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Annexes

Annex 1. Other public documents

At the date of issue of the accompanying Integrated Annual Report, information of a public nature is available, which must be read in conjunction with this Consolidated Management Report for the year ended on 31 December 2019, and which is detailed below on a non-exhaustive illustrative basis:

- Prospectus Offer of Sale and Admission to Negotiate Shares of Cellnex Telecom, S.A.U (https://www.cellnextelecom.com/en/investor-relations/7838-2/).
- Supplement to the informative prospectus for the sale and admission to trading of shares of Cellnex Telecom, S.A.U. (https://www.cellnextelecom.com/en/investor-relations/7838-2/).
- Prospectus March Capital Increase (https://www.cellnextelecom.com/content/uploads/2019/05/Prospectus-Capital-Increase.pdf)
- Prospectus October Capital Increase https://www.cellnextelecom.com/content/uploads/2019/10/Prospectus-Capital-Increase.pdf
- Universal Registration Document (https://www.cellnextelecom.com/en/investor-relations/emisiones-y-opas/).
- Euro Medium Term Note Program (EMTN) Base Prospectus (https://www.cellnextelecom.com/en/investor-relations/emisiones-y-opas/).
- Euro-Commercial Paper Programme (https://www.cellnextelecom.com/en/investor-relations/emisiones-y-opas/).
- Report of the Board of Directors on Convertible Bonds (https://www.cellnextelecom.com/en/investor-relations/emisiones-y-opas/).
- Auditor's Report on Convertible Bonds (https://www.cellnextelecom.com/en/investor-relations/emisiones-y-opas/).
- Ratings Rating Agencies (https://www.cellnextelecom.com/en/rating-eng/).
- Corporate Policies (https://www.cellnextelecom.com/).
- Press releases (https://www.cellnextelecom.com/en/press-room/news/).
- Relevant Facts (https://cellnextelecom.com/en/investor-relations/relevant-facts/).
- Results Presentations (https://www.cellnextelecom.com/en/investor-relations/quaterly-results/).
- Annual/half-yearly consolidated financial statements and Annual Governance Report (https://www.cellnextelecom.com/en/investor-relations/annual-report/).
- Corporate Bylaws of Cellnex Telecom S.A. which can be found in the Commercial Registry of Barcelona.
- Comisión Nacional del Mercado de Valores ("CNMV") website (https://www.cnmv.es/portal/home.aspx).
- Cellnex Telecom website (https://www.cellnextelecom.com/en/)
- Research released by the sell-side community covering the stock are highly recommended. Please find Analysts relation at: https://www.cellnextelecom.com/en/recomendaciones-analistas/

Annex 2. Risks

The Cellnex Telecom Group has implemented a risk management model that has been approved and is monitored by the Audit and Control Committee, and is applicable to all business and corporate units in countries where the Group operates. The risk management model is aimed at effectively ensuring that the Group's objectives are achieve. The main risks to the fulfilment of the Group's objectives are as follows:

Strategic risks	I) Risks related to the environment in which the Group operates and risks stemming from the specific nature of its businesses. II) Risks of increasing competition. III) The Group's status as a "significant market power" ("SMP") operator in the digital terrestrial television ("DTT") market in Spain imposes certain detrimental obligations on it compared to its competitors. IV) Industry trends and technological developments may require the Group to continue investing in asset class-businesses adjacent to telecommunication towers, such as fiber, edge computing and small cells. V) Spectrum may not be secured in the future, which would prevent or impair the plans of the Group or limit the need for the Group's services and products. VI) Risk related to a substantial portion of the revenue of the Group is derived from a small number of customers. VII) Risk of infrastructure sharing. VIII) Risk of non-execution the entire committed perimeter. IX) The expansion or development of the Group's businesses, including through acquisitions or other growth opportunities, involve a number of risks and uncertainties that could adversely affect operating results or disrupt operations. X) Risks inherent to the businesses acquired and the Group's international expansion. XI) Risk related to the non-control of certain subsidiaries. XII) Risks related to execution of Cellnex's acquisition strategy. XIII) Risks related to the Arqiva Acquisition: the Arqiva Acquisition may fail to close if certain conditions precedent are not met. XIV) Regulatory and other similar risks. XV) Litigation. XVI) Risk related to the Company's significant shareholder's interests may differ from those of the Company.
Operational risks	XVII) Risks related to the industry and the business in which the Group operates. XVIII) Risk of not developing the strategic sustainability plan. XIX) Risks related to maintaining the rights over land where the Group's infrastructures are located. XIX) Failure to attract and retain high quality personnel could negatively affect the Group's ability to operate its business. XXI) The Group relies on third parties for key equipment and services, and their failure to properly maintain these assets could adversely affect the quality of its services.
Financial risks	XXII) Financial information. XXIII) Expected contracted revenue (backlog). XXIV) Foreign currency risks. XXV) Interest rate risk. XXVI) Credit risk. XXVII) Liquidity risks. XXVIII) Inflation risk. XXIX) Risk related to the Group's indebtedness. XXX) The Company cannot assure that it will be able to implement its Dividend Policy or to pay dividends (and even if able, that the Company would do so).
Compliance risks	XXXI) Fraud and compliance risks. XXXII) Risk associated with significant agreements signed by the Group that could be modified due to change of control clauses.

Strategic risks

I) Risk related to the environment in which the Group operates and risks stemming from the specific nature of its businesses.

The Group's business includes the provision of services through its three different segments: (i) Telecom Infrastructure Services, (ii) Broadcasting Infrastructure and (iii) Other Network Services. Any factor adversely affecting the demand for such services could potentially have a material adverse impact on its business, prospects, results of operations, financial condition and cash flows.

Through the Telecom Infrastructure Services segment, the main business activity, the Group facilitates access to the spectrum (owned by its customers), by means of providing access to telecom through its connectivity services as well as the related passive and active infrastructure to external MNOs, typically under mid- and long-term contracts. Therefore, the Telecom Infrastructure Services segment is highly dependent on the demand for such infrastructures and a decrease in such demand may adversely affect the Group's business.

In the Broadcasting Infrastructure activity, the demand for the Group's communications depends on the coverage needs from its customers, which, in turn, depend on the demand for TV and radio broadcast by their customers.

Likewise, for the Other Network Services segment, the demand for connectivity, public protection and disaster relief ("PPDR") networks, operation and maintenance ("O&M"), Smart City and Internet of Things ("IoT") services depends on the demand from public administrations as well as entities operating in the private and public sectors.

The willingness of the Group's customers to use the Group's communications infrastructures, contract its services, or renew or extend existing contracts on its communications infrastructures on the same terms, can be affected by numerous factors, including, among others:

- increased use of network sharing, roaming or resale arrangements by MNOs;
- increased sharing initiatives among MNOs (both related to passive and active network sharing), roaming or resale arrangements by MNOs;
- mergers or consolidations among the Group's customers such as MNOs;
- the ability and willingness of MNOs to maintain or increase capital expenditures on network infrastructure;
- the financial condition of the Group's customers, including the availability or cost of capital;
- governmental licensing of spectrum or restrictions on or revocations of spectrum licenses;
- changes in electromagnetic emissions' regulations;
- changes in demand for TV and radio services and consumption habits (channels, etc.) by end consumers, including the level of multimedia content consumption;
- significant increases in the attrition rate of customers or decreases in overall demand for broadcast space and services, caused by, among others, the adoption of new digital patterns by customers and the obsolescence of the products and services rendered by the Group's companies;

- a decrease in consumer demand for wireless telecom and broadcasting services due to economic, political and market/regulatory conditions, disruptions of financial and credit markets or other factors, including inflation, zoning, environmental, health or other existing government regulations or changes in the application and enforcement thereof, as well as taxes/customs duties levied on the Group's services;
- the evolution of the advertising business' revenue in the media sector, and especially, TV, internet and radio;
- changes in connectivity to the internet;
- an increase in demand for private networks;
- the evolution of public internet;
- changes in the data traffic demand worldwide as well as changes in data transmission prices and speed;
- the availability or capacity of the Group's infrastructure or associated land interests where the infrastructure is located;
- the location of the Group's wireless infrastructure;
- changes in, or the success or failure of, the Group's customers' business models;
- delays or changes in the deployment of next generation wireless technologies or the failure by the Group to anticipate the development of new wireless technologies;
- technological advances and development of alternative technologies that the Groups does not currently use, such as the development of satellite-delivered and optical fibre-delivered radio and video services and internet TV;
- the existence of alternative providers of the Group's services or, alternatively, the self-provision of services by the Group's customers;
- the willingness of the Group's current or future customers to make contractual arrangements with the Group under the current terms and conditions; and
- the Group's customers' desire to renegotiate its agreements with them or to adversely amend current contractual arrangements (especially those relating to broadcasting services and other network services, where Cellnex is facing a general cycle of renewal of contracts with customers).

As a result of these factors the Group's customers may scale back their need or demand for its services which could materially and adversely affect the degree of utilisation of the capacity of the Group's communications infrastructures and its network and connectivity development services, which could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

To reduce its exposure to risks as a result of the environment in which it operates, the Group pursues a selective international expansion plan, diversification and growth policy, fostering understanding with Government Agencies to develop infrastructures. In addition, it has continued to implement an efficiency plan in order to streamline operating investments and expenditures.

II) Risk of increasing competition

The Group may experience at any time increased competition in certain areas of activity from established and new competitors, for example as a result of other infrastructure providers entering the European market. The industry is competitive and customers have access to alternatives in telecom infrastructure services and other network services, whereas for broadcasting TV the alternatives are more limited. Where the Group acts as a provider of services, competitive pricing from competitors could affect the rates and services income. In addition, competition in infrastructure services could also increase the cost of acquisition of assets and limit the Group's ability to grow its business. Moreover, the Group may not be able to renew existing services agreements or enter into new services agreements. The higher prices for assets, combined with the competitive pricing pressure on services agreements, could make more difficult for the Group to achieve targeted returns on investments.

Increasing competition for the acquisition of infrastructure assets or companies in the context of the Group's business expansion, which could make the acquisition of high quality assets significantly more costly, in the current environment of low rates and taking into consideration the Group's business nature, with long term contracts, fixed fees normally inflation-linked, more and more infrastructure funds and private equity firms are showing appetite towards this kind of assets. Some competitors are larger than the Group and may have greater financial resources (such as KKR), while other competitors may apply investment criteria with lower return on investment requirements. Likewise, Cellnex also faces competition or may face future competition from its US peers, such as American Tower, Crown Castle or SBA Communications. Additionally, some of the Group´s customers have set up their own infrastructure companies (such as Telxius Telecom, S.A. or Infrastructure Wireless Italiane S.p.A.), while more European MNOs (Vodafone) are increasingly showing their willingness to set their own infrastructure vehicles, which could drive to scarcity in terms of assets for sale (thus generating inflation on prices for assets), combined with more competitiveness on the normal course of the Company's business limiting the organic growth potential.

Besides, if the Group is unable to compete effectively with its competitors or anticipate or respond to customer needs, the Group could lose existing and potential customers, which could reduce its operating margins and have a material adverse effect on the Group´s business, prospects, results of operations, financial conditions and cash flows.

III) The Group's status as a "significant market power" ("SMP") operator in the digital terrestrial television ("DTT") market in Spain imposes certain detrimental obligations on it compared to its competitors

In 2006, when the Spanish terrestrial TV broadcast market was articulated, the Group was classified as a SMP operator by the competition authorities. Given its dominant market position, the National Commission of Markets and Competition (Comisión Nacional de los Mercados y de la Competencia, or "CNMC", the former Comisión del Mercado de las Telecomunicaciones, or "CMT") imposed certain conditions (regulatory remedies) on it to allow it to operate in the broadcasting market which, amongst others, set out that if the Group is not able to reach a voluntary commercial agreement with an operator, the CNMC will dictate the commercial conditions of the agreements. The CNMC has introduced certain flexibility to those conditions as per the latest regulation of the market, carried out in 2019 which has concluded on July 17, 2019 with the publication of Resolution approving the definition and analysis of the wholesale market for the television broadcasting transmission service (Market 18/2003) and notified to the European Commission and the European Electronic Communications Regulators Entity.

The competitors of the Group in the market who are not considered to be a SMP operator because of their low market share and limited coverage capacity are not subject to these obligations. These obligations and potential additional obligations imposed on the Group by the competition authorities vis-à-vis its competitors could materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows.

IV) Industry trends and technological developments may require the Group to continue investing in asset class-businesses adjacent to telecommunication towers, such as fiber, edge computing and small cells

European MNOs are apparently moving towards a less infrastructural business model, thus the share trends in the telecommunications sector are increasing, especially given the upcoming 5G technological cycle. In this context, Cellnex may need to reinforce its offer in order to meet the needs of its customers, increasingly investing in asset-class businesses adjacent to telecommunication towers, such as fiber, edge computing, small cells.

While the above adjacent businesses can be managed through co-location services offered by a neutral provider (in a similar way to the Group's current Telecom Infrastructure Services business segment and potentially with comparable economic principles), the Group may face certain additional risks, such as (i) execution risk of entering into new businesses; (ii) weak local know-how about the commercial potential of new business deployments; (iii) higher financing requirements, requiring in turn increased financing capabilities; (iv) the need to be large-scale to become a relevant player in these businesses given global and local competence; (v) increased risk of overbuilding capacity affecting the price equilibrium in the market; (vi) compliance with new regulations; (vii) risk of over-paying, giving increasing valuations due to investment demand; and (viii) increased competition against players holding better operational capabilities, among others.

The Company believes it holds the technical know-how to support the long term needs of its customers and has been gradually investing in adjacent asset-class businesses in order to gain experience and mitigate potential future risks, but the investment in asset-class businesses adjacent to telecommunication towers could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

V) Spectrum may not be secured in the future, which would prevent or impair the plans of the Group or limit the need for the Group's services and products

The Group and its customers are highly dependent on the availability of sufficient spectrum for the provision of certain services. The amount of spectrum available is limited and the process for obtaining it is highly complex and costly.

In the Broadcasting Infrastructure segment, the Group owns the infrastructures and equipment that TV and radio broadcasters use to compress and distribute their signals in Spain. In particular, the Group distributes and transmits signals for DTT, the leading TV platform in Spain. The evolution of technology standards, formats and coding technologies is likely to influence the future spectrum demand for broadcasting services. Even if the Group currently uses “multiplexing”, a method by which multiple analogue signals or digital data streams are combined into one signal over a shared medium, with the aim of maximizing the limited capacity of the spectrum, the Group cannot guarantee that its customers or DTT broadcasters will have sufficient access to spectrum in the long-term to maintain and develop its services.

The Spanish government is responsible for the allocation of spectrum in Spain. On September 24, 2014 Royal Decree 805/2014, of September 19, was published in the Official Gazette approving the National Technical Plan for DTT (the “National Technical Plan for DTT”). Under the so-called “Digital Dividend”, in line with all EU countries, the Spanish government released the 800 megahertz (“MHz”) band of frequencies previously used by DTT, to the benefit of the deployment of fourth generation mobile telecommunications technology (“LTE” (long-term evolution), a communication standard for high-speed data mobile devices) used by MNOs. The release of the 800 MHz band as a result of the reallocation of spectrum to MNOs represented a loss of 72 MHz of spectrum originally allocated to broadcasting. The digital migration was completed on March 31, 2015. The National Technical Plan for DTT reduced the number of private multiplex, a system of transmitting several messages or signals simultaneously on the same circuit or channel ("MUX") from eight to seven at a national level, and on a general basis, from two to one at the regional level. A second "Digital Dividend" was envisaged to occur in 2020, under the EU Decision 2017/899, in order to constrain the amount of spectrum available for DTT broadcasting while increasing the spectrum for mobile broadband services.

The Decision (EU) 2017/899 of the European Parliament and of the Council, of May 17, 2017, on the use of the 470-790 MHz frequency band in the Union sets up the spectrum usage until 2030 (the second Digital Dividend). As a consequence, the Spanish Government published on June 29, 2018 its national roadmap for the liberalization of the second Digital Dividend and, on June 21, 2019, the Royal Decree 391/2019 approving the new National Technical Plan for DTT and the regulation of certain aspects of the liberalization of the second Digital Dividend was passed. This Royal Decree regulates how the 700 MHz band will be liberalized and how the radio-electric channels and the new digital MUXs will be distributed among the Spanish Public Radio and Television Corporation and other license holders, obligations of minimum range of reception and the technical specifications that the television services have to meet. The current number of MUXs (and their coverages) on the sub 700MHz band will be maintained, as well as the offer of DTT channels. This Royal Decree also states that the DTT service will be offered in the sub-700 MHz band and that the 700 MHz band shall not be used by audiovisual communication service providers by June 30, 2020, in order to make it available for the 5G mobile services from that date onwards. The Royal Decree further establishes that the sub-700 MHz will continue to be used for television broadcasting until, at least, 2030. On the same date, the Spanish Government approved the Royal Decree 392/2019, which regulates the direct granting of subsidies to compensate the costs in the reception of or access to television audiovisual communication services in buildings, as a consequence of the liberalization of frequency bands in the range 694-790 Mhz.

Since the allocation of spectrum is decided by the Spanish government, the Group is highly dependent on political decisions for the future of its DTT broadcasting business, which decisions are outside of its control. In the event that the number of MUXs available for DTT is further reduced, the Group's customers could lose some of its current DTT multiplex spectrum currently licensed.

VI) Risk related to a substantial portion of the revenue of the Group is derived from a small number of customers

In the Telecom Infrastructure Services segment its main clients are telecom operators (mostly MNOs); in the Broadcasting Infrastructure segment its main clients are media broadcasters (TV channels and radio stations); and in the Other Network Services segment its main clients are (i) a small number of public administrations, at national, regional and/or local levels, (ii) safety and emergency response organizations, (iii) companies operating in the utility sector, and (iv) certain telecom operators. The ongoing consolidation process in the telecom and broadcasting sectors may result in a decrease in the number of MNOs or media broadcasting operators in the future, which could potentially have a negative impact on the main segments of the Group.

The Group's reliance on a small group of customers may adversely affect the development of the its business. As such, the loss of one or more of any of the Group's main customers, resulting from, amongst others, a merger, bankruptcy, insolvency, network sharing, loss of licenses, roaming, joint development, resale agreements or contract early termination may have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Likewise, even though most of the Group's business relationships have been long-lasting to-date, the Group cannot guarantee that contracts with its major customers will not be terminated or that these customers will renew their contracts with the Group in the same terms or at all. Further, the Group is exposed to constant renegotiation and renewal processes of its contracts with its customers (especially those related to Broadcasting Infrastructure and

Other Network Services due to the contracts relating to such segments generally having shorter maturity periods), which may result in the current contractual arrangements being adversely amended, which could in turn affect the total value of its contracts. In particular, contracts entered into by the Group generally provide that certain expenses are passed through to the Group's customers, such as energy costs, and the Group cannot guarantee that such contracts are renewed in the same terms, which may result in the current contractual arrangements being adversely amended, which could in turn affect the total value of its contracts. In particular, contracts entered into by the Group generally provide that certain expenses are passed through to the Group's customers (such as energy costs). The Group cannot guarantee that the pass through mechanism will protect 100% of the energy cost beared, which may have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows. In addition, Cellnex could potentially be exposed to fines if it were to be held to be engaged in an electricity resale business simply because energy costs are included in the charges for which it bills its customers.

In the ordinary course of its business, the Group experiences disputes with its customers, generally regarding the interpretation of terms in the Group's commercial agreements. It is possible that such disputes could lead to a termination of the Group's contracts with customers or a material modification of the terms of those agreements, either of which could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows. If the Group is forced to resolve any of these disputes through litigation, its relationship with the relevant customer could be terminated or damaged, which could lead to decreased revenue or increased costs, resulting in a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Additionally, in relation to Telecom Infrastructure Services, the Group currently differentiates from its competitors through the neutrality of its position in the market. The loss or weakening of such neutral position as a result of one customer becoming a reference or controlling shareholder of the Company could lead to the termination of contracts or to a loss of customers; and hence, to a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

VII) Risk of infrastructure sharing

While the Group believes the neutral operator model presents certain advantages and there is a growing trend of externalization of the provision of wireless communications infrastructure, extensive sharing of site infrastructure, roaming or resale arrangements among wireless service providers as an alternative to using the Group's services may slow down entering into new service agreements. Moreover, if MNOs utilize shared equipment (either active or passive) rather than deploy new equipment, it may result in the decommissioning of equipment on certain existing infrastructure because parts of the customers' networks may become redundant.

Any potential merger, integration or consolidation of the Group's customers would likely result in duplicate or overlapping networks, which may result in the termination or non-renewal of customer contracts (for example where they are co-customers on an infrastructure) and in the loss of commercial opportunities resulting in a lower number of potential customers for the Group. These two scenarios could materially and adversely affect revenues from the Group's wireless infrastructure and its commercial prospects.

In addition, customer -consolidation may result in a reduction in their total future capital expenditures because their expansion plans may be similar. Both MNOs' and broadcasters' consolidation could decrease the demand for the Group wireless infrastructure, which in turn could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Viii) Risk of non-execution the entire committed perimeter

The framework agreements with anchor customers may include agreements by which the parties agree further acquisitions or construction of infrastructures over a defined period or acquisition or construction of a maximum number of infrastructures. Such framework agreements may or may not be implemented, either in whole or in part, due to a potential integration or consolidation of the Group's customers. Moreover, customers could decide not to pursue such agreements due to a change in their business strategy.

In addition, framework agreements with anchor customers may include the unilateral right to dismiss a low-digit percentage of the total sites (respiration rate clause) per year.

If these circumstances occurred, there is no guarantee that the Group may have enough contractual protection in order to be compensated for such changes, which in turn could have a material adverse effect for the Group.

IX) The expansion or development of the Group's business, including through acquisitions or other growth opportunities, involve a number of risks and uncertainties that could adversely affect operating results or disrupt operations

It is an integral part of the Group´s strategy to continue driving growth through the acquisition of assets, entities or minority interests, joint ventures, mergers and other arrangements in the countries where the Group currently operates or elsewhere, which could require, among other matters, to obtain additional indebtedness, the issuance of shares to finance such acquisitions or other growth opportunities. The Group's growth strategy is linked, among other factors, to the capacity to successfully decommission and build new infrastructures. In the ordinary course of the business, the Group reviews, analyses and evaluates various potential transactions, assets, interests, activities or potential arrangements that the Group believes may add value to the business or the services it provides. Failure to timely identify growth opportunities may adversely affect the expansion or development of the Group business.

In certain occasions sellers of infrastructure assets may be reluctant to enter into joint venture, mergers, disposal or other arrangements with the Group due to, among other reasons, the accounting impact of the transaction in their financial statements. Therefore, the Group is not only exposed to the accounting impact of a transaction on itself but also to that of its prospective clients.

Moreover, the Group's ability to grow its portfolio of assets in a particular market or jurisdiction could be limited by antitrust or similar legislation. Even if compliant with anti-trust legislation, the Group may not be able to consummate such transactions, undertake such activities or implement new services successfully due to disruptions in its activities or increased risk of operations, affecting negatively the Group's business and its prospects.

In addition, the loss of the Group's neutral position as a result of an MNO having obtained either (i) more than 50% of the voting rights or (ii) the right to appoint or dismiss the majority of the members of the board may cause the sellers of infrastructure assets to be reluctant to enter into new joint ventures, mergers, disposals or other arrangements with the Group.

The Group is subject to a series of risks and uncertainties, including failing to obtain the expected returns and financial objectives, increased costs, assumed liabilities, the diversion of managerial attention due to acquisitions and potential structural changes such as mergers or consolidations of its competitors.

Any international expansion initiative is subject to additional risks such as the laws, regulations and complex business practices. Furthermore, there are additional risks associated with doing business internationally, including changes in a specific country's or region's political or economic conditions, inflation or currency devaluation, expropriation or governmental regulation restricting foreign ownership or requiring reversion or divestiture, increases in the cost of labour (as a result of unionisation or otherwise), power and other goods and services required for the Group's operations and changes in consumer price indexes in foreign countries.

Achieving the benefits of new acquisitions depends in part on the timely and efficient integration of the acquired business' operations, communications, infrastructure portfolios and personnel. Integration may be difficult and unpredictable for many reasons, including, among other things, differing systems and processes, cultural differences, customary business practices and conflicting policies, procedures and operations. In addition, integrating businesses may significantly burden management and internal resources, including the potential loss or unavailability of key personnel. In this sense, while this is a clear challenge in terms of M&A bandwidth, the company has deployed its own methodology to ensure a smooth transition and business continuity. In this sense, local teams were reinforced in 2018 and 2019 in France, the UK, Italy and Switzerland, the integration project starts before a new deal is signed and transitional service agreement with the seller (up to 18 month duration) ensure a successful integration, among other measures.

The potential acquisition of minority interests in other companies that manage telecom infrastructure or similar companies or the entry by the Group into joint ventures or other arrangements where it does not have control over the investment vehicle, could result in not achieving the expected rate of return on the relevant investment. Such event may occur because the interests of other shareholders are not the same as the Group's, because the underlying business does not perform as expected, because of an impairment in the value of such investment or for other reasons.

As a result, the Group's foreign operations and expansion initiatives may not succeed as expected and may materially and adversely affect its business, prospects, results of operations, financial condition and cash flows.

X) Risks inherent in the businesses acquired and the Group's international expansion.

The Group's customers in Spain, Italy, France and Switzerland represent a significant portion of its revenues, especially exposing the Group to risks specific to these countries. Adverse economic conditions may have a negative impact on demand for the services provided and on the customers' ability to meet their payment obligations. In periods of recession, such as the one experienced by Spain and Italy in previous years, the demand for the Group' services also tends to decline, adversely affecting its operational results. The challenging economic conditions in Spain and Italy in previous years have negatively affected the financial condition of the Group's clients, and have impacted demand for wireless communication and wireless infrastructure as well as the revenues generated by advertising in the media, and have adversely affected all of the Group's lines of activity. This negative/low growth cycle could affect Cellnex again in these two countries or in others.

Likewise, as the Group is now present in new countries, it is directly exposed to each of such countries political and economic situations, and may be adversely affected by their potential instability. The Group is unable to predict how the economic and political cycle in such locations will develop in the short-term or the coming years or whether there will be a deterioration in political stability.

In addition, the financial situation and political instability, geopolitical tensions in the Middle East, trade tensions between USA and China, growth of anti-EU political parties as well as emerging political forces in member states of the EU with alternative economic policies and priorities, concerns about independence movements within the EU and Spain, and military and terrorist actions in Europe and elsewhere in the world could affect the economic situation in the EU and elsewhere, and could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Because of the Group's growing presence in the United Kingdom (which has increased following the completion of the BT Transaction and is expected to significantly increase in the future following the completion of the Arqiva Acquisition, the Group faces the risk of political and economic uncertainty derived from the United Kingdom's decision to leave the EU, moreover in the event of a withdrawal from the European Union with few or no agreements in place regarding the prospective relationship between the United Kingdom and the EU (economic, trading, legal or otherwise) after withdrawal of the first from the latter (popularly known as a "hard Brexit" or a "no-deal Brexit"). The timing of, and process for, the negotiations and the resulting terms of the United Kingdom's future economic, trading and legal relationships are currently uncertain due to the lack of an agreement between the parties, to date.

Due to the Group´s growing presence in other European countries, it is also increasing its exposure to other global economic and political events, particularly in France. Changes in the international financial markets' conditions pose a challenge to the Group ability to adapt to them as they may have an impact on its business. Growing public debt, reduced growth rates and any measures of monetary policy that may be implemented in the future in the credit markets all could affect the Group's business. A change in any of these factors could affect the Group's ability to access the capital markets and the terms and conditions under which it can access such capital, which could have a material adverse effect on the Group business, prospects, results of operations, financial condition and cash flows.

In addition to the abovementioned risks related to carrying out the Group activities internationally, it may be exposed to the following risks:

- changes on the existing or new tax laws or international tax treaties, methodologies impacting the Group's international operations, or fees directed specifically at the ownership and operation of communications infrastructures or its international acquisitions, which may be applied or enforced retroactively; also in the interpretation of the changes in the benefits derived from royalties (i.e. Patent Box) or local taxes;

- tax authorities could interpret the laws in a different way than Cellnex (for example the interpretation of scope of RETT[2] – Real Estate Transfer Tax);

- laws or regulations that tax or otherwise restrict repatriation of earnings or other funds or otherwise limit distributions of capital;

- changes in a specific country's or region's political or economic conditions, including changes in the government, political goals, inflation, deflation or currency devaluation;

- changes in governmental priorities, including subsidies offered by one or more jurisdictions; expropriation or governmental regulation restricting foreign ownership or requiring reversion or divestiture;

- material infrastructure security issues;

- increases in the cost of labor (as a result of unionization or otherwise), power and other goods and services required for the Group's operations;

- price setting or other similar laws for the sharing of active and passive infrastructure;

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[2] RETT (Real Estate Transfer Tax) is a tax levied on the transfer of legal or beneficiary title to real estate assets. This tax is calculated on the gain between the fair value of the real estate asset transferred and the transaction price.

- uncertain rulings or results from legal or judicial systems, including inconsistencies among and within laws, regulations and decrees, and judicial application thereof, which may occasionally be enforced retroactively, and delays in the judicial process;

- changes in consumer price indexes in foreign countries; that could adversely affect the Group results of operations; and;

- force majeure events affecting any or several countries in which the Group carries out its activities.

XI) Risk related to the non-control of certain subsidiaries

Although Cellnex has full control and a 100% stake in the vast majority of its subsidiaries, Cellnex has made and may continue to make equity investments, which may include minority investments, in certain strategic assets managed by or together with third parties, including governmental entities and private entities. In addition, the Company has full control over certain subsidiaries in which shareholders are holders of a minority investment. The Group subsidiaries with the highest percentage of minority shareholders was Cellnex Switzerland, and after the completion of the Iliad and Salt Acquisitions (See Note 12.f of the accompanying consolidated financial statements), the Group subsidiaries with the highest percentage of minority shareholders would change.

Investments in assets over which Cellnex has partial, joint or no control are subject to the risk that the other holders of interest in the assets (making use their minority rights), who may have different business or investment strategies than Cellnex or with whom it may have a disagreement or dispute, may have the ability to independently make or block business, financial or management decisions, such as the decision to distribute dividends or the appointment of members of management, which may be crucial to the success of the project or Cellnex's investment in the project, or otherwise implement initiatives which may be contrary to its interests, creating impasses on decisions and affecting its ability to implement the foreseen strategy. Additionally, the approval of other shareholders or partners may be required to sell, pledge, transfer, assign or otherwise convey Cellnex's interest in such assets. Alternatively, other shareholders may have rights of first refusal or rights of first offer in the event of a proposed sale or transfer of Cellnex's interests in such assets. These restrictions may limit the price or interest level for Cellnex's interests in such assets, in the event it wants to dispose such interests. In addition, minority shareholders may target an exit through different mechanisms (i.e. put options, right of first offers, rights to acquire belonging to Cellnex, etc.) and the Company has the willingness to acquire such minority stakes. However, the price of this acquisition may be inflationary and strongly revaluated (as it has happened in Cellnex Switzerland) or because this mechanisms may have already a defined price in the SHA, which is higher that the current original price paid by Cellnex.

Other holders of interest in the Group´s assets may become insolvent or file for bankruptcy at any time, or fail to fund their share of any capital contribution that might be required. Finally, they may be unable, or unwilling, to fulfil their obligations under the relevant shareholder or joint investment agreements or may experience financial or other difficulties that may adversely affect Cellnex's investment in a particular joint venture. This may result in litigation or arbitration procedures generating costs and diverting Cellnex's management team from their other managerial tasks. In certain of Cellnex's joint ventures, it may also be reliant on the particular expertise of other holders of interest and, as a result, any failure to perform Cellnex's obligations in a diligent manner could also adversely affect the joint venture. If any of the foregoing were to occur, Cellnex's business, prospects, results of operations, financial condition and cash flows could be materially and adversely affected.

XII) Risks related to execution of Cellnex's acquisition strategy

Cellnex' strategy includes the aim to strengthen and expand its operations, among others, through acquisitions. This strategy of growth exposes Cellnex to operational challenges and risks, such as the need to identify potential acquisition opportunities on favourable terms. It also may expose Cellnex to other risks such as the diversion of management's attention from existing business or the potential impairment of acquired intangible assets, including goodwill, as well as the acquisition of liabilities or other claims from acquired businesses.

Prior to entering into an acquisition agreement, Cellnex generally performs a due diligence exercise on the potential changes to existing or new tax laws or international tax treaties, methodologies impacting the Group's international operations, or fees directed specifically at the ownership and operation of communications infrastructures or its international acquisitions, which may be applied the acquisition. To the extent Cellnex or other third parties underestimated or failed to identify risks and liabilities associated with an acquisition, it may incur, directly or indirectly, in unexpected liabilities, such as defects in title, an inability to obtain permits enabling Cellnex to use the underlying infrastructure as intended, environmental, structural or operational defects or liabilities requiring remediation. Failure to identify any defects, liabilities or risks could result in Cellnex having acquired assets which are not consistent with its investment strategy which are difficult to integrate with the rest of the portfolio or which fail to perform in accordance with expectations, and/or adversely affect Cellnex's reputation, which, in turn, could have a material adverse effect on its business, prospects, results of operations, financial condition and cash flows.

Generally, if Cellnex cannot identify, implement or integrate attractive acquisition opportunities on favourable terms or at all, it could adversely impact its ability to execute its growth strategy.

XIII) Risks related to the Arqiva acquisition: the Arqiva Acquisition may fail to close if certain conditions precedent are not met.

Completion of the Arqiva Acquisition is subject to the satisfaction of certain conditions precedent, some of which are not within the Group's control, and failure to satisfy such conditions may prevent, delay or otherwise materially adversely affect the completion of the Arqiva Acquisition. Such conditions precedent include, among other conditions, the completion of the Carve-Out (involving the successful transfer of the telecoms towers business of the Arqiva Group (the "UK Tower Business")) activity, assets and liabilities to Arqiva TowerCo and its subsidiaries, and the transfer of the non-telecoms towers business of the Arqiva Group UK (the "non-UK Tower Business") activity, assets and liabilities from Arqiva TowerCo and its subsidiaries back to the Arqiva Group), certain authorizations of the Arqiva Acquisition from the Arqiva Group's finance providers and the execution of a key agreement with a third party on the terms specified in the Arqiva SPA. Completion of the Arqiva Acquisition is subject to certain regulatory conditions precedent, and closing is expected in the second half of 2020.

As such, there is no assurance that the Arqiva Acquisition will be completed or, if completed, that it will be completed on the same terms as are described in the initial transaction agreements. Failure to complete the Arqiva Acquisition could result in significant costs to the Company, which could materially and adversely affect the value of the Company's shares and the Group's expansion plans, business, prospects, results of operations, financial condition and cash flows.

XIV) Regulatory and other similar risks

Risks related to changes in tax and legal regulations and socio-political changes are significant, given that the Group carries out an activity subject to government regulations, as well as to the regulatory framework in the European Union (the "EU"). These changes in tax and legal regulations could be applied or enforced retroactively. The main rules applicable to the Group and its customers include the availability and granting of licences for the use of the spectrum, the rates for its use and the commercial framework for the sale of terrestrial radio broadcasting assets and the obligations imposed on the Group by the Spanish competition authorities in relation to its broadcasting infrastructure activities.

Moreover, environmental and health regulation imposes additional costs and may affect the Group's results of operations. In the countries in which the Group operates, it is subject to environmental laws and electromagnetic regulations, as well as to the EU laws and regulations, concerning issues such as damage caused by air emissions, noise emissions and electromagnetic radiation. These laws are increasingly stringent and may create in the future substantial environmental compliance liabilities and costs.

Public perception of possible health risks associated with cellular and other wireless communications technologies could affect the growth of wireless companies, which could in turn slow down the Group’s growth. In particular, negative public perception of these health risks could undermine the market acceptance of wireless communications services, increase opposition to the development and expansion of telecom infrastructures and lead to price increases of the infrastructure services where the infrastructures are located. The potential connection between radio frequency emissions and certain negative health or environmental effects has been the subject of substantial study by the scientific community in recent years and numerous health-related lawsuits have been filed against wireless carriers and wireless device manufacturers. If a scientific study or court decision in the jurisdictions in which the Group operates or elsewhere resulted in a finding that radio frequency emissions pose health risks to consumers, it could negatively impact the Group’s customers and the market for wireless services, which could materially and adversely affect the Group’s business, prospects, financial condition, results of operations and cash flows. The Group insurance coverage may not be sufficient to cover all or a substantial portion of any liability it may have.

