

# Value Chain

Extending our commitment to the value chain



## Extending our commitment to the value chain

### Actions 2021

# Unified

global survey  
("Customer satisfaction surveys")  
for all business units.

Customer satisfaction

# 7,9

Net Promoter Score

# +28%

Customer Effort Score

# 7,7

Approval of  
**Suppliers Code of Conduct**

### Next steps



*Common Claims  
Management  
Procedure for the  
entire Company by  
2023*

*Strategic Global Security  
Plan 2022-2025*

*Expansion of the functions  
of the Global Security Office*

# 100%

Approved critical  
suppliers considering  
ESG criteria by 2023

# 80%

Critical suppliers  
audited by 2025



# Customers

## Responsibility to customer: focus and performance

One of the key factors of Cellnex's business model is continuous interaction with the customers throughout the entire service provision process. From commercial management, to response to incidents, reporting and possible queries and complaints during provision, operation and maintenance. Customers are one of the most important stakeholders for the company. In this regard, Cellnex has defined a relationship model with its customers based on proximity, transparency and striving for constant improvement.

With the aim of guaranteeing a personal and stable relationship with customers, Cellnex is committed to orienting its sales force by market segment, strengthening the role of the manager, whose mission is a specialised end-to-end relationship with customers, offering them a comprehensive and personalised service, focusing on their overall satisfaction.

In addition, the extension of Cellnex's commitment to its customers is one of the strategic lines of Cellnex's ESG Master Plan. Consequently, one of the objectives defined by the Plan to be achieved by 2025 is the development of a specific Code of Conduct for customers that includes issues such as working conditions, human rights, anti-corruption and bribery, to ensure compliance with ESG issues.

The Global Commercial Vision is one of the Core Business Functions (CBF) underpinning Cellnex's Industrial Model, where the objective is to implement a common business perspective and commercial strategy, offering a broader vision of the market and a clear customer focus.

To this end, the corporate Global Marketing and Sales area is responsible for identifying international opportunities, developing commercial activity in each country by providing support materials, introducing new services and products, and extending good practices to all sales representatives.

In addition, under the Industrial Model, the Salesforce tool has been implemented in all countries to homogenise and standardise the sales process and to better coordinate and understand the commercial process. Salesforce is the management, reporting and commercial monitoring tool used by all Cellnex sales staff in all countries. During 2021, the tool undergone various updates, which provide more detailed and precise visibility of all sales activities.

**The Salesforce tool has been implemented in all countries to homogenise and standardise the sales process.**



### Cellnex Connectivity Days

The Cellnex Connectivity Days programme continued in 2021, a series of conferences that bring together a range of major players in the field of telecommunications to discuss the most innovative and topical issues in the sector. The conferences and topics featured in 2021 were as follows:

- April 2021: "Towards the city of the future", a project focused on improving the connectivity of the cities of the future through the deployment of telecommunications infrastructures and Smart & IoT services.
- June 2021: "When connectivity in health really matters", a project developed to address the needs of the health service through digitalisation.
- 7 October 2021: "Enabling Industry 4.0: Boost productivity with private wireless networks", a project to address the challenges and benefits of private network deployments for the manufacturing industry.



## Customer Service

Customer Service is a strategic priority and a cross-cutting commitment that must be present every the Cellnex action create sustainable value distributed to all stakeholders.

