2024 GREEN FINANCING REPORT

MERLIN PROPERTIES

MERLIN PROPERTIES

IBEX35 | STOXX® Europe 600 | Global property research – Solutions for customized property indices | EPRA – European Public Real Estate Association | MSCI | GRESB | CDP | Dow Jones Sustainability Indexes | SUSTAINALYTICS

SUSTAINABILITY STRATEGY

DISTINCT TRACK RECORD ON ESG SINCE INCEPTION, WHICH POISES MERLIN TO SUCCESSFULLY IMPLEMENT OUR PATHWAY TO NET ZERO

4% — **38%** — **45%** — **61%** — **75%** — **80%** — **91%** — **95%** — **COMPLETED**

% certified[(1)]

2015

2016
- Launch of the certification programs with **LEED and BREEAM**
- Marineda obtains the **DIGA Accessibility Certificate**

2017
- First **LEED Platinum certification** obtained in a logistics warehouse in Spain
- More than 88,000 certified sqm in **ISO 50001 certification**

2018 Baseline
- Obtained first **LEED v4 certification** in San Fernando I
- Launch of the **Photovoltaic Plan** (Project Sun)

2019
- Supply of **renewable electricity in 84%** of multi-tenant office assets
- Launch of **Electric Vehicle charging** points program
- Sustainable financing with a **€ 1.6bn ESG linked**

2020
- Procurement of **renewable electricity in 100% of our assets**
- Phase I of Project Sun **under implementation**
- Sustainable scoring: **GRESB and CDP**
- **AENOR COVID-19** certifications

2021
- Creation of the **Sustainability Committee**
- Adhesion to **SDG goals**
- First **EIB financing program** under EU green taxonomy
- MERLIN selected for **Dow Jones Sustainability Index**
- More than 1.3m certified sqm in **ISO 50001 certification**

2022
- **Pathway to Net Zero**
- **Green Financing Framework**
- **Sustainability-related metrics** in short-term and long-term **compensation plan**

2023
- Certification **program finalized**
- Adoption of the **green clause in all new contracts**
- Ambitious **target in terms of embodied carbon**

2024
- Inclusion of ambitious **embedded carbon targets** in the renewed Green Financing Framework. The only European company to have these criteria included
- Operational **carbon footprint reduction** targets fully achieved

(1) % of GAV portfolio certified by LEED or BREEAM

THE GROUP'S ENVIRONMENTAL SUSTAINABILITY IS A KEY ASPECT TO ENSURE COMPLIANCE WITH ITS TARGETS AT ALL LEVELS AND TO ENHANCE ITS VALUE CREATION, WITH ACTIVE MANAGEMENT OF CLIMATE CHANGE AND EFFICIENCY IN THE USE OF RESOURCES AS KEY PILLARS

MILESTONES

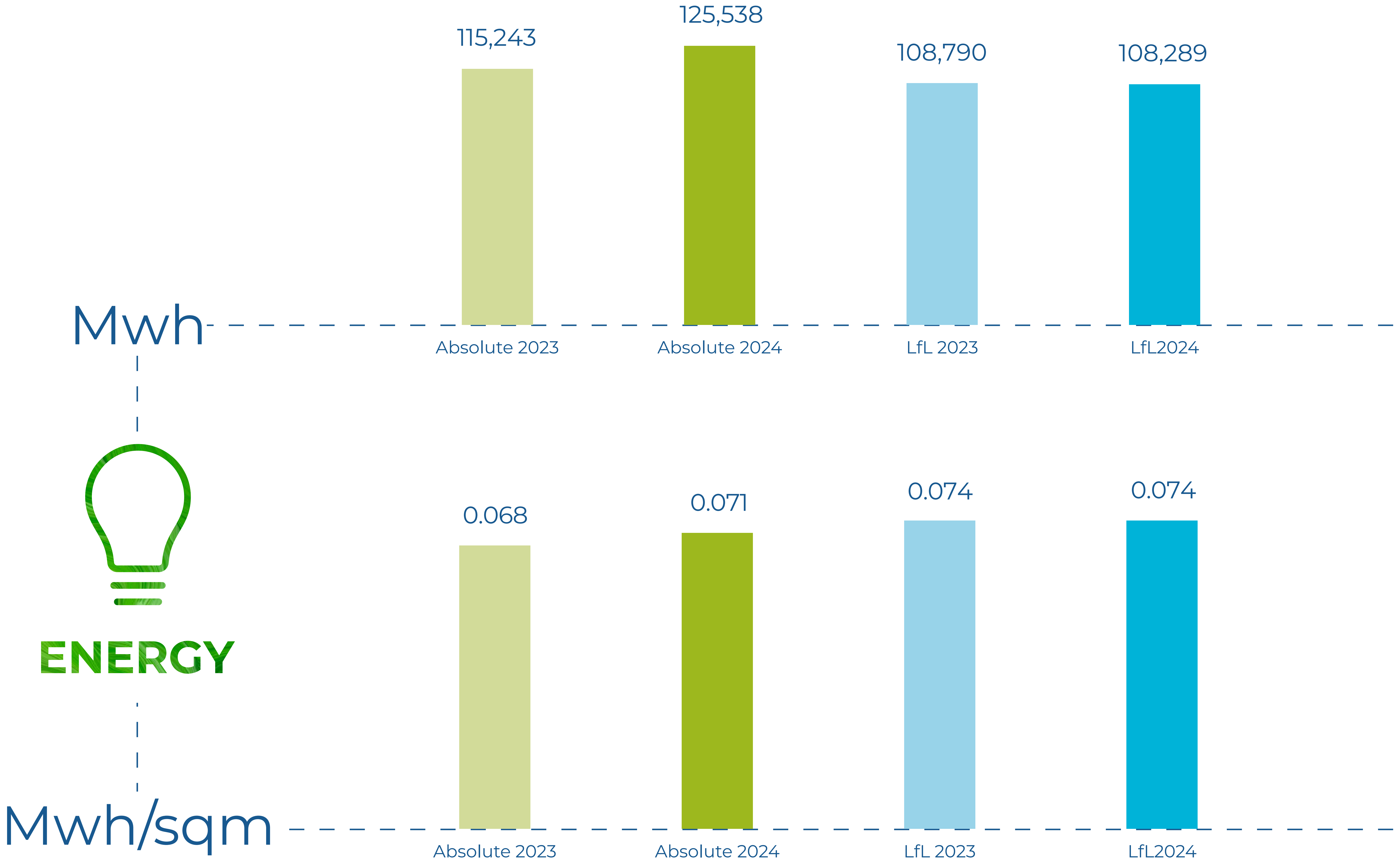
- Launch of the **Pathway to Net Zero** carbon emissions
- **Quantification of climate change risks** and their integration into the Group's risk management in accordance with TCFD
- Creation of the **Biodiversity Policy**
- Creation of the **Group's own carbon sinks** to offset residual emissions
- Definition of **decarbonisation targets** and approval of these targets by the SBTi
- Implementation of the **green clause** in all new contracts
- Adherence to the **SDGs**
- Setting **carbon limits** in the construction phases (embodied carbon)

