



# 05 Sustainable management of the value chain

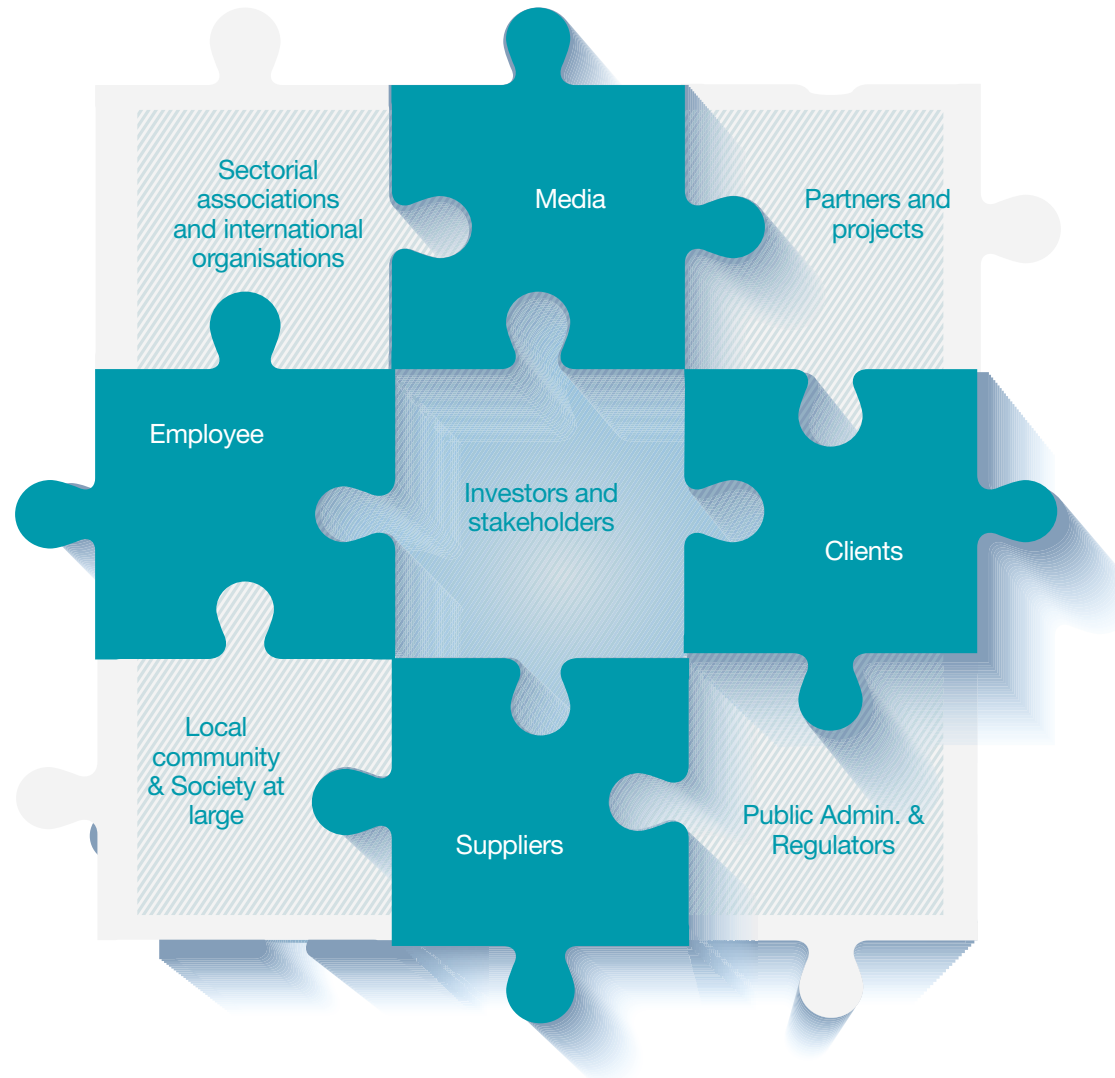
Stakeholders  
Environment  
Information security management



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# Stakeholders

Map of Cellnex stakeholders



## People Management

In 2017, a year marked by growth of the Group, mainly through new acquisitions in Europe, Cellnex now faces the challenge of integrating the new companies into the group's organisational model, particularly in the personnel management field.

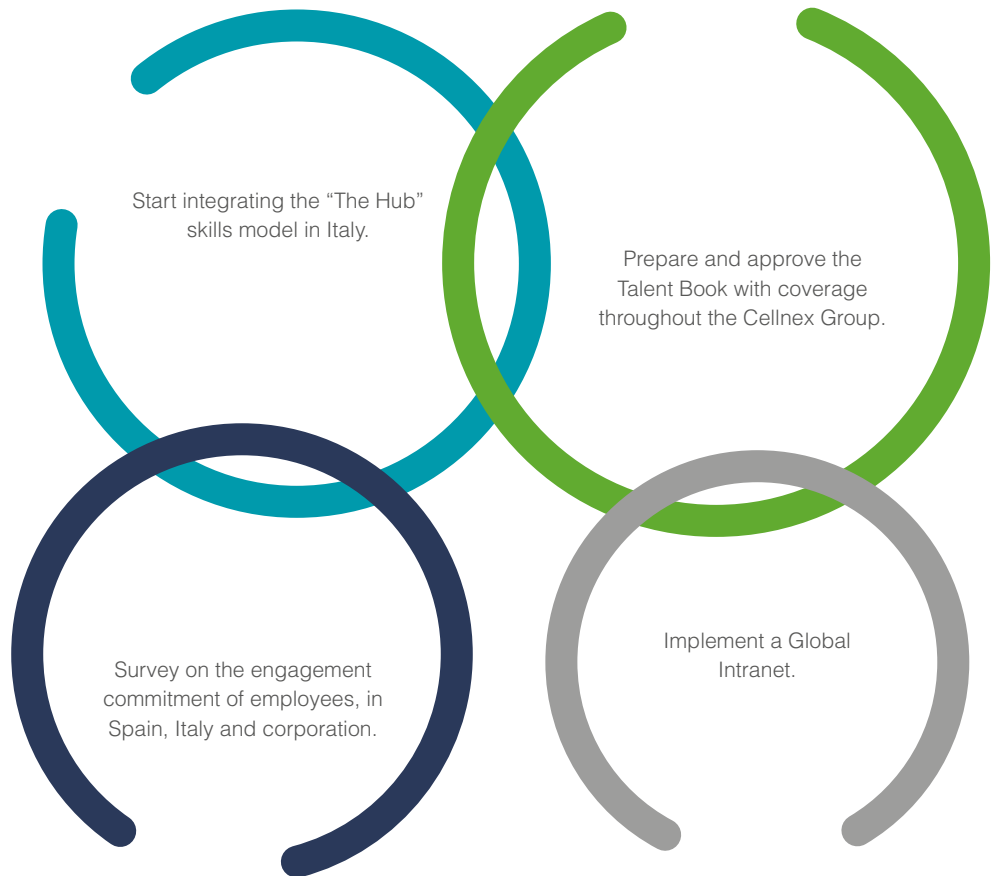
As part of the Group's new organisational vision, and responding to this challenge, in 2017 it implemented a management change project called "**Change Management**" that aims to ensure the transfer of responsibilities and to provide guidance throughout the transformation process. This project made it possible to identify which jobs were affected by the change and to accompany and monitoring the development of each individual concerned. In addition, roadshows were carried out in all countries to explain the organisational vision and organisational changes. A survey will be conducted in 2018 among all affected employees to evaluate their perception and satisfaction with the way in which the **Change Management** project is being managed.

In this European context, an **international assignments** policy was approved in 2017 to frame the situation of displaced workers during the duration of the international project. Through this policy, the idea is to provide workers an opportunity for professional development while ensuring a series of guarantees during their stay and return, related not only to supplements and economic benefits, but also in terms of taxation, work and Social Security.

In addition, the **onboarding** programme was created in 2017, and will be implemented throughout 2018. The aim is to speed up the adaptation and integration process of new people joining the organisation.

In line with this vision, Cellnex Italia is working to obtain the SA8000 Social Accountability Certification in 2018. The objective of this certification is to ensure diversity and equal opportunities for all members of the Italy team.

## Objectives 2018



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## The Cellnex team

The Cellnex team comprises 1,403 people, with a very diverse geographical distribution represented by the 86% of people in Spain, the 9% in Italy, the 1% in France, the 2% in the Netherlands, 1% in the United Kingdom and the 1% in Switzerland. The workforce is characterised by a preponderance of men, which tallies with the situation in the industry, where there is a strong male presence. The 100% of the Senior Managers in Cellnex Spain come from the local community.

That is why Cellnex is looking to increase diversity among its staff and, in accordance with the goal set in 2016, the company has begun to update the **Equal Opportunities Plan in Spain**, to gradually increase the proportion of women in the company, in all positions and responsibilities, ensuring equal treatment and opportunities for women and men and preventing sexual harassment and sex discrimination, whether indirect or direct. Specifically, the diagnostic phase was completed in 2017, which made it possible to assess the extent of development of equal opportunities in Cellnex and the company's new Equality Plan will be formalised in 2018.

