**Audit and Control Committee**

**December 2024**

# Activity report of the Audit and Control Committee of MERLIN Properties, SOCIMI, S.A. for the financial year ended 31 December 2024

## 1. PRESENTATION

For purposes of the Board of Directors' annual evaluation of the Audit and Control Committee (the Committee) of MERLIN PROPERTIES SOCIMI, S.A. (MERLIN) under section 529 *nonies* of the Revised Text of the Spanish Corporate Enterprises Act [*Ley de Sociedades de Capital*], the Committee prepares an annual report on its work, highlighting the main work carried out pursuant to its duties, which is made public in the terms set forth in the applicable regulations in force.

This ***Audit and Control Committee Activity Report for 2024*** has been drawn up pursuant to that provision of law, Recommendation 6 of the Good Governance Code for Listed Companies, **section 79 of the Spanish National Securities Market Commission's [*CNMV*] Technical Guide 1/2024,** and section 25.2) of the Audit and Control Committee Regulations. It is available to investors, shareholders, and any other interested parties on the corporate website (https://ir.merlinproperties.com/gobierno-corporativo/informes-anuales/) from when the notice of the Annual General Meeting is issued.

Besides in the legislation in force, the Committee is regulated in the Company's Articles of Association, in the Regulations of the Company's Board of Directors, and more specifically in the **Regulations of the Audit and Control Committee, amended in 2024 to include the CNMV recommendations** on supervision of sustainability reporting, inter-committee relations, and the sustainability reporting verifier. The Committee Regulations were approved by the Board on 19 December 2024 at the proposal of the Audit and Control Committee itself.

The Committee Regulations address all the aspects set out in the recommendations in ***National Securities Market Commission's (CNMV) Technical Guide 1/2024 on Audit Committees of Public Interest Entities*** and updates to the recommendations contained in the New Good Governance Code approved by the CNMV in June 2020.

Interested parties can view all MERLIN's internal regulations referred to above (the Articles of Association, Board Regulations, and Audit and Control Committee Regulations) are available to on the corporate website at: (https://ir.merlinproperties.com/gobierno-corporativo/normativa-de-gobierno-corporativo/ ).

Committee activities at its ten meetings during the year fulfilled the Annual Work Plan for 2024 included in the "***Work Schedule for 2024***", approved by the Committee in December 2023, setting out the planned work at its sessions, the reports the Committee was to submit to the Board of Directors, appearances by the external auditor, and a training plan for the Committee.

Accordingly, as set out in this Activity Report, in 2024 the Committee reviewed and assessed all the issues and matters within its purview and reported punctually to the Company's Board on the most relevant matters, including its review of the financial and non-financial information, supervision of relations with and independence of the External Auditor, supervision of the Internal Audit function, supervision of the risk management and control systems, including tax and technological risks, supervision of related-party transactions, supervision of the regulatory compliance system and associated control structures, and recommendations for continuous improvement of the Company's Internal Control and Corporate Governance Systems.

## 2. COMPOSITION, OPERATION, AND REMIT

The composition and duties of MERLIN's Audit and Control Committee are set forth in Chapters II and III of the Audit and Control Committee Regulations in accordance with section 529 *quaterdecíes* Corporate Enterprises Act. In brief, the provisions in those chapters address the following main aspects of the Committee:

### 2.1. Composition

In accordance with Chapter III of the Audit and Control Committee Regulations, the Committee will have no fewer than three (3) and no more than six (6) members, all of whom are to be non-executive directors, and a majority are to be independent directors. Its members are appointed by the Board of Directors at the proposal of the Appointments and Remuneration Committee. In the proposal and appointment of its members, the Committee endeavours to seek diversity in its composition, in particular with regard to gender, professional experience, competencies and sector knowledge.

As Board members, the Committee members are to have the experience and knowledge in management, economic, financial, and business matters required of a good director. In addition, the Committee as a whole must have the relevant technical knowledge in relation to the sector of activity to which the Company belongs; and at least one of the Committee members must also be appointed taking into account their knowledge and experience in accounting, auditing or both.

In addition to the above, in nominating and appointing the members and officers, the Committee itself, the Appointments and Remuneration Committee, and the Board are to ensure that the Committee Chair has the knowledge, skills, and experience appropriate to the duties they will be called upon to perform in respect of accounting, auditing, or risk management matters. The Committee members as a whole are to have financial and internal control know-how, and at least one of the Committee members is to have IT experience, among other reasons to facilitate efficient supervision of internal control and risk management systems, which generally use complex computer software, and to be able to adequately assess new emerging risks, such as cybersecurity risk.

The Audit and Control Committee Chair, a position that in all cases will be held by an independent director, will be appointed from among the Committee's members and is to be replaced every four (4) years. The Chair may be re-appointed after one (1) year has elapsed from the end of their tenure, without prejudice to their continuity or re-appointment as a Committee member.

The number of members, duties, and operating rules of the Committee are designed to promote independence of operation.

There was no change in the make-up of the Committee in 2024, which on the date of this report is as follows:

| POSITION | MEMBER | DIRECTOR CATEGORY | ACCOUNTING/FINANCIAL /TECHNOLOGY MANAGEMENT EXPERIENCE |
|---|---|---|---|
| Chair | Donald Johnston | Independent | ✓ |
| Member | Juan María Aguirre Gonzalo | Independent | ✓ |
| Member | Ms. Ana María García Fau | Independent | ✓ |
| Member | Ms. María Luisa Jordá Castro | Independent | ✓ |
| Member | Ms. Francisca Ortega Hernández-Agero | Proprietary | ✓ |

Each Committee member's biographical sketch, with information on their education, work and management experience, and dates of appointment and subsequent re-appointment, is available on the corporate website at: (https://ir.merlinproperties.com/gobierno-corporativo/consejo-de-administracion/)

The Secretary, who is not a member of the Committee (section 14 of the Committee Regulations), is Mr. Ildefonso Polo del Mármol, who is also Deputy Secretary of the Board of Directors.

## 2.2. Operation

The Audit and Control Committee, in accordance with section 18 of its Regulations, and prior to the beginning of each year, approves an annual work plan that sets out the specific objectives in relation to each of the functions entrusted to the Committee; the organisation of reporting; and the agendas for its meetings or other channels of regular communication with the Company’s management, the head of the internal audit department, and the external auditor; and the training considered appropriate for the Committee to properly perform its functions.

