

ANNUAL REPORT 2024





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José Luis de Mora
Non-Executive Chairman

Letter from the Chairman

All the foundations of the Company's future growth and value creation project were consolidated during 2024.

Dear Shareholders,

I am pleased to present you the 2024 MERLIN Properties ("MERLIN" or the "Company") Annual Report. The Annual Report details the Annual Accounts and all relevant information relating to the financial year 2024 in a very detailed manner.

In a context characterized by geopolitical tensions and markets volatility, all the foundations of the Company's future growth and value creation project were consolidated during 2024, though our data centers division, while the excellent portfolio of traditional assets (offices, shopping centers and logistics) enjoyed great performance, with a portfolio occupancy rate at its highest historical levels of 96.7%.

On the other hand, our industry is by definition very capital-intensive and therefore very sensitive to interest rate levels. Although our rents are updated annually with inflation, the value of the assets is very significantly determined by the rate at which they are discounted. Therefore, we faced high levels of interest rates in 2024, which impacted the value of our assets and the cost of our long-term financing.

In terms of value creation, 2024 has been a very positive year for MERLIN Properties in all its operating metrics and, more importantly, in all the asset categories in which it operates. This year we have seen how MERLIN achieved growth in its two key metrics: rents and occupancy. At consolidated level, the Company achieved gross rents of € 500.4 million and cash flow generation ("FFO") of € 310.8 million or € 55 cents per share, a growth of 9.4% vs. 2023.

By business segment, offices ended the year above the forecasts given to the market at the beginning of the year. Occupancy stood at 93.7% and we had a 3.9% LfL rental growth. Rents of € 287.7 million and the renovation of Plaza Ruiz Picasso 11 building is completed and leased to tenants such as IBM, SAP,

Globant or Willis Towers Watson, bringing the Company's Plan Landmark to an end.

In logistics, the year was once again outstanding for MERLIN, with a strong organic growth (+2.8% like-for-like) thanks to full occupancy (99.4%), indexation and higher rents in renewals (+1.4%). Rents for the year amounted to € 83.7 million and occupancy reached an all-time high (99.4%). As for the progress of the Best II & III plans, 525,000 sqm have been developed since the launch of both plans, with an average return on development cost of 7.8%. In 2024, a long-term lease agreement was signed with a Portuguese tenant to develop the remaining landbank (135,000 sqm) in Lisbon logistics park, which will be delivered gradually until 2027. In addition, MERLIN has an aggregate landbank of approximately 584,000 sqm, which will help to keep pace with the growth of this market segment, which is one of the key pillars of growth in the coming years.

It should be noted that the year has been even more positive for shopping centers, an asset category that has been suffering for years the negative sentiment of the investment community and even public opinion due to the increasing penetration of digital sales. In fact, the reality is quite different, and after recovering from the effects of the pandemic, MERLIN's shopping center portfolio has achieved excellent figures for 2024.

Footfall (+2.5%) and tenant sales at our centers (+5.5%) have increased compared to 2023. This asset class closed 2024 with gross rents of € 126.8 million, Lfl rents up 2.7% compared to 2023 and occupancy of 96.5% (up 21 basis points compared to 2023). It is worth noting that OCRs are at an all-time low (11.2%).

The highlight of the year was the consolidation of the Company's main long-term growth driver, the data centers division. The first phase of the data centers

development plan includes and installed capacity of 64 MW, a total investment of approximately € 608 million and a net return on investment of over 10%. Of the total investment, € 381 million has been already disbursed and € 227 million remains, of which € 152 million will be disbursed in 2025. The Madrid-Getafe, Barcelona-PLZF and Bilbao-Arasur data centers are fully operational and delivered with the best industry technical standards (1.15 PUE and 0.0 WUE). They have an initial installed capacity of 26 MW and capacity to install other 38 MW in 2025 and 2026. Given the increase in demand coming from generative IA, the Company has decided to accelerate the acquisition of critical equipment and to manage the increase in power of the facilities that allow it, such as Barcelona-PLZF or Madrid-Getafe. In addition, the Barcelona data center was fully let during the last quarter of 2024.

It should be highlighted that this year, in July, a capital increase for a total amount of € 921 million was carried out to finance the second phase (203 MW) of the data center development plan. Works on the second building at Bilbao-Arasur and Lisbon-VFX have already begun and are progressing well.

The significant deleveraging achieved in 2022, following the sale of the branch portfolio to BBVA, continues to be highly valued by the market and especially by the rating agencies, and even more so in the context of high interest rates. MERLIN has closed 2024 with a low debt level of 28.3% and has refinanced all debt maturing in the near future, so the Company will not face new debt maturities until November 2026. MERLIN's credit quality has recently been assessed by Moody's, which, in its annual review, has upgraded the Company's rating one notch to Baa1. Regarding the valuation of the asset portfolio, the comparable valuation of MERLIN Properties was € 11.54 billion, and the value created in the data centers (€ 60.3 million) offset the devaluation of the rest of the portfolio.

Regarding the dividend, it was agreed to distribute an interim dividend of 18 cents per share, which, together with the dividend to be submitted for approval at the General Meeting, would bring the total dividend for 2024 to 40 cents.

In 2024 MERLIN continued its progress in environmental sustainability. The green clause has been implemented in all the Company's new contracts. Maximum embedded carbon footprint limits have been established for new developments or comprehensive refurbishments. A total of 15.6 MW of PV power has been installed since the launch of the so-called Sun project and the carbon footprint of the asset portfolio has been reduced by 0.7% to a total of 2,696 tons in the year. This commitment together with the good environmental performance has been endorsed with the inclusion of MERLIN Properties for the second consecutive year in the Dow Jones Sustainability World Index and for the fourth consecutive year in the European index of the same index.

Improvements in corporate governance have also been implemented. MERLIN has a solid governance system, in line with its values of ethics, compliance and transparency, supported by independent third-party validation. In 2024, a proactive analysis has been carried out regarding sustainability-related regulations (CSRD and EU Taxonomy), although the new regulations are not yet applicable to the Company, and progress has been made in the design and implementation of a new internal control model GRC in a new tool that will help strengthen the integrity and efficiency of MERLIN's internal control processes (SCIIF and SCIIS).

In short, 2024 has been a very important year in terms of value creation for MERLIN, obtaining maximum performance from our portfolio of more traditional assets, offices, centers and logistics, while accelerating the Company's future shift towards an asset category, data centers which are and will be the benchmark asset for a digitized economy, especially after the irruption of artificial intelligence.

Once again this year I would like to thank the employees, suppliers and all MERLIN Properties stakeholders for their trust and dedication, and especially the shareholders for their confidence and support, without which everything we do would not be possible.

Thank you very much.

AT A GLANCE

- **Strong operating performance** in all key metrics and all assets classes: **record high occupancy** (96.7% +58 bps YoY), **increasing rents** (+3.4% LfL) and **solid FFO generation** (+9.4% YoY)
- **Accelerated deployment of Data Centers capacity**, with 26 MW of IT in operations, 38 MW equipped, over 200 MW under construction and more than 2 GW of pipeline
- Negative Total Shareholder Return (-2.3% YoY) due to the capital increase. Valuations have remained broadly stable despite yield expansion (+21 bps YoY to 5.3%) thanks to a **strong operating performance and development gains on Data Centers**
- Approximately **50% of the dilution arising** from the capital increase has already been **recovered in 2024**
- **Around € 0.54 p.s. FFO estimated for 2025** corresponding to a similar DPS as 2024's proposal (€ 0.40 p.s.)

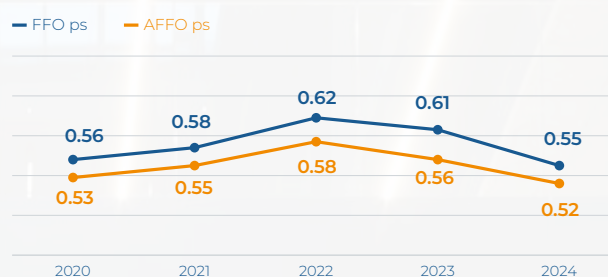
FFO PER SHARE / AFFO PER SHARE

€ 310.8m
(+9.4% YoY)
FFO

€ 0.55
(-8.9% YoY)
FFO ps

€ 291.3m
(+10.6% YoY)
AFFO

€ 0.52
(-7.9% YoY)
AFFO ps

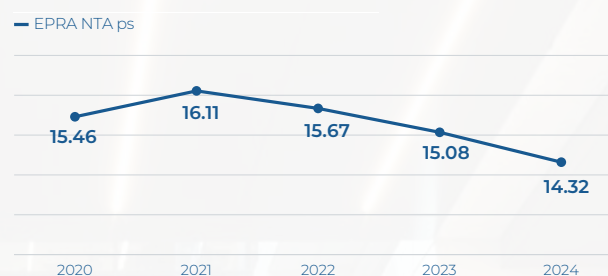


EPRA NTA PER SHARE

Negative TSR (-2.3% YoY). EPRA NTA impacted by the cash dividend distribution and the capital increase

€ 14.32 (-5.0% YoY)
EPRA NTA per share evolution

(-0.0%)
LfL GAV evolution

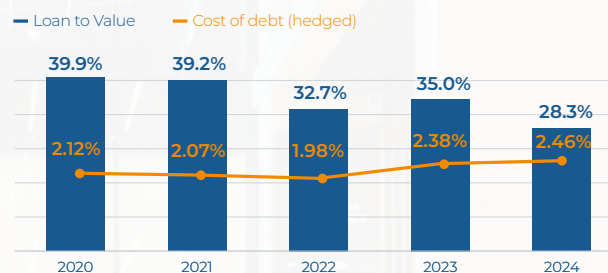


FINANCIAL DEBT

Leverage in the lower end of the European REIT universe to exploit growth opportunities

28.3%
Loan to Value

2.55% spot (2.46% hedged)
Cost of debt



Note: Per share figures calculated on TSO at 31/12/24 (563,724,899)

1. Organization and structure



Mission, vision and values

MERLIN's mission is to stand out as the leading REIT in the Iberian Peninsula with a commitment to create long-term value and to generate sustainable and growing dividends for our shareholders. All this

takes place in a context where the values of transparency, ethics and corporate and social responsibility are fundamental.

1 **Ethics and corporate responsibility**

4 **Financial performance**

2 **Respect for the environment and balanced urban development**

5 **Objectivity and integrity**

3 **Respect for human rights**

6 **Asset protection**

Structure of MERLIN

1
Focusing on **Core and Core Plus** assets in Spain and Portugal.

2
An **investment grade** capital structure.

3 Distribution, via dividends or premium refunds, of **80% of the AFFO** generated in the financial year.

4
Being one of the **most cost-efficient REITs** in Europe.

5
Implementing **best practices** in corporate governance.

Its internal organisational structure can be summarised as follows:

- **A Board of Directors** (Board) composed of 14 directors and advised by the Audit and Control Committee (ACC), the Appointments and Remuneration Committee (ARC) and the Sustainability and Innovation Committee (SIC). The Company also has a Planning and Coordination Committee (PCC).

MERLIN's Board of Directors, subject to individual re-election every two years and composed mainly of independent directors, defines, oversees and monitors the policies,

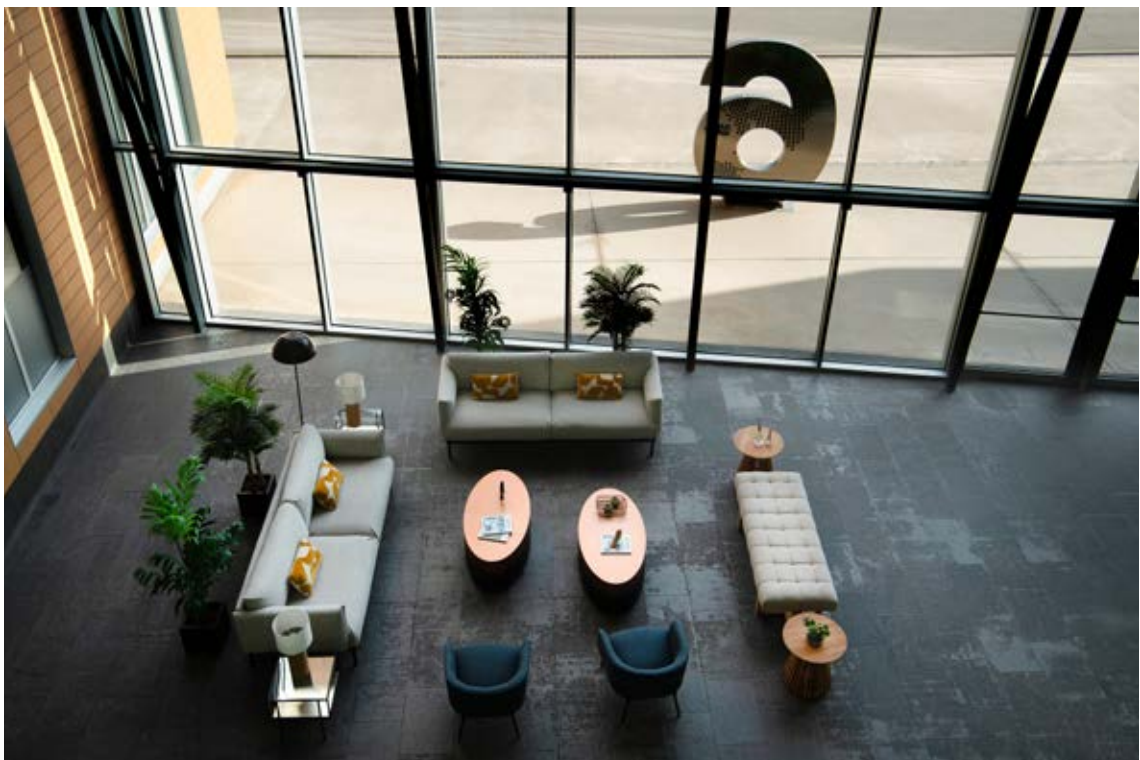
strategies and general guidelines for the management of the Group. The Board is responsible for long-term strategy and for monitoring its implementation.

- **General Management**, composed of the Chief Executive Officer (CEO) and the Chief Operating Officer (COO), who report directly to the Board and are also Board members.
- **An Investment Committee** made up of the management team⁽¹⁾.

Business activities

MERLIN Properties owns a portfolio of property assets valued at EUR 11,540 million, mainly comprising 109 office buildings, 106 logistics warehouses, 13 shopping centers centres, 3 data centers and land for the development of logistics warehouses and data centers. The portfolio has a gross

leasable area (GLA) of more than 3.2 million square metres that generates EUR 500 million in gross rental income



⁽¹⁾ The Management Team means: <https://ir.merlinproperties.com/en/corporate-governance/management-team/>



Ruiz Picasso 11 | Madrid

OFFICES

€ 6,488m
GAV

109 ASSETS

1,225k sqm
GLA

€ 288m
GRI⁽¹⁾



A2-Azuqueca I | Guadalajara

LOGISTICS

€ 1,392m
GAV

106 ASSETS

1,438k sqm
GLA

€ 84m
GRI



Larios | Málaga

SHOPPING CENTERS

€ 2,014m
GAV

13 ASSETS

437k sqm
GLA

€ 127m
GRI



LOOM Campo de las Naciones | Madrid

LOOM

14 SPACES⁽²⁾ 3,439

DESKS

35,152 sqm GLA

82% OCCUPANCY



Zal Port | Barcelona

ZAL PORT (48,5%)⁽³⁾

52 ASSETS

765k sqm GLA

€ 76 m GRI



Tres Aguas | Madrid

TRES AGUAS (50%)⁽³⁾

1 ASSET

68k sqm GLA

€ 10m GRI



Bilbao-Arasur | Bilbao

DATA CENTERS

3 ASSETS

26 MW

ALREADY INSTALLED

64 MW

TOTAL CAPACITY

DATA CENTERS PIPELINE

203 MW

TOTAL CAPACITY
(PHASE II)

2,510 MW

TOTAL CAPACITY
(PHASE III+IV)

⁽¹⁾ Gross rental income Note 8.2 Operating leases-lessor.

⁽²⁾ Of the 14 spaces, 12 are owned by MERLIN.

⁽³⁾ 100% of the asset.

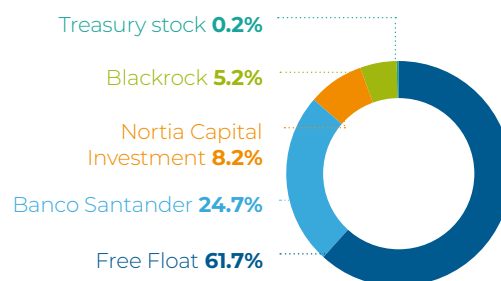
Composition

Its **internal organisational structure** can be summarised as follow:

- A **Board of Directors composed of 14 directors**. MERLIN's Board of Directors is composed of a majority of independent directors and its activities are focused on defining, supervising and monitoring the policies, strategies and general guidelines to be followed by the Group. The Board is responsible for long-term strategy and for monitoring its implementation.
- A **Planning and Coordination Committee** composed of 4 directors, including the chair, the CEO and the lead director, assigned the functions of preparation, coordination, proposal and preliminary review of the agenda and proposed resolutions to be submitted to the Board, without executive functions and without supervisory or control functions.
- A **Lead Director**, who will chair the Board in the absence of the chair, and, as applicable, the vice-chair and who coordinates the external directors and is informed and aware of the concerns of investors and shareholders. The lead directors also plays an important role in managing the internal reporting system (Whistleblower Channel).
- An **Audit and Control Committee (ACC)** composed of 5 directors, an **Appointments and Remuneration Committee (ARC)** with 7 directors, and a **Sustainability and Innovation Committee (SIC)** with 4 directors; all of these committees are made up of a majority of independent directors, are informative and advisory bodies, without executive functions, with advisory, reporting and proposal-making powers within their scope of action.
- A **Chief Executive Officer (CEO)** who reports directly to the Board and is a Board member, responsible for carrying out the Company's strategy and operations.
- A **Chief Operating Officer (COO)** who reports directly to the Board and is a Board member, responsible for managing and carrying out the Company's operations.
- An **Investment Committee** made up of the management team.

Capital structure key data

Number of ordinary shares	563,724,899
Number of weighted shares	563,724,899
Total equity (€m)	7,501
GAV (€m)	11,540
Net debt (€m)	3,347
Net debt / GAV	29.0%





José Luis de Mora
Chairman of the Board



Ismael Clemente
Vice Chairman
(CEO)



Miguel Ollero
Executive Director (COO)



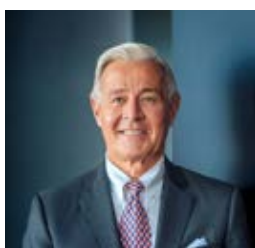
Juan María Aguirre
Independent Director



Emilio Novela
Independent Director



Juan Antonio Alcaraz
Shareholder Related



Donald Johnston III
Independent Director



María Luisa Jordá
Independent Director



Fernando Ortiz
Independent Director



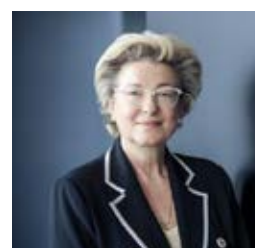
Francisca Ortega
Shareholder Related



Pilar Cavero
Independent Director



Julia Bayón
Proprietary Director



Inés Archer
Independent Director



- Audit and Control Committee
- Nomination and Compensation Committee

- Sustainability, Ethics and Innovation Committee
- Planning and Coordination Committee

Management Team



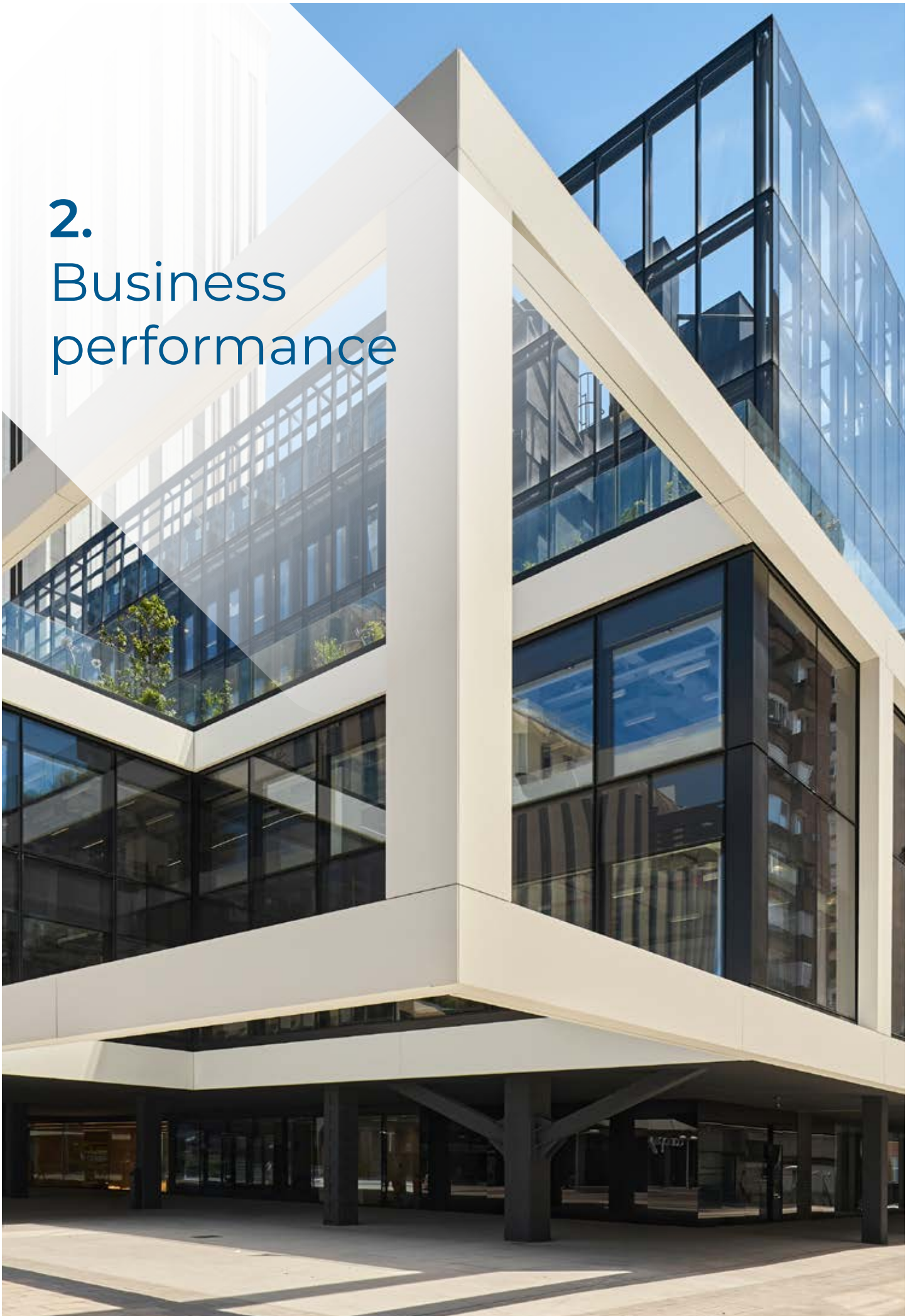


- 1. **CEO**
Ismael Clemente
- 2. **COO**
Miguel Ollero
- 3. **Director**
Luis Lázaro
- 4. **Director**
Francisco Rivas

- 5. **Director**
Manuel García Casas
- 6. **Director**
Miguel Oñate
- 7. **Director**
José Navarro

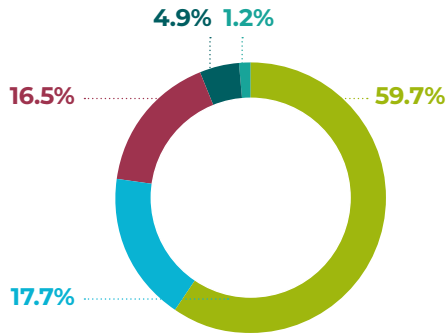
- 8. **Director**
Fernando Ferrero
- 9. **Director**
Inés Arellano
- 10. **Director**
Fernando Ramírez

2. Business performance



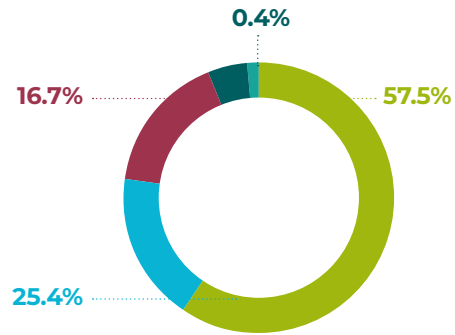
Business performance

I GAV PER ASSET CLASS⁽¹⁾

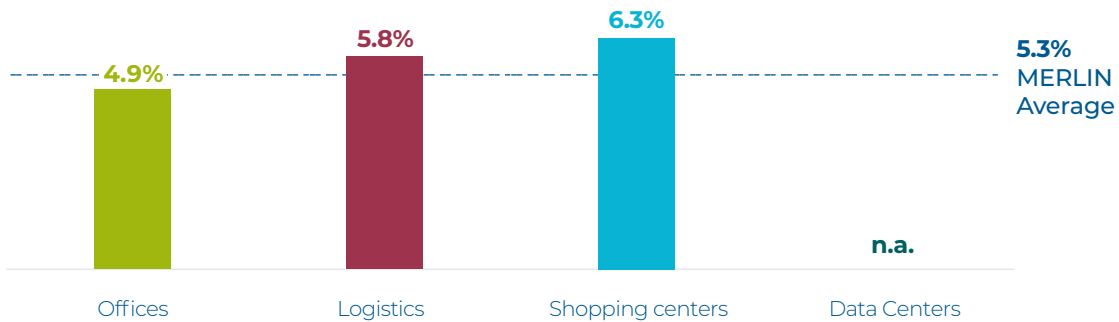


● Offices ● Logistics ● Shopping centers ● Data centers ● Other

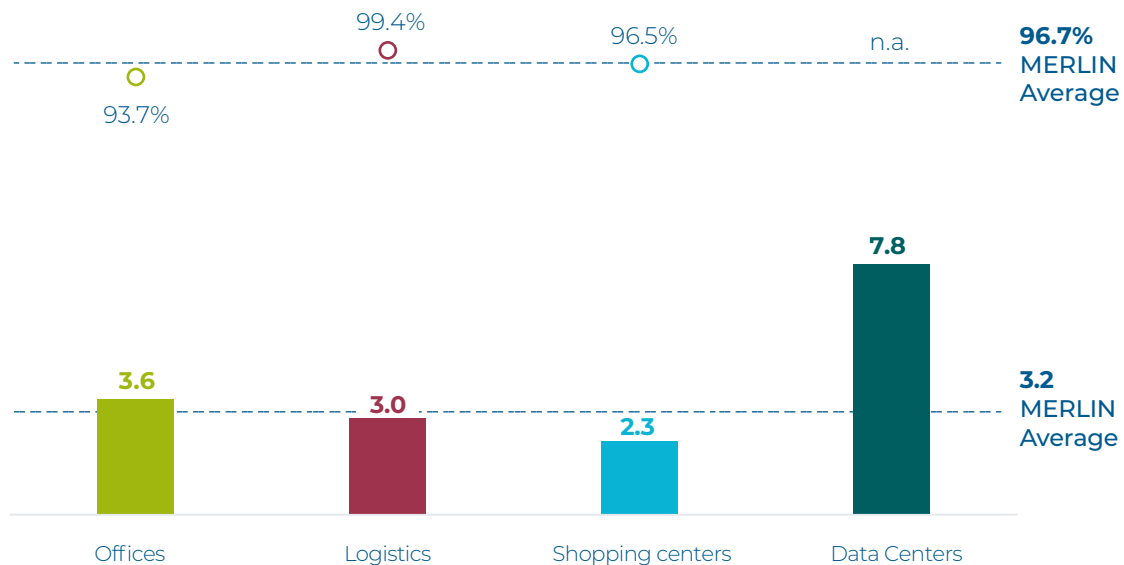
I GROSS RENTS PER ASSET CLASS⁽²⁾



I GROSS YIELD PER ASSET CLASS



I OCCUPANCY AND WAULT (YEARS) PER ASSET CLASS



Note: Hotels have been reclassified into offices and shopping centers

⁽¹⁾ GAV of land under development and NTA of equity method included in its respective category (offices, shopping centers, logistics and Data Centers)

⁽²⁾ Gross annualized rent on full consolidated assets

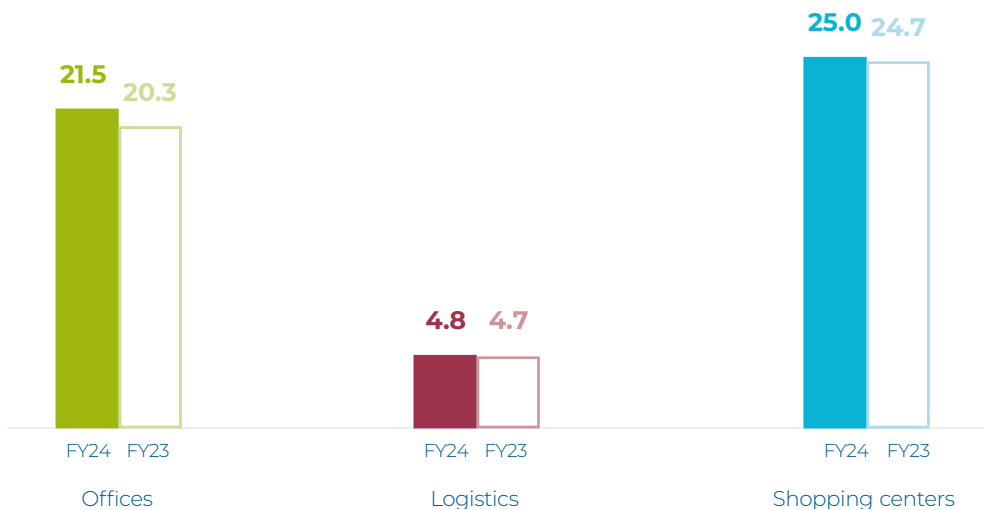
RENTS

Gross rents in the period amount to € 500,380 thousand with respect to € 475,614 thousand in FY23

GROSS RENTS BREAKDOWN

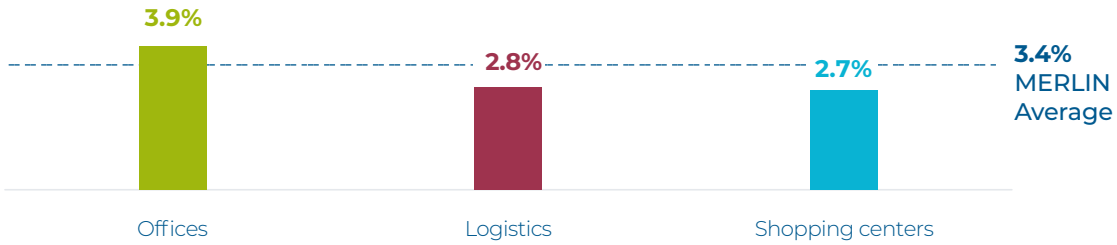
	FY24	FY23	YoY
Offices	287,673	268,021	7.3%
Logistics	83,663	80,273	4.2%
Shopping centers	126,790	126,308	0.4%
Data Centers	2,157	539	300.0%
Other	97	472	(79.5%)
Total	500,380	475,614	5.2%

AVERAGE PASSING RENT (€/SQM/MONTH)



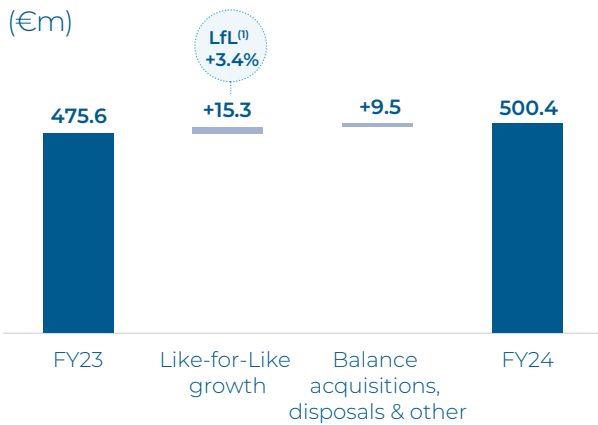
LIKE-FOR-LIKE INCREASE

Aggregate gross rents have increased by 3.4% on a like-for-like basis

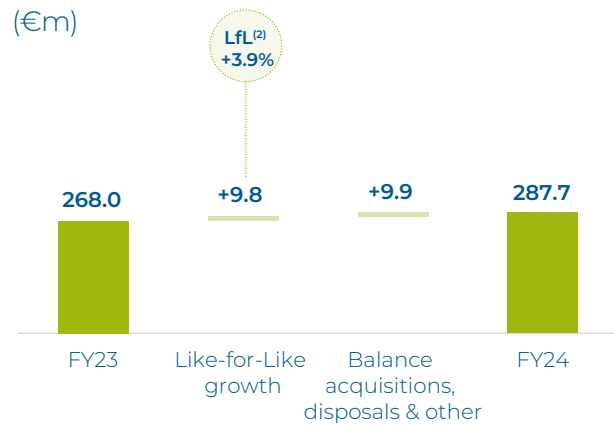


Bridge of FY23 gross rents to FY24, for MERLIN and by asset category:

