

Culture, leadership and people development



Because the only way of growing as a company is doing it together as a team.

Tobias Martínez
CEO

Due to the transformation process that the company is going through, we consider that one of the most important pillars of this process are the people who are part of Cellnex. For this reason, “Corporate culture: Growing Together” is one of the transformation projects, whose main aim is promoting a common culture in Cellnex.

In this sense, we share a common commitment towards a Corporate Culture:



OUR CULTURE IN ACTION!

As a starting point, in 2019 the culture study has been launched with the aim of aligning and integrating the Organisational Culture (Current and Aspirational) with the global strategy of Cellnex.

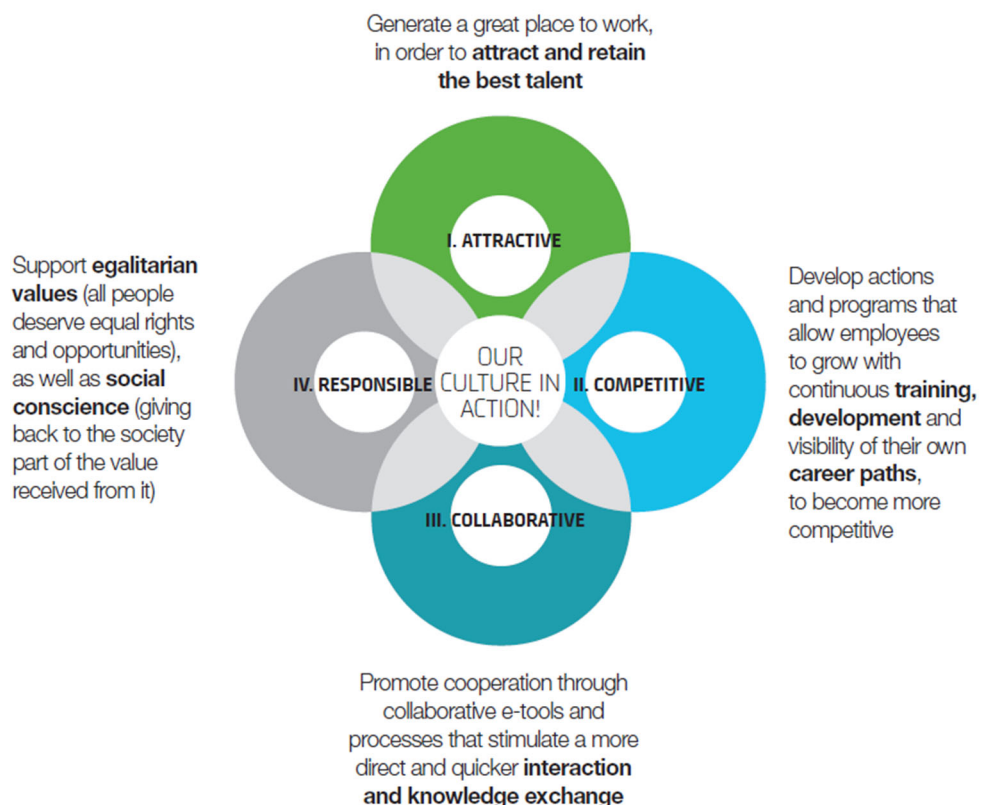
The specific goals are:

- Define and Validate the Global Aspirational Cultural Model, mainly through the Management Team.
- Know the Current Cultural Model(s) in Cellnex.
- Design the Implementation Roadmap to align and integrate the Cultural Model (gap analysis, roadmap design, communication and Leadership).
- Implement the actions defined in the Roadmap.

In 2019 the survey of 40% of Cellnex's workforce was launched with 71% employee participation. The results showed a clear pride in belonging to the Group, enthusiasm for participating in a successful project, as well as personal and professional satisfaction for the possibility of developing in this company. There were also points of improvement, that have served to redefine and reinforce our People Strategy.

Specifically, during this year change levers will be identified with the Management and by means of a work team and the design of the Implantation Roadmap will begin.

In this sense, we are working to develop and deploy a Corporate Culture built on the cultural axes that best define the company and our employees.



Our Corporate Culture is organised around four cultural axes:

I. Attractive

In the first instance, we are working to create a great place to work, strengthening our branding and recruiting, facilitating mobility and building new spaces that foster integrated and aligned organisational culture.

To strengthen our brand, we are boosting our external presence, both physically and in social media, and managing a pool of young talent to attract external talent and generate pride in belonging to Cellnex.

In terms of recruitment, we are looking to combine bench” (experienced hiring) and “talent pool” (young blood) as well as selection and recruitment process based on values, skills and capabilities, where soft skills are equally (or even more) valued than hard ones

In addition, we facilitate the mobility of our employees by publishing all available vacancies on the internet and offering international assignments to employees according to country needs.

Finally, new offices have been designed in line with the trends. They reflect a corporate entity and enhance our brand value and presence.

II. Competitive

In addition, we have undertaken specific actions related to compensation schemes and training programmes, such as the learning model 70:20:10, Cellnex Corporate Master or Cellnex Corporate Leadership School. However, training is not the only element; we are also developing other projects to generate a challenging place to work such as Job Leveling, Management by Objectives or Development Dialogues.

“We need your talent. Your effort. Your commitment to reach further. Because as a team we are better, stronger, more efficient and more streamlined. Teamwork is the key. Together is the key to achieve great goals. We believe in people. We believe in you”.

Job Levelling

Job Levelling got underway in 2019 to identify, evaluate and draw up a unique catalogue of positions in Cellnex at Group level. This project provides a global framework and language, facilitating career management, internal rotation, talent mobility within the group and the rolling out of competitive compensation policies, while meeting business needs: attracting, engaging and retaining key talent.

It addresses the definition of roles and uniform professional categories based on three professional careers (management, key contribution, commercial). This allows us to design a Job Progression that defines the skills and aptitudes required for each position, as well as the remuneration according to the market.