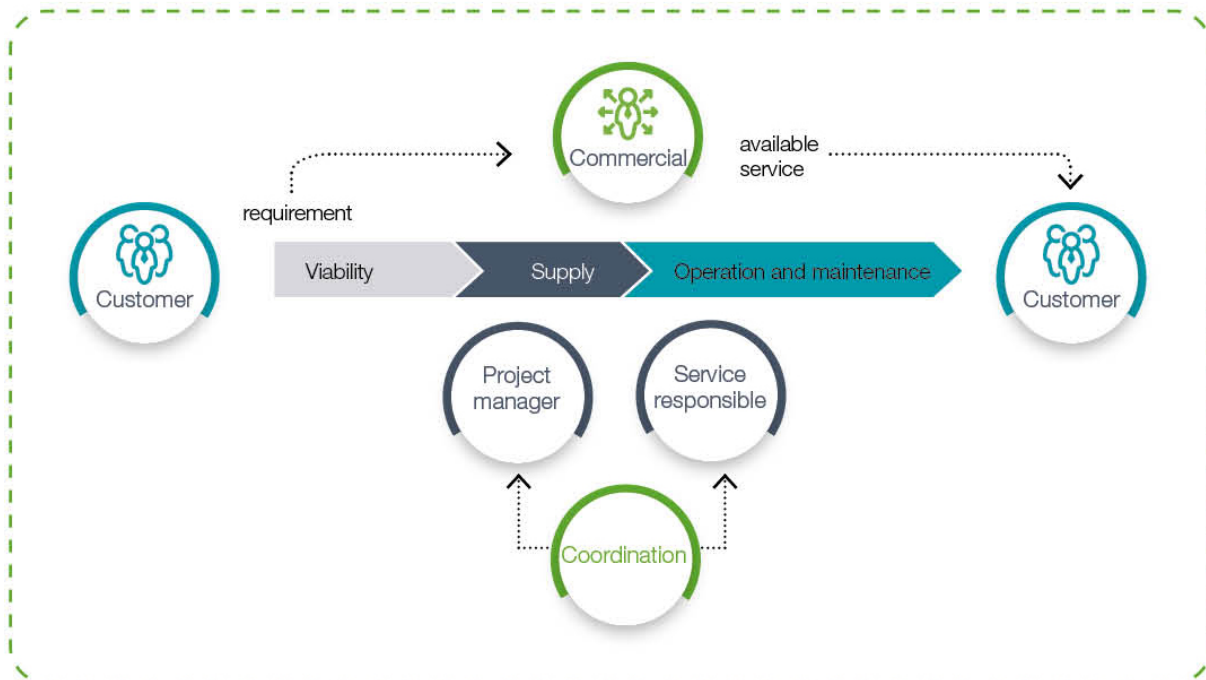
To guarantee a personal and stable relationship with customers, Cellnex has designed a global customer service model in which it provides the customer with three contact points throughout the service:

- Commercial: Each customer is assigned an account manager, whose responsibility is to keep abreast of all the relationships that Cellnex maintains with its customer to meet their needs and concerns from a global perspective.
- Project Manager: These are the contacts with the customer, together with the Account Manager, in the feasibility and delivery stage of a service. They play an important role in customer satisfaction, as they are the department that can influence customer satisfaction through optimal performance in designing the service to be provided.
- Supervisor: These are the main contact with the customer, together with the account manager, in the service delivery stage. They are responsible for

ensuring the availability of service levels, and monitoring and optimising the service provided.

In addition, in the countries where the volume of customers is not so very high, business with customers can be much closer and more individualized. This allows close links to be established through regular conversations managed directly by an account manager or director.

Cellnex focuses on stakeholder needs and expectations, offers high quality services, satisfies customers and is continuously improving. In this respect, at Cellnex Spain in 2021 the average frequency of interruption was 119 days (97 days in 2020), that is, on average a customer who had contracted a service with Cellnex would have observed a network interruption approximately every 119 days, and the average duration of interruption was 2.2 hours (2 hours in 2020). This demonstrates the trend of improvement in the interruption frequency. In Cellnex Italy, in 2021 the average network outage frequency was 1.2%, with around 94 outages per month with an average duration of 2.2 hours.



In addition, Cellnex offers customers a number of communication channels. Through these channels, Cellnex receives the claims sent by its customers and analyses them. In this regard, with a view to 2023, the ESG Master Plan has defined the establishment of a common Claims Management Procedure for the entire Company.

**There were 124 complaints of which 98% were processed and resolved.**

In 2021, there were 124 complaints (13 in 2020), of which 98% (100% in 2020) were processed and resolved in accordance with the company's procedures before the end of the year, the rest are still being processed in 2022.

A complaint is defined as a formal expression of dissatisfaction with the service received by a customer, user or group.

- Customer complaint: A complaint submitted directly by a customer with whom Cellnex has a contractual relationship.
- User complaint: A complaint submitted by the end user, received directly or derived from an external customer.
- Group complaint: Complaint from a group of users that may be represented by public administration bodies and private organisations (antenna organisations, neighborhood associations, etc.).

## Customer Engagement

Following the customer care model, Cellnex carries out satisfaction surveys to ascertain customer overall opinion of the company and to evaluate the quality and suitability of the service provided, to be able to draw up an Action Plan in line with the resulting needs.

### Customer Engagement Survey

for all business units, launched during the last quarter of 2021.

One action framed within the ESG Master Plan in relation to the extension of Cellnex's commitment to its customers is developing a standard survey and a corporate model to measure customer engagement. As such, during 2021, a unified global survey was designed (the "Customer Engagement Survey") for all business units, which was launched during the last four months of 2021 in a coordinated and homogeneous manner for all countries. Based on the results obtained, it will be possible to analyse the Cellnex services and activities that are most highly valued by customers, in order to extend best practices between the various countries. The homogeneous view provided by the survey will allow Cellnex to make a more realistic comparison between customers in all the countries where the Company provides its services.

