<u>PROPOSED RESOLUTION:</u>

"It is resolved:

(i) to approve a long-term incentive plan consisting of the delivery of a certain number of shares and/or stock options of MERLIN Properties, SOCIMI, S.A., targeted at executives and employees of the Merlin Group, including the executive directors of the Company (the "**LTIP**" or the "**New Plan**"), in accordance with the basic terms and conditions attached as an Exhibit.

(ii) to allocate to the New Plan a maximum number of ordinary shares of the Company equal to 5,168,656 ordinary shares. 1,307,738 ordinary shares may be allocated, at maximum, to beneficiaries of the New Plan who have director status. These amounts shall apply in the event that the portion of the LTIP granted in stock options is settled in cash.

Without prejudice to any other specific delegations of powers, it is resolved to empower:

(i) the Board of Directors, as broadly as may be required in law, with express powers of delegation, so that it may implement, clarify and interpret the conditions of the LTIP, as well as establish, specify and implement, to the extent necessary, its terms and conditions and, in particular, without limitation:

(a) Implement and set the specific conditions of the LTIP in all matters not provided for in this resolution and, in particular, regarding matters applicable to the executives and employees of the MERLIN Group, including, without limitation, determining the executives and employees of the MERLIN Group who are beneficiaries of the LTIP and the distribution of shares to be delivered to them under the New Plan.

(b) Adapt the content of the New Plan to the prevailing circumstances at any time, taking into account any significant internal and external changes that may affect the Company and, among others, the increase of its scope and changes deriving from any regulatory or macroeconomic issues that may arise, as well as any corporate transactions that may be performed during its term, on the terms and conditions deemed necessary or appropriate at any time in order to maintain the equivalence and purpose of the LTIP.

(c) Approve implementing regulations for the LTIP that contain the terms and conditions of the New Plan in the context of those established by this resolution and, in particular, the rights of the executives and employees of the Group who are beneficiaries of the New Plan in the event of the termination of their relationship with the Group on grounds such as dismissal, death, retirement and declaration of incapacity, among others. Such regulations will also set out the implications deriving from a change of control at the Company and that could entail the early settlement of the LTIP in cash.

(d) Where the legal regime applicable to any of the beneficiaries of the New Plan so requires or makes it advisable, or if necessary or appropriate for legal, tax, regulatory, operational or other similar reasons (such as delisting of the Company shares from the Spanish Stock Exchanges), adapt the basic conditions specified in general or in particular, including, without limitation, the possibility of adapting the mechanisms for delivery of the shares without altering the maximum number of shares linked to the New Plan, or provide for and execute the total or partial settlement of the LTIP in cash.

(e) Resolve, at the proposal of the Appointments and Compensation Committee, on the number of shares to be delivered to each Beneficiary of the New Plan. In this connection, the Board of Directors will determine the manner in which the applicable withholding tax is charged to the beneficiaries of the LTIP. In all cases, the Board of Directors may resolve to deliver the shares net of taxes, that is, reducing the number of shares to be delivered to each Beneficiary by an amount equal to the withholding tax applicable to the Beneficiary of the New Plan in accordance with the legislation in force.

(f) Interpret the above resolutions, with the authority to adapt them, without affecting their basic content, to any new circumstances that may arise, including, but not limited to, modification of the delivery mechanisms, without altering the maximum number of shares linked to the New Plan.

(g) Decide to replace the delivery of shares or the assignment of options with the delivery of equivalent amounts in cash, in which case the allocation of options would be settled in any case by differences.

(h) Define the applicable rules in the event of the death or declaration of incapacity of any beneficiary of the New Plan or the termination of their relationship with the Company or the Group during the term of the LTIP.

(i) Acquire treasury shares of the Company within the limits and on the terms legally established in order to, as the case may be, provide coverage for the implementation of the New Plan, or perform all such steps as may be required to ensure the commitments assumed under the LTIP are covered.

