2

2020: Staying on the path to transformation

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Cellnex commitment with Covid-19

*Cellnex Group deployed a **Global Contingency Plan** to guarantee the continuity of critical services to its customers in all countries provide financial support to its suppliers protect its employees.*

Cellnex's Covid-19 Relief Initiative" has donated **10 million EUR** *over 2020-2021.*

Safe company against Covid-19 certification

2020 main highlights

Strong organic growth generation combined with Opex and leases efficiencies

+c.5.5% new organic PoPs year on year
+c.25% new organic DAS nodes

Strong financial performance

2020 financial outlook exceeded
Revenues €1,608Mn, +55% vs. FY 2019
Adjusted EBITDA €1,182Mn, +72%
RLFCF €610Mn, +75%
Strong backlog of c.€110Bn post closing
of transactions announced to date

Relentless focus on integration

Successful track record of integrations since 2015, all executed in line with expectations
Bullet-proof model to integrate new perimeter in 12 months

ESG Master Plan 2021-2025
approved by The Board of Directors

Creation of **Nominations, Remunerations and Sustainability Committee** (NRSC).

15% of the variable remuneration for the **Top Management** related to **ESG** issues.

Creation of **cellnex foundation**

An analysis of **Climate Scenarios** following the **TCFD** Recommendations carried out.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Objectives achieved in 2020

40% hires of women

20% career advancement for women

100% renewable energy consumption in Cellnex Ireland and UK

Dow Jones Sustainability Indexes | CDP A LIST 2020 CLIMATE | FTSE4Good | UN GLOBAL COMPACT | MSCI | SUSTAINALYTICS | standard ethics

Guidelines 2020-2025

Augmented TowerCo: 2nd step in Poland managing core infrastructure and active infrastructure
Tower economics
Key enabler of 5G fostering the industrial collaboration among MNOs
EV of c.€1.6Bn with an associated Year 1 Adjusted EBITDA of c.€190Mn and RLFCF of c.€80Mn [2]

c.50% of the new pipeline (up to €18Bn) already announced including new deal in Poland [3]
Up to €7Bn proposed Rights Issue with a hard underwriting, to be executed following approvals by Cellnex's AGM (late March) [4]
New €2.5Bn bonds issued at historically low cost

Medium and long-term guidance underpinned by highly visible financials [1]
Revenue c.+21% CAGR 2020-25
Adjusted EBITDA c.+24% CAGR 2020-25
RLFCF c.+28% CAGR 2020-25
Organic PoP growth target upgraded to >5%

(1) Based on transactions announced to date, including Cyfrowy Polsat (please see slide 15); (2) Assuming an FX rate of 4.449PLN / EUR; (3) Includes c.€9Bn already committed: DT Netherlands, SFR France and Cyfrowy Polsat. Remaining pipeline to be executed over up to 18 months following the settlement of the Offering; (4) Rights issue underwritten by a syndicate of financial institutions: J.P. Morgan AG, Barclays Bank Ireland PLC, BNP Paribas and Goldman Sachs Bank Europe SE acting as Joint Global Coordinators and Joint Bookrunners

2021 main challenges

40% of women directors from 2022.

25% of directors with ESG capabilities and expertise from 2022.

Global risk assessment, including non-financial risks, especially climate-related financial risks **(TCFD)**, and **human rights**-related risks **(2023)**

25% of women in leadership positions and in positions of responsibility from 2022.

30% of hires of young talent from 2022.

Critical suppliers identified for both business and ESG **perspective** from 2022.

Energy Transition Plan for Cellnex Group.

100% CellnexGroup's energy consumption green certified by 2025 and beyond.

100% Reduction of the carbon footprint by 2050

European leader in telecommunications infrastructures

Portfolio

C.61,108

sites located in 11 European countries

Cellnex Telecom, S.A. (a company listed on the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges) is the Parent of a Group in which it is both the sole shareholder and the majority shareholder of the companies heading the various business lines and geographical markets in which the Group operates. The Cellnex group provides services related to infrastructure management for terrestrial telecommunications through the following business segments: Telecom Infrastructure Services, Broadcasting Infrastructure and Other Network Services.

Cellnex has successfully become the leading neutral[1] European telecommunications infrastructure operator with a portfolio of up to 61,108 infrastructures (not including forecast roll-outs up to 2031) located in Spain, Italy, France, Switzerland, the Netherlands, the UK, Ireland, Portugal, Finland, Austria and Denmark. As at 31 December 2020, the Group manages a portfolio of 58,104 sites and 3,004 nodes, making a total of 61,108 infrastructures. This business model is based on innovative, efficient, sustainable, independent and quality management to create value for its shareholders, customers, employees and all stakeholders. In addition, the Group is the main Broadcasting Infrastructure provider in Spain with a majority share in the national and regional markets.

Cellnex is listed on the continuous market of the Spanish stock exchange and is part of the selective IBEX 35 and EuroStoxx 600 indices. It is also part of the FTSE4GOOD, CDP, Sustainalytics and "Standard Ethics" sustainability indexes. During the first half of 2019 Cellnex Telecom (CLNX SM) was added to the MSCI Europe index, following the May 2019 semi-annual index review.

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[1] Neutral: with no mobile network operator as a shareholder having (i) more than 50% of the voting rights or (ii) the right to appoint or dismiss the majority of the members of the board. The loss of the Group's neutral position (i.e., by having one or more MNOs as a significant shareholder) may cause sellers of infrastructure assets to be reluctant to enter into new joint ventures, mergers, disposals or other arrangements with the Group (also impacting the organic growth of the Company). As the Group increases its size, management expects that large MNOs may be open to collaborating with the Group in several ways, such as by selling their sites or other infrastructure assets to Cellnex, including in exchange for Shares, which could negatively impact the Group's business and its prospects, as this type of transaction could affect the perception of the Group's neutrality.

COVID-19 global scenario

An exceptional context

The COVID-19 pandemic constitutes an extraordinary phenomenon that has led to a dramatic loss of human lives worldwide and is affecting societies and economies at their core. In 2020 COVID-19 affected almost all countries and more than 50 million people around the world.

Likewise, the pandemic is changing the way people work and run business, study or interact at a dizzying rate. In this context, people across the globe rely on technology for information, for social distancing, and working from home.
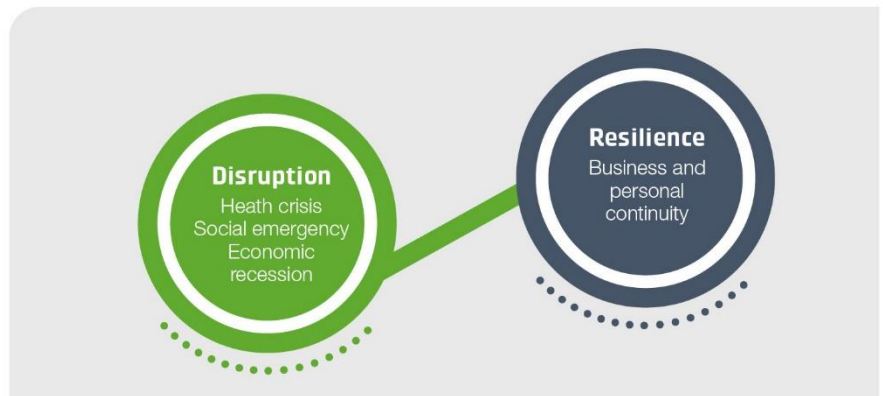
Never before has maintaining connectivity been so important, not only in the many entertainment options offered through streaming or social networks, but also by serving the curricular needs of millions of students, providing information or maintaining work, family or interpersonal options and relations through instant audio-visual communication. Here, telecommunications infrastructures play a fundamental role.

Cellnex's response

As a telecommunications infrastructures operator for radio and TV (DTT), voice and data, and communication networks for security forces (police and fire brigades) and emergencies (medical and maritime rescue), Cellnex Telecom has ensured continuity of services 24/7, serving more than 200 million people around Europe.
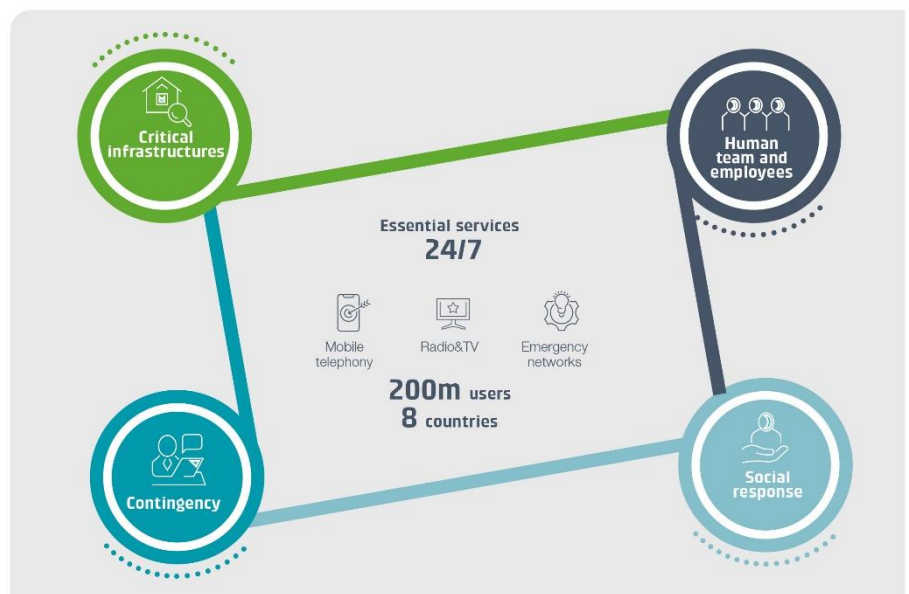
cellnex

Cellnex has a

Service Operation Centre

to ensure service continuity

When Spaniards were confined to their homes, the only source of entertainment and information was TV, Radio or internet. Cellnex Spain technicians left their homes to take care of and provide maintenance for the broadcast centres of the services that kept a large swathe of the population informed and connected.

José Luis Ferreiro,
Central Territory Manager
Cellnex Telecom

Cellnex set up

crisis committees

to guarantee the provision of critical services

Critical infrastructures

At Cellnex Spain, a group of around 150 engineers and about 50 technicians works together in the Service Operation Centre (SOC) performing the essential tasks to ensure service continuity around the clock, evaluating the state of networks, data transmission, the operation of DTT and digital radio or the I.T. security of their own facilities and third-party network service, for fibre or radio customers.

Another essential service is maritime communication, which Cellnex has been operating under a public order from the Spanish Government for ten years. The company provides uninterrupted radio coverage to 35 stations distributed throughout the territory to aid navigation and guarantee safety with three territorial centres on each of the coastlines (Coruña, Valencia and Las Palmas). This is an essential service providing weather data or information on possible incidents and communication with vessels with direct contact with maritime rescue.

All these actions are in line with the Agreement for personal and corporate connectivity signed in March 2020 with the Spanish Ministry of Economic Affairs and Digital Transformation and other relevant operators in the sector, such as Telefonica, Vodafone, Orange or MasMovil.

This agreement complements Royal Decree-Law 8/2020 of 17 March 2020, on extraordinary urgent measures to face the economic and social impact of COVID-19 to encourage operators who have signed this agreement to take on voluntary commitments to guarantee personal and corporate connectivity within the COVID-19 crisis; especially with regard to networks that support emergency services.

After careful consideration and given the exceptional COVID-19 crisis situation, Cellnex took the decision of helping their clients in improving their coverage and in overcoming congestion problems they faced with based on the significant increase in data consumption this crisis situation triggered. In this connection, Cellnex offered its clients a grace period for 2-6 months on all new collocations in Cellnex sites.

Contingency Plan

Like all large companies, Cellnex has solid contingency plans but, as has occurred in all large companies, the reality far exceeded even the most pessimistic scenarios of any hypothetical emergency.

In this exceptional situation, Cellnex has developed a Global Contingency Plan to guarantee the continuity of critical services in all countries and critical infrastructures in Spain, for Cellnex and for suppliers. Moreover, Cellnex has defined a recovery plan at the corporate level, which has been implemented in all countries.

Two committees were set up to respond to crisis situations in the Cellnex group, guaranteeing the provision of critical services:

- Global crisis committee.

- Local crisis committees reporting daily to the Global committee

The communication stream was vital in the early stages of the crises as it provided the local management team with clear message to the team that that both the local management team and the Corporation were aware of the impact on the team, interested in helping as much as possible and in full control of the companies response to a rapidly changing scenario.
Trevor O 'Rourke, Country Economic & Management Control Director
Cellnex Ireland

Cellnex has collaborated through the

Cellnex's COVID-19 relief initiative

Human team and employees

Since the beginning of the pandemic, Cellnex's priority has been to guarantee the health and safety of employees. Thus, their 1,955 employees around Europe who are not part of the operations team, have been working remotely since the second week of March, one week before the Spanish Government forced companies to telecommute.

As a consequence, most training has been online, with periodic virtual meetings held as a differentiating element with respect to the previous year. This way of working allows a change in mindset that allows the company to change its mindset and move with the times by holding meetings using online platforms and become more cooperative and flexible in our relationships.

