

Ethics and compliance

The Ethics and Compliance Committee

The Ethics and Compliance Committee of the Cellnex Group represents the highest body in charge of ensuring the respect for business ethics and integrity and guaranteeing the compliance with the imperative and voluntary regulations that are applicable to the Group and in whose epicentre is the Code of Ethics. Thus, this Committee is the advisory and management body, as well as the executive body, of all matters related to the Cellnex Group's Code of Ethics.

Likewise, the Ethics and Compliance Committee, as the body responsible for criminal compliance, is in charge of identifying the criminal risks specific to the Cellnex Group, and establishing controls and measures to mitigate these risks through the dynamic management of the system of Prevention and Detection of Crimes.

The current composition of the Ethics and Compliance Committee is as follows:

- Jose M^a Miralles (President) - General Counsel – Legal & Regulatory affairs.
- Toni Brunet - Corporate & Public Affairs Director
- Alberto López - Resources & Operations Director
- Sergi Martínez (Secretary) - Head of Internal Audit & Risk Control

In order to ensure the independence of Ethics and Compliance Committee of the Cellnex Group, it maintains its functional and organic dependence on the Appointments and Remuneration Committee of the Board of Directors of Cellnex Telecom, S.A.

Following this approach, the Ethics and Compliance Committee regularly reports its activities and initiatives directly to the Appointments and Remuneration Committee. It should be underlined that compliance management is currently centralised in Cellnex Telecom, S.A. However, the rules provide that local Ethics and Compliance Committees may be set up in each of the countries where Cellnex is present should this prove necessary.

The Ethics and Compliance Committee, while paying attention to all aspects related to the Code of Ethics and other related internal regulation, is strengthening the Compliance function in line with the new concept of "corporate integrity". For this purpose, an internal structure has been created under the General Counsel- Legal & Regulatory affairs and aims to promote all aspects related to Compliance.

Main responsibilities of Cellnex's Ethics and Compliance Committee

Compliance with the Code of Ethics and development of internal regulations

Cellnex's Code of Ethics, approved in 2015 by the Board of Directors of Cellnex Telecom, S.A., is the fundamental rulebook of the Cellnex Group and its aims are:

- To establish general guidelines for action and behaviour.
- To define an ethical framework of reference, which must be complied with and which should govern the working and professional behaviour of those subject to it.
- To create a set of rules of conduct for those stakeholders that come into contact with any of the Group companies.
- To establish a regulation for the prevention of corruption in order to implement the guidelines to be followed in the fight against corruption.

According to the Cellnex Group Code of Ethics, guiding principles of the Cellnex Group are the following:

- We base our activity on the ethical principles of integrity, honesty, and transparency, always maintaining a conduct based on the good faith.
- We seek and commit to protect and respect those basic human rights universally accepted.
- We comply with all applicable legislation in the countries in which the Cellnex Group operates as well as with the Cellnex Group's internal regulations.
- Ethical conduct and compliance with rules take precedence over the Cellnex Group's results.
- The applicable legislation shall prevail whenever there is a conflict between the latter and the internal regulations which apply to the Cellnex Group.
- We avoid any personal situations involving the People Subject to this Code directly or indirectly clashing with the interests of any of the Cellnex Group's companies.
- We handle information with the utmost care.
- We use and protect the company's assets in an appropriate manner and we believe that people are the most important asset.
- We ensure equal opportunities and we do not discriminate against the People Subject to this Code.
- We guarantee freedom from reprisal for anyone who submits a query/notification regarding non-compliance with the Cellnex Group Code of Ethics and its implementing regulations, whenever the aforesaid are made in good faith.
- We protect the environment.

Governance Model

- We encourage political neutrality.

In 2019, various actions related to the Code of Ethics have been carried out. Among others, the Code of Ethics has been updated in order to bring them into line with the current regulations. Additionally, the Social Corporate Responsibility (CSR) Policy and the Ethical Channel have also been updated.