### Customer Engagement Survey

In 2021, a Customer Commitment study was launched for the first time in all Business Units. The main objectives were the following:

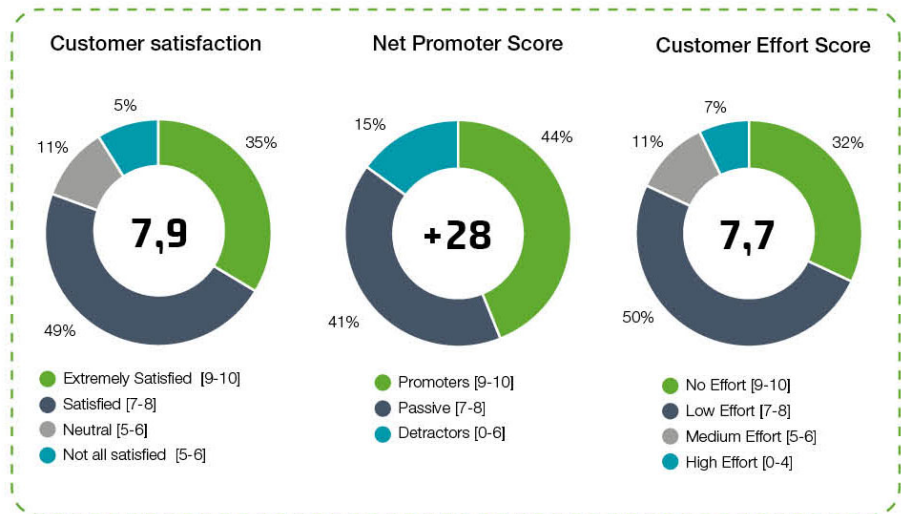
- Obtaining a global and easy framework, deployable across Cellnex, to compare customer engagement in all Business Units with common KPIs.
- Analysing the customer engagement both overall and country-specific by launching a common customer survey in Cellnex countries

The survey is linked to the Cellnex Process Map and is broken down into five categories: General, Offer and Sell, Deliver Services, Assurance and Customer Care, in which specific questions related to these topics are defined. In addition, the Business Units can add specific questions, with prior validation at corporate level. Moreover, to guarantee objectivity and independence, Business Units are recommended to have the survey carried out by an external partner.

The results of the main key indicators (Customer satisfaction-CSAT, Net promoter score-NPS, Customer effort score-CES, Response rate-RR) were segmented by customer category (MNO and other critical customers, important customers, and Long Tail customers) and by customer segment (Broadcast, Operators, Public Administrations and Enterprises).

In this regard, 12 countries participated in the Customer Engagement Survey defined in 2021, in which more than 450 surveys were launched. The overall response rate was 61%, thus exceeding the target response rate that was initially defined.





### Information Security

Information is a very important asset for Cellnex Group, and it is necessary to guarantee the confidentiality, integrity and availability of information in accordance with recognised standards of Information Security management in the provision of services as a Telecommunications infrastructure operator to Operators, Broadcasters, Public Administrations and Corporations.

#### Cellnex has an Information Security Policy

In this regard, in 2019 Cellnex approved the Information Security Policy, which aims to establish the guidelines and lines of action in Information Security that govern the way in which Cellnex Group manages and protects its information and services, as well as its communication to stakeholders and implementation in all companies and functional areas of the Group.

To this end, measures are taken to identify and protect information assets from unauthorised access, modification, communication or destruction, whether intentional or accidental, ensuring that they are used only for purposes approved by Cellnex Management.

Involvement in the protection of these assets and the implementation and maintenance of appropriate security controls is the responsibility of the entire Cellnex team. To this end, employees have the necessary material resources, continuous training in technologies and skills, and development processes to detect individual needs.

#### Cellnex has drawn up a Global Strategic Security Plan for Cybersecurity and Physical Security

In order to develop the provisions of the Information Security Policy, Cellnex has drawn up a Global Strategic Security Plan for Cybersecurity and Physical Security, which enables it to anticipate high-impact incidents, in accordance with the reference frameworks. The Plan applies to all the companies that make up Cellnex group and covers all aspects of corporate security, regardless of the type of threat, whether physical, IT or hybrid.

The Global Strategic Security Plan for Cybersecurity and Physical Security defined the actions to be undertaken between 2019 and 2022. However, thanks to the quick pace of implementation of the actions the completion of the plan has been brought forward one year to end in 2021. In this regard, Cellnex is currently defining the new Global Security Strategic Plan 2022-2025.

The main initiatives developed during 2021 within the framework of the Strategic Plan are as follows:

- Implementation of two-factor authentication for access by all users (internal and external) to Cellnex applications.
- Deployment of virtual patching solution to protect Cellnex assets against new vulnerabilities that may arise.
- Optimisation of network segmentation to prevent the spread of malware in the event of an infection within Cellnex.