The Group’s services are affected by the current electromagnetic emission rules applicable in terms of limiting the emissions coming from equipment of the Group’s customers hosted by the Group. Despite the fact that the ratio emitting equipment is held by Cellnex, the Group´s customers are liable for the emissions of their own equipment. In the event that such rules were amended against the Group´s interest, they could limit its growth capacity and may adversely affect its business, prospects, results of operations, financial condition and cash flows.

The Group mitigates the risks to which is exposed from possible regulatory changes through coordination in the relevant areas to ensure that it follows prevailing local legislation and that it is able to anticipate regulatory changes.

XV) Litigation

The Group is subject to the risk of legal claims and proceedings and regulatory enforcement actions in the ordinary course of business and otherwise. The results of legal and regulatory proceedings cannot be predicted with certainty. The Group cannot guarantee that the results of current or future legal or regulatory proceedings or actions will not materially harm the Group’s business, prospects, financial condition, results of operations or cash flows, nor can it guarantee that it will not incur losses in connection with current or future legal or regulatory proceedings or actions that exceed any provisions that it may have set aside in respect of such proceedings or actions or that exceed any available insurance coverage, which may have a material adverse effect on the Group’s business, prospects, results of operations, financial condition and cash flows.

XVI) Risk related to the Company's ownership structure The Company's significant shareholder's interests may differ from those of the Company

ConnecT S.p.A. ("ConnecT"), which owns 29.9% of Cellnex's share capital, is the largest shareholder of the Company as of the date of the accompanying consolidated financial statements. As of the date of the accompanying consolidated financial statements, and pursuant to publicly available information, Sintonia S.p.A. ("Sintonia") holds approximately 55% of ConnecT's share capital. Sintonia, in turn, is a sub–holding company wholly-owned by Edizione S.R.L ("Edizione"). Each of Infinity Investments, S.A. ("Infinity"), a wholly owned subsidiary of the Abu Dhabi Investment Authority ("ADIA") and the Government of Singapore ("GIC") (through Raffles Infra Holdings Limited ("Raffles")), hold approximately 22.5% of ConnecT's share capital (for further information, see "Principal Shareholders–Shareholders' agreements"). ConnecT has irrevocably committed to exercise the Preferential Subscription Rights corresponding to the Shares held by ConnecT, and to subscribe and pay for 25,933,374 New Shares in the Offering. As a result, ConnecT's equity interest in Cellnex's share capital will not be diluted. See "Plan of Distribution–Commitments from shareholders, Directors and members of the Senior Management". ConnecT has a significant influence over those matters requiring shareholders' approval, including the appointment and dismissal of the members of the Board of Directors, the payment of dividends, changes in the issued share capital of the Company and the adoption of certain amendments to the bylaws. In addition, ConnecT has appointed four out of twelve of Cellnex's Directors. There can be no assurance that ConnecT, or any other current or future significant shareholder, will act in a manner that is in the best interest of other shareholders of the Company, which could, in turn, adversely affect the Group's business, prospects results of operations, financial condition and cash flows.

Operational risks

XVII) Risks related to the industry and the business in which the Group operates

The sector where the Group develops its activities is characterized by rapid technological changes and it is essential to be able to offer the products and services demanded by the market and to select the appropriate investments.

The development and implementation of new technologies designed to enhance the efficiency of wireless networks or new technologies developing alternative network solutions (either broadcasting infrastructure or alternative technologies to the network services provided), or changes in the Group customers' business models, could reduce the need for infrastructure-based wireless services, reduce the need for broadcasting or network services, decrease demand for the Group's infrastructure space or reduce rates or other fees obtained in the past. In this regard, the Group faces the risk that its customers may not adopt the technologies the Group invests in. For example, as communication technologies continue to develop, competitors may be able to offer wireless telecom infrastructure products and services that are, or that are perceived to be, substantially similar to or better than those offered by the Group, or offer technologies that provide similar functionality with competitive prices and with comparable or superior quality.

The Group cannot be certain that existing, proposed or as yet undeveloped technologies of its complementary segments (such as, 5G, "Small Cells", DAS, data centers/edge computing and fiber) will not become dominant in the future and render the technologies and infrastructure the Group currently uses obsolete. Should the Group's competitors develop and commercialize new technologies designed to improve and enhance the range and effectiveness of wireless telecom networks, it could significantly decrease demand for existing infrastructure. The Group's business and growth prospects could be jeopardized if it was not able to promptly identify and adapt to shifting technological solutions and/or if it failed to acquire or develop the necessary capabilities and expertise to meet the clients' changing needs. The development and implementation of new services with a significant technological component is also subject to inherent risks that the Group may not be able to overcome.

In addition, customers of the Group's services may reduce the budgets they may have allocated to telecom infrastructure, broadcasting infrastructure or other services, as the industry constantly invests in the development and implementation of new technologies or because of changes in their business model. Examples of these technologies include spectrally efficient technologies, which could reduce the Group´s customers' network capacity needs and as a result could reduce the demand for infrastructure-based wireless services.

Moreover, certain Small Cell-based complementary network technologies, in which the Group is actively working, could shift a portion of its customers' investments away from the traditional infrastructure-based networks, which may reduce the need for MNOs to add more equipment at communication infrastructures. Moreover, the emergence of alternative technologies could reduce the need for infrastructure-based broadcast or network services. For example, the growth in the delivery of wireless communications, radio and video services by direct broadcast satellites could materially and adversely affect demand for the Group's infrastructure services. Further, a customer may decide to no longer outsource infrastructures or otherwise change its business model, which would result in a decrease in the Group's revenue.

In the Broadcasting Infrastructure activity, digital terrestrial television ("DTT") is the method most widely used to transmit TV signals in Europe but an eventual unexpected increase in Spain of the use of alternative distribution platforms (such as satellite, cable or internet protocol television ["IPTV"]) or the growth and deployment of Wi-Fi network could reduce the Group's current business volume. In the Other Network Services activity the Group uses, among other technologies, terrestrial trunked radio ("TETRA") services technology or radio links to deliver its services, and the use of alternative technologies could reduce its revenues and limit potential future growth. The development and implementation of any of these and similar technologies, as well as of new products and technologies, may render some of the products and services offered by the Group obsolete which could have a material adverse effect on its business, prospects, results of operations, financial condition and cash flows.

XVIII) Risk of not developing the strategic sustainability plan

Cellnex's degree of involvement and commitment to the environment and the fight against climate change has led it to develop a Strategic Plan for sustainability based on 11 lines of action, all of which are aligned with the United Nations' ODS.

Failure to develop the plan would entail a reputational risk. A worse rating in the sustainability indices and in the analyses of proxy advisors would mean a worse valuation by investors. It would also represent a failure to comply with the commitments acquired in environmental matters with various international bodies and institutions (United Nations, Global Compact, Business for 1.5°C or Science Based Targets initiative according to IPPC (SBTi)), as well as with our stakeholders and society in general.

The company may not comply with the environmental requirements established in the Spanish and/or European Legislative Framework, or with the requirements of listed companies such as those established in the Non-Financial Information and Diversity Act.

Failure to implement the measures set out in the Strategic Sustainability Plan to reduce the impact of climate change would ultimately have direct consequences for the company's activity. Among these are the management of energy efficiency and the associated carbon footprint, due to the impact on, for example, cooling systems to compensate for the increase in temperatures at the various types of the Group's telecommunications sites; or supply chain management by incorporating suppliers into the sustainability and carbon footprint reduction criteria.

XIX) Risks related to maintaining the rights over land where the Group's infrastructures are located

The Group's real property interests relating to its infrastructures consist primarily of ownership interests, fee interests, easements, licenses and rights-of-way. A loss of these interests at a particular infrastructure may interfere with the Group's ability to operate infrastructures and generate revenues. In the context of acquisitions, the Group may not always have the ability to access, analyse and verify all information regarding titles and other issues prior to completing an acquisition of infrastructures and the absence of title or other issues can affect the Group's rights to access and operate an infrastructure.

The Group owns the majority of its telecommunications infrastructures it operates; however, the vast majority of the land and rooftops where these infrastructures are located is operated and managed through lease contracts, sub-lease contracts or other types of contracts with third parties (with the exception of the UK, where the group owns a large amount of the land where its sites are located). Thus, for various reasons, land owners could decide not to renew, or to adversely amend the terms of the ground lease contracts with the Group. In particular, the increasing presence of ground lease aggregators may negatively affect the Group´s ability to renew those contracts under commercially acceptable terms. For instance, the Group could lose its rights over the land, the land could be transferred to third parties or reversion of assets may be mandatory at the end of the relevant concession period. The Group also has long-term rights to use third party infrastructures and the non-compliance with its obligations would lead to the loss of the right to use these infrastructures. Lastly, in the future the Group must revert back to the corresponding government authorities certain assets under the terms of certain concession agreements.

In addition, the maturities of the lease contracts, sub-lease contracts or other types of contracts with third parties to operate and manage land and rooftops where the Group's telecommunications infrastructures are located, are generally shorter than the contracts that the Group has entered into with its customers to provide services. In that sense, there is a mis-match in the maturities of both contractual relationships which could prevent the Group from succesfully providing agreed upon services, as the Group may not have access to primary resources essential to execute those contractual obligations.

The Group's inability to use the land where its infrastructures are located may have a material adverse effect on the Group's ability to comply with its contractual obligations and to complete its current or future infrastructure or growth projects as expected on schedule or within budget, if at all. This may in turn have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Likewise, and in line with the Group's industry peers that operate telecom or broadcasting infrastructure, the Group may not always have all the necessary licenses and permits of its infrastructure assets. The lack of necessary licenses, property titles and permits could give rise to monetary fines and, as an interim measure, the authorities could order that the affected equipment or infrastructures be sealed-off or even decommissioned until the required authorization or license is obtained. Criminal liability could also arise in certain circumstances.

Similarly, the basic resources to provide service to the Group's customers may not be guaranteed. As such, some infrastructures linked to the broadcasting business are subject to the contract renewal conditions set at the time when the company CTTI was privatized and contributed assets to Cellnex's subsidiary Tradia. The duration of the contract is 35 years, distinguishing a mandatory period of 25 years until February 10, 2025 subject to be renewed for an additional period of 10 additional years if Cellnex has fulfilled its financial rent obligations to date, the maintenance of such infrastructure is adequate and there is reserved space in favor of CTTI.

To minimise these risks, the Group has specific control policies, procedures, plans and systems for each area, which are periodically reviewed and updated by specific external auditors for each area (financial reporting, quality, occupational risks, etc.). The Group also continually monitors and analyses its insurable risks and has implemented an insurance program to ensure a level of coverage and risk in keeping with the policies that have been introduced.

XX) Failure to attract and retain high quality personnel could negatively affect the Group's ability to operate its business

The Group's ability to operate its business, grow and implement its strategies depends, in part, on the continued contributions of its senior executive officers and other key employees. The loss of any of its key senior executives, especially if lost to a competitor, could have an adverse effect on its business unless and until a replacement is found. The Group may not be able to locate or employ qualified executives on acceptable economic terms. Moreover, if the relationship with one or more of the Group's key employees ends for any reason, there is no assurance that the Group will be able to replace them in the short term with people of comparable experience and qualifications. Any material delay in replacing such individuals may have an adverse effect on the public perception of the strength of the Group's business, prospects, results of operations, financial condition and cash flows. In addition, the Group believes that its future success, including the ability to internationally expand the Group's business, will depend on its continued ability to attract and retain highly skilled personnel with experience in its key business areas. Demand for these persons is intense and the Group may not be able to successfully recruit, train or retain qualified managerial personnel, especially in new markets where the Group may operate.

Any failure by the Group to attract and retain skilled and experienced employees or the loss of any of its key employees, could harm its business and growth prospects and have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

XXI) The Group relies on third parties for key equipment and services, and their failure to properly maintain these assets could adversely affect the quality of its services

The Group relies on third-party suppliers to provide key equipment and services that are essential for the Group's operations. Some of these are only available from a limited number of third parties. For example, the Group relies on transmission capacity and other critical facilities that are owned by third parties. In addition, the build-to-suit programs are executed on the basis of agreements with third-party suppliers, and so the Group relies on third-parties to effectively execute its contractual obligations. The Group does not have operational or financial control over these partners, and it has no influence with respect to the manner in which these suppliers conduct their business. If these suppliers fail to provide equipment or services on a timely basis or in accordance with the agreed terms, the Group may be unable to provide services to its customers until an alternative supplier can be found. In addition, existing or new competitors in the markets where the Group operates may compete for services from the Company's existing suppliers and such competitors may obtain more favorable terms than those the Group currently benefits from. Additionally, it is possible that current suppliers of services could become competitors, therefore competing as consumers of services they provide. Either of these occurrences could result in upward pricing pressure on these contracts and the Group may not be able to renew its contracts at all or at the same rate as in the past, and could lose market share. If any of these contracts are terminated or the Group is unable to renew them on favorable terms or negotiate agreements for replacement services with other providers at comparable terms, this could have a material adverse effect on the Group's business and capacity to fulfil their contractual obligations, prospects, results of operations, financial condition and cash flows.

Likewise, any commercial dispute with a supplier, the termination of a relationship, as well as insolvency, bankruptcy, end of or curtailing business, so forth, of any supplier, including such situations in which the supplier is forced to cease the provision of services to the Group for any reason or fails to provide the services or goods deemed necessary for the Group to carry out its activities, the Group may be exposed to additional costs and may not be able to comply in full with all the contracts with its customers. If this circumstance occurred, it could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Financial risks

XXII) Financial information risk

To mitigate risks relating to financial reporting and to ensure the reliability of such information, the Group has established an Internal Control over Financial Reporting System ("ICFRS"). The Group has a corporate risk control unit that is responsible for carrying out tests to verify compliance with the policies, manuals and procedures defined for the ICFRS, and for validating the effectiveness of controls in place to mitigate the risks related to these processes.

However, there can be no assurance that any policies and procedures established by the Group will be followed at all times or effectively detect and prevent all violations of the applicable laws and regulations in every jurisdiction in which one or more of the Group employees, consultants, agents, commercial partners, contractors, sub-contractors or joint venture partners are located. As a result, the Group could be subject to penalties and reputational damage if its employees, agents, suppliers or business partners take actions in violation of the compliance systems as well as violate any anti-corruption or anti-bribery laws. Violations of such laws may also lead to other consequences such as the early termination of the financing contracts, which, together with the above, could materially and adversely affect the Group business, prospects, financial conditions, results of operations and/or cash flows.

XXIII) Expected contracted revenue (backlog)

Expected contracted revenues from the service agreements (backlog) represents management's estimate of the amount of contracted revenues that the Group expects will result in future revenue from certain existing contracts. This amount is based on a number of assumptions and estimates, including assumptions related to the performance of a number of the existing contracts at a particular date but does not include adjustments for inflation. One of the main assumptions for calculating backlog is the automatic renewal of contracts for services with the Group's anchor customers. Such contracts have renewable terms including, in some cases, 'all or nothing' clauses that only allow the renewal of the entire portfolio of the relevant project (not the renewal of a portion thereof) on terms that are generally pre-agreed and may result an increase or a decrease in price, within certain parameters. In some instances, the contracts for services may be cancelled under certain circumstances by the customer at short notice without penalty.

It should be noted that the first renewals of the Telecom Infrastructure Services contracts will take place in 2022 and 2023, being Telefónica (as defined herein) the customer of the relevant contract. In addition, contracts with mayor customers in the Broadcasting Infrastructure segment will face a new cycle of renewals in the following years with most of its customers. The termination of the contracts ("churn") with mayor customers in both of the segments above may materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows. It should also be noted that contracts in place with Telefónica and Wind may be subject to change in terms of the fees being applied at a time of a renewal, within a predefined range applied to the last annual fee (that reflects the cumulative inflation of the full initial term). In addition, the Group´s definition of backlog may not necessarily be the same as that used by other companies engaged in similar activities. As a result, the amount of the Group backlog may not be comparable to the backlog reported by such other companies. The realization of the Group backlog estimates is further affected by the performance under its contracts. The ability to execute the Group's backlog is dependent on its ability to meet the clients' operational needs, and if the Group was unable to meet such needs, the ability to execute its backlog could be adversely affected, which could materially affect the Group's business, prospects, financial condition, results of operations and cash flows. There can be no assurance that the revenue projected in the Group's backlog will be realized or, if realized, will result in profit. Contracts for services are occasionally modified by mutual consent. Because of potential changes in the scope or schedule of services the Group provides to its clients, the Group cannot predict with certainty when or if its backlog will be realized. In the case of "engineering services", that are pre-agreed and associated to incremental fees may be phased over a longer than expected period of time, reduced or even cancelled, seriously affecting the management's estimate of contracted revenues over time. Even where a project proceeds as scheduled, it is possible that the client may default and fail to pay amounts owed to the Group. Delays, payment defaults or cancellations could reduce the amount of backlog currently estimated, and consequently, could inhibit the conversion of that backlog into revenues, which would in turn materially affect the Group business, prospects, financial condition, results of operations and cash flows.

XXIV) Foreign currency risk

As the Group reporting currency is the euro, fluctuations in the value of other currencies in which borrowings are instrumented and transactions are carried out with respect to the euro may have an effect in future commercial transactions, recognized assets and liabilities, and net investments in foreign operations.

Furthermore, the Group operates and holds assets in the UK and in Switzerland, both countries outside the Eurozone. The Group is therefore exposed to foreign currency risks and in particular to the risk of currency fluctuation in connection with exchange rate between the euro, the pound sterling and the Swiss franc. The Group strategy for hedging foreign currency risk in investments in non-euro currencies tends towards a full hedge of this risk, and must be implemented over a reasonable period of time depending on the market and the prior assessment of the effect of the hedge. Hedging arrangements can be instrumented via derivatives or borrowings in local currency, which act as a natural hedge.

Although the majority of the Group transactions are denominated in euros, the volatility in converting into euro agreements denominated in pound sterling and Swiss francs may have negative consequences to the Group, affecting its overall business, prospects, financial condition, results of operations and/or cash flow generation.

XXV) Interest rate risk

The Group is exposed to interest rate risk through its current and non-current borrowings.

Borrowings issued at floating rates expose the Group to cash flow interest rate risk, while fixed-rate borrowings expose the Group to fair value interest rate risk. Additionally any increase in interest rates would increase Group finance costs relating to variable-rate indebtedness and increase the costs of refinancing existing indebtedness and issuing new debt.

The aim of interest rate risk management is to strike a balance in the debt structure which makes it possible to minimise the volatility in the consolidated income statement in a multi-annual setting.

The Group can use derivative financial instruments to manage its financial risk, arising mainly from changes in interest rates. These derivative financial instruments are classified as cash flow hedges and recognised at fair value (both initially and subsequently). The required valuations were determined by analysing discounted cash flows using assumptions mainly based on the market conditions at the reporting date for unlisted derivative instruments (see Note 13 of the accompanying consolidated financial statements).

As at 31 December 2019 there are financing granted from third parties covered by interest rate hedging mechanisms (see Note 13 of the accompanying consolidated financial statements).

XXVI) Credit risk

Each of the Group's main business activities (Telecom Infrastructure Services, Broadcasting Infrastructure and Other Network Services) obtain a significant portion of revenues from a limited number of customers, many of which are long-term customers and have high-value contracts with the Group.

The MNOs are the Group's main customers in the Telecom Infrastructure Services; television and radio broadcasting operators are the main clients in the broadcasting infrastructure; and certain central, regional and local government authorities, emergency and security forces, the public service sector and telecommunications operators are the main customers in its activities relating to Other Network Services.

The Group is sensitive to changes in the creditworthiness and financial strength of its main customers due to the importance of these key customers to the overall revenues. The long-term nature of certain Group contracts with customers and the historically high renewal ratio of these contracts helps to mitigate this risk.

The Group depends on the continued financial strength of its customers, some of which operate with substantial leverage and are not investment grade or do not have a credit rating.

Given the nature of the Group's business, it has significant concentrations of credit risk, since there are significant accounts receivable as a result of having a limited number of customers. To mitigate this credit risk, the Group has place contractual arrangements to transfer this risk to third parties via non-recourse factoring of trade receivables in which case the Group would not retain any credit risk.

Credit risk also arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, and other debt, including unsettled receivables and committed transactions.

The loss of significant customers, or the loss of all or a portion of the Group's expected services agreements revenues from certain customers and an increase in the Group's level of exposure to credit risk, or its failure to actively manage it, could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

XXVII) Liquidity risk

The Group carries out a prudent management of liquidity risk, which involves maintaining cash and having access to a sufficient amount of financing through established credit facilities as well as the ability to settle market positions. Given the dynamic nature of the Group's businesses, the policy of the Group is to maintain flexibility in funding sources through the availability of committed credit facilities. Due to this policy the Group has available liquidity c. EUR 6,100 million, considering cash and available credit lines, as at the date of approval for issue of these consolidated financial statements, and has no immediate debt maturities (the maturities of the Group's financial obligations are detailed in Note 13).

As a consequence of the aforementioned the Group considers that it has liquidity and access to medium and long-term financing that allows the Group to ensure the necessary resources to meet the potential commitments for future investments.

However, the Group may not be able to draw down or access liquid funds in a sufficient amount and at a reasonable cost to meet its payment obligations at all times. Failure to maintain adequate liquidity levels may materially and adversely affect the Group business, prospects, results of operations, financial conditions and/or cash flows, and, in extreme cases, threaten the Group future as a going concern and lead to insolvency.

XXVIII) Inflation risk

Despite a long period of historically low inflation, there is no assurance that inflation may not increase as a result of among others. A significant portion of the Group's operating costs could rise as a result of higher inflation and monetary policies of the European Central Bank. Further, most of the Group's infrastructure services contracts are indexed to inflation. As a consequence, its results of operations could be affected by inflation and/or deflation.

XXIX) Risk related to Group indebtedness

The Group's indebtedness may increase, from time to time, due to potential new acquisitions, fundamental changes to corporate structure or joint ventures and issuances made in connection with any of the foregoing. The Group´s present or future leverage could have significant negative consequences, including:

- Placing the Group at a possible competitive disadvantage to less leveraged competitors and competitors that may have better access to capital resources, including with respect to acquisitions and forcing the Group to forego certain business opportunities;

- Requiring the dedication of a substantial portion of cash flow from operations to service the debt, thereby reducing the amount of cash flow available for other purposes, including, among others, capital expenditures and dividends;

- Requiring the Group to issue debt or equity securities or to sell some of its core assets, possibly not on the best terms, to meet payment obligations;

- Accepting financial covenants in the financing contracts such as: debt limitation, minimum cash restriction, or pledge of assets;

- A potential downgrade from a rating agency, which can make obtaining new financing more difficult and expensive; and

- Requiring the Group to early repay the outstanding debt in the event that the relevant change of control clause is triggered.

As of 31 December 2019 and 2018, the outstanding loans and credit facilities entered into by Cellnex and its subsidiaries are unsecured and unsubordinated and rank pari passu with the rest of the Group's unsecured and unsubordinated borrowings. Most of these contracts are subject to cross-default provisions and generally do not require Cellnex nor its subsidiaries to comply with any financial ratio. Certain loan and credit facilities are subject to various restrictions, including but not limited to, requiring Cellnex to maintain a minimum rating of Ba2 by Moody's Investors Service, Inc., or BB by Fitch Ratings Ltd. or Standard & Poor's Financial Services LLC, requiring shares to be pledged and provided as collateral if certain financial ratios are not satisfied, and imposing restrictions on additional indebtedness. The financing contracts of the Group do not contain any limitations on the distribution and payment of dividends, other than the syndicated facilities agreement entered into by Swiss Towers, which includes a covenant restricting the distribution of dividends by Cellnex Switzerland and Swiss Towers –but not Cellnex– based on leverage levels.

XXX) The Company cannot assure that it will be able to implement its Dividend Policy or to pay dividends (and even if able, that the Company would do so)

If there are any distributable profits, declaration of a dividend requires a resolution of the General Shareholders' Meeting upon the recommendation of the Board of Directors In the implementation of the Company's Dividend Policy (as defined herein), Cellnex is focused on distributing an annual dividend in an amount increased by 10% with respect to the dividend distributed the year before. However, the Company's ability to distribute dividends in an amount increased by 10% with respect to the dividend distributed the year before, depends on a number of circumstances and factors including, but not limited to, the amount of net profit attributable to the Company in any financial year, any limitations to the distribution of dividends included in the Company's financing agreements and the Company's growth strategy. In the future, the Company may not have cash available to pay dividends in an amount increased by 10% with respect to the dividend distributed the year before or have the reserves legally required for the Company to be able to do so. Even if the Company does have adequate cash and reserves, the Company's shareholders and Board of Directors may choose not to distribute dividends in an amount increased by 10% with respect to the dividend distributed the year before. In addition, the Company's ability to distribute dividends at all, depends on the same circumstances and factors and even if the Company does have adequate cash and reserves, the Company's shareholders and Board of Directors may choose not to distribute dividends at all.

Consequently, the Company cannot assure that it will pay a dividend in the future in compliance with the Company's Dividend Policy, or that it will pay any dividend

Compliance risks

XXXI) Fraud and compliance risks

The Group's operations are also subject to anti-bribery and anti-corruption laws and regulations and affect where and how its business may be conducted. The Group has established certain systems to monitor compliance with applicable laws and regulations and provides training to its employees to facilitate compliance with such laws and regulations.

The Cellnex Group has a code of conduct (the "Ethics' Code") approved by the Board of Directors. The corporation prepares an Ethics' Code Framework which is then adapted in each country . This Ethics' Code is communicated to all employees.

The Group has created a corporate compliance function to improve compliance with the Group's Ethics' Code, implemented through specific regulations for each country and the establishment of whistle-blowing channels and the supervision of oversight and control measures to prevent criminal acts. The main values and principles included in the Ethics' Code are: integrity, honesty, transparency, loyalty, commitment to and defence of Group interests, and responsibility in all actions. The Ethics' Code includes among its fundamental principles the commitment to strictly comply with the obligation of the Group to offer reliable financial information prepared in accordance with applicable regulations, and the responsibility of its employees and management to ensure this is so, by correctly carrying out of their functions and by notifying the governing bodies of any circumstance which might affect that undertaking.

XXXII) Risk associated with significant agreements signed by the Group that could be modified due to change of control clauses

Certain material contracts entered into by Group companies (all of the contracts entered into in connection to debt instruments and most of the contracts entered into with anchor investors) could be modified or terminated if a change of control clause is triggered. A change of control clause may be triggered if a third party, either alone or in conjunction with others, obtains “significant influence” and/or “control” (which is generally defined as having (i) more than 50% of shares with voting rights or (ii) the right to appoint or dismiss the majority of the members of the board of directors) of the relevant Group company. A change of control clause may be capable of being triggered at Parent Company level or at the level of the relevant subsidiary that has entered into the contract. In certain contracts, the definition of control, and therefore of a change of control, makes specific reference to the applicable law of the relevant country.

With regards to the material contracts entered into by Group companies with anchor customers, the triggering of a change of control provision is generally limited to events where the acquiring company is a competitor of the anchor customer. In such circumstances, the anchor customer may be granted an option to buy back assets (generally the infrastructures where they are being serviced). In addition, such buy back option may also be granted in the event that a competitor of the anchor customer acquires a significant portion of the shares or obtains voting or governance rights which can be exercised in a way that can negatively affect the anchor customer’s interests.

Additionally, both the bonds issued under the EMTN Program and the Convertible Bonds and bank financing contracts of the Group include certain change of control clauses which could trigger an early repayment under the respective debt arrangement.

Asset buy back options can also be exercised in case of an explicit breach by a Group company of the contractual obligations under services level agreements with its customers (“SLAs”). These asset buy back options will be executed at a price below fair market valuation. Moreover, some contracts also imply the possibility of an asset buy back or the customer being able to early terminate the contract if at any time one or several of the following circumstances occur: (a) the Group undergoes an adverse financial event which materially affects, or is reasonably likely to have a material effect upon, the provision of the Services; or (b) the long-term, unsecured, unsubordinated debt rating of the Group issued by the Ratings Agencies is downgraded by two (2) or more of the Ratings Agencies to B (or equivalent level) or less; or (c) an Insolvency Event takes place for the Group. In this situation, the Group shall immediately notify its customer the eventuality and discuss its plans for rectifying such adverse change, permitting the customer to undertake Step-In Actions and ensuring that it satisfies its obligations through project-specific policies of insurance taken out with reputable third party insurance vendors or provide comparable protection by other means to the customer’s satisfaction. In the event that the customer does not believe the actions taken by the Group are likely to prevent an adverse impact on the provision of the Services, it may terminate the agreement for convenience and no termination Fees shall be payable. In addition, there is only one contract related to joint future investment that has buy back clauses by which the client has the right to acquire the assets in defined windows. Cellnex’s management believes there is low probability of buy back execution as it would bear an important economic payment to be satisfied to Cellnex by the client.

If a change of control clause included in any of the Group’s material contracts is triggered, or if a Group company explicitly breaches its contractual obligations under an SLA, it may materially and adversely affect the Group’s business, prospects, results of operations, financial condition and cash flows.

Annex 3. GRI Content Index

Indicators		2019 Integrated Annual Report	Perimeter of contents
GENERAL INDICATORS			
COMPANY PROFILE			
102-1	Name of the organisation	Cellnex Telecom, S.A.	Cellnex group
102-2	Activities, brands, products and services	2. Cellnex in 2019: milestones, key figures, business model & prospects / Business Model.	Cellnex group
102-3	Location of headquarters	Juan Esplandiú, 28007 Madrid	Cellnex group
102-4	Location of operations	2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 • Growth • Consolidation in Europe	Cellnex group
102-5	Ownership and legal form	Cellnex Telecom, S.A.	Cellnex group
102-6	Markets served	2. Cellnex in 2019: milestones, key figures, business model & prospects / Business Model. 2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 • Growth • Consolidation in Europe	Cellnex group
102-7	Size of the organisation	2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 • Growth • Consolidation in Europe • Market figures • Treasury share • Business performance and results • Business indicators	Cellnex group
102-8	Information about employees and other workers	4.Sustainable Management of the Value Chain / People Development / People management. Annex 5. KPI Tables.	Cellnex group
102-9	Organisational structure, value chain, supply chain	2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 / Transformation. Towards a new industrial model. 4.Sustainable Management of the Value Chain / Add value to society / Suppliers.	Cellnex group

Indicators		2019 Integrated Annual Report	Perimeter of contents
102-10	Significant changes in the organisation and its supply chain	4.Sustainable Management of the Value Chain / Add value to society / Suppliers.	Cellnex group
102-11	Precautionary principle or approach	Cellnex has environmental liability insurance in compliance with current legislation and has a provision of 60,000 euros. Note 20 of the Consolidated Financial Statements. 2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 / The Cellnex tax contribution/ Value generated and distributed. 4.Sustainable Management of the Value Chain / Sustainable development of the business / Monitoring and managing the main risks opportunities and environmental impacts.	Cellnex group
102-12	External initiatives	4.Sustainable Management of the Value Chain / Add value to society / Cellnex's participation in relevant initiatives • Significant awards and recognition of Cellnex in 2019. • Cellnex's participation in Sustainability Indices and initiatives.	Cellnex group
102-13	Membership of associations	4.Sustainable Management of the Value Chain / Add value to society / Cellnex's participation in relevant initiatives / Cellnex action and participation in relevant industry associations.	Cellnex group
STRATEGY			
102-14	Declaration of senior executives responsible for decision-making	1.Interview with the President and CEO.	Cellnex group
102-15	Main impacts, risks and opportunities	3.Governance Model / Risk Management. Annex 2. Risks	Cellnex group
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behaviour	3.Governance Model / Ethics and compliance.	Cellnex group
102-17	Mechanisms for assessment and complaint of ethical conduct	3.Governance Model / Ethics and compliance.	Cellnex group
GOVERNANCE			
102-18	Governance structure	3.Governance Model / Corporate governance.	Cellnex group
102-19	Delegation of authority	Section C of the 2019 Annual Corporate Governance Report (Annex 8).	Cellnex group
102-20	Executive responsibility for economic, environmental and social matters	3.Governance Model / Cellnex's Corporate Social Responsibility framework Section H of the 2019 Annual Corporate Governance Report (Annex 8)	Cellnex group
102-21	Consultation with stakeholders on economic, environmental and	5.Bases for the Preparation of the Report / Determining the content of	Cellnex group

Indicators		2019 Integrated Annual Report	Perimeter of contents
	social matters	the report.	
102-22	Composition of the highest governing body and its committees	3.Governance Model / Corporate governance / The Cellnex Board of Directors. Sections C1.2, C1.3 Y C2 of the 2019 Annual Corporate Governance Report (Annex 8)	Cellnex group
102-23	Chair of the highest governing body	3.Governance Model / Corporate governance / The Cellnex Board of Directors.	Cellnex group
102-24	Appointment and selection of the highest governing body	3.Governance Model / Corporate governance / Changes in 2019.	Cellnex group
102-25	Conflicts of interest	Section D of the 2019 Annual Corporate Governance Report (Annex 8)	Cellnex group
102-26	Role of highest governance body in setting purpose, values, and strategy	Section C of the 2019 Annual Corporate Governance Report (Annex 8)	Cellnex group
102-27	Collective knowledge of the highest governing body	3.Governance Model / Corporate governance.	Cellnex group
102-28	Evaluation of the performance of the highest governance body	3.Governance Model / Corporate governance. Section C.17 of the 2019 Annual Corporate Governance Report (Annex 8)	Cellnex group
102-29	Identification and management of economic, environmental and social impacts	3.Governance Model / Risk Management. Annex 2. Risks 3.Governance Model / Cellnex's Corporate Social Responsibility framework	Cellnex group
102-30	Effectiveness of risk management processes	3.Governance Model / Risk Management. Annex 2. Risks	Cellnex group
102-31	Review of economic, environmental, and social topics	3.Governance Model / Risk Management. Annex 2. Risks 3.Governance Model / Cellnex's Corporate Social Responsibility framework	Cellnex group
102-32	Highest governance body's role in sustainability reporting	3.Governance Model / Cellnex's Corporate Social Responsibility framework Section H of the 2019 Annual Corporate Governance Report (Annex 8)	Cellnex group
102-33	Communicating critical concerns	3.Governance Model / Ethics and compliance.	Cellnex group
102-34	Nature and total number of critical concerns	3.Governance Model / Ethics and compliance.	Cellnex group
102-35	Remuneration policies	Section C of the 2019 Annual Corporate Governance Report (Annex 8)	Cellnex group
102-36	Process for determining remuneration	Section C of the 2019 Annual Corporate Governance Report (Annex 8)	Cellnex group
102-37	Stakeholders' involvement in remuneration	Section A of the 2019 Annual Report on Remuneration Policy of Board Members	Cellnex group
102-38	Annual total compensation ratio	The salary of the highest paid person not including the CEO is	Cellnex group

Indicators		2019 Integrated Annual Report	Perimeter of contents
		81.27 times higher than the average Cellnex group salary. The ratio is 42.68.	
102-39	Ratio of the percentage increase in total annual compensation	The variation in the average remuneration of the Group in relation to 2019 was -4%, and the variation in the remuneration of the CEO was 97.5%. The changes correspond to the total remuneration accrued, excluding contributions to pension funds and life insurance premiums.	Cellnex group
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	5.Bases for the Preparation of the Report / Determining the content of the report.	Cellnex group
102-41	Collective bargaining agreements	Annex 5. KPI tables.	Cellnex group
102-42	Identifying and selecting stakeholders	5.Bases for the Preparation of the Report / Determining the content of the report.	Cellnex group
102-43	Approach to stakeholder engagement	5.Bases for the Preparation of the Report / Determining the content of the report.	Cellnex group
102-44	Key topics and concerns raised	5.Bases for the Preparation of the Report / Determining the content of the report.	Cellnex group
REPORTING PRACTICES			
102-45	Entities included in the consolidated financial statements	Consolidated Annual Accounts (Annex 1)	Cellnex group
102-46	Defining report content and topic boundaries	5.Bases for the Preparation of the Report • Structure and content of the report. • Reporting scope. • Determining the content of the report.	Cellnex group
102-47	List of material topics	5.Bases for the Preparation of the Report / Determining the content of the report.	Cellnex group
102-48	Restatements of information	There have been no restatements of information from previous reports.	Cellnex group
102-49	Changes in reporting	The information in this report refers to Cellnex Spain, Italy, France, Switzerland, UK and Netherlands, with the exception of the template breakdown information which also includes data from Cellnex Ireland. 5.Bases for the Preparation of the Report	Cellnex group
102-50	Period covered by the report	Financial Year 2019	Cellnex group
102-51	Date of the last report	2018	Cellnex group
102-52	Reporting cycle	Annual	Cellnex group
102-53	Contact person for queries regarding the report	5.Bases for the Preparation of the Report / Contact information (cellnex@cellnextelecom.com)	Cellnex group
102-54	Claims of reporting in accordance with the GRI Standards	5.Bases for the Preparation of the Report / Structure and content of the report.	Cellnex group