In this regard, the Committee has carried out its functions during the year in accordance with the **"*Work schedule for 2024*"** approved by the Committee on 11 December 2023, and it approved the **"*Work schedule for 2025*"** at its meeting held on 18 December 2024.

In any case, the Committee is to be called to meet at least on a quarterly basis to review the interim financial information that the Board of Directors must submit to the stock exchange authorities, the information to perform other regular reporting obligations (AML/CFT, Compliance, risks, etc.), and the information the Board of Directors is to approve and include as part of its annual public documents, in accordance with the Company's internal procedures and any applicable laws and regulations.

These meetings may be attended by the Director of Internal Audit and/or the Statutory Auditor and the Sustainability Reporting Verifier. At least part of these meetings will take place without the presence of Company management, so that the specific matters arising from the reviews performed can be discussed exclusively with them.

The Committee may also request collaboration and engage external and advisory services, and gather any information or documents available at the Company relating to the matters that are within the Committee’s area of authority and that it considers necessary to perform its duties.

## 2.3. Remit

The duties of the Committee are detailed in Chapter II (sections 5 to 11) of the Audit and Control Committee Regulations. The main functions of the Committee are as follows:

(i) To approve the policy that determines the procedure for the selection and contracting of and relations with the external auditor and the verifier, as well as any circumstances that could affect their independence and the instruments to provide these relations with due transparency.

In the framework of those duties, the Committee is to take into account such factors as the scope of the audit; knowledge of the sectors in which the Company conducts its business activities, including their associated risks and special legislation and regulations; the auditor's or audit firm's skills, experience, and resources, fees, and independence; and the effectiveness and quality of the audit services to be provided. Those same criteria will apply for the appointment or re-appointment of the sustainability reporting verifier, for which the Committee may consult with and/or involve the Sustainability Committee.

(ii) To propose to the Board, for submission to the General Meeting, the proposal for selection, appointment, re-appointment, and replacement of the external auditor and the verifier and the terms of their engagements and, where applicable, their removal or non-renewal.

(iii) To give prior authorisation for non-audit services the external auditor (or the auditing firm to which the auditor belongs) or the persons or entities related to the auditor (in accordance with current audit regulations) are to provide to Group companies, in the terms envisaged by law.

(iv) To receive, on an annual basis, the statements of independence from the external auditor and the verifier 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 the current audit regulations.

(v) To issue an annual report, prior to the auditor's report, expressing an opinion on whether the independence of the external auditor and the verifier has been compromised.

(vi) To review with the external auditor and the verifier the main incidents detected during the audit and the verification, respectively; to compare them with management's opinion and verify that they have been resolved or, if not, to understand why not; and to follow up the recommendations of the external auditor and the verifier.

(vii) To evaluate with the external auditor and the verifier the main incidents detected during the audit and the verification, respectively; to compare them with management's opinion and verify that they have been resolved or, if not, to understand why not; and to follow up the recommendations of the external auditor and the verifier.

(viii) To analyse with the external auditor and the verifier any significant weaknesses in the internal control system detected in the course of the audit and the verification and to submit recommendations or proposals to the Board along with the corresponding period for follow-up.

(ix) To check with the auditor on the procedures in place to provide reasonable assurance that the annual financial statements are free of material misstatements or omissions and whether, in practice, any signs or indications of which the Committee should be aware that require action have been disclosed.

(x) To discuss with the auditor and the verifier: (i) the appropriateness of the criteria and parameters used to determine materiality, or double materiality in the case of sustainability reporting, and whether based on qualitative parameters they have set lower figures in the analysis of certain transactions or sensitive aspects of the financial or sustainability information, such as relations with related parties; and (ii) the methods and assumptions used by management to make material estimates, the effect of considering alternative approaches or assumptions, and the auditor's or verifier's opinions concerning the information, assumptions, methods, or data that could conflict with those used by management.

(xi) To supervise the correct application of generally accepted accounting principles and applicable international financial reporting standards and supervise the process of preparing and presenting the Company's financial statements and the interim financial information that, in accordance with current law, the Company must provide to the markets and their supervisory bodies, as well as the process of preparing and publishing this information, reporting to the Board of Directors prior to its approval and submitting recommendations or proposals aimed at safeguarding its integrity.

(xii) To supervise the process of preparing and presenting the Company's annual financial statements, the financial and non-financial information the Company makes public in its annual or interim financial reports, including earnings presentations, the management report, sustainability information, related-party transaction reporting, reporting on internal risk management and control systems, corporate governance, director remuneration, etc.; to report to the Board in this regard prior to approval; to assess the cases in which it makes sense to involve the auditors or the sustainability reporting verifiers in reviewing any of the above reports and making recommendations or proposals aimed at safeguarding their integrity.

(xiii) To oversee the preparation process and the integrity of the financial and non-financial information and the management and control systems for the financial and non-financial risks faced by the Company, including (a) operational, (b) technological, social, and environmental, (c) governance and talent management, (d) legal, (e) political, and (f) reputational or corruption-related risks, subject to a prior report and recommendations by the Innovation and Sustainability Committee and the Appointments and Remuneration Committee on the matters within their purview. Nevertheless, without prejudice to the necessary coordination between committees, ultimate responsibility for supervising the effectiveness of management and control systems for financial and non-financial risks, including sustainability risk, will lie with this Committee.

(xiv) To review the clarity and integrity of all financial and non-financial information made public by the Company in its annual or interim financial reports, including earnings presentations, the management report, sustainability information, related-party transaction reporting, reporting on internal risk management and control systems {the latter, in turn, including the annual corporate governance report (ACGR), the director remuneration report (DRR), and sustainability reporting} before approval by the Board, if required, without prejudice to any prior reviews of the subject matter by other committees, such as review of the remuneration report by the Appointments and Remuneration Committee; and to ensure that the half-yearly financial reports and quarterly management reports are drawn up in accordance with the same accounting standards as the annual financial statements and, to this end, to consider the appropriateness of a limited review of the half-yearly financial reports by the auditor.

(xv) To supervise the contents of the auditor's reports, limited review reports on interim financial statements, review reports on the state of non-financial reporting, and other mandatory reports by the external auditor prior to issue to avoid qualifications.

(xvi) To ensure, in association with the internal audit department, that the financial and non-financial information published on the Company's website is continuously updated and matches the information drawn up by the Company's directors and published, where appropriate, on the CNMV's website where required.

(xvii) To approve the direction and work plans of the internal audit department and receive regular information on its activities. In supervising the work plan, the Committee must verify that the main financial and non-financial risk areas of the business have been taken into consideration in the plan, and that its responsibilities are clearly identified and defined for the purpose of adequate coordination with any other assurance functions, such as the risk management and control, management control, regulatory compliance and external audit units.