The projects run during 2021 involved major investment focused on anti-fraud protection related to the user (identity theft, phishing detection, etc.) and assets, both physical (advanced protection of the workstation, virtual patching, etc.) and cloud (implementation of CASB).

The Global Security Office was established to provide global Information Security support. During 2021 the services provided by the Office were consolidated in the countries defined in the Global Security Strategic Plan 2019-2022. By 2022 the Security Office will be expanded with new functions to strengthen its functional and also geographical scope, incorporating all new business units (Portugal, Ireland, Sweden, Denmark, Austria, Poland and Finland). The new services to be offered include the following

- Development and maintenance of the third party security risk management model.
- Annual review of the security master plans for each business unit.
- Support for the monitoring of new regulations with an impact on security for each business unit.

## Cellnex has a Personal Data Protection Policy

Cellnex has a Personal Data Protection Policy, through which Cellnex Group guarantees the security, secrecy and confidentiality of the personal data under its responsibility, adopting the most demanding and robust security measures and technical means to prevent any loss, misuse or unauthorised access. As such, any personal data that Cellnex Group collects through the various channels will be treated with absolute confidentiality, and it pledges to keep them secret and discharge its obligation to protect them by adopting all reasonable measures necessary to prevent alteration, loss and unauthorised access or processing, in accordance with the provisions of applicable law.

In addition, Cellnex's ESG Master Plan, includes an objective for 2025 to join other companies in signing the "Charter of Trust", a charter for greater cybersecurity.

Continuous improvements in information security are introduced within the framework of a Management System, which the Management is committed to leading in accordance with the ISO 27001 standard, and which applies to all of the Group's Business Units. This is centered on people management, process management and continuous improvement, which guarantees its effectiveness and efficiency. In 2021, the global ISO 27001 certification was maintained in the countries already included in the 2020 perimeter and all the companies in Portugal and Ireland were included, as well as OnTower UK. By 2022, Sweden, Austria and Denmark are expected to be included in the global ISO 27001 certification.



### Automation of security processes



Cellnex is committed to the automation of security processes, for example through the development of tools that enable automatic implementation of actions upon detection of certain events to block sophisticated attacks. This has made it possible to gain detection, prevention and protection capacity, thereby increasing the response capacity and security level, and mitigating the associated risks. Detected and blocked security incidents have increased in complexity in recent years due to the development of increasingly targeted attacks.

During 2021, no incident involving theft, data breaches or loss of information or affecting the business was detected in any of Cellnex's business units.

One incident was reported to the Spanish Data Protection Agency in which an employee's credentials were compromised, giving access to his mailbox. This account was used to send emails to contacts in his address book. There was no impact on the business and the incident was closed by the Spanish Data Protection Agency.

### Awareness



During 2021, several awareness and training campaigns were carried out for employees related to information security. In this regard, for example, the following were carried out:

- 7 awareness campaigns using "Phishing" simulations (where an attacker sends a fraudulent message designed to trick an employee into revealing confidential information or to implement malicious software on the victim's infrastructure).
- 1 simulation of a high impact virus event for 100% of employees.
- 2 mandatory training sessions also for 100% of employees.

In addition, information security advice has been provided and alerts have been given on virus or phishing campaigns aimed at Cellnex staff.

All of this has contributed to a 25% drop in the rate of phishing campaigns from 2020 to 2021, despite the increase in the sophistication of the attacks.

# Suppliers

## Cellnex Supply Chain and Engagement with suppliers

The purchasing process is key for the company due to its high economic, environmental and social impact. For this reason, Cellnex Group has established and promotes a guide for action in the purchasing process that goes beyond price, product and/or service quality, also taking into account social, ethical, environmental and privacy aspects in the performance of Cellnex Group's suppliers.

Cellnex has a supplier management model based on collaboration and continuous improvement, seeking the most efficient purchasing procedures and finding technological solutions that result in improvements.

For Cellnex, it is essential that suppliers are aware of corporate policies and values and ensure compliance with each of them. Commitment to suppliers is essential for the development of a responsible supply chain.