FUTURE TARGETS

- **Gradual replacement** of production equipment that uses fossil fuels
- Expansion of asset management systems to **optimise energy consumption as much as possible**

Energy consumption (Like for Like) has **decreased by 0.4% compared to 2023** mainly due to the implementation of energy saving measures and the control of the facilities

Energy intensity (Like for Like) was **0.5% lower compared to 2023** and **4.7% higher compared to 2023** on an absolute basis



- KPI reports based on the EPRA sBPR Guidelines
- Absolute KPIs are calculated in terms of the total asset portfolio, while like-for-like KPIs are calculated considering only assets that have been in continuous operation for the last three years
- Information on energy consumption of the assets under operational control

Sustainability Strategy | CSR Policy

Principles	Goals	SDG	Actions undertaken
Active management of climate change	▸ Develop and operate **sustainable assets** ▸ Mitigate the **carbon footprint** of the whole value chain	7 Affordable and clean energy 13 Climate action	Installation of energy **efficient** systems and equipments **Photovoltaic plan** (Project Sun) Launch of **Pathway to Net Zero**
Wellbeing of end users	▸ Enhance the end-user **experience** ▸ Create **quality spaces** for tenants ▸ Contribute towards a more **sustainable mobility**	2 Zero hunger 3 Good health and well-being 9 Industry, innovation and infrastructure 11 Sustainable cities and communities	Focusing on the **air quality, lighting and accessibility** MERLIN HUB: Creation of **MERLIN HUB** for all business park users Installation of **electric vehicle chargers** in all Offices and Shopping Centers
Positive impact in **cities**	▸ **Reduce** resources consumption ▸ **Improve the cities** in which we operate ▸ Promote **cohesion and integration** through our assets	4 Quality education 5 Gender equality 7 Affordable and clean energy 8 Decent work and economic growth 11 Sustainable cities and communities 12 Responsible consumption and production 15 Life on land	Asset management for **peak operational efficiency** (energy, materials and waste, water) RENAZCA: Launch of **Renazca** to revitalize, integrate and transform the area **CSR plan** to boost coporate contribution

1 **Reducing** operational carbon

- **85% reduction** in operational carbon from baseline (2018) to target (2028)
- **Carbon emission intensity** 27.4 Kg/sqm (2018) reduced to 3.2 Kg/sqm (2028)

2 **Reducing** embodied carbon

- **Embodied carbon footprint** calculation and reduction in all new developments and refurbishments
- **Circular economy** initiatives
- **Low carbon** materials
- **Ambitious targets** for all three asset classes:
  - **Offices** 500 kgCO_2/sqm
  - **Logistics** 400 kgCO_2/sqm
  - **Shopping centers** 500 KgCO_2/sqm

3 **Offsetting** residual emissions

- **Carbon neutrality**
- **Unavoidable footprint** to be mostly offset against own initiatives duly certified
- **Own initiatives**
- **No green credits**

4 **Reducing** tenant emissions

- **Assessment** as from 2022. Target to engage with top tenants to gather real data
- **Green clauses** in all new contracts
- **Lease price reduction** for net zero tenants
- **50 bps lease reduction** for green tenants

5 **Renewable energy**

- Procurement of energy **100% renewable**
- **On site generation** of energy through photovoltaic **(Project Sun)**
- **45.4 MWp** of own photovoltaic energy

AN ENTICING GREEN CLAUSE TO ENGAGE TENANTS IN OUR PATHWAY TO NET ZERO

3 milestones to be achieved in order to benefit from the rent reduction…

1 Guaranteed **renewable** energy supply — 25 bps

2 Energy consumption **reduction** compared to the previous year — 15 bps

3 **Footprint** offseting and certification — 10 bps

50 bps

The tenant also agrees to share their actual data consumption…

… Through the deployment of

deepki Power BI

platforms for monitoring Sustainability KPIs

Dow Jones Sustainability Indexes

Inclusion for
4th year in a row in the **Europe DJSI**
+2nd time in the **World DJSI**

CDP

MERLIN(1)

A-

Average score
pending disclosure

SUSTAINALYTICS

8.7

Top 1%
(negligible risk)