- Standardisation of catalogue positions - we went from more than 300 items in various languages and differentiated by country to 190 items in English common to the entire Cellnex group.
- Definition of mission and functions to these 190 catalogue positions
- Definition of 3 professional careers and 13 professional roles/categories
- Assignment of the new positions to more than 1,500 employees from the entire Cellnex group.

The implementation of Job Leveling in the Corporation will allow us to obtain lessons learned and best practices through feedback from the corporate collective, helping us to more successfully roll this out in the countries. By 2020, all countries in the Cellnex Group will have implemented the new Job Leveling position catalogue and will have job description of all catalogue positions. From this point on, we will work with them in rolling out the Job Progression defined by the Corporation.

III. Collaborative

Moreover, we have made collaborative IT tools available to employees based on their needs and designed to improve their experience and cooperation. In this connection, we have a new intranet at the centre of the Digital Workplace, My Compensa (the employee benefits portal) and The Hub (the online portal of talent management).

Digital Workplace

During 2019 we have worked to define and conceptualise the Digital Workplace, understood as the new communicative environment that supports and facilitates information, helps to motivate and integrate the collaborators of the Cellnex Group and allows us to be more streamlined, productive and collaborative.

The Digital Workplace development and implementation project will be rolled out between 2019 and 2020.

This year, deployment of the communication work line was prioritised as quick win. This has allowed us to bridge the most important gap: To have a single channel where we can all connect anywhere, anytime, any device before the end of 2019.

The project to develop and implement the communication line was launched in under six months for all the business units of the Cellnex Group and has served as a lever for transformation of all the projects in which we are immersed.

IV. Responsible

Finally, we are developing programmes that promote Social Values. In this regard, we have developed the Equity, Diversity and Inclusion Programme for the period 2019-2022 and had the Equity, Diversity and Inclusion Policy approved by the Board of Directors. In addition, we are participating in the programme for the insertion of disadvantaged people in collaboration with the FutureWay and we are corporate partners of the United Way Foundation.



In addition, internal communication between the various countries was strengthened through the Internal Communication Strategic Plan and the Global Internal Communication Action Plan or the Global Coordination Meeting – Extended.

Internal Communication Strategic Plan

The growth environment has made it necessary for us to define the Internal Communication Strategic Plan in 2019. This Plan defines the vision, mission and principles of the internal communication function and the Workstreams on which we will focus in 2019-2021. The role of the internal communication function is understood as strategic and integrating and allows us to accompany our collaborators in the Cellnex project.

All the projects and communication needs of the company have been aligned to the strategic objectives through a graphic line and an inspiring narrative that impacts on all the people who are part of Cellnex. Providing this coherence allows us to put individual talent at the disposal of the group, increasing efficiency, pride in belonging and cohesion.

Global Coordination Meeting – Extended

In the April we will hold the Global Coordination Meeting of the management team and strategic positions of the Cellnex group to share milestones, challenges and objectives. The aims of cohesion of the management team, cementing a common culture and reinforcing the spirit of belonging through an inspiring discourse and enthusiasm. Growing together was the watchword during this event and will be the key message in the projects that we are creating for an integrated and aligned culture.

+80 executives and managers representing the main management structure of the Cellnex group. Overall satisfaction level of 4.73/5.

Global Internal Communication Action Plan

Rolling out the Global Internal Communication Action Plan makes it possible to inform or raise awareness on various issues that have an impact both on providing information on the progress of different projects and the company itself and on raising awareness to improve behaviour in various areas as while generating pride in belonging and community. For example: Diversity, My Compensa, Wellness, Mobility, Environment, GDPR, information security, optimisation of 365 tools, corporate social-volunteer project, On holiday photography competition, Christmas celebrations.