### Industrial Purchasing Model Pillars: Guidelines, Organisation, Processes, IT Tools and Dashboard.

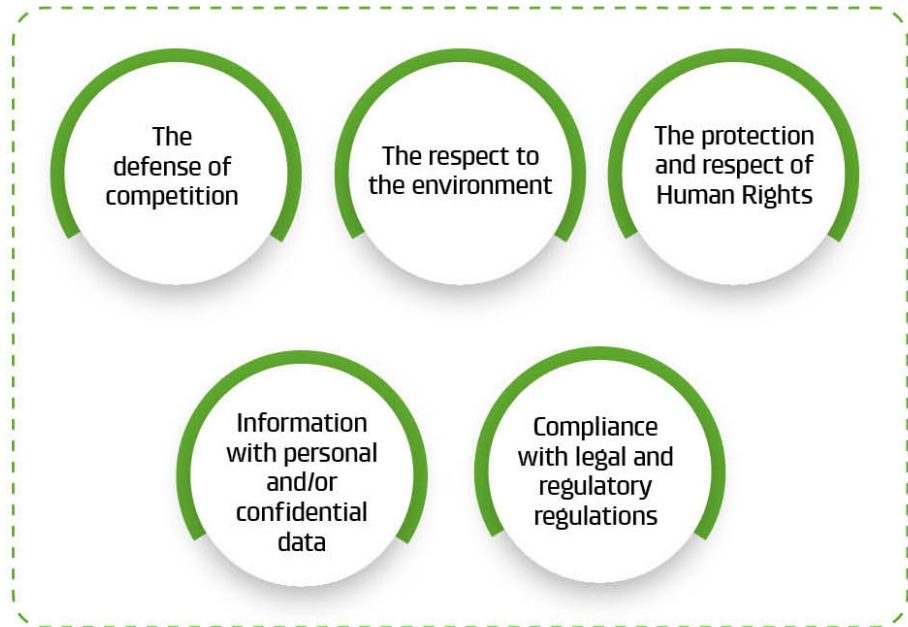
Supplier management is carried out in a coordinated and homogeneous manner among all the Business Units under the Cellnex Industrial Model. In 2021, work was undertaken to consolidate an industrial purchasing model that includes five key pillars: Guidelines, Organisation, Processes, IT Tools and Dashboard. In addition, the strategic purchasing planning process was strengthened for all Business Units with the aim of obtaining a consolidated purchasing plan that allows the Company's purchasing needs to be anticipated at global level.

In this regard, the Operations area is in charge of coordinating the purchasing process throughout the Company, as well as promoting efficient, innovative, transparent, sustainable and quality purchases.

Cellnex has a Purchasing Policy that establishes the basic principles that the Group must take into account in the Purchasing process. These principles are:

- Defence of competition. It is mandatory to act with impartiality, integrity, objectivity, criteria of competition, transparency and equal opportunities. Selection of suppliers is based mainly on criteria of quality, cost, compliance with deadlines and acting in accordance with the principles of the Code of Ethics of Cellnex Group at all times.
- Respect for the environment. Cellnex Group suppliers must actively and responsibly commit to preserving it, respecting current legislation in this area and adopting procedures to minimise the environmental impact of their activities.
- Cellnex Group suppliers must protect, respect universally recognised fundamental Human Rights, within the sphere of influence of Cellnex Group.
- Information containing personal and/or confidential data which may arise from commercial relations between the Cellnex Group and its suppliers must comply with the data protection policy which ensures the confidentiality of such data.

- Compliance with applicable laws and regulations (international, European, national, regional and local), as well as the willingness to adapt to future standards, customer and social requirements, is a commitment and responsibility for all of us.



Based on the Industrial Model, Cellnex has implemented the SAP Ariba Suite, a tool for managing the purchasing process in an operational, strategic and decentralised manner in all areas and Business Units. The various modules in the tool make it possible to unify the purchasing processes in all the Business Units, provide greater autonomy to suppliers and improve the transparency of the process. In this way, a unified vision of purchasing is obtained throughout the Company. In addition, it makes it possible to analyse and classify purchases and define purchasing strategies for the most strategic and significant categories, and to digitalise the entire purchasing process.

During 2021, SAP Ariba was implemented in seven countries (France, Switzerland, Portugal, the United Kingdom, Italy, Ireland and Austria), which, together with Spain, the Netherlands and the company at a corporate level, are now fully active and in operational development. By 2022 it is planned to implement the tool in the new countries and Business Units incorporated into the Company (Sweden, Denmark and Poland).



	SUPPLIER MANAGEMENT	PROCUREMENT MANAGEMENT	
	<b>Ariba SLP</b> SAP Ariba SLP provides comprehensive tools to help you onboard, qualify, segment, and manage supplier performance more efficiently	<b>Ariba Buying</b> Allows to manage the entire P2O process while being fully integrated with the corporate ERP, while easing supplier collaboration and ensuring compliance of process	<b>Ariba Network</b> Allows to search for new suppliers, speed up transactional process and increase document visibility which are managed through the cloud
Who Will use it?	Procurement Team End users Supplier managers Suppliers	Procurement team Local buyers End users	Procurement team Suppliers
Objectives	Manage supplier Lifecycle, from new supplier requisitions to qualification Transfer to suppliers the maintenance and updating of their information.	Manage the entire P2O process Reduce workload from buyer side Guaranteed the compliance of policies and procedures	Automate the Exchange of documents with suppliers through electronic communication Given supplier visibility related to its POs and invoices (status, payment dates, etc.)
Processes covered	Supplier requisition Supplier registration	Catalog management PRs creation and approval Collaborative requisition POs generation Perform GR	Send POs to suppliers Send GRs to suppliers Receive Order Confirmation and Advance Ship Notice from suppliers (not mandatory) Receive invoices from suppliers