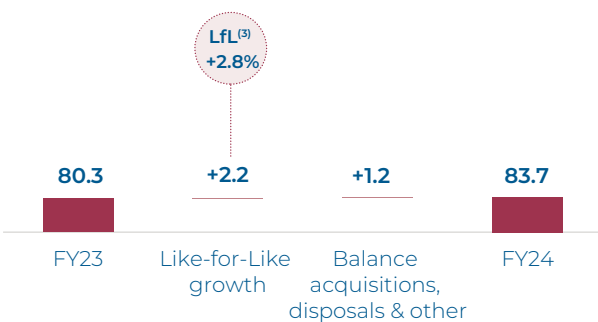
MERLIN (€m)



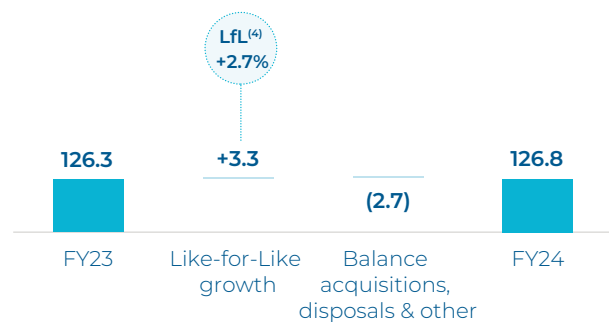
Offices (€m)



Logistics (€m)



Shopping centers (€m)



(1) Portfolio in operation for FY23 (€ 453.5m of GRI) and for FY24 (€ 468.8m of GRI)

(2) Portfolio in operation for FY23 (€ 253.4m of GRI) and for FY24 (€ 263.2m of GRI)

(3) Portfolio in operation for FY23 (€ 76.7m of GRI) and for FY24 (€ 78.9m of GRI)

(4) Portfolio in operation for FY23 (€ 123.3m of GRI) and for FY24 (€ 126.6m of GRI)

OCCUPANCY

Stock G.L.A. of MERLIN as of 31st December 2024 amounts to 3,169,405 sqm. Stock as of 31st December 2023 amounted to 3,174,876 sqm, resulting in a net decrease of the stock during the period of 5,471 sqm. Occupancy rate as of 31st December 2024 is 96.7%⁽¹⁾

	31/12/2024	31/12/2023	Change YTD Bps
Offices			
Total G.L.A. (sqm) ⁽¹⁾	1,224,626	1,208,926	
G.L.A. occupied (sqm)	1,148,043	1,121,647	
Occupancy rate (%)	93.7%	92.8%	+97
Logistics			
Total G.L.A. (sqm)	1,438,105	1,463,379	
G.L.A. occupied (sqm)	1,429,664	1,448,373	
Occupancy rate (%)	99.4%	99.0%	+44
Shopping centers			
Total G.L.A. (sqm)	437,200	437,246	
G.L.A. occupied (sqm)	397,624	396,784	
Occupancy rate (%) ⁽²⁾	96.5%	96.3%	+21
Data Centers			
Total G.L.A. (sqm)	66,389	62,239	
G.L.A. occupied (sqm) ⁽³⁾	n.a.	n.a.	
Occupancy rate (%)	n.a.	n.a.	n.m.
Other			
Total G.L.A. (sqm)	3,085	3,085	
G.L.A. occupied (sqm)	1,899	1,899	
Occupancy rate (%)	61.6%	61.6%	-
MERLIN			
Total G.L.A. (sqm)	3,169,405	3,174,876	
G.L.A. occupied (sqm)	2,977,230	2,968,703	
Occupancy rate (%)⁽²⁾	96.7%	96.2%	+58

Note: Hotels have been reclassified into offices and shopping centers

⁽¹⁾ MERLIN policy excludes buildings under complete refurbishment. Buildings excluded this period are Liberdade 195, Alfonso XI, Plaza Ruiz Picasso extension, Torre Lisboa, PE Cerro Gamos 2, 3 & 5 and Josefa Valcarcel 48

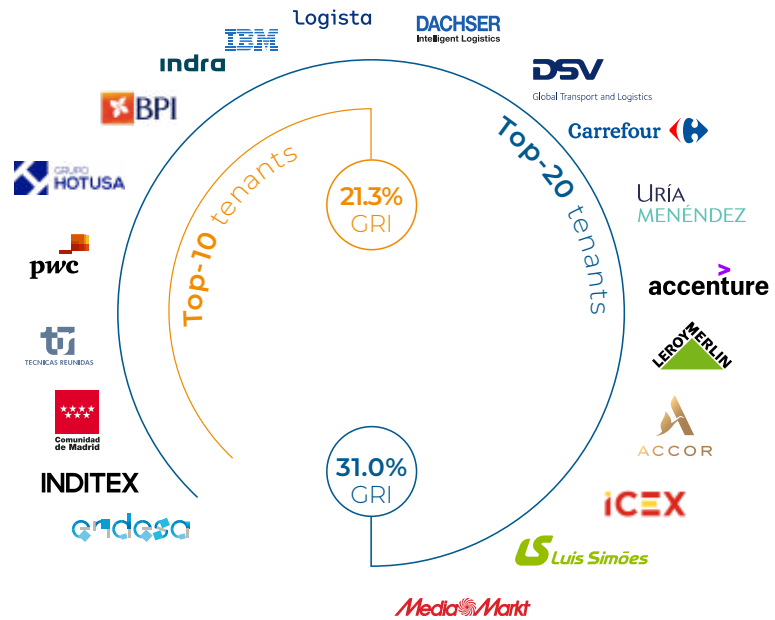
⁽²⁾ Excluding vacant units acquired under refurbishment (25,142 sqm in FY24 and 25,142 sqm in FY23)

⁽³⁾ Data Centers occupancy is measured in terms of IT capacity, not GLA. As of 31st December 2024, 26 MW of IT Capacity have been furnished in the assets, out of a maximum design capacity of 64 MW IT Capacity corresponding to Phase I

TENANTS

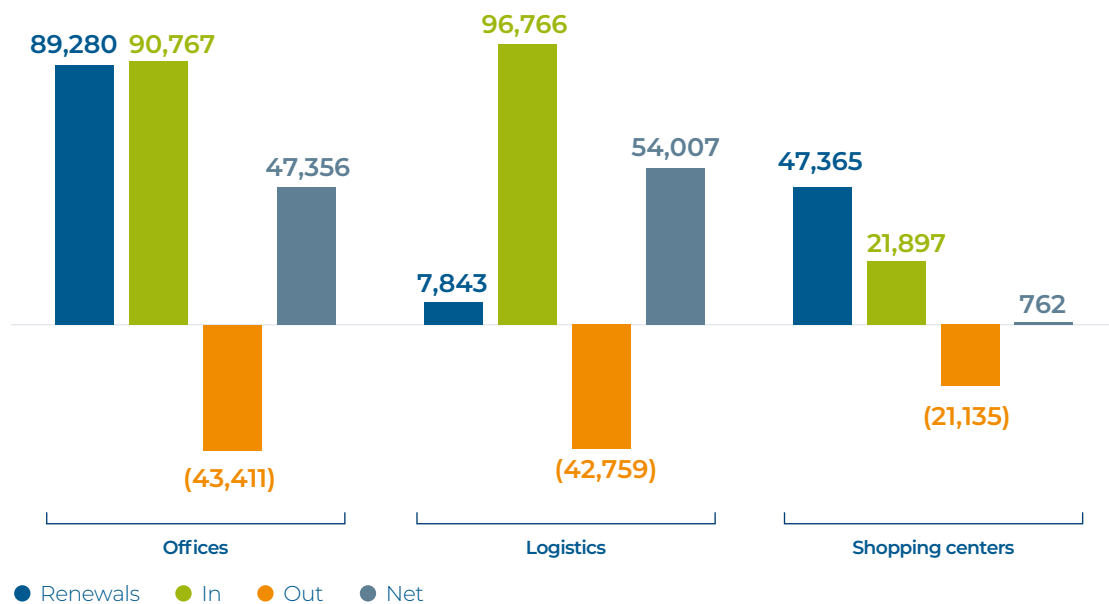
MERLIN enjoys a high quality tenant base, broadly diversified. Top 10 tenants represent a 21.3% of the gross annualized rents, while top 20 tenants represent a 31.0% of gross annualized rents

Tenant	Years as tenant
Endesa	22
Inditex	34
Comunidad de Madrid	20
Técnicas Reunidas	19
PwC	15
Hotusa	24
BPI	4
Indra	23
IBM	2
Logista	14



LEASING ACTIVITY

Since the beginning of 2024, or since the acquisition date for the assets acquired during the year, until 31st December 2024, MERLIN has signed lease agreements amounting to 353,918 sqm, out of which 209,430 sqm corresponds to new leases and 144,488 sqm to renewals



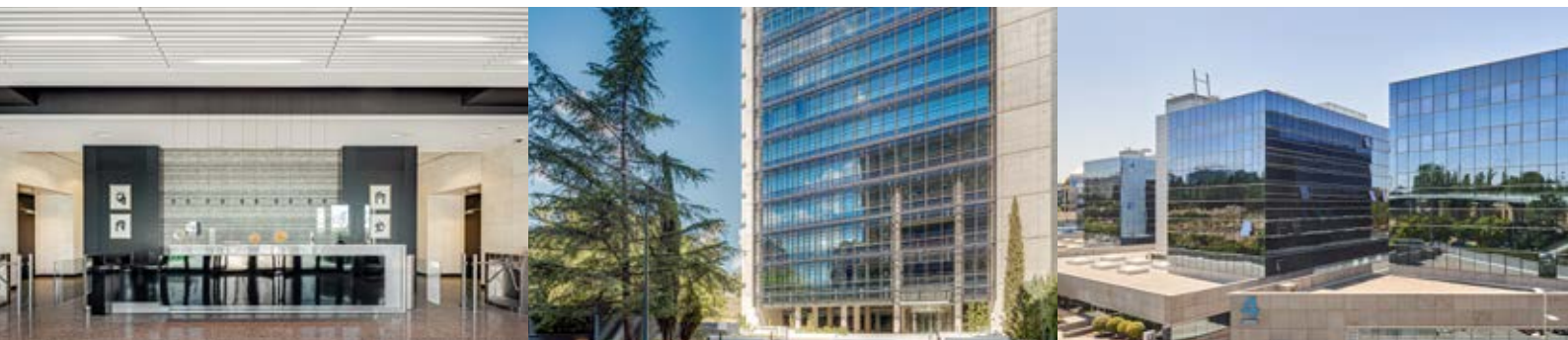


ACTIVITY BRANCHES IN DETAIL

I OFFICES

Total take-up amounts to 180,047 sqm out of which 90,767 sqm correspond to new contracts and 89,280 sqm to renewals. Exits amounted to 43,411 sqm, and therefore the net take up is positive by 47,356 sqm. Main contracts signed in FY24 are the following:

Asset	Tenant	G.L.A. (sqm)
Plaza Ruiz Picasso 11	SAP, Bluetab, Seidor, Willis Tower Watson and Globant	15,412
Alcalá 38-40	Ministerio de Interior (Spanish Government)	9,315
Torre Lisboa	Floene, Luz Saude and Unit 4	7,839
Avenida de Bruselas 24	P&G	6,352
Adequa 1	PwC	6,299
Atica 1	Clínica Quirón	3,332
Torre Glòries	Webcargo, New Relic and Beazley	2,807
PE Las Tablas	Emerson	2,641
PE Alvento	UPS	2,442
PE Sanchinarro	Insud Pharma	2,259
Diagonal 514	Mango	2,216
Juan Esplandiu 11-13	IQVIA	2,112
PE Atica XIX	Pharmaceutical Research Assotiation	1,873
PE Via Norte	Grupo Serveo	1,541
PE Las Tablas	BBVA	1,504



Key metrics within the Offices division are included in the tables below

	Gross Rents FY24 (€ m)	Passing rent (€/sqm/m)	Wault (yr)
Madrid	202.9	21.5	3.4
Barcelona	49.2	21.7	3.4
Lisbon	33.2	22.5	4.6
Other	2.4	11.9	5.5
Total	287.7	21.5	3.6

sqm	Contracted	Out	In	Renewals	Net	LTM	
						Release spread	# Contracts
Madrid	135,730	(32,270)	72,718	63,012	40,448	+1.9%	83
Barcelona	27,999	(8,166)	8,776	19,223	610	+2.7%	28
Lisbon	16,318	(2,975)	9,273	7,045	6,298	+4.4%	8
Total	180,047	(43,411)	90,767	89,280	47,356	+2.3%	119

	Occupancy rate ⁽¹⁾		
	FY24	FY23	Change bps
Madrid	93.4%	91.5%	194
Barcelona	91.8%	93.2%	(135)
Lisbon	99.4%	99.9%	(43)
Other	100.0%	100.0%	-
Total	93.7%	92.8%	97

⁽¹⁾ MERLIN policy excludes buildings under complete refurbishment. Buildings excluded this period are Liberdade 195, Alfonso XI, Plaza Ruiz Picasso extension, Torre Lisboa, PE Cerro Gamos 2, 3 & 5 and Josefa Valcarcel 48



I LOGISTICS

Total take-up amounts to 104,609 sqm, out of which 96,766 sqm correspond to new contracts and 7,843 sqm to renewals. Exits amounted 42,759 sqm, therefore net take-up amounts to positive 54,007 sqm. Main contracts signed in FY24 are the following:

Asset	Tenant	G.L.A. (sqm)
A2-Cabanillas Park II B	Pepco	47,429
Lisboa Park A	DSV	16,007
A2-San Fernando I	Inpost	11,193
A2-Coslada Complex	The Phone House, Satys and Transmec de Bortoli	10,564
Barcelona-PLZF	Charter Link Logistics, Transportes Ricardo Martínez, Banco de Alimentos, Tokyo-Ya and Air Go Express	8,614
Lisboa Park A	Rangel	6,578



Key metrics within the Logistics division are included in the tables below

	Gross Rents FY24 (€ m)	Passing rent (€/sqm/m)	Wault (yr)
Madrid	55.4	4.5	3.5
Barcelona	11.9	7.7	2.2
Other	16.4	4.9	2.2
Total	83.7	4.8	3.0

sqm	Contracted	Out	In	Renewals	Net	LTM	
						Release spread	# Contracts
Madrid	69,186	(5,560)	63,374	5,812	57,814	-	2
Barcelona	10,645	(12,421)	8,614	2,031	(3,807)	+5.0%	1
Other	24,778	(24,778)	24,778	-	-	-	-
Total	104,609	(42,759)	96,766	7,843	54,007	+1.4%	3

Occupancy rate

	FY24	FY23	Change bps
Madrid	99.7%	98.6%	+109
Barcelona	95.8%	98.6%	(288)
Other	100.0%	100.0%	-
Total	99.4%	99.0%	+44



I SHOPPING CENTERS

Total take-up amounts to 69,262 sqm out of which 21,897 sqm correspond to new contracts and 47,365 sqm renewals. Exits amounted to 21,135 sqm, and therefore the net take-up is positive by 762 sqm. Main contracts signed in FY24 are the following:

Asset	Tenant	G.L.A. (sqm)
Marineda	Primark	5,864
Almada	Inditex (Zara, Zara Home, Oysho and Pull&Bear)	4,846
Porto Pi	H&M	2,477
X-Madrid	Ongravity	2,380
Marineda	H&M	2,199
Arenas	Mercadona	1,916
Porto Pi	Altafit	1,877
Marineda	Milbby	1,150
X-Madrid	Honna Surf	1,017
X-Madrid	El Txiringuito	1,011
Almada	Lusiadas	981
X-Madrid	Climbat	891
Saler	Kiabi	847

Footfall and tenant sales	vs 2023
Tenant sales	+5,5%
Footfall	+2,5%
OCR	11,2%



Key metrics within the Shopping Centers division are included in the tables below:

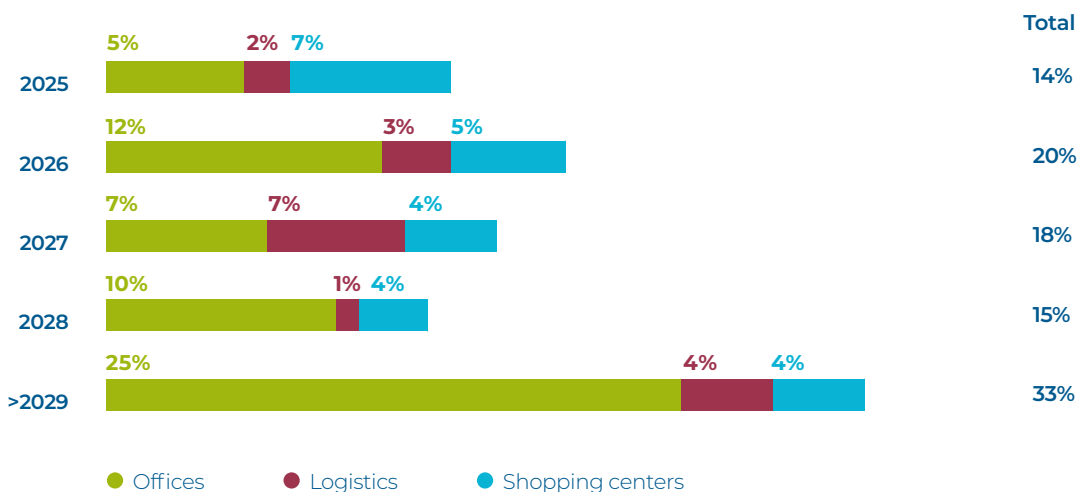
	Gross Rents FY24 (€ m)	Passing rent (€/sqm/m)	Wault (yr)
Total	126.8	25.0	2.3

sqm	Contracted	Out	In	Renewals	Net	LTM	
						Release spread	# Contracts
Total	69,262	(21,135)	21,897	47,365	762	+3.3%	144

	Occupancy rate		
	FY24	FY23	Change bps
Total	96.5%	96.3%	+21

LEASE MATURITY PROFILE

The chart of lease contracts maturity (next break) shows a balanced profile. In aggregated terms, in the following three years, the gross rents that have a break option amount to 14% in 2025, 20% in 2026 and 18% in 2027



3. Investments, divestments and capex



Investments, divestments and Capex

- **€ 73.0m in non-core divestments at a low double digit premium to latest appraisal value. Further € 53.0m signed** to be executed in 2025
- **Muted acquisitions during FY24**, limited to consolidating 100% ownership in Plaza Ruiz Picasso extension, a c. 4,500 sqm building adjacent to our Plaza Ruiz Picasso asset and increasing the strategic Data Center Landbank (Bilbao-Arasur DC campus and purchase options in Navalmoral de la Mata and Valdecaballeros)
- **CreaMNN** (14.46% owned by MERLIN) **has acquired the landplots of Madrid Nuevo Norte**, the largest urban regeneration project in Europe with c. 2.7m sqm of buildability rights of which 1.2m sqm are owned by CreaMNN
- Capex efforts continue focused on **Digital Infrastructure** Plan (Mega) and Best II & III

	Offices	Retail	Logistics	Data Centers	€ million
Acquisitions	Plaza Ruiz Picasso extension			Bilbao (Data Center) Landbank	22.8
Greenfield development			A2-Cabanillas Park II Lisboa-Park	Bilbao-Arasur (Data Center) Madrid-Getafe (Data Center) Barcelona-PLZF (Data Center) Lisboa-VFX (Data Center)	176.7
Refurbishments	Plaza Ruiz Picasso PE Cerro Gamos Josefa Valcarcel 48 Torre Lisboa	Callao 5 Marineda			73.7
<i>Incremental lettable space⁽¹⁾</i>					12.3
<i>Non incremental lettable space</i>					61.4
<i>Tenant incentives</i>					-
<i>Other material non-allocated types of expenditure</i>					-
Like-for-like portfolio (Defensive Capex) ⁽²⁾					24.7
Capitalised interest (interest if applicable)					-
Total					297.9

⁽¹⁾ Where expenditure is spent on both existing and incremental space, MERLIN classifies an expenditure as “incremental lettable space” where available lettable space is increased by at least 10% compared to the total lettable area of the asset. In FY24, only Plaza Ruiz Picasso is included within this category

⁽²⁾ € 19.6m are capitalized in balance sheet and € 5.1m are expensed in P&L

DEVELOPMENTS / WORK IN PROGRESS (WIP)

I LOGISTICS DEVELOPMENTS

MERLIN continues expanding its logistics footprint through the developments / WIP program in logistics. As of 31st December 2024, the main KPIs of the logistics developments are the following:

Logistics development program (as of 31/12/2024)

- **525k sqm delivered** to date achieving a YoC at delivery of **7.8%**
- **584k sqm of Landbank (511k) and WIP (73k)**, all of which has now reached ready to build status, distributed among selected locations in Madrid, Lisboa, Valencia, Vitoria and Seville
- Within the Landbank, **155k sqm is pre-let and 77k sqm with HoT signed**
- All committed projects except for one⁽¹⁾ are expected to be delivered by 1H26

	GLA (sqm)	Pending Capex (€m)	GRI (€m)	YoC ⁽²⁾ (%)	YoC Capex (%)
Committed	339,858	171.0	19.6	7.5%	11.5%
<i>Of which pre-let or HoT</i>	232,021	111.9	13.2		
Non-Committed ⁽³⁾	244,190	121.1	13.8	±7.0%	11.4%
Total	584,048	292.0	33.4		

I DATA CENTERS

- **MAD01-GET, BCN01-PLZF and BIO03-ARA** Data Centers with 26 MW in operation. As of FY24, 19.2 MW are leased and further 2 MW optioned by tenants
- **BIO02-ARA** Data Center with license and power. Construction works underway
- **LIS01-VFX Data Center** with license and power. Land preparation works underway
- Agreement with the regional government of Extremadura to promote **2 AI campus of 1 GW IT capacity each in Navalmoral de la Mata and Valdecaballeros**. Development pace of the facilities will depend on commercialization

⁽¹⁾ 68K sqm in Lisbon Park to be delivered in 2H27

⁽²⁾ Including land cost

⁽³⁾ To be developed on a pre-let basis

Phase I (64 MW IT capacity)

Installed capacity (MW)	Maximum IT Capacity (MW)	Pending Capex (€m)	Expected Stabilized GRI (€m)	Stabilized GRI YoC (%)	Stabilized NOI YoC (%)
26	64	ca. 227 ⁽¹⁾	88	14.5%	>10%

Phase II (203 MW IT capacity)

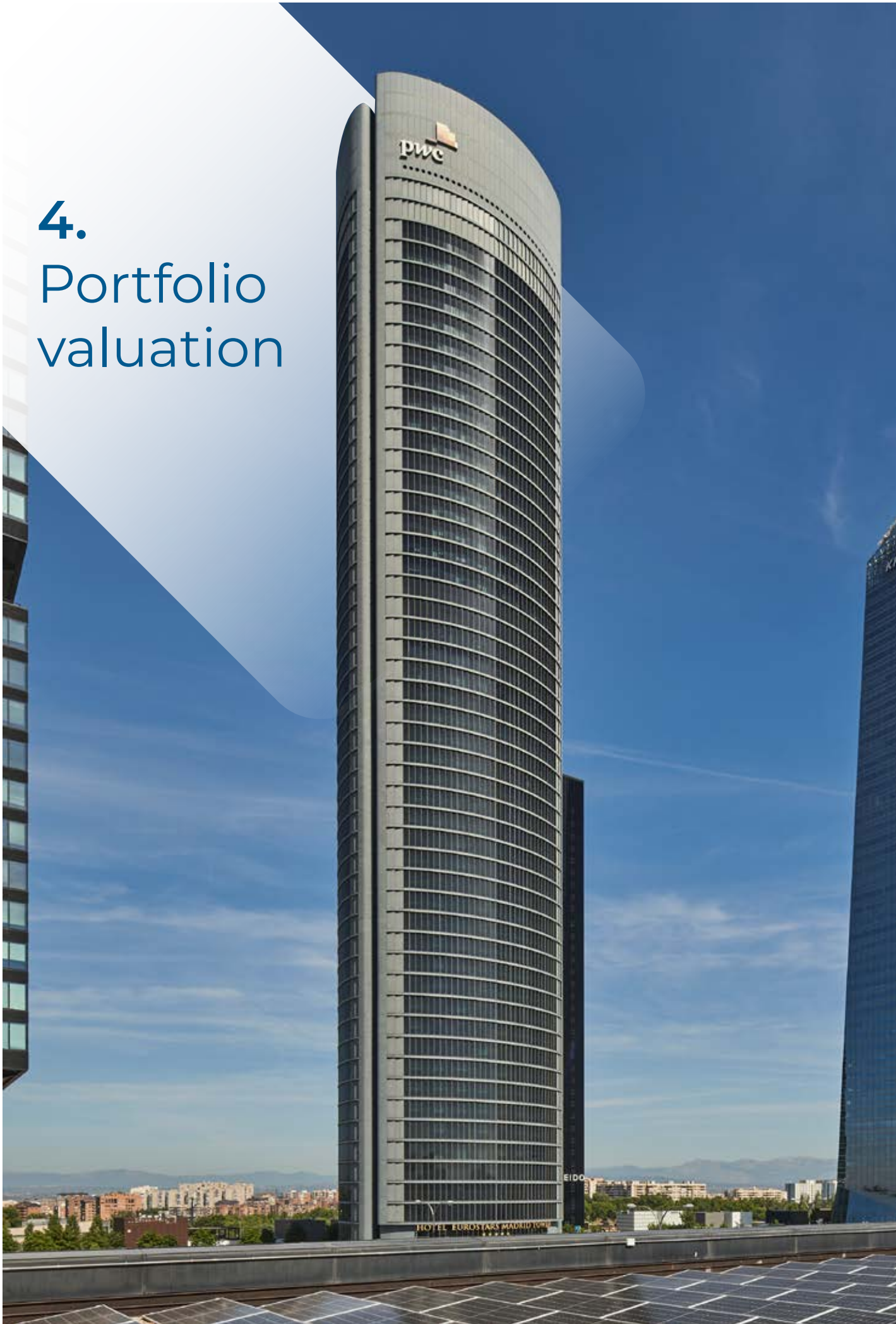
Maximum IT Capacity (MW)	Pending Capex (€m)	Expected Stabilized GRI (€m)	Stabilized GRI YoC (%)	Stabilized NOI YoC (%)
203	ca. 2,079 ⁽¹⁾	313	ca. 14.2%	>10%

Future pipeline (2.4 GW capacity)

		MW
Arasur Strategic Landbank	Land ownership. Power granting process underway	180
Lisbon Park Strategic Landbank	Land ownership. Power partially granted	200
Navalmoral de la Mata	Long term purchase option. Ready to build status. Power access requested	1,000
Valdecaballeros	Long term purchase option. Urban planning pending	1,000
		Total 2,380

⁽¹⁾ Excluding promote.
MERLIN does not capitalize financial expenses or internal development costs.

4. Portfolio valuation



Portfolio valuation

MERLIN portfolio has been appraised by CBRE, Savills and JLL, for a total GAV of € 11,540m. GAV breakdown is the following:

	GAV (€ m)	LfL Growth	Gross yield	Yield expansion/ (compression) ⁽¹⁾
Offices	6,488	(0.1%)	4.9%	20
Logistics	1,392	(2.4%)	5.8%	26
Shopping centers	2,014	(0.9%)	6.3%	19
Logistics WIP & Office landbank	314	n.a.	n.a.	
Data Centers	516	16.9% ⁽²⁾	n.m.	n.a.
Data Centers WIP & Landbank	44	n.a.	n.a.	n.a.
Others	52	n.m	n.m	n.m
Equity method	720	0.7%	n.a.	
Total	11,540	(0.0%)	5.3%	+21

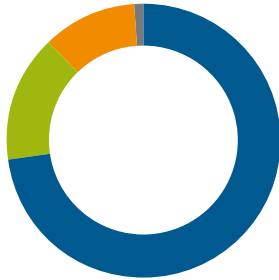
⁽¹⁾ Bps based on passing rent

⁽²⁾ Including promote

A broader analysis of the asset portfolio by valuation in the different categories is shown below:

OFFICES (BY GAV)

By geography



- Madrid **73%**
- Barcelona **15%**
- Lisbon **11%**
- Other Spain **1%**

By location



- Prime + CBD **58%**
- NBA **34%**
- Periphery **8%**

By product



- Multi tenant **74%**
- Single tenant **26%**

LOGISTICS (BY GAV)

By geography



- Madrid **60%**
- Catalonia **27%**
- Seville **5%**
- Basque Country **1%**
- Other **7%**

By reach



- National **50%**
- Ports **31%**
- Regional **16%**
- Production related **3%**

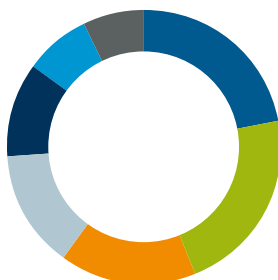
By tenant type



- 3PL mono-client **39%**
- 3PL multi-client **37%**
- End user **24%**

SHOPPING CENTERS (BY GAV)

By geography



- Madrid **23%**
- Lisbon **22%**
- Galicia **16%**
- Valencia **10%**
- Catalonia **8%**
- Andalusia **7%**
- Other **14%**

By type



- Urban **56%**
- Dominant **41%**
- Secondary **3%**

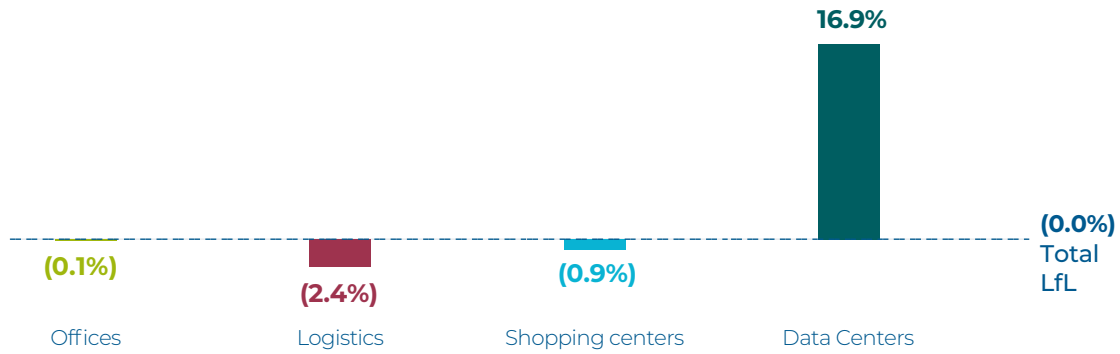
By size



- Extra-large **37%**
- Large **32%**
- Medium **20%**
- Small **11%**

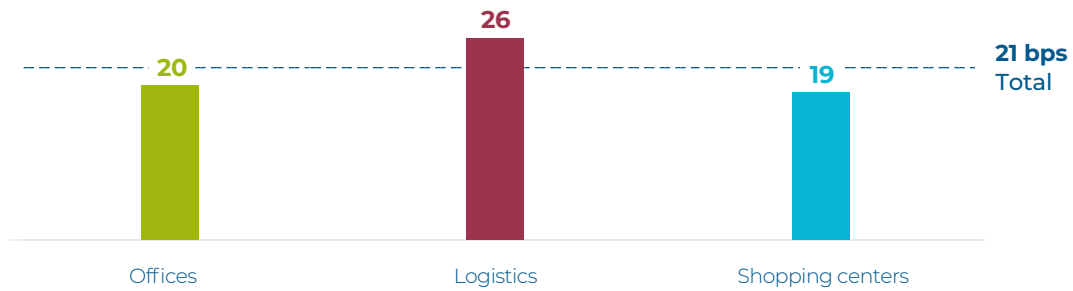
GAV EVOLUTION

GAV has increased by € 270m, increasing from a GAV of € 11,270m as of 31st December 2023 to € 11,540m as of 31st December 2024. The like-for-like increase of GAV from 31st December 2023 is 0.0%