GRESB

83%

Average peers: 69%

S&P Global

70%

Average sector: 37%

standard ethics
Constituent Company of a Standard Ethics index

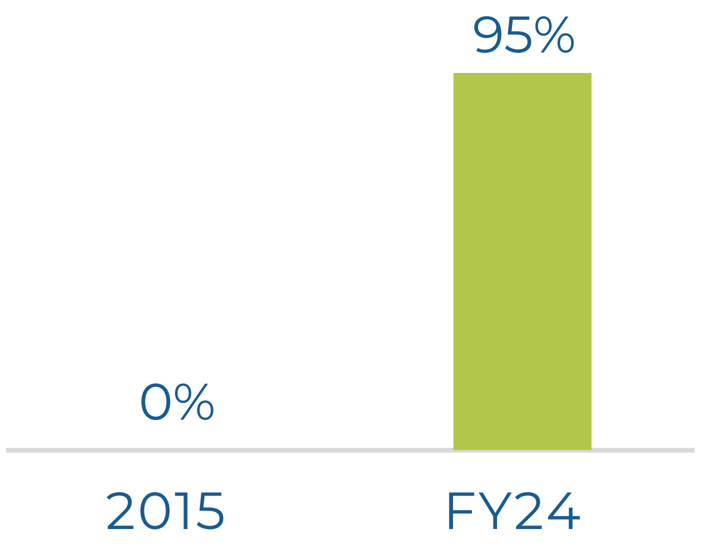
#1

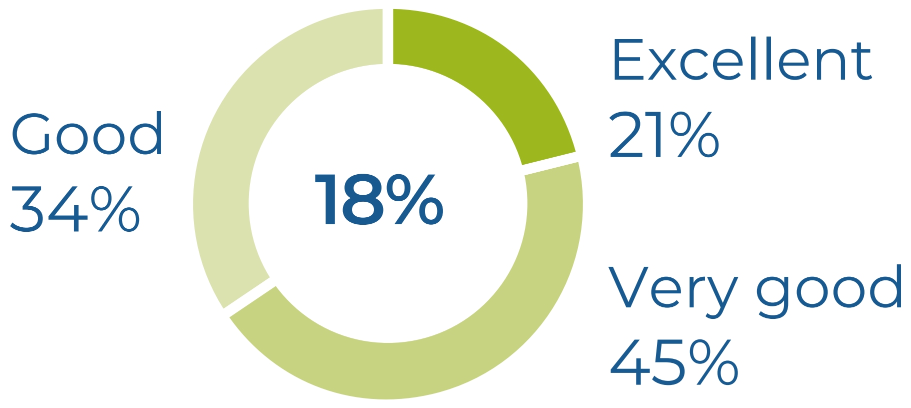
IBEX-35

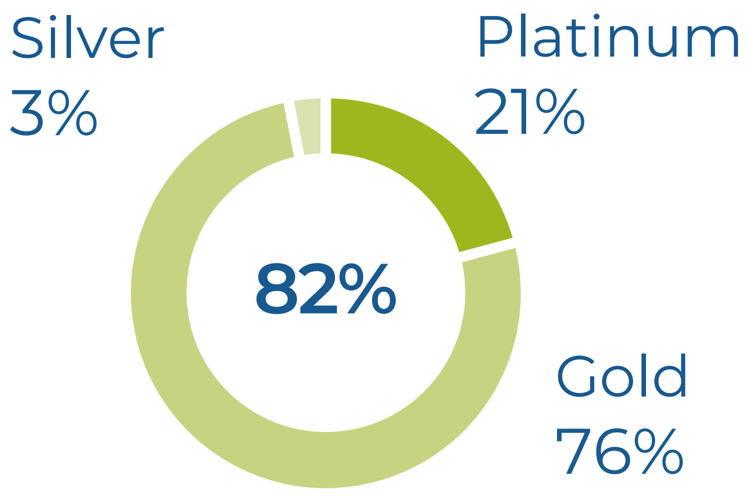
(1) 2024 score

BREEAM | **LEED**

Offices

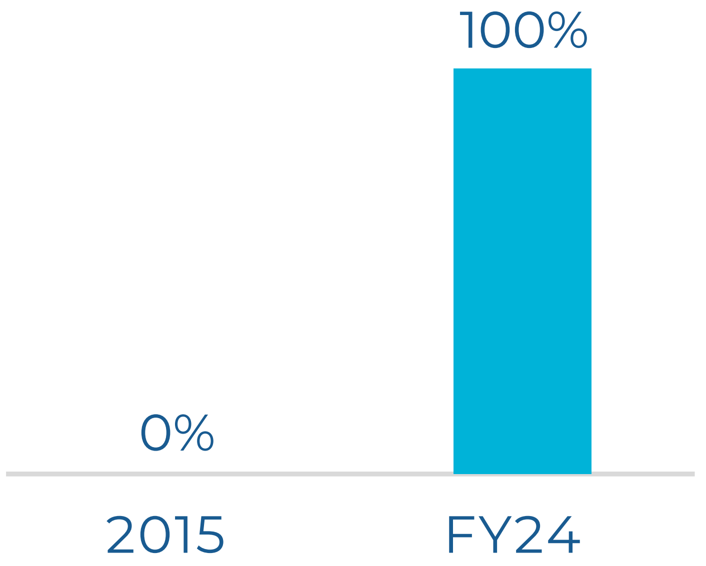


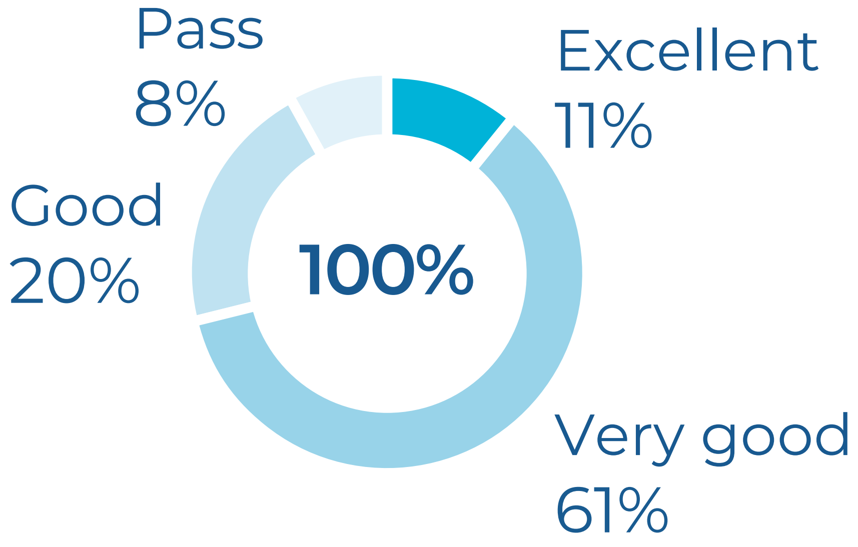




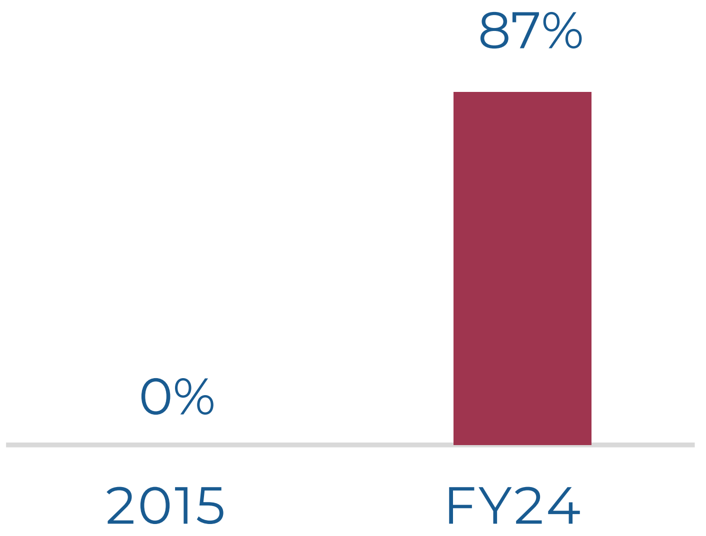
Shopping Centers

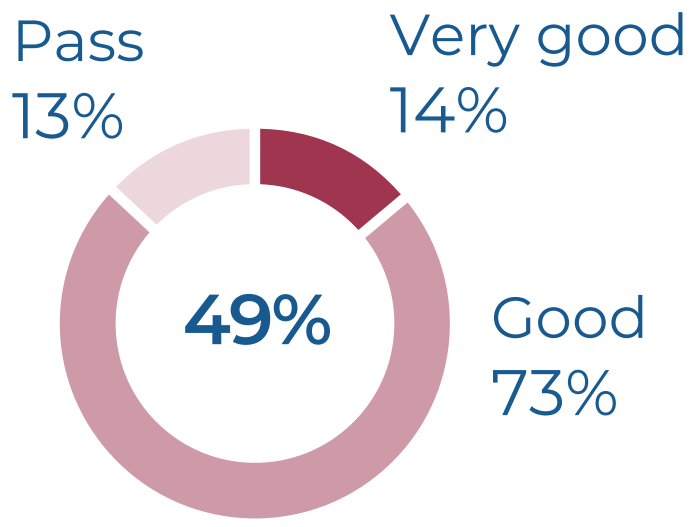
completed

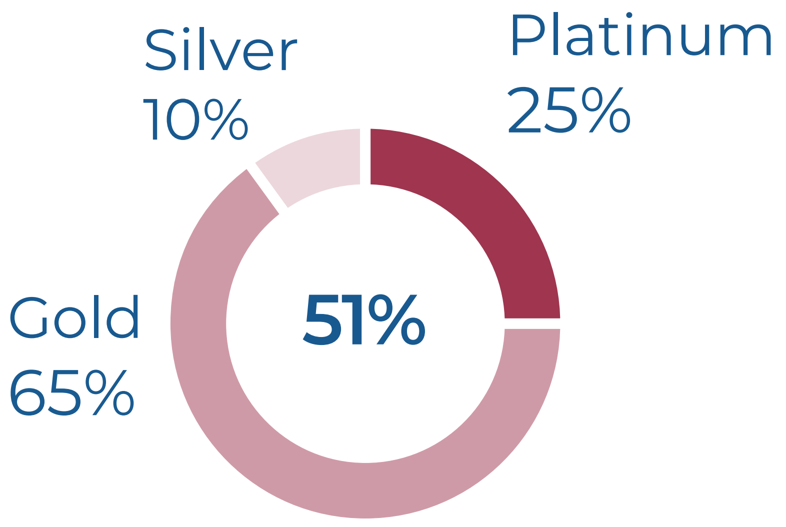




Logistics







GREEN FINANCING FRAMEWORK 2024

GREEN BUILDINGS

SDG 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
SDG 11 SUSTAINABLE CITIES AND COMMUNITIES

ACQUISITION AND OWNERSHIP OF BUILDINGS | EU Taxonomy Economic Activity: 7.7

- Buildings that have achieved one of the following certifications:
  - **LEED Gold or above**
  - **BREEAM Excellent or above[2]**

Or

- Aligned with the CRREM (Carbon Risk Real Estate Monitoring) carbon emissions or energy efficiency threshold for the relevant segment and country.

Or

- Substantial Contribution Criteria of the EU Taxonomy:
  - Buildings built before 31 December 2020 with an Energy Performance Certificate (EPC) equal to “A”. As an alternative, the building is within the top 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and demonstrated by adequate evidence, which at least compares the performance of the relevant asset to the performance of the national or regional stock built before 31 December 2020 and at least distinguishes between residential and non-residential buildings.
  - Buildings built after 31 December 2020, the building meets the criteria specified in Section 7.1 as presented below.
  - Where the building is a large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air-conditioning and ventilation of over 290 kW) it is efficiently operated through energy performance monitoring and assessment.

RENOVATION OF EXISTING BUILDINGS | EU Taxonomy Economic Activity: 7.2

- Buildings[3] targeting to achieve the following embodied carbon targets for their design and construction phase:
  - **Offices: 500 kg CO_2/sqm**
  - **Logistics: 400 kg CO_2/sqm**
  - **Shopping centers: 500 kg CO_2/sqm**

And

- Buildings targeting to achieve one of the following environmental certifications:
  - **LEED Gold or above**
  - **BREEAM Excellent or above[2]**

Or

- Below the CRREM (Carbon Risk Real Estate Monitoring) carbon emissions or energy efficiency threshold applicable at least 10 years post completion of renovation work for the relevant segment and country.

[1] For each activity referencing the EU Taxonomy, the EU Taxonomy’s Substantial Contribution Criteria (SCC) are detailed in the EU Taxonomy text