ARIBA STRATEGIC SOURCING	ARIBA CONTRACT MANAGEMENT
<b>Ariba Sourcing</b> Allows to manage the sourcing activities, homogenizing the process across the group with the use of templates. Completely integrate with contracts and buying, which allows full traceability from and end-to-end procurement process perspective.	<b>Ariba contracts</b> Allows to manage the end-to-end process of a contract creation. Additionally, adds automatic controls (availability, expiration dates, etc.) and fully integrates with the procurement process managed in buying.
Sourcing request Sourcing Project management RFX and auctions Awarding Full integration with Ariba Suite (SLP, Buying and contracts)	Contract initiation Negotiation Review and approval Digital signatures Standard terms and contract templates Traceability of contract consumption

The Ariba Sourcing module will allow the establishment of homogeneous and scalable processes in relation to the management of purchasing events (RFQ, RFP, RFI, auctions, etc.), and the processes for the preparation and management of contracts for all Business Units will be established through the Ariba Contracts module, which will allow

the contract information to be shared transversally between them. In addition, it will act as a centralised repository and will enable standardised preparation of contracts.

The Ariba Network module is the new supplier portal that strengthens the relationship with suppliers, centralising all communication in a single place which is updated in real time. It manages all the information relating to purchase orders, incoming goods notifications, invoices and payments. In this regard, suppliers register directly as new suppliers by means of a predefined questionnaire where they have to confirm that they accept the Code of Ethics, the Purchasing Policy, the Data Protection Policy and Cellnex's general contracting conditions. In 2021, 500 suppliers were incorporated into the portal.

*"We are very proud about supplier code of conduct developed. It is the sum of a team effort in which many departments have been involved in making improvements to achieve excellence."*

Rut Collado - Purchasing analyst

In this regard, the supplier must be aware of Cellnex Group's Management System Policies, guarantee that it will comply with each of its guidelines, as well as the specific requirements regarding the performance of its work, and make the established standards known to all its contracted and subcontracted personnel. To this end, the supplier shall adopt any preventive measures necessary to avoid creating negative environmental impacts during the performance of its work, and, should any occur, it must adopt the necessary corrective measures to correct them, at its own expense, and immediately inform Cellnex Group's contact personnel. In addition, Cellnex Group establishes coordination requirements in terms of Occupational Risk Prevention between Cellnex and its suppliers of works and services to comply with the obligations established in the Law on Occupational Risk Prevention and other supplementary legislation.

### Supplier Code of Conduct

### Cellnex adopted a Code of Conduct for Suppliers

In addition, a series of actions have been defined within the strategic line "Expanding our commitment to customers" in Cellnex's ESG Master Plan, to be implemented in coordination with its suppliers. In this regard, at the beginning of 2022 Cellnex adopted a Code of Conduct for Suppliers that acts as a framework of trust and cooperation for the Organisation with its value chain, resulting in the continuous improvement of purchasing processes and, establishing long-lasting stable business relationships.

As such, the Supplier Code of Conduct aims to bring together in a single document the key references to the set of principles, rules and policies of Cellnex Group, that govern suppliers, in the following areas:

- Ethics and integrity: adhering to the action principles established in the Code of Ethics and the Cellnex Corruption Prevention Procedure.
- Environment and climate change: Cellnex suppliers must comply with environmental legislation in each of the countries in which Cellnex operates, as suppliers are expected to undertake this commitment to sustainability and the combating climate change with the aim of seeking and promoting a balance between profitability, social development and the reduction of adverse environmental impacts in the performance of their activities.
- Human rights: Cellnex safeguards and is committed to the protection of and respect for universally recognised fundamental human rights, within its sphere of influence and non-complicity in the violation thereof, and wishes to extend this commitment to all its Suppliers, requiring them to respect, support and promote Human Rights.