Moreover, in Spain, Cellnex has implemented a specific action plan that includes health, organisational, and risk prevention/H&S measures to reduce the risk of contagion according to the COVID-19 safe protocol. This plan has obtained TÜV Safe Protocol 19 certification for the Corporate headquarters and Business Unit Spain in their territorial headquarters.
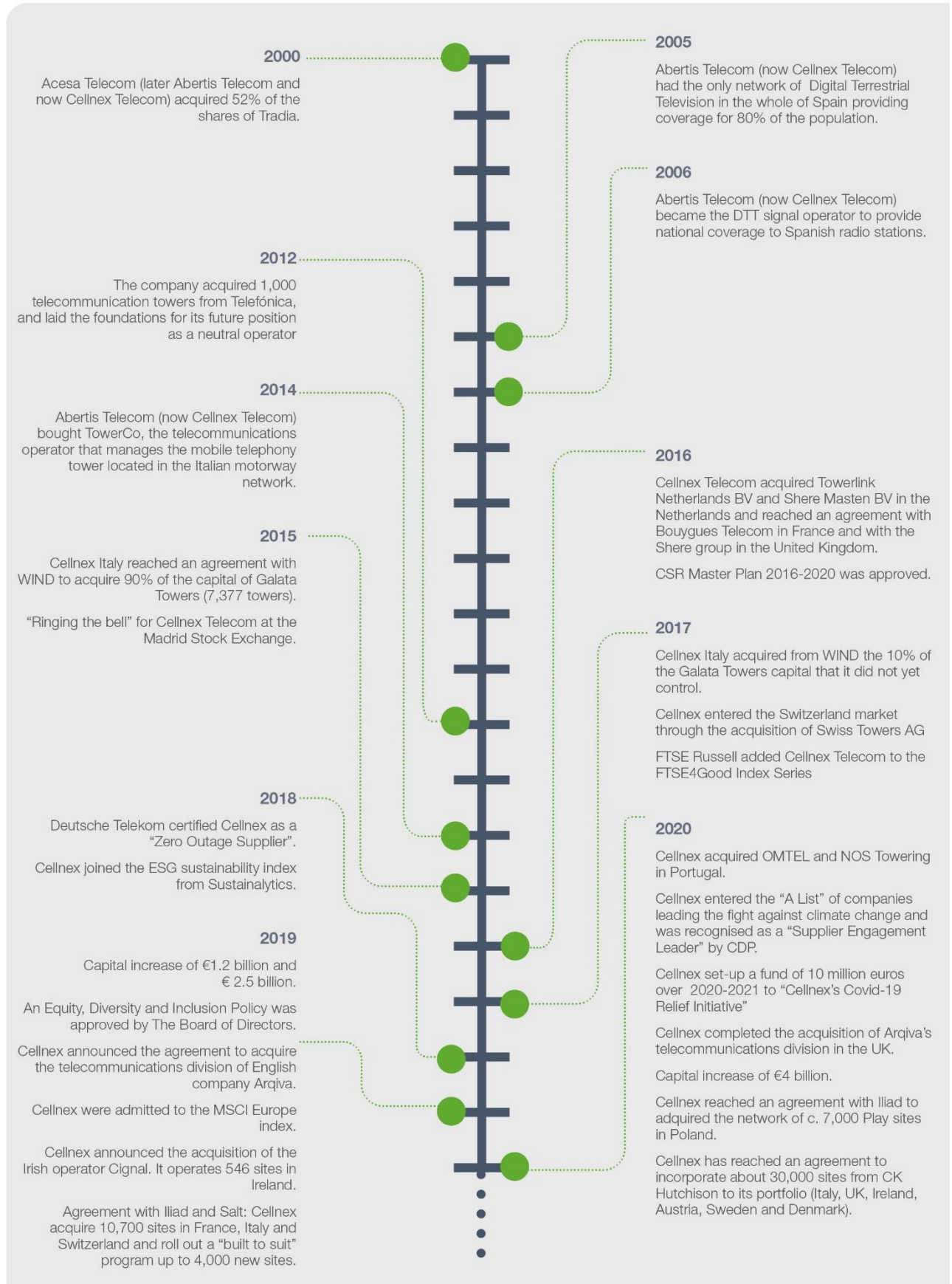
This information is explained in detail in Chapter 5: 5. Being a facilitator of social progress.

Social response: Cellnex's COVID-19 Relief Initiative

In the face of the unprecedented crisis caused by the COVID-19, Cellnex has acted proactively, allocating significant resources and concrete actions in social matters (collaborations with hospitals in Spain, Italy and France, and other actions with the different countries of the Group) to mitigate the effects of the pandemic. This collaboration is just one more expression of the company's sense of purpose, which goes beyond our responsibility to guarantee a solid and healthy return to shareholders and investors.

In this regard, the company has set up several collaborative projects in the countries where it operates under the project "Cellnex's COVID-19 Relief Initiative", a fund of 10 million euros over 2020-2021, 5 million of which is earmarked for medical research and 5 million for social action projects, especially focused on the most fragile and exposed groups and people, and to facilitate digital inclusion. This information is explained in detail in Chapter 5: Being a facilitator of social progress.

Historical timeline of Cellnex's business model

2000
Acesa Telecom (later Abertis Telecom and now Cellnex Telecom) acquired 52% of the shares of Tradia.

2005
Abertis Telecom (now Cellnex Telecom) had the only network of Digital Terrestrial Television in the whole of Spain providing coverage for 80% of the population.

2006
Abertis Telecom (now Cellnex Telecom) became the DTT signal operator to provide national coverage to Spanish radio stations.

2012
The company acquired 1,000 telecommunication towers from Telefónica, and laid the foundations for its future position as a neutral operator

2014
Abertis Telecom (now Cellnex Telecom) bought TowerCo, the telecommunications operator that manages the mobile telephony tower located in the Italian motorway network.

2016
Cellnex Telecom acquired Towerlink Netherlands BV and Shere Masten BV in the Netherlands and reached an agreement with Bouygues Telecom in France and with the Shere group in the United Kingdom.

CSR Master Plan 2016-2020 was approved.

2015
Cellnex Italy reached an agreement with WIND to acquire 90% of the capital of Galata Towers (7,377 towers).

"Ringing the bell" for Cellnex Telecom at the Madrid Stock Exchange.

2017
Cellnex Italy acquired from WIND the 10% of the Galata Towers capital that it did not yet control.

Cellnex entered the Switzerland market through the acquisition of Swiss Towers AG

FTSE Russell added Cellnex Telecom to the FTSE4Good Index Series

2018
Deutsche Telekom certified Cellnex as a "Zero Outage Supplier".

Cellnex joined the ESG sustainability index from Sustainalytics.

2020
Cellnex acquired OMTEL and NOS Towering in Portugal.

Cellnex entered the "A List" of companies leading the fight against climate change and was recognised as a "Supplier Engagement Leader" by CDP.

2019
Capital increase of €1.2 billion and € 2.5 billion.

An Equity, Diversity and Inclusion Policy was approved by The Board of Directors.

Cellnex announced the agreement to acquire the telecommunications division of English company Arqiva.

Cellnex were admitted to the MSCI Europe index.

Cellnex announced the acquisition of the Irish operator Cignal. It operates 546 sites in Ireland.

Agreement with Iliad and Salt: Cellnex acquire 10,700 sites in France, Italy and Switzerland and roll out a "built to suit" program up to 4,000 new sites.

Cellnex set-up a fund of 10 million euros over 2020-2021 to "Cellnex's Covid-19 Relief Initiative"

Cellnex completed the acquisition of Arqiva's telecommunications division in the UK.

Capital increase of €4 billion.

Cellnex reached an agreement with Iliad to adquired the network of c. 7,000 Play sites in Poland.

Cellnex has reached an agreement to incorporate about 30,000 sites from CK Hutchison to its portfolio (Italy, UK, Ireland, Austria, Sweden and Denmark).

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Cellnex owns an

Industrial model

to standardise the company's processes

Enabling a pan-European telecom infrastructure platform

Cellnex's Industrial model

Since its IPO in May 2015, Cellnex has carried out numerous growth projects involving companies and sites acquisitions. As a result, in these five years the company has gone from operating in a single country (Spain) to operating in ten countries, from being practically a single-product company to being a multi-product company, increasing its size by a factor of five and the volume of assets managed by eight, thus becoming the second largest wireless telecommunications infrastructure operator in the world.

Moreover, according to the last acquisitions in 2020, Cellnex will enter two new markets: Poland and Sweden, which will extend the geographic footprint of the Company. It will also result in Cellnex expanding its presence in the key markets of Italy, Ireland and the UK, in which the volume of assets under management will be doubled.

In this context, Cellnex owns an Industrial model, a methodology developed by the company to standardise the company's processes and therefore facilitate the integration of countries within the company's procedures. This methodology has been adapted to each integration made, allowing a swift deployment of multidisciplinary integration teams and ensuring business continuity whilst supporting expected growth.

Cellnex's Industrial model is implemented across all Cellnex business units and areas.

Cellnex's Industrial model

Commercial	Operations	Financial	People	Government
A common business vision and commercial strategy to offer a broader market vision and a clear customer orientation, supported with the use of a common tool (Salesforce) to integrate all business opportunities and initiatives.	A methodology defined to standardise processes and deliver excellent operational services, deploying the Agora tool.	Accounting and administrative functions centralised and outsourced in a common BPO (Prime project), as well as digitalisation of treasury functions (Maverick project).	Common organisational structure and relational model, global culture, common compensation scheme and benefits, same talent and leadership programmes, standard job levelling criteria, etc.	Design of a common Management Model making it possible to follow the strategy, objectives and results, and standard matrix organisational structure both in corporation and countries.

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In 2020

six integrations were developed in parallel

through industrial model

Together with the Industrial model, a new relational and functional model has been designed, under which the functions associated with the different Corporate Areas have been defined to achieve a homogeneous and scalable Relational Model, for establishing a reference functional framework. In this regard, the main tasks developed were:

- Updating the corporate functions and their relationship with countries.

- Reorganising functions and areas in line with the new organisational changes.

- Analysing and optimising possible overlaps of functions between different corporate areas.

- Identifying potential areas for improvement.

Having defined these models, the differences between the Cellnex Industrial model and the new Business Unit processes can be identified faster while providing a better understanding of the benefits and impacts of each identified gap to determine its relevance.

The development of Cellnex's Industrial model allowed six integrations to run in parallel. During 2020, integrations were carried out in France, Portugal, Netherlands, Ireland, UK, and Finland.

In this regard, different tools were developed on various pillars of the Industrial Model:

Commercial

Salesforce is the main tool in Cellnex's commercial process, where the commercial team is able to manage the entire sales cycle with the customer, from lead generation and monitoring of commercial activity to the preparation of commercial offers and closing of sales.

The main benefits of this system are:

- An improvement in commercial efficiency.

- Greater visibility for strategic decision-making.

- Greater ability to identify best practices and roll them out across markets.

- Cross-market product/business line information in real time.

- Global account visibility and management.

Operations

Agora is the system supporting most of the operations of the TIS business, and it is expanding to other businesses. In 2020 the tool was implemented in France, Spain and Corporation, and is expected to be implemented in the whole Group in 2021. It is worth highlighting the following characteristics:

- Homogeneous among all the business units.

- Scalable to fit new business requirements.

- Integrated with other company processes like financial, purchasing or sales.

- Connected to customers and vendors.

- Rapidly deployable and adaptable to a country's needs.

Financial

Back-office financial system

Rollout of the back-office system, which is based on a best in class ERP. Among other processes, it allows an integrated management of financial, purchasing, and site processes. It is worth highlighting the following benefits:

- Real-time posting of economic events.

- Standardisation of the financial and procurement processes.

- Native integration for Landlord contracts.

- Advanced IFRS16 automatic calculations.

Prime project

Within the Global Governance section of Cellnex's transformation program, the initiative of the PRIME Project arises, with the main objective of defining and implementing the new industrial model for the Accounting and Administration functions of the group. PRIME Project defines an homogeneous and scalable model for all the countries enabling to capture efficiencies and absorb the fast growth of the group.

The project started in 2018 by defining the common target model from a processes, policies, systems and organization perspective. The defined model includes the outsourcing of administrative and lower value-added activities to an external partner, while keeping the activities with the highest added-value and their control inside the organization. During 2020 the project has been led by a transversal team from Finance, IT and Organization both from Corporation and the Countries. The model has been successfully implemented in six countries of the Cellnex group (Spain, the Netherlands, the United Kingdom, France, Switzerland and Italy) and this is expected to continue during 2021, incorporating new countries and companies recently added to the group.

e-Sourcing

The project consists of transforming the purchasing function by standardising and optimising purchasing processes among Cellnex group by rolling out an IT tool that support such processes making them more efficient, integrated with ERP and reducing manual tasks. Efficient management and quick interaction with suppliers.

The main benefits for the group are:

- Improving communication with suppliers.

- Portal to give autonomy, visibility and transparency to suppliers and allow electronic invoicing.

- User-friendly interface to create purchase orders to all Business Units by reducing time spent consulting de users' manual.

- Manage purchasing processes (Sourcing & Contracts) in a cloud environment with transparency and promoting competence among suppliers to seek efficiencies and savings.

People

Job levelling is an organisational project focused on defining an exclusive job catalogue and common positions framework for all Cellnex Telecom Group that drives Talent and Global Mobility and delivers competitive rewards, while addressing business needs: talent attraction, engagement and key talent retention.

Job levelling is in permanent deployment, as the new incorporations are being integrated into job levelling. A salary benchmark has been carried out in all countries and is being completed in Ireland, Portugal and the UK.

Moreover, an assessment session is held for all people at the time of integration in a personalized way in order to help them in their integration process and personal development.