[2] With the exception of shopping centers, for which a BREEAM Very Good certification will be required
[3] Includes only buildings with a value ranging over EUR 3 million

GREEN BUILDINGS

CONSTRUCTION OF NEW BUILDINGS | EU Taxonomy Economic Activity: 7.7[2]

- New buildings[3] targeting to achieve the following embodied carbon targets for their design and construction phase:
  - **Offices: 500 kg CO_2/sqm**
  - **Logistics: 400 kg CO_2/sqm**
  - **Shopping centers: 500 kg CO_2/sqm**

And

- New buildings targeting to achieve one of the following environmental certifications:
  - **LEED Gold or above**
  - **BREEAM Excellent or above[4]**

Or

- Substantial Contribution Criteria of the EU Taxonomy:
  - The Primary Energy Demand (PED) is at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures implementing Directive 2010/31/EU of the European Parliament and of the Council.
  - For buildings >5000 sqm, the building undergoes testing for air-tightness and thermal integrity and any deviation in the levels of performance set at the design stage or defects in the building envelope are disclosed to investors and clients.
  - For buildings >5000 sqm, the life-cycle Global Warming Potential (GWP) of the building has been calculated for each stage in the life cycle and is disclosed to investors & clients on demand.

[1] For each activity referencing the EU Taxonomy, the EU Taxonomy's Substantial Contribution Criteria (SCC) are detailed in the EU Taxonomy text
[2] As a REIT, MERLIN Properties develops buildings for its own activity to lease at delivery. As such, the construction of new buildings (activity 7.1. Construction of new buildings) falls under the activity 7.7. Acquisition and ownership of buildings activity (See EPRA EU Taxonomy Guidelines Q&A, Question 9B)
[3] Includes only buildings with a value ranging over EUR 3 million
[4] With the exception of shopping centers, for which a BREEAM Very Good certification will be required

GREEN BUILDINGS

INDIVIDUAL RENOVATION MEASURES | EU Taxonomy Economic Activity: 7.3, 7.4, 7.5, 7.6

- Project eligibility subject to alignment with the Substantial Contribution Criteria of the EU Taxonomy of activities:[2]
  - 7.3. Installation, maintenance and repair of energy efficiency equipment.
  - 7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings).
  - 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings.
  - 7.6 Installation, maintenance and repair of renewable energy technologies.

DATA CENTERS | EU Taxonomy Economic Activity: 8.1

- Data centers delivering industry-leading PUE (Power Usage Effectiveness) levels, resulting in significantly improved PUE levels compared to the average of similar data centers located in a given area (in any case, PUE below 1.5), and complying with the European Code of Conduct for Data Center Energy Efficiency (when applicable).