Indicators		2019 Integrated Annual Report	Perimeter of contents
102-55	GRI content index	Annex 3. GRI Context Index	Cellnex group
102-56	External assurance	Annex 6. Independent Limited Verification Report	Cellnex group
MANAGEMENT APPROACH			
103-1 [3]	Explanation of the material topic and its Boundary	5.Bases for the Preparation of the Report • Reporting scope. • Determining the content of the report.	Cellnex group
103-2[(1)]	The management approach and its components		
103-3[(1)]	Evaluation of the management approach		
ECONOMIC STANDARDS			
MARKET PRESENCE			
201-1	Direct economic value generated and distributed	2.Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 / The Cellnex tax contribution.	Cellnex group
MARKET PRESENCE			
202-2	Proportion of senior executives hired from the local community	100% of Cellnex Spain management comes from the local community.	Spain
INDIRECT ECONOMIC IMPACTS			
203-1	Investments in infrastructure and supported services	2.Cellnex in 2019: milestones, key figures, business model & prospects • Business performance and results. • Business indicators.	Cellnex group
PROCUREMENT PRACTICES			
204-1	Proportion of procurement from local suppliers	4.Sustainable Management of the Value Chain / Add value to society / Suppliers.	Cellnex group
ANTI-CORRUPTION			
205-2	Communication and training about anti-corruption policies and procedures	3.Governance Model / Ethics and compliance / Main responsibilities of Cellnex's Committee of Ethics and Compliance. The money-laundering issue is addressed in the Cellnex Corruption Prevention Procedure.	Cellnex group
205-3	Confirmed incidents of corruption and actions taken	3.Governance Model / Ethics and compliance / Main responsibilities of Cellnex's Ethics and Compliance Committee.	Cellnex group
UNFAIR COMPETITION			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	In FY 2019, Cellnex received no complaints for anti-competitive or monopolistic practices, nor have the	Cellnex group

3 The management approach for each Standard is included in the section specified for its specific indicators.

Indicators		2019 Integrated Annual Report	Perimeter of contents
		market or competition supervisory authorities initiated procedures ex officio. Likewise, it received no final judgments or any other type of sanction for such practices.	
ENERGY			
302-1	Energy consumption in the organisation	4.Sustainable Management of the Value Chain / Sustainable development of the business / Sustainable use of resources.	Cellnex group
302-2	Energy consumption outside the organisation	4.Sustainable Management of the Value Chain / Sustainable development of the business / Sustainable use of resources. Cellnex considers all the energy consumed in its operating facilities as internal consumption.	Cellnex group
302-4	Reduction of energy consumption	4.Sustainable Management of the Value Chain / Sustainable development of the business / Sustainable use of resources / Energy efficiency.	Cellnex group
BIODIVERSITY			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4.Sustainable Management of the Value Chain / Sustainable development of the business / Biodiversity.	Spain / Italy / Netherlands
304-2	Significant impacts of activities, products and services on biodiversity	4.Sustainable Management of the Value Chain / Sustainable development of the business / Biodiversity.	Spain / Italy / Netherlands
EMISSIONS			
305-1	Direct GHG emissions (scope 1)	4.Sustainable Management of the Value Chain / Sustainable development of the business / Carbon footprint and climate change.	Cellnex group
305-2	Indirect GHG emissions when generating energy (scope 2)	4.Sustainable Management of the Value Chain / Sustainable development of the business / Carbon footprint and climate change.	Cellnex group
305-3	Other indirect GHG emissions (scope 3)	4.Sustainable Management of the Value Chain / Sustainable development of the business / Carbon footprint and climate change.	Cellnex group
305-5	Reduction of GHG emissions	4.Sustainable Management of the Value Chain / Sustainable development of the business • Sustainable use of resources. • Carbon footprint and climate change.	Cellnex group
ENVIRONMENTAL COMPLIANCE			
307-1	Non-compliance with environmental laws and	There were no environmental complaints in 2019.	Cellnex group

Indicators		2019 Integrated Annual Report	Perimeter of contents
	regulations		
SUPPLIER ENVIRONMENTAL ASSESSMENT			
308-1	New suppliers that were screened using environmental criteria	4.Sustainable Management of the Value Chain / Add value to society / Suppliers / Evaluation, selection and monitoring of suppliers.	Spain / Italy / France/ Switzerland
EMPLOYMENT			
401-1	New employee hires and employee turnover	Annex 5. KPI Tables	Cellnex group
WORKER-COMPANY RELATIONS			
402-1	Minimum notice periods regarding operational changes	Cellnex Spain: 2 weeks, following the established pre-notification periods. Cellnex Italia follows the periods laid down in the agreement of the Telecommunications Collective. Cellnex France: varies between 1 and 3 months, depending on the case. In Switzerland, the Netherlands and the UK, we comply with the minimum notice periods established by local law in each case.	Cellnex group
OCCUPATIONAL HEALTH AND SAFETY			
403-1	Worker representation on formal worker-company health and safety committees	4.Sustainable Management of the Value Chain / People development / Occupational health and safety.	Spain / Italy
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Annex 5. KPI Tables 4.Sustainable Management of the Value Chain / People development / Occupational health and safety / Accident rate.	Cellnex Group
403-4	Health and safety topics covered in formal agreements with trade unions	4.Sustainable Management of the Value Chain / People development / Occupational health and safety.	Spain / Italy
TRAINING AND TEACHING			
404-1	Average hours of training per year per employee	Annex 5. KPI Tables 4. Sustainable Management of the Value Chain / People development / Training.	Cellnex group
404-2	Programmes to improve employee skills and transition assistance programmes	4.Sustainable Management of the Value Chain / People development / Training.	Cellnex group
DIVERSITY AND EQUAL OPPORTUNITY			
405-1	Diversity of governing bodies and employees	During 2019, Cellnex has employed 14 people with different capacities. Annex 5. KPI Tables 3.Governance Model / Corporate governance.	Cellnex group
405-2	Ratio of basic salary and remuneration of women to men	Annex 5. KPI Tables	Cellnex group
406-1	Incidents of discrimination and corrective actions taken	3. Governance Model / Ethics and compliance / Main	Cellnex group

Indicators		2019 Integrated Annual Report	Perimeter of contents
		responsibilities of Cellnex's Ethics and Compliance Committee.	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3. Governance Model • Ethics and compliance • Cellnex's Corporate Social Responsibility framework. 4.Sustainable Management of the Value Chain / Add value to society / Suppliers	Cellnex group
408-1	Operations and suppliers with significant risk of using child labour	3. Governance Model • Ethics and compliance • Cellnex's Corporate Social Responsibility framework. 4.Sustainable Management of the Value Chain / Add value to society / Suppliers	Cellnex group
409-1	Operations and suppliers at significant risk for incidents of child labour	3. Governance Model • Ethics and compliance • Cellnex's Corporate Social Responsibility framework. 4.Sustainable Management of the Value Chain / Add value to society / Suppliers	Cellnex group
HUMAN RIGHTS ASSESSMENT			
412-2	Employee training on human rights policies or procedures	Cellnex has dedicated 2,369 hours in human rights training.	Cellnex group
LOCAL COMMUNITIES			
413-1	Operations with local community engagement, impact assessments, and development programmes	4.Sustainable Management of the Value Chain / Add value to society / Social contribution / Donations. 4.Sustainable Management of the Value Chain / Sustainable development of the business / Electromagnetic emissions	Cellnex group
SUPPLIER ENVIRONMENTAL ASSESSMENT			
414-1	New suppliers that were screened using social criteria.	4.Sustainable Management of the Value Chain / Add value to society / Suppliers / Evaluation, selection and monitoring of suppliers.	Spain / Italy / France/ Switzerland
PUBLIC POLICY			
415-1	Political contributions	Only financial contributions have been made only by Cellnex France, to an entity dedicated to the lobbying body (Boury Tallon), to the tune of EUR 72.354,31.	Cellnex group
CUSTOMER HEALTH AND SAFETY			
416-1	Assessment of the health and	4.Sustainable Management	Cellnex group

Indicators		2019 Integrated Annual Report	Perimeter of contents
	safety impacts of product and service categories	of the Value Chain / Add value to society • Information security management. • Customers.	
CUSTOMER PRIVACY			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.Sustainable Management of the Value Chain / Add value to society / Information security management.	Cellnex group
SOCIOECONOMIC COMPLIANCE			
419-1	Non-compliance with laws and regulations in the social and economic area	There have been no sanctions during 2019.	Cellnex group

Annex 4. Non-financial Information Index

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
Business Model				
Brief description of the group's business model, which will include: 1.) your business environment, 2.) its organisation and structure, 3.) the markets in which it operates, 4.) your goals and strategies, 5.) The main factors and trends that may affect your future evolution.	Yes	GRI 102-1 GRI 102-2 GRI 102-3 GRI 102-4 GRI 102-6 GRI 102-7 GRI 102-14	2.Cellnex in 2019: milestones, key figures, business model & prospects.	Cellnex group
Policies				
A description of the policies that the group applies regarding these issues, which will include: 1.) due diligence procedures applied to the identification, evaluation, prevention and mitigation of significant risks and impacts 2.)verification and control procedures, including what measures have been taken.	Yes	GRI 103 Management approach to each area within the Economic, Environmental and Social dimensions	3. Governance Model. • Corporate governance. • Ethics and compliance. • Cellnex's Corporate Social Responsibility framework. 4.Sustainable Management of the Value Chain. • People development. ○ Equity, inclusion and diversity and integration. ○ Remuneration and compensation. ○ Occupational health and safety. • Add value to society / Suppliers. • Sustainable use of resources /Responsible environmental management. • Information security management.	Cellnex group

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
Risks				
The main risks related to these issues related to the activities of the group, including, where relevant and proportionate, their business relationships, products or services that may have negative effects in those areas, and how the group manages these risks, explaining the procedures used to detect and evaluate them according to national, European or international reference frameworks for each subject. Information on the impacts that have been detected must be included, offering a breakdown of them, in particular on the main risks in the short, medium and long term.	Yes	GRI 102-15	3. Governance Model / Risk Management. Annex 2. Risks 4.Sustainable Management of the Value Chain / Sustainable development of the business / Monitoring and managing the main risks opportunities and environmental impacts.	Cellnex group
KPIs				
Key indicators of non-financial results that are relevant to the specific business activity, and that meet the criteria of comparability, materiality, relevance and reliability. * In order to facilitate the comparison of information, both in time and between entities, standards of non-financial key indicators that can be generally applied and that comply with the European Commission guidelines on this subject and the standards will be used. of the Global Reporting Initiative, having to mention in the report the national, European or international framework used for each subject. * The key indicators of non-financial results should be applied to each of the sections of the non-financial information state. * These indicators should be useful, taking into account the	Yes	General or specific GRI standards for the Economic, Environmental and Social dimensions that are reported in the following blocks.	-	Cellnex group

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
specific circumstances and consistent with the parameters used in their internal risk assessment and management procedures. * In any case, the information presented must be accurate, comparable and verifiable.				
Environmental Issues				
Global Environment				
Detailed information on the current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety, environmental assessment or certification procedures.	Yes	GRI 102-15	3.Governance Model / Risk Management. Annex 2. Risks 4.Sustainable Management of the Value Chain / Sustainable development of the business / Monitoring and managing the main risks, opportunities and environmental impacts.	Cellnex group
	Yes	GRI 103- 2	3. Governance Model / Management Systems. 4.Sustainable Management of the Value Chain / Sustainable development of the business	Cellnex group
Resources dedicated to the prevention of environmental risks.	Yes	GRI 102-15	4.Sustainable Management of the Value Chain / Sustainable development of the business / Monitoring and managing the main risks, opportunities and environmental impacts.	Cellnex group
The application of the precautionary principle, the amount of provisions and guarantees for environmental risks.	Yes	GRI 102-11	Note 20 of the Consolidated Financial Statements. 2.Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 / The Cellnex tax contribution/ Value generated and distributed 4.Sustainable Management of the Value Chain / Sustainable development of the business / Monitoring and managing the main risks, opportunities and environmental impacts	Cellnex group
Contamination				
Measures to prevent, reduce or repair carbon emissions that seriously affect the environment, taking into account any form of air pollution specific to an activity, including noise and light pollution.	Yes	GRI 103-2 GRI 103-3 Emissions	4.Sustainable Management of the Value Chain / Sustainable development of the business / Carbon footprint and climate change.	Cellnex group
	Yes	GRI 302-4	4.Sustainable Management of the Value Chain / Sustainable development of the business / Sustainable use of resources.	Cellnex group
	Yes	GRI 305-5	4.Sustainable Management of the Value Chain / Sustainable development of the business • Sustainable use of	Cellnex group

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
			resources. • Carbon footprint and climate change.	
Circular economy and prevention and waste managements				
Circular economy.	No	N/A		
Waste: Prevention, recycling, reuse, other forms of recovery and waste disposal.	No	N/A		
Actions to fight food waste.	No	N/A		
Sustainable use of resources				
Water consumption and water supply according to local constraints.	No	N/A		
Consumption of raw materials and the measures adopted to improve the efficiency of their use.	No	N/A		
Consumption, direct and indirect, of energy.	Yes	GRI 302-1	4.Sustainable Management of the Value Chain / Sustainable development of the business / Sustainable use of resources.	Cellnex group
	Yes	GRI 302-2	4.Sustainable Management of the Value Chain / Sustainable development of the business / Sustainable use of resources. Cellnex considers all the energy consumed in its operating facilities as internal consumption.	Cellnex group
Measures taken to improve energy efficiency.	Yes	GRI 103-2 GRI 103-3 Energy	4.Sustainable Management of the Value Chain / Sustainable development of the business / Sustainable use of resources / Energy efficiency.	Cellnex group
	Yes	GRI 302-4		
Use of renewable energies.	Yes	GRI 302-1	4.Sustainable Management of the Value Chain / Sustainable development of the business / Sustainable use of resources.	Cellnex group
Climate change				
The important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces.	Yes	GRI 305-1	4.Sustainable Management of the Value Chain / Sustainable development of the business / Carbon footprint and climate change.	Cellnex group
	Yes	GRI 305-2		Cellnex group
	Yes	GRI 305-3		Cellnex group
The measures adopted to adapt to the consequences of Climate Change.	Yes	GRI 103-2 GRI 103-3 Emissions	4.Sustainable Management of the Value Chain / Sustainable development of the business / Carbon footprint and climate change.	Cellnex group
	Yes	GRI 102-11 GRI 102-15	3. Governance Model / Risk Management. Annex 2. Risks 4.Sustainable Management of the Value Chain / Sustainable development of the business /	Cellnex group

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
			Monitoring and managing the main risks, opportunities and environmental impacts footprint and climate change.	
The reduction goals established voluntarily in the medium and long term to reduce greenhouse gas emissions and the means implemented for that purpose.	Yes	GRI 305-5	4.Sustainable Management of the Value Chain / Sustainable development of the business / Carbon footprint and climate change.	Cellnex group
Biodiversity				
The measures taken to preserve or restore biodiversity.	Yes	GRI 103-2 GRI 103-3 Biodiversity	4.Sustainable Management of the Value Chain / Sustainable development of the business / Biodiversity.	Cellnex group
Impacts caused by activities or operations in protected areas.	Yes Yes	GRI 304-1 GRI 304-2	4.Sustainable Management of the Value Chain / Sustainable development of the business / Biodiversity.	Spain / Italy / Netherlands
Social issues and related to employees				
Employment				
Total number and distribution of employees by sex, age, country and professional category.	Yes Yes	GRI 102-8 GRI 405-1. b)	4.Sustainable Management of the Value Chain / People Development / People management. Annex 5. KPI Tables	Cellnex group
Total number and distribution of work contract modalities.	Yes	GRI 102-8	4.Sustainable Management of the Value Chain / People Development / People management. Annex 5. KPI Tables	Cellnex group
Annual average of permanent, temporary and part-time contracts by sex, age and professional category.	Yes Yes	GRI 102-8 GRI 405-1. b)	4.Sustainable Management of the Value Chain / People Development / People management. Annex 5. KPI Tables	Cellnex group
Number of dismissals by sex, age and professional classification.	Yes	GRI 401-1. b)	Annex 5. KPI Tables	Cellnex group
The average remunerations and their evolution disaggregated by sex, age and professional classification or equal value.	Yes	GRI 103-2 GRI 103-3 Diversity and equal opportunity	4.Sustainable Management of the Value Chain / People Development / Remuneration and compensation.	Cellnex group
	Yes	GRI 405-2	Annex 5. KPI Tables	Cellnex group
Salary gap, the remuneration of equal or average positions in the company.	Yes	GRI 405-2	Annex 5. KPI Tables	Cellnex group
The average remuneration of directors and executives, including variable remuneration, allowances, compensation, payment to long-term savings forecast	Yes	GRI 103-2 GRI 103-3 Diversity and equal opportunity	Section C of the 2019 Annual Corporate Governance Report.	Cellnex group
	Yes	GRI 102-35		
	Yes	GRI 102-36		
	Yes	GRI 102-37	Section A of the 2019 Annual	

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
systems and any other perception disaggregated by sex.			Report on Remuneration Policy of Board Members	
	Yes	GRI 102-38	The salary of the highest paid person not including the CEO is 81.27 times higher than the average Cellnex group salary. The ratio is 42.68.	
	Yes	GRI 102-39	The variation in the average remuneration of the Group in relation to 2019 was -4%, and the variation in the remuneration of the CEO was 97.5%. The changes correspond to the total remuneration accrued, excluding contributions to pension funds and life insurance premiums.	
Implementation of labour disconnection measures.	Yes	GRI 103-2 GRI 103-3 Employment	4.Sustainable Management of the Value Chain / People development / Equality, inclusion and diversity and integration.	Spain, France
Employees with disabilities.	Yes	GRI 405-1. b)	Annex 5. KPI Tables	Cellnex group
Work organisation				
Organisation of working time.	Yes	GRI 103-2 GRI 103-3 Employment	4.Sustainable Management of the Value Chain / People Development / Remuneration and compensation.	Cellnex group
	Yes	GRI 102-8. c)	Annex 5. KPI Tables	
Number of hours of absenteeism.	Yes	GRI 403-2	Annex 5. KPI Tables	Spain, Italy, France, Switzerland and Netherlands
Measures designed to facilitate the enjoyment of conciliation and encourage joint responsibility of these by both parents.	Yes	GRI 103-2 GRI 103-3 Employment	4.Sustainable Management of the Value Chain / People development / Equality, inclusion and diversity and integration 4.Sustainable Management of the Value Chain / People Development / Remuneration and compensation.	Cellnex group
Health and safety				
Conditions of health and safety at work.	Yes	GRI 103-2 GRI 103-3 Occupational health and safety	4.Sustainable Management of the Value Chain / People development / Occupational health and safety	Cellnex group
Work accidents, in particular their frequency and seriousness, occupational diseases, disaggregated by sex.	Yes	GRI 403-2	4.Sustainable Management of the Value Chain / People development / Occupational health and safety / Accident rate.	Cellnex group
Social relations				
Organisation of social dialogue, including procedures for informing and consulting staff and negotiating with them.	Yes	GRI 103-2 GRI 103-3 Labour/ Management relations	4.Sustainable Management of the Value Chain / People development / Occupational health and safety	Cellnex group
	Yes	GRI 402-1	Annex 3. GRI Content Index	Cellnex group

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
Percentage of employees covered by collective agreement by country.	Yes	GRI 102-41	Annex 5. KPI Tables.	Cellnex group
Balance of collective agreements, particularly in the field of health and safety at work.	Yes	GRI 403-1 GRI 403-4	4.Sustainable Management of the Value Chain / People development / Occupational health and safety.	Spain, Italy and France
Training				
The policies implemented in the field of training.	Yes	GRI 103-2 GRI 103-3 Training and education	4.Sustainable Management of the Value Chain / People development / Attracting, recruiting and retaining talent.	Cellnex group
	Yes	GRI 404-2	4.Sustainable Management of the Value Chain / People development / Training.	
The total amount of training hours by professional categories.	Yes	GRI 404-1	4.Sustainable Management of the Value Chain / People development / Training. Annex 5. KPI Tables	Cellnex group
Accessibility				
Universal accessibility for people with disabilities	Yes	GRI 103-2 GRI 103-3 Diversity and equal opportunity Non-discrimination	4.Sustainable Management of the Value Chain / People development / Equality, inclusion and diversity and integration.	Cellnex group
Equality				
Measures taken to promote equal treatment and opportunities between men and women.	Yes	GRI 103-2 GRI 103-3 Employment Diversity and equal opportunity Non-discrimination	4.Sustainable Management of the Value Chain / People development / Equality, inclusion and diversity and integration.	Cellnex group
Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and the universal accessibility of people with disabilities.	Yes			
The policy against all types of discrimination and, where appropriate, management of diversity.	Yes			
Human rights				
Application of due diligence procedures in human rights. Prevention of the risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible	Yes	GRI 103-2 GRI 103-3 Non-discrimination Human Rights Assessment GRI 102-16 GRI 102-17	3. Governance Model • Ethics and compliance • Cellnex's Corporate Social Responsibility framework	Cellnex group

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
abuse.				
Complaints about cases of violation of human rights.	Yes	GRI 406-1	3. Governance Model / Ethics and compliance / Main responsibilities of Cellnex's Ethics and Compliance Committee	Cellnex group
Promotion and compliance with the provisions of the fundamental Conventions of the International Labor Organisation related to respect for freedom of association and the right to collective bargaining, the elimination of discrimination in employment and occupation, the elimination of forced or compulsory labor and the effective abolition of child labor.	Yes	GRI 103-2 GRI 103-3 Non-discrimination 407-1 408-1 409-1	3. Governance Model • Ethics and compliance • Cellnex's Corporate Social Responsibility framework	Cellnex group
Anti-corruption and anti-brivery				
Measures taken to prevent corruption and bribery.	Yes	GRI 103-2 GRI 103-3 Anti-corruption GRI 102-16 GRI 102-17 GRI 205-2 GRI 205-3	3.Governance Model / Ethics and compliance The money laundering issue is addressed in the Cellnex Corruption Prevention Procedure.	Cellnex group
Measures to combat money laundering.	Yes			
Contributions to foundations and non-profit entities.	Yes	GRI 201-1	In 2019 Cellnex donated 196,252 euros have been to foundations and non-profit entities.	Cellnex group
	Yes	GRI 413-1		
Society				
Commitments of the company to sustainable development				
The impact of society's activity on employment and local development.	Yes	GRI 103-2 GRI 103-3 Indirect economic impacts GRI 203-1	2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 • Treasury shares • Business performance and results • Business indicators	Cellnex group
	Yes	GRI 103-3 Local Communities GRI 413-1	4.Sustainable Management of the Value Chain / Add value to society / Social contribution 4.Sustainable Management of the Value Chain / Sustainable development of the business / Electromagnetic emissions	Cellnex group
	Yes	GRI 204-1	4.Sustainable Management of the Value Chain / Add value to society / Suppliers	Cellnex group
The impact of society's activity on local populations and in the territory.	Yes	GRI 103-2 GRI 103-3 Indirect economic impacts	2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 • Treasury shares	Cellnex group

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
		GRI 203-1	• Business performance and results • Business indicators	
	Yes	GRI 103-3 Local Communities GRI 413-1	4.Sustainable Management of the Value Chain / Add value to society / Social contribution 4.Sustainable Management of the Value Chain / Sustainable development of the business / Electromagnetic emissions	Cellnex group
The relationships maintained with the actors of the local communities and the modalities of dialogue with them.	Yes	GRI 102-43	5.Bases for the Preparation of the Report / Determining the content of the report.	Cellnex group
	Yes	GRI 413-1	4.Sustainable Management of the Value Chain / Add value to society / Social contribution / Programme of social projects and volunteerism. 4.Sustainable Management of the Value Chain / Add value to society / Social contribution / Social projects 4.Sustainable Management of the Value Chain / Sustainable development of the business / Electromagnetic emissions	Spain / Italy / Netherlands / Ireland
The association or sponsorship actions.	Yes	GRI 102-12 GRI 102-13	4.Sustainable Management of the Value Chain / Add value to society / Cellnex's participation in relevant initiatives / Cellnex action and participation in relevant industry associations. 4.Sustainable Management of the Value Chain / Add value to society / Social contribution / Contribution to initiatives.	Cellnex group
Subcontracting and suppliers				
The inclusion in the purchasing policy of social issues, gender equality and environmental issues. Consideration in relations with suppliers and subcontractors of their social and environmental responsibility.	Yes	GRI 102-9 GRI 103-2 GRI 103-3 Supplier environmental and social assessment	4.Sustainable Management of the Value Chain / Add value to society / Suppliers.	Spain / France/ Italy/ Switzerland
	Yes	GRI 308-1 GRI 414-1	4.Sustainable Management of the Value Chain / Add value to society / Suppliers / Evaluation, selection and monitoring of suppliers.	
Supervision systems and audits and their results.	Yes	GRI 103-2 GRI 103-3 Supplier environmental and social assessment	Note: Currently no audits of suppliers are currently performed.	Cellnex group
Consumers				
Measures for the health and safety of consumers.	Yes	GRI 103-2 GRI 103-3 Customer health and safety Marketing and labeling Customer	4.Sustainable Management of the Value Chain / Add value to society / Customers. 4.Sustainable Management of the Value Chain / Add value to society / Information security management.	Cellnex group

Legal content	¿Is it material? YES/NO	Standard used (GRI or other)	2019 Integrated Annual Report	Scope
		privacy		
Claims systems, complaints received and resolution of them.	Yes	GRI 103-2 GRI 103-3 Customer health and safety Marketing and labeling Customer privacy	4.Sustainable Management of the Value Chain / Add value to society / Customers.	Cellnex group
	Yes	GRI 418-1	4.Sustainable Management of the Value Chain / Add value to society / Information security management.	Cellnex group
Tax information				
Benefits obtained country by country.	Yes	GRI 103-2 GRI 103-3 Economic performance GRI 201-1	This information is provided in the Consolidated Annual Accounts. 2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 / The Cellnex tax contribution / Value generated and distributed.	Cellnex group
Taxes paid on benefits.	Yes	GRI 103-2 GRI 103-3 Economic performance	2. Cellnex in 2019: milestones, key figures, business model & prospects / Milestones and main figures for the year 2019 / Business performance and results / Consolidated cash flow generation / Income Tax Payment	Cellnex group
Public subsidies received.	Yes	GRI 201-4	There hasn't been significant financial assistance received from government.	Cellnex group

Annex 5. KPI Tables

GRI 405-1 Diversity of governance bodies and employees[4]

2018				
		Top management	Senior Management/Directors/Managers	Coordinators/The rest of the staff
Under 30 years old	Women	0	0	26
	Men	0	0	39
	Minority groups	0	0	1
30-45 years old	Women	0	13	173
	Men	1	36	461
	Minority groups	0	2	4
46-55 years old	Women	0	14	89
	Men	3	56	393
	Minority groups	0	0	3
More than 55 years old	Women	0	1	13
	Men	4	11	66
	Minority groups	0	0	0

2019[5]					
		Top management[6]	**Directors[7]**	**Senior Management/Managers**	**Coordinators/The rest of the staff**
Under 30 years old	Women	0	1	0	36
	Men	0	2	1	48
	Minority groups	0	0	0	2
30-45 years old	Women	0	3	9	198
	Men	1	14	35	479
	Minority groups	0	0	1	5
46-55 years old	Women	0	4	17	102
	Men	3	31	52	428
	Minority groups	0	0	0	5

4 The workforce data in this Annex do not include Ireland
5 The Board of Directors is composed of 4 women and 8 men.
6 Does not include CEO
7 The professional category " Senior Management/Directors/Managers" has been separated into "Directors" and " Senior Management/Managers" in 2019.

More than 55 years old	Women	0	2	1	15
	Men	3	9	5	69
	Minority groups	0	0	0	0

GRI 102-8 Information on employees and other workers (Total number of employees by employment contract and type (permanent or temporary, and full-time or part-time), by gender and professional classification):

2018							
		Top management		Senior Management/Directors/Managers		Coordinators/The rest of the staff	
		Women	Men	Women	Men	Women	Men
Fix	Full-time	0	7	28	102	296	945
	Part-time	0	0	0	0	1	1
Temporary	Full-time	0	0	0	1	4	13
	Part-time	0	0	0	0	0	0

2019									
		Top management		Directors[8]		Senior Management/Managers		Coordinators/The rest of the staff	
		Women	Men	Women	Men	Women	Men	Women	Men
Fix	Full-time	0	7	10	53	25	90	333	1012
	Part-time	0	0	0	1	2	0	17	10
Temporary	Full-time	0	0	0	2	0	3	7	8
	Part-time	0	0	0	0	0	1	0	0

8 The professional category " Senior Management/Directors/Managers" has been separated into "Directors" and " Senior Management/Managers" in 2019.

2018				
		Senior Management	Managers/Directors	Coordinators/The rest of the staff
Men	Fix- Full time	100.00%	77.86%	75.08%
	Temporary – Full time	0.00%	0.76%	1.03%
	Part-time	0.00%	0.00%	1.11%
Women	Fix – Full time	0.00%	21.37%	23.57%
	Temporary – Full time	0.00%	0.00%	0.32%
	Part-time	0.00%	0.00%	0.40%

2019					
		Top management	Directors	Senior Management/Managers	Coordinators/The rest of the staff
Men	Fix – Full time	100.00%	81.82%	74.38%	73.68%
	Temporary – Full time	0.00%	3.03%	3.31%	0.58%
	Part-time	0.00%	1.5%	0.8%	0.72%
Women	Fix – Full time	0.00%	15.15%	20.66%	25.23%
	Temporary – Full time	0.00%	0.00%	0.00%	0.50%
	Part-time	0.00%	0.00%	1.65%	1.23%

2018					
	<30	30-45	46-55	>55	Total
Fix	3.65%	49.11%	39.31%	6.65%	98.71%
Temporary	1.00%	0.14%	0.00%	0.14%	1.29%
Part-time	0.00%	0.07%	0.07%	0.00%	0.14%

2019					
	<30	30-45	46-55	>55	Total
Fix – Full time	4.93%	46.74%	40.48%	6.51%	98.67%
Temporary – Full time	0.76%	0.38%	0.13%	0.06%	1.33%
Part-time	0.06%	1.14%	0.51%	0.25%	1.96%

GRI 102-41 Collective bargaining agreements

	2018		2019	
	Number of employees under collective bargaining agreements	**% of employees under collective bargaining agreements**	**Number of employees under collective bargaining agreements**	**% of employees under collective bargaining agreements**
Spain	1,107	91.34%	1,093	90.48%
Italy	134	100%	151	100.00%
France	30	100%	59	60.20%
Switzerland	23	0%	0	0%
Netherlands	-	-	0	0%
UK	-	-	0	0%
Total	1,294	92%	1,303	82.4%

GRI 401-1 Total number and rate of employee turnover during the reporting period, by age group, gender and professional classification (only relative to layoffs):

2018				
		Top management	Senior Management /Directors/Managers	Coordinators/The rest of the staff
Under 30 years old	Women	0	0	1
	Men	0	0	1
30-45 years old	Women	0	0	0
	Men	0	0	0
46-55 years old	Women	0	0	0
	Men	0	1	3
More than 55 years old	Women	1	0	7
	Men	0	6	78

2019					
		Top management	Directors	Senior Management /Managers	Coordinators/The rest of the staff
Under 30 years old	Women	0	0	0	0
	Men	0	0	0	0
30-45 years old	Women	0	0	0	1
	Men	0	0	0	3
46-55 years old	Women	0	0	0	3
	Men	0	0	0	5
More than 55 years old	Women	0	0	0	4

Men	0	1	1	24

Average remunerations and their evolution disaggregated by sex, age and professional classification or equal value (Euros):

Spain[9]		Women	Men
Base salary	Top Management	n/a	338,571.46
	Directors	120,666.72	130,428.61
	Senior Management/Managers	74,297.13	73,127.66
	Coordinators/The rest of the staff	41,104.27	42,863.53
Base salary + Other kind of incentives	Top Management	n/a	539,500.06
	Directors	156,866.73	177,109.58
	Senior Management/Managers	89,543.19	88,164.12
	Coordinators/The rest of the staff	45,567.46	46,764.94

Italy		Women	Men
Base salary	Top Management	n/a	n/a
	Directors	62,473.28	104,340.02
	Senior Management/Managers	n/a	77,000.00
	Coordinators/The rest of the staff	37,740.72	46,329.72
Base salary + Other kind of incentives	Top Management	n/a	n/a
	Directors	72,596.78	130,607.82
	Senior Management/Managers	n/a	96,250.00
	Coordinators/The rest of the staff	39,754.11	49,665.33

France		Women	Men
Base salary	Top Management	n/a	n/a
	Directors	110,000.00	105,090.91
	Senior Management/Managers	75,000.00	70,250.00
	Coordinators/The rest of the staff	43,371.79	55,061.90
Base salary + Other kind of incentives	Top Management	n/a	n/a
	Directors	132,000.00	127,990.91
	Senior Management/Managers	90,000.00	84,300.00
	Coordinators/The rest of the staff	46,694.87	60,049.29

[9] The wage of the women's base salary of the Board of Directors is EUR130,000 and men's base salary is EUR120,571. The base salary of the CEO is EUR1,000,000 and base salary + other kind of incentives is EUR5,188,000.

Switzerland		Women	Men
Base salary	Top Management	n/a	n/a
	Directors	213,866.50	184,262.34
	Senior Management/Managers	n/a	137,703.69
	Coordinators/The rest of the staff	128,238.68	145,456.40
Base salary + Other kind of incentives	Top Management	n/a	n/a
	Directors	278,024.79	229,898.75
	Senior Management/Managers	n/a	164,229.38
	Coordinators/The rest of the staff	144,218.44	164,583.77

Netherlands		Women	Men
Base salary	Top Management	n/a	n/a
	Directors	185,000.00	124,272.92
	Senior Management/Managers	59,486.40	64,856.52
	Coordinators/Rest of the staff	30,772.24	40,145.40
Base salary + Other kind of incentives	Top Management	n/a	n/a
	Directors	240,500.00	157,063.13
	Senior Management/Managers	68,409.36	68,161.32
	Coordinators/Rest of the staff	33,618.96	42,324.79

UK		Women	Men
Base salary	Top Management	n/a	n/a
	Directors	n/a	128,180.00
	Senior Management/Managers	n/a	70,138.46
	Coordinators/Rest of the staff	32,049.05	47,502.00
Base salary + Other kind of incentives	Top Management	n/a	n/a
	Directors	n/a	166,634.00
	Senior Management/Managers	n/a	86,207.87
	Coordinators/Rest of the staff	33,770.67	50,836.50

Salary by age	Spain	Italy	France	Switzerland	Netherlands	UK
<30	31,258.46	25,447.25	43,968.75	109,489,68	24,230.86	-
30-45	42,173.09	41,941.60	54,421.43	145,156.74	43,348.19	42,696.05
46-55	54,666.69	54,753.86	66,739.13	162,475.91	59,936.53	73,560.07
>55	67,054.70	62,363.22	113,333.33	185,643.98	55,599.56	72,702.63

Salary evolution	The evolution of salaries from 2018 to 2019 was 3.80 %.