Likewise, in response to the objective established in 2016, a Mobility Plan was drawn up in Spain during 2017 to promote more sustainable and safer mobility within the organisation to achieve the following objectives:

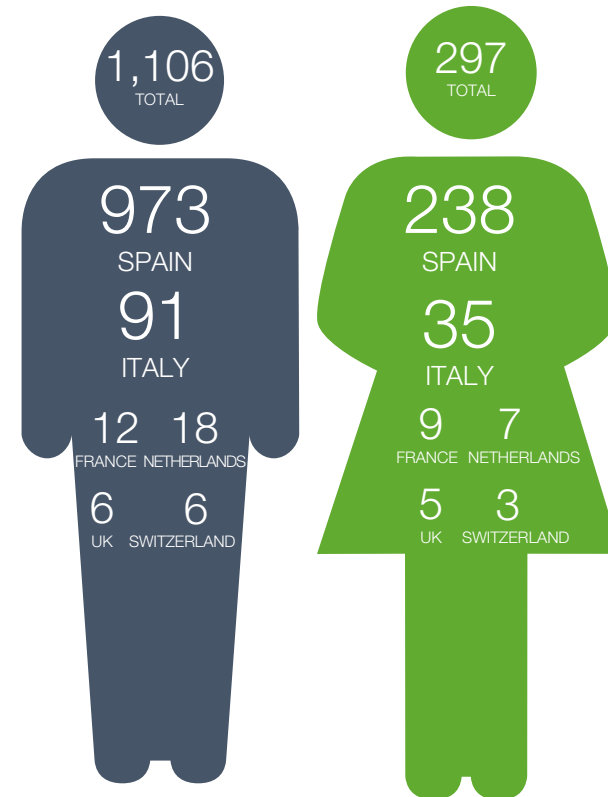
- Reduced impact of mobility, cutting the annual number of km travelled.
- Increased safety, reducing the number of in itinere accidents.
- Optimising resources.

Specifically, a survey was carried out during 2017 among employees of the Barcelona and Madrid offices on mobility and the results analysed. It is expected that the comprehensive mobility strategy will be formalised and approved in 2018.

Staff turnover in Spain remained stable in 2017, with a level of 2%.

 SEE DETAILS IN ANNEX III

## Cellnex Group Team



NEW HIRES IN SPAIN  
162

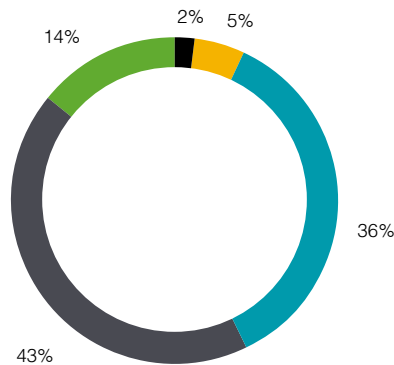
## Commitment to leadership and talent development

The management of the team and development of its talent is one of the Cellnex strategic pillars. During FY 2016, the Cellnex Telecom group implemented a “talent management” model aligned with the business strategy in Spain. 2017 saw the continuation of this model, which made it possible to obtain talent indicators and improvement and development indicators, which facilitated comparability between periods, minimising the subjectivity of people assessment.

In this connection, “The Hub” talent management tool enabled the company to continue to perform its Development Dialogues with all employees, a space for dialogue between workers and their managers in relation to individual worker development in order to define their IDPs (Individual Development Plans). Likewise, specific training was provided for managers in order to improve and equip managers during the holding of development dialogues and IDPs. In addition the company has made available to all employees the possibility of conducting training on the development of the IPDs and has attended all requests received in this regard.

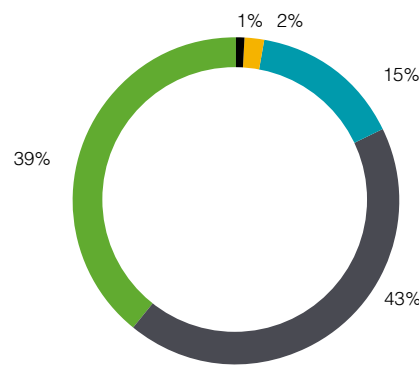
Employees were surveyed at the end of 2016 to find out their opinion on the “talent management” model and specifically on “The Hub” tool and the Development Dialogues. The results were very positive and also served to update the process and modify and adapt The Hub tool, adapting it to the needs of its users.

Assessment of “The Hub” tool



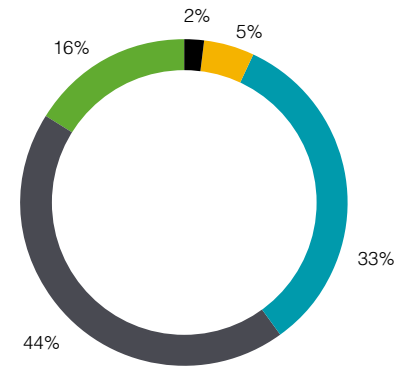
- Very Satisfied
- Satisfied
- Correct
- Unsatisfied
- Very Unsatisfied

Assessment of the development dialogues with the line manager



- Very Satisfied
- Satisfied
- Correct
- Unsatisfied
- Very Unsatisfied

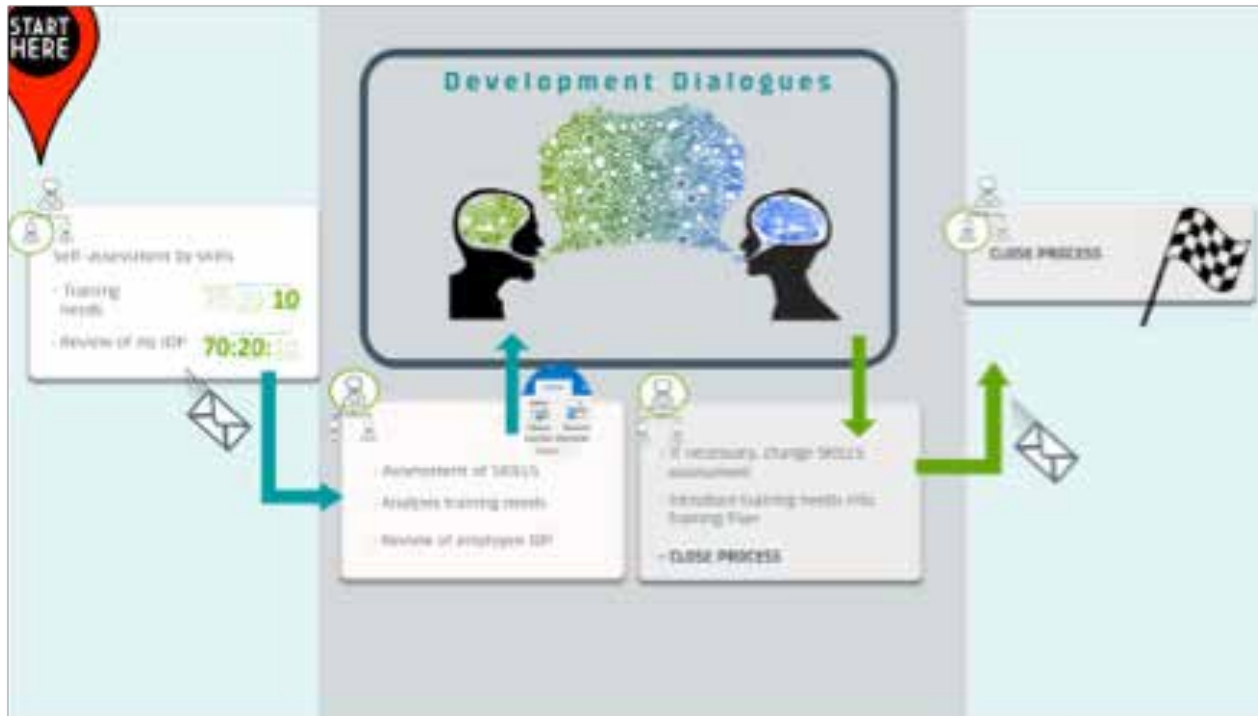
Assessment of the Development Dialogues process



- Very Satisfied
- Satisfied
- Correct
- Unsatisfied
- Very Unsatisfied

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These changes were made during 2017 and the diagram below shows the results:



Como segunda valoración del modelo de "gestión de talento", a principios de 2018 se realizará una nueva encuesta a los trabajadores para valorar directamente a sus managers en el contexto de los diálogos de desarrollo, con el objetivo de valorar su implicación y dedicación. Los resultados de la encuesta servirán para valorar los objetivos personales de cada uno de los managers sobre esta función, así como para detectar posibles actuaciones de mejora.

Está previsto iniciar la integración de este modelo de desarrollo del talento en los diferentes países, empezando por Italia a lo largo de 2018.

