



FOR INFORMATION PURPOSES. SPANISH VERSION PREVAILS.

**PROPOSAL AND REPORT PREPARED BY THE BOARD OF DIRECTORS OF
MERLIN PROPERTIES, SOCIMI, S.A. IN RELATION TO THE REELECTION OF MS.
MARÍA DEL PILAR CAVERO MESTRE AS INDEPENDENT DIRECTOR BY THE
ANNUAL SHAREHOLDERS' MEETING CALLED FOR APRIL 29 AND APRIL 30,
2025, ON FIRST AND SECOND CALL, RESPECTIVELY**

Madrid, March 26, 2025

1. Introduction

The Board of Directors of Merlin Properties, SOCIMI, S.A. (the “**Company**”) has prepared this explanatory report on the reelection of Ms. María del Pilar Cavero Mestre 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 the 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 has been prepared by the Board of Directors for the purposes of:

- (i) justifying the proposed reelection of Ms. María del Pilar Cavero Mestre as independent director by the Shareholders’ Meeting called for April 29 and April 30, 2025, on first and second call, respectively; 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 LSC, the Appointments and Compensation Committee has prepared and submitted to the Board of Directors a proposal for the reelection of Ms. María del Pilar Cavero Mestre as independent director of the Company. Such proposal is attached hereto as a **Schedule** 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 Ms. María del Pilar Cavero Mestre as a Company director, has considered and positively evaluated proposing her reelection, in view, among other factors, of her prior experience and good performance in the time she has held office at the Company.

4. Justification of the proposal by the Board of Directors

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

- (i) knowledge of the sectors in which the Company operates;
- (ii) experience and knowledge in aspects of corporate governance and management of listed companies;
- (iii) experience and knowledge in areas that complement the Company's principal activity and that are key for its development, such as the legal area; and
- (iv) experience and skills in relation to leadership and business strategy.

The work performed at the Company by Ms. María del Pilar Cavero Mestre to date evidences her competence, experience and merits for retaining the office of director. Her extensive experience and her 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 her reelection by the Appointments and Compensation Committee (which the Board echoes), the Board of Directors considers the reelection of Ms. María del Pilar Cavero Mestre 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, 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 Chairman of the Board.

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

The competence, experience and merits of Ms. María del Pilar Cavero Mestre are evidenced by her CV, from which her capabilities for the office of independent director transpire. By way of summary, it should be noted that:

- (i) Ms. María del Pilar Cavero Mestre holds a degree in Law from Universidad Complutense de Madrid, a Master's in Industrial Relations and Master's from Escuela de Práctica Jurídica, and a Master's from the IESE, Executive Development Program specifically for firm partners. She completed Harvard Business School's Leading Professional Service Firms program in 2007. She has a professional degree for directors (Diploma IC-A) and has been a lecturer on the IESE course on female board members entitled "Consejeras y Consejables" since 2008;
- (ii) Has extensive experience in the legal profession. From 1980 to 1986, she was legal counsel at the Savings Bank Association for Labor Relations. Subsequently, from 1986 to 1990, she served as legal counsel at the international firm Fabregat and Bermejo, as a specialist in all labor law, senior management, compensation and benefits and business restructuring matters.

- (iii) In 1990, she joined the firm Cuatrecasas Abogados as a Founding Partner and Head of the Employment and Labor Department of Cuatrecasas, and Co-Founding Partner of Cuatrecasas Madrid. From 1999 to 2008, she was a member of the board of directors of Cuatrecasas and of the firm's various organization and management committees, throughout her entire professional career.
- (iv) Since 2011, she has been the Vice-Chairman of the Cuatrecasas Foundation, discharging duties in respect of training, culture and other activities to strengthen the firm's standing and representing the firm before all types of national and international institutions, along with her position as a Senior Partner of reference for the firm's strategic clients and deputy member of the Cuatrecasas Madrid General Management Area.
- (v) In 2016, she received the distinction of a lifetime appointment as an Honorary Partner at the firm.
- (vi) She formed part of the Testa board of directors in 2016 and of the ABENGOA board of directors from 2017-2020, as independent director and chairman of its appointments and compensation 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 form 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 that the candidate has the competence, experience and merits to discharge the position of director and, therefore, that it is justified to reelect Ms. María del Pilar Cavero Mestre as independent director of the Company.