Likewise, in 2019 the Ethics and Compliance Committee continued to advance on disseminating and communicating the Group's Code of Ethics through various actions according to the geographical area concerned:

- In 2019 information on compliance was updated on the Group's website and intranet.
- During 2019, the training actions initiated in the Group in 2018 in relation to the Code of Ethics and other related internal regulations continued. In 2019, training was given to 80% of the staff in Cellnex Spain, 91% of the staff in Cellnex Italy, 26% of the staff in Cellnex France, 54% of the staff in Cellnex Switzerland, 33% of the staff in Cellnex Netherlands and 77% of the staff in Cellnex UK.
- In the near future, a slight update of the course materials is expected. This training will be given to all employees of the Group. For subsidiaries located in Ireland, which have recently joined the Group, training actions are expected to begin in 2020. Regarding new employees, in addition to providing the appropriate training on the Code of Ethics, through the signing of their employment contract they undertake to respect the Group's Code of Ethics in all its content.
- In addition, taking advantage of the launch of the new intranet at Group level, the training relating to the Code of Ethics has been incorporated into it. In this way, training is always available to all Group employees. Given the importance of training in the area of compliance, it is planned to encourage this aspect and to distribute it more widely via the intranet.
- The Cellnex Group's General Conditions include in its provisions a clause referred to the Group's Code of Ethics in order to require suppliers to declare knowledge and full compliance with the contents of the Code of Ethics. Additionally, it is also compulsory for suppliers to inform their employees and, if applicable, their subcontractors of the existence and content of the Code of Ethics and to ensure that they comply with it. Moreover, such clause has also been included in the employment contracts of all the new hires of the Group.
- The Cellnex Group Code of Ethics has created an information channel, called the Ethical Channel and managed by the Ethics and Compliance Committee of the Group., to confidentially notify any potentially significant irregularities detected within Cellnex Group companies.

Ethical Channel

By using the Ethical Channel, all affected individuals and stakeholders can:

- Request clarification about the interpretation of the Code of Ethics, its implementing regulations, and all applicable legislation and internal rules.
- Report any conducts that may imply non-compliance of the Code of Ethics, of internal rules or, in general, of the legislation in force applicable to the Cellnex Group.

The Ethical Channel is easily accessible through the following channels:

- The Cellnex Group's intranet. An interactive form is available to facilitate communications. It provides an effective and confidential way to send communications and notifications directly to the Committee via e-mail without the need to print them on paper.
- E-mail: canal.etico@cellnextelecom.com. A form is available on the website to facilitate communications.
- By post addressed to the President of the Ethics and Compliance Committee.
- New site for the Ethical Channel on the corporate website (<https://www.cellnextelecom.com/en/ethical-channel/>).

Three notifications alleging breaches of the Cellnex Group Code of Ethics were received during 2019 through the Group's Ethical Channel, however all of these have been dismissed since the alleged not constitute a breach of the Code of Ethics. None of the notifications received were related to human rights violations or cases of corruption.

System of Prevention and Detection of Crimes and Prevention of Corruption Procedure

Cellnex has implemented a system of Prevention and Detection of Crimes. The system consists of a general and specific protocol which includes the appropriate surveillance and control measures to prevent crimes or significantly minimise them. This system is reviewed periodically and thus in 2019 and independent third party (PwC) updated and verified the current system. The Cellnex Group's internal policies and procedures will be updated as part of this process of verification. It is expected that the independent third party will evaluate its effectiveness and issue a report containing its conclusions on the matter. This report is expected to be issued by 2020. Moreover, one of the main objectives for 2020 is to obtain the UNE-19601 Certification of Criminal Compliance Management Systems.

Likewise, Cellnex has implemented a corruption prevention procedure, which aims to develop patterns of behaviour to combat corruption. This procedure applies to all employees, directors and stakeholders. In 2019, the independent third party (PwC) initiated a forensic analysis of several suppliers of the Cellnex group. This analysis aims to verify whether the controls implemented by Cellnex in its relations with third parties reasonably and sufficiently mitigate the risks envisaged in the Group's corruption prevention procedure. Once the Forensic analysis has been completed, the independent third party (PwC) will issue a report with its conclusions in this respect. This report is expected to be issued in 2020.

New site

for the Ethical Channel on
the corporate website