## Training 2017

Cellnex bases its development on the “70:20:10” approach, a development model in which everyone is responsible for their own development and the manager is responsible for accompanying the process while the organisation provides the resources to enable it.

In 2017 technical training sessions were taught associated with the core knowledge of the Department of each partner as well as cross-cutting training such as project management, languages, office automation, skills and Occupational Risk Prevention. Training is face-to-face, online and blended and provided by external experts and/or internal trainers.

In 2017, the staff of Cellnex Spain and Italy received 44,824 hours of training of which 5,058 were based on safety training at the workplace.

### Training hours

	2016	2017
Spain	43,501	40,452
Italy	2,852	4,372
<b>Total</b>	<b>46,353</b>	<b>44,824</b>

See details in Annex III

## Training pathways 2017

In 2017, Cellnex Spain organised a further leadership pathway course. Launched in 2015, it is aimed at managers. The aim of this course was to train new managers in the field of people management, acquiring skills and tools to foster leadership change. In addition, the talent management model for 100% of the staff of Cellnex Spain has been maintained.

The leadership training sessions conducted in Italy in 2017 were also aimed at managers and team leaders. These courses aim to provide the necessary tools to equip them all with the skills and knowledge required in their workplace.

In addition, in 2017 Cellnex carried out several training activities for different job categories. In Cellnex Italy in 2017 a project on “accountability” of senior and middle management has been implemented with the aim to spread a common language of communication able to simplify and support the internal relationship. Cellnex aims to continue the project also in 2018, in order to extend the language of “accountability” also among other levels of organization. In 2017, Cellnex Italy also started a course of Project Management for empowering new resources in managing transversal projects and aimed to support the integration of Companies. In addition, the company’s project ‘Customer First’ has been promoted by training sessions that had as target

to approach technicians to a new job role of “Asset Manager”. It means to put these people in contact with new concept related to soft skill as “communication”, “negotiation”, “accountability”, “time management”, and to new technical skills as “sales technicalities” and “business orientation”.

Also during 2017, coaching sessions were held for Directors, Managers and Heads of Unit in Spain who had previously been through the management audit in 2016, and another leadership skills evaluation was opened up to a new group, consisting of an external assessment (management audit) including a feedback of the results. This group will start receiving coaching sessions in 2018.

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### Specific training programmes

<b>Leadership pathway</b>	The aim of this course was to train the ten new 27 managers in the field of people management, acquiring skills and tools to foster leadership change.
<b>Pathway for project managers</b>	<p>The programme, access to which depends on an assessment, consists of four modules:</p> <ul style="list-style-type: none"> <li>• Project management</li> <li>• Management and control of external resources</li> <li>• Personal effectiveness and own time management</li> <li>• Personal skills and competences</li> </ul> <p>Staff who complete the training can then access the Project Management Programme (PMP) official examination, which is an internationally recognised certificate that validates the competence to act as a project manager, leading and directing projects and teams. To help them to pass this exam, managers are provided with an exam preparation course involving not only face-to-face sessions but also allowing access to an online tool and a tutorial session to resolve their doubts and provide support in the final preparation of the official examination.</p>
<b>Pathways for in-house trainers</b>	This project aims to prepare trainers for their role as Internal Trainers.
<b>Languages</b>	Language grants included in the Cellnex training grants programme.





## Management by objectives

In Cellnex Telecom Management by Objectives (MBO) is considered as an incentive to stimulate the contribution and additional creation of value in a systematic way, ensuring a global alignment of efforts to achieve the group results expected in the market.

This array of objectives rolls out the group's priority strategy in each country and consistently combines crossed objectives among different areas that cover the main projects of the current year to support the business strategy. The Model is implemented at all levels and profiles of the company and, while there was no significant change during 2017, an update is planned for 2018.

One goal is to express an objective to be attained during the current year. This objective can be established by the line manager, or can be a functional objective assigned and evaluated by a cross-cutting area (resources, finances, etc.) as detailed in the Cellnex Telecom Relational Model.

Each employee can have different types of objectives within the same period:

- Group/Country Objectives.
- Management Objectives.
- Individual objectives.

The weight or importance of each type varies according to the organisational position or work profile of each Cellnex Telecom employee.

## Commitment to well-being and health at work

Cellnex looks after well-being on its premises, striving to implement the best **health and safety** measures and ensuring compliance with the relevant rules in all its premises. In order to ensure compliance with existing legislation on occupational health and safety and its integration in all the company's departments and processes, Cellnex Spain and the businesses that make it up are certified according to OHSAS 18001:2007 by the auditing body TÜV Rheinland. In 2018, there are plans to certify Cellnex Italia and the companies that comprise it are certified according to OHSAS 18001:2007 by the auditing body DNV GL Business Assurance.

Cellnex has also Business Coordination Activities agreements with its customers through which the company defines the audit processes to be made on its customers. These audit processes seek to comply with current regulations concerning occupational hazards; RD171/2004 (the Royal Decree implementing Article 24 of Law 31/1995 of 8 November 1995 on Occupational Risk Prevention, on coordination of business activities) and LPRL 31/1955 (Law on Occupational Risk Prevention).

The company has a proprietary OSS under which it performs a thorough control of access to its centres, thus ensuring strict compliance with

the ORP policy and the access procedures by customers and contractors.

Cellnex Spain has a **Health and Safety Committee**, comprised of 14 members, which handle prevention issues affecting the company as a whole. It also has two Health and Safety Committees, for the Barcelona and Madrid sites, which handle issues specific to the corporate buildings.

There were four Health and Safety committee meetings in 2017 involving the participation of employees of the various work centres who are represented in these committees and represent 97.7 % of the workforce in Spain. Furthermore, there is an e-mail of the Joint Prevention Service and a corporate Intranet application to allow any Cellnex worker to blow the whistle on any situations in which worker safety could be compromised.

In parallel to this, Cellnex Italia has direct communication channels between the Human Resources Department and the staff in order to communicate situations in which safety and prevention of occupational risks could be put at risk, and has defined a procedure for what to do when such communications are received.

In addition, in order to ensure a healthy working environment in which all company staff know the health and safety measures in the workplace,

the company provides information and training in occupational health and safety for the whole workforce. In 2017, 4,990 hours of training were imparted in occupational risk prevention and occupational safety at Cellnex Spain.

Likewise, as regards communication and awareness-raising, during 2017 the signage of the network locations was adapted to the new organisational design and distributed by the national territory.

Furthermore, progress was made in 2017 with the **Healthy Company model** project. This model establishes the requirements of a management system for organisations committed to existing international principles and recommendations on healthy businesses that wish to promote and continuously protect the health, safety and welfare of their workers.

During 2017, various pilot initiatives were set up to assess the degree of acceptance by the workforce and to continue to make progress in this area during 2018. Among these, we would particularly point to the initiatives organised as part of World Day for Safety and Health at Work, the aim of which is to promote the prevention of occupational diseases and accidents and to

create and promote a safety and health culture to help reduce risks at the workplace:

- Distributing a piece of fruit in the offices in Spain.
- Ibervending, the provider for the offices in Spain, is promoting the consumption of “wellness” products by increasing its offer of healthier and lower calorie products and distributing boxes of fruit on one day.
- As part of Cellnex’s Wellness Programme, a talk on Healthy Eating was given by a specialist in Occupational health nursing and Master in Nutrition and Health at the offices of Spain.