Consequently, the Board of Directors proposes her reelection as an independent director of the Company to the Shareholders' Meeting called for April 29 and April 30, 2025, on first and second call, respectively.

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

In accordance with the applicable legislation, Ms. María del Pilar Cavero Mestre would have the category of independent director of the Company.

8. Proposed resolution submitted to the Annual Shareholders' Meeting

The proposed resolution submitted to the Shareholders' Meeting for approval is as follows:

"In accordance with the proposal from the Board of Directors, following a favorable report from the Appointments and Compensation Committee, to reelect and

appoint Ms. María del Pilar Cavero Mestre as director of the Company, whose particulars are recorded at the Commercial Registry, for the term stipulated in the Bylaws, with the category of independent director.”

In Madrid, on March 26, 2025.

Schedules



FOR INFORMATION PURPOSES. SPANISH VERSION PREVAILS.

**PROPOSAL PREPARED BY THE APPOINTMENTS AND COMPENSATION
COMMITTEE OF MERLIN PROPERTIES, SOCIMI, S.A. ON THE REELECTION OF
MS. PILAR CAVERO MESTRE AS INDEPENDENT DIRECTOR**

Madrid, March 26, 2025



1. Introduction

The Appointments and Compensation Committee of Merlin Properties, SOCIMI, S.A. (the “**Company**”) has prepared this proposal for the reelection of Ms. Pilar Cavero Mestre as independent director of the Company (the “**Proposal**”), in compliance with the provisions of article 529.decies.4 of the Capital Companies Law (“**LSC**”).

In accordance with 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 article 529.decies.5 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 – Suitability of the candidate

In light of the fact that the period for which Ms. Pilar Cavero Mestre was appointed as a director is coming to an end, the Appointments and Compensation Committee commenced the corresponding process in order to evaluate her reelection as 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 in its analysis the following factors which were to a large extent considered in relation to her previous reelection:

- (i) the prior analysis of the skills required by the Board which favors gender diversity, knowledge and experience on the Board and avoids implicit biases that may entail discrimination;
- (ii) that the candidate is honorable, suitable and of recognized caliber, competence, experience, qualification, training, availability and commitment to their function;
- (iii) the absence of obstacles to being a candidate for director;
- (iv) 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, and for membership on the Board to primarily comprise independent directors.



- (v) the skills and abilities of the director, which are as required and which amply fulfill the needs required by the Company;
- (vi) 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 good work of Ms. Pilar Cavero Mestre in the discharge of her position from the time she took office, not only in the context of the Board of Directors but also as a member of the Appointments and Compensation Committee;
- (ii) the contribution made by Ms. Pilar Cavero Mestre as a member of the Sustainability and Innovation Committee and of the Appointments and Compensation Committee;
- (iii) her professional profile and her knowledge of legal sector aspects, which are highly relevant in view of the Company's activity and of the changing trends in this respect;
- (iv) the combination of her attributes and skills to lead the supervisory function currently performed by the Board of Directors; and
- (v) the receipt of extremely positive proposals from the other directors and, in particular, from the independent directors and the executive directors, for the purposes of her reelection as independent director of the Company.

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

3. Conclusions and proposal of the Appointments and Compensation Committee

In conclusion, the Appointments and Compensation Committee considers that Ms. Pilar Cavero Mestre has the (i) competence, (ii) experience and (iii) merits necessary to be reelected as independent director of the Company and, accordingly, proposes her reelection by the Shareholders' Meeting as an independent director of the Company.

4. Category of director to which she should be appointed

Having regard to Ms. Pilar Cavero Mestre's characteristics and in accordance with the applicable legislation, she would be classed as an independent director of the Company.



5. Report on her reelection as member of the Appointments and Compensation Committee

Furthermore, the Committee considers it appropriate to report favorably on Ms. Pilar Caveró Mestre continuing to serve as member of the Appointments and Compensation Committee and of the Sustainability and Innovation Committee, positions she has discharged in an indisputable manner.

In Madrid, on March 26, 2025.