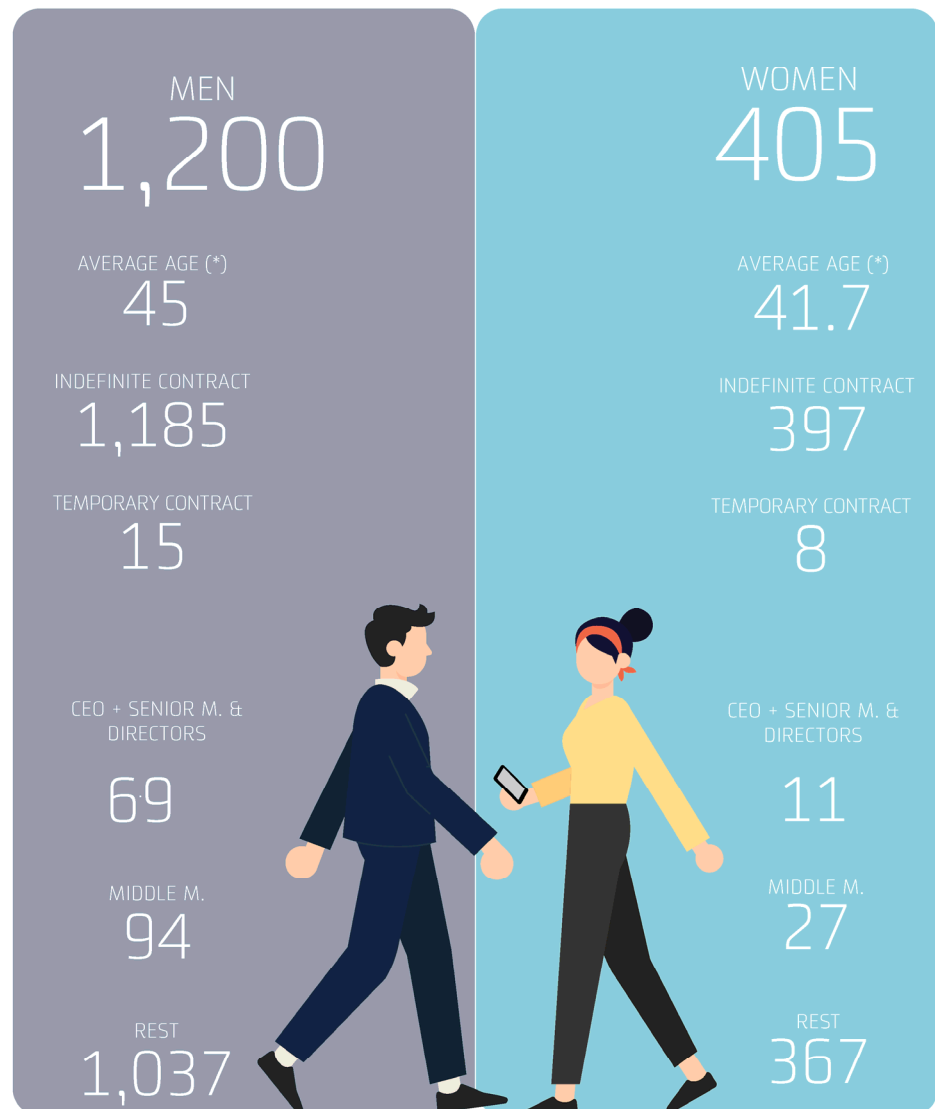
People management

The Cellnex team consists of 1,605 people, distributed geographically in Spain (75%), Italy (9%), France (6%), the Netherlands (6%), the United Kingdom (1%), Switzerland (2%), and Ireland (1%). This multidisciplinary team is key to a successful business project, which enables Cellnex Telecom to be one of the main telecommunications infrastructure operators in Europe.

The workforce is predominantly male, reflecting the current situation of the sector.

Staff numbers of Cellnex France, Cellnex Netherlands and Cellnex Switzerland increased considerably as they completed their process of formalising the team. The workforce of these countries increases 238%, 181% and 56%, respectively.

In 2019, the staff turnover rate in Cellnex is 4.68%.

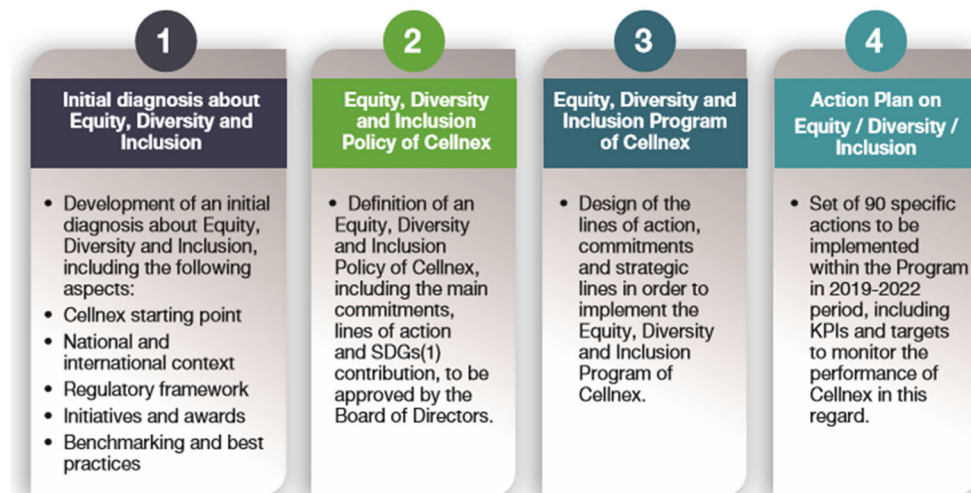


Equity, diversity and inclusion

Significant milestones in 2019	Main challenges for 2020
Developing the Equity, Diversity and Inclusion Programme for 2019-2022 period.	Implement and monitor the actions defined in the 2020 programme.
Approval of the Equity, Diversity and Inclusion Policy.	Implementation of diversity governance. Review of the specific actions of the Equity, Diversity and Inclusion Programme and introduction of improvements.
Developing and analysing the pilot's tests on teleworking in order to roll this out to all employees.	Extension of teleworking to a larger number of employees and to other countries.
Working together with Futureway on inclusion issues to try to incorporate students at risk of social exclusion.	

In Cellnex we consider that equity, diversity and inclusion is not only an element related to the corporate social responsibility we have as a company with all our stakeholders, but as an essential element to improve the competitiveness and talent of our employees. Therefore, we are firmly committed to equity, diversity and inclusion, defining a comprehensive global strategy in this area for the period 2019-2022 in line with our corporate culture and values.

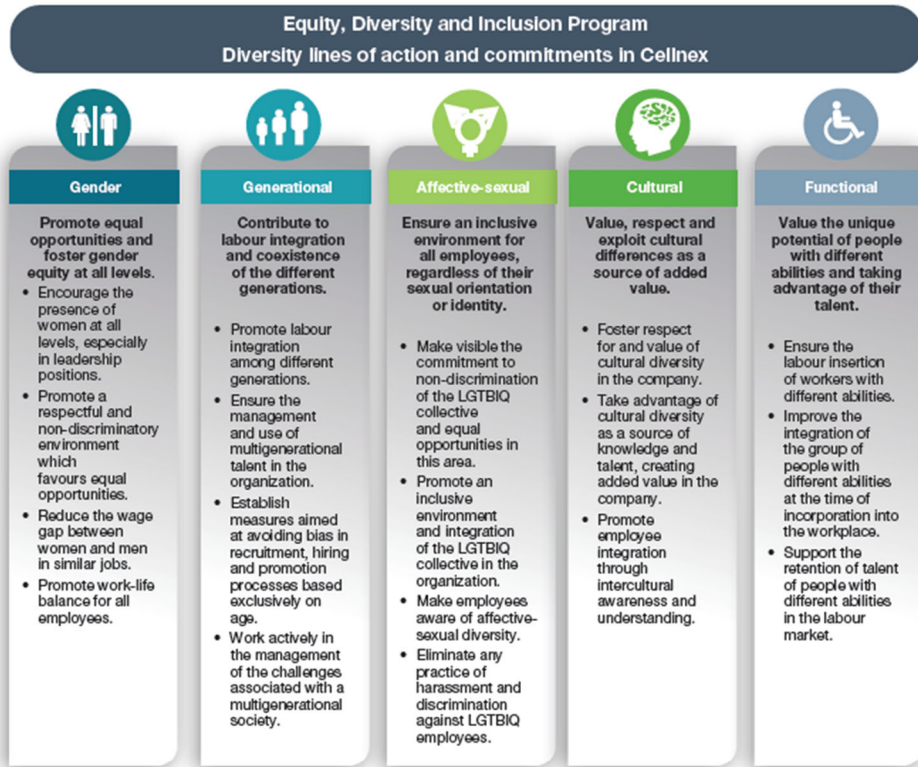
We are currently working to make diversity part of our business. But it is not enough for us to have the commitment, we want to understand and manage the diversity. In this sense, in 2019 we carried out an Initial diagnosis about diversity and inclusion in which we analysed the national and international context, regulatory framework, initiatives and awards and we drew up a benchmarking including companies in the telecommunications sector and companies from other leading sectors in this field, as well as examining the starting point in which the company finds itself.