(j) Perform all such steps, adopt all such resolutions and sign all such documents as may be necessary or merely appropriate for the validity, effectiveness, implementation, development, execution, settlement and successful outcome of the New Plan and of the previously adopted resolutions.

(ii) the Board of Directors, as broadly as may be required in law and conferring express powers of delegation on the Chairman, the Chairwoman of the Appointments and Compensation Committee, and on the Secretary and Deputy Secretary of the Board of Directors, so that any of them, individually, may proceed with the implementation of the New Plan and its settlement, as well as establish, specify and implement, to the extent necessary for such purpose, its terms and conditions and, in particular and without limitation:

(a) Perform all such acts as may be appropriate, and sign and execute all such public and private documents as may be necessary for the delivery of the shares to the Beneficiaries of the New Plan.

(b) Prepare and deliver the letters of acceptance to the Beneficiaries of the New Plan containing the conditions applicable to each of them, attaching the implementing regulations of the New Plan approved by the Board of Directors. Each Beneficiary of the LTIP must sign and accept such letter as a condition to be a Beneficiary of the New Plan.

(c) Draft, sign and submit all such notices and supplementary documentation that may be necessary or appropriate to any public or private body for the purposes of the implementation, execution or settlement of the New Plan, including, where necessary, the corresponding communications and information memorandums.

(d) Carry out any step, declaration or formality in dealings with any body or entity or public or private registry, to obtain any authorization or clearance necessary to implement, execute or settle the New Plan.

(e) Negotiate, agree and sign all such agreements of any kind with the financial institutions, external advisers or other entities it freely designates, on the terms and conditions it deems fit, as may be necessary or advisable for the proper implementation, execution or settlement of the New Plan, including, where necessary or advisable due to the legal regime applicable to certain beneficiaries or if necessary or advisable for legal, regulatory, economic and financial, operational or other similar reasons, the establishment of any legal mechanism (including trusts or similar) or the securing of agreements with any type of entity for the deposit, safekeeping, holding and/or administration of the shares and/or their subsequent delivery to the beneficiaries within the context of the New Plan.

(f) Draft and publish all such notices as may be necessary or appropriate.

(g) Draft, sign, execute and, as the case may be, certify any type of document relating to the New Plan.

(h) Perform all such steps, adopt all such decisions and sign all such documents as may be necessary or merely appropriate for the validity, effectiveness, implementation, development, execution, settlement and successful outcome of the New Plan and of the previously adopted resolutions."

Exhibit

Basic terms and conditions of the 2025-2027 LTIP

(i) Description of the LTIP: The long-term incentive system is a single cycle multi-year variable compensation plan to be implemented as set out below by means of an incentive allocated to each beneficiary, free of charge, that may be determined as a set number of Merlin shares and/or a number of Merlin stock options (which shall be settled in cash, unless otherwise resolved by the Board of Directors).

(ii) Beneficiaries of the LTIP: The beneficiaries of the LTIP are the executive directors, members of the executive and management team and other personnel of the MERLIN group or entities in which the MERLIN group has a holding whom the Board of Directors, following a report by the Appointments and Compensation Committee, has formally decided to include in the system (the “Beneficiaries”).

(iii) Implementation of the LTIP. In the case of executive directors and other Beneficiaries participating in the LTIP in shares and stock options, the Board of Directors will determine the percentage to be received through a performance share plan and the percentage to be implemented in stock options. In this regard:

- Each performance share confers the right to receive an ordinary MERLIN share, provided that the targets and other requirements established in the LTIP are met.

- Each stock option, if settled in cash, confers the right to receive any appreciation of an ordinary MERLIN share, provided that the targets and other requirements established in the LTIP are met. For the purposes of the LTIP, the appreciation is calculated as the difference between the final price and the initial price of the Merlin share. For such purposes:

    - The initial price shall be the average weighted market price of the Company shares in the thirty (30) trading days prior to January 1, 2025, equal to €10.18.

