

**POLICY ON COMMUNICATION AND CONTACTS WITH SHAREHOLDERS,  
INSTITUTIONAL INVESTORS AND PROXY ADVISERS OF  
MERLIN PROPERTIES, SOCIMI, S.A.**

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**February 2016**

## **POLICY ON COMMUNICATION AND CONTACTS WITH SHAREHOLDERS, INSTITUTIONAL INVESTORS AND PROXY ADVISERS**

The Board of Directors of MERLIN Properties, SOCIMI, S.A. (the “**Company**”) has approved the following policy on communication and contacts with shareholders, institutional investors and proxy advisers (the “**Communication Policy**”).

The Communication Policy is approved in the interest and for the benefit of the Company and the companies in its group (the “**Group**”), except for those listed companies that have a specific policy in place.

### **1. General aspects and scope**

The Board of Directors of the Company, in addition to fulfilling the transparency and reporting requirements laid down in the law and the Group’s corporate governance system, states that one of its main objectives is to act in a transparent manner towards shareholders, investors and other stakeholders, as well as towards proxy advisers. To this end, it has resolved to approve the Communication Policy, which sets out the basic principles to be applied to meet such transparency and reporting objectives.

Although the companies in the Group that are considered listed companies can establish their own communication policies, such policies must respect the principles set out in this Communication Policy.

### **2. General principles**

The Board of Directors, in fostering communication with shareholders, investors and other stakeholders and in fulfilling its duties of managing and monitoring the information to be provided, has approved this Communication Policy, which is governed by the following general principles:

- a) transparency, truthfulness and immediacy in the disclosure of information, so that all shareholders, investors and other stakeholders receive the information published statutorily or voluntarily by the Company in a clear and accessible manner and as quickly as possible;
- b) parity, applying the same treatment to all shareholders, investors and other stakeholders as regards the information to be provided, eliminating any type of bias that may lead to any differentiation between them, while maintaining the Company’s option of choosing different communication channels according to the target group in question;
- c) appropriateness and completeness, in the sense of providing all the information that is appropriate and enables shareholders, investors and other

stakeholders to exercise their rights vis-à-vis the Company and the Group with full knowledge of the situation thereof;

- d) recurrence and frequency, in the sense of publishing information with a minimum frequency (without prejudice to any other information that may be voluntarily published by the Group), enabling shareholders, investors and other stakeholders to have a minimum level of ongoing knowledge of the activities of the Group;
- e) accessibility, making available to shareholders, investors and other stakeholders effective means of communication that give them access to steps or proposals in relation to the management and activity of the Company, taking advantage of the benefits offered by new technologies;
- f) shareholder cooperation, so that reporting practices and relations with the markets are transparent, effective and in keeping with the corporate interest and encourage shareholder involvement in the Company;
- h) compliance with the law, the corporate governance system, and cooperation and transparency in dealings with the competent authorities, regulatory bodies and governments.

As part of the above principles, the Company shall particularly comply with any restrictions established from time to time by the applicable legislation and the different rules of the Group's corporate governance system with respect to confidential information and relevant information.

### **3. Information channels**

In order to implement the general principles indicated above, the Company shall publish relevant information through the following communication channels:

#### **3.1 National Securities Market Commission (“CNMV”)**

The Board, by means of the material information notified to the Spanish National Securities Market Commission, shall immediately inform the public of all relevant information on the terms established in Securities Market Law and its implementing regulations.

The Board of Directors shall appoint one or more individuals to act as authorized representatives at the Spanish National Securities Market Commission and shall notify the Commission of such appointment(s) in accordance with the legislation in force.

### **3.2 Corporate website**

The Company's channel for ongoing communication with shareholders, investors and other stakeholders is its corporate website ([www.merlinproperties.com](http://www.merlinproperties.com)).

The Company shall maintain the corporate website in order to facilitate the exercise by shareholders, investors and other stakeholders of their right to information and to disseminate the relevant information required by securities market legislation. The website shall contain the documents and information provided for in the applicable legislation, including information and documentation relating to the call of shareholders' meetings, as well as any other documentation and information that the Board of Directors deems appropriate to make available to shareholders through this channel.

This channel shall favor immediacy and accessibility, so that transparency is the main priority in the Company's dealings with the markets and the public at large.

To facilitate queries, any information communicated by the Company via its corporate website shall be simultaneously posted, whenever possible, in both Spanish and English, although the Spanish version shall prevail in the event of any discrepancy.

### **3.3 Conferences and meetings**

The Board may, through some of its Directors and with the cooperation of any senior executives it deems appropriate, organize informative meetings on the running of the Company and of its group for shareholders residing in the most important financial markets in Spain and in other countries, provided that no special treatment is given to the shareholders and provided that a copy of such information is submitted to the Spanish National Securities Market Commission and published on the Company's website.

### **3.4 Shareholders' Meetings**

In pursuing the principle of shareholder cooperation, the Board shall encourage the informed participation of the shareholders at Shareholders' Meetings and shall adopt such measures as may be appropriate to facilitate the effective exercise by the Shareholders' Meeting of the functions conferred on it by the law and the Bylaws.

In the context of the above, the Board shall adopt the following measures:

- (a) it shall endeavor to make available, prior to any Shareholders' Meeting, all such information as may be legally required and any

information which, while not legally required, may be of interest and be reasonably supplied;

- (b) it shall reply, with the utmost diligence, to requests for information made by shareholders prior to the Shareholders' Meeting;
- (c) it shall reply, with equal diligence, to any questions asked by the shareholders at the Shareholders' Meeting; and
- (d) it shall ensure that the items proposed to the Shareholders' Meeting are voted on in an orderly and individual manner, giving the shareholders the opportunity to take the floor to express their opinions on each of the matters submitted to a vote.

#### **4. Internal coordination for dissemination of news that may contain relevant information**

With respect to information that may be deemed to be relevant information, the Company has the following rules on internal coordination:

- a) It shall fall to the Office of the Company Secretary to determine whether a specific item of information may be deemed to be relevant information;
- b) Should this be the case, the Office of the Company Secretary, in coordination with the Investor Relations Department, shall coordinate the drafting, review and sending of the information in question to the CNMV through the authorized representatives designated by the Company for the purpose.

The information contained in a relevant event may not be transmitted by any other means without first having been posted on the CNMV's website.

- c) If the Office of the Company Secretary reasonably concludes that, in accordance with the law and the corporate governance system of the Company, any information does not meet the relevant information requirements and, therefore, is not subject to mandatory and prior disclosure to the CNMV, it may be disclosed to the market, without being subject to the foregoing.

#### **5. Relations with analysts and institutional investors**

The Company has a specific investor relations department (the "**Investor Relations Department**") which is in charge of coordinating, analyzing and managing relations and contacts with shareholders, investors and other stakeholders and of replying at all times and on an individual (although in no case discriminatory) basis to queries from analysts and institutional investors.

As noted above, the Investor Relations Department shall hold informative meetings for shareholders residing in the most important financial markets in Spain and in other countries, analysts and investors, on the performance of the Company and of the Group and on other matters of interest. Special efforts shall be made at these meetings not to afford special treatment to some shareholders and investors over others. Accordingly, the appropriate measures shall be adopted to ensure that all shareholders are on an equal footing (as regards the information to be received) at all times.

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This Communication Policy was approved by the Board of Directors on February 26, 2016.