## Shareholders

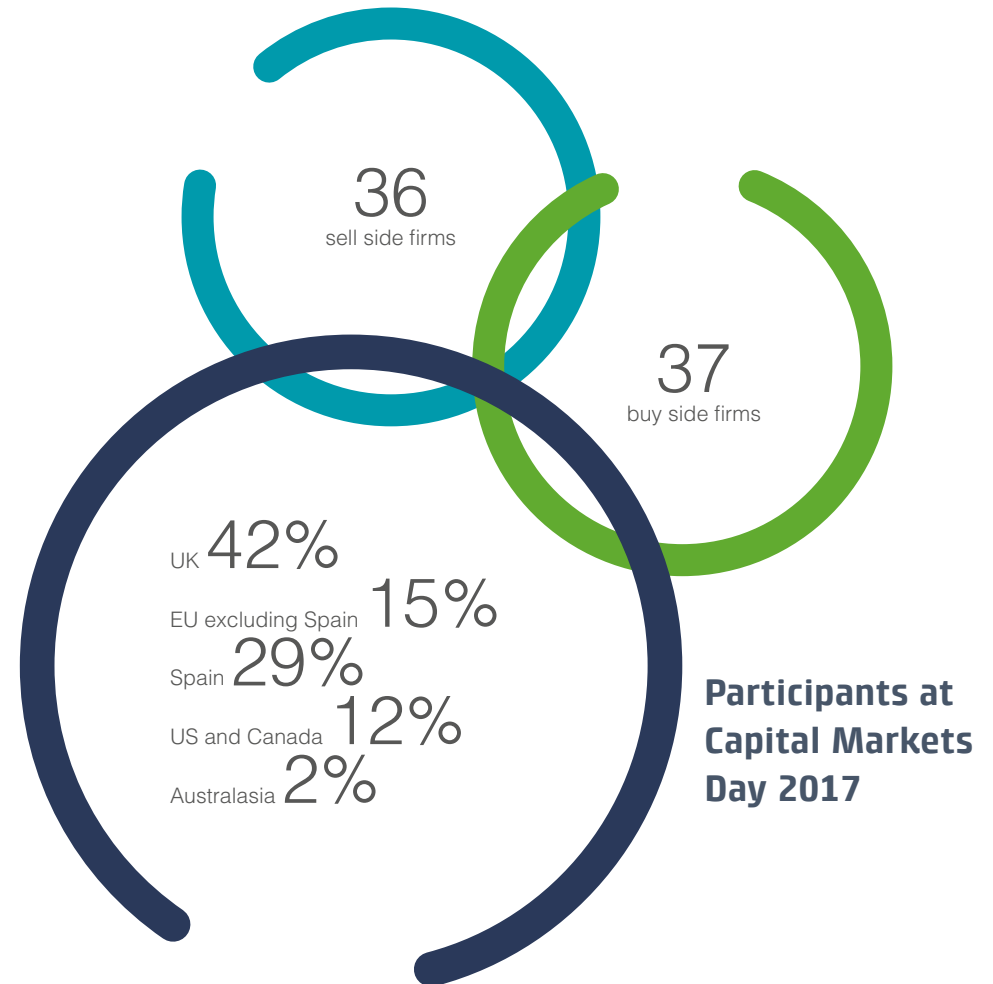
Cellnex works to maintain investors' confidence and to meet their expectations. To this end, it set up the **Investor Relations Directorate** in 2017, dedicated to channelling and making available all financial information to shareholders and analysts, as a key tool for publicising the real value and the potential of the company, plus its growth opportunities. The person in charge of this department is **Juan José Gaitán, who was awarded by Extel 2017**, a leading survey in the investment community at European level.

2017 was an intense year for the **Investor Relations Department**, which included contacting more than 300 shareholders and holding meetings in 13 different countries. 31 sell-side analyst actively covered the stock during 2017, issuing investment recommendations on Cellnex, 65% of which are BUY.

Taking into account the strong start of 2018 the aim is to increase the international reach of the Investor Relations Department and to develop new initiatives.

Similarly, on 14 November 2017, the Barcelona offices hosted "**Capital Markets Day 2017**", a meeting which not only presented the third quarter of 2017 results, but also provided analysts and investors with the opportunity to learn details of the company's progression and future prospects at first hand from the Cellnex management team.

On the same dates, Cellnex took part in the **Morgan Stanley European Technology, Media & Telecom Conference** event where more than 160 companies and more than 600 investors gathered in Barcelona to discuss the latest developments and trends for the technology, communication and telecommunications sectors.



## Customers

Cellnex Telecom has defined a relationship model with its customers based on proximity, transparency and the search for constant improvement.

One of the key factors of this model is the continuous interaction with the customer throughout the process of providing the service, from commercial to incident management, reporting and possible consultations and complaints during provision, operation and maintenance. That is why customer dialogue takes place from areas that are specialised in the various phases and aspects of the service, responding to the customer's needs at all times.

To ensure a personal and stable customer relationship, we have defined the figure of account manager, represented by a person from the company who looks after the relationship with the external customer and aims to provide personalised service in real time, improving customer satisfaction across the board.

In Spain, no customer complaints were registered in 2017. Meanwhile in Italy, seven complaints have been registered through direct contact and eight via mailbox, but all have been resolved or treated.

As part of the effective management of significant events and incidents, there are various business continuity guidelines and plans designed to ensure that critical services can continue to be provided in the event of failure in any system, either by protecting these or by redundancy.

In Spain, switching is performed automatically in the event of a failure in redundant systems. The Control centres from which the network is operated and monitored are available 24/7. The equipment supporting the delivery of core services is controlled remotely from the control centres and, if necessary, can force the manoeuvres necessary for the proper provision of the service. Operational units are also available in all provinces of Spain so that a qualified technician can be sent to the site of the fault, when necessary, to provide a solution within the time stated in the service level agreements. Since the company provides its services and operates its network 24/7 in all locations, there is no downtime on any sites.

With the provision of new network services such as Smart Cities and IoT services, Cellnex is beginning to experience a change in the type of its customers. Specifically, the new services entail managing a greater number of customers and players from different sectors that are also geographically disparate. This new scenario involves a change in the customer management model, which requires the implementation of

new communication channels in addition to the account manager, web or email. In this new scenario, it is particularly important for Cellnex to be present in forums, conferences and events in which Cellnex plays an active role.

Likewise, Cellnex has established a number of communication channels with customers, such as those contained in the service-level agreement (SLA) reports, or the biennial studies of perceived customer satisfaction, the outcome of which feeds into action and improvement plans.

These studies were established with the following specific objectives:

- To have a complete picture of customers' overall perception of the company.
- To learn about the level of customer satisfaction, breaking down and parametrising overall levels of satisfaction into the various values and attributes in the study.
- To produce a map of customer indicators with the services provided by the company for each activity and segmented by business area and type of customer.
- To determine company recommendation and loyalty rates relating to each service, activity, business area and customer type.

- To determine the critical points and strengths and establish an action plan based on the external customer satisfaction study.

## Zero Outage

A few years ago, the Deutsche Telecom group launched a certification programme for its suppliers to improve the service provided to the end customer. Today there are around 60 certified companies worldwide, and the certification process is governed by very rigorous criteria in the end-to-end management of the connectivity service for data transmission, leading to an improvement in the final quality provided to the customers of this German group.

In Spain, the company of the German T-Systems group has led the certification process with Cellnex Telecom. Once achieved, it will strengthen the relationship between both companies on the back of their prior stable relationship. There is a transition towards a partnership model between both companies.

Cellnex began the certification process in mid-2017. Since then, T-Systems has been monitoring the quality offered in the data connectivity services offered, which are subject to rigorous levels of continuity. To respond to the requirements of the programme and to achieve type-approval, periodic meetings have been held with T-Systems managers, training provided to the operators of the control centres, improvements made in incident management processes and in scaling applications, etc.

In December 2017, the Group was notified of this certification, which comes up for renewal each year. According to current available information, currently only two companies are certified in this type of activity in Spain, one of which is Cellnex.

Cellnex expects this partnership with T-Systems and the Deutsche Telecom group to generate new opportunities to work together, which will undoubtedly help to grow the Group's connectivity services business line and is an acknowledgement of the work and quality of the services provided by Cellnex.

## Satisfaction survey 2017

The customer satisfaction survey in Cellnex Spain is carried out on a biennial basis. In 2017 the survey was updated, with very positive results result, achieving satisfaction rates of 92% of all Cellnex Telecom customers who are satisfied or very satisfied with the service offered by the company.

In 2017, Cellnex Italia has drafted a questionnaire as a previous step of the customer survey that will be carried out with the aim to measure the level of satisfaction with the company's performance and quality of service. In the survey, Cellnex Italia customers are asked about their relationship with the company, the sales process, the Cellnex management of the project, the after sales service, the administrative service, general satisfaction and their general satisfaction in comparison with competitors in the market.

## Commitment to customers

Working and management procedures with Cellnex customers are defined through values of responsibility and commitment and are reflected in price setting and information, with a constant focus on communication and proximity across the board.

Regarding the television signal broadcast carrier service, Cellnex Spain has to provide its nationwide network access services to third-party operators, as stated in the resolution of 30 April 2013 of the National Commission for Markets and Competition (CNMC). The obligations laid down in the resolution include publishing a reference offer for the provision of wholesale access service that is sufficiently disaggregated to ensure that they do not have to pay for resources that are not needed for the regulated service. In order to fulfil this obligation, Cellnex Spain developed the reference offer for access to Cellnex, S.A's transmission centres (ORAC) for the first time in October 2009. The ORAC describes the centres and services, procedures for providing them, the technical conditions and prices for providing the wholesale access service that will give authorised operators access to the broadcasting centres in the Cellnex national network on transparent, objective, non-discriminatory and cost-oriented terms. This information is updated regularly.

## Providers

Cellnex has a supplier management model based on cooperation and joint improvement. This model aims to implement more efficient procurement procedures and find technological solutions to bring about improvements, both in internal management and in providing services to customers. It should be underlined that the model is governed by the use of best practices in procurement processes undertaken.

Cellnex's providers and suppliers have to know the corporate policies and ensure that they comply with each of them. Cellnex publishes a series of policies on its corporate website for suppliers, concerning quality, environment, occupational risk prevention, information security, corporate responsibility and R&D+i as well as the code of ethics. Suppliers must comply with these requirements in the course of their work, and must also make available these rules and requirements to all contracted and subcontracted personnel.