Cellnex Netherlands integration

During 2020, significant progress was made in the integration of the five Dutch companies (Shere, Alticom, Towerlink, Cellnex Netherlands and Breedlink), such as the deployment of Cellnex's industrial model. Cellnex Netherlands has defined and deployed a new functionally driven organisation grouping together employees from the different legal entities, who now work together in the same area.

Moreover, the process map has been aligned with the corporate model. Although the Corporate Process map covers almost 200 processes, Cellnex Netherlands has focused on the definition and alignment of the 45 key ones (not considering Finance and Purchasing that have been approached in parallel projects). A new governance model has also been defined.

In addition, Cellnex Netherlands is well advanced in the deployment of the tools that support those processes, such as Prime, Agora or Ariba.

In the human resources area, the Job levelling exercise has been implemented to put employees into Cellnex Blueprint Carrier Path, and job descriptions and responsibilities have also been defined.

Furthermore, an Employee Handbook has been created which defines rules, policies and benefits and aligns employee conditions. It also incorporates the main Corporate guidelines such as a Code of Ethics, Management By Objectives, Individual Development Programme, and Dutch Law specificities.

MyCompensa has been implemented in preparation for a Go live expected in January 2021. This platform brings 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.

Arqiva integration in Cellnex UK

"On Tower UK Limited" is being integrated into the Cellnex group following the acquisition of Arqiva Services Limited by Cellnex UK. In July 2020, more than 247 employees joined the Group and the shared Services area was created, supporting both organisations. After a short period, the On Tower UK team was integrated into the previous team in the UK and a single joint organisational structure was implemented.

A detailed integration programme was established for implementation during the second half of 2020 and 2021. During the first phase of integration, employees were drafted into the group, bringing them on board and providing them all relevant tools (Intranet, Office accounts, etc.). All other relevant communications were made on the transaction to customers, suppliers and landlords and the Cellnex UK website was launched.

Moreover, the Group's financial and operational reporting model was introduced and a series of assessments (Operations, IT, ...) performed, with an analysis gap made between the model used by Arqiva and the Cellnex Industrial model and the associated implementation plan.

Additionally, at commercial level, product line training sessions were delivered to the local team to increase the portfolio of products and deploy Salesforce, giving them a greater vision of the UK market opportunities. In Legal & Regulatory affairs, the Cellnex model is already in place (powers of attorney, board members, insurances, etc.).

The team is currently working to implement the industrial model at Finance level; SAP is being deployed; and administration and accounting services are being outsourced to the group's partner (PRIME project) to be achieved by the first half of 2021. On the Operations side, the Agora tool is being implemented with new processes to be defined by the first half of 2021. Likewise, a renegotiation plan for income has already been defined and will be implemented in January 2021. Various other IT projects are ongoing and the plan for exiting the TSA during 2021 is being executed.

Regarding HR, consultation processes took place for office moves, the job levelling project was completed and the career development assessments and approach to employee objectives (MBO Process) began. The UK headquarters office in Reading was selected and employees are expected to be relocated during the first half of 2021.

As a team, we adapted very quickly to the new circumstances, maintained our focus and commitment to deliver the best results to all of our stakeholders. I feel very proud and grateful to be part of this team that is helping to build Cellnex's history.

João Ulrich, Legal Adviser, M&A and Corporate Finance
Cellnex Portugal

Workplace is seen as a

space to connect

Omtel and OnTower integration in Portugal

During 2020 Cellnex consolidated its presence in the Portuguese market by acquiring two companies. Cellnex acquired the full share capital of OMTEL, Portugal's main independent Portuguese Tower Company in January, followed by On Tower Portugal in September.

Cellnex Portugal currently has more than 5,000 telecommunications sites located in urban, suburban and rural areas spread across mainland Portugal, Madeira and the Azores. Cellnex Portugal's Team is highly experienced and diversified, dedicated to efficiently supporting its growth and commitment to service excellence. Initially, the company's workforce comprised 29 employees, increasing to 55 following Cellnex Portugal's expansion.

OnTower PT's organisational structure was initially integrated within Omtel's organisational structure, with staff only incorporated into the Operations area.

The integration of Omtel was completed by the end of the year and the Integrations team had already handed over to local team to finish integrating and executing the pending tasks, mainly related to the IT and Finance areas.

In short, many benefits were achieved for the country during this year of Integration. In the Commercial area, the team deepened local understanding of product and business lines through training sessions and ensured an efficient track of opportunities by deploying Salesforce. In the HR area, employees widened their opportunities for career development and progression due to Cellnex's growth, the job levelling process was carried out and the MBO definition of 2021 will be started through the formal Corporate process. In relation to operations, a unified access and NOC solution was provided along with a unified process for site lease renegotiation approvals trough the deployment of WeCal. Finally, IT support was ensured and the Corporate applications are being rolled out.

The Portugal team is currently focused on achieving the implementation of the Cellnex Industrial model (mainly SAP, Agora and Prime) for Omtel and OnTower PT.

Workplace

The corporate buildings area has been renamed Global Workplace, a project that seeks to change the way of working through spaces, taking another step towards a more collaborative culture.

The COVID-19 pandemic has upended everybody's lives and has radically changed how Cellnex thinks about the office space. What matters the most today at the office is having space to effectively connect with colleagues, whether by chance or intentionally. Key workplace settings include different shapes of meeting rooms and project spaces to fulfil specific needs to accomplish work.

Cellnex's new offices and workplaces are more flexible, more intentional and more focused on productivity. This year Cellnex has been working on several projects in corporation and countries with the main objective of developing a consolidated image for all Cellnex offices and ensuring all Cellnex employees have the same experience in their workplace.

New offices in 2020

New offices in France and Netherlands were opened during 2020, allowing the integration of the various Business Units in the same space, thus facilitating and promoting a common corporate culture.

The employees of Cellnex France, On Tower, Nexloop, Springbook and other french entities were move to a new office. This office is located in the ARDEKO building in Boulogne-Billancourt, a privileged location in the west of Paris, along with other major companies.

The Ardeko office building has equipment like air conditioning, ventilation and heating that were custom designed according to the size of the building and the insulation capacity of its materials. ARDEKO's environmental objectives are very strict and thus meet the most exacting standards and certifications: HQE®, BBC and LEED PLATINUM Level. There are also bicycle parking spaces (equipped with changing rooms and showers) as well as charging stations for electric vehicles.

New offices in 2021

A new office in the UK is planned for March 2021, close to almost all Cellnex UK's major customers. The location was also selected because it helps to minimise Cellnex's environmental impact through its excellent public transport links and outstanding environmental design standards.

Also, Cellnex is designing a new corporate office in Barcelona in BcnFira District, where Cellnex will occupy the 14th to the 21st floors of a multitenant building. The new corporate headquarters in Barcelona will be located in an innovative and ecological building with outstanding characteristics.

- Well Gold Certification: The Building (core&shell) and offices (interior), will have the Well Gold Certification, a leading tool that leverages the comfort and wellbeing and health of the occupants through design.

- Smart Building: a project running in parallel to the office design that aims to manage the workspaces in a more efficient and intelligent way. The installation of small devices (sensors and QR) around the office, will allow various parameters and values such as temperature, HVAC, CO_2, occupancy and presence to be controlled

- Spaces in the office: individual workstations become less important while collaboration areas are enhanced. The office is now seen as a meeting point, a social and relational space. Meeting rooms of different sizes and formats and project areas are the spaces employers demand the most.

Organisational structure of the Cellnex group

As of 31 December 2020, the organisational structure of the Cellnex group is as follows:

Business model

Cellnex has made a firm commitment to developing its network, which comprises c. 128,524 sites and positions the company to develop next generation networks. Cellnex offers its customers a range of services to guarantee the conditions for reliable and high-quality transmission of voice, data and audio-visual contents.

Cellnex provides infrastructure management services for wireless telecommunications to the following markets:
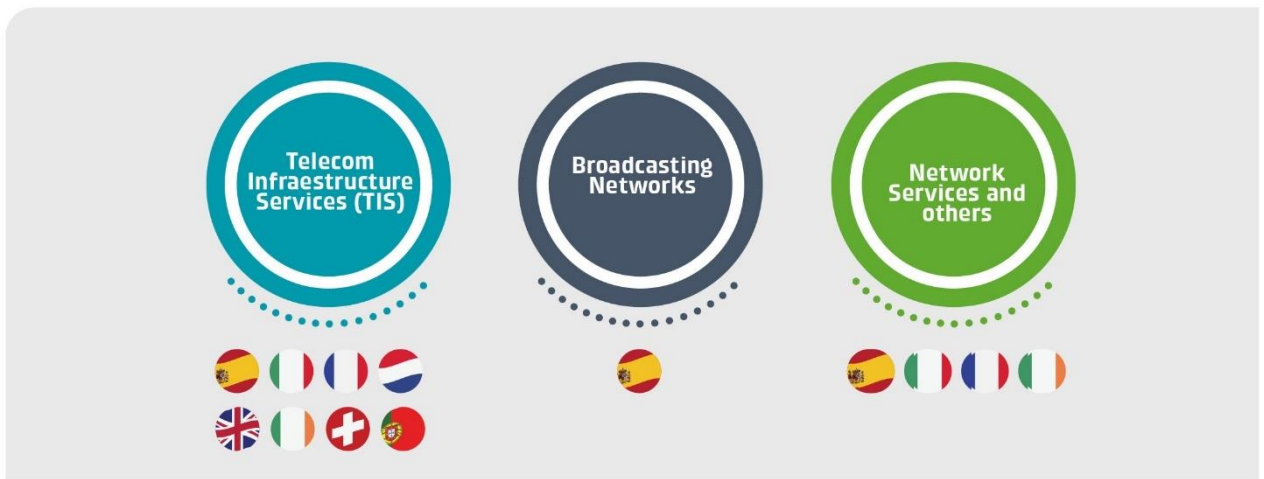
As it expands its presence across the territory, Cellnex also increases its portfolio of services. In this regard, Telecom Infrastructure Services continues to be the service with the greatest relative weight in the group's 2020 Income statement, as a consequence of the acquisition and integration of new telecom sites.

Contribution in income as of 31 December 2020

- Telecom Infraestructures Services
- Broadcasting Networks
- Networks services and others
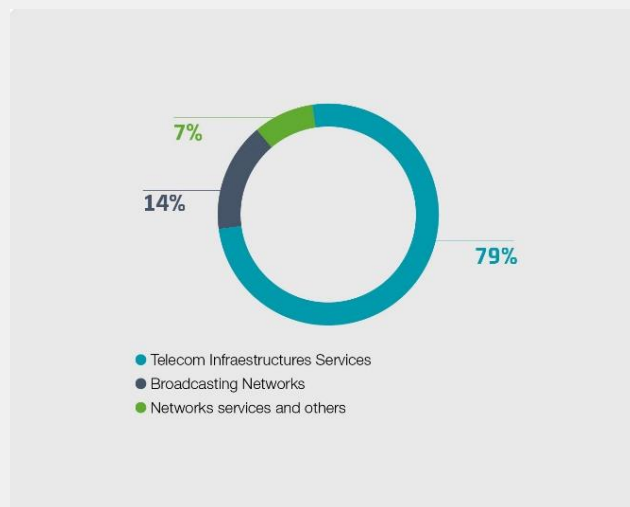
Cellnex improves

efficient use of resources

by facilitating the sharing between the major telephone operators

The contract between Bouygues Télécom and nexLoop France started on May the 29th 2020.
We quickly proved our client that we were able not only to integrate documentation, but also to challenge them on the roll out quality and engineering aspects. This legitimacy we gained was an important step for the partnership and the confidence of Bouygues Télécom.

Vincent Burgert, Managing Director
Cellnex France

Telecom Infrastructure Services (TIS)

Cellnex has strategically located infrastructure to offer maximum coverage in both urban and rural settings, providing a service with a high level of quality, availability and network stability thanks to appropriate climate control, assisted power supply systems and automatic alarm detection systems.

In this way, Cellnex offers co-location services in its infrastructure to mobile phone operators so that they can install their wireless broadcasting and telecommunications equipment there. Cellnex Telecom facilitates sharing between the major telephone operators, which allows for the maximum and efficient use of the installed network capacity, minimising redundancy and duplication. Thus, this model is characterised by its reduced impact and presence in the urban area, and therefore improves efficient use of resources such as energy, which in turn reduces the carbon footprint.

Moreover, Cellnex Telecom has set up a large network of nodes, extensive coverage by means of radio links and a private connection to the Amazon cloud infrastructure to offer the most advanced data transportation and hosting services.

COVID-19 agreement for connectivity for people and companies

Faced with the COVID-19 situation, an agreement was signed between the Spanish Government and the main telecommunications companies operating in Spain (such as Cellnex Telecom) by which they undertake to make the greatest efforts to guarantee connectivity, operation and supervision capabilities of the networks and fast response to incidents, especially with regard to networks that support emergency services.

In addition, the operators undertake to take special measures to extend services associated with the mobile phone connectivity contracts of private, self-employed and small business customers, at no additional cost to the user, always subject to proper use of the service that does not jeopardise the general provision of the service.

They also undertake to keep customer service channels active, to enrich the audio-visual packages offered to their users with additional content and to contribute to the measures developed by the Administration to promote remote-work, distance learning and e-health.

Roll-out of a Fixed and Mobile Transport Fibre Network

Cellnex France and Bouygues Telecom have reached a strategic agreement to roll out a national fibre optic network in France to provide mobile and fixed fibre-based connectivity and especially accelerate the roll-out of 5G in the country.