(xviii) To assess on an ongoing basis, at least annually, the functioning of the internal audit department, its action plans and resources, and the performance of its director or head.

In its assessment the Commission must ensure that:

a. the main areas of business risk identified in the plan are adequately covered in practice. This is to include monitoring internal controls on the method of calculating alternative performance measures (APMs) and key performance indicators (KPIs) regarding sustainability used by the Company in its regular reporting;

b. there is adequate coordination with other assurance functions such as risk management and control or regulatory compliance and with the external auditor and the sustainability reporting verifier;

c. the initially approved personnel, technology, and financial resources have been made available, including hiring or engaging experts for those audits that require special qualifications, when deemed necessary or appropriate.

d. the Director of Internal Audit has effective, direct access to the Committee;

e. reports on the progress and conclusions of its work are drawn up according to the annual plan or other special requests that may have been made or approved by the Committee and presented according to schedule. These conclusions are to cover both weaknesses or inadequacies disclosed, the action plans for correcting them, and follow-up of implementation;

f. all material changes in the execution and practical implementation of the plan are properly reported to the Committee and, where the changes require the plan to be updated, the update is approved by the same procedure used to approve the initial plan;

g. an annual activity report is submitted, to contain at least a summary of the work carried out and the reports produced during the year, an explanation for any work included in the annual plan that has not been carried out or any work not included in the initial plan that has been carried out, and an inventory of the weaknesses, recommendations, and action plans set out in the various reports.

(xix) To supervise all matters relating to the different types of risk faced by the Company, including economic or financial risks, contingent liabilities, other risks, e.g., (a) off-balance sheet risks, (b) operational risks, (c) social, environmental, and technological risks, (d) governance and talent management risks, (e) legal risks, and (f) political and reputational risks, in cooperation with the Innovation and Sustainability Committee and the Appointments and Remuneration Committee on the matters within their purview.

(xx) To assess, at least on an annual basis, the list of the most significant financial and non-financial risks and the level of tolerance established for each risk based on the information provided by management, the director of the internal audit department, and, where applicable, the risk management and control unit, bearing in mind that setting the levels of risk considered by the Company is an executive function of the Board.

(xxi) To compile information on whether the most relevant risks are managed, controlled, and kept within the tolerance levels set by the Board based on the information provided by management, the Director of Internal Audit, and, where appropriate, the risk management and control director; to reassess, at least on an annual basis, the list of the most significant financial and non-financial risks; and to assess the different risk tolerance levels set to propose any necessary adjustments.

(xxii) To hold, at least on an annual basis, a meeting with the heads of the business units where they explain the business trends and the associated risks, and strengthen the idea that the heads of the business units are directly responsible for effectively managing the risks and that there must be a manager assigned to each risk identified.

(xxiii) To review the Company's internal risk management and control systems and, in particular, ensure that the internal control over financial reporting system (ICFRS) and the internal control over sustainability reporting system (ICSRS) are correctly designed, so that the main risks are appropriately identified, managed, and disclosed.

(xxiv) To approve the internal audit plan for ICFRS and ICSRS assessment and any changes to it, and to obtain regular reports on the results of its work and on the action plan to correct any deficiencies identified.

(xxv) To report to the shareholders at the General Meeting regarding issues raised in relation to matters for which the Committee is responsible and, in particular, regarding the results of the external audit, explaining how it has contributed to the integrity of the financial information and the sustainability information and the function that the Committee has carried out in that process.

(xxvi) To hold, at least on an annual basis, a meeting with the heads of the business units where they explain the business trends and the associated risks, and strengthen the idea that the heads of the business units are directly responsible for effectively managing the risks and that there must be a manager assigned to each risk identified.

(xxvii) To report to the General Meeting on questions raised in respect of matters within its purview.

(xxviii) To oversee the process of engaging external real estate asset appraisers proposed by Management and ensure application of the rotation policy and identification of possible conflicts of interest and threats to independence that may call into question their suitability.

(xxix) To ensure that the methodology employed and the material assumptions used are in accordance with International Financial Reporting Standards (IFRS), with the Appraisal and Valuation Standards published by the Royal Institute of Chartered Surveyors (RICS) of Great Britain, and with the International Valuation Standards (IVS) published by the International Valuation Standards Council (IVSC).

(xxx) To understand and assess the results of the work carried out by the external auditor in relation to appraisal of the Company's assets.

(xxxi) To gather and analyse all the information and documents necessary to be able to inform the Board concerning all related-party transactions that require the approval of the General Meeting or the Board itself in the terms stipulated by law. To this end the Committee may solicit expert reports when it deems it appropriate, for example, because it must give an opinion on whether a transaction that is sufficiently complex is fair and reasonable from the standpoint of the Company and non-related party shareholders.

(xxxii) To ensure that the announcement of related-party transactions to be submitted to the CNMV for public dissemination contains the information required by law and, in particular, necessary to assess whether the transaction is fair and reasonable from the standpoint of the Company and non-related party shareholders.

(xxxiii) To establish control mechanisms for related-party transactions for which the Board has delegated approval authority, to enable it to verify compliance with the legal requirements for delegation. To this end the Audit Committee is to propose to the Board an interim internal reporting and control procedure aimed at verifying compliance with the requirements established by law and the fairness and transparency of the transactions whose approval has been delegated, and it is to periodically review the suitability of that procedure.

(xxxiv) Report to the Board of Directors on the creation or acquisition of holdings in special purpose vehicles or entities domiciled in countries or territories considered to be tax havens, the economic conditions and accounting impact and, where appropriate, the exchange ratio of the structural and corporate changes that the Company plans to carry out and transactions with related parties.

(xxxv) Review the annual activity plan of the Criminal Compliance Body, as well as the half-yearly report on its activities to be subsequently submitted to the Board of Directors. Receive information from the Criminal Compliance Body in relation to any relevant issues regarding regulatory compliance and the prevention and correction of illegal or fraudulent conduct.

(xxxvi) To review, through the Internal Control Body, the Company's internal policies and procedures to verify their effectiveness regarding anti-money laundering and countering the financing of terrorism and to identify possible policies or procedures that are more effective in promoting the highest ethical standards, to be submitted to the Board of Directors.