In 2017, Cellnex drafted a Purchasing Policy, which establishes and promotes a guide for action in the procurement process that goes beyond product and service price and quality to also impact social, ethical, environmental, privacy and continuous improvement aspects in the performance of Cellnex Group suppliers.

Cellnex is committed to local value generation by using 98.8% local suppliers in Italy, and 93.8% in Spain. Wherever possible, priority is given to purchasing goods and services from local suppliers, meaning from within the same country.

In terms of Occupational Risk Prevention, Cellnex Telecom establishes coordination requirements between the company and its suppliers of works and services, in order to comply with the obligations established in the Law on Prevention of Occupational Risks and other regulations that complement it. It has specific guidelines for suppliers that access the company's facilities, mainly those involved in supply and maintenance projects, and cubing services. Likewise, Cellnex informs suppliers of the environmental requirements for works, with which it must comply to avoid generating negative environmental impacts while performing their work. If these do occur, the necessary corrective measures must be implemented to address them.



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## Evaluation, selection and monitoring of suppliers

Cellnex's companies apply a procedure for evaluating and selecting suppliers in order to ensure that suppliers are aligned and comply with corporate policies and values.

In the case of Cellnex Spain and Cellnex Italia, there is a system for evaluating, selecting and monitoring suppliers that includes an internal procedure detailing the criteria and phases to be followed to become a Cellnex supplier.

- Initially, suppliers' performance is evaluated using quality and time criteria to obtain a grading by levels according to the result obtained. For suppliers with unsatisfactory results, while there is a desire to continue the business relationship, an action plan is established to correct and adjust their service level to that required by Cellnex. If a supplier does not improve its results and is unable to make the appropriate improvements, commercial relations may be terminated. This evaluation phase extends to all countries with the SAP financial system in place, such as Spain and Italy, and will also be extended to France in 2018.
- In a second phase, Cellnex Spain evaluates the performance of suppliers in terms of Corporate

Social Responsibility including issues on ethics, the environment and labour relations. The aim of this evaluation is to better understand the suppliers from which the highest percentage of company procurement is made, in terms of sustainability. The universe of suppliers consulted in Spain was 286, from which 8 incidents related to negative social impacts such as the overcoming of the number of overtime hours, the interpretation of the norm between the Social Security and Labour Inspection and the difference of contribution in transferred workers were detected. In 2018, it is planned to implement this second phase in Cellnex in Italy and France.

In 2017, Cellnex Spain incorporated a specific information clause of the company's Code of Ethics into the general ordering conditions. In 2018, this clause will be extended to all countries that have the SAP financial system. Following this approach, a review of the general contracting conditions is envisaged in 2018 to add information related to the Code of Ethics and the Ethical Channel more broadly to these conditions.

## Public administration and regulatory bodies

Cellnex tiene una estrecha relación con las diferentes administraciones públicas tanto en España, como en el ámbito europeo.

Dado el carácter de Operador con peso significativo en el mercado (PSM) mayorista del servicio portador de difusión de la señal de televisión en España, Cellnex está regulado por la Comisión Nacional de los Mercados y la Competencia (CNMC) en el servicio de acceso mayorista a sus centros emisores.

Por otro lado, en lo referido a seguridad, medio ambiente y construcción, las competencias se reparten entre la administración autonómica y la local.

Por último, la internacionalización de Cellnex y la realidad de un sector fuertemente ligado a la globalidad, provoca que sea más trascendente el ámbito europeo de administración y regulación. La Comisión Europea y el Parlamento Europeo, junto con los principales agentes del sector de las Telecomunicaciones, participan en la definición del marco regulatorio y en la creación de las políticas en el ámbito europeo. En este terreno, Cellnex desarrolla un papel activo en defensa de las posiciones del sector, especialmente en lo referido a la reserva del espectro radioeléctrico para los servicios de radiodifusión audiovisual.





## Cellnex's participation in relevant initiatives

### Cellnex action and participation in relevant industry associations

In 2017, Cellnex continued to participate in sectoral initiatives. Cellnex belongs to the following associations:

#### Associations

- European Broadcasting Union (UER/EBU)
- Digital Video Broadcasting (DVB)
- TCCA (formerly Tetra MOU association)
- DIGITAL
- National Federation of Telecommunications Installers (FENITEL)
- Spanish Association of Interactive Television Companies (AEDETI)
- Broadcast Network Europe (BNE)
- The European Wireless Infrastructure Association (EWIA)
- European Internet Foundation
- Factor Humà
- HbbTV Association
- Association of businessmen and executives of Aragon (ADEA)
- European Telecommunications Standard Institute (ETSI)
- European Innovation Partnership on Smart Cities and Communities (EIP-SCC)
- COCEF (Chamber of Commerce of Spain in France)
- AIOTI Alliance
- SmartCat Challenge
- IoT Catalan Alliance
- Audiovisual Cluster of Catalonia
- RTVE Chair
- Global Compact
- ENERTIC
- Chamber of Commerce of Barcelona
- Association of infrastructure, equipment and public services companies (CCIES)
- BARCELONA GLOBAL
- Institute of Internal Auditors
- Spanish Broadcasters' Association
- Spanish Association for Quality (AEC)
- Spanish Association for Investor Relations (AERI)
- Association for Management Progress (APD)
- Italian Chamber of Commerce and Industry for Spain (CCIS)
- Business Confederation of security and services users (CEUSS)
- Chamber of Spain

#### Cellnex is a founding partner and active member of:

- Broadcast Networks Europe (BNE): A Europe-wide association of broadcasters and operators, with the objective of developing the broadcasting technology ecosystem.
- EWIA (European Wireless Infrastructure Association): This Association aims to support its members in the development and emergence in Europe of independent telecommunications infrastructure operators and represent the industry's interests in matters of public policy within the European Union.

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### Forums

- Digital TV Forum
- International Telecommunications Union (ITU)
- Circle of Technologies Foundation for Defence and Security
- European Conference of Postal and telecommunications Administrations
- The Electronic Communications Committee (CEPT-ECC)
- CEOE
- Official Professional Association of Telecommunications Engineers (COIT)
- Mobile Infrastructure Panel
- TowerXchange
- Digi-CONNECT
- Digital Radio Forum
- IBC
- CITY PROTOCOL Society
- CTN178

### Technological Platforms

- Networked & Electronic Media" (NEM)
- e-nem (Spanish audiovisual network technologies platform)
- e-sec (Spanish Security and Trust Technologies Platform)
- E-isi (Spanish Satellite Communications Platform)
- e-mov (Spanish Wireless Communications Platform)
- Es.internet (Spanish industry Technological Platform).

### Universities and Training Centres

- School for New Interactive Technologies - University of Barcelona
- ESADE
- Barcelona Graduate School of Economics
- IESE

### Foundations

- EURECAT
- i2CAT
- SERES, foundation

Likewise, Cellnex has taken part in the following key international events:

### Smart City Expo

Cellnex took part in a further edition of the Smart City Expo World Congress, the major world event on smart cities.

On this occasion, Cellnex focused on responding to one of the main challenges of today's society: creating innovative territories able to strike a balance between social development, environmental sustainability and economic competitiveness.

The SIGFOX network, focused on Internet of Things (IoT) services, and the Smart Brain platform were the focus of Cellnex's participation in the Smart City Expo & World Congress.

Likewise, Óscar Pallarols, Director of Innovation and Product Strategy, took part in the session on "Rethinking urban infrastructure in the digital age", where he spoke about Cellnex's vision of the future of connectivity that will be ushered in by the roll-out of 5G networks and their disruptive effect on urban infrastructures, society and the economy.

### Professional Audiovisual Technology Fair

This year Cellnex took part once again in the Professional Audiovisual Technology Fair (Bit Broadcast). On this occasion, the latest advances in research in the audiovisual sector were unveiled, reflecting usage habits, spectrum efficiency and new viewer services.

Cellnex is working actively to develop standards to allow the arrival of these new services through multiple devices

### Mobile World Congress MWC-2017

Cellnex Telecom took part in another edition of the Mobile World Congress (MWC), the mobile industry's global event par excellence.

On this occasion, the company showcased its solutions and technology for responding to the high demand for mobile connectivity in high footfall areas (shopping centres, stadiums, metro lines, city centres, etc.).

These multi-operator infrastructure-sharing solutions contribute to the development of mobile connectivity services with high efficiency rates.

### Regulation and Competition seminar

Cellnex participated in the "Regulation and Competition" seminar organised by IESE in collaboration with Cellnex, where more than 120 professionals from the telecommunications sector met to discuss regulation and competition in the telecommunications market. This seminar, held every year, was attended by speakers from the CNMC, academic experts, public administrations, and representatives of the car industry, etc. Cellnex Group's Strategy Director Josep Ventosa took part as a speaker at the round table on "infrastructure sharing".

### Interoperability days

Cellnex organised the Hybrid DTT "Interoperability Days" at which broadcasters and television manufacturers teamed up to ensure that broadcasters' interactive applications work properly on all brands of televisions.