Planned investment up to 2027 stands at up to € 1.1 billion, which will be used to roll out a network of up to 31,500 km., interconnecting the telecommunications rooftops and towers providing service to Bouygues Telecom (5,000 of which belong to and are operated by Cellnex France) with the network of "metropolitan offices" for housing data processing centres (Edge Computing).

Datacentres

CJ2, one of the leading corporate hosting service providers in the north of the Netherlands, has expanded the capacity of its data processing centre (datacentre) located at the Cellnex telecom & data tower in Hoogersmilde. The Dutch company has launched a "second floor" in the building to accommodate the growing demand for co-location services and datacentres in the region.

Installation of a multi-operator 4G tower

Val d´Europe Agglomeration, SANEF, and Cellnex France are collaborating on the establishment of an operational multi-operator tower in the International Business Park in order to strengthen mobile telephone coverage of the territory.

DAS and Small Cells

A distributed antenna system (DAS) is a network of spatially separate antenna nodes connected to a common source via a transport system that provides wireless services within a geographical area or a building. DAS can be installed in buildings to boost wireless signals inside them, which is why they are often located within large facilities such as stadiums or company premises.

Cellnex uses DAS systems and provides DASaaS ("DAS as a Service") using an end-to-end approach, to improve coverage and repeater capacity of the mobile radio signal in specific areas serving mobile operators, both with structures dedicated to a single operator and in multi-standard/multi-frequency and multi-operator "neutral host" mode, since a single antenna can distribute the signal for several frequencies and several operators simultaneously. This structure provides more efficient use of energy, reducing the carbon footprint.

The DAS and Small Cells systems are one of the core infrastructures from which the new 5G communication standard will be rolled out. The roll-out of 5G could deliver social value across the Sustainable Development Goals, mainly by contributing to good health and wellbeing, in addition to enhancing infrastructure, promoting sustainable industrialisation and fostering innovation. Other key areas in which social value can be created through 5G include contributing to responsible consumption, enabling sustainable cities and communities, and promoting decent work and economic growth.

5G could deliver

social value

across the sustainable development goals

Distributed Antenna Systems at hospitals

Cellnex Italy designed and installed a specific DAS system to address the specific hospital environment challenges. The system consists of many branches, including the extension of the indoor area, which prevents from having just one active device. The system is divided into many sectors, each one consisting of one or more remote unit equipment (modulation and amplification), located in the technical room. The radiating points are installed strategically in the building.

This system was implemented in various hospitals in 2020. The most outstanding projects were Ospedale San Raffaele (Milan), Ospedale Niguarda (Milan), Ospedale Pasquinucci (Massa Carrara), Ospedale IDI (Rome), Ospedale Borgo Trento (Trento) and Ospedale Chioggia (Venice).

Likewise, Cellnex Portugal implemented a new DAS solution in the hospital VNGaia, one of the biggest cities in Portugal. In this project, a DAS with 33 indoor antennas was installed and the addition of four indoor antennas is contemplated to meet the defined coverage objectives. The DAS solution is designed to be extended to other floors of the building.

DAS at Stadiums

Cellnex has deployed a Distributed Antenna System (DAS) at Manchester City's Etihad Stadium to provide enhanced 4G connectivity throughout the premises of the sporting venue. Initially, Vodafone and O2 customers can benefit from this enhanced connectivity, although the design of the installation will allow other operators set to be connected in the future. Likewise, the system is ready for the future arrival of 5G.

Cellnex Italia has installed and tested its multi-operator DAS (Distributed Antennas System) communications system for the transmission of all technologies, up to LTE+, at Rome's PalaLottomatica sports arena, making it possible to provide mobile connection services that guarantee users both a high performance in terms of data transmission capacity and a large number of simultaneously connected users.

It has also designed and installed a specific DAS system in San Siro Stadium in Milan. This DAS system is made up of more than 100 active devices (remote units) connected to more than 150 antennas, implementing radiating points. Each radiating point illuminates a part of the stadium with an MNO's sector, enhancing the system capacity.

Likewise, Cellnex Italy developed DAS projects in Olimpico Stadium (Rome) and Juventus Stadium (Turin).

5G network in BASF's production centre

Cellnex Spain will be in charge of installing and deploying a 5G trial network in BASF's production centre in Tarragona, on which various use cases related to the industrial operations of the plant will be developed. BASF has identified 5G as one of the key technologies for its digital transformation process.

Car parks

Cellnex Spain has equipped the 40 B:SM car parks in Barcelona with DAS (Distributed Antenna Systems) technology to provide them with 3G and 4G mobile broadband coverage, scalable to 5G in the future.

From now on, users of these car parks will have greater connectivity when making calls, browsing the Internet and using new value-added services such as access to shared vehicles, the use of recharging points via mobile phones or the use of electronic commerce collection points.

In total, more than 500 small antennas have been deployed across the 40 car parks. The investment totals 1 million euros and includes the design, deployment and maintenance of the infrastructure.

Shopping centres, Convention centres, Skyscrapers, Hotels and Resorts

In the Elnos Shopping Centre, in Brescia (Italy), Cellnex Italy designed and deployed a specific DAS system, compromising many active devices (remote units) connected to antennas, implementing radiating points. The system consists of many branches covering all common indoor commercial areas. The system is divided into many sectors, each of which has one or more remote unit equipment (modulation and amplification), located in the technical room. The radiating points are installed strategically in the building.

Moreover, Cellnex Italy developed similar projects in Arese Shopping Centre (Milan) and Maximo Shopping Centre (Rome).

5G mobile network at IESE Business School

Cellnex Spain will provide a 5G mobile network on the IESE Business School Barcelona campus to investigate how this technology could improve the educational experience. For example, one of the programmed actions combines edge computing with a small 5G cell and augmented reality glasses, allowing a computer-generated game to be played in any environment.

Transport networks

In 2020 Cellnex Spain strengthened its portfolio of telecommunications infrastructures that it manages for transport networks and suburban environments. In this connection, Cellnex acquired Indra's stake in Metrocall (60%), the neutral operator providing the mobile connectivity service in the Madrid suburban network. The remaining 40% of Metrocall will continue to be owned by *Metro de Madrid*.

5GMED Project

Cellnex participates in the 5GMED project, which concerns the railway and motorway between Figueras and Perpignan. 5GMed will develop and improve cross-border 5G application scenarios within advanced automated connected and cooperative mobility services and the future railway mobile communications system.

The 5GMED project will be developed through four pilot projects: automated remote driving; advanced traffic management; continuity of on-board business services during cross-border rail changes; and infotainment with augmented reality for autonomous cars and railways.

The Telecom Infrastructure Services site portfolio at 31 December 2020 is summarised below:

Framework Agreement	Project	Nº of Sites acquired	Beginning of the contract	Initial Terms + Renewals [1]
Telefónica	Babel	1,000	2012	10+10+5
Telefónica and Yoigo (Xfera Móviles)	Volta I	1,211	2013	10+10+5 (Telefónica) Until 2030+8 (Yoigo)
Telefónica	Volta II	530	2014	10+10+5
Business combination	TowerCo Acquisition	321	2014	Until 2038
Telefónica and Yoigo (Xfera Móviles)	Volta III	113	2014	10+10+5 (Telefonica) Until 2030+8 (Yoigo)
Telefónica	Volta Extended I	1,090	2014	10+10+5
Neosky	Neosky	10	2014	10+10+5
Telefónica	Volta Extended II	300	2015	10+10+5
Business combination	Galata Acquisition	7,377	2015	15+15 (Wind) [2]
Business combination	Protelindo Acquisition	261	2012 2016	+15 (KPN) +12 (T-Mobile)
Bouygues	Asset purchase	4.074 4	2016 - 2017 2018	20+5+5+5 / 25+5+5 [3] 20+5 [3]
Business combination	Shere Group Acquisition	1,042	2011 2015 2015	+15 (KPN) +10 (T-Mobile) +15 (Tele2)
Business combination	On Tower Italia Acquisition	11	2014 2015	9+9 (Wind) 9+9 (Vodafone)
K2W	Asset purchase	32	2017	Various
Business combination	Swiss Towers Acquisition	2,239	2017	20+10+10 (Sunrise Telecommunications) [4]
		274	2019	20+10+10 (Sunrise Telecommunications) [4]
Business combination	Infracapital Alticom subgroup Acquisition	30	2017	Various
Others Spain	Asset purchase	45	2017	15+10
		36	2018	15+10
		375	2018	20+10
Masmovil Spain	Asset purchase	551	2017	18+3
		85	2018	6+7
Linkem	Asset purchase	426	2018	10+10
Business combination	TMI Acquisition	3	2018	Various
Business combination	Sintel Acquisition	15	2018	Various
Business combination	BRT Tower Acquisition	30	2018	Various
Business combination	DFA Acquisition	9	2018	Various
Business combination	Video Press Acquisition	8	2019	Various
Business combination	On Tower Netherlands Acquisition	114	2019	7 [5]
Business combination	Swiss Infra Acquisition	2,802	2019	20+10 [6]
Business combination	Cignal Acquisition	656	2019	20 [7]
Business combination	Business unit from Iliad Italia, S.p.A.	2,173	2019	20+10 [6]
Business combination	On Tower France Acquisition	6,234	2019	20+10 [6]
Orange Spain	Asset purchase	1,500	2019	10+10+1 [8]
Business combination	Omtel Acquisition	3,086	2018	20+5 [9]
Business combination	Arqiva Acquisition	7,385	2020	10+1+1+4 (MBNL/EE) [10]

			2014	2024 (CTIL) [10]
Business combination	NOS Towering Acquisition	1,966	2020	15+15 [11]
Business combination	Hutchison Austria Acquisition	4,470	2020	15+15+5 [12]
Business combination	Hutchison Ireland Acquisition	1,125	2020	15+15+5 [12]
Business combination	Hutchison Denmark Acquisition	1,317	2020	15+15+5 [12]
Business combination	Small M&A	98	2020	Various
Shared with broadcasting business		1,682		
Others		68		

[1] Renewals: most of these contracts have clauses prohibiting partial cancellation and can therefore be cancelled only for the entire portfolio of sites (typically termed "all or nothing" clauses), and some of them have pre agreed pricing (positive/negative).

[2] The initial term of the MSA with Wind is 15 years, to be extended for an additional 15-year period (previously confirmed), on an "all-or-nothing" basis. The fees under the MSA with Wind are CPI-linked.

[3] In accordance with the agreements reached with Bouygues during 2016 – 2020, at 31 December 2020 Cellnex had committed to acquire and build up to 5,400 sites that will be gradually transferred to Cellnex up to 2024 (see Note 7 of the accompanying consolidated financial statements). Of the proceeding 5,400 sites, a total of 4,078 sites have been transferred to Cellnex as of 31 December 2020 (as detailed in the previous table). Note that all Bouygues transactions, like most of the BTS programmes Cellnex has in place with other MNOs, have a common characteristic "up to" as Bouygues does not have the obligation to reach the highest number of sites. During 2016 – 2017 have been signed different MSA's with Bouygues in accordance with the different transactions completed (Glénan, Belle-Ille, Noirmoutier). All MSAs have an initial term of 20/25 years with subsequent renewable three/two 5-year periods, on an "all-or-nothing" basis. In relation to the MSA signed with Bouygues in 2018 (Quiberon transaction) the initial term is 20 years with subsequent renewable 5-year periods (undefined maturity).

[4] The MSA with Sunrise have an initial term of 20 years with two 10-year periods (undefined maturity), on an all-or-nothing basis.

[5] Contracts with customers are index-linked to the CPI and have an average duration of approximately seven years to be automatically extended (undefined maturity).

[6] The MSAs with Iliad and Salt have an initial term of 20 years, to be automatically extended for 10-year periods, on an all-or-nothing basis, with undefined maturity.

[7] Contracts with customers are index-linked to the CPI, have an average duration of c.20 years and a significant probability of renewal due to the portfolio's strong commercial appeal and limited overlap with third party sites.

[8] Orange Spain is the main customer of this portfolio of telecom sites, with which Cellnex has signed an inflation-linked Master Lease Agreement for an initial period of 10 years that can be extended by one subsequent period of 10 years and subsequent automatic one-year periods, on an "all-or-nothing" basis.

[9] The initial term of the Omtel MSA is 20 years, subject to automatic extensions for additional five-year periods, unless cancelled, on an "all-or-nothing" basis, with undefined maturity. The fees under the Omtel MSA are CPI-linked.

[10] The initial term of the MSA with MBNL and EE is 10 years with three extension rights. The duration of the MSA with CTIL is until 2024 (at least two years before, extension to be discussed).

[11] The NOS Towering MLA have an initial duration of 15 years, to be automatically extended for additional 15-year periods, on an "all-or-nothing" basis, with undefined maturity. The fees under the NOS Towering MLA will be CPI-linked.

[12] The initial term of each CK Hutchison Continental Europe MSA is 15 years, with possible extensions for a further 15-year period and subsequent 5-year periods, on an "all-or-nothing" basis (same duration for all countries). The fees under the CK Hutchison Continental Europe MSA are CPI-linked.

Broadcasting Infrastructure

During the COVID-19 pandemic Cellnex was able to provide a

very high level of continuity (SLA)

when distributing and transmitting television and radio signals

Cellnex services consist of distributing and transmitting television and radio signals, and operating and maintenance of broadcasting networks, providing connectivity for media content, hybrid broadcast-broadband services, and over-the-top (OTT) streaming services. Providing broadcasting services has allowed Cellnex to develop unique know-how and expertise that has helped to develop the other services in its portfolio.