405-2 Ratio of basic salary and remuneration of women to men

Gender Gap

	2018	2019[10]
Spain	4 %	4%
France	30 %	26%
Italy	23 %	17%
Switzerland	17 %	14%
Netherlands	-	17%
UK	-	53%

	Spain	France	Italy	Switzerland	Netherlands	UK
Ratio of the difference between the lowest salary and minimum inter-professional salary	1.49	1.64	1.07	1.30	1.10	1.32

GRI 404-1 Total amount of training hours per country

	2018	2019
Spain	70,387.50	59,092.5
Italy	4,288.00	4,832
France	968.34	1,092
Switzerland	392.00	633.5
Netherlands	-	2,946
UK	-	-

10 The wage gap reported corresponds to the median wage gap and not the average wage gap.

GRI 404-1 Average hours of training per year per employee disaggregated by sex and professional classification

	2018		2019	
	Men	Women	Men	Women
Top Management	157,98	1.00	43.82	-
Directors	3,321.78	1,092.62	949.23	313.25
Senior Management/Managers	40,846.22	7,897.99	4,031.68	1,147.50
Coordinators/The rest of the staff	44,323.98	8,991.61	38,090.42	9,741.61
Total	0.00	0.00	43,115.15	11,202.36

GRI 305-1, 305-2 y 305-3 GHG emissions Cellnex Spain, Italy, France, Netherlands, Switzerland and UK (tCO2 eq.)[11]

Emissions Cellnex Spain	2016	2017	2018	2019
Scope 1	1,692	1,516	1,877	1,651
Scope 2	99,493	84,759	105,619	109,694
Scope 3	6,615	7,222	7,934	6,834

Emissions Cellnex France	2016	2017	2018	2019
Scope 1	-	-	-	4
Scope 2	-	-	110	146
Scope 3	-	-	-	587

Emissions Cellnex Italy	2016	2017	2018	2019
Scope 1	456	497	668	946
Scope 2	68,837	76,990	82,625	73,864
Scope 3	-	-	-	1,825

Emissions Cellnex Netherlands	2016	2017	2018	2019
Scope 1	-	-	-	203
Scope 2	-	-	-	9,236

[11] Due to a methodological change, emissions have been recalculated for the years 2016, 2017 and 2018.

Scope 3	-	-	-	2

Emissions Cellnex UK	2016	2017	2018	2019
Scope 1	-	-	-	11
Scope 2	-	-	-	5
Scope 3	-	-	-	0

Emissions Cellnex Switzerland	2016	2017	2018	2019
Scope 1	-	-	-	0
Scope 2	-	-	-	0
Scope 3	-	-	-	44

Annex 6. Independent Limited Verification Report

Cellnex Telecom, S.A. and its subsidiaries

Independent Auditor's report on the Integrated Annual Report for the year ended 31 December 2019

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT LIMITED ASSURANCE REPORT

To the Shareholders of Cellnex Telecom, S.A.,

In accordance with Article 49 of the Spanish Commercial Code, we have performed the verification, with a scope of limited assurance, of the non-financial information included in the Consolidated Management Report (hereinafter, CMR) of Cellnex Telecom, S.A. and subsidiaries ("Cellnex" or "the Group") included in the Integrated Annual Report (hereinafter, IAR), for the year ended December 31, 2019.

The IAR includes information, additional to that required by current Spanish corporate legislation relating to non-financial reporting and by the Global Reporting Initiative Standards for sustainability reporting in their core option ("GRI standards"), that was not the subject matter of our verification. In this regard, our work was limited solely to verification of the information identified in the Annex III GRI Content Index and the Annex IV Non-financial information index of the CMR.

Responsibilities of the Directors

The preparation and content of the Cellnex Telecom's Integrated Annual Report is the responsibility of the Board of Directors of Cellnex. The non-financial information included in the IAR was prepared in accordance with the content specified in current Spanish corporate legislation, in accordance with GRI standards in their core option, and with the standards established in the AA1000AP (2008) Assurance Standard issued by AccountAbility, as well as other criteria described as indicated for each matter in the Annex IV Non-financial information index of the CMR.

This responsibility of the Board of Directors also include the design, implementation and maintenance of such internal control as is determined to be necessary to enable the IAR and the non-financial information to be free from material misstatement, whether due to fraud or error.

The Directors of Cellnex are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the IAR is obtained.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information about economic, social and environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed.

We conducted our review in accordance with the requirements established in International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information, currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements on regarding non-financial information statements. Also, we have applied AccountAbility's AA1000 Assurance Standard (2008) (AA1000AS) to provide moderate assurance on the application of the principles established in standard AA1000AP (2008) and on the sustainability performance indicators (type 2 moderate assurance).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and, consequently, the level of assurance provided is also substantially lower.

Our work consisted in requesting information from management and the various units of Cellnex that participated in the preparation of the IAR, which includes the non-financial information, reviewing the processes used to compile and validate the information presented in the IAR, and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with Cellnex personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external verification.
- Analysis of the scope, relevance and completeness of the contents included in the IAR based on the materiality analysis performed by Cellnex and described in the "Bases for the preparation of the report" section of chapter 5 of the IAR, also taking into account the contents required under current Spanish corporate legislation.
- Analysis of the processes used to compile and validate the data presented in the 2019 IAR.
- Review of the information relating to risks and the policies and management approaches applied in relation to the material matters described in the "Bases for the preparation of the report" section of chapter 5 of the IAR.
- Verification, by means of sample-based review tests, of the information relating to the contents identified in the "GRI Table" and the "Non-financial Information Table" in the Appendices to the IAR, and the appropriate compilation thereof based on the data furnished by Cellnex's information sources.
- Obtainment of a representation letter from the directors and management.

Conclusion

Based on the procedures performed and the evidence obtained no matter has come to our attention that causes us to believe that:

A) The non-financial information included in the Annex III GRI Content Index of Cellnex's Consolidated Management Report included in the Integrated Annual Report for the year ended December 31, 2019, was not prepared, in all material respects in accordance with GRI standards in their core version.

B) Cellnex's non-financial information included in the Annex IV Non-financial information index of the Consolidated Management Report included in the Integrated Annual Report for the year ended 31 December 2019 was not prepared, in all material respects, in accordance with the content specified in current Spanish corporate legislation and in keeping with the criteria of the selected GRI standards, as well as other criteria described as indicated for each matter in the Annex.

C) Cellnex did not apply in the preparation of the IAR the principles of inclusivity, materiality and responsiveness as described in section 5 Bases for the Preparation of the Report in accordance with AA1000AP (2008), namely:

- Inclusivity: Cellnex has developed a stakeholder participation process, enabling stakeholders to be considered in the development of a responsible approach.
- Materiality: the materiality determination process is geared towards identifying and understanding the issues that are material or significant for Cellnex and its stakeholders.
- Responsiveness: Cellnex responds, through specific actions and commitments, to the material issues identified.

Additional information

Pursuant to the provisions of the AA1000AS (2008) standard, we presented to management of Cellnex our recommendations relating to the areas for improvement in management and non-financial information and, specifically, to the application of the principles of inclusivity, materiality and responsiveness. Following is a summary of the most significant observations and recommendations, which do not modify the conclusions expressed in this report.

Inclusivity and materiality

During 2019, the Cellnex Group continued its international expansion. However, it has not updated its materiality study, nor has it incorporated the new subsidiaries into the 2016-2020 Corporate Social Responsibility Master Plan. For this reason, it would be advisable for Cellnex to revise both documents in 2020 in order to incorporate the particularities, concerns and expectations of the new subsidiaries and thus align its perimeter with that of the Group. We also recommend that the Cellnex Group continue to consult the other stakeholders involved in the value chain of the current businesses.

Responsiveness

Based on the results of the materiality study, and its goal of becoming SA8000 certified, Cellnex has incorporated new human rights indicators into the Integrated Annual Report.

During this year, Cellnex also continued to work on integrating new businesses into the non-financial reporting perimeter, specifically the United Kingdom and the Netherlands. In 2020, it would be advisable to make progress in standardizing the systems for reporting key indicators in all the Group's subsidiaries.

DELOITTE, S.L.

AA1000
Licensed Assurance Provider
000-14

Xavier Angrill Vallés

25 February 2020

Annex 7. Corporate Carbon Footprint Certification

Certificate

Standard	**UNE-ISO 14064-1:2012 Greenhouse gases. Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.**
Certificate Registr. No.	00/160069
	TÜV Rheinland Ibérica Inspection, Certification & Testing S.A. certify:
Certificate Owner:	**CELLNEX TELECOM, S.A.** C/ Juan Esplandiú, 11-13 28007 Madrid Spain
Scope:	Independent infrastructure operator for wireless telecommunication in Europe. Through the audit performed, in face of Norma UNE-ISO 14064-3:2012, Report No. 00/160069. Proof has been furnished that the requirements according to UNE-ISO 14064-1:2012 are fulfilled.
Audit date:	Audit was performed from 2020-01-09 until 2020-01-10.
Validated inventory:	2019
First validated inventory:	2016

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Garrotxa, 10-12 – E-08820 El Prat de Llobregat

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Annex to certificate

Standard	**UNE-EN ISO 14064-1:2012 Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.**
Certificate Registr.No.	00/160069
	TÜV Rheinland Ibérica Inspection, Certification & Testing S.A. certifies:
Certificate Owner:	**CELLNEX TELECOM, S.A.** C/ Juan Esplandiú, 11-13 28007 Madrid Spain
	Inventory 2019 for the companies:
00/160069/02	**CELLNEX TELECOM ESPAÑA, S.L.** C/ Juan Esplandiú 11-13 E – 28007 Madrid
00/160069/03	**CELLNEX TELECOM ESPAÑA, S.L.** **TRADIA TELECOM, S.A.U.** Avda. Parc Logístic 12-20, Edifici A E – 08040 Barcelona
00/160069/04	**CELLNEX TELECOM ESPAÑA, S.L.** **RETEVISIÓN I, S.A.U.** C/ Juan Esplandiú 11-13 E – 28007 Madrid
00/160069/05	**CELLNEX TELECOM ESPAÑA, S.L.** **ON TOWER TELECOM INFRAESTRUCTURAS, S.A.** C/ Juan Esplandiú 11-13 E – 28007 Madrid
00/160069/06	**CELLNEX ITALIA, S.R.L.** Via Carlo Veneziani, 58 00148 Roma, Italia
00/160069/07	**CELLNEX ITALIA, S.R.L.** **GALATA, S.P.A.** Via Carlo Veneziani, 58 00148 Roma, Italia

Annex to certificate

Standard	**UNE-EN ISO 14064-1:2012 Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.**
Certificate Registr.No.	00/160069
00/160069/08	**CELLNEX ITALIA, S.R.L.** **TOWERCO, S.P.A.** Via Carlo Veneziani, 58 00148 Roma, Italia
00/160069/09	**CELLNEX ITALIA, S.R.L.** **COMMSCON ITALIA, S.R.L.** Via Carlo Veneziani, 58 00148 Roma, Italia
00/160069/10	**CELLNEX FRANCE, S.A.S.** 1 L'avenue de la Cristallerie 92310 Sèvres, France
00/160069/11	**CELLNEX FRANCE, S.A.S.** **TOWERLINK FRANCE, S.A.S.** 1 L'avenue de la Cristallerie 92310 Sèvres, France
00/160069/12	**CELLNEX SWITZERLAND** Swiss Towers, AG Thurgauerstrasse, 136 8152Opfikon
00/160069/13	**CELLNEX NETHERLANDS** SHERE MASTEN, B.V. Leeghwaterstraat 21, (2811 DT) Reeuwijk, the Netherlands
00/160069/14	**CELLNEX NETHERLANDS** **ALTICOM, B.V.** Branderweg 7, 8042 PD, Zwolle, the Netherlands
00/160069/15	**CELLNEX UK** **CELLNEX UK MIDCO** **CELLNEX UK CONSULTING LIMITED** 2 River Court Albert Dirve, Woking GU21 5RP

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Annex 8. Annual Governance Report

Note: This document is a translation of a duly approved Spanish language document, and is provided for information purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish language document which this translation is intended to reflect, the text of the original Spanish language document shall prevail.

ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED COMPANIES

ISSUER'S IDENTIFICATION

YEAR ENDING 31/12/2019

CORPORATE TAX ID [C.I.F.] A-64907306

Company name:

CELLNEX TELECOM. S.A.

Registered office:

C/ JUAN ESPLANDIÚ 11-13, MADRID (SPAIN)

ANNUAL CORPORATE GOVERNANCE REPORT
FOR LISTED COMPANIES

A STRUCTURE OF OWNERSHIP

A.1 Complete the following table on the company's capital:

Date of latest modification	Share capital (€)	Number of shares	Number of voting rights
05/11/2019	96,331,632.25	385,326,529	385,326,529

Remarks

Please specify whether there are different classes of shares with different associated rights:

Yes ☐ No ☒

Class	Number of shares	Par value	Number of voting rights	Rights and obligations conferred

Remarks

A.2 Give details on the direct and indirect holders of significant interests at the year-end, excluding directors:

Name of shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
BLACKROCK INC	0.00	4.59	0.00	0.38	4.97
EDIZIONE, S.R.L.	0.00	29.90	0.00	0.00	29.90
CRITERIA CAIXA, S.A.U.	5.00	0.00	0.00	0.00	5.00
FUNDACION	0.00	5.00	0.00	0.00	5.00

BANCARIA CAIXA D'ESTALVIS I PENSIONS DE BARCELONA					
40 NORTH LATITUDE MASTER FUND LTD	1.00	0.00	0.00	0.00	1.00
ATLANTIA, S.P.A.	0.00	0.00	0.00	5.98	5.98
CANADA PENSION PLAN INVESTMENT BOARD	3.15	0.00	0.00	0.00	3.15
WELLINGTON MANAGEMENT GROUP	0.00	4.27	0.00	0.00	4.27

Remarks

Indirect interest:

Indirect shareholder	**Direct shareholder**	**% voting rights attributed to the shares**	**% voting rights through financial instruments**	**% total voting rights**
BLACKROCK INC.	VARIOUS FUNDS NOT SUBJECT TO OBLIGATION TO INDIVIDUALLY DISCLOSE	4.59	0.38	4.97
EDIZIONE, S.R.L.	CONNECT, S.P.A.	29.90	0.00	29.90
FUNDACION BANCARIA CAIXA D'ESTALVIS I PENSIONS DE BARCELONA	CRITERIA CAIXA, S.A.U.	5.00	0.00	5.00
WELLINGTON MANAGEMENT GROUP	WELLINGTON GROUP HOLDINGS LLP	4.27	0.00	4.27

Remarks

Indicate the principal movements in the shareholding structure during the year:

Most significant movements
WELLINGTON MANAGEMENT GROUP LLP 24/01/2019 Exceeded 3% of aggregate capital (shares and financial instruments) WELLINGTON MANAGEMENT GROUP LLP 31/01/2019 Fell below 3% of aggregate capital (shares and financial instruments) WELLINGTON MANAGEMENT GROUP LLP 01/02/2019 Exceeded 3% of aggregate capital (shares and financial instruments) WELLINGTON MANAGEMENT GROUP LLP 05/02/2019 Fell below 3% of aggregate capital (shares and financial instruments) WELLINGTON MANAGEMENT GROUP LLP 01/03/2019 Exceeded 3% of aggregate capital (shares and financial instruments) PERMIAN INVESTMENT PARTNERS.LP 05/03/2019 Fell below 3% of aggregate capital (shares and financial instruments) THREADNEEDLE ASSET MANAGEMENT LIMITED 06/03/2019 Fell below 5% of aggregate capital (shares and financial instruments) THREADNEEDLE ASSET MANAGEMENT LIMITED 15/03/2019 Exceeded 5% of aggregate capital (shares and financial instruments) THREADNEEDLE ASSET MANAGEMENT LIMITED 19/03/2019 Fell below 6% of share capital BLACKROCK INC 04/04/2019 Fell below 5% of aggregate capital (shares and financial instruments) MILLENNIUM GROUP MANAGEMENT LLC 15/05/2019 Exceeded 1% of share capital in financial instruments. Tax havens only WELLINGTON MANAGEMENT GROUP LLP 23/05/2019 Exceeded 5% of aggregate capital (shares and financial instruments) BLACKROCK INC 28/05/2019 Exceeded 5% of aggregate capital (shares and financial instruments) MILLENNIUM GROUP MANAGEMENT LLC 29/05/2019 Sold all the share capital held FIL LIMITED 02/08/2019 Exceeded 1% of aggregate capital (shares and financial instruments). Tax havens only CAPITAL RESEARCH AND MANAGEMENT COMPANY 21/10/2019 Exceeded 3% of aggregate capital (shares and financial instruments) FIL LIMITED 23/10/2019 Fell below 1% of aggregate capital (shares and financial instruments). Tax havens only FIL LIMITED 04/11/2019 Exceeded 1% of aggregate capital (shares and financial instruments). Tax havens only CAPITAL RESEARCH AND MANAGEMENT COMPANY 07/11/2019 Fell below 3% of aggregate capital (shares and financial instruments) WELLINGTON MANAGEMENT GROUP LLP 07/11/2019 Fell below 5% of aggregate capital

(shares and financial instruments) FIL LIMITED 07/11/2019 Fell below 1% of aggregate capital (shares and financial instruments). Tax havens only BLACKROCK INC 04/12/2019 Fell below 5% of aggregate capital (shares and financial instruments)

A.3 Complete the following tables on company directors that hold voting shares in the company:

Name of director	**% voting rights attributed to the shares**		**% voting rights through financial instruments**		**% total voting rights**	**% of voting rights that can be transferred through financial instruments**	
	Direct	**Indirect**	**Direct**	**Indirect**		**Direct**	**Indirect**
MR TOBIAS MARTINEZ GIMENO	0.02	0.00	0.00	0.00	0.02	0.00	0.00
MR PIERRE BLAYAU	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MR BERTRAND BOUDEWIJN KAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MS ANNE BOUVEROT	0.00	0.00	0.00	0.00	0.00	0.00	0.00

% total of voting rights held by the Board of Directors	0.02

Remarks

Indirect interest:

Name of director	Direct shareholder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights	% of voting rights that can be transferred through financial instruments
MR PIERRE BLAYAU	HARBOUR CONSEILS	0.00	0.00	0.00	0.00

Remarks

A.4 If applicable, please specify any family, commercial, contractual or corporate relationships that exist among significant shareholders that are known to the company, unless they are insignificant or arise in the ordinary course of business and except for those reported in section A.6:

Name of related person or company	Type of relationship	Brief description
See Section D.2.		

A.5 Indicate commercial, contractual or corporate relationships between significant shareholders and the company and/or its group, if any, except any that are insignificant and those deriving from ordinary commercial business:

Name of related person or company	Type of relationship	Brief description
See Section D.2.		

A.6 Describe the relationships that exist between significant shareholders or parties represented on the Board of Directors and the directors, or their representatives, in the case of legal persons, unless they are immaterial for the two parties.

Explain how significant shareholders are represented, if appropriate. Specifically, identify directors that have been appointed to represent significant shareholders, those whose appointment was initiated by significant shareholders, or that are related to significant shareholders and/or its group companies, specifying the nature of those relationships. Identify, if appropriate, the existence, identity and position of members of the Board or representatives of directors of the listed company that are, in turn, members of the board of directors or representatives at companies that hold significant shareholdings in the listed company or in group companies pertaining to those significant shareholders.

Name of the related director or representative	Name of the related significant shareholder	Name of the company pertaining to the significant shareholder's group	Description of the relationship/position
MR CARLO BERTAZZO	CONNECT S.P.A.	EDIZIONE S.R.L.	General Manager Edizione S.r.l.
MS ELISABETTA DE BERNARDI DI VALSERRA	CONNECT S.P.A.	EDIZIONE S.R.L.	Investment Director
MR FRANCO BERNABÈ	CONNECT S.P.A.	CONNECT	Member of the Board of Directors
MR MAMOUN JAMAI	CONNECT S.P.A.	INFINITY INVESTMENTS, S.A.	Director

Remarks

A.7 Indicate any shareholders' agreements of which the company has been notified pursuant to articles 530 and 531 of the Spanish Limited Liability Companies Act. Describe briefly, if any, indicating the shareholders bound by the agreement:

Yes ☒ No ☐

Parties to the agreement	% of share capital affected	Brief description of the agreement	Date the agreement expires, if applicable
INFINITY INVESTMENTS S.A., RAFFLES INFRAHOLDINGS LIMITED, CONNECT S.P.A., SINTONIA S.P.A.	29.90	Shareholder Agreement dated 9 October 2018 which regulates, among others, the appointment of proprietary directors in Cellnex and establishing certain reinforced quorum for adopting certain resolutions in ConnecT. The specific terms of this agreement are available on the CNMV's and Cellnex's websites.	5 years
EDIZIONE S.R.L., CONNECT S.P.A., SINTONIA S.P.A., ATLANTIA S.P.A.	5.98	Co-investment agreement dated 24 July 2018 which regulates certain agreements including the right granted by Sintonia to Atlantia to co-invest in Cellnex a stake of up to 5.98% and a right of first	--

		offer and a right to match in favor of Atlantia in certain circumstances. The terms and conditions of this co-investment agreement are available on the CNMV's website as well as in Cellnex's website	

Remarks

Indicate any concerted actions among company shareholders of which the company is aware. Describe briefly, if any:

Yes ☐ No ☒

Parties to the agreed action	**% of share capital affected**	**Brief description of the agreed action**	**Date the agreed action expires, if applicable**

Remarks

Expressly indicate any change or break-up of those agreements or concerted actions, if any, that have taken place during the year:

A.8 Indicate any individuals or entities that exercise or may exercise control over the company pursuant to article 5 of the Securities Market Act. Identify any that exist:

Yes ☐ No ☒

Name

Remarks

A.9 Please compete the following tables on the company's treasury stock:

At the year-end:

Number of direct shares	Number of indirect shares (*)	% total of share capital
199,943		0.05

Remarks

(*) Through:

Name of direct holder of the stake	Number of direct shares
Total:	

Remarks

Explain any significant changes during the year:

Explain any significant changes

A.10 Detail the conditions and the period(s) of the authorization(s) granted by the shareholders' meeting to the board of directors for the issue, buy-back or transfer of treasury stock.

At the 31 May 2018 Annual General Meeting, Cellnex Telecom's shareholders approved point nine on the agenda to:

Authorise the Company's Board of Directors to carry out the derivative acquisition of treasury stock, either directly by the Company or indirectly by its controlled companies, in accordance with articles 146 and 509 of the Spanish Limited Liability Companies Act and as per the terms set out below:

1. Modalities: The acquisition may be through a sale-purchase, swap, donation, foreclosure, transfer in lieu of payment or, in general, through any other legal means of acquisition on a payment basis of outstanding and fully paid-up shares.
2. Maximum number of shares that can be acquired: Up to the legal limit of ten percent (10%) of share capital or higher if permitted by law.
3. Minimum and maximum prices: The price or consideration will vary between a minimum equivalent to par value and a maximum equivalent to the higher of (i) 110% of the trading price of the Company's shares on the Spanish Continuous Market at the time of acquisition or the closing price of the last trading session prior to the acquisition, if the latter is done outside the normal working hours of the Continuous Market; and (ii) the result of increasing by 10% the maximum share price of the three months prior to the acquisition date.
4. Authorisation period: This authorisation will remain in force for five years as from the date of this agreement.

Shares acquired in this manner will not confer any political or voting rights, while economic rights will be allocated proportionately to the other shares as per article 148 of the Spanish Limited Liability Companies Act.

Moreover and for the purposes set out in the second paragraph of point 1.a) of article 146 of the Spanish Limited Liability Companies Act, it is proposed that express authorisation be given to acquire the Company's shares to any of the controlled companies under the same terms of this agreement.

Shares acquired by virtue of this authorisation may be disposed of or redeemed or allocated either directly to the Company's employees or directors, or as a result of said holders exercising their option rights, in accordance with the third paragraph of point 1.a) of article 146 of the Spanish Limited Liability Companies Act.

Lastly, it is proposed in relation to any shares not yet acquired that Resolution Five of the Company's Sole Shareholder on 10 April 2015 authorising the Company's Board of Directors to carry out the derivative acquisition of treasury stock either directly or through group companies and to dispose of them, be cancelled.

At the 9 May 2019 Annual General Meeting, Cellnex Telecom's shareholders approved point eleventh on the agenda to:

Delegate to the Board of Directors of the Company, in accordance with Article 297.1.b) of the Spanish Limited Liability Companies Act, the authority to increase share capital, without previously consulting the Annual General Shareholders' Meeting, within the deadline set for such purpose and for a maximum limited amount provided for in the Spanish Limited Liability Companies Act, with or without pre-emptive subscription rights, thus rewording Article 5 of the Company By-laws concerning share capital, in compliance with the following conditions:

1. Authorized capital, amount and term: the Board of Directors is authorized, as broadly as required in Law, so that, in accordance with Article 297.1. b) of the Spanish Limited Liability Companies Act, it may increase share capital, without previously consulting the Annual General Shareholders' Meeting, on one or more occasions and at any time, within the period of five years from the conclusion of this Meeting, to an amount corresponding to half of the share capital at the time of authorization (i.e. 37,334,131.625 euros of nominal value), through the issuance of new shares, ordinary or otherwise, in accordance with the applicable legal requirements - with or without share premium- the consideration of the newly issued shares consisting of cash contributions.

2. Scope of delegation: the Board of Directors may set all terms and conditions of capital increases and the characteristics of the shares as well as determine the investors and markets to which the capital increases are intended and the placement procedure to be followed, freely offer the new shares not subscribed to in the pre-emptive subscription period, and, in the case of incomplete subscription, establish that the capital increase be rendered null or that the capital be increased solely by the amount of the subscriptions made and reword the article of the by-laws relating to share capital. The Board of Directors may designate the person or persons, whether directors or not, who are to execute any of the agreements adopted in application of this authorization and, in particular, the closing of the capital increase.

3. Rights of the new shares, issue rate and consideration of the increase: the new shares issued as a consequence of the capital increase or increases agreed upon under this delegation shall be ordinary shares equal in rights to existing shares (except for dividends already declared and pending payment at the time of issuance), that will be issued at the rate of their nominal value or with the share premium determined, when applicable. The consideration of the newly issued shares shall necessarily consist of cash contributions.

4. Exclusion of pre-emptive subscription right: in accordance with the provisions of Article 506 of the Spanish Limited Liability Companies Act, the Board of Directors is expressly granted the power to exclude, in whole or in part, the pre-emptive rights in respect of all or any of the issues it agrees to carry out by virtue of this authorization, although this power will be limited to capital increases carried out under the present delegation, as well as to those increases that are carried out within the scope of the authorization provided in item twelve on the Agenda, up to an amount equivalent to 10% of the capital of the Company at the date that this decision comes into effect (i.e. 7,466,826.325 euros of nominal value).

   In accordance with applicable law, the Board of Directors may make use of the authority granted to it pursuant to the provisions of the preceding paragraph when the interests of the Company so require, and provided that the nominal value of the shares to be issued, plus the share premium, if any, corresponds to the fair value of the shares of the Company resulting from the report that, at the request of the Board of Directors, must be drawn up by an independent expert, appointed for this purpose by the Companies Registrar on each occasion that use of the powers of exclusion of the right to pre-emptive subscription rights conferred in the present paragraph.

5. Request for admission: the Board of Directors is authorized to apply for admission to trading, and their exclusion, in the organized domestic or foreign secondary markets, of all shares that may be issued or, in the case of a change in the nominal value of those already issued, their exclusion and new admission, in compliance with the applicable regulations regarding trading, maintenance of and exclusion from trading. 6. Power of substitution: the Board of Directors is authorized so that, in turn, it may delegate in favour of any of the members of the Board of Directors or any other person, whether or not a member of said body, the delegated powers referred to in this agreement. It should be noted that the shareholders have been provided with the corresponding explanatory directors' report on the delegation to increase the share capital. Finally, it is agreed to cancel in the undrawn part Resolution Seven adopted by the General Shareholders' Meeting of the Company on 31 May 2018, under which the Board of Directors of the Company was authorized to increase share capital.

A.11 Estimated floating capital:

	%
Estimated floating capital:	51.69

Remarks

A.12 State if there is any restriction (as per articles of association or legislation, or any other type) on the transfer of securities and/or any restriction on voting rights. In particular, report the existence of any type of restrictions that make it difficult to take control of the company by acquiring shares on the market, or any prior authorization or reporting requirements concerning the acquisition or transfer of the company's financial instruments that may be applicable due to industry regulations.

Yes ☐ No ☒

Description of the restrictions

A.13 Indicate whether the general shareholders' meeting has voted to adopt measures to neutralise a takeover bid under Act 6/2007.

Yes ☐ No ☒

If so, explain the measures approved and the terms under which the constraints would become ineffective:

If so, explain the measures approved and the terms under which the constraints would become ineffective:

A.14 Please specify whether the company has issued securities that are not traded on a regulated market within the European Union.

Yes ☐ No ☒

Indicate, as the case may be, the different types of shares and for each type, the rights and obligations they confer.

Indicate the different classes of shares

B

GENERAL MEETING

B.1 State and, if appropriate, provide details about differences arising with respect to the minimum quorum established by the Spanish Limited Liability Companies Act compared to the quorum required to hold a general meeting.

Yes ☐ No ☒

	% quorum different to that established in article 193 of the Spanish Limited Liability Companies Act for general matters	% quorum different to that established in article 194 of the Spanish Limited Liability Companies Act for special matters
Quorum required on first call		
Quorum required on second call		

Description of differences

B.2 Indicate and explain, if appropriate, if there are any differences with the system stipulated in the Spanish Limited Liability Companies Act for adopting corporate resolutions:

Yes ☐ No ☒

Describe how it differs from the system set forth in the Spanish Limited Liability Companies Act.

	Qualified majority different to that established in article 201.2 of the Spanish Limited Liability Companies Act for matters	Other cases of qualified majorities

	governed by article 194.1 of said act	
% established by the company to adopt resolutions		

Describe the differences

B.3 Indicate the rules applicable to changes in the company's articles of association. In particular, report any majorities required to make amendments to the articles of association and any rules established for safeguarding shareholder rights when amending the articles of association.

The provisions of the Spanish Limited Liability Companies Act shall be applied to the majorities required to amend the articles of association.

B.4 Provide details of attendance at the general meetings held during the year to which this report refers, as well as for the two preceding years:

	Attendance				
Date General meeting	**% of directors physically present**	**% represented by proxy**	**% remote voting**		**Total**
			Electronic voting	**Other**	
27/04/2017	40.63	36.69	0.00	0.00	77.32
Of which, floating capital:	0.63	16.62	0.00	0.00	17.25
31/05/2018	34.15	49.39	0.00	0.00	83.54
Of which, floating capital:	0.16	35.15	0.00	0.00	35.31
09/05/2019	30.36	51.49	0.00	0.00	81.85
Of which, floating capital:	0.37	25.79	0.00	0.00	26.16

Remarks
Given there are institutional investors, it is not possible to guarantee the identity of ultimate shareholders.

B.5 State whether any point on the agenda of the general meetings during the year was bot approved by the shareholders for any reason:

Yes ☐ No ☒

Agenda points that were not approved	% votes against (*)

(*) If the point was not approved due to a reason other than votes against, provide an explanation and include “n/a” in the “% votes against” column.

B.6 Please specify whether the articles of association establish any restrictions on the minimum number of shares required to attend the general meeting or to vote remotely:

Yes ☒ No ☐

Number of shares required to attend the general meeting	100
Number of shares required to vote remotely	100

Remarks

B.7 State whether it has been established that certain decisions other than those established by law exist that entail an acquisition, disposal or contribution to another company of essential assets or other similar corporate actions that must be subject to the approval of the general meeting.

Yes ☐ No ☒

Explain the decisions that must be submitted to shareholders at a general meeting, other than those established by law.

B.8 Indicate the address and manner of accessing corporate governance and other general meeting information that must be made available to shareholders on the company's website.

The “Shareholders & Investors” section on the website www.cellnextelecom.com provides the information stipulated in article 539.2 of the Spanish Limited Liability Companies Act and in the Spanish National Securities Market Commission Circular 3/2015.

C COMPANY MANAGEMENT STRUCTURE

C.1 Board of directors

C.1.1 Maximum and minimum number of directors specified in the articles of association and the number agreed by the general meeting:

Maximum number of directors	13
Minimum number of directors	4
Number of directors set by the General Shareholders Meeting	12

Remarks

C.1.2 Please complete the following table about board members:

Name of director	Representative	Director category	Position on the board	Date of first appointment	Date of last appointment	Election procedure	Date of birth
MS MARIA LUISA GUIJARRO PIÑAL		Independent	DIRECTOR	31/05/2018	31/05/2018	GENERAL SHAREHOLDERS' MEETING VOTE	
MR GIAMPAOLO ZAMBELETTI		Independent	LEAD INDEPENDENT DIRECTOR	16/04/2015	31/05/2018	GENERAL SHAREHOLDERS' MEETING VOTE	
MR TOBÍAS MARTINEZ GIMENO		Executive	CEO	17/11/2014	09/05/2019	GENERAL SHAREHOLDERS' MEETING VOTE	
MS MARIETA DEL RIVERO BERMEJO		Independent	DIRECTOR	27/04/2017	27/04/2017	GENERAL SHAREHOLDERS' MEETING VOTE	
MR PIERRE BLAYAU		Independent	DIRECTOR	16/04/2015	31/05/2018	GENERAL SHAREHOLDERS' MEETING VOTE	
MR LEONARD PETER SHORE		Independent	DIRECTOR	16/04/2015	31/05/2018	GENERAL SHAREHOLDERS' MEETING	

						VOTE	
MR BERTRAND BOUDEWIJN KAN		Independent	VICE CHAIR	16/04/2015	31/05/2018	GENERAL SHAREHOLDERS' MEETING VOTE	
MR CARLO BERTAZZO		Proprietary	DIRECTOR	13/07/2018	09/05/2019	GENERAL SHAREHOLDERS' MEETING VOTE	
MS ELISABETTA DE BERNARDI DI VALSERRA		Proprietary	DIRECTOR	13/07/2018	09/05/2019	GENERAL SHAREHOLDERS' MEETING VOTE	
MS ANNE BOUVEROT		Independent	DIRECTOR	31/05/2018	31/05/2018	GENERAL SHAREHOLDERS' MEETING VOTE	
MR FRANCO BERNABÈ		Proprietary	CHAIR	25/07/2019	25/07/2019	CO-OPTION	
MR MAMOUN JAMAI		Proprietary	DIRECTOR	20/06/2019	20/06/2019	CO-OPTION	

Total number of directors	12

State if any directors, whether through resignation, dismissal or any other reason, left the board during the reporting period:

Name of director	**Director category on removal**	**Date of last appointment**	**Removal date**	**Specialised committees of which he/she was a member**	**Indicate whether the removal took place before the end of the appointed term of office**
MR JOHN BENEDICT MCCARTHY	Proprietary	09/05/2019	27/05/2019	Appointments and Remuneration Committee	YES
MR MARCO PATUANO	Proprietary	09/05/2019	24/06/2019	N.A.	YES

Reason for the removal and other remarks
Mr John Benedict McCarthy, proprietary director of ConnecT S.p.A., handed

in his notice on 27/05/2019 and was replaced by the proprietary director, Mr Mamoun Jamai, on 20/06/2019. Mr Marco Patuano, also a ConnecT proprietary director, stood down as Cellnex Telecom, S.A.'s director and chairman on 24/06/2019 after leaving the posts held in ConnecT S.p.A. He was replaced by Mr Franco Bernabè for both posts, as a ConnecT S.p.A. proprietary director.

C.1.3 Please complete the following tables about the members of the board and their different categories:

EXECUTIVE DIRECTORS

Name of the director	**Position in company's organizational structure**	**Profile**
MR TOBÍAS MARTINEZ GIMENO	CEO	Tobias Martinez is the company's top-ranking executive (CEO). He joined Acesa Telecom (Abertis Group) in the year 2000, first as Board Member and Director General of Tradia, and subsequently of Retevisión. Before joining the Abertis Group, he headed his own business project in Information and Telecommunication Systems for more than 10 years. He studied Telecommunications Engineering and holds a Diploma in Top Management from the IESE Business School (PADE) and a Diploma in Marketing Management from the Instituto Superior de Marketing de Barcelona (Higher Institute of Marketing of Barcelona).