## Significant awards and recognition of Cellnex in 2017

- **The Mediterranean Lighthouse Award**, by the Italian Chamber of Commerce, acknowledges all the Spanish and Italian companies that have contributed over the years to strengthening the ties between Spain and Italy, singling out two companies that have done the most to foster and promote cultural, economic and commercial activity.
- **The Company of the Year Award from the Association of Telecommunications Engineers of La Rioja**, awarded at the event organised as part of the 10th Telecommunications Night Awards to Cellnex as the only provider with national coverage of broadcasting services in Spain and La Rioja supplying national and regional DTT services to provide broadcast services to the entire population, in addition to broadcasting national and regional FM services, and also because it is the leading independent European wireless telecommunications infrastructure operator.
- **Awards from the Institute of Financial Studies (IEF) for Financial Excellence in Communication**, awarded to Toni Brunet, Director of Public and Corporate Affairs, in recognition of his career in the world of economic and financial communication.
- **Company of the Year Award in France**, awarded by the Chamber of Commerce of Spain in France (COCEF) as part of the 28th edition of the BECC Trophies held in Paris. Through this award, BECC acknowledged "Cellnex's focus and commitment to the French market, as well as bolstering economic and business collaboration and cooperation between France and Spain".
- **Honourable Mention of the Llotja Award** for the best information on mercantile companies to shareholders and the market, awarded by the Chamber of Commerce of Barcelona.

## Membership of Corporate Responsibility initiatives

Year after year, Cellnex shows its commitment to society by joining and organising numerous initiatives on Corporate Social Responsibility. Below are the most important initiatives of 2017.

The company worked together with the **Seres Foundation**, whose aim is to "Build a healthier, stronger society with competitive businesses that can stand the test of time". The foundation aims to foster and promote strategic business actions that contribute to an overall improvement of social reality. Cellnex has signed an agreement with the foundation through which it undertakes to:

- Work together with Seres Foundation to help it consolidate as an innovative benchmark entity.
- Disclose the collaboration between both entities in all possible communication initiatives.
- Share its knowledge in social best practices to make them available to society as a whole to enable Seres Foundation to become a platform for spreading and exchanging the social actions of companies.

- Participate in meetings between partners and other entities for social purposes.

In 2017 Cellnex collaborated with **Fair Logistics Foundation**, an organisation that works towards equal opportunities for groups at risk of exclusion from society and the labour market. Through this collaboration, Cellnex takes on the foundation's commitment to responsible consumption and the development of social logistics by importing fair trade and social economy products.

Cellnex collaborates with the **AMPANS foundation** through the hire of the company's Christmas batch. The AMPANS foundation is an entity from Bages that works to promote education, the quality of life and the labor insertion of people with intellectual disabilities, as well as mental illness and other groups that are in risk of exclusion, creating and managing centers, services, programs, supports and business activities with excellence criteria.

Cellnex was actively involved in the event for promoting sustainable development organised by the **International Academy for Social Economic Development** (AISES) held in 2017 through the participation of the CEO of Galata, SpA. This year's event was organised to discuss the commitment to sustainable growth through the "Sharing Economy, Smart Technologies and Social Innovation".

- 01 Interview with the president and CEO
- 02 CellNex 2017: Milestones and key figures
- 03 Leading the mobile telecommunications infrastructure sector
- 04 Governance model
- 05 Sustainable management of the value chain**
- 06 Bases for the preparation of the report
- 07 Annexes

In 2017, Cellnex signed a collaboration agreement with IESE to establish itself as a Trustee company of IESE, and defines its collaboration in various projects promoted by the Public-Private Sector Centre of the Business School. Thanks to these Trustee companies, IESE is able to improve its educational mission in the field of management and to make future projects a reality.

In 2017 Cellnex took part in the **Carbon Disclosure Project (CDP)**, one of the most highly recognised organisations for its work on climate change, which seeks to assess the quality of – and systems for reporting – the information provided by private companies or by the public sector in the sustainability and environment area. Cellnex obtained a letter B, maintained the same score as in 2016, when it was awarded as the best Spanish newcomer in 2016 in the Climate Leadership Awards, organised by the CDP.

In November 2015 Cellnex joined the **United Nations Global Compact** as an expression of its commitment to including the corporate social responsibility concept into its operational strategy and organisational culture.

The United Nations Global Compact is an international voluntary initiative that includes more than 8,000 companies and institutions across 135 countries. Under this agreement, Cellnex Telecom undertakes to promote and spread corporate

sustainability policies and practices based on the 10 key principles promoted by the United Nations, focusing on the areas of human rights, labour standards, environment and combating corruption in business activities. Cellnex’s commitment to the United Nations Global Compact is part of its programme of Corporate Responsibility (CR) and materialised in November 2016 with the delivery of the first Communication of Progress (COP) by Cellnex.

Cellnex was added to the **FTSE4Good** sustainability index, which recognises the

good practices of listed companies in the environmental, social and corporate governance fields. The company obtained a score of 4.5 out of 5 in corporate governance practices and 4 out of 5 in social factors, two of the three main areas of analysis that led the company to be included in that international index. In the social sphere, Cellnex Telecom obtained the highest possible score (5 out of 5) in labour standards and 4 out of a possible 5 points in social aspects linked to the supply chain. In terms of business management, the factor in which it excels, the company stands out especially in measures to fight corruption (5 out of 5) and corporate governance (4 out of 5).

Cellnex joined the **“Standard Ethics”** sustainability index with an “EE-” rating, equivalent to an adequate level for its good compliance in terms of governance, sustainability and social responsibility.



## Social contribution

Cellnex works together with non-governmental organisations through corporate volunteering actions, donations and joint development of projects. In 2017, Cellnex began to develop a manual of sponsorships aligned with the strategic axes of the company, to be approved in 2018.

### A social network of caring employees: volunteers

Cellnex created the Cellnex Volunteers initiative up in 2015, a social network of volunteers who can contribute their ideas, skills, knowledge and time to implement solidarity projects.



#### The main actions brought to bear in 2017 were:

- **Euro Solidario (Solidarity Euro):** an initiative to collect micro donations of € 1 per month under the slogan "Small gestures move the world". As a result of the 2016 campaign, a cheque for € 10,350 could be delivered to the Sant Joan de Déu Hospital Charity.
- **Collaboration with the Food Bank:** collection of cans of preserves and cooked vegetables to respond to the cases of energy poverty that are increasingly common in Spain.
- **Recogida de ilusiones 2017 (Collecting illusions 2017):** a solidarity campaign for children and adolescents: this initiative involves collecting toys and financial contributions for children's and youth groups most in need during the Christmas holidays. In 2017, more than 1,300 kilos of food were collected and donations from workers valued at 570 euros were allocated to the Juvanteny Foundation to help adolescents at risk of social exclusion.
- **Tapones para una nueva vida (Lids for a new life):** a collaboration with the SEUR Foundation to collect bottle tops and deliver these to a recycling plant to help children with health problems.

## Donations

In 2017, Cellnex continued to collaborate with non-governmental organisations through its specific budget allocation for Christmas gifts. Specifically, this year Cellnex dedicated its corporate donation to emergency funds managed by UNHCR (United Nations High Commissioner for Refugees) and Medici Senze Frontiere, the Italian delegation of Doctors Without Borders. These organisations support the population in areas affected by natural disasters or armed conflict.

## Project development

### • Collaboration with research on the impact of electromagnetic fields on health.

Cellnex takes part in different activities related to the evaluation, management and communication of possible risks derived from exposure to electromagnetic fields on health. Among the activities of 2017, the participation in the elaboration of reports, dissemination and training actions, institutional actions, media interviews and work meetings stand out among others.

### • Cooperation with TV3 Telethon.

Cellnex has historically taken part in the Fundació La Marató TV3 Telethon. As in previous years, the company has lent its financial and personal support. The general manager of Cellnex Spain answered calls at the call centre located in the Montjuïc premises.

### • Mirame tv solidarity Telethon

Cellnex collaborated with the local network Mirame TV to put on its solidarity gala by providing audiovisual services to beam images of this gala to the homes of Santa Cruz de Tenerife.

### • 2nd Night of Solidarity with Research

Cellnex helped fund this event, organised by the Business Association of L'Hospitalet and Baix Llobregat, (AEBALL), which on this occasion raised funds for the Biomedical Research Foundation Institute of Bellvitge Hospital.

### • Involvement in the Innovation Hub of the city of Barcelona.

Cellnex's commitment to innovation, knowledge transfer and entrepreneurship is expressed, among other ways, in its collaboration in a start-up project where participants have presented projects to promote the development of the city of Barcelona as an Innovation Hub of global relevance...

### • Involvement in the "Caixa Capital TIC II FCR" fund for the promotion of innovation.

Cellnex Telecom participated in the venture capital fund managed by Caixa Capital Risc, "Caixa Capital TIC II FCR". This is an investment vehicle created in August 2014 to support the growth and maturation of innovative companies in terms of their product and business model, characterised by the qualification and commitment of the management teams and with a focus on ICT technologies and projects in digital environments and mobility. This fund has a projected life of ten years and a total size of €

29.7 million. Cellnex has committed to providing € 600 thousand, of which € 294 thousand have been disbursed as of 31 December 2017. 81% of the projects funded focus on ICT, specifically in B2B models, while the remaining 19% are digital business models aimed at the end consumer.