    - The final price shall be the volume-weighted average price of the Merlin share (“vwap”), rounded to two decimal places, of the thirty (30) trading sessions prior to the corresponding exercise date.

In any event, in order to receive the LTIP, it will be necessary (i) to evidence fulfillment of the specific targets set for the 2025-2027 period and (ii) for the beneficiary to have remained at the MERLIN Group on the terms indicated below.

(iv) Term of the LTIP and holding period for the shares: The LTIP will consist of a single cycle with a 3-year target measurement period, beginning on January 1, 2025 and ending on December 31, 2027. Where targets are met and the fulfillment percentage is determined, the number of shares corresponding to each of them under the performance share plan shall be paid out in 2028, once the 2027 financial statements have been prepared and audited, depending on the level of fulfillment, and within the maximum authorized limit. In turn, stock options shall be settled in cash (or in the manner determined at any time by the Board of Directors) during the exercise windows established in 2028, 2029 and 2030. At maximum, one exercise window shall be established in each year.

All of the shares delivered to the executive directors under the LTIP will be subject to a holding period of 2 years as from the payout date of the performance share plan, without prejudice to the fact that, in accordance with the Compensation Policy, they are each obliged to comply with the requirement to hold a number of shares equal to 2 years' fixed compensation. The Board of Directors may set specific requirements for executives and employees of the MERLIN Group regarding the holding of the Company shares delivered under the performance share plan and/or stock options plan.

The above shall not apply to shares that the Beneficiaries may need to sell in order to meet the costs related to their acquisition or, following a favorable assessment by the Appointments and Compensation Committee, to deal with such extraordinary situations as may arise and so require.

(v) Maximum number of shares that may be allocated to the 2025-2027 LTIP: The maximum number of shares that may be allocated under the LTIP in respect of performance shares is 2,989,509 ordinary shares of the Company. The maximum number of options allocated will be that applicable depending on the valuation of the option, although the maximum number of shares that may be acquired, in the case of cash settlement, is 2,179,147 ordinary shares of the Company (if the value of the options is higher than the value of this number of shares on the exercise date, the difference will be paid in cash).

Accordingly, the maximum total number of shares to be delivered under the LTIP is 5,168,656 shares, representing 0.92% of the share capital on the date of this resolution.

Specifically, the maximum number of shares to be allocated to each of the executive directors of the Company is as follows:

a. In the case of the Chief Executive Officer ("CEO") of the Company, the reference amount taken into account to determine his maximum number of shares and stock options amounts, in annualized terms, to 200% of his Fixed Compensation. Two-thirds of the LTIP of the CEO has been granted through 432,220 ordinary shares of the Company (performance shares), which will be paid until the payout ratio reaches a target level, and one-third through 866,142 stock options, which will be paid out in the event that the payout level is between the target level and the maximum level.

   At maximum, the CEO may receive 747,279 ordinary shares (if the value of the options is higher than the value of this number of shares on the exercise date, the difference will be paid in cash).

b. In the case of the Chief Operating Officer ("COO"), the reference amount taken into account to determine his maximum number of shares and stock options amounts, in annualized terms, to 150% of his Fixed Compensation. Two-thirds of the LTIP of the COO has been granted through 324,165 ordinary shares of the Company (performance shares), which will be paid until the payout ratio reaches a target level, and one-third through 649,606 stock options, which will be paid out in the event that the payout level is between the target level and the maximum level.

At maximum, the COO may receive 560,459 ordinary shares (if the value of the options is higher than the value of this number of shares on the exercise date, the difference will be paid in cash).

The number of shares effectively delivered, in implementation of the LTIP, to each executive director at the end of the target measurement period, as well as the number of shares effectively delivered to the other beneficiaries, will be notified in accordance with the legal provisions in force.