- Working conditions and remuneration: Cellnex is firmly committed to guaranteeing compliance with the working conditions established in each country where it operates. In this regard, suppliers that wish to work with Cellnex must comply with the law in force in each country regarding working conditions and remuneration.
- Diversity and non-discrimination: Cellnex is committed to equity, diversity and inclusion at work, and extends this to all its suppliers through the Equity, Diversity and Inclusion Policy. In this regard, Cellnex will ensure that its suppliers commit to promoting diversity and non-discrimination.
- Health and safety: Cellnex establishes specific commitments regarding the responsibility of suppliers throughout the value chain to engage all workers to supervise their own health and safety and that of anyone who may be affected.
- Information security: Suppliers must sign, the relevant confidentiality and data protection agreements in accordance with the applicable data protection regulations. Additionally, the Suppliers undertake to comply with the laws on data protection, privacy and information security applicable in the countries in which they operate; to protect and respect all the intellectual property rights of Cellnex; and not to use, in any case, the information provided for any other purpose than for which it was provided.
- Business continuity: Cellnex's suppliers must be aware of the business continuity requirements established with Cellnex and ensure that they can comply with them through the evaluation by Cellnex of the services/products provided.
- Risk management: Cellnex's suppliers must analyze and assess the risks related to the services provided to Cellnex and implement the necessary actions to mitigate them.

#### Strategic Purchasing



In addition, Cellnex aims to establish an industrialised model for Strategic Purchasing through the implementation of two new SAP Ariba suite modules (Ariba Sourcing and Ariba Contracts), planned for 2022. During 2021, the Strategic Purchasing project was awarded and the process of defining the tools was initiated at a corporate level and by the Business Units in Spain. During 2022 these tools will be implemented in all of Cellnex Group's Business Units

#### Circular economy with suppliers in Italy



Cellnex Italy works with suppliers to find solutions for its business based on the circular economy. As such, in 2021, a solution was identified to apply of the circular economy to batteries. Cellnex Italy is currently working with local suppliers to replace batteries to bring 80% of its material under the circular economy concept.



**Environmental specifications for suppliers in Denmark**



Cellnex Denmark is carrying out a project regarding the steel material components used in the installation of network towers and the resulting impacts. The project will continue until 2022.

**iLOQ Project**



Cellnex signed a long-term framework agreement with iLOQ for it to be one of the priority providers of access control to Cellnex's telecommunications tower network and data centres.

The iLOQ project focuses on a new access system with NFC technology that allows remote access to subcontractors who need to enter Cellnex sites, facilitates access traceability. The power required to unlock comes from a smartphone, using the iLOQ S50 mobile app. Access rights can be updated remotely, in real time, and multiple sites can be consolidated simply onto a single, secure, cloud-based software platform.

Furthermore, iLOQ S50 is also a battery-free solution. This will help Cellnex reduce maintenance costs, eliminate battery waste and minimise the environmental impact of traveling between sites and administrative offices to update access rights.

Cellnex is committed to generating local value by contracting most of its suppliers locally.

**Local suppliers**

	95% (2021) 94% (2020)		90% (2021) 94% (2020)
	92% (2021) 91% (2020)		87% (2021) 93% (2020)
	89% (2021) 90% (2020)		81% (2021) 97% (2020)
	94% (2021) 82% (2020)		89% (2021) 90% (2020)
	98% (2021) n/a (2020)		97% (2021) n/a (2020)
	98% (2021) n/a (2020)		26% (2021) n/a (2020)

**Working with local companies in Spain**



Cellnex Spain opted at an earlier date for a model of partner companies with a strong presence in the territory, with their own staff low turnover, and with a high level of loyalty. This proved a key model the pandemic and the lockdowns, when telecommunications services were essential for informing the population and facilitating communications. In 2021, the provision of quality-assured services was maintained during the successive waves of infection and the restrictions imposed by COVID. Cellnex transfers to its suppliers the criteria it applies to itself in terms of ESG policies.

**Cellnex Italia's Commitment to Sustainable Purchasing**



Cellnex Italia's sustainability values are applied over the entire supply chain. To this end, ESG requirements have been integrated in every stage of the purchasing processes:

- When they enrol on the Cellnex' supplier register, suppliers need to evidence compliance with and endorse social and environmental requirements.
- ESG requirements are present in the management of Tenders and Requests for Proposal.
- New social and environmental parameters in the evaluation criteria for supplies
- Supplier audits are prioritised according to the ESG risk level of the supplier is and this is estimated using defined parameters

Stakeholder engagement initiatives have been developed with the most compliant suppliers to identify and implement joint sustainable projects.

**In 2021 Cellnex scored a A on the CDP Supply Chain questionnaire.**

In 2021, for the fourth consecutive year, the CDP Supply Chain questionnaire was launched for Cellnex suppliers, with 178 responses in 2021 (169 in 2020). In this questionnaire, the company's suppliers report data on their emissions and environmental conduct to assess their efforts to combat climate change. In 2021 Cellnex has improved its score, rising from an A to an A+, which is considered a Leadership stripe.