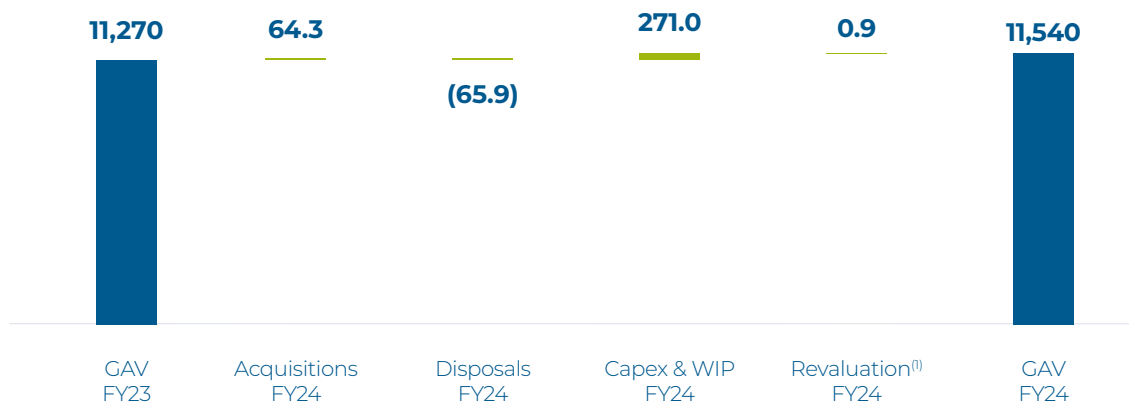
YIELD EXPANSION

Passing yields have expanded by 21 bps since December 2023



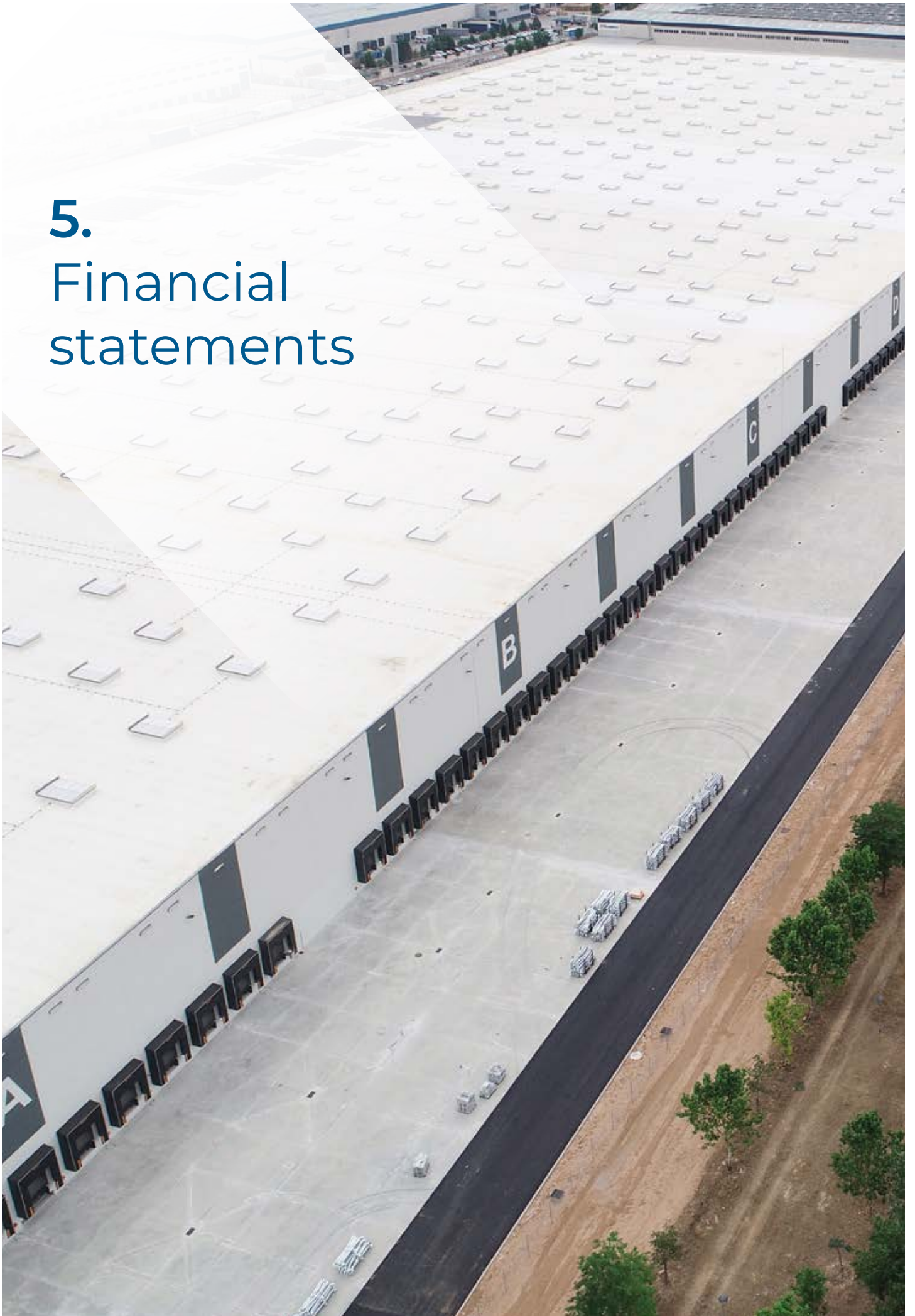
GAV BRIDGE

(€ millions)



⁽¹⁾ € 0.9m revaluation FY24 = - € 1.1m P&L devaluation + € 4.0m equity method revaluation and - € 2.1m IFRS 16 adjustment

5. Financial statements



Financial statements

CONSOLIDATED INCOME STATEMENT

(€ thousand)	31/12/2024	31/12/2023
Gross rents	500,380	475,614
Offices	287,673	268,021
Logistics	83,663	80,273
Shopping centers	126,790	126,308
Data Centers	2,157	539
Other	97	472
Other income	16,363	12,654
Total Revenue	516,743	488,268
Incentives	(29,790)	(28,407)
Total Operating Expenses	(116,687)	(98,461)
Propex	(52,481)	(43,500)
Personnel expenses	(33,361)	(31,759)
Opex general expenses	(21,932)	(17,651)
Opex non-overheads	(6,109)	(2,747)
LTIP Provision	(2,804)	(2,804)
Accounting EBITDA	370,266	361,400
Depreciation	(4,350)	(2,075)
Gain / (losses) on disposal of assets	5,351	(7,023)
Provisions	5,337	(7,411)
Change in fair value of investment property	(1,067)	(335,984)
EBIT	375,537	8,907
Net financial expenses	(84,519)	(109,185)
Debt amortization costs	(8,081)	(8,405)
Gain / (losses) on disposal of financial instruments	20	-
Change in fair value of financial instruments	(1,076)	(6,232)
Share in earnings of equity method instruments	14,073	39,923
PROFIT BEFORE TAX	295,954	(74,992)
Income taxes	(12,195)	(8,505)
PROFIT (LOSS) FOR THE PERIOD RECURRING OPERATIONS	283,759	(83,497)
Minorities	-	-
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE	283,759	(83,497)
Stapled shares as of December 31 st	563,724,899	469,770,750
EARNINGS PER SHARE	0.50	(0.18)

I NOTES TO THE CONSOLIDATED INCOME STATEMENT FY24

Gross rents (€ 500,380 thousand) less incentives of € 29,790 thousand equals to gross rents net of incentives of € 470,590 thousand. After deducting portfolio operating expenses not recharged to the tenants & collection loss (€ 52,481 thousand) the resulting amount is € 418,109 thousand of net rents. The total amount of operating expenses of the Company in the period is € 64,206 thousand, with the following breakdown:

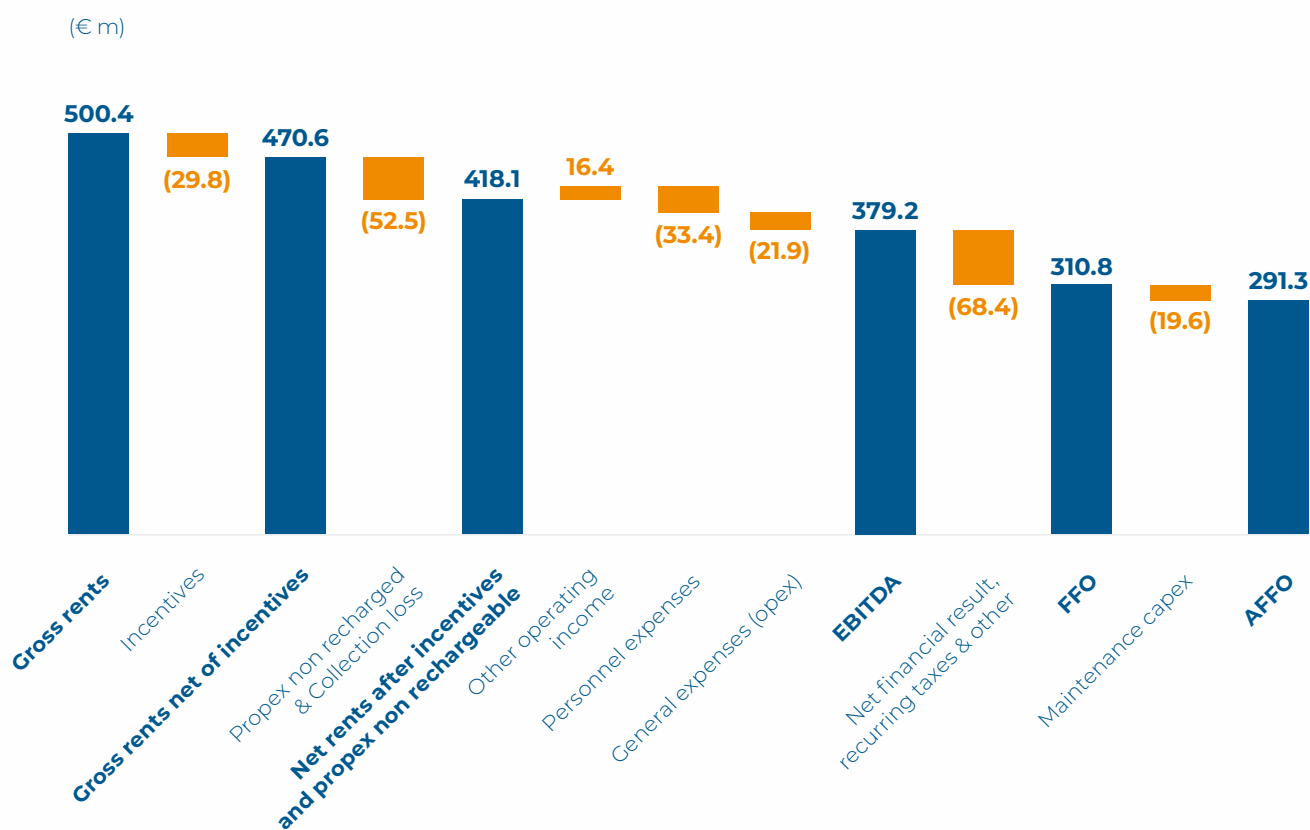
i. € 33,361 thousand correspond to personnel expenses.

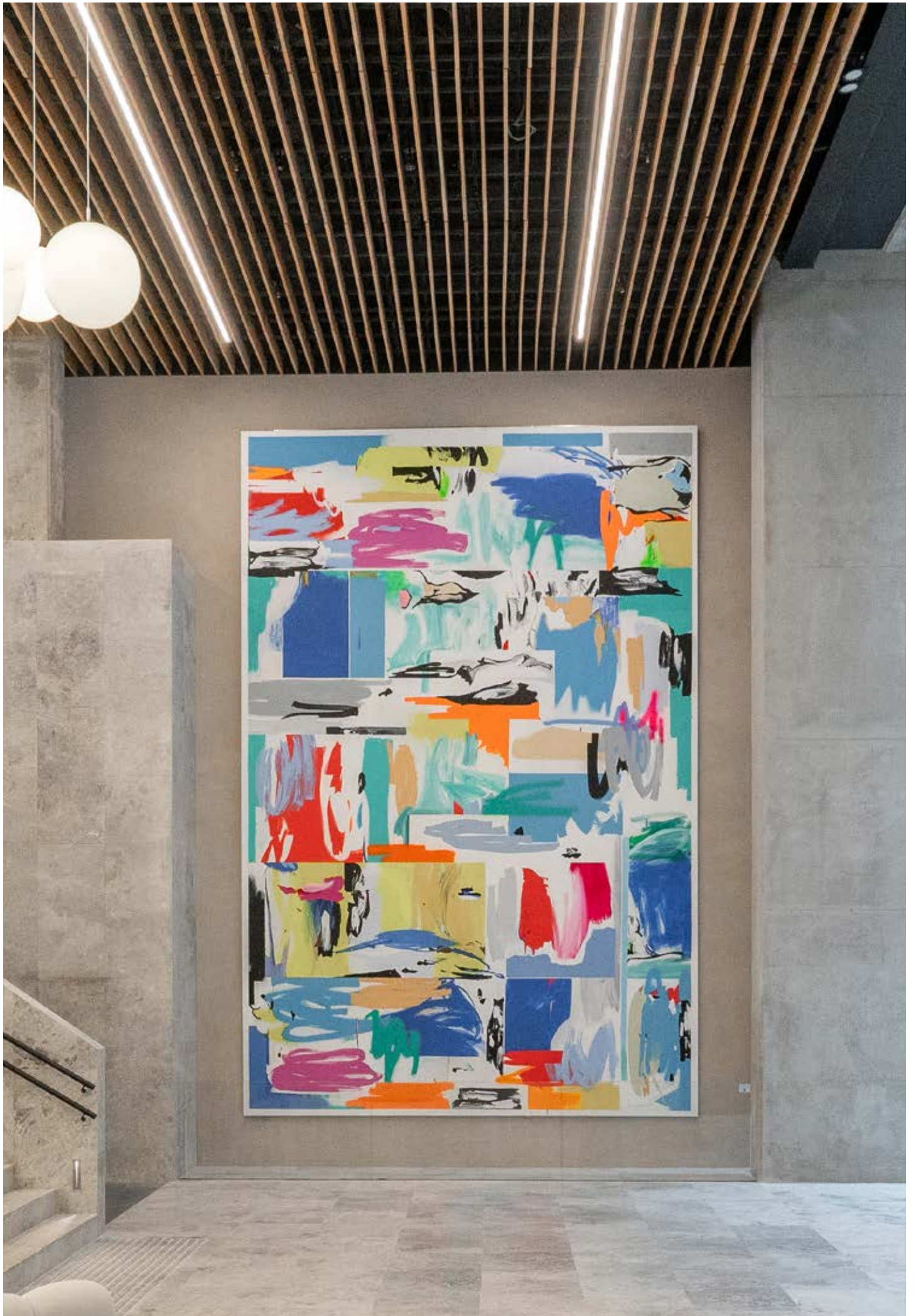
ii. € 21,932 thousand of Opex general expenses.

iii. € 2,804 thousand corresponding to the long-term incentive plan (LTIP).

iv. € 6,109 thousand of Opex non-overheads operating expenses.

The reconciliation between gross rents of the period and FFO is as follows:





CONSOLIDATED BALANCE SHEET

(€ thousand)

ASSETS	31/12/2024	EQUITY AND LIABILITIES	31/12/2024
NON CURRENT ASSETS	11,758,405	EQUITY	7,500,980
Intangible assets	1,025	Subscribed capital	563,725
Property, plant and equipment	22,132	Share premium	4,259,670
Investment property	10,865,480	Reserves	2,529,381
Investments accounted by the equity method	586,513	Treasury stock	(14,450)
Non-current financial assets	229,934	Other shareholder contributions	540
Deferred tax assets	53,321	Interim dividend	(101,234)
		Profit for the period	283,759
		Valuation adjustments	(20,411)
		NON-CURRENT LIABILITIES	5,117,962
		Long term debt	4,499,010
		Long term provisions	11,390
		Deferred tax liabilities	607,562
CURRENT ASSETS	1,700,790	CURRENT LIABILITIES	840,253
Trade and other receivables	60,102	Short term debt	633,124
Short term investments in group companies and associates	4,313	Trade and other payables	196,285
Short-term financial assets	7,346	Other current liabilities	10,844
Cash and cash equivalents	1,552,676		
Other current assets	76,353		
TOTAL ASSETS	13,459,195	TOTAL EQUITY AND LIABILITIES	13,459,195

I NOTES TO THE CONSOLIDATED BALANCE SHEET

Fair value of the portfolio corresponds to the appraisal value delivered by CBRE, Savills and JLL as of 31st December. The referred appraisal value is reflected in the following accounting Items:

€ million	Notes	
Investment property	7	10,865.5
Equity method ⁽¹⁾	9	570.1
Non current financial assets ⁽²⁾	10	94.0
Non-current assets	n.a.	0.9
Inventory ⁽³⁾	n.a.	7.0
Total balance sheet items		11,537.5
IFRS-16 (concessions)	n.a.	(54.0)
Equity method adjustment	n.a.	55.9
Non-current assets adjustment ⁽⁴⁾	n.a.	0.3
Total valuation		11,539.8

FINANCIAL DEBT

I FINANCIAL DEBT BREAKDOWN

€ Thousand	Long term	Short term	Total
Financial debt	4,313,644	600,656	4,914,300
Loan arrangement costs	(30,338)	-	(30,338)
Debt interest expenses	-	25,389	25,389
Mark-to-market of interest-rate hedging contracts	19,319	(282)	19,037
Other financial liabilities (i.e. legal deposits)	181,379	7,639	189,018
Total debt	4,484,004	633,402	5,117,406

⁽¹⁾ Including Silicius at amortized cost (€ 74.8m) net of derivatives impact (vs € 91.2m in Balance Sheet)

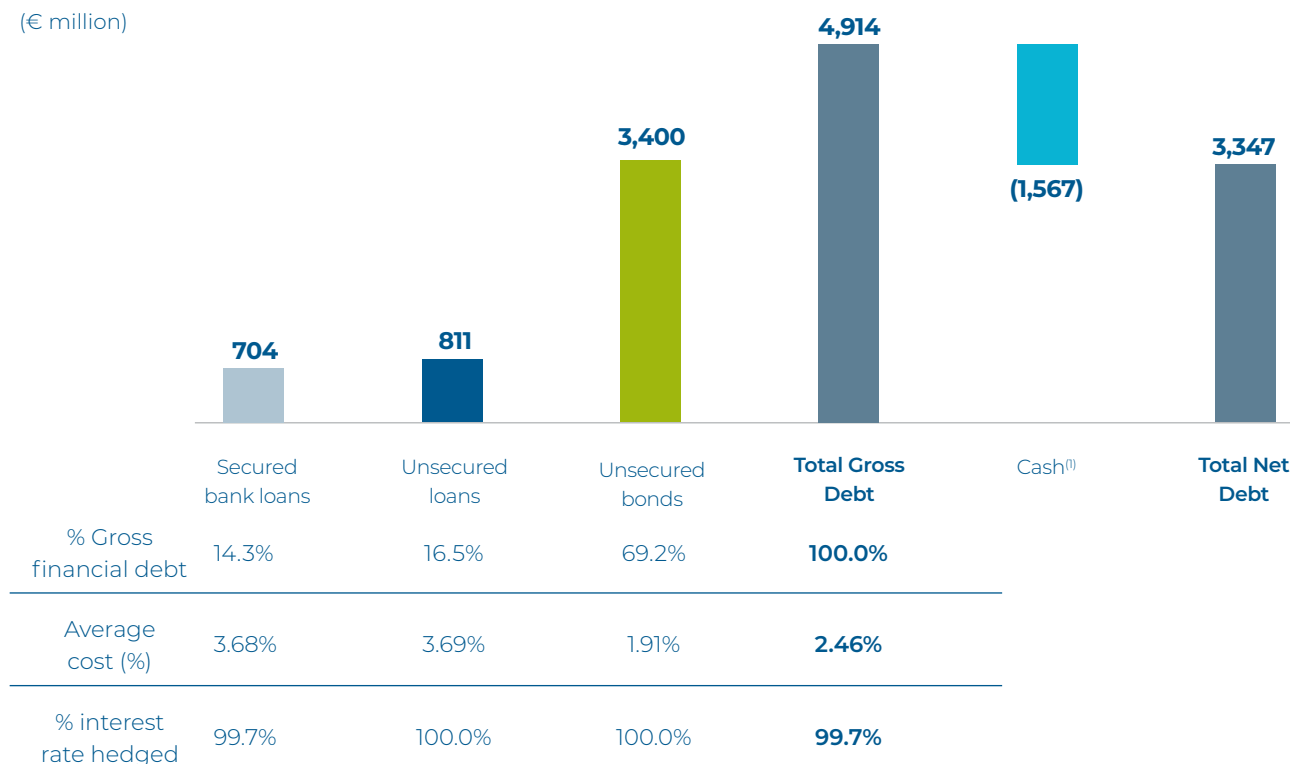
⁽²⁾ DCN loan

⁽³⁾ Net value paid by MERLIN. Excludes both amounts not paid yet and pre-sold inventory. Total inventory amounts to € 38.7m as of FY24

⁽⁴⁾ MtM of the non-current assets

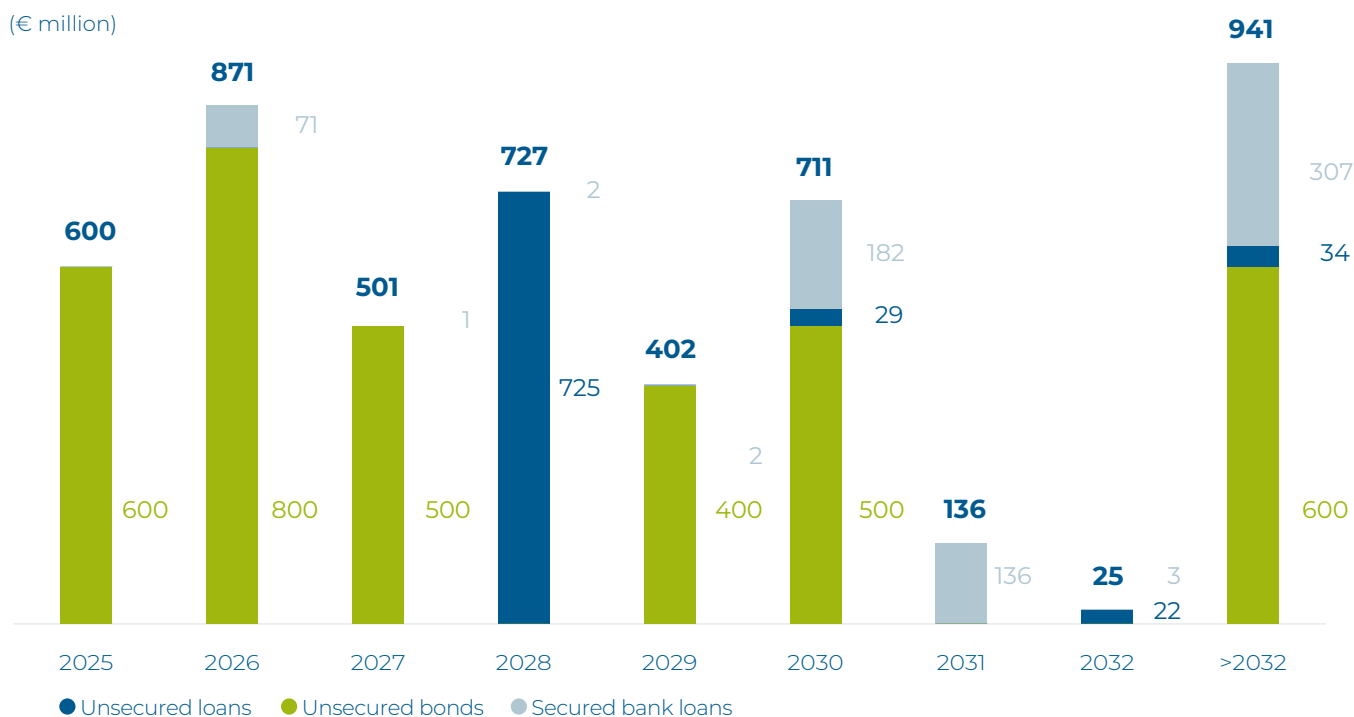
MERLIN's net financial debt as of 31st December is € 3,347,174 thousand. This implies a Loan To Value of 28.3% including transfer costs, which represents a decrease of -674 bps since 31/12/2023 (35.0%). The breakdown of MERLIN's debt is the following:

(€ million)



MERLIN'S debt has an average maturity period of 4.3 years. The chart showing debt maturity profile is the following

(€ million)



⁽¹⁾ Including treasury stock

MERLIN's debt as of 31st December has an average hedged cost of 2.46% (spot 2.55% plus derivative costs). Nominal debt with interest rate hedged amounts to 100.0%. Key debt ratios are shown below:

(€ million)	31/12/2024	31/12/2023
Gross financial debt	4,914	4,526
Cash and equivalents ⁽¹⁾	(1,567)	(477)
Net financial debt	3,347	4,050
GAV	11,540	11,270
LTV (Inc. TC)	28.3%	35.0%
Av. Interest rate	2.46%	2.38%
Hedged debt	100.0%	99.7%
Av. Maturity (years)	4.3	5.1
Liquidity ⁽²⁾	2,364	1,309
Non-mortgage debt	85.7%	90.4%

MERLIN is currently covered by two rating agencies

S&P Global	BBB+	Stable
Moody's	Baa1	Stable

SHAREHOLDERS RETURN

The Shareholder Return for a given period is equivalent to the sum of (a) the change in the EPRA NTA per share of the Company during such period; and (b) the total dividends per share (or any other form of remuneration or distribution to the Shareholders) that are paid in such period (the "Shareholder Return"). The Shareholder

Return Rate is defined as the Shareholder Return for a given period divided by the EPRA NTA per share of the Company at the beginning of period (the "Shareholder Return Rate"). In accordance with these definitions, the Shareholder Return for FY24 amounts to € -0.34 per share (or € 160m of value destroyed in absolute terms) and the Shareholder Return Rate amounts to -2.3%

	Per share (€)	€ million
EPRA NTA 31/12/2023	15.08	7,083
NTA growth in FY24 ⁽³⁾	(0.76)	(374)
Capital increase adjustment		1,362
EPRA NTA 31/12/2024	14.32	8,071
DPS paid in 2024	0.42	214
NTA growth + DPS (Shareholder Return)	(0.34)	(160)
Shareholder Return Rate	(2.3%)	(2.3%)

⁽¹⁾ Includes cash and treasury stock (€ 14.4m) in FY24 and cash and treasury stock (€ 14.5m) in FY23

⁽²⁾ Includes available cash plus treasury stock and undrawn credit facilities (€797m RCF, new syndicated loan and EIB loan) in FY24 and cash plus treasury stock and undrawn credit facilities (€ 832m RCF and EIB loan) in FY23

⁽³⁾ Excluding the capital increase

6. EPRA Summary



EPRA Summary

I EPRA SUMMARY TABLE

EPRA Performance Measure		
EPRA Earnings	Earnings from core operational activities	294,825
EPRA Earnings per Share		0.58
EPRA NAVs		
EPRA Net Reinstatement Value (EPRA NRV)	EPRA Net Reinstatement Value: assumes that entities never sell assets and aims to represent the value required to rebuild the entity	14.90
EPRA Net Tangible Assets (EPRA NTA)	EPRA Net Tangible Assets: assumes that entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred tax	14.32
EPRA Net Disposal Value (EPRA NDV)	EPRA Net Disposal Value: represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax	13.69
EPRA Net Initial Yield (NIY)	Annualized rental income based on the cash passing rents at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with acquisition costs	4.5%
EPRA 'topped-up' NIY	Adjustment to the EPRA Net Initial Yield in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents)	4.8%
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio	6.7%
EPRA Cost Ratios		
EPRA Cost Ratio (including direct vacancy costs)	Running costs of the Company divided by recurring rents including direct vacancy costs	28.4%
EPRA Cost Ratio (excluding direct vacancy costs)	Running costs of the Company divided by recurring rents excluding direct vacancy costs	26.3%
EPRA LTV	Debt divided by market value of the property. The EPRA LTV's aim is to assess the gearing of the shareholder equity within a real estate company	31.7%



MERLIN Properties has been awarded by EPRA with the gold award of best practices in financial reporting. It is the highest recognition for an outstanding compliance with the best practices.

I EPRA EARNINGS

	Notes	(€ thousand)
Earnings per IFRS income statement		283,759
Adjustments to calculate EPRA Earnings, exclude:		(11,066)
(i) Changes in value of investment properties, development properties held for investment and other interests	Income statement	(1,067)
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	Income statement	5,371
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	-	-
(iv) Tax on profits or losses on disposals	n.a.	-
(v) Negative goodwill / goodwill impairment	n.a.	-
(vi) Changes in fair value of financial instruments and associated close-out costs ⁽¹⁾	n.a.	(3,138)
(vii) Acquisition costs on share deals and non-controlling joint venture interests	n.a.	-
(viii) Adjustments related to funding structure	n.a.	-
(ix) Adjustments related to non-operating and exceptional items	n.a.	-
(x) Deferred tax in respect of EPRA adjustments	n.a.	(5,907)
(xi) Adjustments (i) to (x) above in respect of joint ventures (unless already included under proportional consolidation)	Income statement	-
(xii) Non-controlling interests in respect of the above ⁽²⁾	-	(6,326)
EPRA Earnings	-	294,825
Basic average number of shares	-	510,843,602
EPRA Earnings per Share (EPS)	-	0.58
Company specific adjustments:	-	16,007
(a) LTIP provision	18 c	2,804
(b) Opex non-overheads	18 b and c	6,109
(c) Debt formalization costs	Income statement	8,081
(d) Amortization	Income statement	4,350
(e) Provisions (surpluss)/deficit	Income statement	(5,337)
Company specific Adjusted Earnings	-	310,833
Company specific Adjusted EPS	-	0.61

⁽¹⁾ Including the change in fair value of investment property, depreciation and provisions.

⁽²⁾ Deferred taxes that are not expected to have a cash impact in the short to mid term.