## Third Social Sector Board

Cellnex Telecom and four foundations integrated in the Third Social Sector Board ("Family and Social Welfare" foundation, "Social Initiative" foundation, "Habitat 3 Third Social Sector" private foundation, "Social Housing Development" private foundation) signed a cooperation agreement in 2017 to perform a **project in the social housing field through the application of sensor and connectivity technologies linked to the Internet of Things (IoT)**. Through this cooperation agreement, Cellnex will equip six homes, for groups **at risk of social exclusion**, with various sensors that will allow data to be gathered and monitored - essentially concerning energy consumption and efficiency in these homes - as well as detecting temperatures and other indicators to make it easier to monitor these "connected" homes. For the foundations that manage these properties, Cellnex will also configure the IoT platform required for the remote storage and monitoring of the data, as well as the control panel from which to process the information and generate indicators. Through the sensors - and this IoT platform -, the entities will be able to anticipate any abnormal or risk situation, **optimise the use of resources and make decisions about possible actions** based on the parameters obtained.

## Responsible environmental management

Cellnex has an Environmental Policy based on respecting the environment, protecting and preserving biodiversity, using renewable energies, mitigation and adaptation to climate change, and contributing to sustainable development through the efficient use of resources, as well as promoting preventive and mobility actions.

Thus, not only does Cellnex base its activity on the principles of sustainability and responsibility, but has also defined Sustainable Business Development as one of the basic pillars of its CR Master Plan. This involves the company committing to sustainability, environmental preservation and efficiency by setting goals, and more specifically by implementing concrete actions and programmes for all the companies of the Group.

The **Sustainable Business Development** pillar is defined on the basis of the following goals, each of which consists of several specific actions:

- 1) **Putting environmental management of Cellnex in Spain** at the same level as the rest of the companies in the Cellnex group;
- 2) **Promoting Energy Efficiency**, increasing the use of renewable energy as much as possible and fostering the implementation of efficiency measures at the company's premises;
- 3) **Committing to sustainable mobility**;
- 4) **Developing a carbon management framework in Spain** to include the strategic perspectives to be worked on and focused on a set of actions, framed in different lines of management, that must be approved, funded and implemented to achieve the carbon management objectives established;
- 5) **Minimising the risks and fostering the business opportunities** derived from climate change identified in relation to Cellnex Telecom's activity in Spain;
- 6) **Progressively reducing the carbon footprint** in Spain and Italy;
- 7) **Protecting and respecting the ecosystems affected by Cellnex's activity**;
- 8) **Promoting a sustainable culture within the Cellnex organisation**; Measuring and communicating environmental performance and reporting this on an annual basis in international organisations (CDP, GRI, DJSI, UNGC, FSTE, etc.).

Within the organisation's environmental objectives defined in 2017, there were 26 goals established for improving or mitigating environmental impacts. Sixteen of these have been implemented, and the rest are almost implemented or in the process of completion.



## Monitoring and managing the main risks, opportunities and environmental impacts

Within the environmental management system already implemented and certified, Cellnex Spain periodically updates the identification and evaluation of its environmental aspects, risks and opportunities related to the company's activity and its derived environmental impacts, as well as the significance criteria.

The most significant impacts are extracted from these evaluations, to which end a monitoring system is established and actions are associated to mitigating them.

Efficiency and management actions are performed according to the type of impact and are related **to energy and biodiversity respectively.**

During 2017, more efforts were put into communication and awareness-raising on environmental issues. Specifically, there was a campaign to **adapt the signage** to the new organisational design, focusing on certain specific issues such as loading and unloading diesel fuel and actions to be taken in emergency situations, identification of waste storage points using new posters, for centres declared as small waste producers by the Administrations and other issues related to the main environmental aspects of Cellnex Spain.



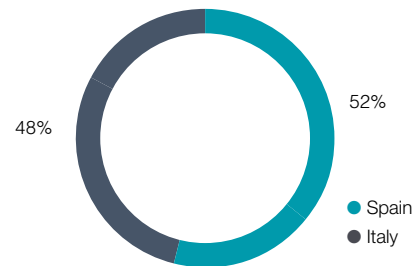
## Energy

Cellnex monitors the Group's energy consumption in order to achieve maximum efficiency and the lowest possible impact on the environment and hence on society. Cellnex attributes as internal energy consumption the energy consumed in all its operating centres and offices.

The company's electricity consumption in 2017 was 249,462,592 kWh in Spain and 228,397,315 kWh in Italy. Cellnex' electric energy consumption intensity in Spain is 55,179 kWh per establishment (taking into account only those sites from which invoicing data is available).

Cellnex Spain has photovoltaic generation facilities and small-scale wind turbines at its own sites, which generated 68,744 kWh in 2017.

**Distribution of electrical consumption by country**



**Evolution of diesel consumption per country (kWh)**

	2016	2017
Spain	9,497,843	8,968,860
Italy	3,480,186	3,494,767
<b>Total</b>	<b>12,978,029</b>	<b>12,463,627</b>

**Evolution of natural gas consumption per country (kWh)**

	2017
Spain	13,413
Italy	0
<b>Total</b>	<b>13,413</b>

## Energy efficiency

Throughout 2017, Cellnex continued working to achieve more efficient procedures and perform initiatives to reduce energy consumption. This objective focuses primarily on improving equipment and implementing technologies that increase efficiency, applied in two different approaches: products and services provided by the company and Cellnex's own offices and centres.

The most relevant projects in 2017 were:

- Installation of wall and ceiling fans in On Tower centers with compact air conditioning working as free coolants.
- Implementation of several specific projects in Collserolas Tower to achieve savings in energy consumption such as: installation of a solar filter on all glazed surfaces to improve the enclosures, replacement of the current lighting system (fluorescent) by LED lighting, installation of monitoring and thermal control systems and recorders for the automatic activation of the climate and recording of consumptions of the equipment and transfer of transformers to rooms that do not require air conditioning.
- Replacement of separator transformers by passive protections without losses against

transient and permanent voltages in some Cellnex centers.

Alticom has become one of the most sustainable Data Centre providers in the Netherlands thanks to the energy efficiency measures implemented in refrigeration systems.

Efficiency projects have made it possible to avoid 100,773 kWh, representing 35.2 Tn eq CO<sub>2</sub> in 2017.

## Carbon footprint

Cellnex has made a great and continuous effort to roll out policies and practices to comply with sustainability and environmental commitments. Cellnex's Environmental Policy is based on respect for the environment, protecting biodiversity, using renewable energies, mitigation and adaptation to climate change, and contributing to sustainable development. These principles are unavoidable in all of the organisation's activity. The company ensures that it can achieve these goals through efficient use of resources and promoting preventive and mobility actions. During 2017, Cellnex Spain updated its environmental policy based on the foregoing. Within this policy, it has initiated the **Cellnex Carbon Management Plan in Spain**, which will define the specific actions and their prioritisation over time and will be created in three phases. The first two phases were addressed during 2017, consisting of an initial diagnosis and analysis of risks and opportunities of climate change in Cellnex's activity, and beginning to define and prepare the Cellnex Carbon Management Plan. There are plans to finish defining the Plan during 2018 and to have it presented to and approved by Management, in addition to setting a schedule for implementation.

As every year, Cellnex **has had the carbon footprint of its business in Spain and Italy measured and verified by an independent**

**third party.** This initiative makes it possible to gauge the company's impact on climate change and represents a starting point for managing and reducing its emissions.

In 2017, Cellnex Spain and Italy GHG (Greenhouse gases) emissions are calculated taking account the financial control approach. To that end, the organisational scope was calculated on the basis of the financial control criterion for the corporate premises and technicians of the Cellnex Spain: Tradia, Retevisión and OnTower and in the case of Cellnex Italy: Galata and TowerCo.