## 3. MAIN ACTIONS PERFORMED IN 2024

### 3.1 Meetings

The Committee performs its functions with complete independence and full operational autonomy, being directed by its Chairman, who is responsible for calling meetings, proposing the agenda of the matters to be discussed and requesting the attendance of any director, executive or employee of the Company or the external auditor or any other external party that may be necessary for the performance of its functions.

In 2024 the Committee met on ten (10) occasions (namely, on 29 January, 20 February, 26 February, 3 April, 14 May, 19 July, 22 July, 18 September, 12 November, and 18 December). The meetings held during the year were all attended in person at the Company's registered office.

In addition to its members, the Audit and Control Committee meetings were attended by Company employees and executives, such as the Executive Director and Corporate General Manager, the Chief Legal Officer, the Accounting and Consolidation Director, the Head of the Tax Department, the Director of Internal Audit, the Coordinator of Asset Valuations, and the Systems Manager, to discuss the items on the agenda for which they had been summoned.

In addition, the External Auditors (outgoing and incoming) attended 5 Committee meetings to report on the review of the 2023 year-end asset valuation, the 2023 audit, the auditor transition process, the half-yearly review of the 2024 asset valuations and Limited Review of the first half of 2024, and the preliminary conclusions of the 2024 year-end review.

### 3.2. General actions

As general information, at its meetings in 2024 and in exercising the functions attributed thereto, the Committee:

(i) Submitted to the Board reports relating to the presentation of the separate and consolidated financial statements and the external auditor's review for the year ended 31 December 2023, and the quarterly and half-yearly financial and management reports (in 2024) the Company, as a listed company, was required to prepare under applicable legislation and regulations;

(ii) Made presentations to the Board concerning all the work assigned to the external auditor during the year in course, the auditor transition process, and the Committee's prior evaluation of the engagement regarding auditor independence and compatibility in accordance with the Spanish Audit Act [*Ley de Auditoría*].

(iii) Oversaw the yearly process of engaging external real estate asset appraisers proposed by Management to ensure application of the rotation policy and identification of possible conflicts of interest and threats to independence that could call into question their suitability.

(iv) Reviewed the methods employed by external real estate appraisers and the material assumptions used, which were in line with international accounting standards (IAS).

(v) Supervised the results of the work carried out by the external auditor in relation to the appraisals of the Company's assets.

(vi) Analysed all the information and documents necessary to be able to inform the Board concerning the related-party transactions approved by the Board itself in the terms stipulated by law.

(vii) Saw to it that the announcement of related-party transactions submitted to the CNMV for public dissemination contained the information required by law and, in particular, necessary to assess whether the transaction was fair and reasonable from the standpoint of the Company and non-related party shareholders.

(viii) Took note of and where appropriate reported favourably to the Board on accounting and tax aspects of corporate transactions.

(ix) Updated the 2024 Risk Map based on the COSO ERM 2017 framework and monitored the main business risks on a regular basis through appearances by business unit heads and their explanations of business trends and the associated risks.

(x) Assessed the tolerance level set for each of the identified risks based on information provided by management and the Director of Internal Audit.

(xi) Analysed the technological and cybersecurity risks affecting the Company and oversaw the IT Department's action plans in this area.

(xii) Reviewed the tax policies followed during the year and then prepared the financial statements and filed corporation tax returns in compliance with MERLIN's Tax Policy.

(xiii) Supervised execution of the internal audit work in the framework of the internal control systems in accordance with the 2024 Annual Activity Plan approved at the meeting held on 11 December 2023 and monitored compliance with recommendations by the Company's management.

(xiv) Reviewed the work of the different control bodies established within the Company to supervise and manage criminal risks (Criminal Control Body) and anti-money laundering and countering the financing of terrorism matters (Internal Control Body).

(xv) Supervised the functioning of the Internal Control Systems (ICFR and ICSR) implemented and subsequently examined the internal audit reports on those systems, including a review of their respective manuals, the Group's Accounting Policies Manual and the Non-Financial Information Statement (NFIS)

(xvi) Verified performance of the work carried out by Company management in respect of data protection legislation, ensuring that control systems to minimise the risk of vulnerability of the rights of users of the Company's assets are in operation at all times.

(xvii) Promoted improvements to policies and procedures within the Committee's area of responsibility.

### 3.3. Specific actions

The Committee carried out the following actions within its specific areas of responsibility in 2024:

### 3.3.1 Financial reporting

***In the framework of its functions, the Committee is responsible for overseeing the process of preparing and submitting mandatory financial information relating to the Company and presenting recommendations or proposals to the Board aimed at safeguarding its integrity and for supervising compliance with regulatory requirements, accurate demarcation of the scope of consolidation, and proper application of accounting criteria.***

As concerns the process of preparing and submitting mandatory financial information relating to the Company and its group, to ensure the accuracy, reliability, adequacy, and clarity of the information, prior to its presentation to the Board, in 2024 the Committee analysed and supervised the following information that the Board, as the board of a listed company, is required to release to the market and report to the National Securities Market Commission (CNMV):

(i) The separate and consolidated annual financial statements and management reports for 2023 for MERLIN and its consolidated group after evaluating the process of preparing that information and the guarantees existing within the Company’s Internal Control Model, accurate demarcation of the scope of consolidation, and proper application of the accounting principles used (IFRS and Spanish national chart of accounts).

(ii) The quarterly and half-yearly interim financial reports for 2024 for MERLIN and its consolidated group, verifying accurate demarcation of the scope of consolidation, the uniformity of accounting criteria, and identification of accounting risks that could jeopardise the auditor's opinion regarding the 2024 financial statements.

In this regard, it is to be noted that at its meeting held on 26 February 2024, the Audit and Control Committee submitted a report to MERLIN's Board with the proposed separate and consolidated annual financial statements and management reports for 2023 in the same terms as those put to a vote at the General Meeting, which were accompanied by an audit report by the firm of Deloitte, S.L. containing a favourable and unqualified opinion.

In addition, as regards the interim quarterly and half-yearly financial information for 2024, at its meetings held on 14 May, 19 July, and 12 November, the Committee decided to submit favourable reports on the above interim financial information to MERLIN's Board, and at the July meeting it verified that the conclusions in the limited review report on the half-yearly financial statements for 2024 by the firm of PWC, S.L. Were favourable and unqualified.

Lastly, in 2024 the Committee verified that the financial information published on the Company's website was being permanently updated and that it matched the information prepared by the Company's directors and published on the CNMV's website, if any.