Total number of executive directors	1
% of board total	8.33

Remarks

PROPRIETARY EXTERNAL DIRECTORS

Name of the director	**Name of the significant shareholder represented or that proposed the**	**Profile**

	appointment	
MR FRANCO BERNABÈ	CONNECT S.P.A.	Franco Bernabè combines a unique experience in international corporate leadership with an active pro bono involvement in social and cultural organizations. He led as CEO the restructuring and the listing in the NYSE of Eni, one of the major international oil companies. After leaving ENI in 1998, he spent the following 20 years mostly in the telecommunications industry as CEO and Chairman of Telecom Italia. More recently he contributed to the creation of Nexi, the Italian leader in payments. He was Vice Chairman of Rothschild Europe, member of the board and Chairman of the Audit Committee of PetroChina for 14 years, member of the Supervisory Board of TPG Post Group in the Netherlands, member of the International Council of JP Morgan. He was also member of the Executive Committee of Confindustria and member of the European Roundtable. He served pro bono in the leading Italian cultural institutions as Chairman of La Biennale di Venezia, MART, Quadriennale di Roma and the Italian Commission for UNESCO. He was awarded an honorary doctorate in environmental sciences at the University of Parma for the impulse given to the reclamation activities for the environmental recovery of polluted sites. He is senior advisor to Barclays Bank. In 2011 he was knighted by the President of the Italian Republic.
MR CARLO BERTAZZO	CONNECT S.P.A.	As Board Member and General Manager of Edizione Srl, the Benetton family holding company. He

		is also Director of other companies forming part of the Edizione Group: Sintonia (CEO), ConnecT, Schema 33. In addition he is board member of Abertis Infraestructuras and Atlantia. He has been in Edizione since 1994 and has played a key role in the diversification process of the Group over the years, managing the acquisitions of Autogrill and Generali Supermercati (1995), Atlantia (2000), a stake in Telecom Italia (2001) and Gemina (2005), now called Aeroporti di Roma, merged into Atlantia. He also contributed in the development of the partnerships that Edizione over time built with Italian and international investors. He has had an active role in the management of the investments of Edizione, covering also an operating position as the CEO of the listed company Gemina (2011-2013), and being a board member of several companies including TIM and Telecom Italia Media. He also ran the key disposals of the Group, such as the sale of Generale Supermercati to Carrefour (2000) and of World Duty Free to Dufry (2015). Previously to joining Edizione, he had worked in the financial sector (Banca Commerciale Italiana, now Banca Intesa) and in the investment department of the Agnelli family holding company. He holds a degree in Business and Administration Magna cum Laude from Ca' Foscari University in Venice.
MS ELISABETTA DE BERNARDI DI VALSERRA	CONNECT S.P.A.	Ms de Bernardi di Valserra is the Investment Director in Edizione Srl since 2015. She is also Director of other companies forming part of the Edizione Group: ConnecT (CEO), Autostrade

		per l'Italia. In addition she is Board Member of Getlink and Aeroporti di Roma. She started her career in Morgan Stanley (2000) in the investment banking team, where she worked in the Communications & Media team in London and then in the corporate finance team in Milan, where she remained until 2013 as Executive Director. In Morgan Stanley, she advised on several transactions, including M&A, equity and debt transactions. Between 2013 and 2015, she has been a partner of Space Holding, launching and placing on the Italian Stock Exchange the Special Purpose Acquisition Vehicles Space SpA and Space 2 SpA, who have completed their business combinations merging with Fila, Avio and Aquafil. She graduated in Electronic Engineering Magna cum Laude at Università degli Studi di Pavia.
MR MAMOUN JAMAI	CONNECT S.P.A.	Mamoun Jamai serves is a "Senior Portfolio Manager" of the Infrastructure Division at the Abu Dhabi Investment Authority ("ADIA"). Mr. Jamai is responsible within the Infrastructure Division for developing and implementing investment strategy for Digital Infrastructure. Previously, he was responsible for European origination and coverage across infrastructure sectors. In addition to his responsibilities at ADIA, Mr. Jamai is a Chairman of ConnecT S.p.A and Director of Anglian Water Group and Tank & Rast. Prior to joining ADIA in 2008, he served as a member of the Industrials team at Bank of America. Mamoun Jamai is a Certified Financial Analyst (CFA) and holds a Master's degree in Finance from HEC Paris.

Total number of proprietary directors	4
% of board total	33.33

Remarks

INDEPENDENT EXTERNAL DIRECTORS

Name of the director	Profile
MS MARIA LUISA GUIJARRO PIÑAL	María Luisa Guijarro has worked most of her career in the Telefónica group, from 1996 until 2016, where she held positions including Global Marketing and Sponsorship Manager, CEO of Terra España, Director of Marketing and Business Development in Spain and, in her later years at the company, member of the Executive Committee in Spain as head of Strategy and Quality. She has a degree in Economics from the Universidad Autónoma de Madrid.
MR GIAMPAOLO ZAMBELETTI ROSSI	He has spent much of his professional career in the chemicals/pharmaceuticals and telecoms sectors. Currently holds the position Vice-President of Unidad Editorial, S.A. He was previously Founder and Managing Director of Zambeletti España, President and CEO of Zambeletti Group, President of Italgas SpA, President and Managing Director of Ellem Industria Farmaceutica SpA. He served as Vice President of the pharma labs association, Farmindustria. In 2001 he has been appointed Group Senior Vice President International Affairs of Telecom Italia. He has furthermore been a member of the Board of Directors of Telecom Italia International (Netherlands), Auna, S.A. (Spain), Avea (Turkey), Oger Telecom (Dubai), Ojer Telekomunikasyon (Turkey) and Telekom Austria. Giampaolo Zambeletti holds a degree in Chemistry from the Università degli Studi di Pavia, is an international trustee of the Friends of the Prado Museum Foundation in Madrid, and received the Isabel la Católica Award from King Felipe VI in 2015.

MS MARIETA DEL RIVERO BERMEJO	Marieta del Rivero has 25 years of experience in leadership roles in the world of information and communications technology, mobility and the digital services industry and is one of the most prominent profiles in the sector in Spain. She has extensive experience and a proven track record ranging from key consumers to manufacturers and suppliers of hardware, to telecom operators and software industry. Her career and executive responsibilities have included working as Global CMO at Telefónica, CEO at Nokia Iberia and marketing director at Amena and at Xfera Móviles. She was Senior Advisor at Ericsson and President of the International Women's Forum. She is currently Partner at Seeliger & Conde and a Board member of Gestamp Automoción S.A. In addition, she is a member of the advisory boards of the Mutual Society of Lawyers and of the "Made in Mobile" technology incubator and a member of the Board of the Spanish Directors Association (AED). She is also Vicepresident of the International Women's Forum Spain and member the Women Corporate Directors Foundation in Spain. Marieta del Rivero is a graduate of Economics and Business Sciences from the Autonomous University of Madrid (UAM), AMP awarded by the IESE, and EP awarded by the Singularity University California.
MR PIERRE BLAYAU	He is currently holding the position of president of CCR (Caisse Centrale de Reassurance), member of the strategic committee of SECP (Canal+ Group), Censor of FIMALAC, Senior Advisor of Bain & Company and Chairman of Harbour Conseils. He was previously Chief Executive Officer of Pont à Mousson, PPR, Moulinex, Geodis, and Executive Director of SNCF. He has also served as Executive Director of La Redoute, as a member of the Board of Directors of FNAC, and Independent Director of Crédit Lyonnais and President of the Board of Directors of Areva. Pierre Blayau is a Public Finance Inspector of the French Ministry of Finance, and graduated from the École Nationale d'Administration de Paris and the École Normale Supérieure de Saint-Cloud.
MR LEONARD PETER SHORE	Leonard Peter Shore has extensive experience in the telecommunications and tech sector. He held the position of Chairman of Arqiva in the UK

	from 2007-2014. He has also been Chairman of Uecomm, Lonely Planet Publications, the Hostworks Group and Airwave. Shore was Group Managing Director at Telstra in Australia, CEO of MyPrice (Aust/NZ) and Managing Director of Media/Communications/Partners. He has served as a Director of Objectif Telecomunications Limited, Foxtel, SMS Management and Technology and OnAustralia. He was furthermore a member of the Advisory Board of Siemens Australia. He also served as member of the Corporate Board of the National Society for the Prevention of Cruelty to Children and Board of the Australia-United Kingdom Chamber of Commerce. Leonard Peter Shore holds a degree in Applied Mathematics and Computing Science from the University of Adelaide.
MR BERTRAND BOUDEWIJN KAN	He has extensive professional experience in investment banking and focused on the telecoms, media and technology sector in particular. He spent most of his career at Morgan Stanley where he became a Managing Director and Head of the European Telecoms Group. Subsequently he moved to Lehman Brothers where he was Co-Head of the Global Telecoms Team and was a member of the European Operating Committee. In 2008 he became Head of the Global Telecoms, Media and Technology Group at Nomura and served on the Investment Banking Global Executive Committee. Among other responsibilities, he is currently a chairman of the Advisory Board of Wadhwani Asset Management and of the Supervisory Board of UWC Netherlands. Bertrand Kan graduated with B.Sc. and an M.Sc. degree in Economics from the London School of Economics.
MS ANNE BOUVEROT	Anne Bouverot is currently Chairperson of the Board of Technicolor, as well as Senior Advisor of TowerBrook Capital Partners and Board Director at Capgemini and Edenred. She is also Chairperson of Foundation Abeona, whose motto is "Data Science for Fairness and Equality", working on social impact of AI and digital technology. Previously she was CEO of Morpho, a biometrics and cybersecurity company (between 2015 and 2017) and general director of the GSMA (between 2011 and 2015). She also held several international management positions in companies in the telecommunications sector such as France Telecom / Orange (Executive Vice President of Mobile Services from 2009 to 2011), Global One Communications, Equant and Telmex. Anne Bouverot has a degree in Mathematics and a PhD in Artificial Intelligence from the École Normale Supérieure in Paris, and a degree in

	Engineering from Telecom Paris.

Total number of independent directors	7
% of board total	58.33

Remarks

State whether any director classified as independent receives any amount or benefit from the company, or its group of companies, for any reason other than remuneration for being a director; or whether the director has or has had, over the past year, a business relationship with the company or any company pertaining to the same group, whether on his/her own behalf or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If appropriate, include a statement from the board on the reasons for which it considers that the director concerned may carry out his/her duties as an independent director.

Name of the director	Description of the relationship	Reasoned statement

OTHER EXTERNAL DIRECTORS

Identify the other external directors and state the reasons why they cannot be considered proprietary or independent directors and their association with either the company, executives or shareholders:

Name of director	Reason	Related company, executive or shareholder	Profile

Total number of other external directors	N.A.
% of board total	N.A.

Remarks

Please specify any change, if any, in each director's category during the year:

Name of director	Date of change	Previous category	Current category
No information.			

Remarks

C.1.4 Complete the following table with details of the number of female directors at the end of each of the past four years, as well as the category of those directors:

	Number of female directors				% of total directors in each category			
	Year t	**Year t-1**	**Year t-2**	**Year t-3**	**Year t**	**Year t-1**	**Year t-2**	**Year t-3**
Executive directors					0.00	0.00	0.00	0.00
Proprietary directors	1	1			25.00	25.00	0.00	0.00
Independent directors	3	3	1		42.8	42.8	20.00	0.00
Other external directors					0.00	0.00	0.00	0.00
Total:	4	4	1		33.33	33.33	20.00	0.00

Remarks

C.1.5 State whether the company has diversity policies relating to its board of directors on matters such as age, gender, disabilities or training and professional experience. In accordance with the definition set out in the Spanish Audit Act, small and medium-sized companies must at least report the policy they have in place on gender diversity.

Yes ☒ No ☐ Partial policies ☐

If so, describe these diversity policies, their objectives, the measures implemented and the manner in which they have been applied, as well as the results obtained during the year. Also indicate the specific measures adopted by the board of directors and the appointments and remuneration committee to obtain a balanced and diverse group of directors.

In the event that the company does not apply a diversity policy, explain why not.

Description of the policies, objectives, measures and manner in which they have been applied, as well as the results obtained.
On 18 February 2016, Cellnex Telecom's Board of Directors approved the Director Selection and Appointment Policy, the aims of which are to ensure the Board of Directors has a suitable composition. When selecting members, the following aspects must be taken into account, among others: the Company's share structure; the members' diversity of knowledge, professional experience, nationality and gender; whether candidates will be able to dedicate the time required to fulfil their position; their possible specialisation in specific areas of special relevance (finance, legal matters, telecommunications, etc.); the absence of conflicts of interest (real or potential); and their personal commitment to defending the Company's interests. 1.- Scope of application. This policy applies to the selection of Board members that are natural persons. In the case of Board members that are legal persons, the provisions of this Policy shall apply to the natural persons that represent them. 2.- Selection process. Pursuant to the provisions of the Spanish Limited Liability Companies Act, as regards proposing the appointment or reappointment of members of the Board of Directors, the Appointments and Remuneration Committee shall be responsible in the case of independent Board members, while the Board of Directors itself shall be responsible in all other cases. Proposals for appointment or reappointment must be presented together with a report from the Board justifying the choice by means of an assessment of the proposed candidate's competence, experience and merits. Furthermore, proposals for the appointment or reappointment of non-independent Board members should be preceded by a report from the Appointments and Remuneration Committee.

The selection of Board member candidates shall be based on a prior analysis of the needs of the Company, performed by the Board of Directors with the advice and report from the Appointments and Remuneration Committee. The aim is to integrate different professional and management experiences and skills and to promote the diversity of knowledge, experience and gender, while bearing in mind the weight of the different activities undertaken by Cellnex and considering those specific areas or sectors that need to be strengthened.

Any Board member may ask the Appointments and Remuneration Committee to consider the merits of potential candidates to cover vacant positions on the Board.

3.- Conditions to be met by candidates.

Candidates for the position of Board member of the Company must be honourable and ideal persons of recognised solvency, with the competence, experience, qualifications, training, availability and commitment required for the position.

They must be trustworthy professionals whose conduct and professional career are aligned with the principles set down in the Cellnex Code of Ethics and with the mission, vision and values of the Cellnex Group.

When considering candidates, the Appointments and Remuneration Committee shall assess the following aspects, bearing in mind the needs of the Board of Directors:

1. The candidate’s technical and professional competencies.
2. The candidate’s management experience, bearing in mind the context in which Cellnex operates.
3. The commitment needed to hold the position, evaluating the positions already held by the candidate at other companies.
4. The potential existence of conflicts of interest.
5. The significance of any direct or indirect commercial, financial or professional relationships that exist or have recently existed between the candidate and the Company or other Group companies.
6. Any future proceedings that may have a detrimental effect on the candidate’s responsibility or reputation.

4.- Disqualifications for being a candidate for the position of Board member.

Persons affected by any of the causes of incompatibility, incapacity or prohibition to holding the position of Board member set down by law or contained in the Company’s internal regulations may not be considered as candidates for the position of Board member.

5.- Help from External advisors.

When selecting candidates for the Board of Directors, the Appointments and Remuneration Committee may hire the services of external advisors specialising in searching for and selecting candidates in order to make the process more efficient and effective.

When analysing the candidacies, the advisor must assess the requirements set

out in section 3 of this Policy. 6.- Special reference to gender diversity. In all cases, any type of implicit bias in the candidate selection process that may imply any kind of discrimination shall be avoided. This Policy for the Selection of Board member candidates shall promote a balanced presence of men and women on the Board of Directors. Said Policy must ensure that, as soon as possible and at the latest by the end of 2020, the least-represented gender shall make up at least thirty percent of the total number of members of the Board of Directors. 7.- Verification of compliance with this Policy. On an annual basis, the Appointments and Remuneration Committee shall check compliance with this Board member Selection Policy and report its conclusions to the Board of Directors. Specific measures adopted by the Board of Directors and the Appointments and Remuneration Committee to obtain a balanced and diverse group of directors.

C.1.6 Explain any measures that have been adopted by the Appointments Committee so that selection procedures do not give rise to implicit barriers to the selection of female Directors, and so that the Company deliberately seeks and includes female candidates that meet the required professional profile, in order to obtain a balance between men and women.

Explanation of the measures
During 2019 the only changes in the Board's composition related to proprietary directors so there was no selection process run by the Company in which the NRC could adopt any relevant measures. In any event, please note that the Board of Directors currently has a percentage of women higher than the one established by the Unified Good Governance Code.

When despite any measures that have been adopted there are few or no female directors, please explain the reasons:

Explanation of the reasons
n/a

C.1.7 Please explain the conclusions of the appointments committee as regards verification of compliance with the director selection policy. In particular, how that policy is promoting the objective of female directors representing at least 30% of all members of the board of directors by 2020.

The Board restructuring carried out in 2018, which included the increase of the number of members, resulted in more than 30% of the Board being female board members.

C.1.8 If applicable, please explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than 3% of share capital:

Name of shareholder	Reason

Indicate whether any formal requests for a place on the board from shareholders with an interest equal to or greater than that of other shareholders whose request for the appointment of proprietary directors has been met have been rejected. If so, explain why such requests were rejected:

Yes ☐ No ☒

Name of shareholder	Explanation

C.1.9 Indicate, if any, powers-of-attorney and authority delegated by the board of directors to directors or board committees:

Name of the director	Brief description
TOBÍAS MARTINEZ GIMENO	CEO who has been delegated all the powers of representation and management and power to sell assets that can be delegated by law or pursuant to the Company's Articles of Association.

C.1.10 Please identify any board members who hold positions as administrators, representatives of administrators or executives in companies in the listed company's group:

Name of director	Name of the group company	Position	Does he/she have executive duties?
No information.			

Remarks

C.1.11 Name any company directors or representatives of directors who are members of the board of directors or representatives of directors of non-group companies listed on Spanish stock exchanges, insofar as the company has been notified:

Name of director	Name of the listed company	Position

MR CARLO BERTAZZO	ATLANTIA S.p.A.	DIRECTOR
MS ELISABETTA DE BERNARDI DI VALSERRA	GETLINK SE	DIRECTOR
MS ANNE BOUVEROT	CAPGEMINI	DIRECTOR
MS ANNE BOUVEROT	EDENRED	DIRECTOR
MS ANNE BOUVEROT	TECHNICOLOR	CHAIRPERSON
MS MARIETA DEL RIVERO BERMEJO	GESTAMP AUTOMOCION	DIRECTOR

Remarks

C.1.12 Indicate and, if appropriate, explain whether the company has established rules on the maximum number of boards on which its directors may sit, identifying where this is regulated:

Yes ☒ No ☐

Explanation of the rules and identification of the regulating document
On 28 June 2018, Cellnex Telecom, S.A.'s Board of Directors voted to amend the Board of Directors Regulations. Among others, the second paragraph of article 26 that read: "The directors must show proper dedication and will adopt the measures required for the sound management and control of the Company in the performance of their duties." was expanded by adding the following wording: "For this purpose, the directors of the Company may not sit on more than four boards of other listed companies other than the Company. For purposes of this rule, all the boards of companies that are part of the same group will be counted as a single board and the following will not be counted: (i) boards of holding companies or companies that may constitute vehicles or complements for the professional exercise of the director, his or her spouse or person with a similar sentimental relationship or their closest family members, (ii) boards on which the director sits as a proprietary director at the proposal of the Company or any company pertaining to its group, and (iii) the boards of companies whose purpose is complementary or accessory to another activity that, for the Company director may entail an activity related to leisure, assistance or aid to third parties or of any other kind that does not imply true dedication to a commercial business".

C.1.13 State the following amounts of the overall remuneration accrued to the board of directors:

Remuneration accrued during the year to the board of directors (thousands of euros)	6,830

Amount of pension rights accumulated by current directors (thousands of euros)	900
Amount of pension rights accumulated by former directors (thousands of euros)	

Remarks

C.1.14 Identify any members of senior management who are not executive directors and indicate the aggregate remuneration accrued to them during the year:

Name	Position
MR JOSÉ MANUEL AISA MANCHO	Corporate Director of Finance and M&A
MR ANTONI BRUNET MAURI	Director of Corporate and Public Affairs
MR LUIS DEULOFEU FUGUET	Deputy CEO
MR ALBERTO LOPEZ PRIOR	Director of Resources and Operations
MR DANIEL FERNÁNDEZ CAPO	Director of Service Management and Cellnex Ventures
MR JAVIER MARTÍ DE VESES ESTADES	General and Board Secretary
MR ALEXANDRE MESTRE MOLINS	General Director of Global Business

Total senior management remuneration (thousands of euros)	10,937

Remarks
The difference with the amount that appears in the annual accounts is due to the fact that in the Annual Report on Corporate Governance we also add the remuneration of the internal auditor.

C.1.15 Please specify whether the board of directors regulations were amended during the year:

Yes ☐ No ☒

Description of amendments

C.1.16 Please specify the procedures for the selection, appointment, re-election and removal of directors. Indicate the competent bodies, the formalities and the criteria to be followed in each of these procedures.

The procedures for the selection, appointment, re-election, evaluation and removal of directors are detailed in articles 18 to 21 of the Board of Directors Regulations. SEE EXPLANATORY NOTE ON SECTION C.1.16

C.1.17 Explain to what extent the Board's annual evaluation has given rise to significant changes with respect to its internal organisation and the procedures that are applicable to its activities:

Description of changes
As a result of an assessment carried out by an external advisor in 2017 and the Board's self-assessment in 2018, various changes were made during 2019 in the following areas: - Promotion of involvement in and participation in the Board and its committees. - Special evaluation of business and operational matters. - Senior management succession plan. - Assessment of the Corporate Social Responsibility risk map and actions.

Describe the evaluation process and assessed areas performed by the board of directors with the assistance, where applicable, of an external consultant, regarding the board's operations and composition, and those of its committees, as well as any other area or matter that has been evaluated.

Description of the evaluation process and assessed areas
At the end of 2019, the Board carried out a self-assessment of its performance by completing a questionnaire split into several blocks of questions: (i) Board composition; (ii) Board performance; (iii) Board chairman; (iv) Board secretary; (v) Board committees; (vi) performance of CEO and relationship with senior management; (vii) Board's alignment with and commitment to strategic objectives; (viii) individual contributions of members; and (ix) overall assessment of Board. All directors completed the questionnaire.

C.1.18 Provide detailed information, as applicable for any years in which the evaluation has involve the assistance of an external consultant, on business relations between the consultant or any of its group companies with the company or any other group company.

The assessment by an external advisor was carried out in 2017. There have not been any business relations with the advisor.

C.1.19 Please specify the situations in which board members are required to resign.

1. Directors shall resign from their posts when they have completed the period for which they were appointed and when decided by the General Meeting under the powers legally or statutorily vested therein.
2. Directors must tender their resignation to the Board and, if the Board of Directors considers it appropriate, formally resign in the following cases:

   a) When they cease to hold the executive positions with which their appointment as Director was associated. Independent directors: when they complete twelve (12) years in the position;

   b) When they find themselves in a situation of conflict of interests or a prohibited situation as provided for by law;

   c) When they are prosecuted for an alleged criminal act or are subject to disciplinary proceedings for serious or very serious misconduct instituted by the supervisory authorities;

   d) When their continued presence on the Board may jeopardise the Company's interests or when the reasons for which they were appointed cease to exist. The above circumstance shall be deemed to occur in the case of proprietary directors when the total shareholding they own or whose interests they represent is disposed of or when the reduction of such shareholding requires a reduction in the number of relevant proprietary directors.
3. Executive directors must tender their resignation to the Board once they have reached the age of 70, and the Board must decide whether they may continue to perform their executive or delegated functions or remain simply as a director.
4. Whenever, due to resignation or any other reason, directors leave their position before the completion of their mandate, an explanation must be given of the reasons for this decision in a letter addressed to all members of the Board of Directors. Without prejudice to the timely communication of the cessation as a material event, the Board will give account of the cessation in the Annual Corporate Governance Report.
5. The Board of Directors may only propose the cessation of an independent director before the end of the statutory period when there is just cause, as appreciated by the Board following a report by the Appointments and Remuneration Committee. In particular, just cause will be deemed to exist when the director goes on to hold new offices or undertakes new duties that prevent him or her from devoting the necessary time to the tasks inherent in the role of director, fails to perform the duties inherent to his or her office or is involved in any of the circumstances that might cause him or her to lose his or her status of independent director, in accordance with the provisions of the applicable legislation. Said removal from a post may also be proposed as a result of a public tender offer, merger, or other similar

operation implying a change in the share structure of the Company, provided that such changes in the structure of the Board of Directors are required by virtue of the proportionate representation criteria.

C.1.20 Are qualified majorities other than those established by law required for any specific decision?

Yes ☐ No ☒

If so, please describe the differences.

Description of differences

C.1.21 Explain whether or not there are any specific requirements, other than those established for directors, to be appointed chairman of the board of directors:

Yes ☐ No ☒

Description of the requirements

C.1.22 Indicate whether the articles of association or board regulations establish an age limit for directors:

Yes ☒ No ☐

	Age limit
Chairperson	n/a
CEO	70
Director	n/a

Remarks

C.1.23 Please specify whether the articles of association or the board regulations establish any limits on term of office or other stricter requirements in addition to those established by law for independent directors:

Yes ☐ No ☒

Additional requirements and/or maximum number of terms of office	

C.1.24 Indicate whether the articles of association or the board of directors' Regulations establish specific rules for delegating votes within the board of directors to other directors, the manner in which it is done and, in particular, the maximum number of delegations that a director may make, as well as whether there is any limitation to the categories of director who can be delegated votes other than those stipulated by law. Briefly provide details of any such rules.

Article 23.a of the Articles of Association state that any director may confer representation to another director in writing, by fax, email or any other similar method. Non-executive directors may only confer representation to another non-executive director.

C.1.25 Please specify the number of meetings held by the board of directors during the year. Also indicate how many times the board met without the chairman in attendance. Attendance is deemed to include any proxies made with specific instructions.

Number of board meetings	17
Number of board meetings without the chairman present	1

Remarks

Indicate the number of meetings held by the lead director with other directors that were not attended by any executive directors in person or by proxy:

Number of meetings	0

Remarks

Indicate the number of meetings held during the year by the various board committees:

Number of meetings held by the executive committee	

Number of meetings held by the audit committee	10
Number of meetings held by the appointments and remuneration committee	8
Number of meetings held by the appointments committee	
Number of meetings held by the remuneration committee	
Number of meetings held by the __________ committee	

Remarks

C.1.26 Please specify the number of meetings held by the board of directors during the year and information regarding the attendance of its members.

Number of meetings at which at least 80% of the directors were physically present	16
% attendance of total votes during the year	94.60
Number of meetings at which all directors were physically present or represented by proxies with specific instructions	11
Votes issued when physically present and represented by proxies with specific instructions, as a percentage of the total votes cast during the year	94.60

Remarks

C.1.27 Please specify whether the annual individual and consolidated annual accounts are certified before being presented to the board for approval:

Yes ☒ No ☐

If appropriate, name the person(s) certifying the company's individual and consolidated annual accounts before they are approved by the board:

Name	**Position**
MR. JOSÉ MANUEL AISA MANCHO	Corporate Director of Finance and M&A
MR. TOBIAS MARTINEZ GIMENO	CEO

Remarks

C.1.28 Explain the mechanisms, if any, established by the board to avoid a qualified audit report on the individual and consolidated annual accounts from being presented to shareholders at a general meeting.

In accordance with article 39.3 of the Board of Directors Regulations, the Board shall strive to prepare the annual accounts in such a way that avoids the auditor including any qualifications it the audit report. However, when the Board considers it should apply its own criteria, it shall explain publicly the content and scope of any discrepancies. Additionally, among others, the Audit and Control Committee shall supervise the process of preparing and presenting the statutory financial information as well as the completeness thereof. The Audit and Control Committee holds regular meetings with the Company's external auditors to avoid discrepancies in the criteria to be followed in preparing the annual accounts.

C.1.29 Is the Secretary of the Board a Director?

Yes ☐ No ☒

If the secretary is not a director, complete the following table:

Name of the secretary	Representative
MR JAVIER MARTI DE VESES ESTADES	

Remarks
Mr Javier Martí de Veses was Secretary non-member of the Board until 31/12/2019 (including). As from 31/12/2019 Mr Jaime Velázquez Vioque is the Secretary non-member of the Board.

C.1.30 Indicate the specific mechanisms established by the company to preserve the independence of external auditors and any mechanisms to maintain the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

One of the duties of the Audit and Control Committee (article 15.b of the Board of Directors Regulations) is to put before the Board of Directors, so that it may submit them to the General Shareholder's Meeting, in accordance with the regulations in force from time to time: (i) any proposals for the selection, appointment, re-election or replacement of the external auditor or auditing firm,

(ii) the terms of engagement, (iii) the scope of their professional mandate and, as the case may be, (iv) any revocation or non-renewal, (v) garnering from the auditor information on the audit plan and progress implementing it, and (vi) preserving its independence in the exercise of its duties. Another function (article 15.d of the same Regulations), is to establish the appropriate relations with external auditors or auditing firms in order to receive information on issues that may jeopardise the independence of the same, to be studied by the Committee, and any other information relative to the auditing of the accounts, as well as any other notifications envisaged in legislation and regulations concerning the auditing of accounts. In all cases, the Committee must receive on an annual basis from the external auditors or external auditing companies written confirmation of their independence from the Company or any organisations directly or indirectly related thereto, in addition to information regarding any additional services of any kind provided to said organisations and the corresponding fees received therefrom by the external auditors or external auditing companies, or by persons or organisations related thereto in accordance with the provisions established in the legislation applicable to the auditing of accounts. Additionally, another function of the Audit and Control Committee (article 15.e of the Board of Directors Regulations) is to issue annually, prior to the issuance of the audit report on the annual accounts, a report which shall express an opinion on the independence of the auditors or audit companies. This report must contain, in all cases, an evaluation of the provision of the additional services referred to in the previous paragraph, considered individually and as a whole, other than the legal audit, and in connection with their independent status or with the governing regulations of the audit. In accordance with legal requirements, the fees paid to the Company's external auditor for all audit and non-audit services rendered are disclosed in the notes to the Company's annual accounts. The Company's governing bodies pay particular attention to ensuring the independence of financial analysts, investment banks and rating agencies.

C.1.31 Please specify whether the company changed its external auditor during the year. If so, name the outgoing and incoming auditor:

Yes ☐ No ☒

Outgoing auditor	**Incoming auditor**

Remarks

If the company had any disagreements with the outgoing auditor, indicate their nature:

Yes ☐ No ☒

Explanation of disagreements

C.1.32 State whether or not the audit firm does any work for the company and/or its group other than standard audit work and, if so, indicate the amount of the fees received for such work and the percentage these represent of the total fees invoiced to the company and/or its group:

Yes ☒ No ☐

	Company	Group companies	Total
Amount of work other than standard audit work (thousands of euros)	1,734	32	1,766
Fees for work other than standard audit/Fees for audit work (%)	628	2.6	117

Remarks

C.1.33 Please specify whether the audit report on the annual accounts for the preceding year contains a disclaimer of opinion or qualifications. If so, indicate the reasons given to shareholders by the chair of the audit committee for the content and scope of those qualifications or disclaimer.

Yes ☐ No ☒

Explanation of the reasons

C.1.34 Please provide details on the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated annual accounts. In addition, indicate the ratio of the number of years audited by the current auditors to the total number of years that the annual accounts have been audited:

	Individual	Consolidated
Number of consecutive years	7	7

	Individual	Consolidated
Number of years audited by the current audit firm/Number of years that the company or its group has been audited (%)	100%	100%

Remarks

C.1.35 Indicate, providing details as necessary, if there is an established procedure for directors to obtain any information they may need to prepare for meetings of the governing bodies sufficiently in advance:

Yes ☒ No ☐

Procedure details
Pursuant to section 22 of the Board of Directors Regulation, the agenda of Board meetings will clearly indicate any points regarding which the Board of Directors must adopt a decision or resolution so that the directors may examine or gather, in advance, the information required for the adoption thereof. All information referring to the proposals to be presented to directors will be available to them at least forty-eight (48) hours in advance. The information sent to directors during the financial year 2019 was generally circulated one week in advance of the meetings.

C.1.36 Indicate, providing details if appropriate, if the company has established rules requiring directors to report and, if necessary, resign in any cases that could be detrimental to the company's reputation:

Yes ☒ No ☐

Explain the rules
Article 21 of the Board of Directors Regulations provides that directors must tender their resignation to the Board and, if the Board of Directors considers it appropriate, formally resign in the following cases: - When they find themselves in a situation of conflict of interests or a prohibited situation as provided for by law; - When they are prosecuted for an alleged criminal act or are subject to disciplinary proceedings for serious or very serious misconduct instituted by the supervisory authorities;

- When their continued presence on the Board may jeopardise the Company's interests; or
- When the reasons for which they were appointed cease to exist.

The above circumstance shall be deemed to occur in the case of proprietary directors when the total shareholding they own or whose interests they represent is disposed of or when the reduction of such shareholding requires a reduction in the number of relevant proprietary directors.

C.1.37 Indicate whether the company has been notified by a board member that he/she has been charged with, or is being tried for, any of the crimes stipulated in article 213 of the Spanish Limited Liability Companies Act:

Yes ☐ No ☒

Name of the director	Crime	Remarks

Indicate whether or not the board of directors has analysed the case. If the answer is yes, provide a detailed explanation of the decision taken on whether or not the director shall continue in the post or, where applicable, explain the action taken by the board of directors prior to the date of this report or any that it plans to take.

Yes ☐ No ☐

Decision adopted/action taken	Reasoned explanation

C.1.38 Provide details of any significant resolutions adopted by the company coming into force or modified or concluded in the event of a change in control of the company due to a takeover, and its effects.

<u>Debentures and other loans</u>

The terms and conditions of the bonds include a change of control clause (as requested by bondholders) which, if evoked, would require the bonds to be redeemed early.

For bonds issued as part of the EMTN Programme, the put option can only be triggered if there is a change of control event and the bonds' credit rating is downgraded due to said change of control (as defined in the terms and conditions of the EMTN Programme). For the convertible bonds, the put option can only be exercised if there is a change of control or an event that triggers the offering (as defined in the terms and conditions of the EMTN Programme).

In both clauses, a change of control event is defined as the acquisition of more than 50% of the voting rights in the parent company or the right to appoint or remove all or a majority of the controlling company's board of directors.

<u>Loans and credit facilities</u>

For the loans and credit facilities entered into by Cellnex, the change of control trigger is at Cellnex level and for the syndicated facilities agreement entered into by Swiss Towers, the change of control trigger is measured with respect to Cellnex Switzerland, Swiss Towers and Swiss Infra Services (as defined below). A "change of control event" is generally triggered when a third party, alone or together with others, acquires either 50% of shares with voting rights, or obtains the right to appoint or dismiss the majority of the members of the board of directors of the relevant company. <u>Infrastructure procurements</u> With regards to purchases of the Group's infrastructure by mobile telephone operators, the agreements signed with the vendors include change of control clauses stipulating that if one of the vendor's competitors becomes the controlling shareholder of the company in question (where control is defined as the acquisition of more than 50% of the voting rights in the parent company or the right to appoint or remove all or a majority of the controlling company's board of directors), the vendor is entitled to repurchase the aforesaid infrastructure. This repurchase right may also be granted if one of the vendor's competitors acquires a significant part of the shares or obtains the voting or governance rights that could be exercised in such a way that is detrimental to the vendor's interests. The change of control provisions can be triggered in Cellnex Telecom and at group company level.

C.1.39 Please identify, individually when concerning directors and on an aggregate basis in all other cases, any agreements between the company and its administration and management or employees entitling said parties to compensation or including guarantee or gold parachute clauses upon their resignation or wrongful dismissal, or if the contractual relationship comes to an end due to a takeover or any other type of transaction.

Number of beneficiaries	2
Type of beneficiary	**Description of the agreement**
CEO and senior management	Directors have signed agreements with the Company that contain compensation clauses. In general terms, the compensation clause in these agreements provides for the payment of compensation to the executive in the event of unfair dismissal. Said compensation will be equal to the higher of the following amounts: a) compensation equivalent to one year's salary, taking into consideration the annual gross fixed remuneration in cash received at the time the employment relationship is terminated, as well as the annual gross variable remuneration received by the executive in the 12 months immediately before the

	effective cessation of their services; or b) the compensation established in current employment legislation. In the case of the CEO and other members of senior management, compensation will be equal to the higher of the following amounts: a) compensation equivalent to one year's salary, taking into consideration the annual gross fixed remuneration in cash received at the time the employment relationship is terminated, as well as the annual gross variable remuneration received by the executive in the 12 months immediately before the effective cessation of their services; or b) the compensation established in current employment legislation. In the case of the CEO and other members of senior management, the compensation clause in the contracts provides for the payment of compensation in favour of the executive in the event of (i) unfair dismissal or (ii) unilateral termination of the contract by the director due to serious breach by the Company of the obligations set out in the contract, a substantial change in their duties without consent, a change in control of the Company as specified in article 42 of the Code of Commerce and similar circumstances.

