MERLIN PROPERTIES SOCIMI, S.A.

Madrid, 24 February 2025

Report by the Audit and Control Committee on auditor independence.

To the Board of Directors of MERLIN Properties SOCIMI, S.A.:

Section 529 quaterdecies, item 4, letter f) Spanish Corporate Enterprises Act [*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*] assigns the following functions to the Audit Committees of listed companies:

"*To issue an annual report, prior to issue of the auditor's report, expressing an opinion as to whether the independence of the external auditor has been compromised. That report is to contain a reasoned evaluation of each additional service other than statutory audit services referred to in the preceding letter, taken individually and as a whole, in light of the rules on independence or audit legislation and regulations*".

In this regard, section 6.iii) Of the **Regulations of the Audit and Control Committee** (the "Committee") **of MERLIN Properties SOCIMI S.A.** ("MERLIN" or the "Company") sets out the Committee's duties as regards auditor independence:

i. *To ensure independence and the absence of grounds for prohibition and ineligibility;*

ii. *To establish information sources within the Company that provide relevant information on the independence of the external auditor from financial management, other management functions, internal audit, or other assurance functions, such as the regulatory compliance or risk unit, or external sources, such as information that may be provided by the external auditor itself;*

iii. *to ask the external auditor for explanations concerning the internal quality control system it has in place with regard to independence;*

iv. *to discuss with the external auditor any circumstance that may jeopardise its independence and assess the effectiveness of the safeguards adopted, and to understand and evaluate all relationships between the Company and its related entities and the external auditor and its network that entail providing non-audit services or any other type of relationship;*

v. *to receive, on an annual basis, the statement of independence by the external auditor and information on any type of additional services provided and the related fees received by the auditor or by persons or entities related to the auditor, as provided in current audit regulations;*

vi. *to issue an annual report prior to issue of the auditor's report expressing an opinion as to whether the independence of the external auditor has been compromised. That report is to contain a reasoned evaluation of each additional service other than statutory audit services, taken individually and as a whole, in light of the rules on independence or audit legislation and regulations.*

In compliance with these requirements, the Audit and Compliance Committee has issued this report expressing its **opinion on the**

independence of the Company's auditor, for submission to the Board of Directors and publication on calling the next General Meeting in 2025.

SCOPE OF THE REVIEW

The Commission has relied on the following background facts and information as a basis for this report:

- To guarantee the independence of the external auditor, throughout 2024 the Audit and Control Committee supervised compliance with current legislation and regulations on the provision of non-audit services by both the Company and the external auditor.

- Appearances by the auditor and the verifier (PWC) at meetings of the Audit and Control Committee during the year on (i) 3 April, (ii) 19 July, and (iii) 18 December, all in 2024, for routine follow-up of any non-audit work performed by the Company's and any sums paid for that work as a basis for assessing auditor independence.

- The draft letter in which the Company's Auditor stated its fees for auditing and related services and compliance with independence requirements under current audit legislation and regulations, sent to the Committee on 24 February 2025.

INDEPENDENCE EVALUATION

A. Written declaration by the Statutory Auditor confirming independence

The draft letter dated 27 February 2025 which the Company's Statutory Auditor wrote to the Committee stated:

> *"In relation to our appointment as auditors and as required by Technical Auditing Standard (IAS-ES) 260 (Revised) on "Communication with parties responsible for entity governance", for Public Interest Entities (PIEs) and considering section 529 quaterdecies 4.e) Revised Text of the Corporate Enterprises Act (as amended by the Final Provision Four of the Spanish Audit Act [Ley 22/2015, de 20 de julio, de Auditoría de Cuentas]), we confirm that the audit engagement team, the audit firm, and other persons belonging to the audit firm and, where applicable, other firms in the network, to the extent required of them, have complied with the applicable independence requirements as set out in the Audit Act and Regulation (EU) No 537/2014 of 16 April 2014".*

B. Relations with the External Auditor and Internal Controls

At no time during the various appearances during 2024 did the auditor report any issues that could jeopardise its independence.

In the letter to the Committee the Auditor also stated:

> *"The Audit Firm has in place internal policies and procedures designed to provide reasonable assurance that the audit firm and its staff, and, where appropriate, other persons subject to independence requirements (including the staff of firms in the network) maintain independence as and where required by applicable legislation. These procedures include procedures aimed at identifying and assessing threats that could arise from circumstances related to the audited entities, including circumstances that may be grounds for ineligibility and/or may require implementation of the necessary safeguards to reduce the threats to an acceptably low level.*
>
> *Accordingly, in our professional judgement, in relation to the stated audit engagement, no circumstances which, individually or in aggregate, could pose a significant threat to our independence and therefore require implementation of safeguards or which could give rise to grounds for ineligibility have been identified".*

C. Other non audit services provided and fees

In the letter sent to the Committee, the Company's Auditor set out all the fees for auditing and related services provided to MERLIN Properties SOCIMI S.A. and the companies in its Consolidated Group in 2024, which were as follows:

(thousands of euros)	Fee	%
Audit and Limited Review Services	*622*	*83.60%*
Other verification services	*84*	*11.29%*
Total audit and related services	***706***	***94.89%***
Other professional services	*38*	*5.11%*
2024 Total	***744***	**100%**

In compliance with the **Auditor Engagement and Framework Auditor Relations Policy**, the Audit and Control Committee has pre-authorised the engagement of all non-audit services not included in the ***"Proposed fees for 2024-2026"*** in 2024, following an analysis of weaknesses and threats to auditor independence in each work assignment.

<u>CONCLUSIONS</u>

In light of the above the Committee has concluded:

i) In their work during 2024 the auditor and the verifier have acted in accordance with the **standards of independence** that apply under applicable auditing standards.

ii) The "**Audit**" services consisted of auditing the Group's consolidated financial statement and the individual financial statements of the Parent Company and the subsidiaries in the Group, plus limited review of the interim consolidated financial statements.

iii) Non-audit work other than the audit of the accounts included under "**Other verification work**" has been carried out exclusively by PWC, S.L. (Madrid) and has comprised:

- A half-yearly Limited Review
- A review and description of the ICFR
- A report on subsidy account verification
- Reports on agreed LTIP and STIP procedures
- NFIS verification

iv) Work other than auditing the accounts under "**Other professional services**" in 2024 was carried out exclusively by PWC, S.L. (Madrid) and comprised:

- Positioning in sustainability ratings
- SOCIMI Sector Report

v) There are no aspects that could reasonably be considered to contravene audit regulations in respect of auditor independence or provision of non-audit services.

In Madrid, on 24 February 2025.

Donald Johnston

Chairman of the Audit and Control Committee

Merlin Properties SOCIMI, S.A.