***The Committee is also responsible for approving the internal audit plan for the ICFR assessment and any changes to it, and for periodically receiving information on the results of its work and on the action plan to correct any deficiencies identified.***

In this respect, during the year the Committee has worked on:

(i) Reviewing the Internal Control Policy for the process of preparing and supervising financial and non-financial information, applicable to all Group companies.

(ii) Reviewing and approving the materiality levels of the accounting headings in the MERLIN Group's financial statements, with a view to identifying the key controls within the Internal Control Model, and reviewing the Company's ICFR Functions and Supervision Manual and Accounting Policies Manual.

(iii) Overseeing the review of the ICFR controls within the framework of the 2024 Annual Internal Audit Plan and follow up on weaknesses highlighted and proposals for improvements.

### 3.3.2. Sustainability reporting

***The Committee is responsible, within its purview, for assessing the preparation and the integrity of financial and sustainability information and for the management and control systems for financial and non-financial risks relating to the Company, including operational, technological, legal, social, environmental, political, and reputational or corruption-related risks.***

In relation to the process of preparing sustainability information and with special emphasis on the preparation of the Non-Financial Information Statement (NFIS), the Committee has, together with the Innovation and Sustainability Committee and the Nominations and Remuneration Committee, continued to monitor the progress of the following work:

(i) Preparing a double materiality analysis of issues relevant to MERLIN and a gap analysis of the ESRS-CSRD framework with a view to reporting in 2025.

(ii) Supervising preparation of the different manuals for the Internal Control over Sustainability Reporting System (ICSRS) for each of the GRI indicators within the scope of the Spanish Commercial Code, Corporate Enterprises Act, and Audit Act Amending Act for Diversity and Non-Financial Reporting [*Ley 11/2018*].

(iii) Reviewing implementation and execution of the various ICSRS controls for the different processes and areas involved, which have been documented in the Group's internal control tool (GRC Suite).

(iv) Reviewing NFIS preparation in cooperation with the Innovation and Sustainability Committee and the Appointments and Remuneration Committee, each in their respective area of responsibility.

### 3.3.3. External auditors and verifiers

***The Committee is responsible for regularly obtaining information from the statutory auditor and the verifier on the audit plan and its execution and for safeguarding their independence in the performance of their duties. It must also ensure that the Company, the auditor, and the verifier comply with the legislation and regulations on providing non-audit services and more generally with the legislation and regulations on auditor independence.***

In accordance with the Auditor Engagement and Framework Auditor Relations Policy approved on 13 November 2017 and in accordance with the **2024 Plan for Working with the External Auditor** drawn up on 11 December 2023, in 2024 the Committee established the appropriate relationships with the outgoing auditor, Deloitte, S.L., and the incoming auditor, PWC S.L., with the aim of supervising the progress of the audit work, staying informed of significant findings, supervising their fees and work assignments, and ensuring that the opinion on the financial statements and the main contents of the auditor's report and the special report were drafted clearly and accurately.

Therefore, as regards the performance of their work, in 2024 the Company's external auditors appeared before the Committee on 5 occasions, each time having the opportunity to present their conclusions without the presence of the management team, at the Committee meetings on (i) 20 and 26 February, (ii) 3 April, (iii) 19 July, and (iv) 18 December, all in 2024.

The main work carried out by the Committee in relation to the External Auditor was:

(i) ***MERLIN's Financial Statements and Sustainability Reporting***

***In 2024 the Committee was informed of and supervised the progress of the external audit work, including planning, the scope of the tests performed, the work schedule, fees, the risks identified in the audit, the judgements on the applicability of accounting criteria and principles, the opinion on the accounting treatment of material corporate transactions, and the conclusions drawn in the various reports on the work submitted to the Committee during the year.***

In this regard, the representatives of the auditor Deloitte, S.L. presented the main conclusions to the Committee at its meeting held on 26 February 2024, namely, for:

- The work performed in relation to the audit of the separate and consolidated annual financial statements of MERLIN and its consolidated group for 2023, presenting the draft audit opinion, and the additional report on the separate and consolidated annual financial statements at 31 December 2023, expressing a favourable and unqualified opinion.

- The work carried out in relation to verification of the Non-Financial Information Statement (NFIS) for 2023, presenting the Draft Review Report, expressing a favourable, unqualified opinion.

Subsequently, the representatives of the auditor PWC, S.L. presented the main conclusions of the work performed in relation to the Limited Review of the Half-Yearly Interim Financial Statements of MERLIN and its consolidated group for the first half of 2024 at the meeting held on 19 July 2024, detailing the main significant events in the period and the main audit risks, and expressing a favourable and unqualified conclusion.

Lastly, at the meeting held on 18 December 2024, the auditor presented the work carried out in the preliminary review as at 30 September 2024 with a view to the review of the financial statements for 2024, and the key audit matters detected in the course of their work.

(ii) ***Assessment of independence***

***The Audit and Control Committee receives, on an annual basis, written confirmation from the Company's auditor of its independence with regard to the Company or entities directly or indirectly connected thereto, as well as a detailed breakdown of any non-audit services provided by the auditor or by persons or entities related to the auditor in accordance with current audit regulations.***

In this regard, the Company's auditor submitted its statement of independence for the audit of the financial statements for 2023 to the Committee on 26 February 2024. This statement contained a detailed breakdown of the fees for audit services and audit-related services and for any other additional services provided to MERLIN Properties SOCIMI, S.A. and the companies in its Consolidated Group in 2023. On this same date, the Auditor submitted to the Audit and Control Committee the Additional Report to the Audit Committee in which the auditor confirmed that it had complied with the applicable independence requirements in accordance with that established in current law.

To guarantee the independence of the external auditor, 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. In this regard, the Committee analysed, among other aspects:

- Compliance with the *Auditor Engagement and Framework Auditor Relations Policy*, in which the Audit and Control Committee had pre-authorised all the non-audit services to be contracted.

- The express statement by the auditor confirming its independence, with a detailed breakdown of the services rendered and the fees payable.

- Express confirmation from the auditor of the establishment of internal procedures aimed at identifying and assessing threats that may arise from circumstances related to audited entities and, where applicable, the application of safeguard measures.

- Individual analysis of the services provided to MERLIN Properties SOCIMI S.A. and the companies in its Consolidated Group.

In the course of the 2023 audit, the Committee did not identify any situations that could have posed a threat to the auditor's independence and, therefore, the Committee concluded its analysis of the auditor's independence by stating that the auditor had acted in accordance with the rules on independence that apply pursuant to current audit legislation and regulations.