I EPRA NRV, NTA AND NDV

(€ million)

EPRA Net Asset Value Metrics	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	7,501.0	7,501.0	7,501.0
Include / Exclude:			
i) Hybrid instruments	-	-	-
Diluted NAV	7,501.0	7,501.0	7,501.0
Include:			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	-	-	-
ii.b) Revaluation of IPUC1 (if IAS 40 cost option is used)	-	-	-
ii.c) Revaluation of other non-current investments	56.3	56.3	56.3
iii) Revaluation of tenant leases held as finance leases	-	-	-
iv) Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	7,557.2	7,557.2	7,557.2
Exclude:			
v) Deferred tax in relation to fair value gains of IP	554.2	526.1	-
vi) Fair value of financial instruments	(11.3)	(11.3)	-
vii) Goodwill as a result of deferred tax	-	-	-
viii.a) Goodwill as per the IFRS balance sheet		-	-
viii.b) Intangibles as per the IFRS balance sheet		(1.0)	
Include:			
ix) Fair value of fixed interest rate debt			162.3
x) Revaluation of intangibles to fair value	-		
xi) Real estate transfer tax	301.7	-	-
NAV	8,401.9	8,071.0	7,719.6
Fully diluted number of shares	563,724,899	563,724,899	563,724,899
NAV per share	14.90	14.32	13.69

I EPRA NET INITIAL YIELD (NIY) AND EPRA “TOPPED UP” NET INITIAL YIELD

(€ million)		Offices	Logistics	Shopping Centers	Data Centers	Others	Total
Investment property – wholly owned		6,581	1,613	2,014	560	52	10,820
Investment property – share of JVs/Funds		-	-	-	-	-	-
Trading property (including share of JVs)		-	-	-	-	-	-
Less: <i>developments</i>		(563)	(221)	-	(560)	(49)	(1,392)
Completed property portfolio		6,018	1,392	2,014	-	3	9,427
Allowance for estimated purchasers' costs		181	38	42	-	0	261
Gross up completed property portfolio valuation	B	6,199	1,430	2,056	-	3	9,688
Annualised cash passing rental income		294	80	127	-	0	501
Property outgoings		(44)	(7)	(17)	-	(0)	(68)
Annualised net rents	A	250	73	110	-	(0)	433
Add: notional rent expiration of rent free periods or other lease incentives		22	2	5	-	-	29
Topped-up net annualised rent	C	272	75	115	-	(0)	462
EPRA NIY	A/B	4.0%	5.1%	5.4%	-	(1.9%)	4.5%
EPRA “topped-up” NIY	C/B	4.4%	5.2%	5.6%	-	(1.9%)	4.8%

I EPRA VACANCY RATE

		Offices	Logistics	Shopping Centers	Data Centers	Others	Total
Estimated Rental Value of vacant space (€ million)	A	16.1	1.1	7.5	12.6	0.2	37.4
Estimated Rental Value of the whole portfolio (€ million)	B	308.9	83.4	125.5	37.9	0.2	555.9
EPRA Vacancy Rate (%)	A/B	5.2%	1.3%	5.9%	33.2%	80.1%	6.7%

I EPRA COST RATIOS

	Notes	(€ thousand)
Include:		
(i) Administrative/operating expense line per IFRS income statement	18	132,787
(ii) Net service charge costs/fees		
(iii) Management fees less actual/estimated profit element		
(iv) Other operating income/recharges intended to cover overhead expenses less any related profits		
(v) Share of Joint Ventures expenses		
Exclude (if part of the above):		
(vi) Investment property depreciation		
(vii) Ground rent costs		
(viii) Service charge costs recovered through rents but not separately invoiced		
EPRA Costs (including direct vacancy costs)	A	132,787
(ix) Direct vacancy costs		9,972
EPRA Costs (excluding direct vacancy costs)	B	122,815
(x) Gross Rental Income less ground rents – per IFRS⁽¹⁾		466,785
(xi) Less: service fee and service charge costs components of Gross Rental Income (if relevant)		
(xii) Add: share of Joint Ventures (Gross Rental Income less ground rents)		
Gross Rental Income	C	466,785
EPRA Cost Ratio (including direct vacancy costs)	A/C	28.4%
EPRA Cost Ratio (excluding direct vacancy costs)	B/C	26.3%

MERLIN's has a policy of not capitalising any overhead or operating expenses

⁽¹⁾ Gross Rental income (€ 498.1m) - incentives (€ 29.8m) - ground lease rents (€ 3.8m)

I EPRA LTV METRIC FY24

(€ million)

	Group as reported	Proportionate consolidation			Combined
		Share of Joint Ventures	Share of Material Associates	Non-controlling Interests	
Include:					
Borrowings from financial institutions ⁽¹⁾	1,518.0	-	164.8	-	1,682.8
Commercial paper	-	-	-	-	-
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	-	-	-	-	-
Bond loans ⁽²⁾	3,421.7	-	-	-	3,421.7
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables ⁽³⁾	66.7	-	89.5	-	160.6
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristic)	-	-	-	-	-
Exclude:					
Cash and cash equivalents	(1,552.7)	-	(13.2)	-	(1,565.9)
Net Debt (a)	3,453.7	-	241.0	-	3,699.2
Include:					
Owner-occupied property ⁽⁴⁾	1.2	-	-	-	1.2
Investment properties at fair value	10,865.5	-	697.8	-	11,563.3
Properties held for sale	-	-	-	-	-
Properties under development	-	-	-	-	-
Intangibles	-	-	-	-	-
Net receivables	-	-	-	-	-
Financial assets ⁽⁵⁾	94.1	-	-	-	94.1
Total Property Value (b)	10,960.7	-	697.8	-	11,658.5
EPRA LTV (a/b)	31.5%	-	-	-	31.7%
Real Estate Transfer Taxes (RETTS) (c)	301.7	-	15.2	-	317.0
EPRA LTV (incl. RETTS) (a/(b+c))	30.7%	-	-	-	30.9%
Company specific Property Value adjustments:	-	-	-	-	-
Total Property Value including company specific adjustments (d)	10,960.7	-	-	-	11,658.5
Company specific EPRA LTV (a/d)	31.6%	-	-	-	31.7%
Company specific EPRA LTV (incl. RETTS) (a/(c+d))	30.7%	-	-	-	30.9%

⁽¹⁾ Including notional amount (€ 1,514.3m) and accrued interest (€ 3.7m). Please refer to Note 14 of the Annual Accounts for further details

⁽²⁾ Including notional amount (€ 3,400.0m) and accrued interest (€ 21.7m). Please refer to Note 14 of the Annual Accounts for further details

⁽³⁾ Considering the net result between payables (Trade and other payables, Other current liabilities, Short term periodifications and Current income tax liabilities) and receivables (Trade and other receivables, Inventories, Other current assets and Other current financial assets). Please note that accrued interests are included within borrowings from financial institutions and bond loans

⁽⁴⁾ Fair value of the owner-occupied property. Book value at amortized cost of € 0.9m and MtM adjustment of € 0.3m

⁽⁵⁾ Amortized cost of the loan granted to Desarrollos Urbanísticos Udra, S.A.U., secured against a 10% stake in Madrid Crea Nuevo Norte, S.A. Please refer to Note 10 of the Annual Accounts for further details

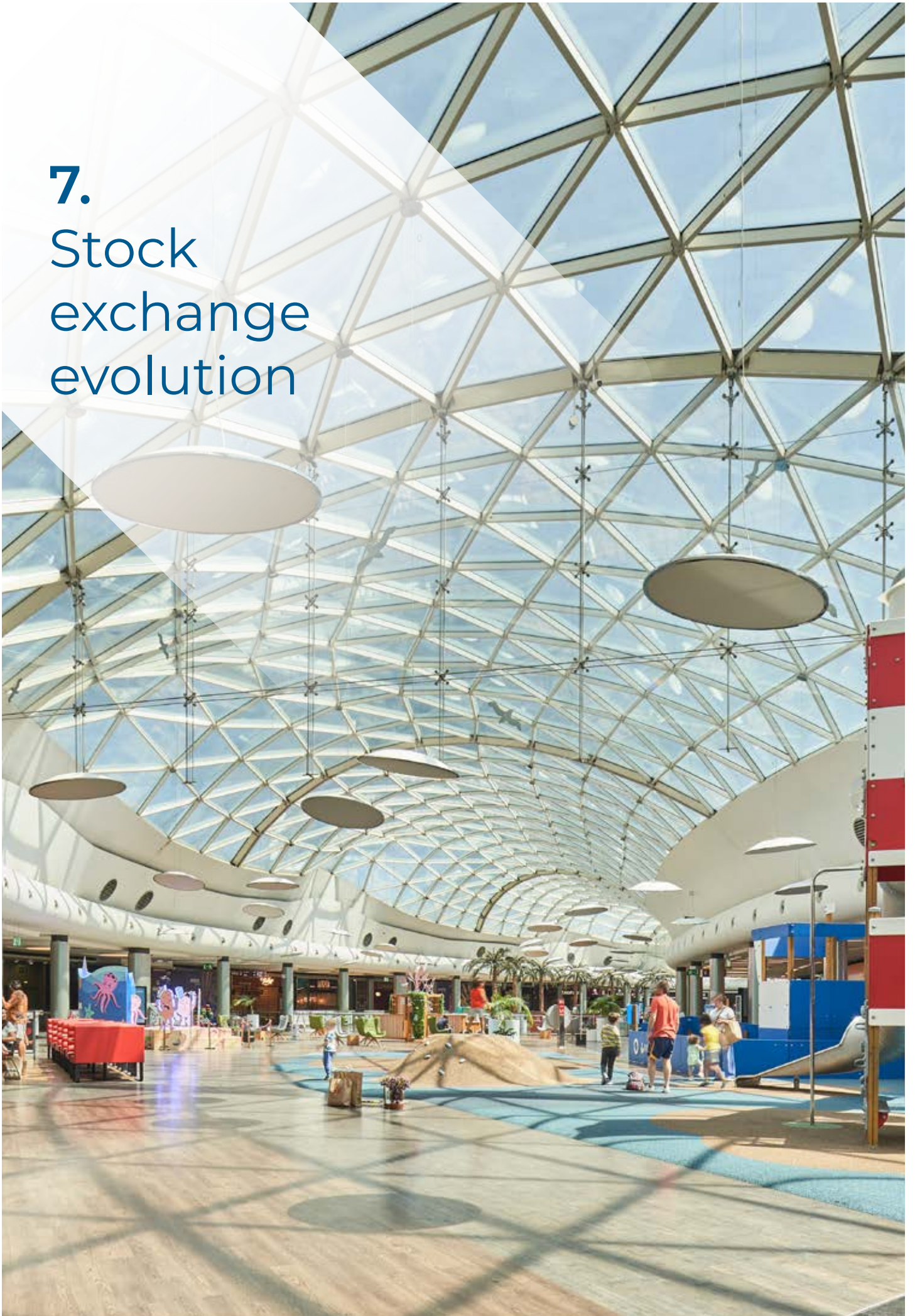
Note: please refer to Note 9 of the Annual Accounts for further detail regarding minority stakes. MERLIN considers material associates the following companies: ZAL Port (Centro Intermodal de Logística, S.A.), Tres Aguas (Paseo Comercial Carlos III, S.A.), CreaMNN (Crea Madrid Nuevo Norte S.A.) and Silicius (Silicius Real Estate SOCIMI, S.A.)

I EPRA LTV METRIC: SHARE OF MATERIAL ASSOCIATES FY24

(€ million)	ZAL Port	Tres Aguas	CreaMNN	Silicius	Share of Material Associates ⁽¹⁾
Include:					
Borrowings from financial institutions	123.7	73.3	209.1	211.4	164.8
Commercial paper	-	-	-	-	-
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	-	-	-	-	-
Bond loans	-	-	-	-	-
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables	11.8	1.3	571.5	2.5	89.5
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristic)	-	-	-	-	-
Exclude:					
Cash and cash equivalents	(11.0)	(11.7)	-	(11.4)	(13.2)
Net Debt (a)	124.5	63.0	780.6	202.5	241.0
Include:					
Owner-occupied property	-	-	-	-	-
Investment properties at fair value	730.3	122.7	1,227.7	584.8	697.8
Properties held for sale	-	-	-	-	-
Properties under development	-	-	-	-	-
Intangibles	-	-	-	-	-
Net receivables	-	-	-	-	-
Financial assets	-	-	-	-	-
Total Property Value (b)	730.3	122.7	1,227.7	584.8	697.8

⁽¹⁾ Proportional share based on the ownership in each associate: ZAL Port (48.5%), Tres Aguas (50%), CreaMNN (14.46%) and Silicius (17.91%)

7. Stock exchange evolution

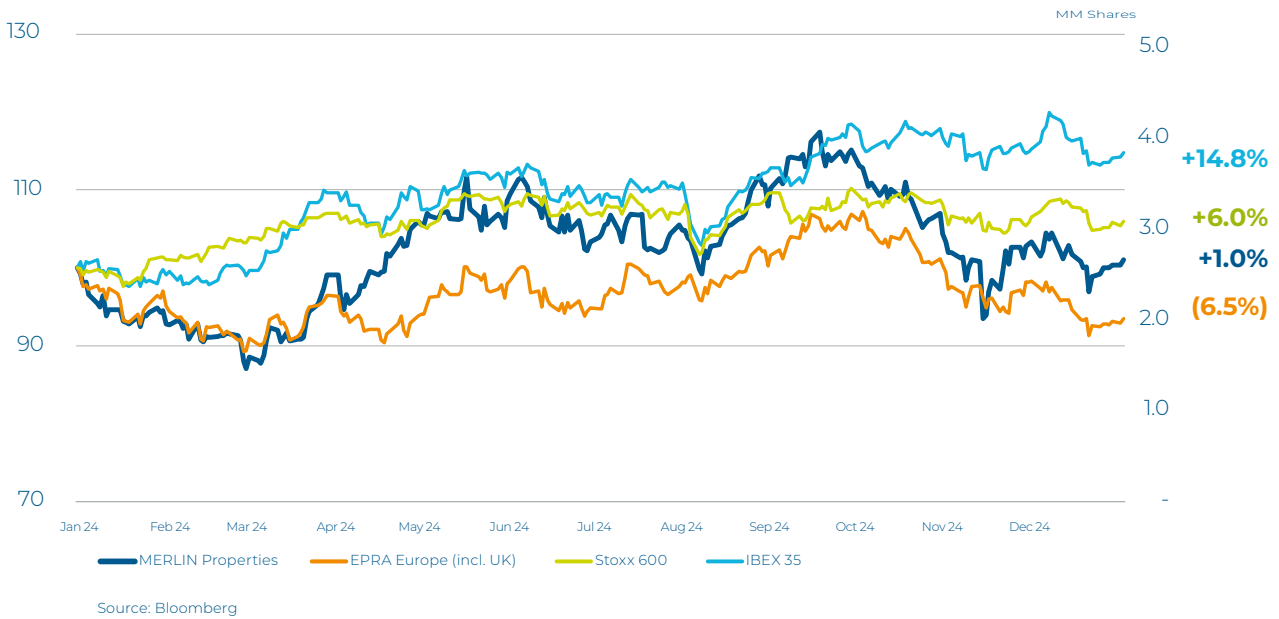


Stock exchange evolution

MERLIN shares closed on 31st December 2024 at € 10.16, an increase of 1.0% versus 31st December 2023 closing price (€ 10.06)

MERLIN SHARE PRICE PERFORMANCE⁽¹⁾ VS REFERENCE INDEXES

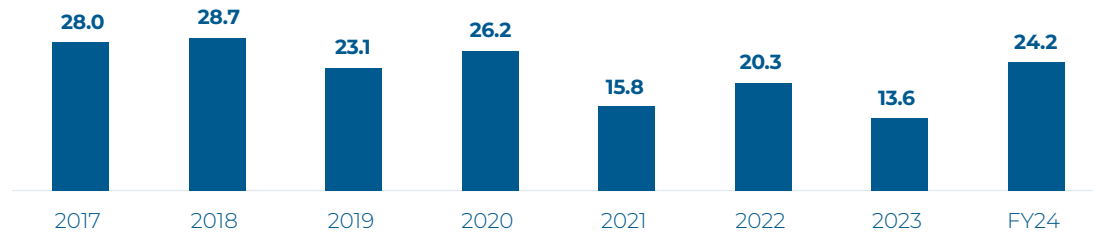
From 31st December 2023 to 31st December 2024, Rebased to 100



⁽¹⁾ Adjusted for any equity dilutive transactions

AVERAGE DAILY TRADING VALUE (€ M)

Average daily trading volume during the period has been € 24.2 million



As of the date of this report, MERLIN is covered by a wide variety of 25 equity research houses. Consensus target price is € 13.39

TARGET PRICES AND ANALYST RECOMMENDATIONS

Broker	Report date	Recommendation	Target Price
 Goldman Sachs	27-01-2025	Buy	15.20
 BANK OF AMERICA	15-01-2025	Buy	15.00
 BERNSTEIN <small>SOCIETE GENERALE GROUP</small>	08-12-2024	Buy	15.00
 renta4	23-01-2025	Buy	15.00
 BARCLAYS	05-02-2025	Buy	14.60
 ALANTRA	18-11-2024	Buy	14.25
 JBCapitalMarkets	21-11-2024	Buy	14.20
 J.P.Morgan	23-01-2025	Buy	14.00
 kutxabank	21-11-2024	Buy	14.00
 EXANE BNP PARIBAS	23-01-2025	Buy	13.70
 GVC Gaesco	25-11-2024	Buy	13.70
 CaixaBank	27-01-2025	Buy	13.25
 Sabadell	27-01-2025	Buy	13.12
 Deutsche Bank	28-01-2025	Buy	13.00
 ODDO BHF <small>ASSET MANAGEMENT</small>	09-01-2025	Buy	13.00
 UBS	28-01-2025	Buy	13.00
 Santander	05-07-2024	Buy	12.70
 Kempen	14-01-2025	Buy	12.50
 bankinter	25-07-2024	Buy	12.20
 intermoney <small>valores sv</small>	04-12-2024	Buy	12.00
 Jefferies	06-01-2025	Buy	12.00
 Kepler Cheuvreux	15-11-2024	Buy	12.00
 Morgan Stanley	10-12-2024	Neutral	12.00
 citi	14-02-2025	Neutral	11.90
 Green Street Advisors			Not public
Total average			13.39



8. Dividends policy



Dividends policy

The Company's dividend policy takes into account sustainable levels of distribution and reflects the Company's expectation of obtaining recurring profits. The Group does not intend to create reserves that cannot be distributed to shareholders, except as required by law.

Under the REIT regime, after complying with any relevant requirement of the Corporate Enterprises Act, the Parent will be required to pass resolutions to distribute the profit obtained in the year to shareholders in the form of dividends and this distribution must be approved within six months of the end of each year, as follows:

- (i) at least 50% of the profit from the transfer of properties and shares or equity interests in qualified subsidiaries, provided that the remaining profit is reinvested in other real estate assets within no more than three years of the date of the transfer, otherwise, 100% of the profit must be distributed as dividends after such period has elapsed;
- (ii) 100% of the profit obtained from receiving the dividends paid by qualified subsidiaries;
- (iii) at least 80% of the remaining profit obtained.

If the resolution to distribute dividends is not passed within the legally established period, the Parent will lose its REIT status for the financial year to which the dividends refer.

The Company's dividend policy establishes a distribution of 80% of the AFFO ("Adjusted FFO"), understood as the cash flow from operations less interest paid and ordinary maintenance expenses and capex for the assets.

On 9 May 2024, the General Meeting of Shareholders approved the distribution of a supplementary dividend from the profit for 2023 in the amount of EUR 112,442 thousand (EUR 0.24 per share). In addition, on 14 November 2024, the Company's Board of Directors approved the distribution of an interim dividend of EUR 101,234 thousand (EUR 0.18 per share) from the profit for 2024.

Type	Date	Concept	€ per share
Interim 2015	28-oct-15	Dividend	0.0775
Final 2015	27-apr-16	Dividend	0.005692
Final 2015	27-apr-16	Share premium distribution	0.102608
Total 2015			0.19
Interim 2016	25-oct-16	Dividend	0.185
Interim 2016	25-oct-16	Share premium distribution	0.02
Final 2016	18-may-17	Dividend	0.10071014
Final 2016	18-may-17	Share premium distribution	0.09928767
Total 2016			0.40
Interim 2017	25-oct-17	Dividend	0.20
Final 2017	25-may-18	Dividend	0.02053654
Final 2017	25-may-18	Share premium distribution	0.23946346
Total 2017			0.46
Interim 2018	25-oct-18	Dividend	0.20
Final 2018	07-may-19	Dividend	0.20270039
Final 2018	07-may-19	Share premium distribution	0.09729961
Total 2018			0.50
Interim 2019	28-oct-19	Dividend	0.20
Final 2019	8-jul-19	Dividend	0.14741659
Total 2019			0.35
Final 2020	19-may-21	Share premium distribution	0.30
Total 2020			0.30
Interim 2021	03-dec-21	Dividend	0.15
Final 2021	27-may-22	Dividend	0.0227
Final 2021	27-may-22	Share premium distribution	0.2275
Total 2021			0.40
Extraordinary	18-ago-22	Tree	0.75
Interim 2022	02-dec-22	Dividend	0.20
Final 2022	22-may-23	Dividend	0.24
Total 2022			1.19
Interim 2023	12-dec-23	Dividend	0.20
Final 2023	06-jun-24	Dividend	0.01
Final 2023	06-jun-24	Share premium distribution	0.23
Total 2023			0.44
Interim 2024	10-dec-24	Dividend	0.18
Total 2024			0.18



9. Treasury shares



Treasury shares

At 31 December 2024, the Parent held treasury shares amounting to EUR 14,450 thousand.

The changes in 2024 were as follows:

	Number of Shares	Thousands of €
Balance as of 1 January 2023	2,885,491	32,305
Additions	6,625	122
Disposals	(1,355,932)	(15,261)
Balance as of 31 December 2023	1,536,184	17,166
Additions	29,471	293
Disposals	(113,950)	1,253
Balance as of 31 December 2024	1,314,645	14,450

- At the General Meeting held on 27 April 2023, the authorisation granted to the Board, with powers of substitution, to increase the share capital in accordance with sections 297(1)(b) and 506 of the Consolidated Text of the Corporate Enterprises Act, by means of monetary contributions and with the power to exclude pre-emption rights, up to a maximum nominal amount equal to one half (50%) of the share capital at the time of this authorisation, or twenty per cent (20%) of the share capital at the time of this authorisation in the event that the increase excludes the shareholders' pre-emption rights, was renewed for a maximum period of five years.
- The retirement of treasury shares amounting to EUR 1,253 thousand (average cost of EUR 11 per share) partly corresponds to the delivery of EUR 1,019 thousand to employees under the flexible remuneration plan.
- The Group has a liquidity agreement for securities listed on the Lisbon Stock Exchange (Euronext Lisbon), having made net sales of 21,329 shares, totalling EUR 234,557 thousand, in 2024.
- At 31 December 2024, the Parent held treasury shares representing 0.233% of its share capital.

10. Outlook / R+D information



Outlook

In the absence of externalities, occupancy levels in the three main asset classes (offices, logistics and shopping centres) are expected to be maintained, while rents will continue to benefit slightly from inflation as leases are indexed to the CPI.

In October, a lease was signed with an artificial intelligence operator for a single batch of 15 MW IT at the Barcelona-Zona Franca Data Center (BCN01-PLZF), which is 100% leased at its Total Design Capacity. A fully equipped 9 MW were delivered to the customer in Q4 2024 and an additional 6 MW which will be delivered in Q1 2025. The effect of BCN01-PLZF on gross income in 2025 will be EUR +23 million.

Further progress in equipment is expected during 2025, to reach 46 MW installed by the year-end.

R&D&I activities

In relation to R&D&I activities and other innovative initiatives, MERLIN is committed to offering its tenants and users the highest quality comprehensive service, beyond the asset management itself, integrating the most innovative solutions in its assets to maximize the user experience. In line with this philosophy, during the last year MERLIN has continued to focus on improving the quality of life of users in its assets.

In addition, MERLIN remains committed to LOOM flexible workspaces as a solution to the hybrid work model. During the year, MERLIN has continued to promote numerous technological projects to place MERLIN at the forefront of solutions for its customers and internal management. These include the office building sensorization program, the energy consumption reading project, the photovoltaic self-consumption project and the development of different user experience apps.

11. Sustainability



MERLIN’s commitment to sustainable management

MERLIN manages its activities responsibly, ensuring the sustainable achievement of long-term objectives and the generation of shared value for its stakeholders. This practice is based on strict compliance with current legislation and adherence to international benchmark standards, reflecting its commitment to operational excellence and corporate responsibility.

In this context, MERLIN's primary commitment is to achieve sustainable profitability to ensure the success of its business project, taking into account the expectations of its stakeholders. In addition, growth is sought that does not harm the environmental performance of the organisation, minimising any impact on the environment. The integration of sustainability into asset development and repositioning processes is prioritised as a core strategy.

MERLIN’S SUSTAINABILITY ROADMAP

SUSTAINABILITY POLICY

MERLIN Properties views sustainability as a key driver to generate value in the environment in which it operates,

in particular through its assets. The essential principles guiding MERLIN's sustainability roadmap are as follows:

GOALS

ACTIONS UNDERTAKEN

1 Active management of climate change

- Develop and operate **sustainable assets**
- **Mitigate the carbon footprint** of the whole value chain



- Installation of **energy efficient systems and equipments**
- **Photovoltaic plan** (Project Sun)
- Launch of **Pathway to Net Zero**



2 Wellbeing of end users

- **Enhance the end-user experience**
- **Create quality spaces** for tenants
- Contribute towards a more **sustainable mobility**



- **Focusing on the** air quality, lighting and accessibility
- Creation of **Merlin HUB** for all business park users
- **Installation of electric vehicle chargers** in all Offices and Shopping Centers



3 Positive impact in cities

- **Reduce resources consumption**
- **Improve the cities** in which we operate
- **Promote cohesion and integration** through our assets



- Asset management for **peak operational efficiency** (energy, materials and waste, water)
- Launch of **Renazca to revitalize, integrate and transform** the area
- **CSR plan** to boost corporate contribution



The Sustainability Policy has been approved by the MERLIN Properties Board of Directors and has been in effect since its approval, remaining in force until amendments are made to it.

The Board of Directors, through its delegated Committees and, in particular, the Sustainability and Innovation Committee, carries out the oversight to ensure the correct implementation and fulfilment of all guiding principles and commitments established.

GUIDING PRINCIPLES

RESPONSIBLE GOVERNANCE AND ETHICAL BEHAVIOUR

MERLIN is committed to the highest standards, guarantees and transparency in the Group's management and decision-making, and to the success of the business when carrying out its activities, safeguarding ethics and integrity in its operations.

TRANSPARENCY WITH STAKEHOLDERS

MERLIN considers it a priority to provide complete, accurate and truthful information on the Group's performance and activities, and to maintain sufficient relationship channels with its stakeholders, actively communicating with them and responding to their main demands and expectations.

INDEPENDENT EXTERNAL VALIDATION OF COMMITMENTS

MERLIN seeks to endorse its commitments by obtaining external validation, which guarantees the effective integration of sustainability in its internal management and assets, and this gives credibility to the practical implementation of the commitments made in the Group's decision-making and activities.

PATHWAY TO NET ZERO

Following the 2.0°C pact made at COP21⁽¹⁾, MERLIN announced its commitment to become a net zero carbon company by 2030, in line with the with science-based

targets (SBTi), reporting risks under the TCFD recommendation⁽²⁾ and committed to the SDGs set by the UN.



⁽¹⁾ Climate Change Conference in Paris.

⁽²⁾ Task Force on Climate-related Financial Disclosures.



2024 MILESTONES

- Continued inclusion in the **Dow Jones World Sustainability Index – World** for the second year and Europe for the fourth year
- **Renewal of the Green Finance Framework** including embedded carbon footprint ceilings in future newbuilds and refurbishments.
- **Measurement of embodied carbon footprint** in refurbishments and newbuilds valued at more than EUR 3 million.
- The Marineda Shopping Centre renewed its **“Zero Waste” certification** for the fourth consecutive year and Artea and Porto Pi Shopping centres obtained it this year for the first time.
- **Implementation of the centralised BMS** (Building Management System) for the entire property portfolio.



FUTURES OBJECTIVES

- Reformulation of the path to net zero to include the **Data Center** business line.
- Increased **implementation of the green clause** in contracts.
- Project to implement the **Zero Waste** initiative in more shopping centres.
- **Forest awarding capable** of offsetting the MERLIN's entire unavoidable carbon footprint.





KEY INDICATORS FOR THE YEAR

	LIKE FOR LIKE DATA		ABSOLUTE DATA	
	2024 DATA	2023-2024 EVOLUTION	2024 DATA	2023-2024 EVOLUTION
ENERGY CONSUMPTION (GJ)	389,839	-0.4%	451,939	8.9%
ENERGY CONSUMPTION (MWH)	108,289	-0.4%	125,538	8.9%
GREENHOUSE GAS EMISSIONS (TCO ₂ EQ) MARKET-BASED	2,696	-0.7%	2,930	7.6%
GREENHOUSE GAS EMISSIONS (TCO ₂ EQ) LOCATION-BASED	9,084	-9.7%	9,935	-4.5%
WATER WITHDRAWAL (M ³)	656,138	-0.7%	677,878	-0.2%
WASTE (TON)	7,523	9.8%	7,719	10.1%
% OF SELF-PRODUCED ENERGY	4.8%	41.3%	4.5%	52.0%
% OF PORTFOLIO (IN TERMS OF GAV) CERTIFIED WITH LEED, BREEAM	n/a	-	90.0%	-4.5%
% OF THE PORTFOLIO CERTIFIED ON ISO 14001 AND 50001	61%	-	42%	-

Key environmental performance reporting criteria and concepts

I A) METHODOLOGY

MERLIN includes information on environmental performance of its asset portfolio in accordance with the methodology established by EPRA Sustainability Best Practice Recommendations (3rd edition, 2017) and based on the GRI (Global Reporting Initiative) Indices.

- Assets over which the Group exercises operational control. These are generally multi-tenant assets where the Group continuously assesses their environmental impact.

- Assets over which the Group does not exercise operational control. For these single-tenant assets, although MERLIN is the holder of some of the utility contracts, the consumption management tasks fall to the tenant of the asset.

I B) REPORTING SCOPE

ASSET CATEGORIES

MERLIN reports environmental performance information for its office, logistics, shopping centre and Data Center portfolios, not including assets in which it holds a minority interest.

- MERLIN's corporate headquarters and LOOM spaces leased by the Group.

In particular, MERLIN reports the information for the environmental indicator of waste management in terms of those assets where it is responsible for waste management, since in some cases this management is carried out by the owners' associations.

TYPE OF SURFACE AREA CONTROL

For more accurate performance management of its assets in terms of energy consumption efficiency, water withdrawal and carbon footprint, MERLIN separates the data for these indicators by type of property:

REPORTED DATA

The Group has established the following reporting criteria taking into account the criteria set out above and the condition of the asset:

	Energy	Water	Waste	Certificates
Assets in operation full year ⁽¹⁾	✓	✓	✓	✓
Assets in operation part of the year ⁽²⁾	✓	✓	✓	✓ ✗
WIP ⁽³⁾	✗	✗	✗	✓
Land ⁽⁴⁾	✗	✗	✗	✗

⁽¹⁾ Assets in operation for the full fiscal year.

⁽²⁾ Assets that are in operation for part of the fiscal year, if the asset is in operation at the end of the fiscal year, the information on certifications is reported.

⁽³⁾ WIP: Assets under construction or refurbishment/retrofitting.

⁽⁴⁾ Plots or tracts acquired by the Group on which building has not yet started.

Environmental performance data are reported both in absolute terms and in relative terms, known as intensity, i.e. absolute consumption or emissions divided by the surface area for which the consumption or emissions are reported.

Environmental indicators on that basis are calculated taking into account the percentage of gross leasable area (GLA):

- To measure the intensities for assets that are in operation for part of the year, each asset's GLA is weighted according to the time it has been in operation.
- In the case of assets that form part of an owners' association, the share of

equity is applied to the energy and water consumption data. In these cases, the surface area taken into account in the calculations represents MERLIN's share of equity in the asset.

- The total GLA of the assets is considered in the calculation of energy and water intensity, except in those cases where MERLIN only has control over the management of consumption in the common areas, in which case only the surface area of these common areas is considered.

The data reported express the following coverage percentage of total GLA in each asset category:

	Energy % GLA	Water % GLA	Waste % GLA	Certifications % GLA
Offices	78%	79%	68%	97%
Logistics	52%	27%	12%	81%
Shopping Centres	99%	99%	87%	100%
Data Centers	100%	67%	100%	54%



ABSOLUTE SCOPE AND LIKE-FOR-LIKE SCOPE

Based on the EPRA sBPR Guidelines, MERLIN reports on a series of environmental indicators or KPIs (integrated in the EPRA Sustainability Performance Measures). These KPIs cover information on energy consumption, GHG emissions, water withdrawal and waste generation⁽¹⁾.

There are two types of KPI: Total or absolute KPIs and like-for-like KPIs. Absolute KPIs are calculated in terms of the total asset portfolio. Like-for-like KPIs are calculated considering only assets that have been in continuous operation for the last three years.

Environmental performance data is reported including the degree of coverage of each KPI. Coverage is defined as the proportion of assets for which there is information available to calculate the respective KPI with regard to total assets, calculated both in terms of the number of assets and surface area of the assets.

MERLIN uses the criteria for calculating its GHG emissions to taking into account operational control and its equity share in the assets as provided in the GHG Protocol⁽²⁾, using the market-based method, in which data on the emission factors for electricity consumption are obtained from the electric company from which the electricity is purchased.

Scope 1, 2, and 3 emissions are reported as described below:

1) Scope 1 emissions, which include direct GHG emissions:

- Associated with fuel consumption at fixed installations of assets under operational control.
- Associated with fugitive emissions of greenhouse gas refrigerants.

2) Scope 2 emissions, which include indirect GHG emissions:

- Associated with electricity consumption at installations.
- Associated with thermal energy consumption at installations.

3) Scope 3, direct emissions from fuel consumption at fixed installations of assets not under operational control and indirect emissions as a result of the company's activities at sources that are neither owned nor controlled by the company (see Appendix II to this report).

⁽¹⁾ The full definition of the above KPIs is given in detail in chapter 8.b. "EPRA sBPR Table of Contents" of this SNFI

⁽²⁾ The GHG Protocol (Greenhouse Gas Protocol) sets out the global standardised frameworks for measuring and managing greenhouse gas (GHG) emissions from both private and public sector operations and value chains and mitigation actions.

Environmental and energy management systems

MERLIN, under the continuous improvement approach in its role as manager of its portfolios, has an Integrated Management System (IMS) for the ISO 14001:2015 (Environmental Management Systems) international standard and for the ISO 50001:2018 (Energy Management Systems) international standard, both benchmarks certified by an accredited certification body.

The Environmental Management System supports environmental best practices, and its systematic approach to identifying and complying with all applicable legal environmental requirements and identifying and managing the associated environmental risks evidences its commitment to continuous environmental improvement.

The Energy Management System, in turn, encompasses improving energy efficiency, reducing consumption, improving operations and activities, and reducing the emissions associated with MERLIN's activities and evidences its commitment to energy efficiency in the framework of continuous improvement.

In 2015 MERLIN set out on an ambitious plan to implement these management systems and successfully achieve ISO 14001 (environmental management) and ISO 50001 (energy management) certification by expanding the number of real estate assets with at least one of those certifications.

This plan covers office buildings as well as shopping centres, logistics warehouses and Data Centers. With regard to ISO 14001, in 2024, 96 buildings composing a surface area of 1,351,930 sqm were ISO 14001 certified, 5 more than in 2023.

The Group also continued the process of implementing an Energy Management System under the ISO 50001 standard, which began in 2017. Currently, 93 are certified composing a surface area of 1,299,733 sqm are certified, 5 more than in 2023.

The target for the assets included in the ISO 50001 certified Energy Management System is to implement ESMs (energy saving measures) to reduce energy consumption by 8% compared to 2021 (96.71 kWh/sqm occupied space).

Through its Environmental Management System the Group identifies the most significant environmental impacts of its activities and establishes the mechanisms necessary to identify, assess, and control those impacts in keeping with the precautionary principle.

The Group allocates 7.64 FTEs (2.61% of the workforce) to environmental risk prevention, including time spent by the management bodies, senior management, and prevention and management teams.

With regard to cover for potential environmental risks, the Group has third-party liability insurance that expressly covers any third-party liability arising from contamination or pollution of the atmosphere, soil or water, provided that these harmful actions occurred as a result of an accidental, sudden, unforeseeable, unexpected and unintentional cause.

This insurance also covers the costs of removal, cleaning or disposal of contaminating substances for which MERLIN is legally liable due to contamination of third party sites or facilities.

In 2024, following an analysis, the Group did not consider it necessary to make provisions for potential environmental risks.

Development and operation of sustainable assets

Integrating sustainability into each of the different phases of the asset's life cycle has always been a priority for MERLIN:

ACQUISITION OF NEW LAND OR BUILDINGS

In the due diligence process for investments in land and buildings, MERLIN considers environmental and social sustainability aspects such as the property's construction characteristics, the asset's energy efficiency, alignment with the Group's strategy regarding sustainable mobility, or the status of legal compliance and sanctions. Furthermore, as a starting point, the Group's strategy is to prioritise the location of assets in urban environments as this in and of itself ensures that no ecologically critical or endangered areas will be affected.