As a result of this analysis, we have prepared an Equity, Diversity and Inclusion Policy that establishes the guidelines and lines of action in the area of Diversity, Equality and Inclusion for the entire Cellnex Group. This policy focuses on creating a climate that 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 its personnel; and at the same time, rejecting any type of discrimination for these reasons that impedes the growth of the Company or that affects the selection, retention, advancement and well-being of its personnel. The Equity, Diversity and Inclusion Policy has been approved by the Board of Directors.

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Along with the policy, we have drafted an Equity, Diversity and Inclusion Programme, defining the lines of action, commitments and strategic lines. At Cellnex we understand diversity in a broad sense and, therefore, we consider that our programme has to go beyond gender diversity and include other types of diversities such as generational, affective-sexual, cultural or functional diversity, with the aim of integrating the diversity of the society in which we live and having diverse talents. The following infographics show the commitments and strategic lines established for each of the lines of action.



Finally, we have designed an Action Plan in which 90 specific actions have been defined, an implementation schedule has been established for the next four years and a follow-up tool has been designed for the Action Plan, defining objectives and KPIs.

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The Diversity Plan was implemented during the year in Spain, that implemented some of the measures, and it is planned to align this with the global Diversity Plan. Notable among the measures carried out this year are:

- Definition of the project and action plan 2019.
- Definition of objectives and areas of action (training, awareness-raising, selection and hiring and flexibility & conciliation) and their KPI's.
- Signing up to the "Diversity Charter".
- Training for the Management Committee and "first line" managers.
- Training in People & Organisation Management. Training for the Equality Committee.
- On-line training for managers (on inclusion).

In addition, during 2019 Cellnex Corporate held various training sessions on cultural diversity, with the aim of promoting cross-cultural awareness inside the organisation. Two training courses on cultural diversity were organised at Cellnex Corporate for employees and a special workshop for human resources staff. Two cultural awareness talks were also conducted on Cellnex Spain and Cellnex Corporate and specific cultural training was given to international assignees and relatives. In these sessions, 28 hours of training were given, and 140 attendees participated.

We are also working in Italy to improve the gender distribution within the company. Thus, the hiring plan takes into consideration whether it is opportune to increase the percentage of women. Currently, 2 out of 4 coordinators are women in the operational teams.

In 2018 the company continued to work on renewing its Equality Plan, applicable to the Spanish subsidiaries Retevisión and Tradia, which began in 2017 with an independent external diagnosis of the extent of equality opportunities in Cellnex. The results were used to devise and launch Cellnex's Second Equality Plan in 2018, which lasts four years.

The general objective of this plan is to progressively increase the number of female employees in all positions and responsibilities, guaranteeing equal treatment and opportunities for women and men and preventing sexual harassment and gender discrimination, both indirect and direct.

The specific objectives of the Equality Plan include:

Following on the targets set in the 2010 equality plan.

Contributing to hiring more women in areas where they are least represented.

Raising staff awareness of equality through training and communications.

Fostering the use of conciliatory measures in a more equal fashion.

The actions set out in this Equality Plan focus on a range of areas that cover almost the entire company and include recruitment, training, awareness-raising and work/life balance.

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Moreover, the Monitoring and Evaluation Committee will evaluate the Equality Plan annually to examine compliance with the measures adopted in the Plan, assess whether the measures are appropriate, and to check they are in line with the objectives initially proposed.

On 2020, the Equality Plans of Retevisión and Tradia will be updated and a new Equality Plan for Cellnex Telecom will be defined, in order to cover all the employees of the company in Spain in this regard.

Cellnex continues to advance in flexibility and work-life balance through teleworking. In this connection, employees of Cellnex Netherlands, Switzerland and UK are entitled to enjoy teleworking as long as their superior authorizes it. In other companies, such as Cellnex Italy or Cellnex France, teleworking is allowed two days per month.

In Cellnex Spain we started a pilot project in 2018 with 40 employees for 3-4 months and after its success, in 2019 we moved forward with the "teleworking" project, increasing the number of places by 150 for Cellnex Telecom corporate and Spain.

In addition, Cellnex Spain, has developed a digital disconnection policy to guarantee our employee's right to privacy in relation to the digital environment and the disconnection provided for in the Workers' Statute, and to protect the health and safety of our employees.

Attracting, recruiting and retaining talent

Significant milestones in 2019	Main challenges for 2020
Consolidating and following up the Ignition Project, reinforcing the talent acquisition initiatives, and optimising and standardising recruitment and identification of potential in the countries.	Implementing the 2020 action plan of the Ignition project, with a focus on giving internal and external visibility to the programme through a communication plan.
Redefining the on-boarding process and developing and implementing the recruiting and on-boarding modules and developing this latter in Italy, France and Switzerland.	Developing and implementing the recruiting and on-boarding modules in the newly integrated countries (Ireland).
Continuing the project and extending the talent map to all middle management.	Rolling out the Talent Review process to other countries.
Developing the Rueda Project, fostering mobility opportunities, creating pools of available talent to assign according to project.	Review and update of the Rueda Project.