Cellnex is aware that both television and radio are essential means of communication for the population and constitute a powerful tool for information and entertainment. To this end, Cellnex is organised to provide a very high level of continuity (SLA) and has made an effort to grant the continuity of the signals during the pandemic period.

In 2020, Cellnex carried out the "second digital dividend" (2DD) which consisted of releasing Digital Terrestrial Television (DTT) broadcasts from the 694 to 798 megahertz frequency (UHF channels 48 to 60 included) for the roll-out of the 5G network.

Cellnex engineers and technicians worked for 12 months to adapt more than 2,800 sites, some in very remote locations and others with various actions due to technical complexity to minimise the impact on 37.5 million users. All of this was achieved without interrupting the continuity of television signals even during the pandemic.

Now that DTT occupies less bandwidth, it is more efficient in spectrum because channels have been grouped and geographical areas joined according to the orography so that the same frequencies serve more areas. Cellnex executed the entire 2DD process with total success.

LOVEStv

The LOVEStv streaming platform, in which Cellnex Spain is the technological provider, was designed as an open platform that can easily integrate any broadcasters wishing to enrich its content offering.

Two important new features were included in 2020: the option to watch the programme from the beginning (start over) and the option to watch the programmes streamed in the last seven days (catch-up).

Network Services and others

Cellnex developed

innovation technological solutions

to smart cities

Cellnex Telecom provides the infrastructure required to develop a connected society. Cellnex provides integrated and adaptable solutions to make the Smart concept a tangible reality and improve the management of both urban and rural areas.

Regarding Wireless Broadband, the Cellnex Telecom service includes everything from design, deployment, operation and maintenance of WiFi and mobile telephony networks (2G, 3G, LTE/4G) up to roaming and off loader services, a technique which comprises the installation of WiFi access point Adesal Telecom, the Valencian companies to divert data consumption there and decongest the cellular network.

Moreover, thanks to its commitment to the development of Smart solutions, Cellnex Telecom operates a cellular data network specifically dedicated to the Internet of Things, allowing the connection of objects powered by a long-life battery, and therefore has low power consumption, a long range and low cost. The network naturally maintains the integrity and security of the data transmitted. In an environment in which any object could be integrated within an information network and play a role in business processes, the security and privacy of data become a fundamental cornerstone of connectivity. To develop this innovative network, Cellnex Telecom selected the LPWA (Low Power Wide Area) technology provided by the French company SIGFOX, the characteristics of which correspond to the 4Ls constituting the critical points of the IoT: Low Power, Long Range, Low Traffic, and Low Cost.

Regarding Smart Cities solutions, Cellnex Telecom provides centralised management of services using a platform equipped with the tools required to minimise response times, always optimise resources and provide an overview of events in the various systems connected. The platform integrates both interactions via messages, emails or calls by users of the connected Systems, and the information provided by sensors or video cameras, as well as data from social networks.

As a result of the priority for the sustainable development of cities, Cellnex Telecom has developed innovative technological solutions around the concept of Smart Cities that specifically aim at allowing cities to make more efficient use of resources so as to improve the quality of life of citizens and reduce their environmental footprint, thanks to information and communication technologies (ICT). An example is the irrigation management system in cities, which combine data from satellites with those from terrestrial sensors, enabling savings of between 15 and 20% and a reduction in water consumption of up to 35%.

IoT for Smart and Connected countries

Cellnex Telecom and Everynet, a leading provider of IoT connectivity solutions, have reached an agreement to jointly promote the roll-out of new Internet of Things (IoT) networks in Italy, the United Kingdom and Ireland. These IoT networks, based on LoRaWAN technology, will be deployed through Cellnex's extensive telecommunications infrastructure network in these three countries, based on Everynet solutions for IoT networks.

Multiple IoT solutions will be implemented in Cellnex's infrastructure network, including those aimed at Industry 4.0 for the tracking or monitoring of assets throughout its value chain, Smart Cities, and even Smart Parking to contribute to the digitalisation of mobility and optimising the use of roads and public spaces, as well as the creation of a platform for a test environment and experimental cases that will allow the development of an ecosystem with new future applications.

It is also expected to include Social and Facility Management or Environmental Management solutions, to contribute to the development of smart cities in these three countries and the improvement of the wellbeing of their citizens, through sensorisation and monitoring of comfort and consumption levels of any kind of environment —indoor or outdoor—, or in any type of building; as well as the transmission service and data capture through these high-capacity networks deployed in the territory.

IoT & Smart

Cellnex Spain has continued pushing for IoT & Smart Business, affording Cellnex Spain several opportunities for IoT for water management and Smart Platforms for several municipalities, which includes sensorisation, data transmission and Smart-IoT Platform which provides real-time information and to remotely manage and call for action if needed.
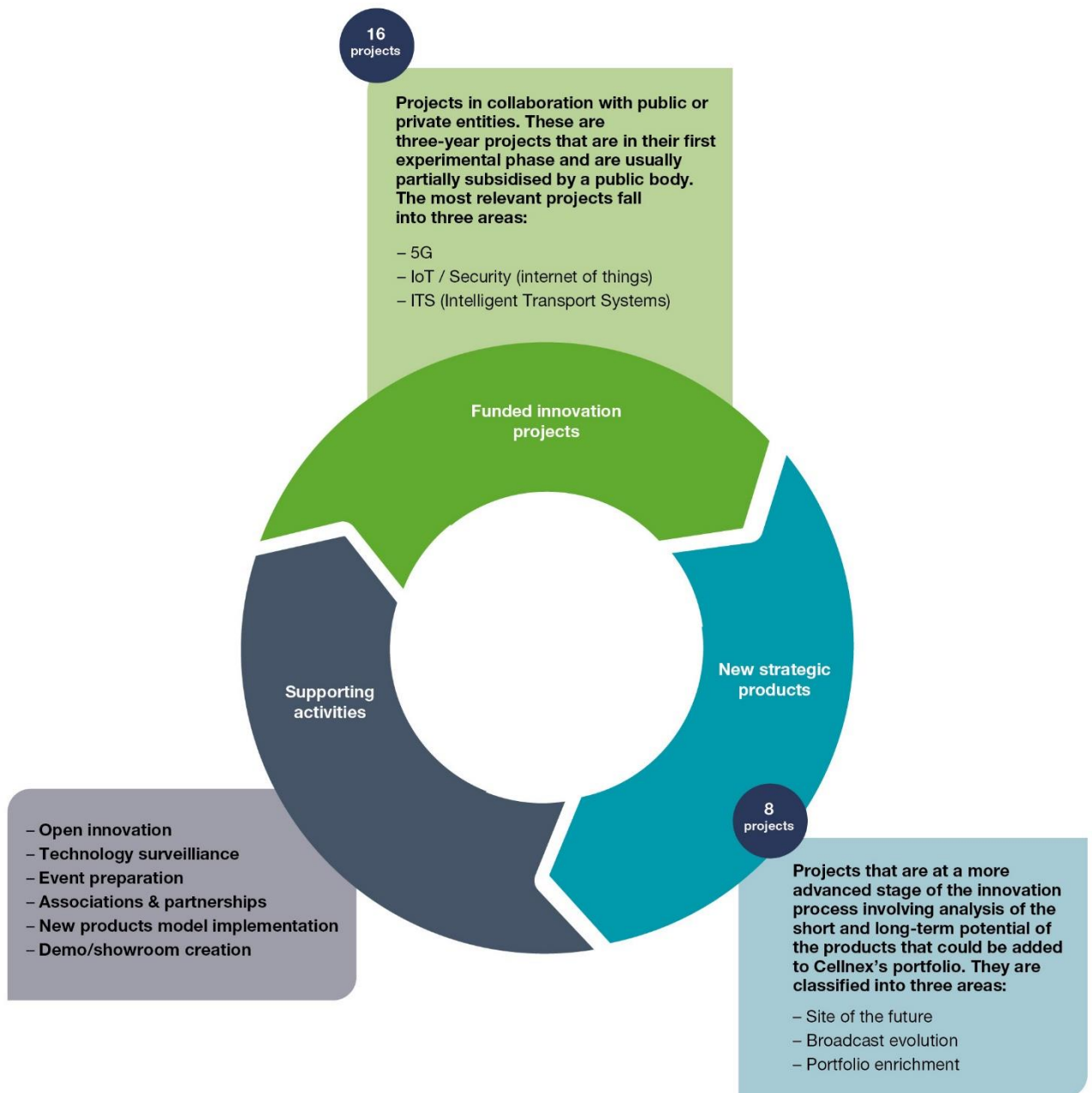
Innovation

A culture of innovation has been in place at Cellnex for many years, enabling to stay at the forefront of a rapidly changing world of telecommunications. In this sense, Cellnex has created an internal and external ecosystem with the aim to identify new customer needs and new business opportunities, creating new markets and maintaining its corporate value in the long term.

Cellnex's

culture of innovation

In 2020 Cellnex spent €0,9 million on R&D+I investment projects, enabling to stay one step ahead of the radical changes in our industry, including 5G, Internet of Things or Telecom Infrastructure Services. The innovation strategy of the company can be classified in three work lines: the site of the future, broadcast evolution and portfolio enrichment activities

Spearheading innovation at Cellnex are two interconnected areas that work closely together, innovation and product strategy. In innovation area, the company works on design technical solutions to incorporate to into innovation projects. During 2020, thirteen innovation projects in cooperation with the Public Administrations have been developed.

16 projects

Projects in collaboration with public or private entities. These are three-year projects that are in their first experimental phase and are usually partially subsidised by a public body. The most relevant projects fall into three areas:

– 5G
– IoT / Security (internet of things)
– ITS (Intelligent Transport Systems)

Funded innovation projects

New strategic products

Supporting activities

– **Open innovation**
– **Technology surveilliance**
– **Event preparation**
– **Associations & partnerships**
– **New products model implementation**
– **Demo/showroom creation**

8 projects

Projects that are at a more advanced stage of the innovation process involving analysis of the short and long-term potential of the products that could be added to Cellnex's portfolio. They are classified into three areas:

– Site of the future
– Broadcast evolution
– Portfolio enrichment

In product strategy area, Cellnex develops new products to enrich Cellnex portfolio in order to improve the service offering to existing customers and new potential customers. Together with these areas, Cellnex is driving open innovation to explore external capabilities to be introduced into new potential products either from start-ups or other relevant corporations while sharing knowledge and making innovation accessible to other internal areas, such as business or operations

cellnex

Cellnex joined the

Europe in motion initiative

In this regard, Cellnex participated in Madrid in Motion, a mobility hub with Madrid City Council and the local transport authorities that aims to solve key mobility challenges by identifying start-ups and innovative solutions able to generate value with a real impact on the city. At the same time Cellnex joined the Europe in motion initiative, expanding the scope of the mobility and innovation principles of Madrid in motion.

Moreover, the company collaborated in The Collider, an entrepreneurship programme from Mobile World Capital. The programme is designed to identify early-stage technological initiatives so the programme can provide the business and economic support.

In the same line of innovation, Cellnex joined the Telecom Infra Project, a global community of companies working together to accelerate the development and deployment of open and disaggregated technology solutions to deliver high quality connectivity. Cellnex is currently engaging in some initiatives with TIP mainly in Ireland.

Under the umbrella of the UK 5G Create project, Cellnex is working with the British Consulate to scout for start-ups and middle-sized companies that can benefit Cellnex's value chain.

Cellnex also participated in Enterprise challenge, a programme organised by the BEST (Barcelona Education in Science and Technology) Foundation, which fosters Open Innovation through collaboration between companies and universities.

In order to be a key stakeholder in the upcoming technologies, Cellnex is scouting and developing products in several strategic areas such as:
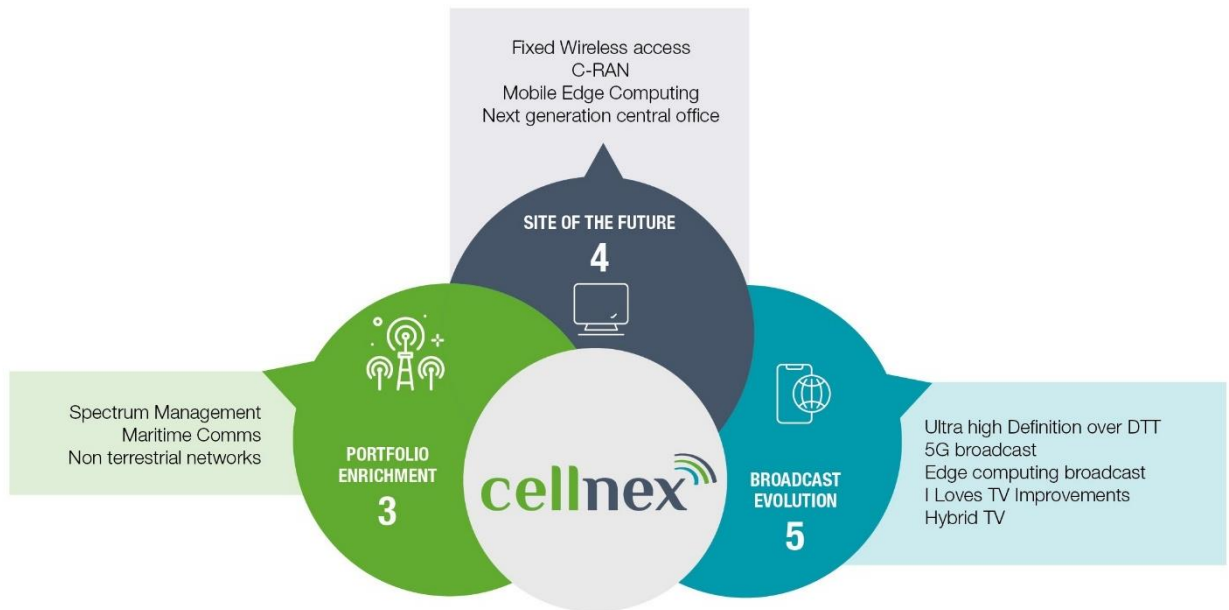
- Open RAN

- Edge computing

- Next generation central office

- Non terrestrial networks

Furthermore, Cellnex participated in international fora and research centres and cooperated with Universities. Cellnex is currently a member and active participant in international associations such as GSMA, TIP, Small Cell Forum, DVB, HbbTV, 5G MAG, and others.