MERLIN is therefore committed to ensuring that:

- **100%**
of office and shopping centre assets are located within 10 minutes/1 km of public transport.
- **100%**
of assets are located outside protected or ecologically critical areas.
- **100%**
of acquisitions take environmental and social criteria into account.

MERLIN has made progress fulfilling these commitments. For example, 100% of the Company's offices and shopping centres are accessible by public transport and all assets are located in urban areas that do

not impact protected or ecologically critical areas. MERLIN also continues to work on integrating environmental and social criteria in line with LEED and BREEAM certifications.

DEVELOPMENTS AND REFURBISHMENTS

Sustainability is a factor that enters into the design phase of MERLIN's new developments and refurbishments, which raises the value generated by the project from the initial stages. The Company also sets sustainability requirements for contractors, certifies the assets of their projects based on sustainable construction schemes, and reduces and mitigates the negative impacts associated with the construction. In this phase, the Group replaces or installs resource-efficient equipment, systems and devices.

MERLIN has implemented a new policy that makes it compulsory to calculate the embodied carbon footprint for projects worth more than EUR 3 million and assign an ESG performance rating to suppliers involved in projects worth more than EUR 150 thousand. The embodied carbon footprint of five projects was calculated in 2024.

MERLIN is firmly committed to integrating sustainability into all stages of the life cycle its assets and performs Life Cycle Assessments for new building construction and refurbishment works. This assessment enables a comprehensive and detailed evaluation of the environmental performance of buildings taking into account all their phases, from raw material extraction to final disposition. This enables different design alternatives, materials, and technologies to be compared, contributing to more well-founded decision-making and

optimisation of environmental performance over the lifetimes of buildings. In addition, life cycle assessments are an opportunity to identify areas where circular economy strategies such as reuse, recycling, and remanufacturing can be applied to optimise resource use and minimise waste over the building's entire life cycle.

The following table presents the life cycle assessments carried out in 2024.

- **PE Cerro de los Gamos. Buildings I and IV.**
- **Torre Lisboa**
- **Data Center Barcelona**
- **Lisbon Park. Lot 14.**
- **Valencia - Bétera**

MERLIN also seeks synergies among its assets to minimise and reuse waste generated during refurbishment. It is worth highlighting the reuse of building materials or building installations, or the reuse of the raised floor and carpeting in Plaza Ruiz Picasso 11, which had to be lifted based on the needs of two customers, and which have been moved to Partenon 16-18 (around 900sqm), and Las Tablas (around 350sqm).

The Group's roadmap calls for greater circularity by its contractors in building and refurbishment projects, and the Group therefore plans to include these criteria when evaluating bids submitted in tender processes.

With regard to biodiversity in developments and refurbishments, MERLIN studies the ecological value of the environment and proposes measures to preserve it, with priority given to native plant species in landscaped areas around our assets, avoiding exotic species. Likewise, although implicit in its expansion strategy, the Group avoids deforestation in its developments

and refurbishments by acquiring land in urban settings or with previous uses.

MERLIN is therefore committed to ensuring that:

- **100%**
of developed/refurbished assets have sustainable construction certification.

- **100%**
of critical suppliers will be evaluated on ESG aspects.

MERLIN has made progress in meeting these commitments by obtaining LEED or BREEAM certification for all newbuilds and refurbishments.

MERLIN is committed to not exceeding the following thresholds on embodied carbon in newbuilds

- **Offices: 500 kg CO₂/sqm.**
- **Logistics: 400 kg CO₂/sqm.**
- **Shopping centres: 500 kg CO₂/sqm.**

MANAGEMENT OF PROPERTIES IN OPERATION

MERLIN employs strategies based on continuous supervision and proactive management of consumption when operating its assets. It takes measures and works closely with tenants and operators to optimise consumption and minimise adverse effects on the sustainability of its assets. In addition, it uses sustainability criteria to evaluate its suppliers and recognised sustainability performance measurement systems to certify its assets.

The operational phase is where MERLIN has the most scope for action, so the Group concentrates its efforts on maximising the inclusion of sustainability aspects in that phase. The following sustainability initiatives that it has implemented in its portfolio of assets in operation can be highlight at this time:

- **Monitor the environmental performance** of each asset throughout the chain of command, and establish specific action plans on a quarterly basis.
- Approve an **investment plan for the installation of equipment** (lighting, temperature, etc.) that improves asset performance.
- Include **green clauses** to encourage energy efficiency in the tenant's operations. We count with 160 tenants with the green clause, some leased in more than one asset.
- MERLIN is continuing to install **photovoltaic panels** on assets in its branches of activity (offices, shopping centres, logistics warehouses and Data Centers) as part of the **Sun Project** intended to position itself as the largest developer of self-generated energy in its sector and an essential player in the

energy transition. With the achievement of last year's targets, the project amounts to 15.6 MW installed, capacity at a total of 10 assets (4 offices, 2 shopping centres, 4 logistics warehouses), which achieves a total self-consumption rate of 5.6%.

- Likewise, **100% of MERLIN's assets under operational control consume renewable electricity** with a guarantee of origin certificate.
- MERLIN takes different initiatives to optimise material use, reduce waste generation, and manage the generated waste more efficiently in an effort to **improve the circular economy of its assets**. All assets (offices and shopping centres) therefore have waste sorting systems.

MERLIN's main objective in operating its assets is to have photovoltaic panels installed at 100% of its assets⁽¹⁾.

⁽¹⁾ This commitment applies to those assets where installation is feasible based on the technical and/or structural characteristics of the assets.

Sustainability advances in MERLIN’s portfolio

MERLIN draws up its report on the environmental performance of its portfolio in strict compliance with the most up-to-date sustainability practices as per the EPRA Sustainability Best Practice Recommendations (3rd version, 2017) to ensure comparability with the data reported by other companies in the sector .

For more information on the environmental performance of MERLIN's portfolio, and the methodology used, please refer to “Appendix I. Environmental performance reporting in accordance with the EPRA Sustainability Best Practices Recommendations (sBPR)”.

KEY ENVIRONMENTAL PERFORMANCE INDICATORS OF MERLIN’S PORTFOLIO⁽²⁾

	2022		2023		2024	
	Absolute	LfL	Absolute	LfL	Absolute	LfL
 ENERGY	421,611 GJ	392,515 GJ	414,876 GJ	391,643 GJ	451,939 GJ	389,839 GJ
	0.261 GJ/sqm	0.269 GJ/sqm	0.243 GJ/sqm	0.267 GJ/sqm	0.255 GJ/sqm	0.266 GJ/sqm
	117,114 Mwh	109,032 Mwh	115,243 Mwh	108,790 Mwh	125,538 Mwh	108,289 Mwh
	0.073 Mwh/sqm	0.075 Mwh/sqm	0.068 Mwh/sqm	0.074 Mwh/sqm	0.071 Mwh/sqm	0.074 Mwh/sqm
 WATER	684,413 m ³	650,288 m ³	679,061 m ³	660,604 m ³	677,878 m³	656,138 m³
	0.476 m ³ /sqm	0.477 m ³ /sqm	0.463 m ³ /sqm	0.480 m ³ /sqm	0.451 m³/sqm	0.478 m³/sqm
 WASTE	7,513 tons	7,116 tons	7,010 tons	6,851 tons	7,719 tons	7,523 tons

⁽¹⁾ The GRI (Global Reporting Initiative) Standards are the starting point for the third and most recent edition of the EPRA (European Public Real Estate Association) sBPR Guidelines released in 2017. These recommendations are the world's most important sustainability reporting standards, but since they are intended for a wide range of companies, they are general and all-encompassing in nature. Consequently, in some cases they do not address the specific characteristics of the real estate sector. Accordingly, the EPRA sBPR Guidelines provide very specific reporting criteria that sum up the requirements in the GRI Standards. Following the recommendations of the EPRA sBPR Guidelines, Appendix I includes a series of tables that provide a full breakdown of the portfolio's environmental performance data.

⁽²⁾ The environmental indicators reported in the infographic only include information on assets over which MERLIN exercises operational control.

Regarding the **energy consumption of like for like⁽¹⁾ assets**, there has been a slight decrease compared of fell by 0.4% compared to 2023, mainly due to implementation of energy-saving measures and and despite the increase in office occupancy, logistics activity and shopping centre footfall. Absolute consumption by the portfolio rose by 8.9%.

Energy intensity was down 0.5% from 2023 for the like-for-like portfolio and down 4.7% from 2023 for the absolute portfolio.

Like-for-like water performance data for the total volume of water withdrawal at the assets under MERLIN's operational control was 656,138 m³ in 2024, namely, office assets (43%), logistics warehouses (6%) and shopping centres (50%).

There has been a decrease of (0.68%) compared with 2023, mainly due to the adoption of water saving measures, drought restrictions in Catalonia and all this despite the increase in footfall in the portfolio of offices and shopping centres.

The increase in like-for-like general waste mainly relates to the increase in occupancy and footfall in shopping centres as well as the contracting of the management of certain types of waste with an authorized manager where this was previously managed through council removals.



⁽¹⁾ Assets that have been operating continuously for the last three years are included.

I ENERGY CONSUMPTION

MERLIN collects information on energy consumption by different components of its portfolio, including assets under its operational control, assets not under its operational control, its headquarters in

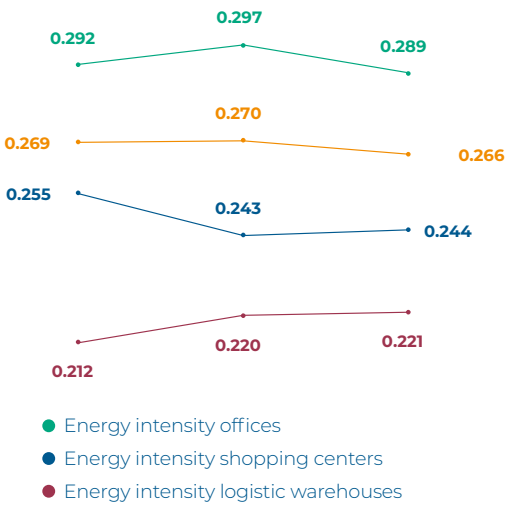
Madrid, and the LOOM locations in Huertas and Salamanca. The data collected include detailed consumption of electricity, fuels like natural gas and diesel, and use of district heating & cooling.

ENERGY CONSUMPTION OF MERLIN'S ASSETS UNDER OPERATIONAL CONTROL⁽¹⁾

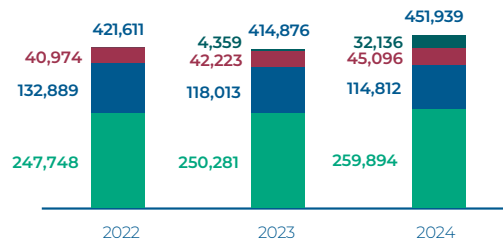
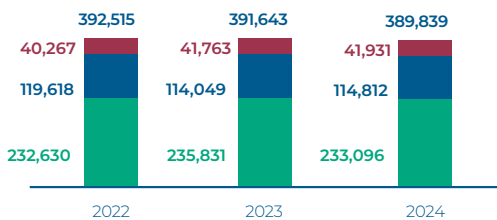
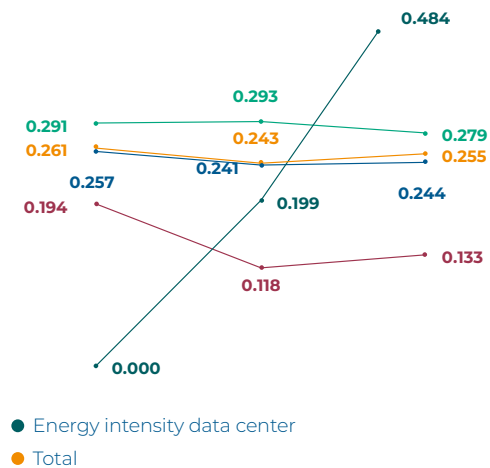
For assets the Company for which is able to monitor and evaluate energy consumption, MERLIN has data for 67% of its absolute

portfolio in terms of floor area, 13% less than in 2023.

- Like for Like energy intensity (GJ/sqm) and Like for Like energy consumption per line (GJ) by asset category.



- Absolute energy intensity (GJ/sqm) and absolute energy consumption (GJ) by asset category

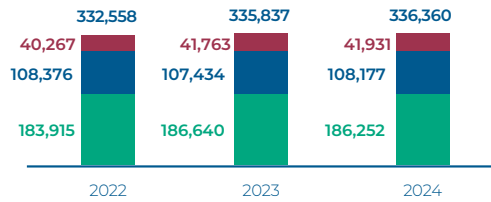


- Energy consumption offices
- Energy consumption shopping centers

- Energy consumption logistic warehouses
- Energy consumption data center

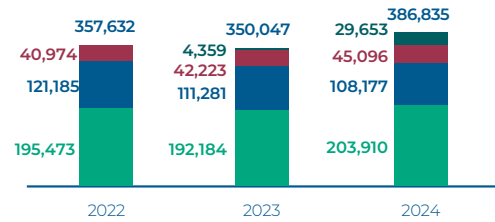
⁽¹⁾ The total surface area of the assets has been considered in the calculation of energy intensity, except in those cases where MERLIN only has control over the management of consumption in the common areas, in which case only the surface area of these common areas is considered.

- Like for like electricity consumption by asset category (GJ).



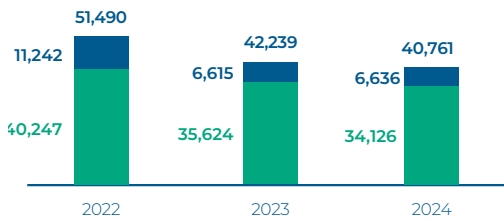
- Electricity consumption offices
- Electricity consumption shopping centers

- Absolute electricity consumption by asset category (GJ).



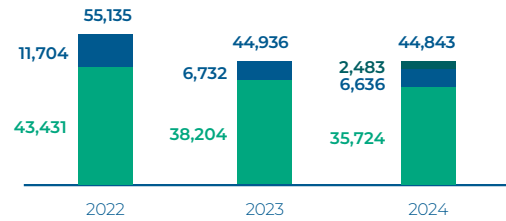
- Electricity consumption logistic warehouses
- Electricity consumption data center

- Like for like fuel consumption by asset category (GJ).

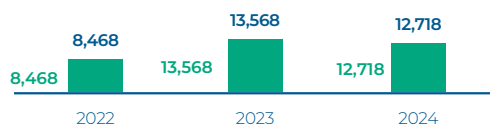


- Fuel consumption offices
- Fuel consumption shopping centers

- Absolute fuel consumption by asset category (GJ).

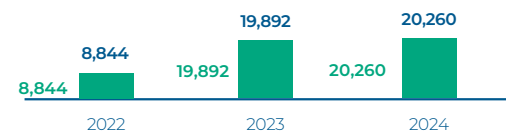


- Like for like district heating & cooling consumption by asset category (GJ).



- Offices

- Absolute district heating & cooling consumption by asset category (GJ).



MERLIN remains committed to renewable energy through the production and self-consumption of photovoltaic energy at its assets and to increasing the number of assets supplied with renewable energy with a guarantee of origin. In 2024⁽¹⁾, electricity consumed from renewable sources accounted for 99.99% of the total electricity consumed under its operational control.

In addition, MERLIN purchases Renewable Energy Certificates (RECs) for some assets in the framework of their LEED and BREEAM certifications. Thanks to this green energy purchase mechanism, in 2024, the Group acquired a total of 1,627 GJ, worth approximately USD 1,447.

⁽¹⁾ The remaining electricity consumption (40 GJ, 0.01% of the total electricity consumption) was from electricity supplied by conventional electric utilities.

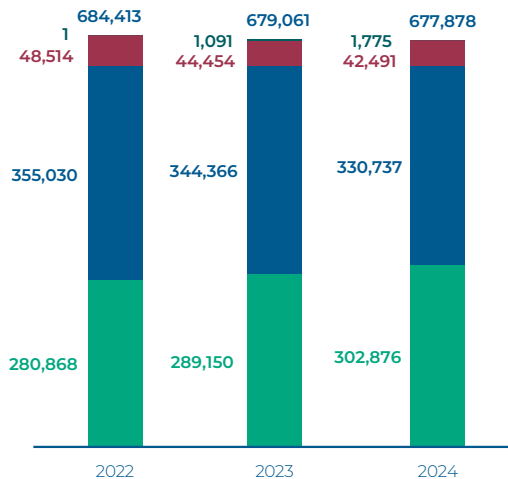
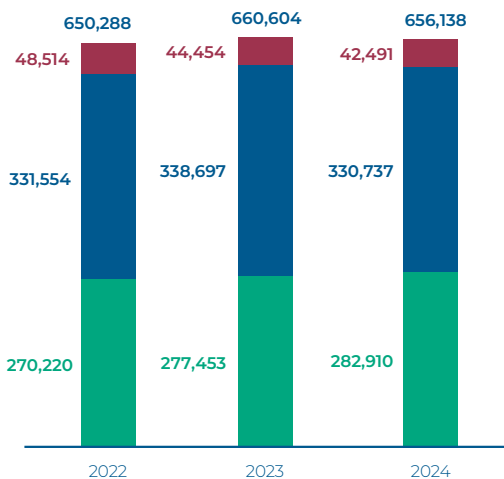
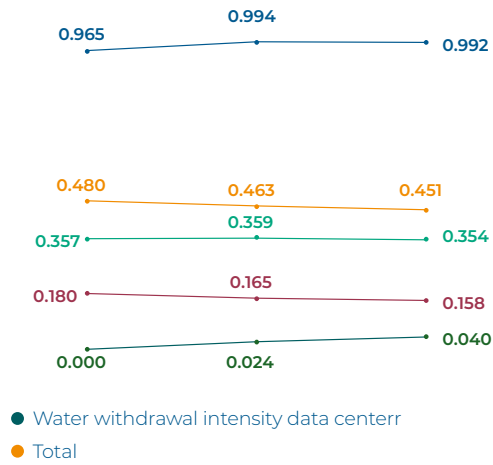
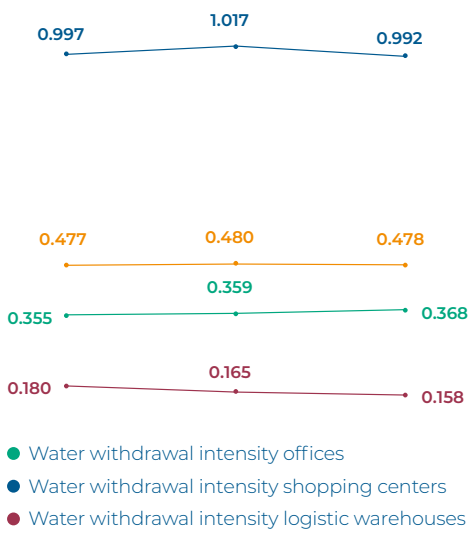
I WATER WITHDRAWAL

MERLIN has water withdrawal data for 57% of the assets it manages in terms of floor area.

Water withdrawal from MERLIN'S assets under operational control⁽¹⁾

- Like for like water withdrawal intensity (m³/sqm) and like for like water withdrawal (m³) by asset category.

- Absolute water withdrawal intensity (m³/sqm) and absolute water withdrawal (m³) by asset category



- Water withdrawal intensity offices
- Water withdrawal intensity shopping centers

- Water withdrawal intensity logistic warehouses
- Water withdrawal intensity data center

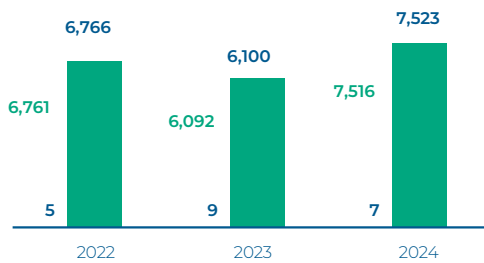
⁽¹⁾ The total surface area of the assets has been considered in the calculation of energy intensity, except in those cases where MERLIN only has control over the management of consumption in the common areas, in which case only the surface area of these common areas is considered.

I WASTE MANAGEMENT

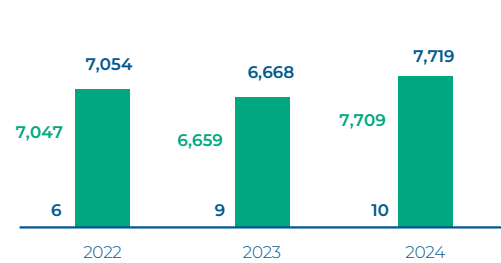
In accordance with the ISO 14001 Environmental Management System, MERLIN employs a systematic approach to waste management for its portfolio based on waste segregation by type at source, including classification into hazardous and non-hazardous waste. Having in mind the

nature of the activities carried on by the Group, the amount of hazardous waste generated at its assets is significantly lower than the non-hazardous waste in terms of weight.

- Like for like waste generation by type of waste (tonnes generated).



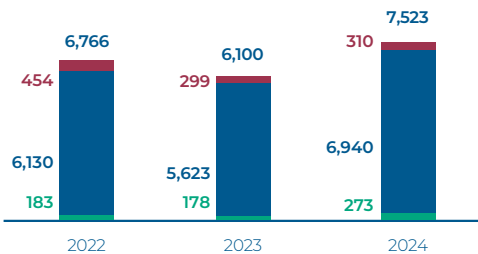
- Absolute waste generation by type of waste (tonnes generated)



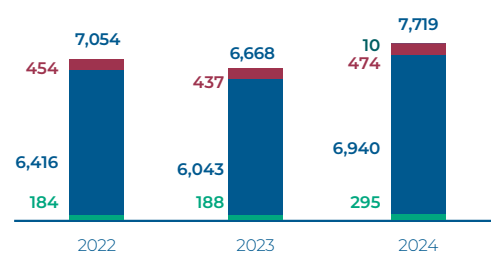
- Hazardous waste generation ● Non-hazardous waste generation

MERLIN has information on the final destination of 100% of the waste generated by the assets under operational control in its portfolio. Furthermore, nearly all the waste managed goes through recovery processing of some sort. The quantities of waste that undergo some sort of treatment are depicted below by asset class.

- Like for like waste generation by asset category (tonnes generated).



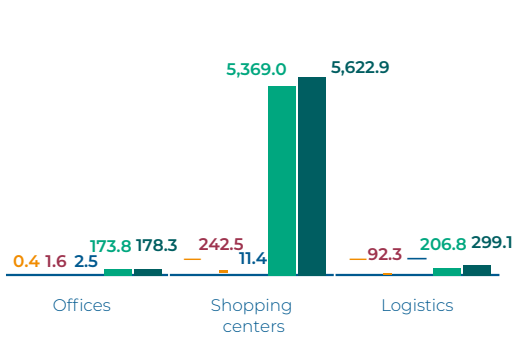
- Absolute waste generation by asset category (tonnes generated).



- Waste generation in offices ● Waste generation in shopping centers ● Generation of waste in logistics warehouses

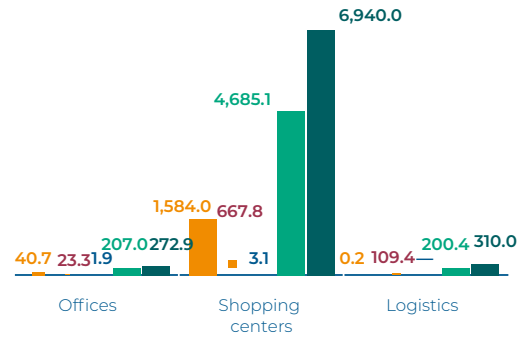
The like for like increase corresponds mainly to the contracting of the management of certain types of waste with an authorised waste manager, which were previously managed through municipal waste collections. This improves the management and correct segregation of the waste generated so that it can be recovered.

- Like for like total weight of waste by disposal route (tonnes generated) 2023.



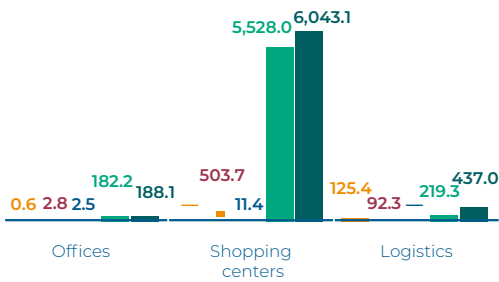
- Elimination
- Energy recovery
- Recovery

- Like for like total weight of waste by disposal route (tonnes generated) 2024.



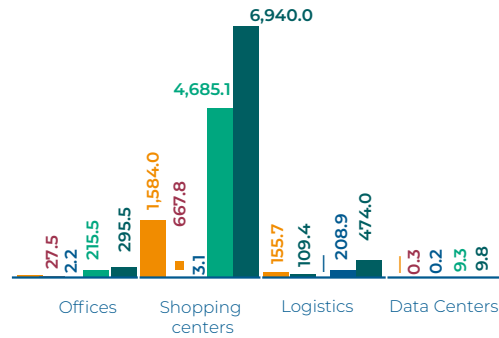
- Recycling
- Total

- Absolute total weight of waste by disposal route (tonnes generated) 2023.



- Elimination
- Energy recovery
- Recovery

- Absolute total weight of waste by disposal route (tonnes generated) 2024.



- Recycling
- Total

The company plans to continue with its continuous improvement in waste management in future to increase the amount of waste undergoing recovery and recycling processing while minimising unsorted waste and waste sent to landfills. In this context, attention can be drawn to the Marineda shopping centre, which has

a “Zero Waste” certification from AENOR [Spanish Association for Standardisation and Certification], and the Artea and Porto Pi shopping centres, which have obtained this certification in 2024.

Given the nature of its operations, food waste is not a material issue for MERLIN.


Decarbonisation of MERLIN Properties' portfolio

MERLIN's experience over the past few years has enabled it to specify the details of its emissions reduction strategy, or Pathway to Net Zero in 2030, thus getting a head start on the European strategy for decarbonising the economy and ensuring the present and future survival of the Company and its assets.

MERLIN's pathway to net zero is a comprehensive plan aimed at optimising performance not only of the Company itself


and the assets under its direct control but also of the principal players responsible for the emissions associated with MERLIN over its entire value chain, including suppliers and tenants.

MERLIN updated the criteria it uses to calculate emissions in 2022. Following the GHG Protocol guidelines, the market-based method⁽¹⁾ has been chosen as a basis.

	2022	2023	2024
	Absolute	Absolute	Absolute
Market-based Scopes 1 and 2	2,713	2,722	2,930
Scope 1	2,668	2,602	2,878
Scope 2 Market-based	46	120	52
Intensity tCO ₂ eq/sqm	1.706	1.662	1.753
Scope 3	n/d	n/d	n/d

⁽¹⁾ Market-based method: The market-based method calculates emissions based on the electricity that organisations have chosen to purchase. The difference is that the market-based method treats off-site renewable electricity use as a zero carbon generator, whereas the location-based method assigns the local grid average emission factor to off-site renewable use.

MERLIN also continues to report its emissions using the location based method⁽¹⁾.

	2022	2023	2024
	Absolute	Absolute	Absolute
Location-based Scopes 1 and 2	13,296	10,399	9,935
Scope 1	2,668	2,602	2,878
Scope 2 Location-based	10,848	7,797	7,057
Intensity tCO ₂ eq/sqm	8.499	6.347	5.945
Scope 3	133,674	146,067	162,463

I SCOPE 1 AND SCOPE 2 GREENHOUSE GAS (GHG) EMISSIONS

A breakdown of greenhouse gas (GHG) emissions for consumption of electricity, fuels (natural gas and diesel) and district heating and cooling, including recharging refrigerant gases in cooling systems, is shown below. These data cover assets under MERLIN’s operational control, along with MERLIN’s headquarters in Madrid and the LOOM locations in Huertas and Salamanca.

+ For more information on the environmental performance of MERLIN’s portfolio and the methodological approach used, please see **“Appendix I. EPRA Sustainability Best Practice Recommendations (sBPR) environmental performance report”**.

⁽¹⁾ Location based method: The location-based method does not factor in instruments and contracts and assigns the local grid average emission factor to all external usage, regardless of origin. In both methods Scope 1 emissions were calculated using the factors recommended by the Spanish Ministry for Ecological Transition and Demographic Challenge (MITERD). Scope 2 location-based emissions from electricity consumption were calculated using the emission factor for the electricity mix for Spain and Portugal. The emission factor for the electricity mix is a rate that represents the CO₂ emission intensity associated with generating the electricity consumed. Therefore, it is a significant indicator of the ratio of low carbon energy sources to the country’s total electricity production. Scope 2 location-based emissions from district heating were obtained from the emission factor provided by each of the suppliers and emissions from district cooling were obtained considering the specific electricity consumption necessary for the cold water service and the emission factor for the Spanish electricity mix.

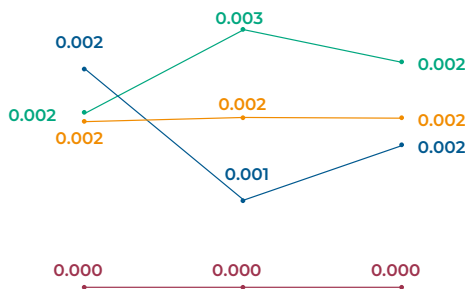
Market-based GHG emissions at assets under MERLIN's operational control

First, applying the market-based calculation method to the like-for-like portfolio, the sum of Scope 1 and Scope 2 GHG emissions in 2024 was 2,696 tCO₂eq, 0.7% lower than in 2023.

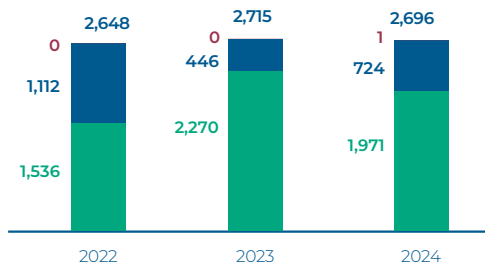
For the absolute portfolio, the sum of Scope 1 and Scope 2 market-based GHG emissions in 2024 was 2,930 tCO₂eq, 7.6% higher than in 2023. Broken down by scope, 2,878 tCO₂eq were Scope 1 emissions and the remaining 52 tCO₂eq were Scope 2 emissions⁽²⁾.

KPIs – MARKET-BASED SCOPE 1 AND SCOPE 2 GREENHOUSE GAS (GHG) EMISSIONS AT ASSETS UNDER MERLIN'S OPERATIONAL CONTROL⁽³⁾

- Like for like GHG emissions intensity (tCO₂eq/sqm) and like for like GHG emissions (tCO₂eq) by asset category.

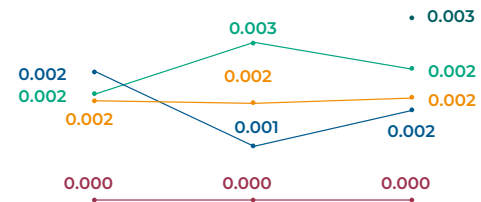


- Emissions intensity offices
- Emissions intensity shopping centers
- Emissions intensity logistic warehouses

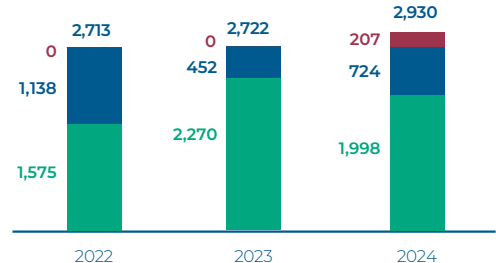


- Emissions intensity offices
- Emissions intensity shopping centers

- Absolute GHG emissions intensity (tCO₂eq/sqm) and absolute GHG emissions (tCO₂eq) by asset category.



- Emissions intensity data center
- Total



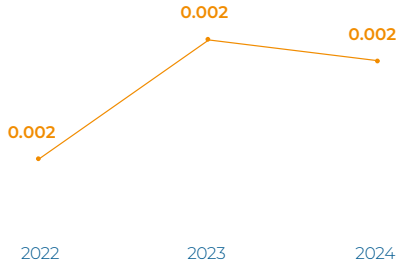
- Emissions intensity logistic warehouses
- Emissions intensity data center

⁽¹⁾ Includes fuel consumption and refrigerant gas recharges.

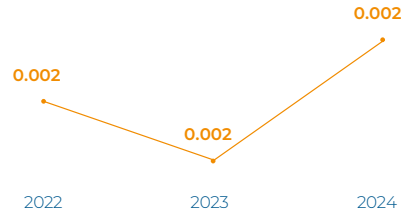
⁽²⁾ Includes electricity consumption and District Heating & Cooling.

⁽³⁾ The scope 1 and scope 2 GHG emissions reported below are for assets over which MERLIN exercises operational control. The total surface area of the assets has been considered in the calculation of energy intensity, except in those cases where MERLIN only has control over the management of consumption in the common areas, in which case only the surface area of these common areas is considered.

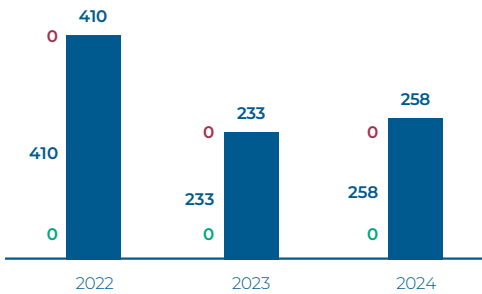
- Total like for like GHG emissions intensity (tCO₂eq/sqm).