As it strives to become a benchmark in recruiting and retaining talent, Cellnex developed a series of initiatives throughout 2019 to publicise its image as an employer, improve the process of identifying and attracting young talent, and retaining and cultivating the talent already present in the company.

In this sense, an analysis and definition of the strategy and scope of the Employer Branding project was conducted at Cellnex:

- Promote our external presence through our collaborators providing criteria and guidelines.
- Give external visibility to our actions in the people area in Cellnex to increase both our brand image and the pride of belonging.

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Also, we published the “Join us” page on our external website and the Company Life page on Linked In.

In this regard, we have continued the Ignition Project to identify a talent pool of young people (interns) to detect and retain talent in the company. This project helps to harness management of interns as a strategic recruitment source. Diversity and gender equality are fostered from the selection process onwards under this programme.

In 2019-2020, the project sets out a series of actions and objectives split into three areas:

- Employer Branding: This aims to position Cellnex as a company where people want to work and increase the Group's presence in the university sector.
- Employee experience: This seeks to optimise the selection process and incorporation of young talent to be trained through their development in the company.
- High performing orientation: The aim is to standardise young talent to identify the best and create a pool of candidates to cover future vacancies in the company.

Furthermore, one of the cross-cutting objectives of the project involves promoting gender diversity to increase the percentage of women engineers in the project, since they may subsequently be contracted by the company either internally or externally.

During 2020, we want to implement the Action Plan 2020 of Ignition project and give an internal and external visibility of the program through a communication plan.

In 2018, we implemented the onboarding programme, which aims to streamline the adaptation and integration process of new people who join the organisation. During 2019, the on boarding programme of new employees and interns was redefined, placing greater emphasis on the activities carried out in the areas of resources and organisation. Satisfaction levels of new employees were 5.6 out of 6.

During the year in Spain, we continued our Talent Review process as well as Corporation, a project seeking to draw up a talent map with which to identify, retain and develop talent. Because of the large number of staff in Spain, we extended the map to “middle management” of the workforce. This programme allows us to have a talent map and work out a specific development plan (PDI) according to the different needs.

Likewise, it enables us to have specific programmes for distinct groups such as training for high potential employees and talent development programme (identification of competences and coaching) or performance improvement plan for low performers, leveraging continuous improvement of the company. During 2020, the Talent Review process will be launched at Group level to evaluate performance and growth potential from the current position.

Furthermore, we have defined Succession Plans for the first level of Management, and in 2020 we will seek to extend this to all other levels of management.

The Rueda Project was unveiled at the end of 2018 and is an internal mobility project in which preference is given to applications from company employees, since all positions are communicated internally at a global level before being offered externally. The Rueda Project aims to foster and strengthen various aspects of the human resources area by working on a different series of levers. During 2019, Cellnex's mobility policy was reviewed and updated based on new market trends.

Training

Significant milestones in 2019	Main challenges for 2020
Extending the Development Dialogues to the remaining countries	Inclusion of new countries in the development dialogue process (Ireland)
Launching the first edition of the Cellnex Master, in collaboration with EADA (with 20 professionals from all countries).	Initiating the 2nd edition, incorporating the improvement actions identified during the first edition.
Analysing current business profiles and delivering training in countries and business lines	
Defining the Leadership Programme to ensure that all managers in the company have the same tools for training and development.	Implementation at a global level of leadership itineraries by organisational levels defined in the Leadership Programme.
Analysing and defining the strategy and scope of the employer Branding project.	
Two programmes related to the development of Business Teams were carried out within the Trinity project: Business Line and Country Commercial.	
Creation of the "Train to Grow" programme, a specific workshop to highlight the work done by internal trainers in Spain.	Continuity of the Train to Grow! Programme.

Training is a key element of the development based on the Cellnex's 70-20-10 model. Thus, every year we define training sessions that are aligned with the strategic needs of the organisation and which will determine the key guidelines.

In Cellnex Telecom we have implanted Development Dialogues, a space for dialogue between co-workers and their managers in which managers talk about the development of their co-worker, apprising their skills, defining development objectives and crafting a plan to achieve these based on the 70/20/10 model. To further strengthen these dialogues and make them a managerial function, in 2019 100% of Cellnex Group managers were trained in "Performance Appraisal: achieving objectives by developing collaborators".

This project was launched at Corporation and Spain level in 2017, incorporating Italy during 2018. Likewise, open training sessions were held for employees and new managers. As a continuation of this, this year we will seek to extend the process to France, the Netherlands, Switzerland and the United Kingdom. During 2020 the new countries, such as Ireland, will be incorporated into the process of Development Dialogues.

Similarly, Cellnex Italy has launched job shadowing project for managers, key people and process owners, to develop co-working activities for sharing different points of views, finding out what other departments are developing in the company, becoming aware of other contents, etc.

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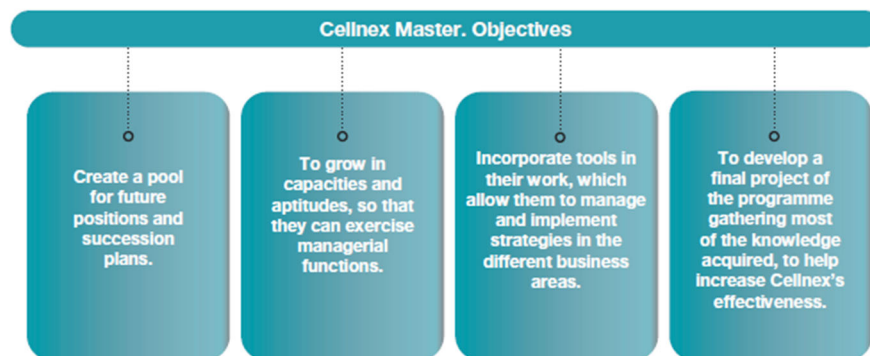
Cellnex's leadership model was defined during 2019 to ensure that all the company's managers have the same tools for their training and development. Various actions were designed for this group:

- Leadership Corner: Unique access for all managers to their leadership tools, such as the LeaderShip School, dashboards of their development, as well as information on their teams and the Leadership Community.
- Leadership School: Actions for leadership development at Cellnex:
 - Harvard Mentor: Access to a large number of tools for individual, team and business development with the endorsement of world-class experts from Harvard Business Publishing.
 - Leadership itineraries: leadership itineraries by organisational levels to be implemented in 2020.
 - Access to coaching requests.