State whether these agreements have to be reported to and/or approved by the governing bodies of the company or its group, beyond what is required by law: If so, specify the procedures, foreseen cases and the nature of the bodies responsible for said reporting and/or approval:

	Board of directors	**General meeting**
Body authorising the clauses	X	

	Yes	**No**
Is the general meeting informed of the clauses?		X

Remarks
The Board approves the basic conditions applicable to senior management based on a report from the Appointments and Remuneration Committee.

C.2 Board committees

C.2.1 Please provide details on all board committees, their members and the proportion of executive, proprietary, independent, and other external Directors on the committee:

EXECUTIVE COMMITTEE

Name	Position	Category

% of executive directives	
% of proprietary directors	
% of independent directors	
% of other external directors	

Remarks

Explain the duties delegated or attributed to this committee, other than those already described in section C.1.10 and describe the procedures and rules governing its organisation and operation. Indicate the most important actions relating to each of these duties during the year and how each of the assigned duties, whether by law, the articles of association or other corporate agreements, have been fulfilled in practice.

AUDIT COMMITTEE

Name	Position	Category
MR LEONARD PETER SHORE	MEMBER	Independent
MR BERTRAND BOUDEWIJN KAN	CHAIRMAN	Independent
MS ELISABETTA DE BERNARDI DI VALSERRA	MEMBER	Proprietary
MS ANNE BOUVEROT	MEMBER	Independent

% of executive directives	0.00
% of proprietary directors	25.00

% of independent directors	75.00
% of other external directors	0.00

Remarks

Explain the duties, including any additional to those required by law, attributed to this committee and describe the procedures and rules governing its organisation and operations. Indicate the most important actions relating to each of these duties during the year and how each of the assigned duties, whether by law, the articles of association or other corporate agreement, have been fulfilled in practice.

SEE EXPLANATORY NOTE ON SECTION C.2.1

Identify the directors on the audit committee appointed based on his or her knowledge and experience in the areas of accounting, auditing, or both and state the date on which the chairperson of this committee was appointed.

Names of experienced directors	MR BERTRAND BOUDEWIJN KAN/MS ELISABETTA DE BERNARDI DI VALSERRA
Date the chairperson was appointed	16/02/2017

Remarks

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Category
MS MARIA LUISA GUIJARRO PIÑAL	MEMBER	Independent
MR GIAMPAOLO ZAMBELETTI ROSSI	CHAIRMAN	Independent
MS MARIETA DEL RIVERO BERMEJO	MEMBER	Independent
MR PIERRE BLAYAU	MEMBER	Independent
MR MAMOUN JAMAI	MEMBER	Proprietary

% of executive directives	0.00
% of proprietary directors	20.00
% of independent directors	80.00
% of other external directors	0.00

Remarks

Explain the duties, including any additional to those required by law, attributed to this committee and describe the procedures and rules governing its organisation and operations. Indicate the most important actions relating to each of these duties during the year and how each of the assigned duties, whether by law, the articles of association or other corporate agreement, have been fulfilled in practice.

SEE EXPLANATORY NOTE ON SECTION C.2.1

APPOINTMENTS COMMITTEE

Name	Position	Category

% of proprietary directors	
% of independent directors	
% of other external directors	

Remarks

Explain the duties, including any additional to those required by law, attributed to this committee and describe the procedures and rules governing its organisation and operations. Indicate the most important actions relating to each of these duties during the year and how each of the assigned duties, whether by law, the articles of association or other corporate agreement, have been fulfilled in practice.

REMUNERATION COMMITTEE

Name	Position	Category

% of proprietary directors	
% of independent directors	
% of other external directors	

Remarks

Explain the duties, including any additional to those required by law, attributed to this committee and describe the procedures and rules governing its organisation and operations. Indicate the most important actions relating to each of these duties during the year and how each of the assigned duties, whether by law, the articles of association or other corporate agreement, have been fulfilled in practice.

________ COMMITTEE

Name	Position	Category

% of executive directives	
% of proprietary directors	
% of independent directors	
% of other external directors	

Remarks

Please explain the duties attributed to this committee and describe the procedures and rules for its organization and operation. Indicate the most important actions relating to each of these duties during the year and how each of the assigned duties, whether by law, the articles of association or other corporate agreement, have been fulfilled in practice.

C.2.2 Please complete the following table with the information on the number of female directors on the Board Committees at the end of the last four years:

	Number of female directors			
	Year t **Number – %**	**Year t-1** **Number – %**	**Year t-2** **Number – %**	**Year t-3** **Number – %**
Executive committee				
Audit committee	2 – 50%	2 – 50%	0 – 0%	0 – 0%
Appointments and remuneration committee	2 – 40%	2 – 40%	1 – 25%	0 – 0%
Appointments committee				
Remuneration committee				
________ committee				

Remarks

C.2.3 Indicate the existence, if appropriate, of board committee regulations, where they are available for consultation, and any amendments made during the year. Also indicate whether an annual report on the activities of each committee has been drafted voluntarily.

The Board committees do not have their own regulations and their functioning is regulated by the Board of Directors Regulations, which are available on the Company's website.

Each of these committees has drawn up an activity report for 2019, which is available on the Company's website.

RELATED-PARTY AND INTRAGROUP TRANSACTIONS

D.1 Explain any procedures and competent bodies for approving transactions with related parties or intragroup transactions.

Pursuant to article 4 of the Board of Directors Regulations, the Board will have the authority to approve, based on a report from the Audit and Control Committee, any operations between the Company and its directors, significant shareholders, shareholders with board representation or other persons related thereto, except when these fulfil the three following conditions:

1) They are carried out by virtue of contracts, the conditions of which are standardised and apply en masse to many customers.
2) They go through at market prices, generally set by the person supplying the goods or services.

3) Their amount is no more than 1% of the group's annual revenues. Furthermore, article 33 of the aforementioned regulations establishes that: The Board of Directors formally reserves the right to know about any important transaction by the Company with a significant shareholder. With regard to ordinary transactions, the general authorisation for the line of operations and their conditions of execution will suffice.

D.2 Please describe any transactions for significant amounts or relating to significant issues between the Company or group companies and the company's significant shareholders:

Name of the significant shareholder	**Name of the company or group company**	**Nature of the relationship**	**Type of transaction**	**Amount (Thousand euro)**
ConnecT	Cellnex Telecom, S.A.	Corporate	Dividends and other benefits distributed	7,959
Criteria Caixa, S.A.U.	Cellnex Telecom, S.A.	Corporate	Dividends and other benefits distributed	1,331
Canada Pension Plan Investment Board	Cellnex Telecom, S.A.	Corporate	Dividends and other benefits distributed	840
Wellington Management Group LLP	Cellnex Telecom, S.A.	Corporate	Dividends and other benefits distributed	1,229
Blackrock, Inc	Cellnex Telecom, S.A.	Corporate	Dividends and other benefits distributed	1,317

Remarks

D.3 Please describe any transactions for significant amounts or relating to significant issues between the company or group companies and the company's administrators or directors:

Name of administrators or directors	**Name of the related party**	**Relationship**	**Nature of the transaction**	**Amount (thousands of euros)**

Remarks
See Note 22.a) of the 2019 consolidated annual accounts.

D.4 Please describe any significant transactions carried out by the company with other companies belonging to the same group, to the extent that they are not eliminated for the purposes of preparing the company's consolidated financial statements and do not (in terms of their purpose and conditions) form part of the company's ordinary business activities.

In any event, any intragroup transactions carried out with companies established in countries or territories that are considered to be tax havens will be reported:

Name of the group company	**Brief description of the transaction**	**Amount (thousands of euros)**
n/a	n/a	n/a

Remarks
At 31 December 2019, the Group had no material balances payable to or receivable from associates of the Cellnex Group. It also performed no transactions for material amounts with associates in 2019.

D.5 Describe any significant transactions between the company or group companies and other related parties, if not reported in the preceding sections.

Name of the related party	**Brief description of the transaction**	**Amount (thousands of euros)**
Hispasat, S.A.	Leasing of capacity of certain satellite transponders	2
Atlantia	Agreement under which the Group can install certain assets to provide telecommunications infrastructure services on Italian motorways that are operated under concession by Atlantia until 2038	4

Remarks
In addition to the aforementioned contracts, no transactions for material amounts have been performed with related parties during the financial periods ended 31 December 2019.

D.6 Please describe the mechanisms established to detect, assess, and resolve potential conflicts of interests between the company and/or its group and its directors, executives or significant shareholders.

In accordance with the Board of Directors Regulations, directors and executives must report any conflicts of interest and abstain from participating or influencing the decision-making process on matters affected by the conflict. Directors (article 27.c of the Board of Directors Regulations) must abstain from participating in discussions and votes regarding resolutions or decisions in which they or a related person has a direct or indirect conflict of interest. Resolutions or decisions that affect their status as directors, such as their appointment to or removal from positions in the governing body or other similar decisions, shall be excluded from the aforementioned obligation to abstain.

Additionally, Directors (article 27.e of the same Regulations) must adopt the necessary measures to avoid situations in which their interests, whether on their own account or that of others, may conflict with the Company's interests and their duties towards the Company. The foregoing excludes cases in which the Company has provided its consent, pursuant to the terms set forth in article 230 of the Spanish Limited Liability Companies Act.

Directors (article 28 of the same Regulations) must advise the Board of Directors of any direct or indirect conflict that they or people related to them might have with the Company's interests. The director concerned will refrain from taking part in resolutions or decisions related to the operation to which the conflict refers. The votes of the directors affected by the conflict and who must abstain, will be deducted for the purposes of calculating the majority of votes needed. In particular, the duty to avoid conflicts of interest obliges directors to refrain from:

a) Carrying out transactions with the Company, except when these are ordinary operations, carried out under standard conditions for customers, and are of little importance; understood as those operations whose information is not required to convey a true and fair view of the Company's assets, financial position and results.
b) Using the Company's name or their status as director to unduly influence the conduct of private operations.
c) Using the Company's assets, including its confidential information, for private purposes.
d)Taking advantage of the Company's business opportunities.
e) Obtaining benefits or payments associated with the performance of their position from third parties other than the Company or its Group, unless they are acts of mere courtesy.
f) Carrying out activities, on their own account or for others, that cause them to be in effective competition, whether real or potential, with the Company or which, in any other way, cause a permanent conflict with the Company's interests.

In July 2016, Cellnex’s Board of Directors approved a new Internal Code of Conduct (ICC) adapted to the requirements of the European Market Abuse Regulation. With regard to conflicts of interest, the ICC establishes: Principles of action In any situation involving a “Conflict of Interest” (being a clash between the interests of the Company and the personal interests of the Affected Person), Affected Persons shall act in accordance with the following principles: (i) Independence. They must act at all times with loyalty to the Company, irrespective of their own interests or those of third parties. (ii) Abstention. They must refrain from intervening or influencing in the taking of decisions concerning matters affected by the conflict. (iii) Confidentiality. They shall refrain from accessing confidential information which may have a bearing on the aforesaid conflict. Notification of conflicts of interest Affected Persons shall notify the General Secretary's Office of any possible conflicts of interest to which they are subject by their family relationships, their personal holdings, their activities outside the Company, or on any other grounds. It shall be considered that there is no conflict of interests owing to family relationships when said relationship is beyond the fourth degree of consanguinity or the second degree of affinity. It shall be considered that there is a possible conflict of interests derived from personal holdings when said holdings arise in relation to a company in which the Affected Person holds a management post or has a significant stake (which is understood to mean a total stake, direct or indirect, in excess of twenty per cent of its total issued share capital). Affected Persons must ensure that the information is kept up to date, reporting any modification to or termination of previously communicated situations, as well as the emergence of any new possible conflicts of interest. Communications must be issued without delay once the current or possible situation of conflict of interest is recognised, prior to taking any decision which may be affected by the possible conflict of interest. Members of the Board of Directors In addition to the foregoing, the members of the Company's Board of Directors shall be subject to the provisions of the applicable corporate regulations and internal Company’s rules.

D.7 Is there more than one group company listed in Spain?

Yes ☐ No ☒

Identify other companies that are listed in Spain and its relationship with the company:

Identity and relationship with other listed companies in the group.

State whether or not the respective areas of activity and business relationships between them, as well as those between any other listed company and all other group companies, have been precisely disclosed publicly.

Yes ☐ No ☐

Define any business relationships between the parent company and the listed subsidiary, and between the latter and other group companies

Identify the mechanisms established to resolve any conflicts of interest between the listed company and other group companies:

Mechanisms to resolve possible conflicts of interest

E RISK MANAGEMENT AND CONTROL SYSTEMS

E.1 Explain the scope of the company's risk management and control system, including the tax area.

The Risk Management and Control System provides continuous, end-to-end management, consolidated by geographical area/subsidiary and support services at corporate level. It is currently in place at corporate headquarters and in Spain, France, the Netherlands, Italy, the United Kingdom and Switzerland. It is planned that the Risk Management and Control System will be rolled out at the subsidiary in the Republic of Ireland in 2020, since it recently joined the Group.

A risk management model is in place that has been approved and is overseen by the Audit and Control Committee. It is applicable to all business units and corporate units in every country where the Cellnex Group operates.

There are guidelines to identify risks that have been defined and approved by the Audit and Control Committee. Each area of the Company is responsible for identifying, assessing and monitoring inherent and residual risks and also for supervising and implementing control measures to mitigate such measures.

The risk map is approved and reviewed by the Audit and Control Committee which informs the Board of Directors, and it is also discussed with and implemented by the Management Committee.

E.2 Please identify the bodies of the company that are responsible for developing and implementing the risk management and control system, including the tax area.

The following bodies are responsible for defining, executing and monitoring the risk management system:

- *Board of Directors*: the highest body responsible for defining the risk control strategy and policy.
- *Audit and Control Committee*: designated as such by the Board of Directors, its role is to monitor the effectiveness of the risk management model and the information supplied to third parties regarding the system, making sure that the risk management system is able to identify, manage, prioritise, control, monitor and provide complete information on risks.
- *Risk Control*: is responsible for preparing and updating risk management policies, setting out mechanisms and methodologies to identify and assess risks, updating risk maps, implementing a system for monitoring and reporting to the most senior governing bodies, and reviewing the controls that mitigate the identified risks.
- *Management Committee*: is responsible for risk management involving implementation of the defined risk policies, approval of risk maps, assigning of responsibilities, implementation of control activities and action plans, and monitoring of existing risks within its jurisdiction.
- *Managers*: each area manager is responsible for identifying their risks and informing Risk Control in a timely fashion. Likewise, he or she is responsible for identifying and implementing control activities aimed at mitigating risks.

E.3 Indicate the primary risks, including tax risks and, if significant, those deriving from corruption (the latter being those defined in Royal Decree-Law 18/2017) that may affect achieving the Company's business objectives.

The main risks that may prevent the Company from achieving its objectives are: • Strategic: such as mergers between telecommunications operators, the emergence of new competitors, restrictions on growth in regulated markets. • Compliance: following changes in tax, legal or environmental law or being subject to litigation or other judicial processes, etc. • Financial: as a result of customers defaulting on payments, access to financing, fluctuations in share price. • Operating: derived from the integration and optimisation of acquisitions, increase in exposure of information systems, emergence of alternative technologies, capacity to attract and retain qualified personnel.

E.4 State whether the company has a risk tolerance threshold, including in the tax area.

Tolerance thresholds are defined in the risk assessment matrix. For the identified risks, each person responsible evaluates the possible impact of such risks should these occur, and classifies them as low, medium, high or critical depending on their economic impact, implications for the organisation and impact on reputation. Following this, the probability of each risk actually occurring is evaluated. The degrees of probability used are: unlikely, possible, probable and almost certain. Risks are prioritised based on their impact and probability.

E.5 State the risks, including those in the tax area, that have occurred during the year.

The most relevant risks occurring during the year are as follows: . Part of the Group's revenue comes from a small number of customers. The main customers in the segment providing infrastructure services for mobile telecommunications operations are telecommunications operators (primarily MNOs); the main customers in the broadcasting infrastructure segment are media organisations (TV channels and radio stations); and in the other network services segment, the main customers are: (i) a small number of local, regional and national public administrations, (ii) emergency and security organisations, (iii) companies operating in the public services sector, and (iv) certain telecommunications operators. The current process of consolidation in the telecommunications and broadcasting sectors could reduce the number of communications and broadcasting operators in the future, which could have a negative impact on the Group's core segments. . Access to finance to ensure sufficient funds are in place to fulfil future investment commitments and payment obligations. . Increase in competition to acquire assets and companies in relation to the Group's business expansion.

E.6 Explain the response and supervision plans for the company's main risks, including tax risk, as well as the procedures followed by the company to ensure that the board of directors responds to any new challenges that arise.

Response and supervision plans for the main risks are established in risk management model that is in place. The risks are assessed to determine their importance.

The risk maps and risks classed as a priority are reviewed by the Audit and Control Committee, which then reports to the Board of Directors. Any changes in non-priority risks are also reviewed in the same manner. All areas are also responsible for managing risks.

With a view to reducing exposure to risks such as: the risks of sharing infrastructure; regulatory changes; technological advances and the development of alternative, currently unused technologies; a heightening of competition, the Group implements a policy of selective growth, diversification and internationalisation, nurtures ties with public administrations to develop infrastructure, and forges ahead with an efficiency plan to streamline operational investments and expenses.

F INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS IN RELATION TO THE FINANCIAL REPORTING PROCESS (ICFRS)

Describe the mechanisms that make up the risk management and control systems in place in relation to the company's financial reporting system (ICFRS).

F.1 The company's control environment

Describe the following, providing details of their principal characteristics:

F.1.1 Which bodies and/or areas are responsible for: (i) the existence and maintenance of an adequate and effective ICFRS; (ii) its implementation and (iii) its supervision.

The Internal Control over Financial Reporting System (ICFRS) at Cellnex forms part of its general internal control system and consists of a set of processes which the Board of Directors, the Audit and Control Committee, management and staff implement to provide reasonable assurance as to the reliability of the financial information reported to the market.

Cellnex's ICFRS Organisation and Supervision Model (hereinafter, the "ICFRS Organisation Model") establishes that the Board of Directors is the highest authority responsible for supervising the internal reporting systems, as well as the Risk Management and Control Policy. In addition, the Company's Articles of Association and Board of Directors Regulations stipulate, inter alia, the following powers and responsibilities:

- Defining general company policies and strategies, as well as the Company's corporate governance policies.
- Preparing and approving the annual accounts and any other report or information required by law.
- Approving the financial information that, because of its status as a listed company, the Company must periodically publish.
  Drawing up the Risk Management and Control Policy, including tax risks, as well as supervising internal information and control systems.

- Supervising the correct functioning and actions of the delegated bodies, including the Audit and Control Committee and designated directors.

According to the Board of Directors Regulations (article 15), the Audit and Control Committee's basic responsibilities include:

- Supervising the preparation and filing of mandatory financial information, as well as the completeness thereof.
- Supervising the effectiveness and suitability of Cellnex's internal control and risk assessment procedures, and the monitoring and control measures required to avoid criminal offences and the risk management systems, including tax risks, and the systems in place to manage compliance with all applicable legislation.
- Discussing with the auditor any significant weaknesses of the internal control system detected during the auditing process.
- Overseeing internal auditing services, ensuring their independence and making sure that the recommendations and suggested corrective measures be considered by management.

Cellnex Internal Audit is in turn responsible for supervising the ICFRS under the powers bestowed on it by the Audit and Control Committee. The Corporate Development and Finance Division is responsible for its design, maintenance and implementation.

F.1.2 Do any of the following exist, especially with respect to the process of preparing financial information:

- Departments and/or mechanisms responsible for: (i) designing and revising the organisational structure; (ii) clearly defining lines of responsibility and authority, ensuring proper distribution of tasks and duties; and (iii) ensuring that there are sufficient procedures in place for the proper dissemination thereof within the company.

The Cellnex Board of Directors assigns responsibility for designing and reviewing the organisational structure related to the preparation of financial information to the General Services and Organisation Division and to the Corporate Development and Finance Division. These divisions draw up guidelines on the organisational structure and distribution of responsibilities and the procedure to design, review, update and disseminate these guidelines. This process is documented in the form of organisational charts and process models and associated regulations which form part of Cellnex's catalogue of policies.

Cellnex has an internal organisational chart which covers all areas and which is basically divided by division (including those divisions involved in preparing, analysing and overseeing financial information). This organisational chart indicates responsibilities up to a certain management level and is supplemented by other more detailed organisational charts at departmental level.

Regarding the preparation of financial information, in addition to the detailed organisational charts and with the aim of assigning responsibilities, an ICFRS

Organisational Model has been developed by the Consolidation Department in the Corporate Development and Finance Division, which is submitted to the Audit and Control Committee for approval.

- Code of conduct, authorising body, degree of publication and reporting, principles and values included (identifying whether there is any specific mention of the registration of transactions and drafting of financial information), body tasked with assessing non-compliance and proposing corrective actions and sanctions.

Cellnex has a Code of Conduct (Code of Ethics) approved by the Ethics and Compliance Committee that comprises representatives from Internal Audit and Risk Control, the Legal Division, the Resources Department, the General Secretary's Office, and the Regulation Department. This code has been communicated to the employees and is available on the corporate intranet. Specific staff training on the code is being planned.

The main values and principles set out in the Code of Ethics are: integrity, honesty, transparency and good faith. The fundamental principles of the Code of Ethics include the commitment to offer financial information that provides a true and fair view of the economic and financial position in compliance with applicable generally accepted accounting principles and international financial reporting standards, and the responsibility of staff and management to ensure this is so, both by correctly carrying out their functions and by notifying the governing bodies of any circumstance which might affect this commitment.

The Ethics and Compliance Committee is responsible for analysing any breaches and proposing corrective actions and sanctions.

- Whistle-blowing channel through which financial and accounting irregularities can be reported to the audit committee, as well as for reporting potential breaches of the code of conduct and other irregular activities within the organisation. Please indicate whether this channel is confidential.

Cellnex has and promotes the use of channels through which potential breaches of the Code of Ethics and other irregular activities in the organisation can be reported, especially from a financial and accounting point of view. Any such reports are referred to the Ethics and Compliance Committee in all cases.

As stated in Cellnex's Ethics Channel Policy regulating the procedure, scope and response to any alleged breaches, such breaches can be reported using a form submitted by post or email. Confidentiality is protected at all times.

Any reports will be received, analysed and followed up by the Ethics and Compliance Committee, and this committee will periodically inform the Appointments and Remuneration Committee and the Audit and Control Committee. From time to time, the Ethics and Compliance Committee will inform the Appointments and Remuneration Committee and the Audit and Control Committee about the functioning of the Ethics Channel.

If reports have been received during the year, the Ethics and Compliance Committee will produce an annual report on the cases received, to facilitate the analysis of the functioning of the whistle-blowing channel.

- Regular training and refresher programmes for staff involved in preparing and reviewing financial information, as well as on assessing the ICFRS, covering at least accounting, auditing, internal control, and risk management rules.

Regarding training and refresher courses on the preparation and publication of financial information, Cellnex believes the continuous development and training of its staff and management is crucial. Cellnex also considers that complete and up-to-date training on accounting regulations, the rules for preparing financial information, the regulations on capital markets, taxation and internal control is necessary to ensure that the information reported to the market is reliable and in accordance with regulations.

In 2019, Cellnex provided training on the preparation and review of financial information based on the needs identified by the Corporate Management Control and Consolidation departments in relation to:

- New accounting, tax, capital markets and internal control regulations, adopted by the European Union and applicable to Cellnex.
- Changes in methodology for reporting to the regulator and/or to information systems.
- Individual initiative of team members.

Once the needs of these areas have been identified, appropriate training activities are designed and rolled out to cover annual training objectives on these matters.

In 2019, Cellnex provided training using external experts and internal training sessions for personnel involved in preparing and reviewing financial information. As in the previous year, in 2019 training primarily focused on those accounting, tax and financial matters which could have the greatest impact on the preparation of Cellnex's consolidated financial information, particularly changes to tax and accounting rules at both national and international levels and any developments during the year concerning EU-IFRS.

Cellnex has an e-learning platform where both technical training for specific work groups and more general training can be accessed on a voluntary and, in some cases, mandatory basis.

Moreover, specific training on systems was provided in 2019 regarding:

- SAP RE – IFRS 16 Module – Spain, Italy, France and Switzerland
- IFRS 16 posting process in SAP FI – Spain, Italy, France and Switzerland

In this regard, the Consolidation, Corporate Accounting Policy and Corporate Management Control departments have subscriptions to a number of publications and journals on accounting and financial matters and to the website of the International Accounting Standards Board which regularly sends new developments and other communications of interest which are analysed and disseminated to ensure they are taken into consideration when preparing Cellnex's financial reporting.

F.2 **Evaluation of financial reporting risk**

Report on at least the following:

F.2.1 What are the main characteristics of the risk identification process, including the risk of error or fraud, with respect to:

- Whether or not the process exists and is documented.

See Section F.2.1.5

- Whether the process covers all financial reporting objectives (existence and occurrence, completeness, valuation, presentation, disclosure and comparability, and rights and obligations), and whether it is updated, and with what frequency.

See Section F.2.1.5

- Whether the company has a process for identifying the perimeter of consolidation, taking into account, inter alia, the potential existence of complex corporate structures, holding companies or special purpose vehicles.

See Section F.2.1.5

- Whether the process considers the effects of other types of risks (operational, technological, financial, legal, reputational, environmental, etc.) where they affect the financial statements.

See Section F.2.1.5

- Which governing body at the company supervises the process?

Cellnex has a Risk Management and Control Policy setting out the basic principles and general framework for controlling and managing all types of risks to which it is exposed. Cellnex identifies and updates the principle risks, putting adequate reporting and internal control systems in place and carrying out regular monitoring of these risks. The ICFRS Internal Control and Risk Management Manual (hereafter Risk Management Manual) describes and formalises Cellnex's internal control and risk management model for the ICFRS and establishes mechanisms used to determine the risks in this area, the key business processes, and the practical and operational documentation for this internal control model. This manual sets out what financial information needs to be included when preparing and issuing financial reporting, as well as the methodology for defining materiality. Furthermore, guidelines are established to determine whether the process covers all financial reporting objectives (existence and occurrence; completeness; valuation; presentation, disclosure and comparability; and rights and obligations), and whether it is updated and with what frequency. Cellnex has identified the key business processes together with their inherent risks and has designed a Risk and Controls Matrix to identify the main risks. Control activities have then been designed to control such risks, which when adequately complied with, ensure complete and reliable financial information can be obtained. The Consolidation Department is entrusted with identifying and documenting risks of error in the financial information; this process is supplemented by Internal Audit, which considers identified risks of error in relation to Cellnex's overall Risk Map (covering both financial and non-financial risks). The entire process is ultimately overseen by the Audit and Control Committee. Cellnex's Audit and Control Committee is responsible for overseeing the risk control systems with the support of Internal Audit.

F.3 **Control activities**

Indicate whether or not the company has at least the following, describing the main characteristics where applicable:

F.3.1 Procedures for reviewing and authorising the financial information and description of the ICFRS to be disclosed to securities markets, stating who is responsible in each case as well as the documents and flow charts of activities and controls (including those addressing the risk of fraud) for each type of transaction that may materially affect the financial statements, including procedures for the closing of accounts and for the separate review of critical judgements, estimates, evaluations and projections.

Cellnex has a Regulated Information Reporting Manual, duly approved by the Audit and Control Committee, setting out the process for preparing and approving financial information and describing the ICFRS to be disclosed to securities markets and investors. This manual sets out the criteria to identify material public financial information, this being as follows:

- Regular reporting obligations (RRO) of issuers:
  - Quarterly financial report.
  - Half-year financial report.
  - Annual Financial Report and Annual Corporate Governance Report (ACGR).
- Annual Directors Remuneration Report (ADRR).
- Significant event disclosures.

Cellnex's Regulated Information Reporting Manual also details the departments involved in preparing, reviewing and authorising the financial information and their respective responsibilities from the accounting close to publication of material disclosures. In particular, there is a procedure for preparing and reviewing each set of regulated financial information to be published that requires completing questionnaires for the internal control of regulated information to provide reasonable assurance as to the reliability of the Company's financial statements.

Following the Regulated Information Reporting Manual and completing the specific internal control questionnaires is obligatory and subject to review by Cellnex's internal auditor.

Regarding documentation describing the activity flows and controls of the different transactions that can materially affect the financial statements, Cellnex has a ICFRS Organisational Model that structures the specific mechanisms set up to ensure there is an internal control environment in place to generate complete, reliable and appropriate financial information and to detect any irregularities and the manner through which these can be detected and remedied. Cellnex has the following procedures in place for those processes that are considered material and relevant given their potential impact on the financial information to be published:

- Accounts receivable and revenue recognition
- Fixed assets and investments
- Purchases and accounts payable
- Staff costs
- Judgements and estimates
- Accounting close, consolidation (definition of perimeter) and reporting
- Cash and borrowings
- Taxes

Individual and consolidated financial statements, six-monthly financial reports and the financial information in the quarterly interim statements of Cellnex are prepared and reviewed by the Corporate Development and Finance Division prior to submission to the Audit and Control Committee. This division follows the procedures defined in the Regulated Information Reporting Manual before submitting this information to Cellnex's Board of Directors for final approval.

Cellnex has descriptions of controls over activities and controls directly related to transactions that might have a material impact on the financial statements, to mitigate the risk of material error in the information reported to the markets. These descriptions are documented in the ICFRS Risk and Control Matrix and contain information on what the controls should consist of, the reason they are carried out, who should carry them out, how often, and other information on what information systems or what operations carried out by third parties are important for the effectiveness of the control operation in question. The controls cover areas such as revenue generation, investments and expenditure on concessions, acquisitions and subsequent valuation of other assets, analysis of the recoverability of investments, recording of taxation of profits or the correct presentation of financial instruments and of the financing operations of Cellnex.

Cellnex discloses in its consolidated financial statements any areas of uncertainty in relation to significant judgements and estimations that it deems to be relevant. Significant judgements, estimates, measurements and projections as well as the key assumptions used to calculate them, with a material impact on the consolidated financial statements, are specifically reviewed and approved by the Corporate Development and Finance Division and, where applicable, by the Managing Director. The most significant of these, such as the monitoring of asset values and hedging policies are reviewed by the Audit and Control Committee before being submitted for the Board's approval.

F.3.2 Internal control procedures and policies regarding information systems (including access security, change controls, their operation, operating continuity and segregation of duties) used to perform the company’s relevant processes with respect to the preparation and publication of financial information.

Cellnex uses information systems to keep adequate records and monitor its operations and, therefore, their proper operation is a key element and a priority for Cellnex.

The Systems Department in the Organisation and Efficiency Division, which reports directly to the Resources Division, is responsible for establishing the internal control over information systems model regarding access security, segregation of duties (in coordination with the business areas and support areas) and change control, as well as monitoring risks and controls derived from any outsourcing of such systems.

F.3.3 Internal control procedures and policies to supervise subcontractors, as well as the evaluation, calculation or measurement activities tasked to independent experts that could have a material effect on the financial statements.

Cellnex regularly uses reports by independent experts to value its financial instruments and employee benefit commitments and to value the assets and liabilities acquired under business combinations. In addition, Cellnex has outsourced to an external provider certain activities associated with accounting, payroll and the administration and maintenance of its corporate information systems.

Cellnex has guidelines on outsourcing and the outcomes thereof. These guidelines are detailed in the internal purchasing procedures.

The Corporate Development and Finance Division monitors the work of these experts to check:

- The competence, capacity, accreditation and independence of these experts.
- The validity of the data and methods used.
- The reasonableness of the assumptions used, if applicable.

Certain risk management and control mechanisms have been established with the supplier to ensure that financial information derived from such activities is complete and correct, these include: a management and monitoring committee for each outsourcing arrangement, service-level agreements, risk indicators, performance reports, IT security measures, external audits as well as contingency and continuity plans.

F.4 Information and communications

Indicate whether or not the company has at least the following, describing the main characteristics where applicable:

F.4.1 A specific function responsible for defining and updating accounting policies (accounting policy department or area) and for resolving doubts or conflicts deriving from their interpretation, maintaining fluid communication with the persons responsible for the organization's operations, as well as an accounting policy manual that is up to date and issued to the units through which the company operates.

The responsibility for defining, maintaining and updating Cellnex accounting policies falls upon the Corporate Accounting Policy Department.

This department's duties also include responding to accounting queries submitted by the various business units or other corporate areas of Cellnex.

Cellnex has an accounting policies manual – the Group Reporting and Accounting Principles Handbook (GRAPH) – for preparing financial statements under EU-IFRS, which is drawn up by the Corporate Accounting Policy Department and regularly updated by it (at least once a year) to include the rules applicable in each year. The auditing instructions sent by the external auditor to the auditors of the various group companies for the limited review or audit in each six-monthly and annual close respectively indicate that the auditors must adopt the accounting principles contained in the Cellnex GRAPH.

The subsidiaries are notified by email of any subsequent changes to these. The most recent update was in 2019 and, in any event, checks are performed to verify whether any new significant modifications have been made in the preceding quarter that might affect the preparation of consolidated annual financial information

F.4.2 Mechanisms for capturing and preparing financial information using standard formats that are applicable to and used by all company or group units when drawing up the main financial statements and notes thereto, as well as the information provided regarding the ICFRS.

Cellnex has various integrated platforms for booking transactions and for preparing consolidated financial information (SAP BCP consolidation and reporting). The completeness and reliability of such information systems are validated using the general controls stated in section F.3.2.

The Corporate Development and Finance Division is centrally responsible for preparing the regulated financial information and individual financial statements of Cellnex's companies in Spain, thus ensuring it is prepared on a consistent basis.

Six-monthly forms/Annual forms are received every six and 12 months containing all the information needed to prepare the Group's consolidated financial information (condensed interim financial statements and annual accounts).

These six-monthly and annual forms ensure uniformity of information insofar as:

- It is standard and uniform for all countries and businesses.
- It is prepared in accordance with Cellnex's accounting manual which is applicable to all group companies.
- It complies with all applicable legal, tax, commercial and regulatory requirements.

The information in the monthly reports and FORMS 2019 is inputted directly by the controllers.

In 2019, the project to roll out and migrate data to the new tool, Oracle Financial Consolidation and Close Cloud Service, was launched. This tool will be used to produce the Cellnex Group's consolidated financial statements. The main aim of the new tool is to standardise and maximise the interconnection with the current corporate management control tool, Oracle Planning and Budgeting Cloud Service (implemented in every country) to obtain one standardised reporting output that meets both departments' needs. It is planned that this migration will maximise synergies between areas (Planning & Control and Consolidation) in an interconnected financial information environment. The new tool will also offer additional benefits to the current system as it is cutting edge and incorporates the latest technological advances in financial reporting (narrative reporting, etc.). It is envisaged that this tool will be fully deployed at corporate level and across all countries during the first half of 2020.

F.5 Monitoring functioning of the system

Describe, indicating the main characteristics, at least the following:

F.5.1 The ICFRS supervision activities carried out by the audit committee, as well as whether or not the company has an internal audit area that supports the committee with its duty to supervise the internal control system, including the ICFRS. Also provide details of the scope of the ICFRS evaluation carried out during the year and the procedure through which the person responsible for executing the evaluation reports the results, whether or not the company has an action plan that covers the future corrective measures, and whether or not the impact on the financial information has been taken into consideration.

As in the prior year, the Audit and Compliance has carried out the following ICFRS-related activities in 2019:

- Monitoring of implementation levels and possible changes to Cellnex ICFRS models.
- Review of the information related to the ICFRS included in the Annual Corporate Governance Report.
- Review of the financial information Cellnex has reported to the markets.
- Periodic supervision and analysis of implementing the ICFRS, determining the degree of implementation and effectiveness of the system.
- Follow-up of the work performed by the Company's external auditors with the aim of understanding the weaknesses in internal controls which they have detected during their work as well as other relevant aspects or incidents concerning these controls.