The Audit and Control Committee submitted its Annual Report on Auditor Independence to the Board on 26 February 2024. This report is available to any interested party on the corporate website.
(https://ir.merlinproperties.com/gobierno-corporativo/informes-anuales/)

In addition, for 2024, as regards the incoming auditor (PWC, S.L.), the work performed by the auditor and the amounts paid for that work were regularly monitored to assess the auditor's independence at the external auditor's appearances before the Audit and Control Committee.

In this regard, at the various appearances before the Audit and Control Committee in 2024, the auditor reported that no situations that could jeopardise its independence had been identified.

(iii) ***Supervision of fees and assigned work***

***The MERLIN's Corporate Governance System ensures that the necessary relationships are established between the Audit and Compliance Committee and the auditor so that the latter receives timely information from the Committee on matters that may pose a threat to its independence.***

In 2022 the Audit and Control Committee held a tender to appoint a new Auditor for 2024-2026 in which several high-level audit firms took part. The technical capabilities, asset valuation review methodology, human capital, and economic conditions of each participant were assessed during the tender.

**Finally, on 27 April 2023 the General Meeting appointed the audit firm of PriceWaterhouseCoopers (PWC) for the 2024-2026 financial years.**

In 2024 the Audit and Control Committee ensured that the Company's auditor was independent and that this independence was manifested in the relations between the two companies.

MERLIN has a pre-authorisation policy whereby the Audit and Control Committee authorises, before it is concluded, any contract to be entered into with the auditor (or with a member of its network) for the provision of non-audit services to the Company or to any companies in its Group, so that it is able to analyse, both individually and globally, any threats to the auditor's independence that may arise from those contracts.

(iv) ***Internal Control Recommendations***

At the meeting with MERLIN's Audit and Control Committee held on 26 February 2024 in the final phase of 2024 in the course of its audit work, the outgoing auditor (Deloitte S.L.) informed the Committee that there were no significant deficiencies in the Group's internal control.

The incoming auditor (PWC, S.L.) informed the Audit and Control Committee at its meeting held on 18 December 2024 that with regard to 2024 there were no deficiencies in the Group's internal control.

Lastly, concerning the next year, at the meeting held on 18 December 2024, the Committee established a **Work Plan for 2025** with the External Auditor, providing for the content envisaged for each recommendation and the reports required by the Committee.

### 3.3.4. Appraisal of real estate assets

***The Committee's responsibilities include supervising the engagement process, reviewing the methodology applied by the external appraisers, and being informed of and assessing the work carried out by the external auditor in relation to the appraisals.***

In 2024 the Audit and Control Committee supervised, on a half-yearly basis, the valuation of the Company's assets, and ensured that the process was being carried out in accordance with International Valuation Standards (IVS) and International Financial Reporting Standards (IFRS).

Accordingly, the Audit and Control Committee held half-yearly meetings with the asset appraisal firms (Savills, CBRE, and JLL) and submitted the relevant reports on the asset valuation process to the Board for the closing of the 2023 financial year on 20 February 2024 and the half-yearly closing process at 30 June 2024 on 19 July 2024.

In these reports the Audit Committee reviewed issues that included:

a) *Rotation and hiring*: At its meeting held on 3 April 2024, the Committee supervised the annual hiring and the rotation process proposed by Management.

b) *Independence and absence of conflicts of interest*: The valuation firms were leading multinational firms that are not financially dependent on MERLIN Group's fees and have given the Committee written statements of their independence from the Company and its fees and of the absence of conflicts of interest when providing the services.

c) *Methodology and Assumptions employed*: The Committee reviewed compliance by the valuation methodology used with International Financial Reporting Standards (IFRS).

### 3.3.5. Risk management

***The Committee is responsible for supervising the effectiveness of the Company's internal control and risk management systems. It therefore assesses all the Company's non-financial risks, including operational, environmental, technological, legal, social, political, and reputational risks.***

The Company has a corporate risk management model supervised by the Committee that identifies events that could potentially affect the organisation, manages its risks, and provides reasonable assurance that objectives will be achieved.

The Committee (with the support of the Internal Audit Department) supervises the model, based on the application of risk management methodology by supervising the identification and assessment of the risks (probability and impact) that affect the objectives of each of the areas. By implementing the model the Committee assesses and concludes on the adequacy and effectiveness of the controls implemented by the Group and issues recommendations as needed.

During the year the Committee, in cooperation with the Director of Internal Audit, continued the work undertaken in the previous year, involving:

(i) (i) Updating the Risk Map in January for subsequent submission to the Board and a half-yearly review in September 2024.

(ii) Conducting an annual review of the Risk Management and Control Policy and assessing compliance with the policy, its viability, and whether or not it should be updated in respect of non-financial and/or sustainability risks.

(iii) Analysing the Spanish economic and real estate climate and identification of early key risk indicators (KRIs).

(iv) Half-yearly monitoring of the main indicators (KPIs) for key risks, and for the different mitigation measures in place.

(v) Assessing the tolerance level established for each of the risks identified based on information provided by management and the Director of Internal Audit.

(vi) Assessing the technological and cybersecurity risks affecting the Company and overseeing the IT Department’s action plans in this area.

(vii) Review of tax risks, compliance with the tax policy and compliance with the REIT Regime.

(viii) Reviewing the operational, technological, and security risks of the Offices, Logistics, Shopping Centre, and Data Centre business segment.

### 3.3.6. Tax policy and legal risks

***The Committee is responsible for supervising the effectiveness of the Company's internal control and risk management systems. It therefore assesses all the Company's non-financial risks, including operational, environmental, technological, legal, social, political, and reputational risks.***

In compliance with the MERLIN Group's Tax Policy and Strategy, the Committee supervised and monitored the main tax risks in 2024 and the tax policies followed during the year after having been informed in that respect before the annual financial statements were drawn up and the corporate income tax return was filed. The head of the Group's tax department presented the tax policies and risks, the provision for corporate income tax, subsequent filing, and the declaration of related-party transactions and transfer pricing to the Committee on 20 February, 19 July, and 12 November.

The Committee also repeatedly monitored the main legal risks faced by the group, arising mainly from ongoing litigation, and where appropriate it evaluated their potential impact on the MERLIN Group's financial statements and the need to disclose them in the notes to the financial statements. To this end, the Group's Chief Legal Officer explained and provided details on the litigation in progress for the Committee at the meetings held on 14 May and 11 November.