The operational scope is based on the following criteria:

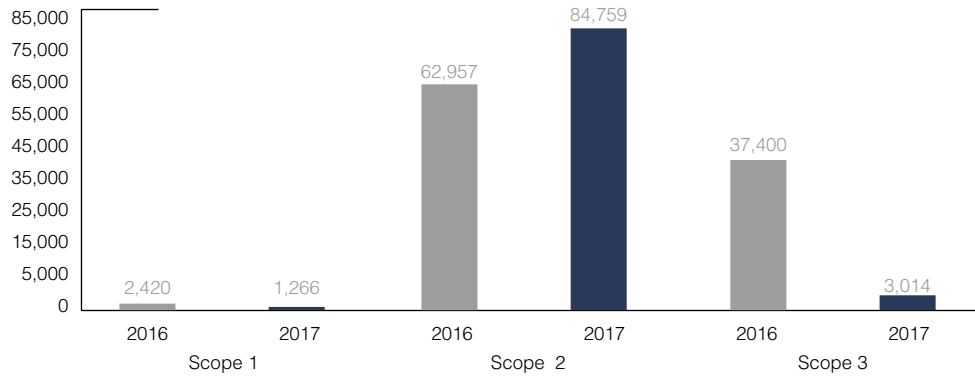
- Scope 1: covers GHG emissions that are directly under Cellnex control.
- Scope 2: indirect emissions from its activity but generated by other entities, including emissions from the generation of electricity and consumption by the company.
- Scope 3: takes into account indirect GHG emissions resulting from the organisation's activities but which are generated in sources owned or controlled by another organisation. For the calculation of scope 3 emissions the following categories have been included

according to the "Corporate Accounting and Reporting standard (scope 3)"

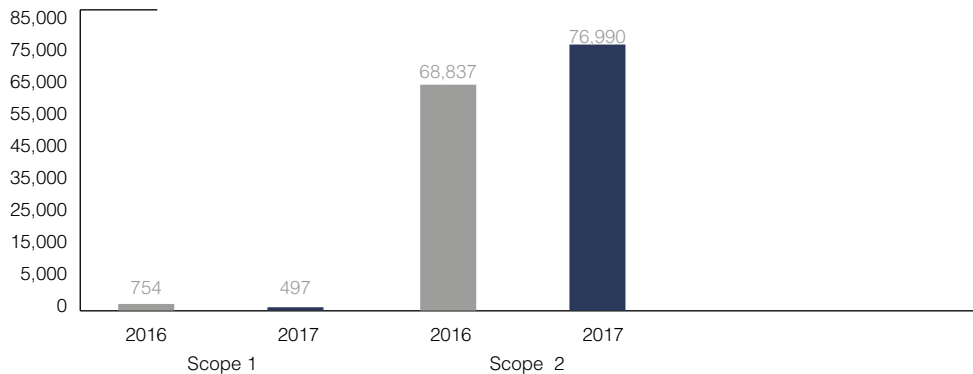
- Purchased of goods and services: emissions resulting from water consumption and paper consumption.
- Upstream transport and distribution resulting from trips made by third parties paid by Cellnex by road, plane and / or sea.
- Generation of waste: missions associated to the management of waste fractions that have a contribution greater than 1%.
- Business travel: emissions resulting from trips by plane of Cellnex staff, taking into account the characteristics of the flights.
- End of life treatment of sold products: waste management once the useful life of the product has ended, and which represent at least 1% of the total taking into account that the sum of those not included does not exceed 5% of the total.



CELLNEX SPAIN EMISSIONS (t. CO<sub>2</sub>e)<sup>(2)</sup>



CELLNEX ITALY EMISSIONS (t. CO<sub>2</sub>e)<sup>(1)</sup>



(1) In Cellnex Italy scope 3 emissions have not been calculated.

(2) The difference between scope 2 and 3 emissions reported in 2016 and 2017 in Cellnex Spain is due to the change of criteria for the calculation of GHG emissions from operational to financial approach.

As part of its efforts to manage greenhouse gas emissions, **in 2017 Cellnex in Spain compensated 2,420 tCO<sub>2</sub>** by purchasing 2,420 VER (Verified Emissions Reductions) credits on the voluntary market from the Blumenthal Project developed in Germany, with the Verified Carbon Standard (VCS), to achieve **neutrality in Scope 1 carbon footprint emissions**.

From a **communication and awareness-raising** point of view, the company has released several communications of its actions:

- Publication of the company's carbon footprint report on the Cellnex corporate website.
- Registration in the Footprint Registry of the Spanish Climate Change Office under the Ministry of Agriculture, Food and Environment.
- Joining the Catalan Generalitat's Voluntary Agreements Programme for reducing greenhouse gas (GHG) emissions. This tool is promoted by the Catalan Office for Climate Change (OCCC) for companies seeking a voluntary commitment to reduce their GHG emissions beyond what regulations stipulate.
- Publication of the withdrawal of the carbon credits from the project selected in the Market Environmental Registry or equivalent as a guarantee of the compensation made.



Find more information in: [www.gencat.cat/canviclimatic](http://www.gencat.cat/canviclimatic)  
Organization code:

- Participation in the coproduction together with the City Council of Barcelona of the Clima Plan of Barcelona, that centralizes all the in curs or planned actions related with climate change taking part in the city. Cellnex develops proposals at a company level and takes part in the debate of the recopilation of the received proposals from the participants.

## Biodiversity

As part of the evaluation and monitoring of Cellnex's aspects and impacts, the organisation has identified **loss of biodiversity and the environmental impact on living beings and natural species** considered as significant in this regard. As regards indirect impacts, Cellnex has identified ensuring the correct final management of waste associated with suppliers, as well as ensuring the environmental responsibilities of its suppliers to avoid impacting and affecting the biodiversity within the facilities. Cellnex manages its facilities to minimise any environmental impact to meet its objective of preserving biodiversity.

To ensure a proper management of these impacts, it is essential to have a diagnosis of the presence of Cellnex's activity in areas with greater vulnerability. Specifically, in Spain 57.5% of the sites are within protected areas, while in Italy this figure is 19.6%. Likewise, it has been identified that maintenance tasks are the activities with the greatest potential environmental impact. Given that maintenance activities are carried out through subcontracted companies, Cellnex requires suppliers to apply best practices in terms of environmentally safe operations.

During 2017, mitigation of biodiversity loss was enhanced with the creation of new signs on the **identification of centres with Bird Nesting** to know whether a centre does in fact cause such an effect and to remind staff of the preventive measures to be taken into account.

### DaMA programme


Cellnex uses the DaMA (environmental data server) tool to display geographical data and identify declared natural protection sites in the country, information that is also found in the GESEM database. The server also provides access to environmental data relating to Cellnex Spain's sites.

## Electromagnetic emissions

Cellnex Telecom complies with the rules associated with electromagnetic emissions for the general public and its workers. It conducts periodic measurements at technical centres with a permanent staff presence. As regards the general public, it ensures compliance with Royal Decree 1066/2001 at all sites in Spain.

The current situation in Italy involves a stricter regulatory framework, with limitation levels lower than in Spain. Likewise, Cellnex Italy is working towards ensuring compliance.





“ Since 2015 the company has had an Information Security Management System based on ISO standard 27001.

# Information security management

Cellnex has a security information policy that reflects the company's commitment in this area, the necessary steps to be taken to identify and protect information assets, as well as to ensure compliance with applicable rules and regulations. Likewise, since 2015 the company has had an Information Security Management System based on ISO standard 27001.

An information map has been prepared under this Management System, from which risks have been identified and evaluated, to apply mitigation measures in terms of confidentiality, integrity and availability of information.

With regard to the personal data managed by the company, including customer data, Cellnex applies the European General Data Protection Regulation, or GDPR. Specific analyses of customer data applications are performed, along with security measures for each of these applications, on the basis of risks identified, based on the three dimensions mentioned above: confidentiality, integrity and availability of information.

During 2017, Cellnex continued to make progress in this area, launching new projects:

- Implementing mitigation measures for risks in terms of confidentiality, integrity and availability of information, as a result of the risk map

prepared in 2016 under the Leaks Prevention Plan.

- Preparation of a Master Plan for Information Security based on nine Security programmes implemented in 2017.
- Drawing up of a specific analysis of the applications for customers and application of security measures in each of these, according to the risks identified in terms of confidentiality, integrity and availability of information.
- Carrying out awareness campaigns directed to all Cellnex employees and specifically to Senior Managers, to reinforce messages of good information security practices.

In this regard, in 2017 there was no filtering, theft or loss of information in Spain or Italy, nor were any complaints received in relation to information security and data protection. For Cellnex Italy, as an improvement in this field of activity, legal clauses on privacy and data protection were added in each contract.

### Security Master Plan program

	Program	Objective of the program
	· <b>Board information</b>	· Preventing data leaks and protecting the information used by Cellnex Board.
	· <b>Mobility</b>	· Establishing security controls and applying them in a homogeneous way to different technologies of mobile/portable devices.
	· <b>Access control</b>	· Classifying the information and implementing security measures in order to handle it (encryption, remote access, data storage policy, etc.).
	· <b>Training and awareness</b>	· Reinforcing cybersecurity messages as part of the annual Cybersecurity Awareness campaign established by Cellnex.
	· <b>Legal compliance</b>	· Legal impact analysis and implementation for new applicable Laws & Regulations over Cellnex systems.
	· <b>Corporate Governance</b>	· Continuous improvement of processes and IT infrastructure to ensure IT security in Cellnex facing existing and new threats.
	· <b>Technology Security</b>	
	· <b>International</b>	· Defining and developing a Common Cybersecurity Framework (Policies & IT infrastructure) for Cellnex Corporation and Business Units.
	· <b>Business Continuity</b>	· Continuous improvement of Business Continuity Processes (Business Impact Analysis, Disaster Recovery Plans, etc.)