The company is also a key technological player at global level, as it is part of the board and cooperates with several Research Centres and Universities: Eurecat, i2Cat, Gradiant, Tecnalia, the University of Bristol and many others.

Embracing the heritage of Cellnex, the product strategy department continued enhancing Media Services such as HbbTV services as well as his flagship application, Loves TV. This year also supposed a milestone in Ultra High Definition, with the first 8K transmission enabled by Cellnex.

cellnex

Fixed Wireless access
C-RAN
Mobile Edge Computing
Next generation central office

SITE OF THE FUTURE
4

Spectrum Management
Maritime Comms
Non terrestrial networks

PORTFOLIO
ENRICHMENT
3

cellnex

BROADCAST
EVOLUTION
5

Ultra high Definition over DTT
5G broadcast
Edge computing broadcast
I Loves TV Improvements
Hybrid TV

During the year, Cellnex contributed more than 20 pilot projects and use cases for the development of 5G out of a total of 200 5G applications that are being tested in eleven industries across the European Union. The 5G Catalunya project stands out in this regard.

Mobility Lab

The Mobility Lab project has been up and running since 2018. This project is an experiment at the Circuit Parcmotor Castellolí in Barcelona for communications between cars and roads in rural environments. The operator has equipped the venue with the necessary infrastructure and technology to allow users and customers to test new products and services in the field of intelligent mobility and vehicle connectivity in a controlled, safe and sustainable way.

Cellnex has equipped the circuit with broadband connectivity by rolling out a wireless network with coverage throughout the premises, high-definition cameras for monitoring vehicles on the track and units onboard the cars themselves for the transmission of telemetry, video and voice. The facilities also have an IoT (Internet of Things) network, which allows data to be managed and analysed, including the state of the track or environmental parameters. All these elements aim to test solutions linked to connectivity (IoT, 5G and connected/autonomous vehicle) and are designed especially for non-urban or semi-rural environments

Some innovation projects contribute to attain

SDGs

Moreover, Cellnex has developed innovation projects which drive breakthroughs that contribute to achieving the Sustainable Development Goals, notably inclusive connectivity, digitalisation and quality education projects.

Consolidation in Europe

Since the Shares were admitted to listing on the Spanish Stock Exchanges in May 2015 and until the date of this Consolidated Management Report, the Company has entered into numerous transactions by virtue of which the Company has invested or committed to invest approximately €34 billion in the acquisition or construction of up to 109 thousand infrastructures to be acquired or built by 2030 once the Iliad Poland Acquisition, the CK Hutchison Holdings Pending Transactions, the T-Mobile Infra Acquisition and the Hivory Acquisition (all as defined herein, and in the section "Post balance sheet events" of the accompanying Consolidated Management Report) are closed (which, together with the infrastructures already owned at the time of such listing, amount to an aggregate of up to 120 thousand infrastructures).

During 2020, due to the onset of the coronavirus crisis in Europe, Cellnex has adapted to an unprecedented situation and has managed to deliver on its organic and inorganic strategy whilst maintaining full financial flexibility. In this context, the results of 2020 include the effect of both business continuity with sustained like-for-like growth and the significant expansion of the Group due to the acquisitions undertaken in 2019 and 2020, which has translated into substantial growth in revenues, adjusted EBITDA and recurring leveraged free cash flow.

As explained below, during 2020, the Group announced two acquisitions in Portugal: the Omtel Acquisition (completed in January 2020) and the NOS Towering Acquisition (completed in September 2020). During this year, Cellnex also strengthened its presence in France through a new agreement with Bouygues Telecom to roll out a fibre network (Fibre to the tower, fibre to the antenna and fibre to the Small Cell) to boost the 5G ecosystem.

In the UK, Cellnex received the necessary approval from the Competition and Markets Authority ("CMA") to acquire Arqiva's telecommunications division, which was completed in July 2020. The project, which was announced in October 2019, involves integrating approximately 7,400 sites and the marketing rights of approximately 900 sites across the UK, involving an investment of GBP 2 billion.

In Poland, Cellnex reached an agreement with Iliad ("Iliad") to acquire a 60% controlling stake in a new Polish telecommunications tower company which will own Play Communications' tower portfolio in Poland (the "Iliad Polish Acquisition").

On 12 November 2020, Cellnex announced it had reached an agreement with CK Hutchison Holdings' for the acquisition of Hutchison's European tower business and assets across six countries by way of six separate transactions (one transaction per country). Combined, the agreements contemplate a total headline consideration (subject to certain adjustments) of approximately €10 billion. The transactions in Austria, Ireland and Denmark were completed in December 2020.

In accordance with the above, the main changes in the consolidation perimeter, together with assets purchased during financial year 2020 are as follows:

Portugal

OMTEL Acquisition

In January 2020 Cellnex acquired 100% of the share capital of Belmont Infra Holding, S.A. from Belmont Infra Investments B.V. and PT Portugal SGPS, S.A. (sellers of 75% and 25%, of the share capital, respectively) (the "Omtel Acquisition"). The acquisition, additionally, comprises the roll-out of approximately 500 sites by 2023, which could be increased by up to 250 additional sites by 2027.

OMTEL currently manages a portfolio of 3,000 sites that account for around 25% of the telecommunications towers on the Portuguese market.

NOS Towering Acquisition

Cellnex reached an agreement with the Portuguese mobile operator NOS for the acquisition of 100% of NOS Towering. The transaction initially involved 2,000 telecommunications sites. This is a portfolio of telecommunication towers and rooftop antennas, located in urban (40%), suburban and rural (60%) areas throughout the country.

Under the agreement, Cellnex and NOS have signed an initial 15-year contract, extendible by successive additional 15-year periods, under which NOS will continue to use the sites that Cellnex will operate, locating its voice and data signal transmission equipment there. Likewise, the agreement also foresees the increase of the perimeter by up to 400 new sites over the next six years.

France

In the first half of 2020, Cellnex and Bouygues Telecom reached a strategic agreement through which they became shareholders of Nexloop, a newly incorporated company (49% owned by Bouygues Telecom and 51% owned by Cellnex). This company will deploy a national fibre optic network in France to provide mobile and fixed networks based connectivity and especially accelerate the roll-out of 5G in the country. The agreement comprises the roll-out of a network of up to 31,500 km., including the interconnection of the telecommunications rooftops and towers providing service to Bouygues Telecom (approximately 5,000 of which some of them belong to and are operated by Cellnex) with the network of "metropolitan offices" for housing data processing centres (Edge Computing). The agreement covers the deployment of up to 90 new "metropolitan offices". The estimated investment up to 2027, amounts to up to approximately €1.1 billion.

United Kingdom

Arqiva Acquisition

In July 2020, was completed the acquisition of Arqiva by Cellnex for a total consideration of approximately £2 billion. The transaction comprises 7,400 of Arqiva's cellular sites, including masts and towers as well as urban rooftop sites, and the right to market a further 900 sites across the UK. The acquisition continues Cellnex's investment in the UK and follows on from its previously announced long-term strategic agreement with BT in June 2019, through which Cellnex obtained the rights to operate and market 220 high towers located throughout the UK.

Finland

Agreement to acquire EDZCOM

Cellnex reached an agreement to acquire 100% of the shares of Ukkoverkot Oy, the parent company of EDZCOM, to become the sole owner of the Edge Connectivity solutions provider. Following its acquisition by Cellnex, EDZCOM will retain its brand and continue to execute its strategy with its current leadership and team. EDZCOM designs, builds and operates private wireless networks for industrial customers, mainly in manufacturing, ports, oil and gas, energy generation and mining. EDZCOMs solutions are designed and built for the customer, guaranteeing high performance of business-critical communications, and are operated by the customer via dashboard ensuring 100% customer control.

Poland

Agreement with Iliad

In October 2020, Cellnex reached an agreement with Iliad to acquire a 60% controlling stake in the company that will operate Play's c.7,000 telecommunications sites in Poland.

Cellnex will invest c.€800 million in acquiring the 60% stake, while the remaining 40% will continue to be owned by Play (Iliad) in line with the model that Cellnex and Iliad previously agreed for the sites formerly operated by Free (Iliad) in France.

The new Polish telecommunications tower company could invest up to €1.3 billion over the next 10 years in rolling out up to 5,000 new sites.

On 23 February 2021, following the signing of the Iliad Poland Acquisition (in October 2020), Iliad, Play and Cellnex have further discussed the structuring of the Iliad Poland Acquisition and agreed on an alternative structure. The agreement between Iliad and Cellnex is expected to be closed by Q1 2021.

CK Hutchison agreements

Cellnex and CK Hutchison announced a series of agreements pursuant to which Cellnex will acquire 22,122 telecommunications towers and sites that CK Hutchison currently owns in Europe for total consideration of €10 billion. The transactions include the roll-out of up to 7,727 sites over the next eight years with an investment of €1.4 billion including further initiatives. Cellnex will sign long term service contracts with CK Hutchison in the various countries for an initial period of 15 years extendable for another 15 years and subsequent five year periods.

According to the agreed terms, Cellnex will enter three new markets: Austria, Sweden and Denmark, extending the geographical footprint of the company's operations to a total of twelve European countries. It will also result in Cellnex expanding its presence in the key markets of Italy, Ireland and the UK, in which the volume of assets under management will double. 8,900 sites of the total of 22,122 sites to be acquired are located in Italy; 4,000 sites in the United Kingdom; 1,120 in Ireland; 2,300 in Sweden; 1,300 in Denmark; and 4,500 in Austria. The transactions in Austria, Ireland and Denmark were completed in December 2020.

At 31 December 2020, the total number of Cellnex infrastructures acquired and built (sites and nodes) in Europe was as follows:

UNITED KINGDOM
8,120
infrastructures

IRELAND
1,787
infrastructures

FRANCE
10,312
infrastructures

PORTUGAL
5,074
infrastructures

SPAIN
11,072
infrastructures

DENMARK
1,317
infrastructures

NETHERLANDS
924
infrastructures

SWITZERLAND
5,318
infrastructures

AUSTRIA
4,470
infrastructures

ITALY
12,714
infrastructures

- Current markets
- Target markets I
- Target markets II

More than 61,000 infrastructures (sites and communication nodes)

Cellnex's ESG strategy

A framework to address ESG issues in the Group

In addition to facing up to the immediate challenges, Cellnex is aware of the new risks and demands arising as a result of the environmental and social phenomena that dominate the international context.

The increasing regulation in Europe in the field of sustainability, the greater awareness of those aspects beyond the purely economic ones, as well as the great challenges faced by organisations such as Cellnex (greater transparency, shareholder involvement, climate change, risks in the value chain, circular economy, Sustainable Development Goals (SDGs), …) have led the company in recent years to bolster its commitment to Environmental, Social and Governance (ESG) issues. In this regard, the revamping of the company's ESG strategy should be highlighted by updating the ESG Master Plan of Cellnex group.

Because of the diversity of matters that can be considered under ESG issues, there is a certain lack of homogenisation of the ESG criteria to be considered. For instance, experts such as Bank of America Merrill Lynch point out that the key ESG signals for European Telcos are:

- Environmental: Carbon Emissions, Toxic Emissions & Waste

- Social: Labour Management

- Governance: Business Ethics, Anti-Competitive Practices, Corporate Governance

In this connection, Cellnex has carried out a materiality study in which the most important ESG issues of the company were identified and prioritised in each of their components (Environmental, Social and Governance) as explained in the following sections.

Cellnex's commitment to ESG issues is a matter of priority. Thus, the remuneration of leadership positions, including the CEO, is associated with the company's performance in ESG issues.

An ESG Master Plan (2021-2025)

In 2020, the company's ESG strategy set out in the company's 2016-2020 CSR Master Plan was updated by defining a new ESG Master Plan (2021-2025) at Group level, taking into account the evolution of the company in recent years and its growth and internationalisation process, updating the ESG diagnosis done in the past to show the current state of the company in ESG matters and the new trends and expectations of stakeholders.

Likewise, a new materiality analysis was performed for Cellnex at Group level, allowing the company to know which aspects are most relevant to it in the field of ESG.

The 2016-2020 CSR Master Plan was used as a starting point for this. During the last five years, 92% of the lines established in the six axes defined in the CSR Master Plan have been implemented and 89% of the actions have been carried out. Actions pending implementation have been included in the new ESG Master Plan.