Likewise, this programme provides access to a Competence Development Guide where ideas for "70's" development actions are contributed, according to the 70/20/10 development model. During 2020, the leadership itineraries by organisational levels defined in the Leadership model will be implemented at a global level.

In the talent and leadership area in 2019, we launched the first edition of the Cellnex Master in collaboration with EADA Business School. The programme is adapted to Cellnex's needs, starting with the Master's degree offered by the school in open format. The participants will be drawn from the various countries in which Cellnex is present and will last for a year and a half. 20 employees from all countries participated in this year.

The objectives of the Master's are:



The professionals who participated in the Master received a total of 370 hours' training divided into: 192 hours face-to-face learning, 6 hours tutoring for a project, 8 hours rehearsal for presenting the project, 4 hours presentation of the project and an estimate of individual and team work of 160 hours.

The programme will apply the active Learning-by-doing teaching method, rather than learning by listening. A second edition will begin in 2020, incorporating the improvement actions identified during the first edition.

In addition, a series of roles were established as result of redesigning the Commercial Model in the light of the Trinity project, associated with the consultative sales process and account management (i.e. KAM, Product Champion, etc.), which in turn led to defining the profiles associated to each one.

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Two programmes related to the development of Business teams were carried out in this area in 2019:

- Business Line and innovation. Launch of a competence questionnaire with individualised feedback and training in two lines: Teamwork & empathy, and Planning & organisation.
- Country Commercials: launch of a competence questionnaire to analyse the sales profile of each (Hunter/Farmer orientation) to help managers develop their teams, and training in consultative sales and sales management.

Cellnex Spain and Corporate continues to apply its leadership training that began in 2016 through two types of actions: training for new managers and coaching sessions for managers of various levels to boost their people management skills and increase their alignment with the leadership model. Noteworthy among these programmes, is the new Leading by feedback (L2) and Performance Appraisal training course, within the leadership pathway of the company.

We also continued to impart technical training sessions associated with the core knowledge of the Department of each partner, such as innovation talks, and cross-cutting training such as project management, languages, internal certification of project managers, Intercultural Communication Programme, skills and Occupational Risk Prevention. Training is face-to-face, online and blended and provided by external experts and/or internal trainers. Training courses are also given to employees in other countries, such as Italy and the Netherlands.

Cellnex France places great emphasis on developing the knowledge and the skills of its collaborators. In this connection, in 2019 the company creates Cellnex University to share best practices and individual expertise, deepening the knowledge of our business line & strategy, discovering every Cellnex profession and training or developing new skills.

In the same way, we continued the specific pathways aimed at project managers, internal trainers and managers, which were already underway as part of the employee training plan.

A new training needs detection system was defined for 2020 to achieve a greater efficiency in training management. This system allows the Director and Managers to have a better picture of the training needs of each employee, the development programmes carried out, those available and the budget for each one (resources allocation).

We are also aware that approximately 50% of training at Cellnex is internal, i.e., given by the workers themselves, who volunteer. In this context, we created the Train to Grow! programme, a specific workshop for placing value on these collaborators. This programme will continue in 2020. A special effort has also been made to raise awareness and educate about diversity, the strategic importance for the company and the role of the inclusive manager.

Likewise, Cellnex Italy has been implemented initiatives aimed at professional and managerial development such as a Mentoring project for HR development plans to support change management, professional growth and culture to spread or Coaching activities for key people to support professional and managerial growth.

In 2019 the staff of Cellnex Spain, Italy, France, Netherlands, United Kingdom and Switzerland received more than 54,317.51 hours of training (34.4 hours per employee), of which 10,127.25 concerned safety in the workplace.

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HOURS OF TRAINING

	2017	2018	2019
Corporation	-	5,722	5,994
Spain	40,452	39,722	40,380
Italy	4,372	6,682	5,826
France	-	1,190	1,007
Netherlands			798
United Kingdom			81
Switzerland			231
Total	44,824	53,316	54,318

See Annex IV for details.



Remuneration and compensation

Significant milestones in 2019	Main challenges for 2020
Completing the remuneration policy and defining wage brackets, and roll-out to the rest of the Cellnex countries	
Adjusting and implementing the My Compensa employee benefits portal in Spain, France, Switzerland and Italy.	Implementing My Compensa for all employees in the rest of the countries.
Compliance with Spanish legal requirements for labour registration and labour disconnection policies.	Evaluation of implemented measures and introduction of improvements.

Cellnex has performed various action lines to maximise talent retention, including an analysis of remuneration and compensation elements to optimise competitiveness within the telecommunications market.

In this connection, we defined positions and associated profiles for all posts in the company in 2018, in parallel to which we began a remuneration study of each one, comparing them to each other and creating a benchmark with the market. The goal of this exercise is to establish a series of competitive wage brackets for each of the professional scales and define a standardised remuneration policy to further attract and retain talent. In 2019, the remuneration policy and the definition of salary bands (remuneration by objectives) were extended to the rest of the countries and the aim is to benchmark different companies in the sector by position and country.

In parallel, we have implemented an employee benefits portal, My Compensa, bringing together all the elements of remuneration, compensation and social benefits that Cellnex offers its employees, making it easier to access and manage this information freely. The portal has been implemented in Spain as well as in France, Switzerland and Italy.

Employees currently enjoy a range of economic and social benefits including life and accident insurance, pension plans and health insurance.