Or

- Substantial Contribution Criteria of the EU Taxonomy:
  - The activity has implemented all relevant practices listed as ‘expected practices’ in the most recent version of the European Code of Conduct on Data Centre Energy Efficiency, or in CEN-CENELEC document CLC TR50600-99-1 ‘Data center facilities and infrastructures - Part 99-1: Recommended practices for energy management’. An independent third-party verify the implementation of practices and they are audited at least every three years.
  - Where an expected practice is not considered relevant due to physical, logistical, planning or other constraints, an explanation of why the expected practice is not applicable or practical is provided. Alternative best practices from the European Code of Conduct on Data Centre Energy Efficiency or other equivalent sources may be identified as direct replacements if they result in similar energy savings.
  - The Global Warming Potential (GWP) of refrigerants used in the data center cooling system does not exceed 675.

[1] For each activity referencing the EU Taxonomy, the EU Taxonomy’s Substantial Contribution Criteria (SCC) are detailed in the EU Taxonomy text

[2] For activities 7.3., 7.4., 7.5 and 7.6 mapped against the EU Taxonomy, please refer to the corresponding EU Taxonomy’s SCC for climate change mitigation for eligibility criteria considered in Appendix 1 and available here: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R2139

ALLOCATION REPORT

Allocation Report | Green financings & Allocation proposal

Green Financing	Maturity Date	FY24 outstanding amount
2025 Bond	5/26/2025	€ 600m
2026 Bond	11/2/2026	€ 800m
2027 Bond	7/13/2027	€ 500m
2029 Bond	9/18/2029	€ 400m
2030 Bond	6/1/2030	€ 500m
2034 Bond	12/4/2034	€ 600m
Sabadell Bilateral Loan	1/17/2028	€ 60m
Syndicated Loan	4/20/2028	€ 665m
BBVA Mortgage Loan	7/28/2030	€ 180m
Allianz Mortgage Loan	11/15/2033	€ 170m
Caixa Mortgage Loan	3/31/2034	€ 150m
Novobanco Mortgage Loan	6/28/2031	€ 134m
TOTAL GREEN FINANCINGS		**€4,759m**

Asset Allocation/Criteria	BREEAM	LEED	CRREM	EPC	PUE < 1.5
 Offices	€ 231m	€ 4,617m	€ 1,050m		
 Logistics		€ 646m	€ 113m	€ 144m	
 Shopping Centers	€ 1,430m	€ 158m	€ 421m		
 Data Centers					€ 516m
TOTAL GREEN BUILDINGS					€ 9,326m

On May 26th 2025, MERLIN repaid the € 600m bond. The PF situation is as follows:

- **Green financings: € 4,258m[(1)]**
- **Green buildings: € 9,326m**

Leading to a leeway of € 5,068m

[(1)] Including 2025 Bond repayment (€ 600m) and drawdown of Mediobanca bilateral loan (€ 100m)

IMPACT REPORT

2024 Green Buildings overview

	Scope 1+2 (Tn CO_2e)	Intensity (Kg CO_2/sqm)	PV Generation (kWh)	Scope 2 (Avoided emissions by purchasing green energy)	Avoided emissions Photovoltaic (Tn CO_2e)	Scope 2 Avoided emissions (Tn CO_2e)	Photovoltaic Capacity (kWh)
 Offices	1,962	2.1	2,461,953	9,265	682	10,105	2,669
 Logistics	0	0.0	904,572	157	101	258	8,014
 Shopping Centers	733	1.8	3,156,719	6,652	693	7,345	3,433
 Data Centers	322	4.9	394,697	268	112	380	895

Information regarding assets under operational control

APPENDIX

Ruiz Picasso 11

GLA: 36,558 sqm | Built: 2024

WiredScore PLATINUM

- The Ruiz Picasso 11 office building is located in Azca, the business district of Madrid (Paseo de la Castellana). It is very well connected by public transport with multiple metro and bus lines, including the connection between Nuevos Ministerios and the airport

Sustainable initiatives

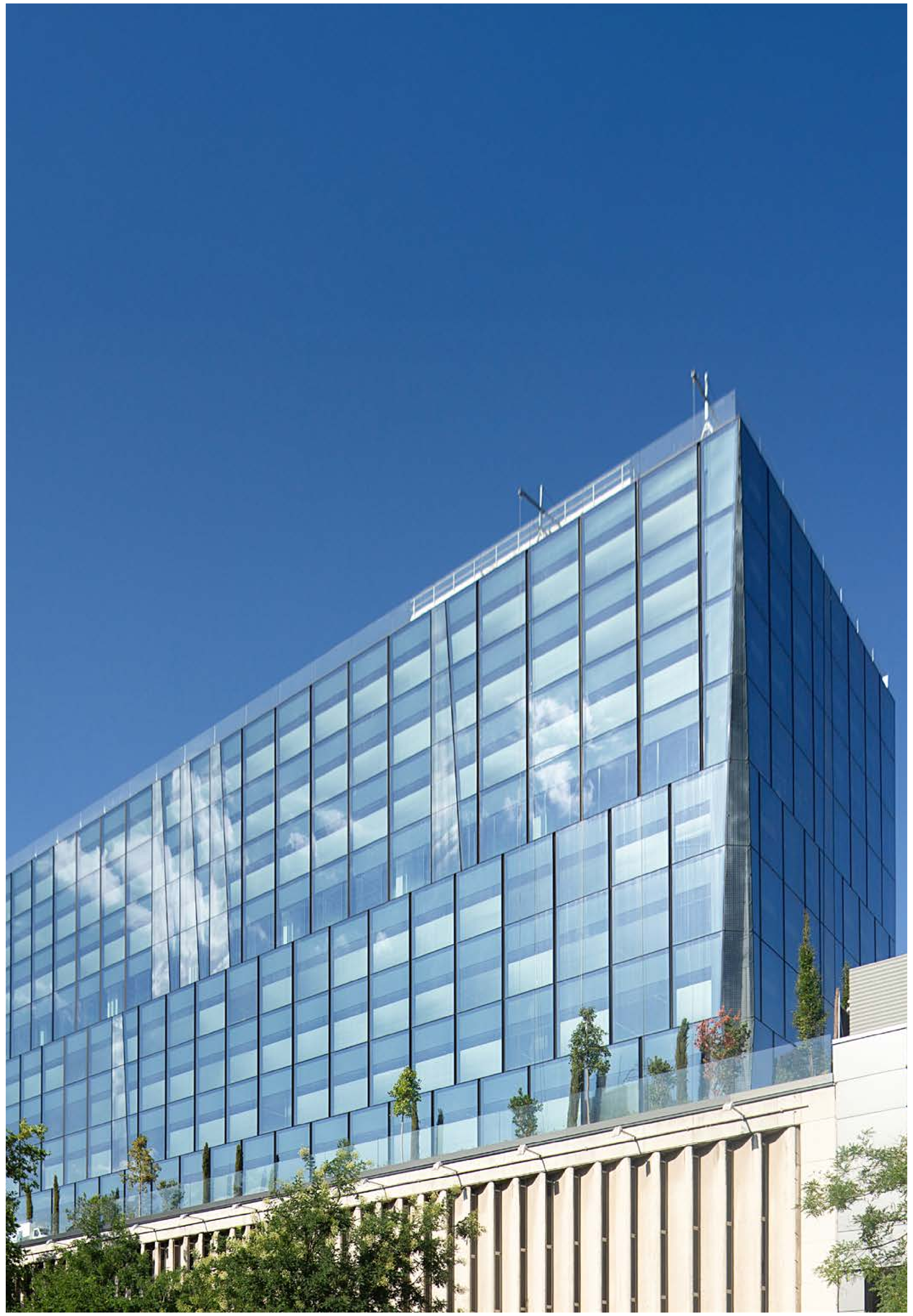
- Installation of LED lighting
- Installation of EV chargers, bicycle and scooter parking
- Installation of efficient water consumption toilets and faucets
- Renovation of the AC system
- Installation of BMS for improved management of the AC and lighting systems, including sensors per light fixture measuring temperature, humidity and daylight levels, and a best-in-class platform for monitoring energy and water consumption, as well as occupant wellbeing
- New façade system reducing incidence of solar radiation on the interior
- 22 kWp PV installation