### 3.3.7. Internal Audit

***The Committee is responsible, among other matters, for overseeing the independence and effectiveness of the internal audit function and for supervising, e.g., the annual work plan, for approving its budget and***

***supervising remuneration, and for verifying that the members of the management team take the conclusions and recommendations of its reports into account.***

Therefore, within the framework of the responsibility attributed to the Committee in 2024:

(i) it reviewed the implementation of the 2024 Internal Audit Annual Plan approved on 11 December 2023.

(ii) it reviewed monitoring of progress made in Digitising the Internal Audit function in 2024.

(iii) it carried out a review of the reports issued by the internal audit department, reviewing the recommendations included and verifying that Company Management complied with the action plans included.

(iv) the Director of Internal Audit attended all Committee meetings and explained the developments and progress in the area under his responsibility, with special emphasis on the work on reviewing the different control models and processes that was being carried out (mainly for auditing of business processes, review of the ICFRS and ICSRS, data protection, criminal compliance, fulfilment of the ESRS-CSRD framework, and the risk management system);

(v) it monitored internal controls over the methodology for calculating alternative performance measures (APMs), in particular those relating to EPRA reporting and sustainability KPIs.

(vi) at its meeting held on 18 December 2024, it reviewed and approved the internal audit budget and the Annual Plan for 2025, ensuring that the necessary human, technological, and financial resources were available, including hiring or engaging experts for those audits that required special qualifications, when deemed necessary or appropriate

### 3.3.8. Regulatory Compliance

***The Commission's responsibilities include:***

- ***Reviewing the annual activity plan of the Criminal Compliance Body, as well as the half-yearly report on its activities to be subsequently submitted to the Board of Directors.***
- ***Reviewing, through the Internal Control Body, the Company's internal policies and procedures to verify their effectiveness in preventing money laundering and the financing of terrorism.***
- ***Supervising compliance with legal and regulatory requirements and setting up and supervising a mechanism whereby employees can report confidentially or, if appropriate, anonymously any potentially***

***significant irregularities, particularly those of a financial and accounting nature, they identify within the Company.***

- ***Reporting to the Board before it takes decisions on (I) the creation or acquisition of holdings in special purpose vehicles or entities domiciled in countries or territories considered tax havens, (ii) related-party transactions, (iii) the economic conditions and accounting impact and, where appropriate, the exchange ratio of structural and corporate changes that the Company plans to carry out.***

### 3.3.8.1. Prevention of criminal risks (Criminal Compliance)

In 2024 the Committee supervised MERLIN's Crime Prevention Model and verified its updating on an ongoing basis and the maintenance of quality certification under standard UNE 19.601 Criminal Compliance Management Systems obtained in 2019, and standard ISO 37.001 Anti-bribery Management Systems obtained in 2021.

The main activities included:

(a) Updating the Criminal Risk Map and assessing the impact and probability of business activities that are sensitive to the occurrence of conduct defined as offences in the Criminal Code.

(b) Supervising review by the Internal Audit of the specific controls implemented under the Crime Prevention Model and the action plans established and monitoring implementation and progress.

(c) Supervising the work of the Criminal Compliance Body (CCB), through its annual and half-yearly activity reports and the appearance of its head before the Committee.

(d) Supervising the CCB training plan, including notifications and training in compliance issues for all MERLIN employees.

To this end, the Chief Compliance Officer appeared at the Committee meetings held on 3 April, 12 November, and 18 December.

### 3.3.8.2. Anti-money laundering and countering the financing of terrorism

In the course of 2024 the Committee took a series of anti-money laundering and countering the financing of terrorism actions:

(a) It reviewed compliance with the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Policy approved by the Board in July 2019

(b) It supervised the action for compliance with AML/CFT legislation and regulations taken by the Company in Portugal and reviewed the action plans and their implementation.

(c) It reviewed and approved the Risk Self-Assessment Report in accordance with Spanish Royal Decree-Law [*RDL*] 11/2018 for subsequent submission to the Board for approval.

(d) It reviewed and approved the Activity Report of the Internal Control Body (ICB) for 2024.

(e) It reviewed and evaluated the half-yearly internal audit reports on compliance with internal anti-money laundering and countering the financing of terrorism procedures both in Spain and in Portugal, with follow-up of the recommendations issued in this respect.

The head of the Internal Control body appeared at the Committee meetings held on 29 January and 18 December 2024.

**3.3.8.3. Data protection**

The Audit and Control Committee monitored compliance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of their personal data in 2024.

The Committee reviewed the Data Protection Officer's annual activity report at the meeting held on 29 January. Subsequently, on 18 September 2024, the Committee carried out a general review of the personal data protection system, together with its advisers in the matter (KPMG Abogados, S.L.), in reference to, e.g., the overall control framework, the regulatory framework (Privacy and Personal Data Protection Compliance Policy), and risks and controls.

**3.3.8.4. Internal reporting system – Ethical Reporting Channel**

Merlin's Ethical Reporting Channel is a tool that aims to provide a secure, anonymous, and confidential way for anyone to report any irregularity or non-compliance related to malpractice within the organisation committed in relation to the requirements emanating from the Code of Conduct, from the Company's Criminal Risk Prevention Model, from the values and principles of the Code of Conduct, and from current legislation on the Criminal Liability of Legal Entities and on workplace harassment.

MERLIN intends to be diligent in protecting whistleblowers. In 2023 MERLIN outsourced management of the Ethical Reporting Channel to BDO, S.L. to ensure maximum confidentiality regarding the identity of the whistleblower and compliance with current legislation when processing reports received.

Any third party associated with MERLIN that has reasonable evidence of any Irregularity may report it to MERLIN over this Channel. MERLIN's professional practitioners are in all cases bound to report any reasonable hint of irregularity.

In 2024 7 reports were received through the Ethical Reporting Channel, none of which resulted in any disciplinary action being taken against any Group employee.

### 3.3.8.5. Company transactions

In compliance with Recommendation 44 of the Good Governance Code for listed companies, the Committee took prior knowledge of and reported on proposed transactions and operations involving structural and corporate changes and, where appropriate, on other operations carried out by the Company during the year, with the corresponding documentation.

Thus, at the Committee meeting held on 22 July 2024, it reviewed the accounting, financial, tax, and legal implications of the capital increase to finance development of the data centre business (the MEGA operation).

### 3.3.8.6. Related-party transactions

In 2024 the Committee reviewed compliance with current legislation and reported on transactions that could have involved conflicts of interest and more generally on the matters envisaged in section 35 of the Board of Directors Regulations.