(vi) Requirements and conditions for settlement of the LTIP: The specific number of Company shares to be delivered to the Beneficiaries of the LTIP at the end of the Plan, within the established limit, will be conditional on fulfillment of the following targets linked to the creation of shareholder value and to sustainability:

Targets	Definition	Weighting
Absolute Total Shareholder Return (TSR)	The return on the share taking into account the cumulative variation in the market value of the Company share, including dividends and other similar items received by the shareholder in the 2025-2027 period.	**40%**
EPRA NTA per share 12/31/27 + Dividends (2025-2027) per share	Calculated on the basis of the consolidated equity of the Company and by adjusting certain line items in line with EPRA recommendations (including market value of assets and excluding certain line items that are not expected to crystallize in a property leasing business with sustained growth). The EPRA NTA assumes that entities buy and sell assets, thereby crystallizing certain levels of deferred tax liabilities. For the purposes of the Plan, the EPRA NTA at December 31, 2027, published in the consolidated financial statements of Merlin, shall be taken into consideration, adding the dividends paid per share and other similar items received by the shareholders during the target measurement period (2025-2027).	**25%**
Data Centers - MW available for lease at 12/31/27	Installed MW at Data Centers that have received the corresponding equipment and electricity supply, that are leased or available for lease at December 31, 2027.	**10%**
Data Centers - Gross Rental Income (GRI) 12/31/27	Annualized gross rental income from the Data Centers business in December 2027.	**10%**
Data Centers - EBITDA 12/31/27	Annualized EBITDA assigned to the Data Centers business in December 2027.	**10%**
Net carbon emissions	The level of reduction in Merlin's CO2 emissions (scope 1 and 2) at December 31, 2027, with respect to December 31, 2024, calculated for the comparable asset portfolio over which the Company has operating control (scope of Merlin's net-zero journey).	**5%**
		100%

For each metric, the Board of Directors, at the proposal of the Appointments and Compensation Committee, will determine an achievement scale including, at least, (i) a minimum fulfillment threshold, under which no incentive is payable, (ii) a target fulfillment level, at which two-thirds of the maximum incentive is payable, and (iii) a maximum fulfillment level, where the maximum incentive allocated to the corresponding target is payable. For intermediate fulfillment levels between different thresholds, the incentive to be paid will be calculated by linear interpolation.

The Appointments and Compensation Committee will monitor the targets each year and, once the measurement period has ended, will determine the degree of achievement.

The Appointments and Compensation Committee will be supported in this task by the Audit and Control Committee and the Sustainability and Innovation Committee.

The Appointments and Compensation Committee will also consider any associated risk both with respect to establishment of the targets and assessment of their fulfillment. On determining the level of fulfillment of the targets, any positive or negative economic effects deriving from extraordinary events that may distort the results of the assessment will be eliminated and the quality of the results in the long term will be considered in the LTIP proposal.

In order for each one of the Beneficiaries to be entitled to receive their incentive, they must have an employment or independent contractor relationship with the MERLIN Group on the date of payment of the incentive (notwithstanding any exceptions considered appropriate) and have held such relationship for at least one year. The Beneficiaries will not receive any incentive to which they may be entitled until the Appointments and Compensation Committee has performed the steps described above and they have been approved by the Board of Directors.

The Board of Directors, at the proposal of the Appointments and Compensation Committee, shall have the power to propose the cancellation (malus) and/or clawback, in whole or in part, of any shares delivered to the Beneficiaries of the LTIP, on the terms set out in the Compensation Policy.

(vii) **Origin of the shares to be delivered**: the Board of Directors will determine the origin of the shares to be delivered to the Beneficiaries of the LTIP which, subject to compliance with the legal requirements established for such purpose, may be Company shares held as treasury stock that the Company or any Group company acquires or may acquire, shares from third parties with whom agreements have been signed to ensure coverage of the commitments assumed or newly issued shares, or any other equivalent system agreed for such purposes by the Board of Directors.