Likewise, all employees of Cellnex Telecom generally have flexible hours, choosing within a margin of hours when to start their working day, provided they work the number of hours established by agreement and contract by the end of the day. Likewise, all Group employees can take the holidays established by the agreement throughout the year, by prior agreement with the head of the department. All employees who have requested a reduction in working hours are granted this right. At the end of 2019, the procedures related to work disconnection measures and time registration were presented to the trade union representatives, thus complying with the legal requirements. Both documents were signed in January 2020.

Management by objectives

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

This policy is based on the definition of common objectives of group, country, area, and individual objectives for some groups. This definition and evaluation are performed annually on a scale of achievement of up to 125%. The array of objectives rolls out the group's priority strategy in each country and consistently combines crossed objectives among different areas that cover the main projects of the current year to support the business strategy. The objective for 2019 has been to extend this policy to all the countries in the group.

In addition to extending this policy to the entire Cellnex group, and within the framework of continuous improvement, the following actions were performed:

- Auditing individual objectives of all employees of the Cellnex group to analyse their compliance with the SMART definition.
 - 1,556 audited targets
 - 72.50% of the individual objectives are SMART
- Increasing the weight of group objectives in country directors to align this group with the achievement of group objectives.
 - 35 directors
 - 10% of the weight of the objectives of the group to this group.

Improvements introduced in 2019 will be consolidated in 2020 and auditing of individual objectives will continue, seeking the traceability of these objectives with the manual of missions and functions of the different areas. In this way, we ensure that the objectives defined are aligned with the company's strategy.

Occupational health and safety

Cellnex takes care of its onsite staff, striving to implement the best health and safety measures and ensuring compliance with the relevant rules in all its premises.

OCCUPATIONAL HEALTH

79%

of the workforce is covered by a Health and Safety Committee

According to the Occupational Risk Prevention Policy of Cellnex Spain, which sets out the guidelines for action in this area, it is incumbent upon Management to integrate and implement Occupational Risk Prevention throughout the organisation. This policy is implemented and developed through the Health and Safety Management System based on process management and continuous improvement to ensure effectiveness and efficiency. Other companies, such as Cellnex Italy and France also have an Occupational Risk Prevention Management System.

In 2019, Cellnex Spain obtained ISO 45001 certification, a new international standard that replaces OSHAS 18001:2007. The 45001 certification represents a further step in the management of health and safety at work since the scope is greater than that of OHSAS 18001. Here, we would highlight how ISO 45001, determines internal and external factors that can impact the company's business and that bring new risks into the business. It also requires steps to be taken to address risks and opportunities that may affect the system's ability to achieve expected results or which may affect customer satisfaction.

During this year, Cellnex Italy achieved and maintained SA8000 and ISO45001 certification and created a new "Social Performance Team" committee that holds meetings at least twice a year, or more if they receive grievances to discuss and to solve. The topics discussed by the Social Performance Team are related to "social responsibility of the Company" (SA8000) and "health and safety in workplace" (ISO45001).

Moreover, in Cellnex Spain, the commitment and participation of senior management in the leadership of the management system comes to the fore, while everyone in the organisation has an obligation to know their responsibilities to be able to work together and achieve the objectives of health and safety at work.

Necessary actions under ISO 45001 includes monitoring, measurement, analysis and evaluation of occupational safety and health performance. In this context of the standard, work observations were made to detect potentially dangerous situations and head off any future shortcomings. The development of this initiative in Cellnex Spain represents an improvement in occupational health and safety, which is possible only in mature processes such as those at Cellnex.

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

The company also has its own operational support system (OSS) to perform exhaustive access checks at its centres, which guarantees strict compliance with the Occupational Risk Prevention Policy and with access operations involving customers and contractors.

Cellnex Spain has a **Multi-Plant Health and Safety Committee** which handles prevention issues affecting the company as a whole, comprising 14 members with parity between trade union and Company representatives. It also has two Health and Safety Committees, for the Barcelona and Madrid sites. The Multi-Plant Health and Safety Committee met four times over the last year, in keeping with the legal requirement. Furthermore, there is an e-mail and a corporate Intranet application to allow any Cellnex worker to blow the whistle on any situations in which worker safety could be compromised.

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Cellnex Italy also has a Health and Safety Committee comprising of 11 members, 8 internal employees and 3 external people involved only in case of emergency (the RSPP, the ASPP and the Competent Doctor). Internal employees come from all companies belonging to Cellnex Italy. The Health and Safety Committee met twice in 2019.

Cellnex Spain complies with its prevention obligations under Royal Decree 39/1997 through a Joint Prevention Service. Most of Cellnex Spain's companies are already in the Joint Prevention Service, with only XOC and ZENON still to be incorporated, and are expected to be integrated in 2020.

Cellnex's Joint Prevention Service has established all the operations necessary to comply with the current regulations on radioelectric emissions (Royal Decree 299/2016) and to define working methods for any employee who may be exposed to non-ionising radiation in technical telecommunications centres. This work protocol encompasses all risk prevention and/or protection measures both in the focus, the environment and on the individual.

Likewise, Cellnex Italy has an external prevention service (*responsabile del servizio prevenzione e protezione*), complying with the Italian law. This service is responsible for all matters related to prevention and protection. Every year Cellnex Italy performs an "evacuation drill" and holds a meeting with RSPP, RLS and the Managers "employers for the law" (Datori di Lavoro) in order to check the level of safety in the Company (in all different premises), to evaluate and to start improving potential actions.

Cellnex Group has 12 agreements that cover aspects related to health and safety at work, 4 agreements in Cellnex Spain and 8 in Cellnex Italy. In Spain, 90.5% of the workforce is covered by a Health and Safety Committee and in Italy is 100%.

In order to ensure a safe working environment in which all company staff know the health and safety measures in the workplace, Cellnex Spain provides information and training in occupational health and safety for the whole workforce. Training was provided in this area throughout 2019. Thus, training and awareness-raising activities were reorganised by area, and the training approach was changed to a more pedagogical approach in which workers are encouraged to be proactive, involving them in prevention at work.