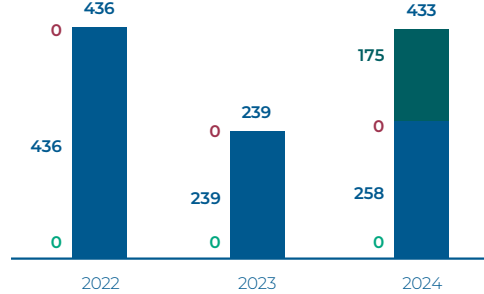
- Total absolute GHG emissions intensity (tCO₂eq/sqm)



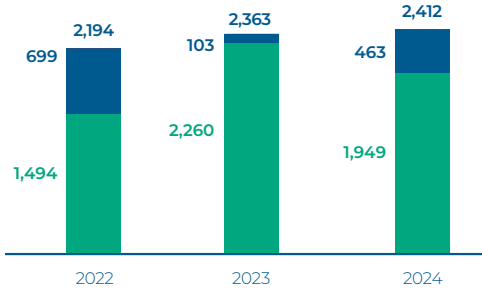
- Like for like GHG scope 1 emissions (fuel consumptions) by asset category (tCO₂eq).



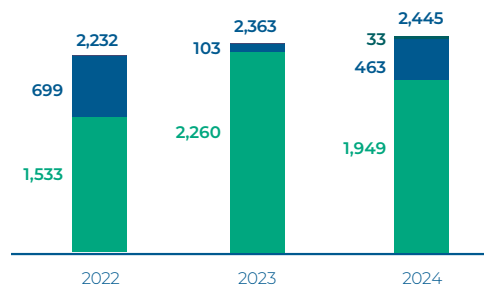
- Absolute GHG scope 1 emissions (fuel consumptions) by asset category (tCO₂eq)



- Like for like GHG scope 1 emissions (refrigerant gases) by asset category (tCO₂eq).



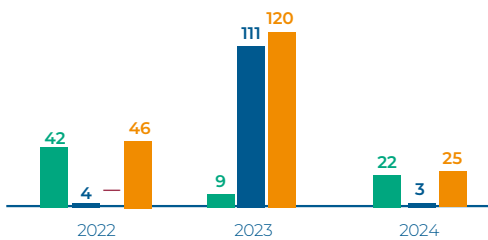
- Absolute GHG scope 1 emissions (refrigerant gases) by asset category (tCO₂eq).



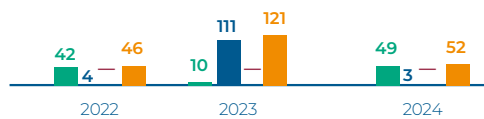
- GHG scope 1 emissions offices
- GHG scope 1 emissions shopping centers

- GHG scope 1 emissions logistic warehouses
- GHG scope 1 emissions data center

- Like for like GHG scope 2 emissions by asset category (tCO₂eq).



- Absolute GHG scope 2 emissions by asset category (tCO₂eq).



- GHG scope 2 emissions offices
- GHG scope 2 emissions shopping centers
- HG scope 2 emissions logistic warehouse

- GHG scope 2 emissions data center
- Total

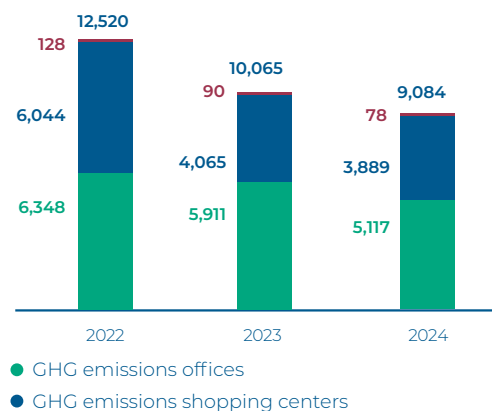
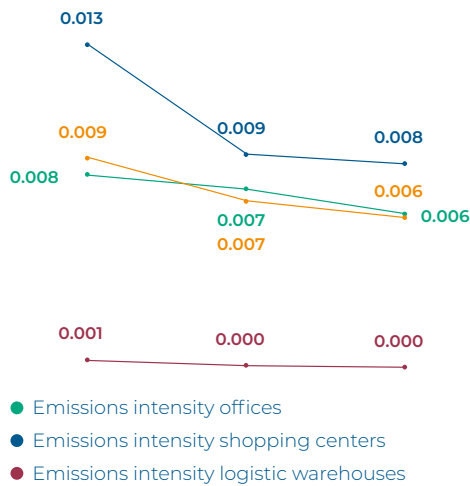
Location-based GHG emissions at assets under MERLIN's operational control

First, applying the location-based calculation method to the like-for-like portfolio, the sum of Scope 1 and Scope 2 GHG emissions was 9,084 tCO₂eq, 10% lower than in 2023. For the absolute portfolio, the

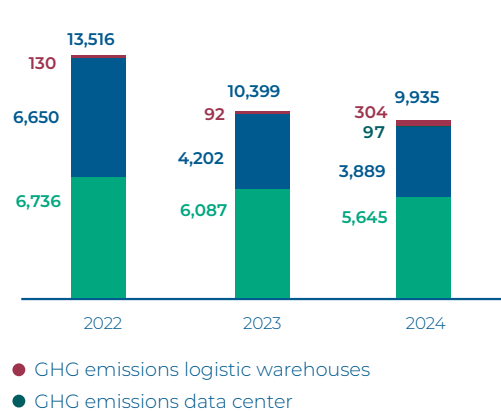
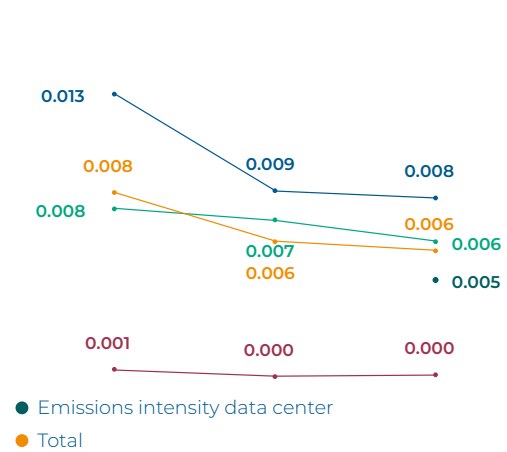
sum of Scope 1 and Scope 2 location-based GHG emissions was 9,935 tCO₂eq, 4% lower than in 2023. By scope, 2,878 tCO₂eq were Scope 1 emissions⁽¹⁾ and the remaining 7,057 tCO₂eq were Scope 2 emissions⁽²⁾.

KPIs – location-based scope 1⁽³⁾ and scope 2 greenhouse gas (GHG) emissions at assets Under merlin's operational control⁽⁴⁾

- Like for like GHG emissions intensity (tCO₂eq/sqm) and like for like GHG emissions (tCO₂eq) by asset category.



- Absolute GHG emissions intensity (tCO₂eq/sqm) and absolute GHG emissions (tCO₂eq) by asset category.



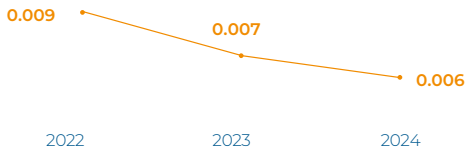
⁽¹⁾ Includes fuel consumption and refrigerant gas recharges.

⁽²⁾ Includes electricity and district heating & cooling consumption.

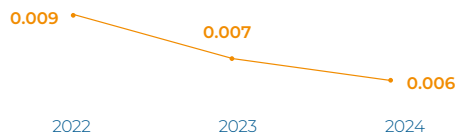
⁽³⁾ Since the Scope 1 emissions were calculated using the factors recommended by MITERD in both methods, this section does not include the Scope 1 data, already reported for the market-based method.

⁽⁴⁾ The scope 1 and scope 2 GHG emissions reported below are for assets over which MERLIN exercises operational control. The total surface area of the assets has been considered in the calculation of energy intensity, except in those cases where MERLIN only has control over the management of consumption in the common areas, in which case only the surface area of these common areas is considered.

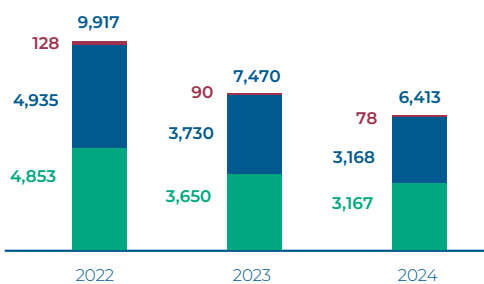
- Total like for like GHG emissions intensity (tCO₂eq/sqm).



- Total absolute GHG emissions intensity (tCO₂eq/sqm).

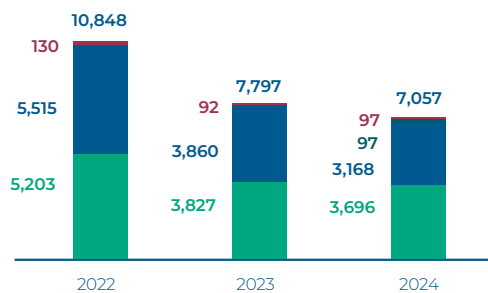


- Like for like GHG scope 2 emissions by asset category (tCO₂eq).



- GHG scope 2 emissions offices
- GHG scope 2 emissions shopping centers

- Absolute GHG scope 2 emissions by asset category (tCO₂eq).



- GHG scope 2 emissions logistic warehouses
- GHG scope 2 emissions data center

SCOPE 3 GREENHOUSE GAS (GHG) EMISSIONS

MERLIN has expanded the coverage of the calculation of its Scope 3 indirect greenhouse gas (GHG) emissions in accordance with its Path to Net Zero strategy. The origin of these emissions is the Company's activities at sources that are not under its direct ownership or control. MERLIN has assessed its GHG emissions in the categories defined in the Greenhouse Gas Protocol (GHG Protocol) that are most relevant for the Group's activities, as detailed below.

Based on the updated criteria for calculating the Scope 1 and Scope 2 emissions, MERLIN has established the following guidelines for including indirect GHG emissions originating in its value chain for calculating Scope 3 emissions:

- **Emissions associated with assets where MERLIN is a lessor:** emissions from fuel consumption at fixed installations in offices used to air condition lessees' private areas or at shopping centres where it is used to air condition leased premises. The use of this fuel, the control of its use, and the bills issued are paid by the lessees.
- **Emissions associated with assets for which the energy consumed in the building is fully metered and billed in the name of a Group company,** considering 88% of that consumption to be the tenants' own consumption in carrying on their own activities.
- **Emissions from the utilities of single-tenant assets held in MERLIN's name.**

Type of emission	GHG protocol category	Emissions (tCO ₂ eq)	
		2023	2024
Emissions related to the supply chain	1. Goods and services purchased	7,976	14,515
	2. Capital goods	66,805	82,007
	4. Upstream transport and distribution	1,713	1,651
Upstream emissions from fuels	3. Fuel and energy-related activities	1,995	1,066
Emissions from waste disposal and waste treatment	5. Waste generated from operations	0	4,306
Emissions related to business travel	6. Business travel		187
Emissions associated with employee commuting	7. Employee commuting	8,605	8,632
Emissions associated with assets where MERLIN is a tenant	8. Upstream leases	82	58
Emissions associated with assets where MERLIN is a landlord	13. Downstream leases	58,891	50,041
TOTAL		146,067	162,463



Further information on the method used to calculate the Scope 3 GHG emissions is available in "**Appendix II. Method of calculating Scope 3 GHG emissions**".

Carbon footprint certification

MERLIN's calculation of its Scope 1 and Scope 2 carbon footprint is verified by an independent third party as required by the UNE EN ISO 14064-3:2012 Greenhouse Gases standard. The Group reports all greenhouse gas emissions and removals attributable to operations under its control, where applicable together with its shareholdings in the relevant facilities, in accordance with the GHG Protocol.

MERLIN mitigates its emissions through carbon offset projects based on its gross footprint. These projects include creating orchards and vertical gardens at certain assets and reforestation initiatives. Ultimately, MERLIN offsets the emissions at some of its assets by acquiring removal

credits or offsets from certified carbon emissions reduction projects. This takes the form of obtaining carbon offset certificates.

The verified emissions data for the organisation in 2023 (latest year available to date) are listed below:

Total Emissions
2,783.02 t CO₂e

Avoided Emissions
18,224.61 t CO₂e

Offset Emissions
422.23 t CO₂e



Validation of MERLIN’s commitments by independent third parties

As reported in MERLIN's Sustainability Policy, validation by independent third parties of the robustness and practical implementation of the commitments it has assumed is a basic principle that MERLIN follows. This principle is particularly relevant for asset operation, an area concentrating

the Group main efforts where there is the most scope for outside validation of the actions undertaken.

That is why MERLIN obtains LEED, BREEAM, ISO, AEO [Spanish Office Association], AIS, and WELL certification for its portfolio.

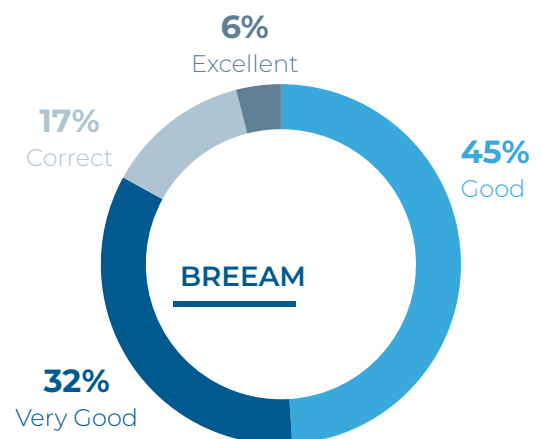
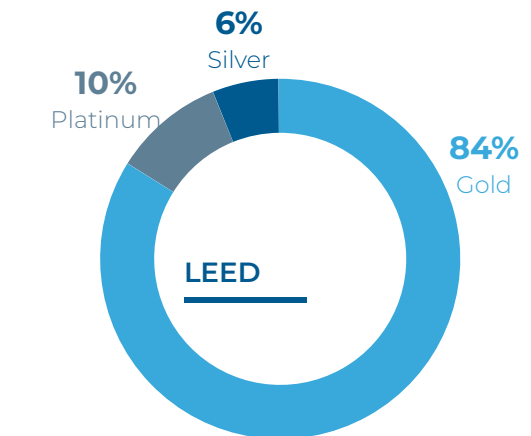
LEED/BREEAM CERTIFICATIONS

MERLIN is committed to the highest standards of quality and excellence in its role as leader in developing and operating sustainable assets. This commitment is evidenced by the Company's aspiration to obtain certification under the **leading sustainable building standards available, such as LEED and BREEAM**, for virtually all its assets, including offices, logistics facilities, and shopping centres.

MERLIN prioritises Building Design and Construction category LEED certification for new construction and complete renovation projects. For assets already in operation, the Company seeks to achieve the highest BREEAM standard In Use and Maintenance ratings and LEED Building Operations & Maintenance certification. This requires cooperative engagement of the tenants of these buildings with MERLIN

As part of the certification plan introduced by the Group in 2016, at the end of 2024, 90% of MERLIN's strategic portfolio, measured in terms of GAV (including Data Centers), had been certified under one of these two international benchmark standards for sustainable construction, LEED and BREEAM. MERLIN has thus positioned itself as a benchmark REIT in this area and has nearly achieved its goals having 95% of offices, 100% of shopping centres, and 87% of logistics assets, measured in terms of GAV, certified. Data Centers are not certified at this stage.

MERLIN obtained or renewed a total of 35 LEED or BREEAM certifications in 2024 with the addition of these certifications, the current status of the portfolio in terms of sustainable construction certifications is as follows:

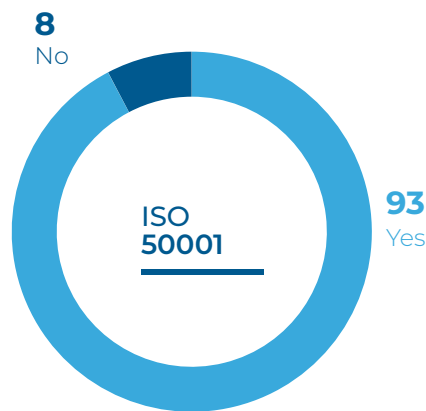
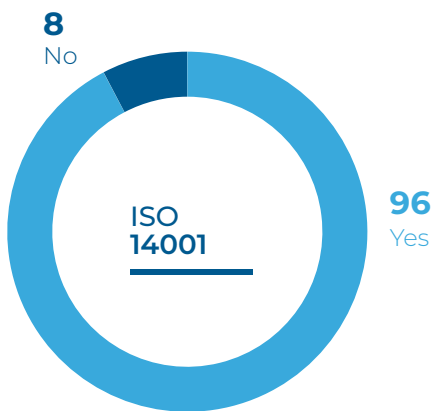


MANAGEMENT SYSTEM CERTIFICATION

First, MERLIN's commitment to minimising the environmental impacts stemming from the existence and operation of its assets is backed by its **ISO 14001** certified Environmental Management System. At the end of 2024, the System encompassed a total of 96 assets (including 80 office assets, 8 shopping centres, and 5 logistics assets and 3 Data Centers) representing a surface area of 1,351,930 sqm, or 39% of the strategic portfolio's total floor area. MERLIN continues to make progress in the integration of new assets under its Environmental Management System, with the aim of certifying all multi-tenant office assets and as many shopping centres as possible in the coming years.

In addition, the Group seeks to strengthen its commitment by improving the energy efficiency of its assets and taking measures to optimise consumption by obtaining **ISO 50001** certification of its assets. Over the last year, 5 new buildings were certified under this standard, bringing the total to 93 assets (including 79 office assets, 1 shopping centres, 3 logistics assets and 3 Data Centers) covering a surface area of 1,299,733 sqm, or 37% of the total floor area of those portfolios.

Below is a breakdown of the assets certified, in relation those eligible for ISO 14001 and ISO 50001 certification

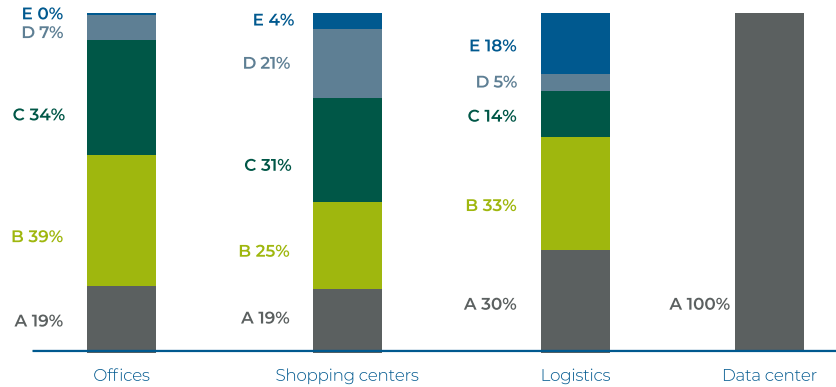


ENERGY RATING OF MERLIN'S ASSETS

MERLIN has continued to make progress in obtaining **energy performance certificates** for all the assets in its portfolio as required by the Spanish Energy Performance Certification Act [Real Decreto 235/2013]. At the end of 2024, 98% of MERLIN's strategic portfolio (offices, shopping centres, logistics warehouses and Data Centers) had an energy rating.

MERLIN also uses these certifications to gauge the energy performance of air conditioning, lighting and domestic hot water systems, which allows the Group to prioritise and optimise the implementation of energy efficiency measures.

Energy rating of MERLIN's assets (% of surface area)



OTHER CERTIFICATIONS

In 2024, MERLIN continued the process of certifying its assets under recognised industry standards. For instance, **AEO certification**, which certifies the technical quality of office buildings, assessing such technical aspects as architectural features, facilities, equipment, and property maintenance. At year-end, a total of 31 assets were certified under this system.



Furthermore, as reflected in the Sustainability Policy, one of the Group's priorities is the well-being of the users of its assets. MERLIN therefore seeks to further support its commitment by obtaining external certifications that allow the Company to advance and improve its performance in this area.

The Company has been certifying its assets under the **AIS certification** system for years, which certifies the degree of accessibility of the assets. MERLIN continued expanding its AIS-certified portfolio, to 73 assets in 2024, 13 of them with the highest rating.



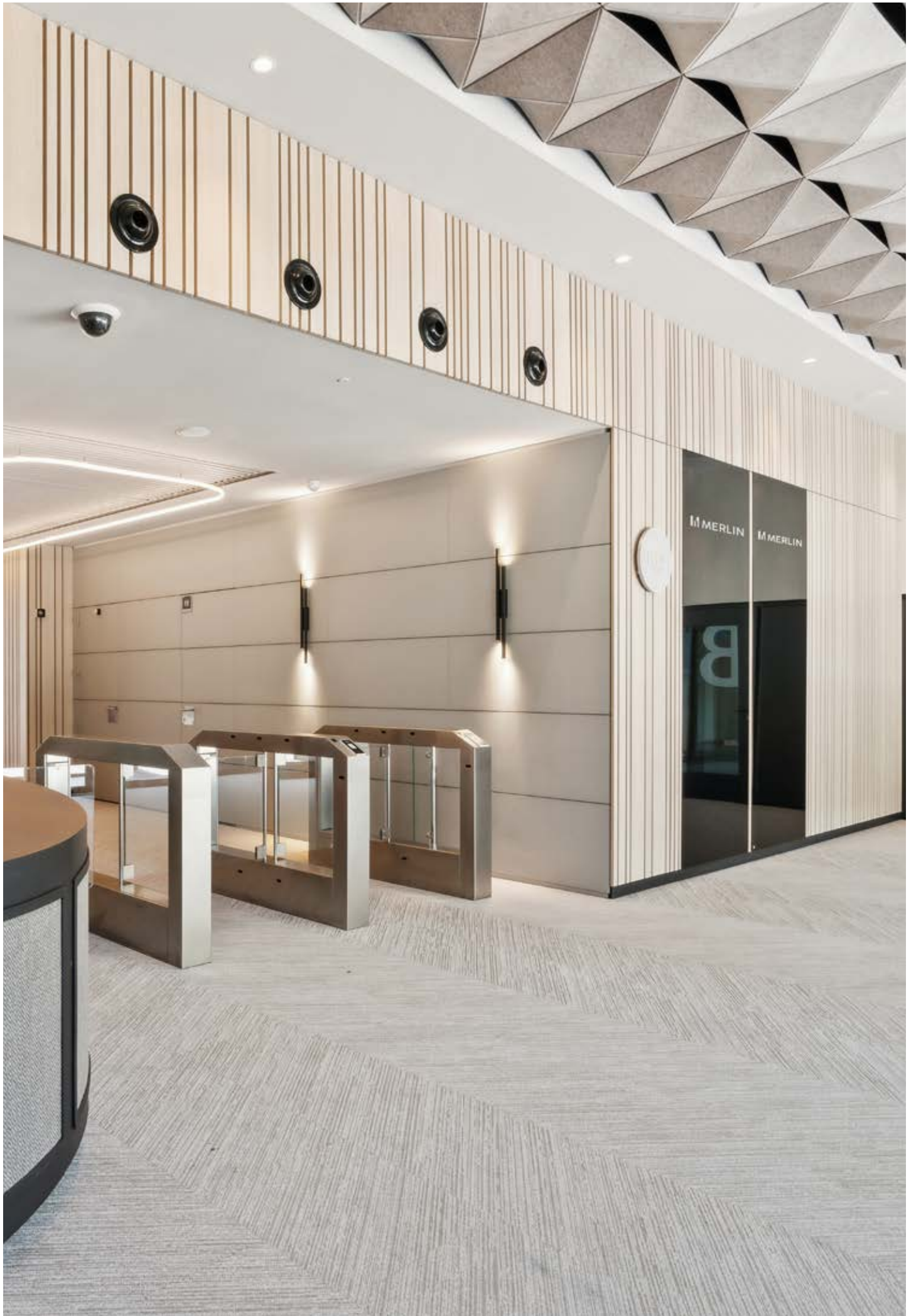
In addition, the Group has obtained the **WELL certification** for 2 of its assets. This certification is aimed at taking measures focused on the health and well-being of the asset's occupants, and has begun the preliminary work on another 2 of its assets to obtain the highest WELL rating.



In addition, in 2024 the Group obtained **WiredScore certification** for 19 of its assets. This certification measures such features as flexibility, infrastructure quality, and data transmission speed.



In 2024, MERLIN invested a total of EUR 0.8 million to obtain, maintain, and extend these certifications, as part of the Group's commitment to effectively incorporate sustainability into its asset management.



Sustainability ratings

MERLIN regularly participates in various sustainability benchmark indices, which reflect the advances made by the Group and the effectiveness of the steps taken in both internal management and asset management.

The Group's rating on 5 of the 7 sustainability indices to which it applied held steady or increased in 2024 compared to 2023. Specifically, MERLIN participates in 7 sustainability indices; 3 of them — GRESB (real estate), CDP (climate change), and S&P Global (general) — consist of a questionnaire, while the other 4 — Sustainalytics (ESG risks), ISS ESG (ESG), Vigeo Eiris (general), and MSCI (general) — are based on the Group's public reporting.

MERLIN has reinforced its position on **GRESB**, an international benchmark that measures the environmental, social and governance performance of companies in the real estate sector, in which it has participated since 2018. The Group achieved a score of 83 points out of 100, which places it above the global average and ahead of its peers (companies classified as comparable to MERLIN).

One more year, MERLIN also participated in the **CDP** questionnaire, which assesses the degree of a company's commitment to climate change issues. In 2024, MERLIN obtained a rating of "B", which means that the Group is transparent and manages climate change issues adequately.

MERLIN again actively participated in the **S&P CSA questionnaire, scoring 70%**. This allows the Company to maintain its inclusion in the **Dow Jones Sustainability European Index** for the fourth consecutive year and retain its position in the **Dow Jones Sustainability World Index** for the second consecutive year. With regard to sustainability reporting, MERLIN received the **Gold Award from EPRA** for the seventh year in a row. This award recognises the degree to which its **Sustainability Report (formerly CSR)** is aligned with **EPRA Sustainability Best Practices Recommendations**.

MERLIN has considerably improved its **Sustainalytics** ESG risk rating since 2022, positioning itself as a leader both globally and in the real estate and REIT sector, obtaining a total rating of 8.7 points and thus being included among the best rated companies worldwide.



G R E S B

83%

S&P Global

70%



83%



B



A



Negligible Risk

ISS ESG

B-



Protection of biodiversity

The Biodiversity Policy aims at establishing a framework for integrating biodiversity protection and promotion into the Group's strategy. It also defines the action principles for developing a sustainable business model that fosters a positive impact on nature. Under this policy the Company's activities are intended to protect and promote the betterment and growth of our natural heritage, placing special attention on protecting animals.

Ecosystem deterioration and the extraordinary decline in biodiversity, widely recognised by the scientific community as a direct result of the impact of human activities, pose significant environmental, economic, and social risks. Urgent action to reverse biodiversity loss is called for.

MERLIN is committed to taking a leading role in the conservation and furtherance of biodiversity within its sector of operations and to incorporating the United Nations' long-term "Living in Harmony with Nature" vision for the year 2050 into its management system. This vision prioritises valorisation, conservation, restoration, and sustainable use of biodiversity; preserving ecosystem services, promoting the health of our planet, and providing fundamental benefits for all people

GUIDING PRINCIPLES

Integrate biodiversity into the Group's internal strategic planning and decision-making processes and into the

assessment, management, and reporting of long-term risks.

-
- **Identify, quantify, and evaluate**, on an ongoing basis and throughout the life cycle of the assets, the impacts and dependencies of the activities on natural capital, including the diversity and protection of wild animals and protected and vulnerable species, respecting them in all lines of action.
-
- **Protect species and habitats**, both those under threat and those of high biodiversity value, through the adoption of preventive, minimising, and enhancing measures.
-
- **Manage and offset** in quantity and quality the negative impacts produced on the environment, giving priority to nature-based solutions, facilitating the connectivity of populations and encouraging the development of specially protected areas or private conservation.
-
- **Promote knowledge of and training** in biodiversity by/for the Group's employees and suppliers.
-

MERLIN is firmly committed to preserving the environment, and the Group actively contributes to helping to improve the environment in its daily activities. MERLIN carries out comprehensive assessments of and minimises potential adverse impacts on biodiversity throughout the life cycle of its assets, with special attention to newbuilds and relocations. To achieve this, it proposes measures that will preserve biodiversity and prioritises using indigenous plant species and avoiding exotic species in the landscaped areas of its various assets.

In addition, an intrinsic part of the Group's expansion strategy is avoiding deforestation in its newbuild and relocation projects, instead opting to acquire land in urban settings or previously improved land, a reflection of its commitment to conserving natural ecosystems.

In addition, MERLIN Properties has no substantial involvement in ecosystem and/or abiotic services either in its internal operations, in its supply chain, or in the process of building/refurbishing buildings and managing existing ones. Section 6.2 discusses the Company's relationship with community suppliers and job creation in detail. In addition, section 4.3 sets forth a comprehensive description of its development and operation of assets that satisfy sustainability criteria.

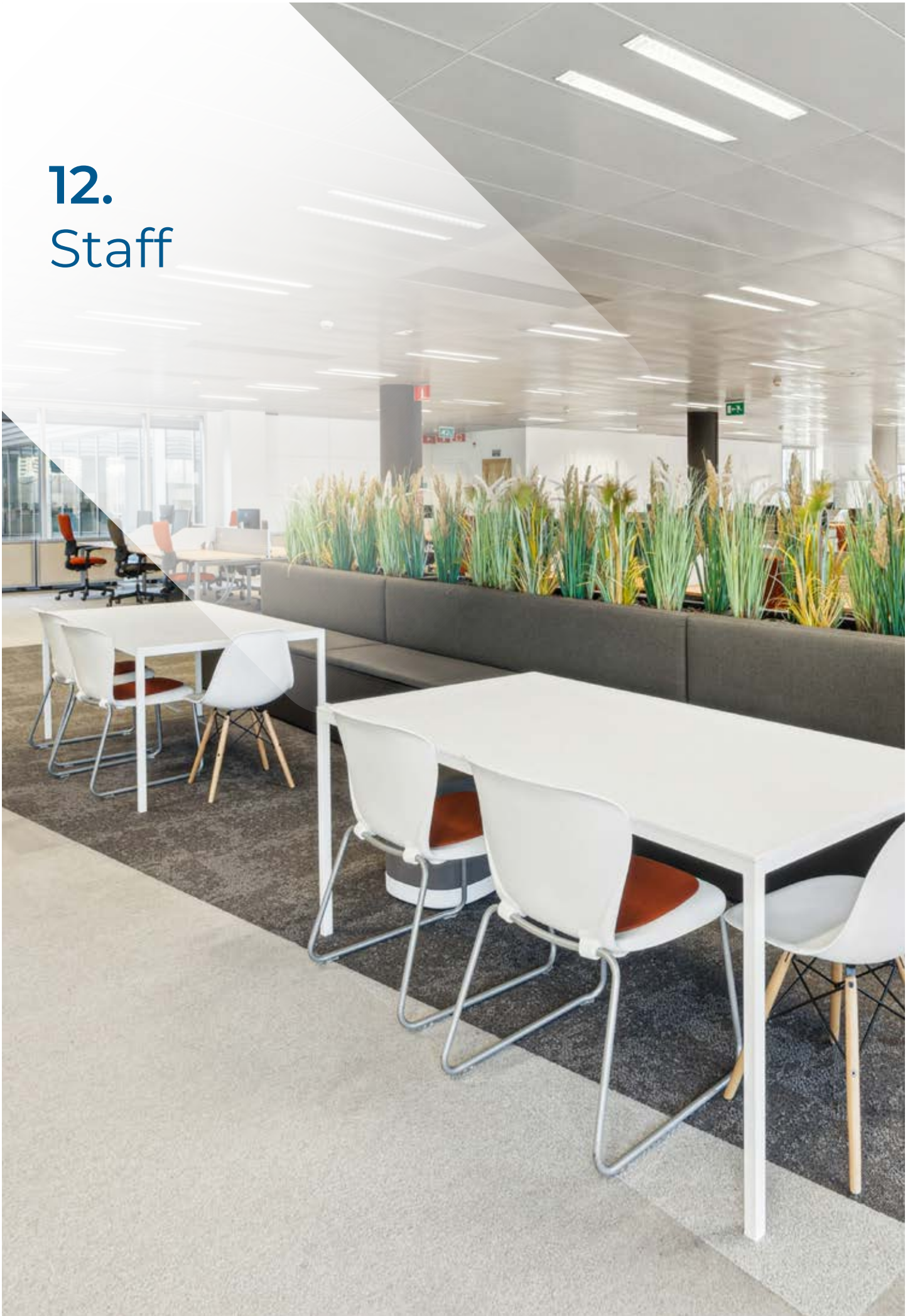
The actions carried out by the Group in this area are as follows:



MERLIN manages various **urban gardens in the common areas of its properties** where the Group has begun promoting actions to preserve biodiversity, e.g., installing insect hotels, bird houses, and bat houses.

With regard to biodiversity in developments and refurbishments, MERLIN **studies the ecological value of the environment and proposes measures for its conservation.** Priority is given to native plant species in the landscaped areas around their assets and exotic species are avoided.