The Audit and Control Committee has already approved the Internal Audit Plan for 2020, which includes the necessary actions to guarantee adequate supervision and evaluation of the plan throughout the year by regularly reporting the incidents detected and the necessary actions for improvement once discussed with the audited areas.

Cellnex has an Internal Audit function that reports to the Audit and Control Committee and – as stipulated in the Cellnex Board of Directors Regulations and specifically in the section on the powers assigned to the Audit and Control Committee – is primarily responsible for monitoring the effectiveness of the Company’s internal controls and the internal auditing services, by verifying their suitability and integrity, and reviewing the appointment and replacement of internal audit officers, and supervising the monitoring and control measures necessary for preventing criminal offences, the risk management systems, including tax-related ones, and the legal compliance management systems. It is also tasked with discussing with the auditors any significant weaknesses in the internal control system detected while carrying out the audit.

In 2019, Internal Audit carried out several reviews of key business processes, and did not detect any significant weaknesses that could have a material impact on Cellnex's 2019 financial information. These reviews were duly reported to the Audit and Control Committee on a timely basis. Furthermore, it put corrective actions in place to resolve other future possible weaknesses.

Likewise, as stated in section F.7.1, the external auditor has issued a report on the procedures agreed regarding the ICFRS description drawn up by Cellnex, which has not highlighted any material issues.

F.5.2 Whether or not there are lines of communication through which the auditor (in accordance with the provisions of the Technical Audit Standards), the internal audit area and other experts can inform senior management and the audit committee or company directors of any significant internal control weaknesses identified during the review of the annual accounts or any others that may have been brought to their attention. Report if there is an action plan in place to correct or mitigate any weaknesses detected.

In general, the procedure for communicating any significant internal control weaknesses identified consists of regular meetings of the various parties involved. In this regard, the Internal Audit function informs the Corporate Development and Finance Division, on a regular basis, of its conclusions on internal control drawn during the reviews of the ICFRS and the internal audit of processes carried out during the year, along with the degree of completion of mitigation action plans.

Relations with external auditors, as described in article 39 of the Cellnex Board of Directors Regulations, are channelled through the Audit and Control Committee. To this effect and to fulfil its duty of supervising the external auditor's actions and receive memoranda on any potential internal controls weaknesses identified during the auditor's work, should there be any, the Audit and Control Committee will periodically meet with the external auditor. These meetings are recorded in the Audit and Control Committee's minutes and are monitored by Internal Audit.

In addition, Cellnex's external auditors have direct contact with the Corporate Development and Finance Division and hold regular meetings both to obtain the information needed to carry out their work and to communicate any weaknesses detected.

F.6 Other significant information

No additional aspects requiring disclosure have been identified.

F.7 External audit report

Please report on:

F.7.1 If the ICFR information submitted to the markets has been subject to review by the external auditor, in which case the entity shall include its report as an attachment.

Cellnex has submitted to the external auditor for review the ICFRS information submitted to the markets for 2019. The scope of the auditor's review procedures is consistent with the Spanish Institute of Certified Auditors Circular E14/2013 of 19 July 2013, which sets out the guidelines and a template for preparing the audit report in relation to the internal control over the financial reporting (ICFR) of listed companies.

G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the degree of the company's compliance with the recommendations of the Good Governance Code of Listed Companies.

Should the company not comply with any of the recommendations or comply only in part, include a detailed explanation of the reasons so that shareholders, investors and the market in general have enough information to assess the company's behaviour. General explanations are not acceptable.

1. **The articles of association of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.**

Complies ☒ Explain☐

2. **When a dominant and a subsidiary company are stock market listed, the two should provide detailed disclosure on:**

   a) The activity they engage in, and any business dealings between them, as well as between the subsidiary and other group companies.

   b) The mechanisms in place to resolve possible conflicts of interest.

Complies ☐Partially complies ☐Explain ☐Not applicable ☒

3. **During the annual general meeting, the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular:**

   a) Changes taking place since the previous annual general meeting.

   b) The specific reasons for the company not following a given Good Governance Code recommendation, and any alternative procedures followed in its stead.

Complies ☒ Partially complies ☐Explain ☐

4. **The company should draw up and implement a policy of communication and contacts with shareholders, institutional investors and proxy advisors that complies in full with market abuse regulations and accords equitable treatment to shareholders in the same position. This policy should be disclosed on the company's website, complete with details of how it has been put into practice and the identities of the relevant interlocutors or those charged with its implementation.**

Complies ☒ Partially complies ☐Explain ☐

5. **The Board of Directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation. When a Board approves the issuance of shares or convertible securities without pre-emptive subscription rights, the company should immediately post a report on its website explaining the exclusion as envisaged in company legislation.**

Complies ☒ Partially complies ☐Explain ☐

6. **Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general meeting, even if their distribution is not obligatory:**

   a) Report on auditor independence.

   b) Reviews of the operation of the audit committee and the nomination and remuneration committee.

   c) Audit committee report on third-party transactions.

   d) Report on corporate social responsibility policy.

Complies ☒ Partially complies ☐Explain ☐

7. **The company should broadcast its general meetings live on the corporate website.**

Complies ☒ Explain☐

8. **The audit committee should strive to ensure that the Board of Directors can present the company's accounts to the general meeting without limitations or qualifications in the auditor's report. In the exceptional case that qualifications exist, both the Chairman of the audit committee and the auditors should give a clear account to shareholders of their scope and content.**

Complies ☒ Partially complies ☐Explain ☐

9. **The company should disclose its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights, and display them permanently on its website.**

   Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

Complies ☒ Partially complies ☐Explain ☐

10. **When an accredited shareholder exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:**

    a) Immediately circulate the supplementary items and new proposals.

    b) Disclose the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the Board of Directors.

    c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the Board of Directors, with particular regard to presumptions or deductions about the direction of votes.

    d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

Complies ☐Partially complies ☐Explain ☐Not applicable ☒

11. **In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.**

Complies ☐Partially complies ☐Explain ☐Not applicable ☒

12. **The Board of Directors should perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.**

    In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

Complies ☒ Partially complies ☐Explain ☐

13. **The Board of Directors should have an optimal size to promote its efficient functioning and maximise participation. The recommended range is accordingly between five and fifteen members.**

Complies ☒ Explain☐

14. **The Board of Directors should approve a Director selection policy that:**

    a) Is concrete and verifiable;

    b) Ensures that appointment or re-election proposals are based on a prior analysis of the board's needs; and

c) Favours a diversity of knowledge, experience and gender.

The results of the prior analysis of board needs should be written up in the nomination committee's explanatory report, to be published when the general meeting is convened that will ratify the appointment and re-election of each Director.

The Director selection policy should pursue the goal of having at least 30% of total board places occupied by women Directors before the year 2020.

The nomination committee should run an annual check on compliance with the Director selection policy and set out its findings in the annual corporate governance report.

Complies ☒ Partially complies ☐Explain ☐

15. Proprietary and independent Directors should constitute an ample majority on the Board of Directors, while the number of executive Directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

Complies ☒ Partially complies ☐Explain ☐

16. The percentage of proprietary Directors out of all non-executive Directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.

This criterion can be relaxed:

a) In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.

b) In companies with a plurality of shareholders represented on the board but not otherwise related.

Complies ☐ Explain ☒

This recommendation establishes that the ratio of proprietary directors to the total number of non-executive directors must be the same as the ratio of the share capital represented by the proprietary directors to total share capital. Currently, Cellnex's proprietary directors make up 36% of the non-executive directors while the shareholder they represent – Connect, S.p.A. – holds 29.9% of total share capital. Nevertheless, it should not be ignored that this recommendation establishes that this criterion may be relaxed in companies in which significant shareholdings are scarce. In Cellnex, apart from Connect S.p.A., there are only 6 significant shareholders (holding stakes of more than 3%) and, in addition, none of them has expressed an interest in serving on the Board.

17. Independent Directors should be at least half of all Board members.

However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30 percent of capital, independent Directors should occupy, at least, a third of Board places.

Complies ☒ Explain☐

18. Companies should post the following Director particulars on their websites, and keep them permanently updated:

a) Professional experience and background;

b) Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.

c) Statement of the Director class to which they belong, in the case of proprietary Directors indicating the shareholder they represent or have links with.

d) Dates of their first appointment as a board member and subsequent re-elections.

e) Shares held in the company, and any options on the same.

Complies ☒ Partially complies ☐Explain ☐

19. **Following verification by the nomination committee, the Annual Corporate Governance Report should disclose the reasons for the appointment of proprietary Directors at the request of shareholders controlling less than 3 percent of capital; and explain any rejection of a formal request for a Board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.**

Complies ☐Partially complies ☐Explain ☐Nor applicable ☒

20. **Proprietary Directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary Directors, the latter's number should be reduced accordingly.**

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

21. **The Board of Directors should not propose the removal of independent Directors before the expiry of their tenure as mandated by the Articles of Association, except where they find just cause, based on a proposal from the nomination committee. In particular, just cause will be presumed when Directors take up new posts or responsibilities that prevent them allocating sufficient time to the work of a board member, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.**

    The removal of independent Directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in Recommendation 16.

Complies ☒ Explain☐

22. **Companies should establish rules obliging Directors to inform the board of any circumstance that might harm the organisation's name or reputation, tendering their resignation as the case may be, with particular mention of any criminal charges brought against them and the progress of any subsequent trial.**

    The moment a Director is indicted or tried for any of the offences stated in company legislation, the Board of Directors should open an investigation and, in light of the particular circumstances, decide whether or not he or she should be called on to resign. The Board should give a reasoned account of all such determinations in the annual corporate governance report.

Complies ☒ Partially complies ☐Explain ☐

23. **Directors should express their clear opposition when they feel a proposal submitted for the board's approval might damage the corporate interest. In particular, independents and other Directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.**

    When the Board makes material or reiterated decisions about which a Director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next Recommendation.

    The terms of this Recommendation also apply to the Secretary of the Board, even if he or she is not a Director.

Complies ☐Partially complies ☐Explain ☐Not applicable ☒

24. **Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all members of the Board. Irrespective of whether such resignation is filed as a significant event, the motive for the same must be explained in the Annual Corporate Governance Report.**

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

25. **The Nomination Committee should ensure that non-executive Directors have sufficient time available to discharge their responsibilities effectively.**

    The Board of Directors regulations should lay down the maximum number of company boards on which Directors can serve.

Complies ☒ Partially complies ☐Explain ☐

26. The Board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each Director may propose the addition of initially unscheduled items.

Complies ☒ Partially complies ☐Explain ☐

27. Director absences should be kept to a strict minimum and quantified in the Annual Corporate Governance Report. In the event of absence, Directors should delegate their powers of representation with the appropriate instructions.

Complies ☐ Partially complies ☒ Explain ☐

Article 26 of the Board of Directors Regulations states that directors must carry out and comply with obligations set out in the company articles of association and with due business diligence, keeping in mind the nature of the roles and the functions assigned to each of them. They also establish that directors must show due dedication and must adopt the necessary measures to ensure good management and control of the Company when carrying out their functions. Therefore absences are kept to the bare minimum and where they cannot be avoided, are reported in the Annual Corporate Governance Report. However, the Board of Directors Regulation does not impose an obligation on the Board of Directors to assign a proxy with instructions in the event of absence because this is not always possible as the proxy may not have been party to prior discussions and debates on the matters put before the Board.

28. When Directors or the Secretary express concerns about some proposal or, in the case of Directors, about the company's performance, and such concerns are not resolved at the meeting, the person expressing them can request that they be recorded in the minute book.

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

29. The company should provide suitable channels for Directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the company's expense.

Complies ☒ Partially complies ☐Explain ☐

30. Regardless of the knowledge Directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.

Complies ☒ Explain ☐Not applicable ☐

31. The agendas of Board meetings should clearly indicate on which points directors must arrive at a decision, so they can study the matter beforehand or gather together the material they need.

For reasons of urgency, the Chairman may wish to present decisions or resolutions for board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, duly drawn up in the minutes, of the majority of directors present.

Complies ☒ Partially complies ☐Explain ☐

32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.

Complies ☒ Partially complies ☐Explain ☐

33. The Chairman, as the person responsible for the efficient functioning of the Board of Directors, in addition to the functions assigned by law and the company's Articles of Association, should prepare and submit to the Board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's Chief Executive Officer; exercise leadership of the Board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review refresher courses for each Director, when circumstances so dictate.

Complies ☒ Partially complies ☐Explain ☐

34. **When a lead independent director has been appointed, the Articles of Association or Regulations of the Board of Directors should grant him or her the following powers over and above those conferred by law: chair the Board of Directors in the absence of the Chairman or Deputy Chairmen; give voice to the concerns of non-executive directors; maintain contact with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the Company's corporate governance; and coordinate the Chairman's succession plan.**

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

35. **The Board Secretary should strive to ensure that the Board's actions and decisions are informed by the governance recommendations of the Good Governance Code of relevance to the company.**

Complies ☒ Explain☐

36. **The Board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct weakness detected in:**

    a) The quality and efficiency of the Board's operation.

    b) The performance and membership of its committees.

    c) The diversity of Board membership and competences.

    d) The performance of the Chairman of the Board of Directors and the company's Chief Executive.

    e) The performance and contribution of individual directors, with particular attention to the chairmen of Board committees.

    The evaluation of Board committees should start from the reports they send the Board of Directors, while that of the Board itself should start from the report of the Appointments Committee.

    Every three years, the Board of Directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the Appointments Committee.

    Any business dealings that the facilitator or members of its corporate group maintain with the company or members of its corporate group should be detailed in the Annual Corporate Governance Report.

    The process followed and areas evaluated should be detailed in the Annual Corporate Governance Report.

Complies ☒ Partially complies ☐Explain ☐

37. **When an executive committee exists, its membership mix by Director class should resemble that of the Board. The Secretary of the Board should also act as Secretary to the Executive Committee.**

Complies ☐Partially complies ☐Explain ☐Not applicable ☒

38. **The Board should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all Board members should receive a copy of the committee's minutes.**

Complies ☐Partially complies ☐Explain ☐Not applicable ☒

39. **All members of the audit committee, particularly its Chairman, should be appointed with regard to their knowledge and experience in accounting, auditing and risk management matters. A majority of committee places should be held by independent Directors.**

Complies ☒ Partially complies ☐Explain ☐

40. **Listed companies should have a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and control systems. This unit should report functionally to the Board's Non-Executive Chairman or the Chairman of the audit committee.**

Complies ☒ Partially complies ☐Explain ☐

41. **The head of the unit handling the internal audit function should present an annual work programme to the audit committee, inform it directly of any incidents arising during its implementation and submit an activities report at the end of each year.**

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

42. The audit committee should have the following functions over and above those legally assigned:

1. With respect to internal control and reporting systems:

a) Monitoring the preparation and integrity of financial information prepared on the company and, where appropriate, the group, checking for compliance with legal provisions, the accurate demarcation of the consolidation perimeter and the correct application of accounting principles.

b) Monitor the independence of the unit handling the internal audit function; propose the selection, appointment, re-election and removal of the head of the internal audit service; propose the service's budget; approve its priorities and work programmes, ensuring that it focuses primarily on the main risks the company is exposed to; receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.

c) Establish and supervise a mechanism whereby staff can report, confidentially and, if appropriate and feasible, anonymously, any significant irregularities that they detect in the course of their duties, in particular financial or accounting irregularities.

2. With respect to the external auditor:

a) Investigate the issues giving rise to the resignation of the external auditor, should this come about.

b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.

c) The company should notify any change of auditor to the CNMV as a significant event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.

d) Ensure that the external auditor has a yearly meeting with the Board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.

e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Complies ☒ Partially complies ☐Explain ☐

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Complies ☒ Partially complies ☐Explain ☐

44. The Audit Committee should be informed of any fundamental changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the Board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

45. Control and risk management policy should specify at least:

a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks), with the inclusion under financial or economic risks of contingent liabilities and other off- balance-sheet risks;

b) The determination of the risk level the company sees as acceptable;

c) Measures in place to mitigate the impact of risk events should they occur;

d) The internal reporting and control systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks.

Complies ☒ Partially complies ☐Explain ☐

46. Companies should establish a risk control and management function in the charge of one of the company's internal department or units and under the direct supervision of the Audit Committee or some other dedicated Board committee. This function should be expressly charged with the following responsibilities:

a) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.

b) Participate actively in the preparation of risk strategies and in key decisions about their management.

c) Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the Board of Directors.

Complies ☒ Partially complies ☐Explain ☐

47. Members of the Appointments and Remuneration Committee - or of the Appointment Committee and Remuneration Committee, if separately constituted - should have the right balance of knowledge, skills and experience for the functions they are called on to perform. The majority of their members should be independent Directors.

Complies ☒ Partially complies ☐Explain ☐

48. Large cap companies should operate separately constituted appointment and remuneration committees.

Complies ☐Explain ☒ Not applicable ☐

For now it is not considered necessary to have an Appointments Committee and a separate Remuneration Committee, as the current Appointments and Remuneration Committee is qualified to analyse both aspects in a unified way. The possibility of dividing the current committee will be analysed depending on how the company evolves.

49. The appointments committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors.

When there are vacancies on the Board, any Director may approach the nomination committee to propose candidates that it might consider suitable.

Complies ☒ Partially complies ☐Explain ☐

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law:

a) Propose to the Board the standard conditions for senior officer contracts.

b) Monitor compliance with the remuneration policy set by the company.

c) Periodically review the remuneration policy for Directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other Directors and senior officers in the company.

d) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.

e) Verify the information on Director and senior officers' pay contained in corporate documents, including the Annual Directors' Remuneration Statement.

Complies ☒ Partially complies ☐Explain ☐

51. The Remuneration Committee should consult with the Chairman and Chief Executive, especially on matters relating to executive Directors and senior officers.

Complies ☒ Partially complies ☐Explain ☐

52. The terms of reference of supervision and control committees should be set out in the Regulations of the Board, and aligned with those applicable to legally mandatory Board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

a) Committees should be formed exclusively by non-executive Directors, with a majority of independents.

b) That their chairmen are independent directors.

c) The board should appoint the members of such committees with regard to the knowledge, skills and experience of its directors and each committee's missions, discuss their proposal sand reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.

d) They may engage external advice, when they feel it necessary for the discharge of their functions.

e) Meeting proceedings should be minuted and a copy made available to all Board members.

Complies ☐Partially complies ☐Explain ☐Not applicable ☒

53. The task of supervising compliance with corporate governance rules, internal codes of conduct and corporate social responsibility policy should be assigned to one Board committee or split between several, which could be the Audit Committee, the Nomination Committee, the Corporate Social Responsibility Committee, where one exists, or a dedicated committee established ad hoc by the Board under its powers of self-organisation, with at the least the following functions:

a) Monitor compliance with the company's internal codes of conduct and corporate governance rules.

b) Oversee the communication and relations strategy with shareholders and investors, including small and medium-sized shareholders.

c) Periodically evaluate the effectiveness of the company's corporate governance system, to confirm that it is fulfilling its mission to promote the corporate interest and catering, as appropriate, to the legitimate interests of remaining stakeholders.

d) Review the company's corporate social responsibility policy, ensuring that it is geared to value creation.

e) Monitor corporate social responsibility strategy and practices and assess compliance in their respect.

f) Monitor and evaluate the company's interaction with its stakeholder groups.

g) Evaluate all aspects of the non-financial risks the company is exposed to, including operational, technological, legal, social, environmental, political and reputational risks.

h) Coordinate non-financial and diversity reporting processes in accordance with applicable legislation and international benchmarks.

Complies ☒ Partially complies ☐Explain ☐

54. The corporate social responsibility policy should state the principles or commitments that the company will voluntarily adhere to in its dealings with stakeholder groups, specifying at least:

a) The goals of its corporate social responsibility policy and the support instruments to be deployed.

b) The corporate strategy with regard to sustainability, the environment and social issues.

c) Specific practices in matters related to the following: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conducts.

d) The methods or systems for monitoring the results of the practices referred to above, and identifying and managing related risks.

e) The mechanisms for supervising non-financial risk, ethics and business conduct.

f) Channels for stakeholder communication, participation and dialogue.

g) Responsible communication practices that prevent the manipulation of information and protect the company's honour and integrity.

Complies ☒ Partially complies ☐Explain ☐

55. The company should report on corporate social responsibility developments in its Directors' report or in a separate document, using an internationally accepted methodology.

Complies ☒ Partially complies ☐Explain ☐

56. Director remuneration should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive Directors.

Complies ☒ Explain☐

57. Variable remuneration linked to the company and the Director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans should be confined to executive Directors.

The company may consider the share-based remuneration of non-executive Directors provided they retain such shares until the end of their mandate. The above condition will not apply to any shares that the Director must dispose of to defray costs related to their acquisition.

Complies ☒ Partially complies ☐Explain ☐

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

In particular, variable remuneration items should meet the following conditions:

a) Be subject to predetermined and measurable performance criteria that factor the risk assumed to obtain a given outcome.

b) Promote the long-term sustainability of the company and include non-financial criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies.

c) Be focused on achieving a balance between the delivery of short, medium and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

59. A major part of variable remuneration components should be deferred for a long enough period to ensure that predetermined performance criteria have effectively been met.

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

60. In the case of remuneration linked to company earnings, deductions should be computed for any qualifications stated in the external auditor's report.

Complies ☐Partially complies ☐Explain ☐Not applicable ☒

61. A major part of executive Directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

62. Following the award of shares, share options or other rights on shares derived from the remuneration system, directors should not be allowed to transfer a number of shares equivalent to twice their annual fixed remuneration, or to exercise the share options or other rights on shares for at least three years after their award.

The above condition will not apply to any shares that the Director must dispose of to defray costs related to their acquisition.

Complies ☐ Partially complies ☐ Explain ☒ Not applicable ☐

The Company does not comply with this recommendation because it imposes certain restrictions, although these are not exactly the same as those stipulated in the recommendation. Specifically, the CEO is obliged to retain all the shares allocated to him under the long-term variable remuneration schemes (known as ILP 2017-2019 and the ILP 2018-2020) for at least two years from the date they are received. The Company believes two years is a sufficiently long period to garner the loyalty of key staff and also avoid merely speculative conduct involving the immediate sale of shares received. Further, during the latest approved rounds of the long-term variable remuneration scheme, the criterion was modified and instead of imposing a lock-in period for shares received, the CEO is now required to always hold a certain amount of shares; specifically, an amount with a value equivalent to a year of his basic salary for ILP 2017-2019 and two years of his basic salary for ILP 2020-2022.

63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the Director's actual performance or based on data subsequently found to be misstated.

Complies ☒Partially complies ☐Explain ☐Not applicable ☐

64. Termination payments should not exceed a fixed amount equivalent to two years of the Director's total annual remuneration and should not be paid until the company confirms that he or she has met the predetermined performance criteria.

Complies ☐Partially complies ☐Explain ☒ Not applicable ☐

The Company does not fully comply with the recommendation because, although the indemnity payment the CEO is entitled to receive equates to two years of his annual remuneration, there is also a post-contractual non-compete agreement with the CEO providing him with monetary compensation for such a restriction equivalent to a year of his fixed remuneration. If the CEO breaches his non-compete obligation, he must return the sum received and pay an additional consideration equivalent to another year of his fixed remuneration.

H OTHER INFORMATION OF INTEREST

1. If you consider that there is any material aspect or principle relating to the Corporate Governance practices followed by your company that has not been addressed in this report and which is necessary to provide a more comprehensive view of the corporate governance structure and practices at the company or group, explain briefly.
2. You may include in this section any other information, clarification or observation related to the above sections of this report that is relevant and not repeated.

   Specifically indicate whether the company is subject to corporate governance legislation from a country other than Spain and, if so, include the compulsory information to be provided when different from that required by this report.
3. Also state whether the company voluntarily subscribes to other international, sectorial or other ethical principles or standard practices. If applicable, identify the Code and date of adoption. In particular, indicate whether the company adheres to the Code of Best Tax Practices of 20 July 2010.

Cellnex's participation in Sustainability Indices and initiatives

CDP (formerly Carbon Disclosure Projects)

Once again Cellnex tooks 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.
This year Cellnex was rated the “A” score, the highest score allocated by the CDP. Only 12% of the more than 8,400 companies and organisations analysed worldwide – 178 in total – are part of the “A List”. Seven of the 90 Spanish companies analysed obtain the highest score allocated by the CDP.

Cellnex’s score has risen from ‘B’ to ‘A’ in recognition of its implementation of best practices in the fight against climate change in 2019, above all relating to Corporate Governance, the impact of its activity and financial planning, environmental risk management and the calculation and verification of emissions.

Furthermore, CDP has designated Cellnex Telecom as a global "Supplier Engagement Leader". Only 160 companies globally, barely 3% of a sample of more than 4,800, have this distinction. CDP recognises the company's strategy to reduce pollutant emissions and climate management throughout its supply chain.

United Nations Global Compact

In November 2015 Cellnex Telecom 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. 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 Corporate Responsibility (CR) programme.

FTSE4Good

Cellnex was added to the FTSE4Good sustainability index, which recognises the good practices of listed companies in the environmental, social and corporate governance fields. This year, Cellnex total score is 50% higher compared to the sector average, up to 4,4 points out of 5. The company obtains the maximum score in the Governance Themes and in the Climate Change theme (5/5).

Standard Ethics

Cellnex has taken part in the Standard Ethics sustainability index since 2017, obtaining this year an “EE-“, the same rate as last year, which is equivalent to an adequate level for good compliance in governance, sustainability and social responsibility.

Sustainalytics

For the third year running, Cellnex was evaluated by Sustainalytics, an environmental, social and corporate governance (ESG) research and rating company for investors worldwide. This year its average score was 70 points, up from 67 in 2018 and taking the company to 23th position (out of 96) from 29th the previous year. Cellnex scores average for the sector on social and environmental matters but holds a leading position when it comes to governance.

Dow Jones Sustainability Index

In 2017, Cellnex participated in the DJSI index for the first time and achieved good results, ranking above the industry average in the three dimensions evaluated: economic, environmental and social.

This year Cellnex was again invited to participate in the Dow Jones Sustainability Index, as one of the few telecommunications operators worldwide. In 2019, the total score of Cellnex improved its total score by 5%, taking it to 60 points. More specifically, in the environmental dimension (+13) and social (+5) its score was improved. With slightly lower economic score (-1) than in 2018, Cellnex will strive to continue working on all areas.

MSCI Europe index

Cellnex have been added to the MSCI Europe index, following the May 2019 semi-annual index review. Cellnex was previously a constituent of MSCI Europe Small Cap Index. The announcement follows the company's recent acquisition of 10,700 sites in France, Italy and Switzerland in line with its strategic expansion into Central and Western European markets. The company also recently delivered strong Q1 results and a successful share capital increase of €1.2billion in March 2019. MSCI is a leading provider of research-based indexes and analytics, and the MSCI index is of interest to several passive funds.

Social contribution

Cellnex works with non-governmental organisations through corporate volunteering actions, donations and joint development of projects. In 2019, Cellnex Spain launched the Programme of social projects and volunteerism, a platform that includes all projects aimed at contributing to the construction of a fairer society.

Likewise, other countries such as Netherlands or Italy have developed social contribution projects. Cellnex Netherlands implemented an initiative "Media parks of broadcasting", project in which tickets were offered for 5 euros for students to go to visit the towers in a student day. Cellnex Italy collaborated with different foundations which help children affected by diseases and health institutions in addition to participating in humanitarian actions. Also, in Ireland Cignal was the main sponsor of the Cancer Fund for Children Charity ball at The Shelbourne Hotel in aid of Daisy Lodge.
Programme of social projects and volunteerism

In Cellnex we have an important group of volunteers who contribute their ideas, skills, knowledge and time for the development of solidarity projects. This year, we wanted to go one step further, creating a platform in which, in addition to recognizing the work of these volunteers, a greater corporate volunteer activity is promoted and Cellnex is positioned as a socially responsible company, increasing our social contribution.

Through the program, the purpose of Cellnex's social action has been defined and the company's social action and volunteer projects have been strategically planned for 3years. It will also serve as a platform for the future creation of the Cellnex Foundation.

The Cellnex program of social projects and volunteering was born with the purpose of improving our social environment by promoting the development of young people in vulnerable situations through education and their incorporation into the world of work, promoting innovation and technology.

The first project we have launched called "Cellnex Youth Challenge" is an educational and on-the-job training project in which Cellnex and its employees are closely linked to the Institut La Mercè, offering support to FP telecommunications students through motivation, mentoring, transmission of knowledge, experience and employability.

The initiative is aimed at several courses of the centre. The program covers all students of the line of professional training in telecommunications, being a total of 67 young people beneficiaries of this initiative, in this first course.

The main objective of the project is to reduce the school drop-out rate and promote youth employment, but it also has several secondary objectives that are worked on transversally. These include the empowerment of students, the use of their skills to undertake projects and the involvement of company volunteers and teachers to motivate students on their way to training and employment. This year 64 volunteers participated in the initiative.

On the other hand, during the month of December we launched a solidarity campaign in which we collected food, toys, books and economic contributions at national level for children and teenagers who need them. As in previous years, in Barcelona there will be collaboration with the Juvanteny Foundation and in Madrid with the Madrina Foundation. Thanks to the contributions of the employees, we have obtained a total of 755 kg of food, 847 Euros in economic contributions and two whole vans of toys.

Donations

Once again, this year Cellnex continued to collaborate with non-governmental organisations through its specific budget allocation for Christmas gifts. The Group's 2019 corporate donation was given to Unicef. The collaboration with Unicef in the project “For me and for all my companions” in favour of equality and against discrimination and gender violence is framed in the Group's Diversity and Inclusion Plan. Specifically, the project focuses on those girls and women who suffer exclusion in areas such as education, health, political participation and economic opportunities.

Also, in Cellnex Ireland sponsored a Masquerade Ball event. This year it will provide 70 families from Ireland with a therapeutic short break in Daisy Lodge. The need for therapeutic short breaks is overwhelming. Therefore, the aim of the organization is to build Daisy Lodge, a new therapeutic short break facility for children diagnosed with cancer and their families.

Contribution to initiatives

For years Cellnex has shown its commitment to society by joining and organising numerous Corporate Responsibility initiatives. Below are the most important initiatives of 2019.

Seres Foundation

The company worked 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 pledging to work with the Seres Foundation, disseminate their joint work, share knowledge on good practices in social matters, and attend meetings with partners and other social entities. In 2019, Cellnex donated € 6,000.

AMPANS

Cellnex contributes to the AMPANS foundation by buying the company's Christmas gift hampers from them. The AMPANS Foundation promotes education, quality of life and employment for people with an intellectual disability, mental illness and other groups at risk of exclusion, by creating and managing centres, services, programmes, support and business activities that pursue excellence.

WWF Earth Hour 2019

For the third year running, Cellnex joined the WWF 2019 Earth Hour campaign and turned the lights off in the offices of Cellnex in Barcelona, Rome, Milan, Paris, Zurich, Reeuwikj and Zmolle (Netherlands) and Woking (UK) from 8.30pm to 9.30pm on 30 March. In doing so Cellnex hopes to show its concern about the effects that climate change is having on the planet's people, nature and economy, in addition to its public commitment to reduce CO_2 emissions. In 2019, Cellnex donated € 500.

Installation of forest water connections

Since 2008, Cellnex has been investing in forest water connections at its centres for firefighters to use in the event of an emergency. To date Cellnex has installed water connections in 23 of its centres in Spain, with a total investment of € 153,425 (€ 6,973.86 per connection).

Barcelona Climate Plan

Participation in co-producing the Barcelona Climate Plan with Barcelona City Council, which sets down all ongoing and planned actions related to climate change in the city. Cellnex draws up proposals within the company and takes part in the debate on the proposals submitted by all participants.

TV3 Telethon

Cellnex has been taking part in the TV3 Telethon for more than 10 years. The Telethon Foundation aims to foster and promote biomedical research into and social awareness of diseases for which no cure has been found. In 2019, Cellnex donated € 9,000. The money raised is used to research new methods of prevention, diagnosis and treatment for minority diseases.

Collaboration with the BEST Foundation

Cellnex made a commitment to the Barcelona Engineering and Economic Studies project this year as a sponsor company of the BEST Foundation. This new inter-university degree offered by the Polytechnic University of Catalonia (UPC), Pompeu Fabra University (UPF), Barcelona Global, and FemCat aims to train highly skilled engineers to address the challenges of a continuously changing society and equip professionals who are interested in business leadership. Cellnex will sponsor two students in a four-year commitment with an annual contribution of € 10,000 each.

IESE

Cellnex has been an IESE sponsor company since 2017 and is involved in various projects run by the Public Sector-Private Sector Centre of the Business School. In 2019, Cellnex will sponsor with a contribution of € 35,000.

Fundació Portolà

In 2019 Cellnex collaborated with Portalà Foundation, an organisation with a history of almost 30 years supporting the social and labour integration of people with intellectual disabilities. 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.

Social projects

Third Social Sector Board

As part of the m4Social Project, Cellnex Telecom signed a collaboration agreement in December 2017 with the Third Social Sector Board to carry out a social housing project involving the use of sensorisation and connectivity technologies linked to the Internet of Things (IoT). In 2019, the number of social housing units equipped with various sensors making it possible to collect and monitor data related to energy efficiency, temperature, humidity and CO2 levels, among other indicators, will rise to 50, thereby helping these social entities to better monitor and protect these “connected” homes. This data is stored on an IoT platform that Cellnex provides which allows the housing authorities to anticipate abnormal situations or risks, optimise resource use, and make decisions on possible actions according to the parameters obtained. It also enables them to learn a new management methodology, which in addition optimises and renders their operations more efficient.

Casa Bloc Project

This year Cellnex started the steps to collaborate in the execution of the Llar Casa Bloc Project promoted by HÀBITAT3. This organization is a social housing manager promoted by the Third Social Sector of Catalonia with the aim of ensuring that all of society, especially the most vulnerable groups, have decent housing.

Llar Casa Bloc Project aims to remodel the former residence of the Casa Bloc to create 17 homes that will host people in vulnerable situations in the city of Barcelona. Cellnex's collaboration is focused on the installation of the necessary elements for an integral management of the houses' consumption and to provide them with the WIFI communication infrastructure.

EXPLANATORY NOTE ON SECTION C.1.16:

Art. 18. Appointment of Directors.

1. Directors will be appointed by the General Shareholders’ Meeting or by the Board of Directors, in accordance with the provisions set out in Royal Decree 1/2010 of 2 July approving the recast text of the Spanish Limited Liability Companies Act or legal text replacing it.

2. The nominations for Directors submitted to the Board of Directors for deliberation at the General Meeting and the appointment decisions that the Board adopts in virtue of the powers of co-option legally vested in it, must be preceded by the corresponding proposal by the Appointments and Remuneration Committee when in relation to independent directors, and by a report in the case of all other directors.

Art. 19. Appointment of external directors.

The Board of Directors and the Appointments and Remuneration Committee, within the scope of their remits, will ensure that the candidates selected are persons of recognised standing, competence and experience, and shall be particularly rigorous with respect to those called on to be independent directors provided for in article 5 of these Regulations and under the terms of the applicable good governance standards.

Art. 20. Term of office.

1. Directors shall hold office for the term provided for in the corporate articles of association, and may be re-elected once or more times for this same term.

2. Directors appointed by co-option shall hold their positions until the date of the first General Meeting. If a vacancy occurs once the General Meeting has been convened and before it is held, the Board of Directors may appoint a director until the next General Meeting is held. Moreover, the director appointed by co-option by the Board does not necessarily have to be a shareholder in the company.

When, following an Appointments and Remuneration Committee report, the Board of Directors considers that the interests of the Company are in jeopardy, the director whose term of office has ended or who for any other reason ceases to hold office, may not work in any other company that has a similar corporate purpose to the Company and which is considered by the Board to be a competitor, for the period determined by the Board, which in no case will be greater than two (2) years.

Art. 21. Removal of directors.

1. Directors shall resign from their positions when they have completed the period for which they were appointed and when decided on by the General Meeting under the powers legally or statutorily vested therein.