Cellnex is committed to
Environmental, Social and Governance
issues

Cellnex defined a new
ESG Master Plan (2021-2025)

CSR 2016-2020 Master Plan

Action Areas	No. Action lines	No. Lines under development	No. of actions	Attainment of the different actions
Ethical management and good governance	5	100%	21	90%
People development	6	100%	9	89%
Sustainable development of the business	9	100%	17	82%
Adding value to society	5	80%	9	89%
Communication and reporting	10	80%	13	85%
Governance of Corporate Responsibility	3	100%	13	100%
Total	38	92%	82	89%

Through the ESG strategy, we analyze, measure and manage the impacts that as a company we generate on society and its environment. This is a task in which we should work together in various areas of the company in a transversal manner and that concerns all the people that comprise it. The main challenge ahead is to extend this commitment to all the countries in which we operate
Marissa Serrahima, CSR Expert
Cellnex Telecom

Under the new ESG Master Plan, Cellnex will continue to make progress in integrating ESG into the corporate culture and activities of the company, taking into account the different countries in which Cellnex is present and in line with the business strategy. In this way, the company consolidates a solid and coherent ESG management, defining itself as a company committed to the responsible development of its business, a benchmark in the telecommunications infrastructure sector.

A diagnosis was created to draw up a plan aligned with international standards and sustainability trends that meets the expectations of Cellnex's stakeholders, proxy advisors and society at large.

This diagnosis was structured into eight aspects or subjects with 35 specific aspects defined within each one to focus the analysis.

Company business model

Governance model and Compliance

People management

Commitment to innovation

Contribution to society

Responsible supply chain

Sustainability and environment

Customer management

Cellnex carried out an

external and internal diagnosis

aligned with international standards and sustainability trends

For each specific aspect, the company analysed the importance and management for Cellnex Top Management and Country Managing Directors (internal diagnosis) and identified prescribers demands and media trends in these areas have been identified, as well as good practices implemented by Cellnex's peers (external diagnosis).

In the external diagnosis, Cellnex performed a benchmarking of eight peers to identify the best ESG practices in the telecommunications sector, through an analysis of the public information available for each company.

Likewise, the company consulted public information on reference prescribers, including sectorial prescribers as well as ESG and sustainability prescribers, such as Dow Jones Sustainability Index, CDP, TCFD, OIT, GRI, SABS, SDG, MSCI, Sustainalytics or CNMV.

In addition, in the external diagnosis, Cellnex analysed the main trends in the media and consulted Cellnex's stakeholders, incorporating the country perspective through ad hoc consultations (interviews or surveys) with identified stakeholders. In this connection, the company performed, surveys with customers and suppliers and interviews with the media, sector associations and shareholders and investors.

Furthermore, in the internal diagnosis, the company compiled and analysed the public and internal documentation available from Cellnex relating to the management of the different business aspects related to ESG, such as Strategic Sustainability Plan (2019-2023) or Equity, Diversity and Inclusion Programme (2019-2022). Moreover, Cellnex held interviews with the members of the Management Team and Country Managing Directors and conducted employee surveys.

Through the internal and external diagnosis flagged up, the relevant issues for Cellnex and its stakeholders. These inputs were used to update the map of stakeholders, as set out in the next section and to draw up the materiality matrix.

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Materiality matrix

Cellnex updated its

materiality matrix

during 2020

Materiality matrix

External relevance / Internal relevance

ENVIRONMENTAL

28 Environmental and climate risks and impacts management

29 Climate change and carbon footprint strategy

30 Sustainable use of resources

SOCIAL

11 Corporate culture

12 Equity, diversity and inclusion

13 Talent attraction and retention

14 Training and development

16 Health and Safety

19 Boosting the digitalisation of society

21 Social contribution

22 Mitigation of infrastructures' impacts

33 Privacy and security of information

GOVERNANCE

2 Economic management and performance

4 Risks and opportunities management (business, ESG risks, etc.)

5 Corporate Governance

6 Ethics and Human Rights

7 thematic areas on which the analysis and diagnosis of materiality has been based (see infographic on previous page)

Cellnex defined a new

ESG Policy

approved by the board of directors in December 2020

The ESG Master Plan and the current Cellnex CSR Policy were updated by the new ESG Policy to include the new aspects identified in the internal and external diagnosis and the positioning that the company wants to achieve. ESG Policy was drawn up in line with the Good Governance recommendations of the CNMV. The ESG Master Plan was approved in December 2020 and the ESG Policy in February 2021.

Moreover, the Appointments and Remuneration Committee (ARC) of the Board of Directors has been renamed the Nominations, Remunerations and Sustainability Committee (NRSC), in line with the recommendations of the CNMV published in June 2020 in the revision of the "Good Governance Code of listed companies". Now, this Committee is the highest governing body responsible for ensuring compliance with the commitments established in the ESG Policy, as well as any actions which may derive from it. Similarly, this Committee is responsible for monitoring their degree of compliance, as well as the application of the ESG Master Plan.

This process redefined the vision on ESG within the company's Mission, Vision and Values that set the company's ambitions in terms of ESG in the medium and long term.

The strategic axes were defined within the ESG vision as defined and in light of the recommendations identified from the internal and external diagnosis along with the stakeholder's expectations. Likewise, the analysis of the SDGs and their specific targets and their corresponding objectives were taken into account.

Once the five strategic axes and one cross-cutting communication and awareness-raising axis have been defined, priority will be given to 17 strategic lines that will give rise to 92 specific actions under Cellnex's new ESG Master Plan. A five-year timetable has been drawn up to ensure the implementation of the ESG Master Plan, including KPIs and objectives to be achieved in some actions.

"Driving telecom connectivity among the territories, with a common and inclusive culture, pursuing to be part of the solution to the society."

Showing what we are, acting with integrity

Extending our commitment to the value chain

Boosting our talent, being diverse and inclusive

Growing with a long-term sustainable environmental approach

Being a facilitator of social progress

Ensuring the awareness of our responsible way of doing

The ESG Master Plan (2021-2025) is aligned with Sustainable Development Goals, a United Nations initiative that aims to eradicate poverty, protect the planet and ensure the prosperity of humanity as part of a new sustainable development agenda (https://www.un.org/sustainabledevelopment/). There are 17 Sustainable Development Goals (SDGs) with 169 associated targets. The following infographic shows the traceability between the lines of actions of the ESG Master Plan (2021-2025) and their specific targets.

Line of action	SDG	SDGs targets
Showing what we are, acting with integrity	8 DECENT WORK AND ECONOMIC GROWTH	8.3 8.7 8.8
	10 REDUCED INEQUALITIES	10.2 10.3 10.4
	13 CLIMATE ACTION	13.1
	17 PARTNERSHIPS FOR THE GOALS	17.14 17.15 17.16 17.17
Boosting our talent, being diverse and inclusive	4 QUALITY EDUCATION	4.3 4.4 4.5
	5 GENDER EQUALITY	5.1 5.2 5.3 5.b 5.c
	8 DECENT WORK AND ECONOMIC GROWTH	8.3 8.5 8.6 8.8
	10 REDUCED INEQUALITIES	10.2 10.3 10.4
Being a facilitator of social progress	1 NO POVERTY	1.4
	4 QUALITY EDUCATION	4.3 4.4 4.5 4.7 4.b
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.1 9.4 9.5
	10 REDUCED INEQUALITIES	10.2
	17 PARTNERSHIPS FOR THE GOALS	17.7 17.15
Growing with a long-term sustainable environmental approach	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.1 9.4
	13 CLIMATE ACTION	13.1 13.2 13.3
	15 LIFE ON LAND	15.1 15.4 15.5
Extending our commitment to the value chain	8 DECENT WORK AND ECONOMIC GROWTH	8.3 8.7 8.8
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.3
	17 PARTNERSHIPS FOR THE GOALS	17.14 17.15 17.16 17.17

This ESG Master Plan (2021-2025), based on the material issues resulting from the materiality study, is aligned with both the Global Reporting Initiative indicators and the requirements of the Law 11/2018 related to non-financial information and diversity. The

Materiality matrix		ESG Master Plan 2021-2025	Reporting	
ESG main topics	ESG specific topics	Strategic axes	GRI	Law 11/2018
Company business model	Economic management and performance	Showing what we are, acting with integrity	102: Company Profile 201: Economic Performance 202: Market Presence 203: Indirect Economic Impacts 207: Tax 419: Socioeconomic Compliance	Business Model Tax Information
	Risks and opportunities management (business, ESG risks, etc.)	Showing what we are, acting with integrity	102: Strategy	Risks
Governance model and Compliance	Corporate Governance	Showing what we are, acting with integrity Ensuring the awareness of our responsible way of doing	102: Governance	
	Ethics and Human Rights	Showing what we are, acting with integrity Ensuring the awareness of our responsible way of doing	102: Ethics and integrity 205: Anti-corruption 406: Non-discrimination 408: Child Labor 409: Forced or Compulsory Labor 412: Human Rights Assessment 414: Supplier Social Assessment	Accessibility Equality Human rights Anti-corruption and anti-bribery Suppliers
People management	Corporate Culture	Boosting our talent, being diverse and inclusive	401: Employment 405: Diversity and Equal Opportunity	Employment Work organisation Social relations Accessibility Equality
	Equity, diversity and inclusion	Boosting our talent, being diverse and inclusive	405: Diversity and Equal Opportunity 406: Non-discrimination	Employment Accessibility Equality
	Talent attraction and retention	Boosting our talent, being diverse and inclusive	401: Employment 404: Training and Education	Employment Work organisation Training
	Training and development	Boosting our talent, being diverse and inclusive	404: Training and Education	Training
	Health and Safety	Boosting our talent, being diverse and inclusive	402: Labor/Management Relations 403: Occupational Health and Safety 407: Freedom of Association and Collective Bargaining	Health and safety
Commitment to innovation	Boosting the digitalisation of society	Being a facilitator of social progress	413: Local Communities	Commitments of the company to sustainable development
Contribution to society	Social contribution	Being a facilitator of social progress	204: Procurement Practices 413: Local Communities	Commitments of the company to sustainable development
	Mitigation of infrastructures' impacts	Being a facilitator of social progress	203: Indirect Economic Impacts 413: Local Communities 416: Customer Health Safety	Commitments of the company to sustainable development
Sustainability and environment	Environmental and climate risks and impacts management	Growing with a long-term sustainable environmental approach	102: Strategy 302: Energy 304: Biodiversity 305: Emissions 307: Environmental Compliance 308: Supplier Environmental Assessment	Risks Global environment Biodiversity Suppliers
	Climate change and carbon footprint strategy	Growing with a long-term sustainable environmental approach	302: Energy 305: Emissions	Contamination Climate change
	Sustainable use of resources	Growing with a long-term sustainable environmental approach	302: Energy	Sustainable use of resources
Customers management	Privacy and security of information	Extending our commitment to the value chain	417: Marketing and Labeling 418: Customer Privacy	Customers

Cellnex identified the

SDGs

in which its contribution is most relevant

Cellnex identified the

risk associated with non-compliance with the SDGs

following infographic shows the traceability between the materiality matrix, the ESG Master Plan and the reporting regulation.

Sustainable Development Goals

A study conducted in 2020 identified and prioritised the most relevant SDGs and their specific targets for Cellnex and analysed the company's contribution to their achievement using the Global Goals Business Navigator tool developed by PwC.

In order to identify and prioritise the relevant SDGs and their specific targets for Cellnex, the necessary information on the company has been compiled in the different countries in which it is present and has been introduced as input in the Global Goals Business Navigator tool, developed by PwC.

Likewise, this study analysed the current contribution of Cellnex to the SDGs and their specific targets by analysing the results extracted from the Global Goals Business Navigator tool, evaluating the relevance that each SDG and its goals have on the company's direct operations and indirect operations associated with its value chain.

Cellnex has gone one step further, analysing what Cellnex's potential contribution to the SDGs and their specific targets would be in 2030 by assessing the risk associated with non-compliance with the SDGs and their specific targets by the countries in which the company operates and identifying opportunities and actions to be taken by Cellnex under the new ESG Master Plan, allowing us to maximise the company's current contribution to the SDGs and their specific targets and reducing the risk associated with non-compliance.

In accordance with the prioritisation criteria applied to the SDGs and their specific targets analysed and taking into account the company's contribution to their achievement, SDGs and their specific targets were classified into two degrees of importance (high or medium) for the Cellnex group. In this regard, SDGs 4, 5, 8, 9, and 13 were identified as having a high degree of importance, whereas SDGs 1, 10, 15, and 17 were identified with a medium degree of importance.

These results have been taken into account in the definition of the company's ESG Master Plan and ESG Policy.

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Cellnex contributed to achieve the main Sustainable Development Goals through its activity in 2020. The most outstanding initiatives were:

Cellnex 2020 main contribution to SDGs

Cellnex Group High Relevance SDGs

4 QUALITY EDUCATION
- Talent is a key pillar of People Strategy: "Development for all, focused on business needs and unlocking everyone's growth potential"
- 1st edition of Cellnex MBA finished.
- 193 development actions so far.
- 517 new joiners

8 DECENT WORK AN ECONOMIC GROW
- Continued implementation of some regulations to ensure decent labor conditions at Group level: Human Rights Policy, ESG Policy, H&S Policy, Code of Ethics and Equity, Diversity and Inclusion Policy.
- Promotion of healthy lifestyle habits through the "Click into Wellness" project.
- ISO 45001 in Cellnex Spain, Italy and UK.
- Design of an Equity, Diversity and Inclusion Program of Cellnex Group.