In this regard, the Committee assessed the outstanding balances and related-party transactions submitted for pre-approval during the year, to verify that they were carried out on an arm's length basis with equal treatment for shareholders, and where appropriate it made submissions to the Board with a favourable reported for subsequent approval.

The related-party transactions in connection with the Mega transaction that have been notified to the CNMV and published on MERLIN's website should be noted in this regard:

https://ir.merlinproperties.com/regulador/operaciones-vinculadas/

- Participation by Banco Santander, S.A. as the Agent Bank (EUR 50 thousand; 0.005% of the issue) as Co-Global Coordinator (the maximum fee approved for this operation is EUR 1.5 million, of which EUR 1 million is the base fee and EUR 500,000 is an incentive).

- Pre-emptive subscription by Banco Santander, S.A. and Nortia Capital Investment Holding, S.L., direct or indirect holders of approximately 24.58% and 8.17% of MERLIN's share capital, respectively, subscribing 23,094,534 and 7,674,216 new shares under the capital increase, respectively, to maintain their stakes in MERLIN after the capital increase.

On reviewing the above transactions the Audit and Control Committee concluded that the proposed relate-party transactions were carried out at arm's length and with the same treatment as for other shareholders, and it therefore reported favourably to the Board for approval, notified the CNMV, and published notice on the website as required by current legislation.

### 3.3.8.7. Treasury shares

The Audit and Control Committee, as the responsible body appointed by the Board, monitored treasury share transactions during 2024, which were verified to be compliant with MERLIN's Treasury Share Policy, as well as daily and overall holding limits and transaction transparency and reporting to avoid potential risks and conflicts of interest.

### 3.3.8.8. Improvements to policies and procedures

In 2024 the Audit and Control Committee continued to review MERLIN's policies and procedures with reference to current national and international recommendations and best practice.

## 4. CONCLUSIONS

**As can be seen from this Activity Report, in 2024 the Audit and Control Committee satisfactorily addressed the main issues falling within its purview and reported to MERLIN's Board of Directors on a regular, recurring, and timely basis.**

In 2024 the Committee's work included:

- ✓ Reviewing the clarity and completeness, and supervising the preparation, of all **Financial Information and Sustainability Information** published by the Company during the year, e.g., the annual and quarterly financial statements, the Non-Financial Information Statement, the management reports, and the annual corporate governance report.

- ✓ Reporting to the Board on the **External Audit and Verification of Sustainability Reporting** effected for the year ended 31 December 2023 and on the preliminary and limited reviews performed by the external auditor in respect of the financial information for the first half of the year and the preliminary closing information the Company was required to report in 2024.

- ✓ Supervising implementation of the **Internal Control Policy**, reviewing the Company's internal control and risk management systems, and, in particular, ensuring that the **internal control over financial reporting system (ICFRS) and the internal control over sustainability reporting system (ICSRS)** have been correctly designed and implemented to properly identify, manage, and disclose the main risks.

- ✓ Supervising the **engagement and rotation process for external appraisers** carried out by Company management and ensuring application of the rotation policy and the identification of possible conflicts of interest and threats to independence that may call into question their suitability.

- ✓ Reviewing to ensure that the **methods and assumptions** employed by the external appraisers were in accordance with international accounting standards (IFRS).

- ✓ Overseeing the results of the work carried out by the **external auditor in relation to the appraisals** of the Company's assets.

- ✓ Supervising application of the **Risk Management and Control Policy** by assessing the different types of risk faced by the Company, including financial and economic, operational, environmental, technological, legal, tax, social, political, and reputational risks, and contingent liabilities and other off-balance sheet risks.

- ✓ Assessing the list of the most significant financial and non-financial risks and the **level of tolerance** established for each risk based on the information provided by management and the Director of Internal Audit.

- ✓ Supervising compliance with the **Tax Policy** and reviewing the tax policies applied during the year before the annual financial statements were drawn up and corporate income tax filings were effected.

- ✓ Overseeing application of the **Criminal Compliance Policy**, reviewing the Criminal Compliance Body's annual activity plan and the half-yearly reports on its work, including the Company's Criminal Risk Map, and staying permanently informed of any relevant issues relating to regulatory compliance and prevention and rectification of any unlawful or fraudulent conduct. Supervising the quality certification renewal process for the UNE 19.601 and ISO 37.001 standards.

- ✓ Supervising application of the **Anti-Money Laundering and Countering the Financing of Terrorism Policy**, reviewing, through the Internal Control Body, the Company's internal policies and procedures to verify their effectiveness in preventing money laundering and financing of terrorism, and ensuring that the policies and procedures implemented were in strict compliance with current legislation and effective in promoting the highest ethical standards.

- ✓ Overseeing execution of the **Internal Audit** work in the framework of the internal control systems in accordance with the 2024 Annual Activity Plan approved at the meeting held on 11 December 2023 and monitoring compliance with its recommendations by Company management.

**For all these reasons, the Audit and Control Committee has concluded that in 2024 it carried out its work in a satisfactory manner in compliance with the legislation in force, the duties stipulated in its regulations, and best Corporate Governance practice in the marketplace.**

## 5. WORK PLAN FOR 2025

The Committee's action plan for the 2025 financial year will focus on continuing its prescribed duties and functions as set out in the legislation in force and in the Audit and Control Committee's own regulations mentioned in section 2 of this report.

To this end the Committee has approved a work plan in which it has made provision for the specific work it plans to undertake at the various different times of year;

- To report, as appropriate, at the **General Meeting** on any issues that may arise in relation to matters within its purview, more particularly, on how its work has contributed to safeguarding the integrity of the MERLIN Group's financial and sustainability reporting information.
- To continue and strengthen the Committee's practice in the performance of its duties of **supervising the process of preparing financial and sustainability reporting information and risk management and control systems, with particular emphasis on ICFRS and ICSRS**, legal and regulatory compliance, and supervising external audits, real estate valuation services, and the Internal Audit Department.
- To **oversee compliance with sustainability reporting under the CSRD framework** with a robust and effective internal control scheme, in line with best market practice.
- To continue to monitor work and **developments in the areas of Artificial Intelligence, Cybersecurity, and IT Controls**.
- To **further the training of Committee members**, including a plan with training sessions throughout the year, with the participation of the heads of the various main business areas and external specialists in any aspects deemed necessary.

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**This Annual Report was approved by the Audit and Control Committee at its meeting held on 18 December 2024 and by the Board of Directors at its meeting held in February 2025.**

MERLIN PROPERTIES