2. Directors must tender their resignation to the Board and, if the Board of Directors considers it appropriate, formally resign in the following cases:

a) When they cease to hold the executive positions with which their appointment as Director was associated. Independent directors: when they complete twelve (12) years in the position;

b) When they find themselves in a situation of conflict of interests or a prohibited situation as provided for by law;

c) When they are prosecuted for an alleged criminal act or are subject to disciplinary proceedings for serious or very serious misconduct instituted by the supervisory authorities;

d) When their continued presence on the Board may jeopardise the Company's interests or when the reasons for which they were appointed cease to exist. The above circumstance shall be deemed to occur in the case of proprietary directors when the total shareholding they own or whose interests they represent is disposed of or when the reduction of such shareholding requires a reduction in the number of relevant proprietary directors.

3. Executive directors must tender their resignation to the Board once they have reached the age of 70, and the Board must decide whether they may continue to perform their executive or delegated functions or remain simply as a director.

4. Whenever, due to resignation or any other reason, Directors leave their position

before the completion of their mandate, an explanation must be given of the reasons for this decision in a letter addressed to all members of the Board of Directors. Without prejudice to the timely communication of the cessation as a material event, the Board will give account of the cessation in the Annual Corporate Governance Report.

5. The Board of Directors may only propose the cessation of an independent director before the end of the statutory period when there is just cause, as appreciated by the Board following a report by the Appointments and Remuneration Committee.

In particular, just cause will be deemed to exist when the director goes on to hold new offices or undertakes new duties that prevent him or her from devoting the necessary time to the tasks inherent in the role of director, fails to perform the duties inherent to his or her office or is involved in any of the circumstances that might cause him or her to lose his or her status of independent director, in accordance with the provisions of the applicable legislation. Said removal from a post may also be proposed as a result of a public tender offer, merger, or other similar operation implying a change in the share structure of the Company, provided that such changes in the structure of the Board of Directors are required by virtue of the proportionate representation criteria.

Furthermore, a Director Selection Policy was approved in 2016 stating that, in accordance with the provisions of the Limited Liability Companies Act, the Appointments and Remuneration Committee is responsible for proposing the nomination or re-election of members of the Board of Directors in the case of independent directors, with the Board itself being responsible for proposing nomination or re-election in all other cases. Proposals for appointment or reappointment must be presented together with a report from the Board justifying the choice by means of an assessment of the proposed candidate's competence, experience and merits. Furthermore, proposals for the appointment or reappointment of non-independent board members should be preceded by a report from the Appointments and Remuneration Committee.

Selection of the candidates for director shall be based on a preliminary analysis of the necessities of the company, which must be carried out by the Board of Directors with advice and a report from the Appointments and Remuneration Committee. The objective is to incorporate different professional and management experiences and competences, as well as to promote the diversity of knowledge, experiences and gender, considering the weight of the various activities carried out by Cellnex and taking into account any areas or sectors that should be specifically promoted.

Any board member may request that the Appointments and Remuneration Committee takes into consideration a potential candidates to cover directorship vacancies, in the event that the Committee finds them suitable in its opinion.

Additionally, the Selection Policy regulates the process and conditions that candidates must meet.

EXPLANATORY NOTE ON SECTION C.2.1 – AUDIT AND CONTROL COMMITTEE

a) Responsibilities

The rules of organization and operation of the Committee are described in the applicable legislation, the Company's by-laws and in the Company's Board of Directors' Regulation and, without prejudice to the other tasks assigned to the Committee by the applicable legislation, the Board of Directors or the regulations governing the auditing of accounts, the Committee will have at least the following responsibilities:

a) To inform the General Shareholders' Meeting on questions arising in relation to those matters which fall within the competence of the Committee.

b) To propose to the Board of Directors, for submission to the General Shareholders' Meeting, proposals for the selection, appointment, re-election and replacement of the external auditor or external auditing company, their contract conditions, the scope of their professional mandate and, where appropriate, their revocation or non-renovation, all pursuant to the current regulations, as well as to regularly gather from the same information on the audit plan and the implementation thereof, and to safeguard their independence in the exercise of their duties.

c) To monitor the process of preparing and presenting the mandatory financial information as well as the integrity thereof.

d) To establish the appropriate relations with the external auditor or external auditing company in order to receive information on issues which may prejudice their independence, to be studied by the Committee, and any other information related to the auditing of the accounts, as well as any other notifications envisaged in the legislation and regulations concerning the auditing of accounts. In all cases, the Committee must receive on an annual basis from the external auditor or external auditing company written confirmation of their independence from the Company or any organisations directly or indirectly related thereto, in addition to information regarding any additional services of any kind provided to said organisations and the corresponding fees received therefrom by the external auditor or external auditing company, or by persons or organisations related thereto in accordance with the provisions established in the legislation applicable to the auditing of accounts.

e) In the event of resignation of the external auditor or external auditing company, to examine the circumstances that gave rise to such resignation.

f) To ensure that the remuneration of the external auditor or external auditing company for its work does not compromise the quality or independence thereof.

g) To oversee that the Company communicates the change of auditor as a relevant event and accompany such, where appropriate, with a declaration on the possible existence of disagreements with the outgoing auditor and of the contents thereof.

h) To ensure that the external auditor or external auditing meets annually with the Board of Directors at a plenary session to inform as to the work carried out and the evolution of the Company's accounting situation and risks.

i) To ensure that the Company and the external auditor or external auditing company comply with the standards in force on the provision of services other than auditing, the limits to the concentration of the auditor's business and the other standards governing auditor independence.

j) To issue, on an annual basis, prior to the issue of the Audit Report, a report expressing an opinion on the independence of the external auditor or external auditing company This report must contain, in all cases, an evaluation of the provision of the additional services other than the ones related to the legal audit referred to in the previous paragraph, considered individually and as a whole, and in connection with their independent status or with the governing regulations of the audit.

k) To inform the Board of Directors in advance on all matters provided for by the Law, the Company's by-laws and the Company's Board of Directors' Regulation and, in particular, on the financial information that the Company must publish periodically, on the creation or acquisition of holdings in entities with a special purpose or domiciled in countries or territories considered as being tax havens and on operations with associated parties.

l) To supervise compliance with the internal protocol for relationships between the majority shareholder and the Company and the companies of their respective groups, as well as to conduct any other actions established in the protocol itself for optimal compliance with the aforesaid duty of supervision.

m) To provide information in relation to the transactions that involve or could involve conflicts of interest, and in general, on the matters considered in Chapter IX of the Company’s Board of Directors’ Regulation.

n) To inform on operations of structural and corporate modifications which the Company plans to conduct, the economic conditions and the accounting impact thereof and, in particular, on the exchange ratio, where applicable.

o) To monitor the effectiveness of the Company's internal control, the internal audit services, verifying the suitability and integrity thereof and to review the appointment and replacement of those persons responsible for the same, to supervise the suitable security and control measures for preventing the commission of criminal offences, the risk management systems, including fiscal risks, the systems for managing compliance with all applicable regulations, as well as to discuss with the external auditor or external auditing company any significant weaknesses detected in the internal control system while conducting the audit.

p) To supervise a mechanism which allows employees to confidentially report potentially relevant irregularities detected inside the Company, especially those regarding finance and accounting, as well as those which may constitute a criminal responsibility for the Company.

The above responsibilities are stated by way of example, without prejudice to any others that may be conferred upon the Committee by the applicable legislation, the Board of Directors or which may be attributed thereto by the regulations governing the auditing of accounts.

b) Operation

The applicable legislation, the Company’s by-laws and the Company’s Board of Directors’ Regulation shall define the skills of the Committee and its scheme of organization and operation.
The Board of Directors shall determine who will hold the position of Chairman of the Committee from among the independent directors of the Committee, who will be replaced every four years, being able to be re-elected once a period of one year has elapsed since his/her resignation. The Committee itself will appoint a Secretary and may also appoint a Vice-Secretary, neither needing to be members thereof.
The Committee will meet as many times as necessary for the execution of its functions and will be convened by its Chairman, either on his/her own initiative or at the request of the Chairman of the Board of Directors or of two members of the Committee itself.
The Committee will be validly constituted when the majority of its members attend the meeting, either present or represented. The resolutions will be adopted by a majority vote among those in attendance, present or represented.
Any member of the Company’s management team or of the Company’s personnel may be obliged to attend the Committee’s sessions and to provide assistance to the Committee members and access to the information s/he has available, if so requested. The Committee can also request that the Company’s external auditor or external auditing company attend its sessions.

1. Activities

During 2019, the Committee held ten meetings and carried out the activities listed below. The Committee has been fully updated by the management team on the topics of its competence (during the formal meetings, by means of other informal meetings or by correspondence and conference calls) and has been provided with the relevant supporting documentation.

a) Review of financial information

- <u>2018 financial statements</u>:

  - On 20 February, the Committee reviewed the December 2018 results, the 2018 Consolidated Financial Statements and the 2018 Integrated Annual Report, including the external Auditors' Report, with the finance team and the external auditors who presented the main aspects and their conclusions. The Committee provided a favourable recommendation to the Board of Directors to approve (i) the 2018 Integrated Annual Report and the 2018 Financial Statements (including the Management Report and the Annual Corporate Governance Report) and (ii) the application of the 2018 results.

- <u>2019 financial statements and 2020 budget</u>:

  - On 2 May, the Committee reviewed the financial results for the first quarter of the year. This information was discussed with the members of the management team responsible for their preparation who presented the main aspects and their conclusions.

  - On 24 July, the Committee reviewed the half-yearly financial statements and the relevant external Auditors' Report. This information was discussed with the members of the management team responsible for their preparation and with the external auditors who presented the main aspects and their conclusions. The Committee provided a favourable recommendation to the Board of Directors to approve these interim financial statements that have been audited.

  - On 25 September, the Committee reviewed the August 2019 results and a first draft of the 2020 budget with the finance team who presented the main aspects and its conclusions.

  - On 29 October, the Committee reviewed the financial results for the third quarter of the year. This information was discussed with the members of the management team responsible for their preparation who presented the main aspects and their conclusions.

  - On 29 October, the Committee reviewed the 2019 forecast and the 2020 budget with the finance team who presented the main aspects and its conclusions. The Committee approved unanimously the 2020 budget.

b) External auditors

- On 20 February, the external auditors attended the Committee to review the 2018 Consolidated Financial Statements (including the Management Report and the Annual Corporate Governance Report) and the 2018 Integrated Annual Report, including the external Auditors' Report, and presented the main aspects and their conclusions.

- On 24 July, the external auditors attended the Committee to present the report of the 2019 half-yearly financial statements.

c) Corporate Governance

- On 20 February, the Committee reviewed the three reports for year 2018 to be approved by the Committee in connection with the Annual Accounts, the Management Report and the Annual Corporate Governance Report, namely: (i) the Report on the Functions and Activities of the Committee in 2018; (ii) the Report on Related Party Transactions; and (iii) the Report on the Independence of the Auditor. The Committee approved unanimously these reports.

d) Capital markets

- On 7 January (meeting held by call), and following the discussions of the previous Committee meeting held in December 2018, the finance team presented to the Committee the proposed terms for the execution of a tap issue of the Company's convertible bond given market conditions. The Committee provided a favourable recommendation to the Board of Directors to approve the tap issue of the existing convertible bond on the terms agreed and for an amount of up to €200 million.

- On 20 February, the Secretary of the Committee together with the finance team provided the Committee with an overview of the work undertaken internally in order to understand the key areas of risk and the potential impacts of a hard Brexit within the Company's group. They briefly summarized the main risks for each of such areas and the Company's assessment for each of them. It was noted that the Company has worked on this assessment with external advisors who are experts on this topic.

- On 20 February, 8 May, 20 June, 24 July, 25 September, 29 October and 19 December, the Corporate Finance Director, together with the CFO, provided to the meeting a capital markets and financing update (including the liquidity and bond market assessment).

- On 8 May, the Committee discussed the renewal of the European Medium Term Note (**EMTN**) and the multi-currency European Commercial Paper (**ECP**). The finance team presented the main aspects and its conclusions. The Committee provided a favourable recommendation to the Board of Directors to authorize:

    - (i) the increase of the limit of the EMTN programme to €5,000 million; and (ii) the execution of all the documents necessary to: (a) give effect to the renewal of the EMTN programme until 2020; and (b) implement the increase of its limit; and

    - (i) drawdowns under the ECP programme for an amount up to the equivalent of €150 million in pounds (GBP) and Swiss Francs (CHF); and (ii) the execution of all the documents necessary to: (a) give effect to the renewal of the ECP programme in Euros, GBP and CHF until 2020; and (b) carry out the relevant drawdowns under the same.

- On 8 May, the Committee reviewed with the Corporate Finance Director and the CFO the treasury shares position and the authorizations in place for the acquisition of treasury shares and analysed the future needs in this regard. The Committee provided a favourable recommendation to the Board of Directors to authorize the acquisition of treasury shares in order to, among other reasons, meet the commitments of delivery of shares assumed by the Company under the MBO and the LTIP provided that such acquisitions: (i) are made under the best possible market conditions; and (ii) comply with the General Shareholders' Meeting and Board authorizations.

- On 20 June, the Committee discussed the issuance of a new convertible bond. The finance team presented the main aspects, characteristics and its conclusions. The Committee provided a favourable recommendation to the Board of Directors to approve the issuance of a convertible bond on the terms agreed and for an amount of at least €600 million and up to €850 million. The finance team kept the Committee fully updated on the best execution strategy and the progress of this issuance.

- On 29 October, the finance team presented to the Committee an update after the execution of the Company's October capital increase focusing mainly on investors and market feedback and on relevant financial aspects.

- On 19 December, the Corporate Finance Director, together with the CFO, proposed to the meeting the implementation of a liquidity management plan. They explained its main aspects and key considerations and presented their conclusions. The Committee approved unanimously the implementation of a liquidity management plan on the terms agreed.

- On 19 December, the Corporate Finance Director, together with the CFO, presented to the Committee two proposals of straight bond issuances in order to optimize the Company's financial structure and free bank capacity. They explained the main aspects and key considerations and noted their conclusions on each of the proposals. The Committee provided a favourable recommendation to the Board of Directors to:

    - Approve, under the EMTN programme, (i) the issuance of simple bonds of the Company in Swiss Francs (CHF) for an amount of up to CHF 500 million on the terms agreed and (ii) the issuance of simple bonds of the Company in pounds (GBP) for an amount of up to GBP 400 million or the issuance of simple bonds of the Company in Euros (EUR) for an amount of up to the equivalent of GBP 400 million together with the execution of the derivative instruments necessary on the terms agreed; and

    - Authorize the execution of all necessary transaction documents in relation to these issuances.

e) Capital structure

- On 20 February, 2 May, 8 May, 20 June, 24 July, 25 September and 29 October, the Head of Corporate Business & Finance Planning and the Corporate Finance Director, together with the CFO, attended the Committee to:

    - Provide an update on the current situation with rating agencies (including MSA and IFRS 16 updates) and the different aspects affecting the Company's credit rating;

    - Review the M&A projects pipeline and the Company's financial firepower to execute said pipeline; and

    - Provide a capital structure assessment, including financing considerations, details on the financial and debt structure of the Company and its group and strategic and key considerations and all the information necessary regarding the March and October Company's capital increases.

- On 20 February and 24 July, external financial advisors attended the Committee to present their views and strategic and key considerations on the debt and equity markets and the Company's capital structure (including the Company's March capital increase). They confirmed their agreement with the Company's proposed strategy and provided a favourable recommendation to go ahead with the Company's March capital increase.

- On 2 May, external financial advisors attended the Committee to present their views on some of the M&A projects in the Company's pipeline. They confirmed that their internal committees have approved the transactions and provided a favourable recommendation to execute them.

- On 25 September, a Spanish law firm and external financial advisors attended the Committee to present their views and strategic and key considerations on the Company's October capital increase. They explained the strong rationale for the Company to pursue the rights issue on the terms described and provided a favourable recommendation to go ahead with such capital increase.

f) Tax

- On 20 February, 25 September and 19 December, the Head of Corporate Tax, together with PwC, presented to the Committee an update of the tax audit process. PwC explained that the Company is well prepared for the audit and that the process is following the normal path. PwC also noted that the relationship with the tax authorities is positive.

- On 20 February, the Head of Corporate Tax provided an update to the Committee on the potential up-stream merger of Galata into Cellnex Italia. The reasons for the delay of this transaction were noted.

- On 25 September, the Head of Corporate Tax, together with PwC, provided the Committee with an update on (i) the development and implementation of the Tax Control Framework and (ii) the Company's position on the Code of Good Tax Practices. It was noted by PwC that the Company is diligent and applies fair tax criteria and the law with business judgment. It was also noted that the Company is working closely with expert advisers and in accordance with law and best practice.

g) Other information

- <u>IFRS 16</u>: The finance team has kept the Committee updated on the main aspects of this topic during all the year.

- <u>Cybersecurity</u>: On 20 February, the Global Operations Director presented this topic to the Committee explaining the milestones achieved in the Company and the next steps envisaged for the Company and its group to be fully protected, among others, the development of a New Strategic Global Security Plan.

- <u>Internal Audit Manager assessment</u>: On 20 February, the Committee discussed this topic. The Secretary of the Committee explained the performance aspects to be assessed and the procedure and metrics to do so. The Committee agreed unanimously to provide him a positive assessment.

- <u>Non-audit services</u>:

- On 26 February (by correspondence), the Committee approved unanimously Deloitte's fees in relation to the Company's March capital increase. The scope of work undertaken as well as the details of the fees and the key justifications regarding the level of fees were explained to the Committee.

- On 25 September, the Committee approved unanimously Deloitte's fees in relation to the Company's October capital increase. The scope of work undertaken as well as the details of the fees and the key justifications regarding the level of fees were explained to the Committee.

- Re-appointment of auditor: On 4 April, the Head of Corporate Accounting Policy, together with the CFO, proposed to the Committee the re-appointment of the Company's group external auditors for one financial year. After due consideration, the Committee provided a favourable recommendation to the Board of Directors, for its submission to the General Shareholders' Meeting, for the re-appointment of the external auditors of the Company's group for one financial year.

- Corporate matters:

  - Cellnex Portugal:

    1) On 4 April, the Secretary of the Committee explained to its members that due to the execution of a new project in Portugal and, for the purposes of providing the services under the relevant contracts in said country, the Company will need to set up a Portuguese subsidiary (Cellnex Portugal). The Committee approved unanimously the incorporation of this subsidiary.

    2) On 8 May, the CFO in Spain updated the Committee on the status of this project in Portugal and noted its main terms and figures, structure considerations and strategic rationale.

  - Capital increases: On 24 July, the Secretary of the Committee informed its members about the main corporate transactions to be carried out, that is, (i) a capital increase in Cellnex España; and (ii) a capital increase in Cellnex France Groupe in the context of a whole restructuring process to rationalize the corporate structure. The Committee approved unanimously both transactions.

- Investor relations update: On 24 July, 25 September and 29 October, the Investor Relations Director, together with the CFO, provided to the Committee an update on this topic, focusing mainly on the share price performance, the relation with investors and analysts and the status of short positions.

- Put option: On 25 September and 29 October, the CFO and the Corporate Finance Director provided to the Committee an update on the Deutsche Telekom Capital Partners put option.

- Hedging strategy: On 25 September, the Corporate Finance Director explained to the Committee the hedging strategies available to hedge the FX risk for UK projects and presented his conclusions in this regard.

- Appointment of Secretary: On 29 October, the Committee agreed unanimously to appoint Ms. Virginia Navarro as its Secretary.

- Goodwill accounting: On 29 October, the Head of Corporate Accounting Policy presented the topic to the Committee, summarizing the current situation under IFRS 3 and explaining the International Accounting Standards Board review of IFRS 3. He noted the management views on this topic.

- Audit tender: On 19 December, the Head of Corporate Accounting Policy presented to the Committee the audit tender for the next financial years and explained the main aspects and key considerations of the process and presented his conclusions. The two final candidates joined the meeting to present their respective proposals and introduce their teams that would work for the Company.

h) Internal audit

- Functions: The main internal audit functions are:

  - Perform the auditing activities as defined in the annual audit plan, based on reasonable and established criteria, especially in the risk level assessment and focusing on the main organizational activities, giving priority to those that are considered to be more exposed to risk, and those that are requested by the Committee and / or by the Senior Management.

  - Maintain an adequate coordination with the external auditors for the exchange of information regarding the audits carried out with the aim of minimizing duplication and in order to track the audits performed as well as any weaknesses in the internal control identified.

  - Report to the Committee and Senior Management of the Company's group regarding the key recommendations in each company of the group, as well as to provide them with the action plan to be performed by such companies.

- Activities: The main activities carried out by internal audit and supervised by the Committee are:

  - Audits:

    - The performance of those audits included in the 2019 audit plan and of those audits not originally included in the audit plan but requested by the Committee and / or by the Senior Management.

    - The monitoring of the recommendations and action plans proposed for the different audits. While carrying out its audit work, if internal audit detects that improvements can be made to the internal controls, it reports the main recommendations and the action plans defined to the relevant area responsible with the aim of strengthening the existing control or implementing a new control and establishing the implementation date.

    - The review of the defined processes and controls related to financial reporting which are included in the annual internal audit plan.

  - Audit Plan: Prepare the audit plan for the next year. In 29 October, the Committee reviewed and approved unanimously the audit plan for 2020 based upon:

- Assessing the risk level and focusing on the main organization's activities, giving priority to those that are considered to be more exposed to risk, and those that are requested by the Committee and / or by the Senior Management.

- Defining the activities to be reviewed, i.e., basic processes (human resources, sales, treasury, etc.), other processes (warehouse, outsourcing, etc.) or compliance (ICFR, others).

- o Strategic Plan: Prepare the internal audit and risk management strategic plan. On 24 July, the Committee reviewed and approved unanimously the internal audit and risk management strategic plan for 2019-2021 which is focused on three main pillars: the positioning of and the resources needed by internal audit and the progress of the audits.

i) Risk control

This function is carried out by internal audit.

The activities carried out in this regard by internal audit and supervised by the Committee in 2019 were:

- The review of the risk maps (including likelihood and impact) at corporate level and by country, including Spain, Italy, UK, the Netherlands, France and Switzerland.
- The review of the action plans associated to the risks in these countries.
- The analysis and approval of the proposal to create in 2020 a risk committee in the Company with the purpose to reinforce the risk control and risk management within the Company and its group.

EXPLANATORY NOTE ON SECTION C.2.1 – - APPOINTMENTS AND REMUNERATION COMMITTEE

(A) *OPERATION*

In accordance with the provisions of the Regulations of the Board of Directors, the Board shall appoint a Chairman of the Nominations and Remunerations Committee from among the independent directors. The Nominations and Remunerations Committee will appoint a Secretary and may also appoint a Deputy Secretary, who may not be members of the Committee.
The Nominations and Remunerations Committee shall meet whenever the Board of Directors of the Company or its Chairman requests the submission of a report or the adoption of proposals and, in any case, whenever it is appropriate for the proper performance of its duties. It shall be convened by its Chairman, either on his own initiative or at the request of the Chairman of the Board of Directors or two members of the Committee itself.
It shall be validly constituted when the majority of its members are present or represented. Resolutions shall be adopted by a majority of the members present or represented..

(B) *RESPONSIBILITIES*

Without prejudice to any powers that may be entrusted to it by the Board of Directors or that may be legally attributed to it, the Nominations and Remunerations Committee shall have at least the following basic responsibilities:

(a) To assess the skills, knowledge and experience required in the Board of Directors. To this end, it shall define the duties and skills required of the candidates to fill each vacancy and shall assess the time and dedication required for them to perform their duties effectively.

(b) Establish a representation target for the under-represented gender on the Board of Directors and develop guidelines on how to achieve this target.

(c) Submit to the Board of Directors proposals for the appointment of independent directors for their appointment by co-optation or for their submission to the decision of the General Shareholders' Meeting, as well as proposals for the re-election or removal of such directors by the General Shareholders' Meeting.

(d) To report on proposals for the appointment of the remaining directors for their appointment by co-option or for their submission to the decision of the General Meeting of Shareholders, as well as proposals for their re-election or removal by the General Meeting of Shareholders.

(e) To report on proposals for the appointment and removal of senior management and the basic conditions of their contracts.

(f) To report in advance on the appointments by the Board of Directors of the Chairman and, where appropriate, one or more Vice-Chairmen, as well as the appointments of the Secretary and, where appropriate, one or more Vice-Secretaries. The same procedure shall be followed to agree on the separation of the Secretary and, where appropriate, of each Vice-Secretary.

(g) To examine and organize the succession of the Chairman of the Board of Directors and of the Chief Executive Officer of the Company and, if appropriate, to make proposals to the Board of Directors so that such succession takes place in an orderly and planned manner.

(h) To propose to the Board of Directors the remuneration policy for the directors and general managers or those who perform their senior management duties reporting directly to the Board of Directors, executive committees or managing directors, as well as the individual remuneration and other contractual conditions of the executive directors, ensuring that they are observed.

(i) To propose to the Board of Directors the members that should form part of each of the Committees.

(j) To periodically review the remuneration programmes, weighing their suitability and performance.

(k) To propose to the Board of Directors, for submission to a consultative vote at the General Shareholders' Meeting, the preparation of an annual report on the remuneration of its directors under the terms of article 541 of the Law on Corporations or any other provision that may replace it in the future.

(l) To consider the suggestions made by the Chairman, the members of the Board of Directors, the managers or the shareholders of the Company.

(m) To report on the appointment and dismissal of directors who report directly to the Board of Directors or to some of its members, as well as the establishment of the basic conditions of their contracts, including remuneration, and also to report on decisions regarding the remuneration of directors, within the statutory framework and, where appropriate, the remuneration policy approved by the General Shareholders' Meeting.

(n) To supervise compliance with the rules of corporate governance and internal codes of conduct.

(o) To follow the corporate social responsibility strategy and practices and evaluate the degree of compliance.

2.- Activities

During the 2019 financial year, eight meetings of the Nominations and Remunerations Committee were held, and the following actions, among others, were carried out:

Corporate Governance

The corresponding report was issued assessing the competence, experience and merits of the proprietary directors Marco Patuano, Elisabetta De Bernardi di Valserra, Carlo Bertazzo and John McCarthy for ratification and re-election by the General Meeting.

The corresponding report was issued proposing the re-election, by the General Meeting of Shareholders, of the executive director Tobías Martínez.

The corresponding report was issued assessing the competence, experience and merits of the proprietary director Franco Bernabè for the purpose of his appointment by co-option and proposing his appointment as Chairman of the Board of Directors (in replacement of Marco Patuano).

The corresponding report was issued assessing the competence, experience and merits of the dominical director Mamoun Jamai, in order to appoint him by co-optation and to incorporate him to the Nominations and Remunerations Committee.

The corresponding report was issued proposing the appointment of the Secretary and the Deputy Secretary of the Board of Directors.

A self-evaluation of the operation of the Board and Committees for the 2019 financial year was carried out, proposing improvements to the Board through an Action Plan.

The Annual Corporate Governance Report and the Annual Report on Remuneration were reported.

Activities related to Remuneration

The degree of compliance with the 2018 CEO's objectives and the performance assessment were analysed. The CEO's objectives for 2019 were also defined and the corresponding proposals made to the Board.

The modification of the Directors' Remuneration Policy was prepared and approved in order to submit it to the Board and to be approved by the General Shareholders' Meeting.

The remuneration of the Chairman of the Board was reviewed to adapt it to the market.

The remuneration of the CEO and the main executives (who report directly to the CEO) was reviewed for 2020, making the corresponding proposal for approval by the Board.

The final assessment of the achievement of the objectives set for the ILP 2017-2019 (phase II, corresponding to the period 2018-2019) was carried out and the approval of the Multi-annual Incentive Plan 2020-2022, applicable to the CEO and certain key personnel of the company, was prepared and proposed to the Board.

An extraordinary bonus was proposed for a group of approximately twenty people (including the CEO and Deputy CEO) for their involvement and participation in the significant growth operations carried out during 2019.

It was proposed that all employees (except directors) be given shares in the company in recognition of their outstanding performance in 2019.

Activities related to Corporate Social Responsibility

The Corporate Responsibility Master Plan for the period 2016-2020 was monitored. This is the instrument that integrates all of the company's ethical, environmental and social initiatives, and information on annual progress is included in the Integrated Annual Report.

The report on Corporate Social Responsibility Policy was prepared.

After the corresponding work and analysis, the approval of the Human Rights Policy was proposed to the Board.

After the corresponding work and analysis, it was proposed that the Board approve the Equity, Diversity and Inclusion Policy, and an action plan was analysed to comply with it.

Activities related to the Code of Ethics / Internal Code of Conduct

The restructuring of the Ethics and Compliance Committee was reported.
A complementary training plan on the Code of Ethics and Regulations was supervised for all the Group's employees.
Potential conflicts of interest were analysed and appropriate measures were taken.

Talent Management

The Nominations and Remunerations Committee reviewed the methodology and actions taken to date in relation to the Succession Plan and the "High Potential" Program.
In this context, 11 key positions in the company (Senior Management and Country Managing Directors) and their proposals for succession (with special emphasis on CEO succession) were reviewed individually, with the help of a renowned external advisor.

EQUITY, DIVERSITY AND INCLUSION POLICY

A Background

The Board of Directors of Cellnex Telecom, S.A. (hereinafter, "Cellnex Telecom", "the Company" or "the Organization"), has the responsibility of approving the Equity, Diversity and Inclusion Policy for all the companies of the Cellnex Group.
In the exercise of these functions, the Board of Directors approves this policy and sets out the strategy for Equity, Diversity and Inclusion and its commitment to the application of best practices in the countries in which the Company operates and based on international reference standards.

B Purpose and Scope

Purpose: This policy establishes the guidelines and lines of action in the areas of Equity, Diversity and Inclusion that allow the materialization and consolidation of the concept of *Diversity* within the framework of Cellnex Telecom, as well as its communication to stakeholders and implementation in all the companies.
Scope of Application: this policy applies to all the companies in the Cellnex Telecom group, and it is the responsibility of its entire human team. Stakeholders are engaged with the mutual goal of creating a work environment that fosters Equity, Diversity and Inclusion.
This policy is aligned with and complemented with Cellnex Telecom's corporate policies and internal regulations.

C Basic Principles

People are the most important asset of Cellnex Telecom, for this reason the difference and plurality of people, equality of opportunities, non-discrimination and inclusion in the workplace are priority and strategic factors in the Organization. Cellnex Telecom maintains a strong will to promote equity, diversity and inclusion, through inclusive leadership as a lever change and business sustainability.
Cellnex Telecom understands these concepts within the framework of its business strategy, culture and business values, defining them in a broad sense as:

- Connection and commitment between different human beings.
- Respect, equality of rights and opportunities and justice.

- Accessibility, ease of use and absence of barriers and prejudices.

This policy focuses on creating a climate which allows diversity in all of the following areas: *gender, age, sexual orientation, culture, race, religion, thought, education, talent, social condition, individual quality, work style, disability, special needs or any other circumstance of employees*; and, at the same time, rejecting any type of discrimination for said reasons which may prevent the growth of the Company or that affects selection, retention, development and well-being of its employees.
The Company is committed to Equity, Diversity and Inclusion through the socially responsible, integrating, inclusive and transversal management of its human team, based on:

- the variety of different cultures, backgrounds, knowledge, skills and experiences to develop the full potential of the Organization;
- equal opportunities to promote equity in the workplace,
- non-discrimination, direct or indirect, on the basis of sex, age, race, religion, sexual orientation, thought, education, social condition, culture, work style, talent, individual quality or special needs such as illness, disability, accident or family situation, and
- inclusion to provide fair opportunities of work for people with disabilities, older people or people from vulnerable situations.

D Axes, Commitments and Strategic Lines

Based on the above basic principles, Cellnex Telecom defines the following lines of action, within which are framed the strategic lines developed by the Company to achieve its objectives in terms of Equity, Diversity and Inclusion:

1. Gender diversity
2. Generational diversity
3. Affective-sexual diversity
4. Cultural diversity
5. Functional diversity

Likewise, a transversal axis to the above is defined in terms of communication and awareness-raising, with the aim of extending and making known the Equity, Diversity and Inclusion Policy of Cellnex Telecom within the Company and its stakeholders.
Based on the defined axes, and through the development of the strategic lines, Cellnex Telecom acquires the following commitments which, in turn, contribute to the achievement of various goals of United Nations Sustainable Development Goals (SDGs) 5, 8 and 10[1]:

1. Gender diversity: Promote equal opportunities and foster gender equity at all levels.
   (i) Encourage the presence of women at all levels, especially in leadership positions (SDG 5, target 5.5)

   (ii) Promote a respectful and non-discriminatory environment which favours equal opportunities (SDG 5, target 5.2 and SDG 10, target 10.3)

   (iii) Reduce the wage gap between women and men in similar jobs (SDG 5, target 5.5 and SDG 8, target 8.5).

   (iv) Promote work-life balance for all employees (SDG 5, target 5.5).

2. Generational diversity: Contribute to the labour integration and coexistence of the different generations.
   i. Promote labour integration among different generations (SDG 8, goals 8.5 and 8.6,

and SDG 10, goals 10.2 and 10.3).
ii. Ensure the management and use of multigenerational talent in the organization (SDG 8, goals 8.5 and 8.6; and SDG 10, goals 10.2 and 10.3).
iii. Establish measures aimed at avoiding bias in recruitment, hiring and promotion processes based exclusively on age (SDG 8, goals 8.5 and 8.6; and SDG 10, goals 10.2 and 10.3).
iv. Work actively in the management of the challenges associated with a multigenerational society (SDG 8, goals 8.5 and 8.6; and SDG 10, goals 10.2 and 10.3).

3. Affective-sexual diversity: Ensure an inclusive environment for all employees, regardless of their sexual orientation or identity.
    i. Make visible the commitment to non-discrimination of the LGTBIQ collective and equal opportunities in this area (SDG 10, goals 10.2 and 10.3).
    ii. Promote an inclusive environment and the integration of the LGTBIQ collective in the organization (SDG 10, goals 10.2 and 10.3).
    iii. Make employees aware of affective-sexual diversity (SDG 10, goals 10.2 and 10.3).
    iv. Eliminate any practice of harassment and discrimination against LGTBIQ employees (SDG 10, goals 10.2 and 10.3).

4. Cultural diversity: Value, respect and exploit cultural differences as a source of added value.
    i. Foster respect for and value of cultural diversity in the company (SDG 10, goals 10.2 and 10.3).
    ii. Take advantage of cultural diversity as a source of knowledge and talent, creating added value in the company (SDG 10, goals 10.2 and 10.3).
    iii. Promote employee integration through intercultural awareness and understanding (SDG 10, goals 10.2 and 10.3).

5. Functional diversity: Value the unique potential of people with different abilities and taking advantage of their talent.
    i. Ensure the labour integration of workers with different abilities (SDG 8, target 8.5; and SDG 10, targets 10.2 and 10.3).
    ii. Improve the integration of the group of people with different abilities at the time of incorporation into the workplace (SDG 8, target 8.5; and SDG 10, targets 10.2 and 10.3).
    iii. Support the retention of talent of people with different abilities in the labour market (SDG 8, target 8.5; and ODS 10, targets 10.2 and 10.3).

E Approval, Monitoring and Control

One of the responsibilities of the Cellnex Telecom Board of Directors is the approval of the Equity, Diversity and Inclusion Policy, as well as any substantial modifications made to it.

To this end, the Management Team of Cellnex Telecom undertakes to review the Equity, Diversity and Inclusion Policy periodically, adapting it to new organizational, environmental or market requirements which may arise, as well as to communicate it to the Organization and to make it available to interested parties at all times.

Likewise, the Management Team of Cellnex Telecom undertakes to carry out periodic monitoring of the degree of progress of all the strategic lines of action derived from the implementation of this

Policy.
The objectives in terms of Equity, Diversity and Inclusion defined by the Company are consistent with this policy, aligned with Cellnex Telecom's process model, reviewed annually by the Management Team and updated according to their evolution and environment.

This annual corporate governance report was approved by the Company's Board of Directors on 25 February 2020.

Indicate whether any directors abstained from or voted against approving this report.

Yes ☐ No ☒

Name of the member of the board of directors who did not vote to approve this report	Reasons (opposition, abstention, failure to attend the meeting)	Explain the reasons

Remarks