Key impact indicators

- Operational CO_2 emissions intensity 0 $kgCO_2$ /sqm
- 100% renewable energy procurement

Main tenants (100% let)

IBM, wtw, bluetab (an IBM Company), LOOM, Globant, SAP



Castellana 85

GLA: 16,474 sqm | Built: 2021

WiredScore PLATINUM

The Castellana 85 office building is situated in the Azca district of Madrid, the capital's business hub. Multiple bus routes and metro lines, including the connection between Nuevos Ministerios and the airport, provide excellent public transport connectivity

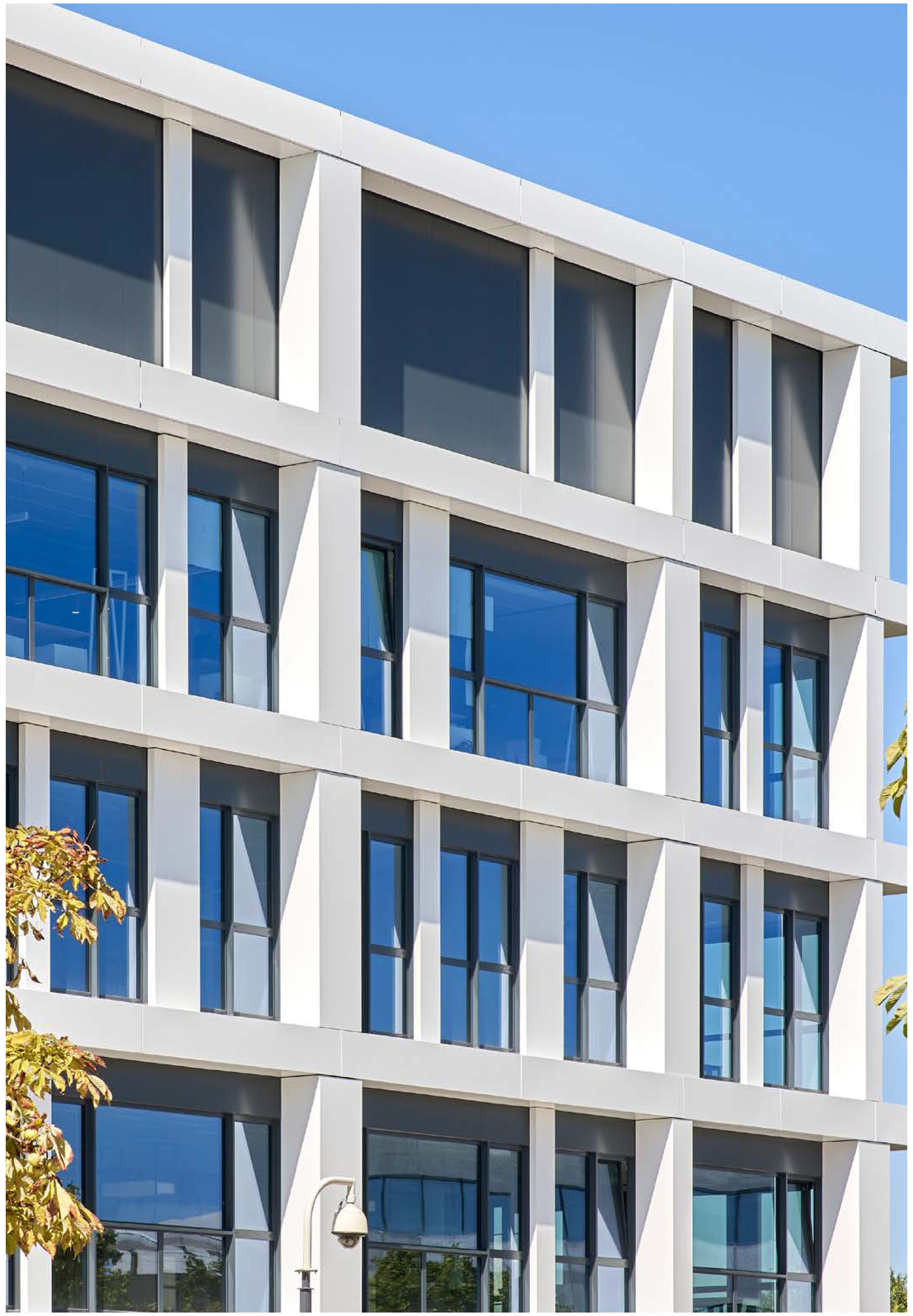
Sustainable initiatives

- Installation of LED lighting
- Installation of EV chargers, bicycle and scooter parking
- Installation of efficient water consumption toilets and faucets
- Renovation of the AC system
- Installation of BMS for improved management of the AC and lighting systems
- New active modular façade that reduces solar radiation incidence on the interior and optimizes interior light levels

Key impact indicators

- Operational CO_2 emissions intensity 0 $kgCO_2$ /sqm
- 100% renewable energy procurement

Main tenants (100% let)



P.E. Cerro Gamos I & IV

GLA: 10,814 sqm | Built: 2023

SmartScore PLATINUM

The Cerro de los Gamos business park is located in Pozuelo de Alarcón, Madrid. It fronts onto the M-40, has quick access to the A-6, and excellent bus and commuter train connectivity