12. Staff





2024 MILESTONES

- Established partnerships with 13 universities and vocational schools **to attract young talent.**
- **Reduced staff turnover** in those jobs with a higher turnover rate.
- **Digitalised** onboarding processes.
- **Improved internal communication** through the corporate Intranet.
- Created a committee to monitor compliance with the **Group's Equality Plans.**
- **Encouraged teamwork and sense of belonging** through different social activities among employees.
- Increased actions aimed at employees' children to **facilitate work-life balance.**
- Extended **volunteer programmes** to Portugal.
- **Increased** training hours.



FUTURE OBJECTIVES

- Creation of a **feedback channel** to improve communication between employees and the company.
- Digitalise the **management of employee training** through new digital platforms with a focus on employee feedback on the training received.
- Collaborate with new foundations to carry out **new volunteer actions** in Spain.
- Extend **social benefits** for employees.
- Develop a new **Equality Plan** for another group company.
- Conduct the biannual **employee satisfaction** survey.
- Organise **activities among employees** to foster camaraderie and teamwork.



KEY INDICATORS FOR THE YEAR

	2024	CHANGE 2023-2024
NUMBER OF EMPLOYEES	293	(266 - 293)
% OF WOMEN EMPLOYEES	48%	(47% - 48%)
% OF EMPLOYEES WITH A PERMANENT CONTRACT	99%	(99.25% - 99.32%)

⁽¹⁾ See MERLIN's Human Capital Management risks and action plans in Section 3.2. Risk Management.

Employee loyalty

In its relationship with employees MERLIN adheres to the strictest labour standards, complying with the principles set out in the ILO Declaration on Fundamental Principles and Rights at Work. The Human Capital Policy, the Equality Plan and the Human Resources Processes Handbook and Employee Handbook currently set out the guiding principles for human capital management at the Company.

The risks inherent in the Company's social and personnel issues are discussed with in chapter 3.2. of the report.

A STRONG AND UNIQUE WORKFORCE

At the end of 2024, MERLIN's workforce consisted of 293 professionals divided into three categories, as follows:



EXECUTIVES

Category composed of 29 professionals (28 men and 1 woman). Team comprising the Chief Executive Officer, the Chief Operating and Corporate Officer and the management and business area teams that oversee the optimum functioning of each area of the Company.



MIDDLE MANAGEMENT

Category composed of 83 employees (51 men and 32 women). Team composed of professionals closely linked to the business and to projects with great responsibility.



OTHER PROFESSIONALS

Category composed of 181 employees (73 men and 108 women). The team is made up of expert professionals with a high level of knowledge and experience to carry out their activity, as well as general support staff.

All of them form a team of highly qualified professionals committed to the Company and its corporate philosophy and values.

CURRENT PROFILE OF MERLIN PROPERTIES' EMPLOYEES⁽¹⁾



48%
workforce

- I represent **57% of new hires** in 2023.
- I am between **30 and 50 year** (51% of women).
- I have a **permanent contract** (99% of women).
- I received **43 hours of training** in 2024⁽²⁾.
- I work in **Spain** (95% of women).
- I represent **33% of income generating positions**.
- I represent **26% of STEM positions**.



52%
workforce

- I represent **43% of new hires** in 2024.
- I am between **30 and 50 year** (49% of men).
- I have a **permanent contract** (100% of men).
- I received **20 hours of training** in 2024.
- I work in **Spain** (93% of men).
- I represent **67% of income generating positions**.
- I represent **74% of STEM positions**.

MERLIN'S DISTINCTIVE ASPECTS IN RELATION TO ITS EMPLOYEES

MERLIN's team, which is so critical to the Group's success, is composed of a group of highly qualified professionals with extensive experience in the sector.

MERLIN goes to great lengths to keep its employees motivated and committed and has a high talent retention rate.

⁽¹⁾ Data as of 31 December 2024, except for average training hours per employee.

⁽²⁾ The average number of training hours based on the average headcount in 2024. The average number of training hours in 2024 in total terms (including men and women) was 8,522 hours.



24
AVERAGE YEARS OF
EXPERIENCE OF THE
MANAGEMENT TEAM
IN THE PROPERTY
SECTOR

Excellence

MERLIN's staff is made up of a team of top professionals with extensive knowledge of the real estate sector and vast experience, especially the management team



€ 50M
GAV/EMPLOYEE

Productivity

MERLIN has a very competitive GAV per employee ratio, in line with its philosophy of productivity and efficiency.



8%
VOLUNTARY
TURNOVER RATE

Talent retention

MERLIN strives to offer professionals long-term development opportunities, ensuring their well-being as members of the Company and making all employees feel comfortable and identified with the Group's philosophy and objectives.



38%
OF EMPLOYEES HAVE
CHOSEN TO RECEIVE
GROUP SHARES AS
SALARY IN KIND

Commitment

MERLIN's professionals are highly committed to the Company. Worth noting here is the percentage of employees who have chosen to receive part of their remuneration in Group shares.



96%
OF EMPLOYEES
HAVE RECEIVED
TRAINING

Independence

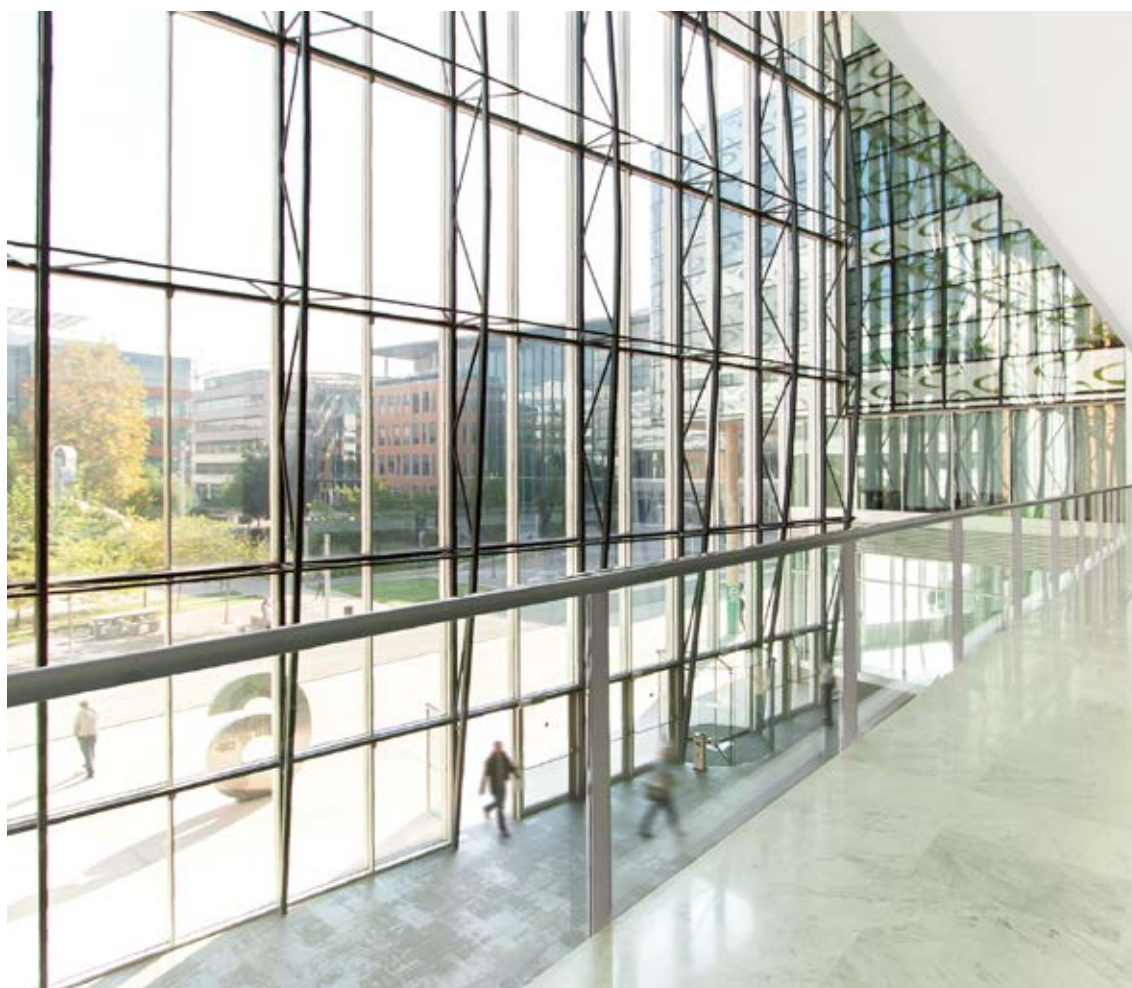
MERLIN has a proactive and responsible team of professionals who are equipped with the necessary skills and independence to guarantee good decision-making.

COMPOSITION OF THE WORKFORCE

MERLIN's staff are the Group's main asset. At year-end 2024, the MERLIN Group's workforce was composed of a total of

293 employees, divided into 3 categories in keeping with MERLIN's strategy of maintaining a horizontal structure.

	2023			2024		
	Men	Women	Total	Men	Women	Total
Directors	27	1	28	28	1	29
Middle management	52	28	80	51	32	83
Other professionals	61	97	158	73	108	181
TOTAL	140	126	266	152	141	293



Country	Category	Age range	2023		2024	
			Men	Women	Men	Women
Spain	Directors	<30 years old	-	-		
		30-50 years old	12	1	10	1
		>50 years old	14	-	17	-
	Total		26	1	27	1
	Middle management	<30 years old	5	2	4	3
		30-50 years old	21	14	21	14
		>50 years old	20	11	20	15
	Total		46	27	45	32
	Other professionals	<30 years old	10	22	13	23
		30-50 years old	32	51	37	58
		>50 years old	17	17	20	20
	Total		59	90	70	101
TOTAL		131	118	142	134	
Portugal	Directors	<30 years old	-	-	-	-
		30-50 years old	1	-	1	-
		>50 years old	-	-	-	-
	Total		1	-	1	-
	Middle management	<30 years old	1	-	-	-
		30-50 years old	4	1	4	-
		>50 years old	1	-	2	-
	Total		6	1	6	-
	Other professionals	<30 years old	-	1	-	1
		30-50 years old	1	4	2	4
		>50 years old	1	2	1	2
	Total		2	7	3	7
TOTAL		9	8	10	7	
TOTAL		140	126	152	141	



MERLIN has a team of professionals with permanent contracts and an average age of 44.

From the moment they join the Company, MERLIN offers its employees stable

contracts to ensure their loyalty and improve its ability to attract talent to the organisation. At year-end 2024, 99% of the Group's employees had a permanent contract.

Type of contract	Time	2023	2024
Permanent	Full-time	256	282
	Part-time	8	9
Total permanent		264	291
Temporary	Full-time	2	2
	Part-time	-	-
Total temporary		2	2
Overall total		266	293

AVERAGE CONTRACTS

Annual average number of permanent, temporary and part-time contracts by gender, age and professional classification is as follows:

Contract	Category	Age range	2023		2024	
			Men	Women	Men	Women
Full-time permanent	Directors	<30 years old	-	-	-	-
		30-50 years old	13	1	11	1
		>50 years old	13	-	17	-
	Total		26	1	28	1
	Middle management	<30 years old	5	2	4	3
		30-50 years old	24	14	25	14
		>50 years old	22	11	22	14
	Total		51	27	51	31
	Other professionals	<30 years old	6	20	9	20
		30-50 years old	33	47	35	54
		>50 years old	19	19	20	20
	Total		58	86	64	94
Part-time permanent	Other professionals	<30 years old	-	-	-	-
		30-50 years old	1	4	1	3
		>50 years old	1	1	1	1
Total		2	5	2	4	
Full-time temporary	Other professionals	<30 years old	1	-	-	1
		30-50 years old	-	-	-	-
		>50 years old	-	-	-	-
Total		1	-	-	1	
TOTAL			138	119	145	131

DEPARTURES BY TYPE, SEX, AGE AND PROFESSIONAL CLASSIFICATION

Breakdown by type of departures:

Type of departure	2023		2024	
	Men	Woman	Men	Woman
Voluntary employee departure	7	11	8	12
Employee dismissal	6	8	-	1
End of temporary contract	8	3	1	1
Employee retirement	1	-	1	-
Termination of trial period	-	1	-	-
Leave of absence	1	-	-	3
End of sick leave	-	-	1	-
Total	23	23	11	17

The number of total departures has decreased from 46 in 2023 to 28 in 2024, mainly due to a decrease in the number of dismissals and temporary contracts. Temporary hiring in 2023 was due to the substitution of employees during vacation periods. In 2024, vacations were better distributed throughout the year in order to avoid the need for temporary hiring. In 2023, 4 of the dismissals were due to the disposal of a shopping center.

Voluntary departures		2023		2024	
Category	Age range	Men	Women	Men	Women
Directors	>50 years old	1	-	-	-
Middle management	<30	-	-	-	-
	30-50	1	-	2	-
Other professionals	<30	-	3	2	2
	30-50	4	8	4	9
	>50 years old	1	-	-	1
TOTAL		7	11	8	12

The number of voluntary departures has remained unchanged in percentage terms. Voluntary turnover is mainly in positions of lesser responsibility and in the 30-50 age range.

Dismissals		2023		2024	
Category	Age range	Men	Women	Men	Women
Middle management	<30	-	-	-	-
	30-50	1	-	-	-
	>50 years old	3	-	-	-
Other professionals	<30	1	1	-	-
	30-50	1	5	-	1
	>50 years old	-	2	-	-
TOTAL		6	8	-	1

Changes in turnover

The total turnover rate was calculated taking into consideration all employees who leave the organisation either voluntarily, due to dismissal, retirement, end of contract, leave of absence, expiry of temporary incapacity or termination in trial period. If an employee has had different employment relationships and has left more than once, this is not counted as one but as the total number of departures.

Total number of departures/ Number of employees at the end of year = Turnover rate.

	2023	2024
Voluntary turnover rate	7%	8%
Total turnover rate for departures	17%	10%

MERLIN conducts exit interviews to learn the reasons why employees leave voluntarily, to allow it to implement the appropriate measures to retain talent.

For positions with higher turnover, MERLIN has implemented a series of measures consisting of: improvements in working hours, specific training to improve employees' professional skills and improvements in the career plan and its communication.

TRAINING

MERLIN offers all professionals the opportunity to get involved in different projects and to assume new responsibilities throughout their professional careers. Training is a fundamental part of career development and, therefore the Group ensures that training is available to all employees.

A total of 8,522 hours of training were provided in 2024, an increase of 30% on the previous year (7,396 in 2023). This represents a total investment of EUR 105,654 in training after allowances.

Age range	Men	Women	Total
<30 years old	153	601	753
30-50 years old	1,766	4,513	6,279
>50 years old	971	518	1,489
Total	2,890	5,632	8,522

Hours of training by professional category:

Professional category	Horas de formación	
	2024	2023
Directors	413	483
Middle management	1,149	2,265
Other professionals	6,960	4,647
Overall total	8,522	7,396

96% of employees have received training.

The average number of training hours per employee is 31 hours.

In 2024, employees with disabilities received an average of 55 hours of training, mainly in digital skills.

MERLIN offers its employees training to enhance their professional development. This training is divided into three categories:

- **Personalised training:** Employees can select the courses that best suit their needs without the training being limited to a catalogue of courses. If necessary,

MERLIN provides guidance, through the experience of its staff members, so that employees can choose those courses that best suit their needs.

- **Knowledge sharing:** MERLIN considers it a priority to share the knowledge accumulated by its professionals in different areas of expertise. For this reason, the Group provides annual “in-house training” courses given by MERLIN’s own staff to the rest of their colleagues.
- **Language Training Plan:** MERLIN offers all its employees language training in English or Portuguese, in different modalities: face-to-face, online, conversation or preparation for official exams. The employee can choose the modality that they prefer.

Relevance of each category of training, with respect to the company’s total training:

- **Personalised training tailored to the needs of each employee** accounts for 80% of total training.
- **Language training** : accounts for 16% of total training.
- **Knowledge sharing (training delivered by MERLIN’s own professionals):** accounts for 4% of total training.

In 2024, MERLIN funded 2 university master’s degrees, an MBA in Business Administration and Management and a master’s degree in Online Marketing. Also noteworthy is the technical training employees have received in security and safety, such as the National Security Scheme, video surveillance, fire extinguishing and working at heights. Representing 10% of the personalised training hours.

64% of Knowledge Sharing training hours are on digital tools and 24% are on sales techniques and customer service.

INTERNS

In 2024, MERLIN signed partnership agreements with 10 universities and 3 vocational schools. It has been a year in which the presence of students doing business internships has been noteworthy.

22 interns have joined the programme, mainly from universities in Madrid. The average duration of the internship was 3 months.

Genre	No. of trainees	Average duration of traineeship months
Male	8	2.66
Female	14	3
Total	22	2.87

6 of the interns were hired at the end of their internships.

Situation at 31/12	Total
End of internships	10
Recruited	6
Continues intership	6
Total	22

Employee compensation

Differential remuneration scheme

Remuneration is a key tool for attracting and retaining the best talent. The Company's remuneration scheme has a differential aspect in that it prioritises performance over any other variable when establishing remuneration and, therefore, employee growth is monitored on an ongoing basis.

MERLIN employees receive fixed annual remuneration along with annual variable remuneration tied to the fulfilment of the Group's objectives and to each employee's individual performance.

100% of MERLIN's employees receive variable remuneration or bonuses, regardless of their professional category. This allows the company to reward performance and attract and retain the best talent, without it being a tool used only for a specific group. 15% of this remuneration is linked to compliance with various sustainability metrics, such as reduction of carbon footprint intensity and improvement in sustainability indexes (GRESB, CDP, SP Global, Sustainalytics, MSCI, etc.).

Some 23% of employees are also on a long-term incentives plan, further strengthening the retention of key talent for the company's business.

WAGE GAP ANALYSIS

The total compensation earned per employee, including executive directors who are included in the category of Managers, by

Employee benefits

In addition to MERLIN's remuneration system, the Group offers all its employees employment benefits and alternative remuneration formulas.

All Group employees have the same remuneration in kind conditions and social benefits: health insurance (for employees, spouse and children), life and accident insurance and language training.

In addition, in Spain, all employees have access to a flexible remuneration plan which includes: restaurant card, transport card, childcare vouchers, training plans and access to the purchase of shares in the Parent. In Portugal, all employees receive a food allowance.

Employees have access to discounts in different areas such as restaurants and pharmacies close to the offices, as well as in training schools, hotels and different establishments in shopping centres. In 2023, a "Shopping Club" was included where employees can access discounts from different brands for online shopping.

the average number of employees has been taken into account to calculate the average remuneration and the wage gap. .

The total compensation accrued includes:

- **Fixed Salary:** includes all remuneration received by the employee during the year including salary increases, components of collective bargaining agreement, bonuses, sickness or accident benefits, temporary disability compensation and all remuneration agreed as fixed salary in general with employees.

- **Variable Remuneration:** includes the annual bonus accrued in the year.

- **Remuneration in kind:** health insurance, life insurance, shares and flexible remuneration.

- Does not include **severance payments and compensation.**

Average remuneration and changes in salaries broken down by gender, age and professional classification or equal value

Average remuneration by gender (€k)	2023	2024
Men	158	158
Women	57	57
Average remuneration by age (€k)	2023	2024
Under 30 years old	46	46
30 to 50 years old	96	84
Over 50 years old	163	173
Average remuneration by category (€k)	2023	2024
Directors	529	519
Middle management	102	103
Other professionals	41	42
Overall total	111	110

In the above tables, all employees, including executive directors, are included.

The average remuneration table by category is not broken down by sex as there is only one woman in the Managers category.

Gender wage gap⁽¹⁾

Gender wage gap	2023	2024
Directors	N/A	N/A
Middle management	5%	5%
Other professionals	10%	16%

⁽¹⁾ Definition Wage gap = Average pay for men - Average pay for women / Average pay for men x 100.

The gender wage gap in the Directors category is not reported due to the presence of only one woman.

The gender wage gap for the total workforce including Managers and Executive Directors was 64% in 2024 (64% in 2023). The average salary remuneration comprising fixed salary, variable salary and remuneration in kind of all employees of the group, including executive directors, was taken into account for its calculation.

Moreover, the gender wage gap without Executive Directors is 55% in 2024 (55% in 2023), and the gap without Executive Directors and Managers is 26% in 2024 (26% in 2023).

It should be noted that the gender wage gap within each of the categories of employees is within the ranges of reasonableness envisaged by Royal Decree 901/2020, of 13 October, which regulates equality plans.

To improve the gender wage gap, MERLIN follows the **Equality Plan Measures**.

All the measures envisaged in the Equality Plan are outlined in section 5.6 on Diversity and Equal Opportunities.

Some results that have contributed to improving the gender gap are discussed below.

In the area of Selection and Recruitment

MERLIN seeks out the best individuals to add differential value through their work, which contributes to the Group's success, providing them with stable, high-quality employment.

In 2024, MERLIN hired a total of 53 new professionals to the staff, which represents a recruitment rate of 18%.

Recruitment of women represents 56.6% of total recruitment.

Recruitment of women has increased by (3)% on the previous year. In 2023, 31 women joined, while in 2024, 30 women joined.

Categoría	Rango Edad	Men	Women	Total
Directores	<30 años	-	-	-
	30-50 años	1	-	1
	>50 años	-	-	-
Mandos Intermedios	<30 años	-	-	-
	30-50 años	2	-	2
	>50 años	-	2	2
Otros Profesionales	<30 años	8	12	20
	30-50 años	10	16	26
	>50 años	2	-	2
TOTAL		23	30	53

In the area of Professional Promotion

MERLIN is committed to internal mobility and talent retention. In 2024, as in 2023, 14 employees changed jobs. 11 of these

changes involved promotions by changing functions and departments, and 45% of these were women.

In the area of Training

The average number of training hours for women is 43 hours and the average number of training hours for men is 20 hours.

In 2024, MERLIN maintained its partnership with WIRES (Women In Real Estate), of

which 5 female employees are currently members. WIRES offers women networking and learning opportunities to promote the advancement of women in the sector. This is evidence of MERLIN's commitment to the empowerment of women in the property sector.

REMUNERATION OF NON-EXECUTIVE DIRECTORS

Average remuneration of non-executive directors, including attendance fees and any other compensation broken down

by gender (no variable remuneration or termination benefits).

Average remuneration of non-executive directors by gender (€k)	2023	2024
Men	164	170
Women	178	174

Organisation of work

ORGANIZATION OF WORK

MERLIN uses the collective bargaining agreement to determine the length of the annual working time, which is 1,765 hours for full-time employees. The Company's working hours are from 9am to 2pm and from 4pm to 7pm from Monday to Friday. Employees have 23 working days of holiday leave and the Company adds extra days onto public holidays to comply with the total number of hours established in the collective agreement.

At MERLIN, all employees who meet the conditions set out in the Workers' Statute (Estatuto de los Trabajadores) are eligible for reduced or adapted working hours. There are currently 8 employees with reduced working hours, 7 women and 1 man. There are also 7 workers with adapted working hours, 4 women and 3 men.

TOTAL HOURS OF ABSENTEEISM

During 2024, 54 employees took sick leave. Compared with the previous year, the number of instances of sick leave increased, as well as their duration, with the average duration of sick leave in 2023 being 19 days and an average of 24 days in 2024.

The duration of sick leave for women is longer than for men, 24 days compared with 22 days.

In 2024, there were 3 work-related accidents, 2 of which were on the way to or from work.

2024	Working days			Number of cases		
	Men	Women	Total days	Men	Women	Total cases
Occupational accident	124	67	191	1	2	3
Non-occupational accident	25	25	50	1	1	2
Common illness	355	914	1,269	16	38	54
Parental leave	105	335	440	2	6	8
Overall total	609	1,341	1,950	20	47	67

2023	Working days			Number of cases		
	Men	Women	Total days	Men	Women	Total cases
Occupational accident	-	-	-	-	-	-
Non-occupational accident	-	10	10	-	1	1
Common illness	493	252	745	18	22	40
Parental leave	259	80	339	5	1	6
Overall total	752	342	1,094	23	24	47

ABSENTEEISM RATES

Absenteeism rate	Men	Women	Total
2024	1.6%	3.9%	2.7%
2023	2.2%	1.2%	1.7%

The absenteeism rate is expressed as the ratio of days on which employees are absent on medical or parental leave to scheduled working days.

In 2024, the total hours of absenteeism were 15,600 compared with 8,752 in 2023. Hours of absenteeism are estimated by multiplying the number of working days of absenteeism by an average of 8 hours a day.

WORK-LIFE BALANCE MEASURES

Among the Group's existing measures aimed at facilitating work-life balance, the following stand out:

HOLIDAYS

In addition to the holidays established in the collective bargaining agreement, MERLIN gives extra days off that coincide with public holidays during the school calendar, thus helping with work-life balance. In addition, MERLIN provides flexibility so that employees can take their holiday leave without having to take their holidays at a specific time of year.

FLEXIBLE WORKING HOURS

MERLIN gives its employees flexibility regarding when they arrive at work and when they leave to help with work-life balance. Remote working is not established as standard practice but MERLIN has the necessary resources to enable its employees to work remotely if necessary.

REDUCED WORKING HOURS

Reduced working hours: In the Work-Life Balance and Digital Disconnection Handbook, MERLIN encourages both parents, regardless of gender, to apply for reduced working hours to care for a child under 12 years of age.

COMPENSATION

MERLIN compensates 100% of the salary of all employees who apply for parental, sick or accident leave, irrespective of gender; in 2024, this entailed an additional cost of EUR 65,981. All MERLIN employees have access to childcare vouchers through the Flexible Remuneration Plan.

EVENTS

MERLIN organises activities for employees' children. This activity takes place on working days that are also holidays for schools to help employees with work-life balance. In 2024, 3 days of children's activities were held.

ORGANIZATION OF WORK

MERLIN ensures that work meetings are always held during the working hours of all employees who are required to attend the meeting. If training is provided when an employee is on sick leave or parental leave, this training will be repeated so that the employee is not at a disadvantage as a result of having been absent.

IMPLEMENTATION OF WORK DISCONNECTION POLICIES

MERLIN instructs all employees not to send emails outside working hours as far as possible. In the Work-Life Balance and Digital Disconnection Handbook that all professionals receive on joining the company, to which they have access via the corporate intranet at any time during their employment relationship. In this chapter,

MERLIN emphasises the importance of having rest periods for the physical and mental well-being of all employees and co-workers, and creates a set of guidelines and criteria to help employees ensure good email habits

Safety, health and well-being of employees

MERLIN seeks to ensure the well-being of its employees by creating healthy work environments that maximise their well-being through design, the ventilation and air conditioning equipment used, light output, and ergonomics, among others, meeting needs in terms of thermal, visual and acoustic comfort, and air quality inside the spaces.

MERLIN has an external Occupational Risk Prevention Service that inspects the offices where employees work on an annual basis to assess the risks and the adequacy of the facilities in terms of safety and occupational risk prevention. All offices have been assessed this year and all recommendations of the Occupational Risk Prevention Service have been implemented to improve the health and safety of employees at work. MERLIN offers its employees an annual medical check-up and flu vaccination as part of its social benefits.

As part of the Onboarding Process, all employees are trained in Occupational Risk Prevention and receive information on the risks of their jobs and the main mitigation measures.

In addition, emergency drills are conducted every year and the headquarters are evacuated. Employees who are part of the Emergency Brigade are in charge of helping other employees to comply with the Occupational Risk Prevention Plan and to

evacuate the building in a timely manner. The central offices drill was conducted on 11 December 2024 without incident.

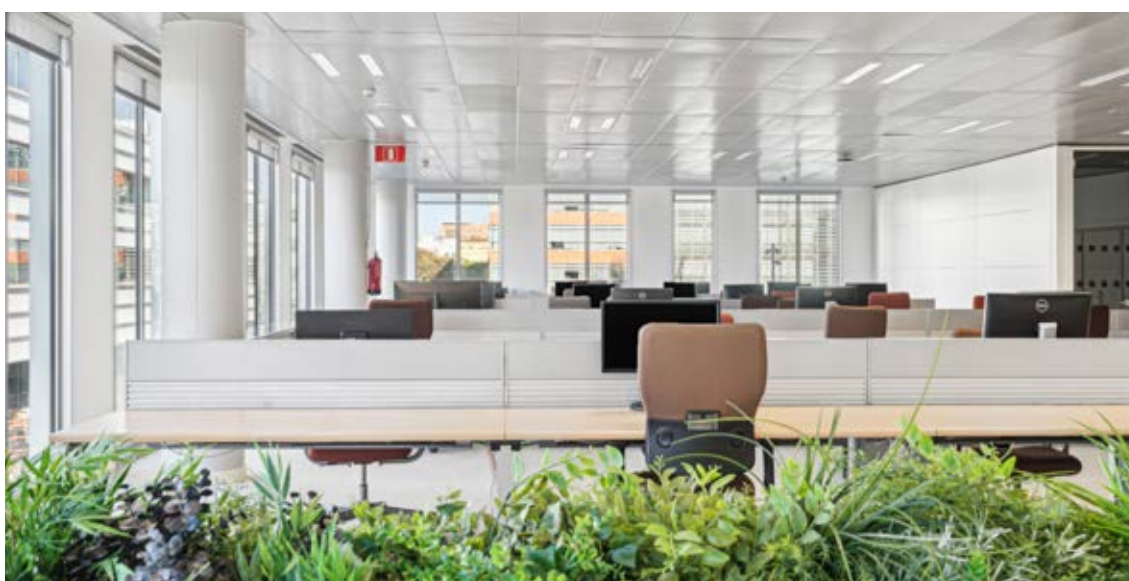
As part of their remuneration in kind, MERLIN provides its employees with high-cover health insurance that is 80% reimbursed. This health insurance is both for employees and their direct family (spouse and children). All employees, without differentiation between professional categories, have the same health insurance with the same coverage. MERLIN organises a training session once a year to raise awareness of company health insurance so that employees and their families can get the most out of their health insurance. This session also analyses the coverage and new features that the insurance company presents each year.

In addition, MERLIN implements other health and wellness measures for all employees with regard to nutrition and physical well-being, such as providing fruit in the workspaces, or the possibility of access to physiotherapy services at the corporate offices.

The Company communicates with employees regularly on healthy lifestyles, promoting physical activity, a balanced diet and digital disconnection, among other things.

The accident rates were as follows:

Rate	2023			2024		
	Men	Women	Total	Men	Women	Total
Number of occupational accidents with sick leave	-	-	-	1	2	3
Lost time injury frequency rate (LTIFR) ⁽¹⁾	-	-	-	1%	2%	1%
Severity rate ⁽²⁾	-	-	-	49%	29%	39%
Lost workdays (TLW) ⁽³⁾	-	-	-	124	67	191
Occupational diseases (TOD) ⁽⁴⁾	-	-	-	-	-	-
Absenteeism (TA) ⁽⁵⁾	2%	1%	2%	2%	4%	3%
Number of deaths due to occupational accidents or diseases	-	-	-	-	-	-
Number of occupational diseases	-	-	-	-	-	-



⁽¹⁾ Frequency rate: Frequency of accidents in relation to the total time worked by employees during the reported period.
⁽²⁾ Severity rate: Number of days not worked due to accidents occurring during working hours, per thousand hours worked.
⁽³⁾ TLW: Total lost workdays - impact of occupational diseases and accidents, reflected in the days off of affected workers.
⁽⁴⁾ TOD: Total occupational diseases - frequency in relation to the total time worked by all employees during the reported period.
⁽⁵⁾ TA: Total absenteeism - a measure of actual days lost by an absent employee, expressed as a percentage of total scheduled working days for employees during the same period.

Labour relations

ORGANISATION OF SOCIAL DIALOGUE

MERLIN has several public documents such as the Code of Conduct, the Whistleblower Channel, the Equality Plan and the Protocol against Sexual Harassment. All these codes and procedures ensure that social dialogue is guaranteed, channelled and of the highest quality standards.

In addition, MERLIN is an organisation with a small number of employees, meaning that social dialogue is direct, simple and effective. Management is available to all employees without having to go through a chain of command. Their mobile phones and email addresses are made available to all employees and conflict resolution is streamlined.

MERLIN opts for in-person work at the office, which is the Company's main form of work organisation, as it promotes communication, collaboration and a sense of belonging.

MERLIN carries out an employee satisfaction survey every two years. The employee satisfaction survey was not conducted in 2024, it is scheduled to take place in 2025. The surveys are conducted based on best practices, asking questions focused on sense of purpose, feelings of happiness and level of stress at work.

In terms of communication channels, the Human Capital Area sends communications to the entire organisation through emails, and surveys are also conducted on different social actions to be able to carry out these actions depending on how well they are received by the organisation's employees. Employees have access via the Intranet and the Employee Portal to different information, such as social benefits, open recruitment processes, CSR actions, news, events and corporate documentation.

A total of 68 internal news items were published on the corporate Intranet in 2024.

- **9 on training actions.** In this news, employees are offered the possibility to sign up for different training courses.
- **12 on hiring of new employees.** Through these news items, all employees are notified of the hiring of new colleagues in the team, with a brief description of the people joining and the department they will be joining.
- **3 on volunteering and corporate social responsibility actions.** These news items serve to inform employees about the different volunteering or corporate social responsibility actions organised by the company so that they can participate in them.
- **13 on social benefits and discounts for employees.** Through these publications, the company informs employees about its current social benefits as well as new benefits and discounts.
- **10 on events for all audiences that take place in shopping centres.** These newsletters inform employees about the activities carried out in the shopping centres owned by MERLIN, to bring employees closer to our real estate assets.
- **22 on events, corporate activities and other employee news.** These include events for the children of employees, sports races, Christmas parties, tenth anniversary celebrations, etc.