**As a Supplier Engagement Leader, we're taking action to measure and reduce environmental risks within our supply chain**

### Training on the CDP Supply Chain questionnaire



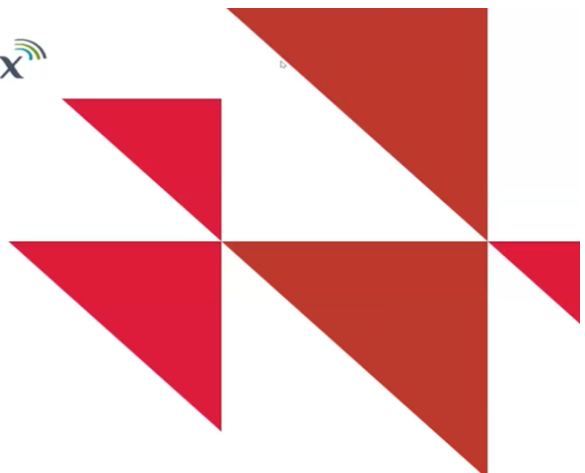
One action undertaken during 2021 within the framework of the Cellnex ESG Master Plan was the implementation of training and awareness-raising actions on ESG issues for suppliers. For example, as Cellnex is a member of the CDP - Supply Chain, suppliers were given training to explain the context and importance of the CDP questionnaire, in addition how to answer it and the information and documentation they need to collect. The training was attended by Cellnex's Environment and Purchasing departments and CDP representatives, and a total of 91 suppliers from all over Europe took part in the session (61 from Spain for the training conducted in Spanish and 30 from the rest of Europe for the training conducted in English).



### Cellnex Telecom & CDP Supply Chain

Webinario para proveedores:  
Cambio climático

20<sup>th</sup> of May 2021



### Cellnex is a "Zero Outage Supplier"



The Deutsche Telekom Group has renewed Cellnex Telecom's certification as a "Zero Outage Supplier" for the fifth year running. This certification is part of the German group's worldwide programme to select and certify their key connectivity service providers in each country. The programme sets the Deutsche Telekom Group quality standards for its customers based on the operational excellence, security and stability of the systems, monitoring of critical components and reduction/resolution of incidents with 24/7 availability by its key suppliers.

Cellnex has been working for Deutsche Telekom in Spain since 2015, providing connectivity services to T-Systems. This company in the German group was responsible for performing the type-approval and certification process for Cellnex, based on the criteria and quality levels set by Deutsche Telekom.

This type-approval and certification process measures indicators linked to commercial service, compliance with the delivery dates of contracted services, continuity of service, and constant real-time information, scaling, response time and resolution of incidents, to name just a few. T-Systems monitored these indicators throughout 2021 along with the quality of the connectivity service and the level of continuity offered by Cellnex.



## Supplier evaluation, selection and monitoring

**The ESG Master Plan defines a new model for the analysis and assessment of the risk associated with suppliers, including ESG factors.**

The supplier selection, approval and evaluation processes are considered critical within the purchasing process. Therefore, in 2021, a project was launched to redefine the model in line with the Company's objectives in terms of ESG, Risks, Quality, Compliance and Information Security. This process is part of the action defined in the ESG Master Plan on the definition of a model for the analysis and assessment of the risk associated with suppliers, including factors related to ESG and the definition and identification of critical suppliers.

As such, the strategic purchasing model must include the criteria defined in the supplier selection, approval and evaluation model. Together both projects seek to transform the way in which the Company undertakes the purchasing process and aim to transfer Cellnex's strategic objectives to the supply chain. To ensure this, Cellnex companies carry out a supplier evaluation and selection process.

During 2021, work continued with EcoVadis for the evaluation of suppliers, on this occasion by carrying out a selection of the suppliers with the highest risk in terms of ESG. As such, they were selected according to criteria of purchase volume, type of service or product they provide, risk situation in a given country and lack of alternative suppliers. Once the evaluation has been completed, the results are explained to the suppliers and the areas with the greatest risk of non-compliance are identified. Based on this, an action plan is drawn up for the supplier, which is registered and managed directly through the EcoVadis platform. In 2021, a total of 489 suppliers were evaluated based on environmental criteria, 257 suppliers were evaluated in relation to their potential environmental impact, 402 suppliers based on social criteria and also 402 suppliers whose impact on labor practices has been evaluated.

### Supplier evaluation in Ireland

Cellnex Ireland assesses its suppliers on an annual basis. The assessment model is based primarily on safety legislation, which sets out procurement, design and management requirements for contractors involved in construction projects and maintenance programmes.

As part of the procurement process, the competence and resources of each contractor are assessed. The contractor is required to complete a selection questionnaire, designed to ensure that new service providers have an appropriate level of competence and resources to safely manage and execute the project.

Once a contractor has passed the assessment, they are formally appointed. In addition, once they are selected as an approved contractor, there is no need to repeat the questionnaire process for similar types of projects or work.