Key impact indicators

- Operational CO_2 emissions intensity 0 $kgCO_2$ /sqm
- 100% renewable energy procurement

Sustainable initiatives

- Installation of LED lighting
- Installation of EV chargers, bicycle and scooter parking
- Installation of efficient water consumption toilets and faucets
- Renovation of the AC system
- Installation of BMS for improved management of the AC and lighting systems
- New façade system reducing incidence of solar radiation on the interior

Main tenants (100% let)

FUJITSU SHISEIDO GRUPO NETCO Grenergy

Cabanillas Park II B

GLA: 47,429 sqm | Built: 2023

- Cabanillas Park II B is a recently built high quality warehouse located in the main logistics hub of Spain, the Henares Corridor

Sustainable initiatives

- Installation of LED lighting
- Installation of EV chargers
- Best-in-class BMS management system
- 100 kWp PV installation

Key impact indicators

- 100% renewable energy procurement

Main tenants (100% let)

pepco

Lisboa Park A

GLA: 45,171 sqm | Built: 2021

- Lisboa Park a is located 25 km from Lisbon, in Castanheira do Ribatejo, an area of excellence for logistics activity that supplies Greater Lisbon

Sustainable initiatives

- Installation of LED lighting
- Installation of EV chargers

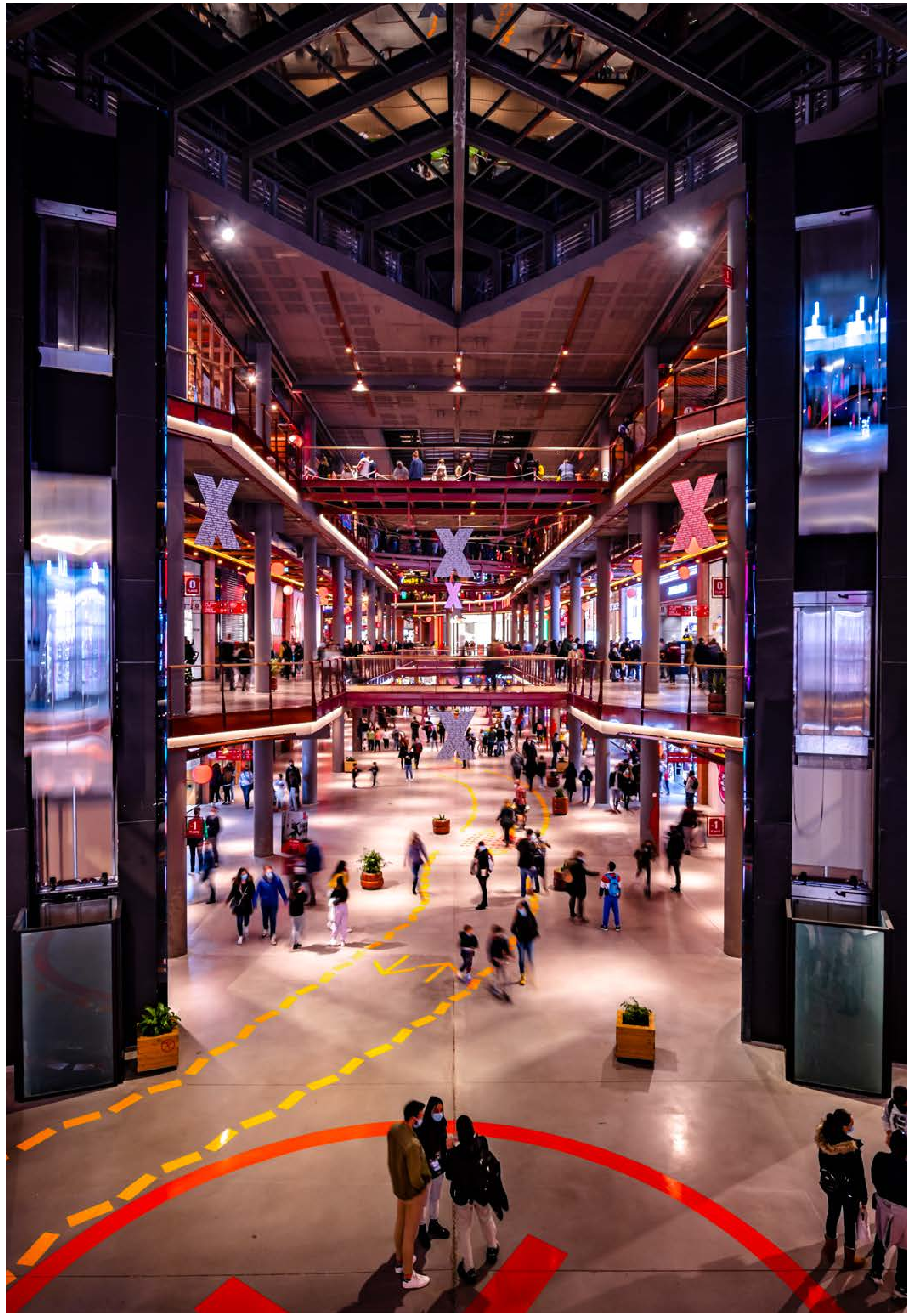
Key impact indicators

- Operational CO_2 emissions intensity 0 $kgCO_2$/sqm
- 100% renewable energy procurement

Main tenants (100% let)

DSV Global Transport and Logistics

Rangel LOGISTICS SOLUTIONS



X-Madrid

GLA: 47,120 sqm | Built: 2019

BREEAM Excellent | AIS | AENOR Gestión Ambiental ISO 14001 | AENOR Gestión Energética ISO 50001

- X-Madrid is a modern Shopping Center in Alcorcón, Madrid offering an urban, technological and innovative consumer experience