Also noteworthy are the Health and Safety training initiatives of Cellnex Italy and the Netherlands. Cellnex Italy carried out all training activities in 2019 involving employees in first aid, fire escape, electrical risks, defibrillation (BLS) and at Cellnex Netherlands they regularly train employees on how to avoid risks.

We organise numerous communication campaigns to raise employee awareness about the importance of safety at the workplace. Moreover, information documents are available for employees on working at height and using personal protective equipment (PPE), and informative talks are held to address any queries that arise on the job. In addition to these documents, the intranet provides access to all procedures, guidelines, etc., which cover all aspects of the work done by Cellnex Spain staff, both technical and office.

Furthermore, the process of managing occupational safety information relating to Cellnex work centres has been optimised, improving the information available from each centre in the systems and allowing greater accessibility and streamlining of the information to customers and suppliers.

One project that stands out in this field is Cosmos Mobile, an innovative application for preventing occupational risks which provides real-time information on technicians' locations and site status, allowing us to enhance employee safety as well as maximise the efficiency and quality of operations.

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In addition, and pursuant to Law 31/1995 on the Prevention of Occupational Risks, in 2018 assessed the psychosocial risks to which Cellnex staff are exposed in Spain, with the company Norprevención-Ibersys. After the initial consultation phase via questionnaire (62% response rate) and a quantitative and qualitative analysis of the results, a diagnosis was generated of the current situation of the various risk factors. Following the evaluation of psychosocial risks carried out in 2018, Cellnex Spain set up a work commission in 2019 to implement preventive and corrective measures.

Mobility Plan

Cellnex Spain's Mobility Plan was approved and implemented in 2018. Its primary objectives are to reduce accidents *in itinere*, raise awareness on preventing traffic accidents and improve the mobility of workers, partners, providers and customers. The expected outcomes are better health, energy savings, fewer emissions, and higher productivity and competitiveness.

At this point, it is worth noting that the Metropolitan Transport Authority of the Barcelona area has created the PDE (Company Travel Plan) Label. In 2019, the offices of Cellnex located in the free trade zone have received this label as a result of the preparation and presentation of our mobility plan for this work centre.

Furthermore, in line with the Mobility Plan approved in 2018, Cellnex Spain is working to optimise more sustainable and safer mobility through different initiatives such as teleworking.

Mobility Plan: actions undertaken and future actions

Actions taken in 2019	Actions to be taken in 2020
4x4 Training and Road Safety	4x4 Training and Road Safety
Online training	Awareness-raising courses for middle managers
Road Safety awareness campaigns	Awareness conferences at venues held by professionals affected by traffic accidents
	Promotion of teleworking

Health and Safety Training

In 2019, 10,127 (5,937 FY2018) hours of training were imparted at Cellnex in occupational risk prevention and occupational safety.

Training provided in 2019
Compulsory occupational risk prevention training
Firefighting
Cargo handling
Maintenance operations on carrier wave coupling devices
Self-protection plan
First aid
Preventive resources
Electrical risk
Work at height
Work in telecommunications facilities

OCCUPATIONAL HEALTH

10,127

hours of training in
occupational risk
prevention and
occupational safety

Accident rate

Cellnex continually monitors safety at work and strives to minimise risks and reduce incidents and accidents among employees and anyone else on its facilities.

	Men	Women
Accident frequency rate (AFR)	1.26	2.17
Accident severity rate	0.011	0.067
Incidence of occupational diseases	0	0

It should be noted that the frequency and severity rates have been calculated only for Spain because it is the only country where accidents have occurred. Therefore, the number of hours worked in Spain has been taken into consideration, not at Group level.

	Men	Women
Falls on the same level	0	1
Falls on different level	0	0
Hit against object	0	0
Overexertion/ bad posture	1	0
Traffic accident / itinere	1	0
Total	2	1

Healthy company

This year, Cellnex Spain continued working on its **healthy business model**. This model establishes the requirements of a management system for organisations committed to existing international principles and recommendations on healthy businesses that wish to promote and continuously protect the health, safety and welfare of their workers.

In 2018 Cellnex signed up to the Luxembourg Declaration. This declaration is a consensus document drawn up by the European Network for Workplace Health Promotion (ENWHP) that sets down the basic principles of action and the framework for good management of workers' health. Participating companies undertake to put the principles of health and safety into practice in business strategies and to promote and disseminate them.

During 2019 the company continued to foster the promotion of healthy lifestyle habits through the "Click into Wellness" project, to promote and protect the health and well-being of all workers in the Cellnex Group. In 2019, activities focused on promoting healthy eating patterns and habits, including online and in-person training, as well as showcooking workshops. By 2020, the initiative is expected to focus on promoting physical activity and sport.

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Moreover, we continued making progress in this area in 2019 through various initiatives, including:

- Regular health promotion campaigns:
 - Blood pressure tests, flu prevention and encouraging blood donation.
 - Campaign to prevent glaucoma: the mobile unit of Tres Torres Ophthalmological Institute gave a full eye test to employees at the Parc Logístic Barcelona offices at their request and at the Ophthalmological Institute for staff from Madrid.
- Integrating health surveillance (epidemiology) to design specific campaigns on good posture, nutrition, stress management, cancer prevention, etc.
- Celebrating the World Day for Safety and Health at Work by providing fresh fruit at the vending machines in the Barcelona Parc Logístic to promote healthy eating.
- Organisation of informative sessions on "Emotional Eating and Stress" by the Preventive Management unit, within the project "Click into Wellness".
- Corporate medical and physiotherapy service.
- Promoting sports among group partners who work in the central offices.

Furthermore, Cellnex Italy designated the "Competent Doctor", complying with the law. With his support, they listed the official "Medical Protocol" for each job profile of the company. In each "medical protocol" there is a list of medical checks to be done for each employee, related to the occupational risk associated with the job, and the duration of the validity of the medical examination.

In Cellnex Netherlands, they are organising a preventive medical research for all employees wishing to take part, providing them with an opportunity to check their physical and mental health.