

MERLIN Properties aims to convert all of its outstanding bonds into “green bonds”

- **With this initiative, which targets bonds issued for a total amount exceeding €4.0bn, MERLIN integrates its financial strategy into its sustainability strategy with the launch of a green financing program**
- **MERLIN makes it possible for all of its assets with sustainable certifications to have a green financing, as part of its recently presented "Pathway to Net Zero Carbon"**

Madrid, 25 April. – MERLIN Properties Socimi, S.A. (“MERLIN”) aims to convert all of its outstanding senior bonds, representing an aggregate principal amount of more than €4.0bn, into “green bonds”. To that end, MERLIN proposes to commit to retrospectively allocate an amount equivalent to the outstanding principal amount of each series to eligible green assets in accordance with its Green Financing Framework.

With this new green financing program, MERLIN aligns its financing strategy with its sustainability objectives, both for the proposed conversion of its existing bonds as well as for future financings.

The Green Financing Framework has the benefit of a Second Party Opinion and an Independent Auditor’s Report has been prepared regarding the allocation of the outstanding principal amount of the bonds to a portfolio of eligible green assets.

In order to convert all of its outstanding bonds into “green bonds”, MERLIN is today launching a number of consent solicitation exercises for each series of outstanding bonds in accordance with the terms and conditions of the bonds and the relevant bondholder meeting provisions of each series. Each consent solicitation will commence on 25 April 2022 and will expire on 16 May 2022 or, if an adjourned general meeting is called, on 30 May 2022. For this purpose, MERLIN has appointed Crédit Agricole Corporate and Investment Bank and Freshfields Bruckhaus Deringer as advisors in this process. The requalification of the outstanding bonds into “green bonds” will not have an impact on any other characteristics of the relevant bonds, such as their terms and conditions, interest rates or maturity.

Strategy aligned with its “Pathway to Net Zero Carbon”

This new green financing program is a further step in MERLIN’s strategy to include sustainability as a backbone throughout its portfolio and with its “Pathway to Net Zero” plan presented last Thursday, which sets out its roadmap to become a net zero emissions company by 2030. This plan comprises three key pillars: reducing the operational carbon by 85%, reducing the embodied carbon footprint in the developments and refurbishments of its buildings and the use of renewable energy. Furthermore, the unavoidable residual footprint will be mostly offset through own initiatives that will be duly certified.

MERLIN has higher ESG ratings than its peers. It currently has a score of 81% for GRESB and 58% for S&P Global and has been awarded a B rating from the Carbon Disclosure Project (CDP). MERLIN has also been included in the Dow Jones Sustainability Europe Index.

In terms of certifications, MERLIN has more than 2.8 million sqm with LEED and/or BREEAM and 1.3 million sqm with ISO 14001 and 50001 certifications.

About MERLIN

MERLIN Properties SOCIMI, S.A. (MC:MRL) is the largest real estate company trading on the Spanish Stock Exchange. Specialized in the acquisition and management of commercial property in the Iberian region. MERLIN Properties mainly invests in offices, shopping centers and logistics facilities, within the Core and Core Plus segments, forming part of the benchmark IBEX-35, Euro STOXX 600, FTSE EPRA/NAREIT Global Real Estate, GPR Global Index, GPR-250 Index, MSCI Small Caps indices and DJSI.

Visit www.MERLINproperties.com to obtain more information on the Company

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