BALANCE OF COLLECTIVE BARGAINING AGREEMENTS

As in the previous year, all employees in Spain are subject to a collective bargaining agreement, and their salary set out in this collective agreement is higher than that of their peers. None of the employees in Portugal are subject to collective bargaining agreements. Portuguese labour law applies to employees in Portugal.

MERLIN compensates all of the remuneration of employees on medical or parental leave so that the employee does not receive less pay for being on sick or parental leave. If an employee is on sick leave, they will therefore receive the same salary as if they were working. The same will apply in cases of parental leave.

MECHANISMS TO PROMOTE EMPLOYEE INVOLVEMENT IN MANAGEMENT

MERLIN uses different tools to promote employee involvement

The Satisfaction survey

MERLIN conducts a biannual Satisfaction Survey of all employees. Through this survey MERLIN is able to identify areas for improvement and undertake necessary actions.

In 2023, the most highly rated questions were on the working environment, employee camaraderie and training. The lowest rated questions were about temperature in the workplace, flexible working hours and work-related stress.

In 2024, the provider of the company health insurance, a social benefit that all employees receive, gave a presentation on the cover and new features of the health insurance, placing special emphasis on prevention and psychological support.

In this regard, the mobile application with guides and tips on how to take care of emotional well-being was shown. In addition, the possibility of having 20 sessions of clinical psychology and up to 40 sessions in case of work-related stress was reported. A phone line was also made available to all employees to speak to a psychologist without a medical prescription up to 6 times a year in 30-minute sessions.

The corporate Intranet and the Employee Portal

In 2023, MERLIN launched its corporate Intranet. Through the Intranet, employees can access internal news, on which they can leave comments and interact. They can also access the corporate directory, information on the company's corporate social responsibility, information on social benefits and open recruitment processes, training, all group policies, manuals and procedures, and everything related to corporate branding. The Intranet has been equipped with images and videos to make it easy, intuitive and enjoyable to navigate.

In 2024, the Intranet was further developed. The onboarding process is carried out for all new recruits, including audiovisual material with corporate videos and videos of different area managers of flexible office spaces explaining their business area to new recruits. In addition, the Job Offers area has been developed, so that all employees can see which selection processes are open and can recommend candidates or position themselves.

The Employee Portal is a website and an app to which all employees have access. This is a communication channel used for administrative purposes. Employees can consult their pay slips, request holidays and download employment documents.

Dialogue and participation in CSR activities

Through the Intranet, surveys and direct and face-to-face dialogue, MERLIN is able to detect the different interests of employees to undertake actions of social interest such as the Companies Race, visits to company assets or the No School Day.

MERLIN encourages dialogue and employee participation in the company's decision-making process. For example, through the Donations and Sponsorship Protocol, the Company allocates part of the funds earmarked for donations to those foundations that employees are directly involved with, thus taking into consideration the employees' favourite foundations to collaborate with them.

EMPLOYEES WITH DISABILITIES

MERLIN is committed to including and integrating people with disabilities into its workforce.

As mentioned throughout the document, MERLIN guarantees ease of accessibility to its assets and backs this commitment up by obtaining AIS certification.

In this context, the Company currently has a total of 6 disabled employees on its staff, all of whom have permanent contracts — 4 of them part-time and 2 full-time —, representing 2.0% of MERLIN's workforce. These staff members are fully integrated and perform necessary and valued functions at the Company. The Company exceeds the requirements under the current law in this area Spanish General Disability Act (Ley General de la Discapacidad) through direct hiring.

Professional category	2023	2024
Middle management	1	1
Other professionals	5	5
Total	6	6



Diversity and equal opportunities

MERLIN promotes equal opportunities, especially in access to employment, training, promotion and working conditions. As stated in its Code of Conduct and its Protocol against Sexual Harassment, MERLIN rejects any and all discrimination in the workplace on the basis of race, colour, nationality, social origin, age, gender, marital status, sexual orientation, ideology, political opinions, religion or any other personal, physical or social condition of an individual. The Group provides professionals with a whistle-blowing channel to report any discriminatory conduct or harassment in the workplace.

In terms of gender equality, in 2021 MERLIN worked on its Equality Plan in compliance with Royal Decree Law 6/2019. The Equality Plan was finally approved after a process of analysing the Group's situation in terms of equality and the negotiation and drafting of the Plan by the Negotiating Committee, and came into force on 18 January 2022, with its validity extended for a period of four years, until 17 January 2026. The Equality Plan was registered by the Directorate General for Employment on 18 August 2022.

The Equality Plan applies to all MERLIN Properties employees and lays down the guiding principles of the Group's conduct in this area, along with a series of objectives and metrics, some of which include addressing the under-representation of women throughout the organisational structure, promoting women's participation in training activities to enhance leadership and compensation by MERLIN for sick leave and parental leave. MERLIN is also committed to promoting equal parental leave for both parents.

Objectives of the Equality Plan::

In the area of **Selection and Recruitment:**

- Review the **selection criteria** and avoid the generalisation of criteria that could be an additional obstacle for women, such as availability to travel, requiring it only for positions where it is necessary, but not in general.
- Review of all **documents related to the selection and recruitment procedure** (applications, forms, website, job offers, etc.) to ensure that they contain inclusive and non-sexist language in content and images.
- Adopt **positive action measures for recruitment**, so that, under equal conditions, merits, suitability and capacity, the candidate from the least represented group in the corresponding group or category is recruited.

In the area of **Training:**

- Implement a **register of workers' requests for training**, disaggregated by sex, detailing those granted and those rejected.
- Promote the **participation of women** in training actions that foster their leadership or their insertion in male-dominated areas of work.

In the area of **Professional Promotion:**

- Provide **up-to-date information on internal vacancies**, with the necessary requirements and competences, using means and channels that ensure that the information is available to the whole workforce.

- Have **statistical information**, disaggregated by sex and professional groups, on promotion processes (number of candidates) and their outcome (number of people promoted).
- Analyse the **interconnection between training and promotion** to check whether the promoted individuals have actively participated in the training courses offered by the Company, and if so, in which ones.
- Implement **specific training on equality** for the people in charge of HR in the Company and for managers who have decision-making powers in the recruitment and promotion processes.

In the area of **Co-responsible Exercise** of the Rights of Personal, Family and Work Life:

- Ensure that, when an individual returns from long-term sick leave, parental leave, etc., the Company provides **training in any new procedures** that may have been implemented during their absence.
- Disseminate the **existing work-life balance measures in the company** among the workforce, whether they are established in statutes, collective bargaining agreements or company policies.
- Continue to supplement the benefit received by workers during leave due to childbirth, adoption, foster care, common illness or occupational accident up to **100% of their fixed salary**.

In the area of **Prevention of Sexual and Gender-Based Harassment**:

- Implement the **anti-sexual and/or gender-based harassment protocol**, including specific processing of complaints and guaranteeing privacy, confidentiality and dignity.

- Establish measures to **disseminate the anti-sexual and/or gender-based harassment protocol** and awareness campaigns against such harassment.

In the area of **Under-Representation of Women**:

- Adopt positive action measures so that, under equal conditions, merits, suitability and capacity, women are recruited until the **under-representation of women in some positions is reduced**.
- Adopt positive action measures so that, under equal conditions, merits, suitability and ability, **women have access to vacancies in positions where they are under-represented**, including management and leadership positions.

In the area of **Professional Classification**:

- Maintain an **updated job catalogue and job evaluation in relation to functions**, responsibility, dependants, professional relations, problem-solving skills, etc.
- Have **statistical information, disaggregated by sex and professional groups**, on the presence of women and men in the different jobs, sections/areas and professional groups.

In the area **of Working Conditions**:

- Promote the **use of technological means that facilitate flexibility and avoid travel and business trips** (video-conferencing and others).

In the area of **Remuneration**:

- Maintain the **remuneration register, disaggregated by gender, up to date** throughout the term of the equality plan.
- Reduce at Level 5 of the Pay Audit the **difference in annual fixed salary between men and women**.

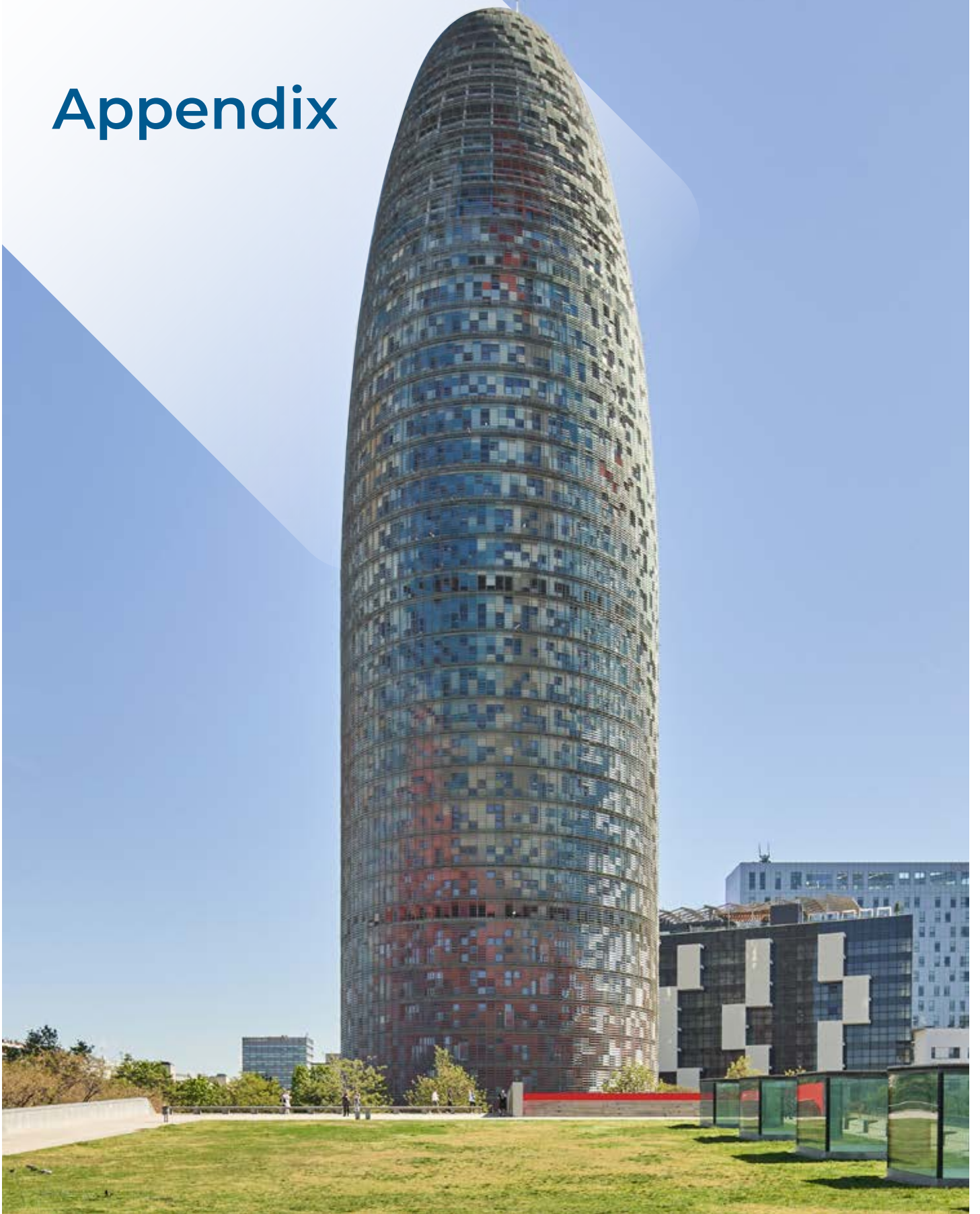
The Group also supports all types of diversity beyond gender among the workforce.

MERLIN employees professionals of different nationalities but is equally commitment to local employment. In 2024, 91% of the workforce was Spanish, 6% Portuguese and 2% other European or South American nationalities.

MERLIN has 6 employees with different abilities (2.05%), which exceeds the legal requirement of 2%. These employees have indefinite contracts and perform functions which are necessary and valuable to the Group.



Appendix



Alternative performance measures

In accordance with the recommendations issued by the European Securities and Markets Authority (ESMA), the alternative performance measures (“APM”) are described as follows

GLOSSARY

Average debt maturity (years)

This APM represents the average debt duration of the Company until maturity

It is a relevant metric as it provides the investor with the relevant information about the repayment commitments of the financial liabilities

It is calculated as the addition of the pending years to maturity of each loan multiplied by its outstanding loan amount and divided by the total outstanding amount of all loans

Given the nature of the metric, it is not possible to reconcile it with the Group financial statements but the main information is available in the consolidated financial statements

Average passing rent

It represents the rent per square meter per month at which an asset or category of assets are rented at a moment in time

The average passing rent is a relevant performance metric as it shows the implied rents of all the prevailing lease contracts of the company at a moment in time per square meter and per month enabling the comparison with market rents

Given the nature of the metric, it is not possible to reconcile it with the financial statements

Release spread

Difference between the new rent signed and the old prevailing rent on renewals (same space, same tenant) or relets (same space, different tenant) during last twelve months

The release spread provides the investor with a view on the prospective rental behaviour when negotiating with the tenants

It is calculated on a lease by lease basis and therefore it is not possible to reconcile it with the financial statements

Rents Like-for-like

Amount of the gross rents comparable between two periods. It is calculated on an asset by asset basis excluding from both periods the rents derived from acquisitions or disposals executed in such periods as well as other adjustments like early termination penalties from lease contracts

We consider the rental like-for-like growth a

relevant metric to understand the evolution of rents of an asset or an asset category

It is calculated on an asset by asset basis and therefore it is not possible to reconcile it with the financial statements

Gross annualized rents

Passing rent as of the balance sheet date multiplied by 12

We consider the gross annualized rents a relevant performance metric as it represents the total amount of rents of the prevailing lease contracts at a given time enabling the calculation of the return of each asset (Gross yield)

Given the nature of the metric, it is not possible to reconcile it with the financial statements

GAV

The GAV is the Gross Asset Value as of the latest available valuation report plus the advanced payments of turn-key projects and developments at cost

The GAV is a standard valuation metric for comparison purpose, recognized on a global basis in the real estate sector, and performed by an independent external appraisal

The reconciliation with the financial statements appears in Section 5 of this report (Notes to the consolidated balance sheet)

Gross yield

It represents the return of an asset or category of assets. It is calculated by dividing the annualized gross rent between the latest available GAV

Wault

Weighted average unexpired lease term, calculated as the number of years of unexpired lease term, as from the date balance sheet, until the lease contract first break weighted by the gross rent of each individual contract

We consider the Wault a relevant metric as it provides the investor with the average term of secured leases and gives a sense of risk or opportunity to renegotiate the prevailing lease contracts

Given the nature of the metric, it is not possible to reconcile it with the Group financial statements

Revenues

Is the addition of the total gross rent income, and the other operating income excluding extraordinary

The reconciliation with IFRS appears in the table thereafter

Accounting EBITDA

The accounting EBITDA is calculated as the net operating income before net revaluations, amortizations, provisions, interest and taxes.

The accounting EBITDA is a performance metric widely used by investors to value companies, as well as the rating agencies and creditors to evaluate the level of indebtedness

The reconciliation with IFRS metrics appears in the table hereafter

EBITDA

The EBITDA is calculated as the Accounting EBITDA deducting the “non-overheads” costs and the LTIP Provision

The EBITDA is a very useful metric as it excludes the impact of atypical costs incurred in the period. The atypical costs or “non-overheads” costs are the ones related to the acquisition and disposal of assets and indemnities among others (as described in the IPO prospectus)

The reconciliation with IFRS metrics appears in the table hereafter

Accounting FFO and FFO

Accounting FFO or Accounting Funds From Operations is calculated as EBITDA less debt interest expenses and recurring taxes (excluding taxes from disposals or other extraordinary events)

FFO is calculated deducting the non-overheads costs of the company from the Accounting FFO

It is a relevant performance and liquidity metric recognized on a global basis in the real estate sector

MERLIN Properties, as a member of EPRA (European Public Real Estate Association), follows EPRA's best practices reporting standards which enables the investor to better compare certain performance metrics that are specific to the real estate sector. This metrics are released on a semi-annual basis and detailed in the management report.

EPRA costs

It is calculated as total operating costs of the company divided by the gross rents net of incentives

This performance metric shows the operating efficiency on a recurring basis

The reconciliation with the Financial Statements appears in the Appendix of this report

EPRA Earnings

Earnings from core operational activities as per EPRA's recommendations

The reconciliation with the Financial Statements appears in the Appendix of this report

EPRA NRV, EPRA NTA and EPRA NDV

EPRA Net Reinstatement Value: Assumes that entities never sell assets and aims to represent the value required to rebuild the entity

EPRA Net Tangible Assets: Assumes that entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred tax

EPRA Net Disposal Value: Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax

EPRA Yields

Net Initial Yield: Annualized rental income based on the passing rents at the balance sheet date, less non recoverable property operating expenses, divided by the market value of the property (GAV) increased with acquisition costs

EPRA “Topped-up” NIY: Adjustment to the EPRA Net Initial Yield in respect of the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and step rents)

These are two relevant performance metrics widely used to compare the return of the real estate assets in the portfolio, based on the prevailing lease contracts at a given date regardless of the financial structure of the company as per EPRA's recommendations

The calculation is provided in the Appendix of this report

Given the nature of the metric, it is not possible to reconcile it with the Group financial statements

EPRA Vacancy Rate

Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio

Given the nature of the metric, it is not possible to reconcile it with the Group financial statements

Loan-to-value ratio (LTV)

The loan-to-value ratio is calculated as the net debt divided by the fair value of the assets of the company (GAV + transaction costs)

The LTV is a performance metric widely used by investors to assess the level of risk, as well as the rating agencies and creditors to evaluate the level of indebtedness

The reconciliation with IFRS metrics appears in the table hereafter

Leverage ratio

The leverage ratio is calculated as the net debt divided by the net debt plus the equity

The leverage ratio is a performance metric widely used by investors to assess the level of risk, as well as the rating agencies and creditors to evaluate the level of indebtedness

The reconciliation with IFRS metrics appears in the table hereafter

Financial debt

The financial debt is calculated as the sum of any amount owed by the Group in the short and long-term as a result of loans, credits, bonds, debentures, and in general any instrument of a similar nature

The financial debt is a performance metric widely used by investors to assess the level of risk, as well as the rating agencies and creditors to evaluate the level of indebtedness

The reconciliation with IFRS metrics appears in the table hereafter

Percentage of debt at a fixed rate or with interest rate hedges

The percentage of debt at a fixed rate or with interest rate hedges is calculated as the sum of fixed-rate financial debt and variable-rate financial debt with associated interest rate change hedging transactions in relation to the Group's financial debt

The percentage of debt at a fixed rate or with interest rate hedges is a performance metric widely used by investors to assess the level of risk, as well as the rating agencies and creditors to evaluate the company exposure to interest rate movements

Given the nature of the metric, it is not possible to reconcile it with the Group financial statements but the main information is available in the consolidated financial statements

Average cost of debt

The average cost of debt is calculated as the ratio between the passing interest cost including derivatives corresponding to interest bearing debt and the Group's financial debt

The average cost of debt is a performance metric widely used by investors to assess the cost of borrowed funds, as well as the rating agencies and creditors to evaluate the capacity to fulfill interest obligations.

Given the nature of the metric, it is not possible to reconcile it with the Group financial statements but the main information is available in the consolidated financial statements

Liquidity position

The liquidity position is calculated as the sum of the Group's cash plus the amount corresponding to receivables from corporate transactions, the treasury stock position at market value, and the undrawn credit facilities available

The liquidity position is a performance metric widely used by investors to assess the level of financial flexibility, as well as the rating agencies and creditors to evaluate the capacity to meet debt maturities

The reconciliation with IFRS metrics appears in the table hereafter

Net debt

The net debt is calculated as the financial debt less cash and cash equivalents (e.g. disposal receivables or treasury stock)

The net debt is a performance metric widely used by investors to assess the level of risk, as well as the rating agencies and creditors to evaluate the level of indebtedness

The reconciliation with IFRS metrics appears in the table hereafter

Investment in energy efficiency improvements

The investment in energy efficiency improvements is defined as investments aimed at measuring, controlling, or directly or indirectly reducing, energy consumption or carbon footprint in all assets over which we have operational control

This performance metric, although not widely used by investors, rating agencies or creditors, is provided to assess the level of investments in ESG (environmental, social and corporate governance) measures

Given the nature of the metric, it is not possible to reconcile it with the Group financial statements, but the main information is available in the consolidated financial statements

Total tax contribution

Total Tax Contribution (TTC) measures the contribution made by a company or group of companies to the different governments. In general, both taxes borne, and taxes collected are imputed to each fiscal year, on a cash basis

- Taxes borne are those taxes that have entailed an effective cost for the companies, such as taxes on profits, social security contributions payable by the company, and certain environmental taxes
- Taxes collected are those that have been paid as a consequence of the company's economic activity, without entailing a cost for the companies other than managing them, such as withholding taxes levied on employees

This performance metric, although not widely used by investors, rating agencies or creditors, is provided to assess the amount of taxes collected or paid by the company

Given the nature of the metric, it is not possible to reconcile it with the Group financial statements

I RECONCILIATION OF THE ALTERNATIVE PERFORMANCE MEASURES WITH CONSOLIDATED FINANCIAL STATEMENTS

(€ thousand)	Notes	FY24	FY23
Total revenues	6	494,572	464,779
Other operating income	Consolidated income statement	8,428	4,790
Subsidies	6	52	
Personel expenses	18	(36,199)	(34,845)
Other operating expenses	18	(96,588)	(73,325)
Accounting EBITDA		370,265	361,400
<i>Costs related to acquisition, disposals and financing</i>	18	5,971	2,166
<i>Other costs</i>	18	104	300
<i>Severances</i>	18	34	282
Non-overhead costs		6,109	2,747
Long term incentive plan	18	2,804	2,804
EBITDA		379,179	366,952
Financial expenses excluding debt arrangement costs	Consolidated income statement	(84,519)	(109,185)
Equity method attributable FFO	n.a	20,399	19,458
IFRS16 Adjustment	n.a	2,062	14,751
Discontinued operations	n.a	-	-
Current taxes	n.a	(6,288)	(7,737)
FFO		310,833	284,239
Non-overhead costs	n.a.	(6,109)	(2,747)
Long term incentive plan		(2,804)	(2,804)
Accounting FFO		301,920	278,687
(€ thousand)			
Gross rental income	Consolidated income statement	500,380	475,614
Revenue from rendering of services	6	23,983	17,572
Other net operating income	n.a	(7,621)	(4,918)
Revenues		516,743	488,268

	(€ m)	Notes	FY24	FY23
A	GAV	Section 3 Results Report	11,540	11,270
B	Transaction costs	n.a	302	299
C=A+B	GAV + transaction costs		11,842	11,569
N	Net debt	Section 4 Results Report	3,347	4,050
D= N/C	LTV		28.3%	35.0%
E	Net debt	Section 4 Results Report	3,347	4,050
F	Equity	Balance sheet	7,501	6,539
G=E+F	Total capital		10,848	10,589
H=E/G	Leverage ratio		30.9%	38.2%
I	Financial debt	Section 4 Results Report	4,914	4,526
J= K+L+M	Cash and cash equivalents		1,567	477
K	Cash	Balance sheet	1,553	461
L	Receivables	Balance sheet	-	-
M	Treasury stock	Balance sheet	14	15
N=I-J	Net debt		3,347	4,050
J	Cash and cash equivalents		1,567	477
O	Undrawn credit facilities	14.1	797	832
P= J+O	Liquidity position		2,364	1,309

LIST OF ASSETS

Asset	Location	In operations		WIP	
		GLA (sqm)	# Assets	GLA (sqm)	# Assets
Castellana 85	Madrid	16,474	1	-	-
Castellana 93	Madrid	11,621	1	-	-
Castellana 259	Madrid	53,190	2	-	-
Castellana 278	Madrid	14,468	1	-	-
Castellana 280	Madrid	16,853	1	-	-
Princesa-Plaza España Complex	Madrid	50,948	5	-	-
Plaza Ruiz Picasso	Madrid	36,558	1	-	-
Juan Esplandiu 11-13	Madrid	28,008	1	-	-
Churruca business park	Madrid	17,747	4	-	-
Santiago de Compostela 94	Madrid	13,130	1	-	-
Príncipe de Vergara 187	Madrid	11,710	1	-	-
Alfonso XI	Madrid	-	-	9,945	1
Alcala 40	Madrid	9,315	1	-	-
Eucalipto 25	Madrid	7,368	1	-	-
Eucalipto 33	Madrid	7,301	1	-	-
Pedro de Valdivia 10	Madrid	6,738	1	-	-
Plaza Ruiz Picasso II	Madrid	-	-	4,479	1
Total Madrid Prime + CBD		301,429	23	14,424	2
Adequa business park	Madrid	75,545	5	47,902	2
Via Norte business park	Madrid	37,224	6	-	-
Avenida de Bruselas 33	Madrid	33,718	1	-	-
Las Tablas business park	Madrid	27,184	3	-	-
Avenida de Europa	Madrid	23,101	2	-	-
Torre Chamartin	Madrid	18,295	1	-	-
Sanchinarro business park	Madrid	17,191	2	-	-
Maria de Portugal T2	Madrid	17,140	3	-	-
Aquamarina	Madrid	10,685	1	-	-
Avenida de Bruselas 24	Madrid	9,163	1	-	-
Avenida de Bruselas 26	Madrid	8,895	1	-	-
Elipse	Madrid	7,515	1	-	-
Avenida de Burgos 208-210	Madrid	7,376	2	-	-
Arturo Soria 343	Madrid	6,621	1	-	-
Fuente de la Mora	Madrid	4,482	1	-	-
Total Madrid NBA A1		304,134	31	47,902	2

Asset	Location	In operations		WIP	
		GLA (sqm)	# Assets	GLA (sqm)	# Assets
Ribera del Loira 60	Madrid	54,960	1	-	-
Puerta de las Naciones business park	Madrid	39,150	4	-	-
Alvento business park	Madrid	32,922	2	-	-
Josefa Valcarcel 48	Madrid	-	-	19,893	1
Partenon 12-14	Madrid	19,609	1	-	-
Partenon 16-18	Madrid	18,345	1	-	-
Cristalia	Madrid	11,712	1	-	-
Arturo Soria 128	Madrid	3,226	1	-	-
Total Madrid NBA A2		179,925	11	19,893	1
Atica business park	Madrid	36,365	6	-	-
Cerro de los Gamos business park	Madrid	10,814	1	25,291	4
Alvia business park	Madrid	23,567	3	-	-
Atica XIX business park	Madrid	15,411	3	5,014	1
Total Madrid Periphery		86,158	13	30,305	5
Total Madrid		871,645	78	112,524	10
Diagonal 199	Barcelona	21,266	2	-	-
Diagonal 211 (Glories Tower)	Barcelona	37,614	1	-	-
Diagonal 458	Barcelona	4,174	1	-	-
Diagonal 514	Barcelona	10,263	1	-	-
Diagonal 605	Barcelona	15,117	1	-	-
PE Poble Nou 22@	Barcelona	31,337	4	-	-
Vilanova 12-14	Barcelona	16,494	1	-	-
Balmes 236-238	Barcelona	6,187	1	-	-
E-Forum	Barcelona	5,190	1	-	-
Plaza de Cataluña 9	Barcelona	3,026	1	-	-
Pere IV	Barcelona	2,018	1	-	-
Total Barcelona Prime + CBD		152,686	15	-	-
WTC	Barcelona	29,059	2	-	-
Av. Parc Logistic 10-12 (PLZF Office use)	Barcelona	22,265	2	-	-
Total NBA WTC		51,323	4	-	-

Asset	Location	In operations		WIP	
		GLA (sqm)	# Assets	GLA (sqm)	# Assets
Sant Cugat I	Barcelona	15,377	1	-	-
Sant Cugat II	Barcelona	10,008	1	-	-
Total Periphery		25,385	2	-	-
Total Barcelona		229,394	21	-	-
Monumental	Lisbon	25,358	1	-	-
Art	Lisbon	22,150	1	-	-
Liberdade 195	Lisbon	-	-	17,351	1
Torre Lisboa	Lisbon	-	-	13,715	1
Marques de Pombal 3	Lisbon	12,461	1	-	-
Central Office	Lisbon	10,310	1	-	-
Torre Zen	Lisbon	10,207	1	-	-
TFM	Lisbon	7,837	1	-	-
Lisboa Expo	Lisbon	6,740	1	-	-
Total Lisbon Prime + CBD		95,062	7	31,066	2
Nestle	Lisbon	12,260	1	-	-
Total Lisbon NBA		12,260	1	-	-
Total Lisbon		107,322	8	31,066	2
Sevilla - Borbolla	Andalusia	13,037	1	-	-
Lerida - Mangraners	Catalonia	3,228	1	-	-
Total Other		16,265	2	-	-
TOTAL OFFICES		1,224,626	109	143,589	12

Asset	Location	In operations		WIP	
		GLA (sqm)	# Assets	GLA (sqm)	# Assets
Marineda	Galicia	105,771	1	18,232	-
Tres Aguas ⁽¹⁾	Madrid	67,940	1	-	-
Almada	Lisbon	60,089	1	-	-
X-Madrid	Madrid	47,120	1	-	-
Larios	Andalusia	37,956	1	-	-
Porto Pi	Mallorca	32,888	1	-	-
Arenas	Catalonia	31,905	1	-	-
Saler	Valencian C.	28,953	1	-	-
Artea	Basque Country	25,922	1	-	-
La Vital	Valencian C.	20,878	1	-	-
Centro Oeste	Madrid	10,867	1	-	-
Callao 5	Madrid	3,640	1	6,910	-
Arturo Soria	Madrid	6,069	1	-	-
TOTAL SHOPPING CENTERS		479,997	13	25,142	-
Barcelona-ZAL Port ⁽²⁾	Catalonia	764,925	52		
A2-Cabanillas Park I	Castilla-La Mancha	315,236	9	-	-
A2-Cabanillas Park II	Castilla-La Mancha	94,640	2	114,070	3
Lisbon Park	Lisbon	45,171	1	134,695	3
Sevilla ZAL	Andalusia	139,218	11	12,802	3
Barcelona-PLZF	Catalonia	132,100	9	-	-
A2-San Fernando III	Madrid	-	-	100,184	2
A2-Azuqueca II	Madrid	96,810	1	-	-
Valencia-Betera	Valencian C.	-	-	95,082	4
Vitoria-Jundiz I	Basque Country	-	-	72,717	1
A2-Cabanillas I	Castilla-La Mancha	70,134	1	-	-
A2-Meco II	Madrid	59,814	1	-	-
A4-Pinto II	Madrid	58,990	1	-	-
A2-Azuqueca III	Castilla-La Mancha	-	-	54,498	1
A4-Getafe (Gavilanes)	Madrid	39,591	2	-	-
A2-Alovera	Castilla-La Mancha	38,763	1	-	-
A2-Coslada Complex	Madrid	36,234	1	-	-
A2-Meco I	Madrid	35,285	1	-	-
Valencia-Ribarroja	Valencian C.	34,992	1	-	-
A2-San Fernando II	Madrid	33,592	1	-	-
A4-Seseña	Castilla-La Mancha	28,731	1	-	-

⁽¹⁾ 50% stake⁽²⁾ 48.5% stake

Asset	Location	In operations		WIP	
		GLA (sqm)	# Assets	GLA (sqm)	# Assets
A2-Coslada	Madrid	28,491	1	-	-
Vitoria-Jundiz II	Basque Country	26,774	2	-	-
Valencia-Almussafes	Valencian C.	26,613	1	-	-
A2-Cabanillas III	Castilla-La Mancha	21,879	1	-	-
Zaragoza-Pedrola	Zaragoza	21,579	1	-	-
A4-Getafe (Cla)	Madrid	16,100	1	-	-
A2-Cabanillas II	Castilla-La Mancha	15,078	1	-	-
A2-San Fernando I	Madrid	11,193	1	-	-
A4-Pinto I	Madrid	11,099	1	-	-
TOTAL LOGISTICS		2,203,030	106	584,048	17
MAD-GET	Madrid	22,508	1	-	-
BIO-ARA 3	Basque Country	21,750	1	-	-
BIO-ARA 2	Basque Country	-	-	25,999	1
BCN-PLZF	Catalonia	22,131	1	-	-
LIS-VFX	Lisbon	-	-	32,982	1
TOTAL DATA CENTERS		66,389	3	58,981	2
Yunque	Madrid	1,780	1	-	-
Rambla Salvador Sama 45-47-49	Catalonia	1,140	1	-	-
Torre Madrid residencial	Madrid	120	1	-	-
Bizcargi 11D	Basque Country	46	1	-	-
Parking Palau ⁽¹⁾	Valencian C.	-	1	-	-
TOTAL OTHER		3,085	5	-	-

⁽¹⁾ Below ground surface has not been taken into account for G.L.A. purposes

Edition
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