5 GENDER EQUALITY
- Initial diagnosis about Equity, Diversity and Inclusion.
- Definition of an Equity, Diversity and Inclusion Policy of Cellnex approved by the Board of Directors in 2019.
- Design of an Equity, Diversity and Inclusion Program of Cellnex Group (2019-2022).
- 90 actions resulting from 20 commitments and 35 strategic lines, with specific KPIs and targets.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- Strategic Sustainability Plan (2019-2023).
- 5G to bridge the digital divide.

13 CLIMATE ACTION
- Strategic Sustainability Plan (2019-2023).
- 50 actions resulting from 11 strategic lines, with specific KPIs and targets.
- Analysis of climate scenarios of all countries has been carried out following the recommendations of the "Task Force on Climate-related Financial Disclosures (TCFD)".

Cellnex Group Medium Relevance SDGs

1 NO POVERTY
- Social projects and volunteer program.
- Donations.
- Contributions to different CSR initiatives.
- Social projects: Third Social Sector Board and Casa Bloc project.

15 LIFE ON LAND
- Strategic Sustainability Plan (2019-2023).
- DaMA project (Spain) and DaNa project (all other countries). Identification of sites in protected areas and associated regulations.

10 REDUCED INEQUALITIES
- Design of an Equity, Diversity and Inclusion Program of Cellnex Group, composed by 5 lines of action.

17 PARTNERSHIPS FOR THE GOALS
- Cellnex action and participation in relevant industry associations.
- Participation in Sustainability Indices and initiatives.
- Projects and partnerships with Third Social Sector Board

Cellnex updated its

map of
stakeholders

Stakeholders engagement

Consulting the various stakeholders has made it possible to identify and understand the expectations of Cellnex's stakeholders in the field of ESG. In addition, this process has served to redefine the most relevant stakeholders for Cellnex, taking into account the evolution of the company. Seven key stakeholders were identified based on this analysis:

Map of Cellnex stakeholders

- Customers: under Cellnex's business model, all customers are B2B. For further information, see the section on "Customers".

- Investors and shareholders: companies that invest in Cellnex and/or analyse its sustainable profitability. For further information, see the section on "Shareholders".

- Employees: both former and recently hired employees in each of the countries in which Cellnex is located. For further information, see the section on "Cellnex's people strategy".

- Society and local communities: include local communities, NGOs, social and business associations. For further information, see the section on "Social contribution".

- Suppliers: includes all providers regardless of size. For further information, see the section on "Suppliers".

- Media: includes press, communication, brand and advertising agencies.

- Public administrations and associations: include European, national, regional and local administrations, regulators, industrial associations, technological platforms and universities or training centres.

In relation to the Public administrations and associations stakeholder group, Cellnex collaborates actively with various entities at national and international level. Cellnex's participation in different associations allows it to improve engagement with other actors in the sector and participate in decision-making that would affect the company.

Associations	
UER/EBU	ENERTIC
DVB	CAMBRA DE COMERÇ DE BARCELONA
TCCA (antes Tetra MOU association)	CCIES
DIGITALES	BARCELONA GLOBAL
FENITEL	Instituto Auditores Internos
AEDETI	Asociación Emisores Españoles
Broadcast Network Europe	Asociación Española para la Calidad (AEC)
EWIA (European Wireless Infrastructure Association)	Asociación Española para las Relaciones con Inversores (AERI)
HbbTV Association	Asociación para el Progreso de la Dirección (APD)
ADEA	Cámara de Comercio e Industria Italiana para España (CCIS)
ETSI European Telecommunications Standard Institute	Confederación Empresarial de usuarios de seguridad y servicios (CEUSS)
European Innovation Partnership on Smart Cities and Communities (EIP-SCC)	Instituto de Oficiales de Cumplimiento (IOC)
AIOTI (Agrupación Europea de la IoT)	Cámara Comercio de España
GSMA	Asociación empresarios y directivos Aragón
TIP	Foro Conecta Digital
Avicca (France)	5G MAG
InfraNum (France)	SCF (Small Cell Forum)
OFITEM (France)	AERCE AI 2019
Spanish Chamber of Commerce (France)	SmartCat Challenge
Green IT Amsterdam (Netherlands)	IoT Catalan Alliance
techUK	Clúster audiovisual de Catalunya
Parliamentary Internet, Communications and Technology Forum, PICTFOR (UK)	Cátedra RTVE
London Chamber of Commerce	Global Compact
Spanish Chamber of Commerce (UK)	Avaesen (Valencian Region Energy Association)
Thames Valley Chamber of Commerce (UK)	

Additionally, Cellnex participates in fora, sharing its knowledge and experience. Through its participation in these fora, Cellnex is updated on the latest trends and is enriched by the transfer of knowledge that takes place between the entities that are part of the fora. Cellnex also collaborates with different foundations as well as universities and training centres.

Fora

- Digital TV Fora
- International Telecommunications Union (ITU)
- Circle of Technologies Foundation for Defence and Security
- European Conference of Postal and Telecommunications Administrations
- The Electronic Communications Committee (CEPT-ECC)
- Official Professional Association of Telecommunications (COIT)
- Mobile Infrastructure Panel
- Tower Exchange
- Digi-CONNECT
- Digital Radio Fora
- CTN178
- Hybrid Radio Fora

Foundations

- EURECAT
- i2CAT
- SERES Foundation
- Swiss Research Foundation for Electricity and Mobile Communication (Forschungsstiftung Strom und Mobilkommunikation, FSM)
- Leitat Foundation
- The BEST (Barcelona Education in Science and Technology) Foundation
- European Internet Foundation

Universities and training centres

- School of New Interactive Technologies - University of Barcelona
- ESADE
- Graduate School of Economics
- IESE
- Gradiant
- Tecnalia
- University of Bristol

Dialogue with stakeholders

Cellnex maintains a close relationship with its stakeholders, through a constant communication, especially with customers, employees, suppliers and shareholders and investors. This dialogue is built up on the basis on each of the interactions with the stakeholders through the different channels set up for this purpose.

Stakeholders	Stakeholder expectations	Company response	Communication and engagement channels
Customers	• Quality service • Reliability • Support customer needs	• Provide good quality of service. • Support, reliability and coverage. • Fast and efficient deployment in the networks.	• Direct contact with customers • Customer Care Global Model • Webinars at Cellnex Connectivity Days • Social media/email • Customer satisfaction surveySuggestions and complaintsCellnex trends
Employees	• Professional development • Contribute to the company's growth • Stability	• Cellnex Competencies and Leadership model • Employee Value Proposition • Integrated Corporate Culture in all the countries • Improve internal communication with the aim of being closer to employees	• Regular virtual meetingsAnnual climate surveys • Community program (platform of sharing employee's new ideas and attitudes) • Ethical channel • Cellnex Group's intranet • Social media/emailTeams
Suppliers	• Become a partner and/or maintain a long-term partnership • Business increase • On time payments and less bureaucracy	• Establish long-term relationships with suppliers based on communication and transparency. • Implement Ariba, an IT tool to automate and manage the procurement process	• Ariba tool, especially module Ariba Network. • Annual satisfaction survey
Investors	• European leaders • ESG aspects in the strategy • Maintain the economic performance.	• Consolidate the integration of new acquisitions. • Explore new opportunities • Diversify services • Implement ESG Master Plan aligned to Cellnex strategy	• Investor Relations Area • "IR" section on the Company website. • General Shareholders' Meeting • Social media (YouTube, Flickr, LinkedIn, Twitter, SlideShare or RSS) • Cellnex trends
Other	• Visibility	• Improve the communication and relationship with stakeholders	• Regular participation in forums, conferences or events • Press releases • Interviews • Social media/email • Cellnex trends

Events

The company has taken part in several events during the year, most of them virtual, through videoconference, in order to share its expertise in different fields. The most outstanding were:

- **Woman now reset (Madrid):** A virtual congress that over two days brought together prestigious personalities to begin to build a sustainable and diverse world, reinvent employment and discover new ways of living, always with an eye on the challenges faced by women. Àngels Ucero, Global Management System Director of Cellnex Telecom was invited as a speaker.

- **1st Space & Industrial Economy 5.0 Sevilla Virtual Summit:** The event promoted the development of innovation, technology and the new industry in Spain, with a clear international vocation and a strong presence in the aerospace sector, as well as a dynamic and innovative vision of the economy. José Antonio Aranda, Director of Innovation and Product Strategy of Cellnex was invited as a speaker.

- **Innovation, Technology And Digitalization Meeting: Future And Digital Europe:** The axis of the event revolved around how Europe and Spain can improve their digitisation in a scenario where supercomputing, artificial intelligence, cybersecurity, the digital divide, data management or digital sovereignty have become at the same time challenges and concerns. Tobías Martínez, CEO of Cellnex, was invited as a speaker at an event in which

Margrethe Vestager, Executive Vice-President for the Digital Age and Commissioner for Competition of the European Commission, and Nadia Calviño, Minister for Economic Affairs and Digital Transformation of the Spanish Government, among others, also participated.

- **STEM Women Congress (SWC) (Barcelona):** A meeting point for STEM companies, initiatives and institutions, to make visible and promote female talent in the STEM field. Anna Bufí, Country People & Organization Director, was invited as a speaker.

- **BNEW:** A physical and digital B2B event that gathers unique events of the sectors of Logistics, Real Estate, Digital Industry, Ecommerce and Economic Zones. They all share a common denominator: New Economy. Mikki Uusitalo, Global Mission Critical & Private Networks Director and Jose Antonio Aranda, Director of Innovation and Product Strategy at Cellnex Telecom, were invited as speakers.

- **DigitalES Summit:** A virtual meeting, in which within a scenario generated in 3D, people and technology share the limelight to value the work of all the actors who are leading the change and digitization of Spain at a time as complex as the present. Under the concept "Leading the change", the leaders of innovation and digitization, companies and public institutions met. Oscar Pallarols, Global Commercial and Innovation Director at Cellnex Telecom was invited as a speaker.

- **4K Summit:** The 4K Summit is the main international meeting of professionals from the Ultra High Definition industry, both in the technology and audio-visual content sectors. Xavi Redón, Product Manager at Cellnex, was invited as a speaker.

- **Critical Communication World:** A global conference and exhibition for the critical communications sector. Valentí Roca, Global Head of Private Networks at Cellnex Telecom speaker participated in a round table with representatives from Nokia, Basf, and Ofcom.

- **1er Webinaire: "La Parole des Dirigeants":** The Official Chamber of Commerce of Spain in France (COCEF) launched a series of testimonials from business leaders who spoke about the impact of COVID-19 on their activity. Vicent Cuviller, Managing Director on Cellnex France Groupe, was invited as a speaker.

- **Intel Network & Edge vSummit Series:** A virtual summit series brings of the latest on technologies driving the evolution of network and edge infrastructure. Together with experts of CenturyLink and Lenovo, Jose Antonio Aranda, Director of Innovation and Product Strategy at Cellnex Telecom shared their insights to help expand your knowledge of providing visual experiences at the Edge and Content Delivery Networks (CDN).

Awards and recognition of Cellnex in 2020

During 2020, Cellnex received several awards that recognize the good performance of the company and its contribution to society.

Moreover, Cellnex is part of the jury of the first edition of the IT pioneers award, together with personalities such as the President of CEOE or the President of Ametic, and leading companies such as Telefónica, Whirlpool, Hispasat, Fundación Orange.

This award will be awarded annually to a female Telecommunications Engineer, to value her career and professional career as a "pioneer". The aim of this "Pioneer of the Year" award is to give visibility to the contributions and achievements that have been made in society, thanks to the presence of female talent in the technological field, particularly in telecommunications.

In this connection, the Pioneras_IT Award will also award several mentions to teaching centres or Institutions that promote scientific vocations: Special Mention Pioneras_IT Public Institution, Pioneras_IT Private Institution Mention, and Pioneras_IT Educational Institution Mention.

El Confidencial Influential Awards

Award to the company of the year for its contribution to social and economic development

The entity has positioned itself as one of the best European companies in the deployment of 5G technology. In addition, in 2019, it doubled its market value, becoming the Spanish company with the best results compared to the entire stockmarket.

El Economista awards

Best long-term issuance

Cellnex achieved the cheapest long-term financing in 2019, with the placement of a 9-year convertible bond with a coupon of 0.5% with which it raised 850 million euros.

Best value of the Eco10

Cellnex Telecom has become a key value in the consensus portfolio of the Eco10 index since its last entry in September 2019.

La Información

Business Leader of the Year

Business Leader of the Year to Tobías Martínez, CEO of Cellnex, the telecommunications services company that in the last six years has turned the sector upside down and maintains a commitment to progress that will soon lead to be present in twelve countries, and to be one of the 'star' values of the Spanish business fabric.

Vocento

Revelation Company award

Cellnex won the accolade of Revelation Company as the fourth largest share value in the IBEX-35, with a market cap of € 26.311 billion, having achieved a record demand from investors in its capital increase.

Expasión

Salmon Award

The Salmon Award for the best value of the year, chosen by the readers of EXPANSIÓN, went to Cellnex, whose titles revaluated more than 94% in 2019.

La Razon

Best Value of the Ibex 35

Since its debut, it has multiplied its capitalization by five and is the fourth largest company on the Ibex 35.

José Manuel Aisa, CFO of the company, could not attend the ceremony and thanked the award through a video, appreciating the shareholders' trust in 2019, which is also maintained in 2020.