Sustainable initiatives

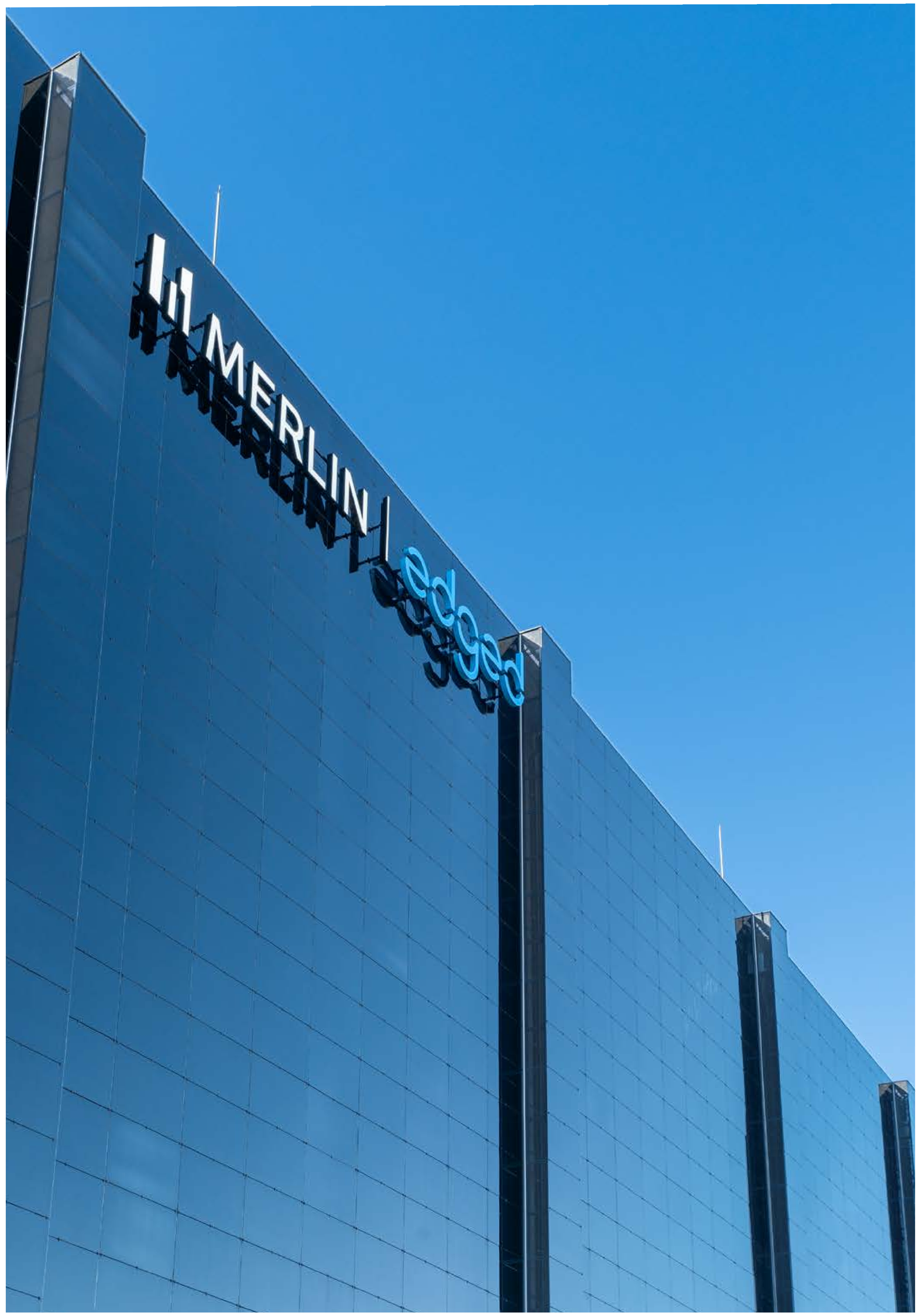
- Efficiency enhancing system for escalators
- Automated presence-detecting lighting system in the parking
- Installation of BMS for improved management of lighting systems
- Installation of LED lighting and improvement of air conditioning installations
- Reduced water usage in toilets
- Installation of 50 EV chargers
- 816 kWp PV installation under construction

Key impact indicators

- Operational CO_2 emissions intensity 4.2 kgCO_2/sqm
- 100% renewable energy procurement

Main tenants

OCINE Urban, Ozone Bowling, Ongravity Freestyle Indoor Center, Marepolis Centro de Buceo, X-Madrid Climbat, Honna Surf Hub, Bikeocasion, Harley-Davidson Motor Cycles, Motocard.com, Mango, Sibuya Urban Sushi Bar, Carl's Jr., Virtual Revolution, Druni, Ducati



Barcelona - PLZF

IT capacity: 22 MW | Built: 2023

AENOR GESTIÓN AMBIENTAL ISO 14001

AENOR GESTIÓN ENERGÉTICA ISO 50001

The Barcelona – PLZF data center is strategically located between the city center and Barcelona airport. Direct access to undersea cable landings with low latency connections to Asia, Africa, Europe and North America contribute to Barcelona being one of the top five startup hubs in Europe and the leading technology hub in Southern Europe

Sustainable initiatives

- Green energy consumed certified by guarantees of origin (GOs)
- PV façade, ensuring sustainable energy consumption whilst reducing energy costs
- Waterless cooling (WUE 0.00). Industry average 1.80
- Leading energy efficiency (PUE 1.15). Industry average 1.56
- Heating, Ventilation and Air Conditioning (HVAC) system's refrigerant is a non-toxic glycol with near-zero Global Warming Potential (GWP)
- Eco-friendly high voltage switchgear without Sulfur Hexafluoride (SF6)
- Building equipped with LED lighting devices, lighting sensors and lighting control systems. Following energy saving recommendations within data room.
- BMS in place to continuously monitor and control operational points within the facility

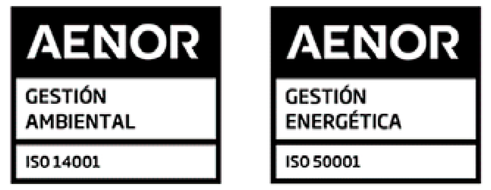
Key impact indicators

- Operational CO_2 emissions intensity 42.8 $kgCO_2$ /sqm
- 100% renewable energy procurement

100% let

Bilbao - Arasur

IT capacity: 22 MW | Built: 2023



The Bilbao - Arasur data center is located at the confluence of high-speed fiber-optic lines, including the ultra-low latency connection to North America and the data hubs of Northern Europe, which offer sustainable placement services on the lowest latency link between Europe and North America

Sustainable initiatives

- Green energy consumed certified by guarantees of origin (GOs)
- Windmill at the site, ensuring sustainable energy consumption whilst reducing energy costs
- Waterless cooling (WUE 0.00). Industry average 1.80
- Leading energy efficiency (PUE 1.15). Industry average 1.56
- Heating, Ventilation and Air Conditioning (HVAC) system's refrigerant is a non-toxic glycol with near-zero Global Warming Potential (GWP)
- Eco-friendly high voltage switchgear without Sulfur Hexafluoride (SF6)
- Building equipped with LED lighting devices, lighting sensors and lighting control systems. Following energy saving recommendations within data room.
- BMS in place to continuously monitor and control operational points within the facility

Key impact indicators

- Operational CO_2 emissions intensity 21.5 kgCO_2 /sqm
- 100% renewable energy procurement

100% let

MERLIN PROPERTIES

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