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ENVIRONMENT
Growing with a
long-term
sustainable
environmental
approach



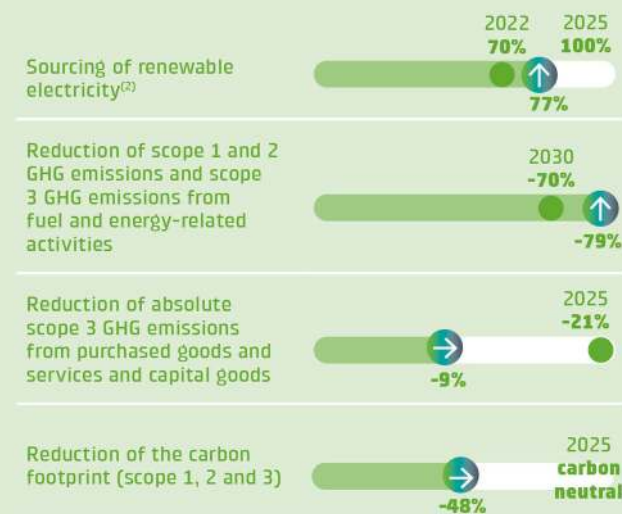
2022 main actions and KPIs

Committed to achieve carbon neutrality by 2035 and net-zero by 2050	Included in the CDP Climate Change 'A List'
Publication of the second Environment and Climate Change Report	Green energy targets achieved in 2022 within the Energy Transition Plan
The ESG strategy is reinforced in 2022 with the update of the 2023-2025 Environment and Climate Change strategy, which has been redefined to reduce, offset and neutralize environmental and climate impacts in Cellnex's value chain	Update the Life Assessment Cycle Project through the Eco-design project
	Climate Change Adaptation Plan developed
Natural Capital analysis to assess the impacts, dependencies, risks and opportunities carried out	Implementation of the environmental and emission reduction requirements under the company's new procurement risk management model



- 558,011 tCO₂e total GHG emissions in 2022
- 3,212 tCO₂e offset by acquiring CER (certified emission reductions) credits
- 77% of renewable energy across all the Business Units
- Carbon intensity reduction to 5.27 tCO₂e/site and 158.26 tCO₂e/€Mn
- 97% achievement rate of the actions outlined in the Strategic Sustainability Plan for 2022
- 84,428 sites analysed in terms of biodiversity
- Operating income: 8.27% eligible and 6.89% aligned with the EU Taxonomy
- Capex: 1.15% eligible and 0.10% aligned with the EU Taxonomy

Follow-up of the ESG Master Plan targets ⁽¹⁾



(1) KPIs reported on an annual basis (Q4). Compared to the base year FY20 verified by an external certified entity

(2) The electricity target (Scope 2) refers to the energy directly managed by Cellnex. Data calculated according to SBT and GHG Protocol methodology applied to the financial perimeter. Intake due to M&A will be included not longer than 3 years after the integration's year according to FY20 perimeter.

● Target ● Status

Next steps for the upcoming years

Reduce the carbon footprint within the net-zero and Science-based Targets commitments

Work on the new EU Taxonomy objectives to be reported in 2024

Implement the actions defined in the Environment & Climate Change strategy for 2023-2025

Promote circular economy through Eco-design initiatives across the business

TNFD framework development to implement the recommendations on Natural Capital

Continue working with its supply chain in the calculation of the carbon footprint to increase data transparency and quality

5.1 Strategy and environmental positioning

Sustainability planning and management

One of the main goals of the Cellnex ESG Master Plan is to continue growing with a long-term sustainable environmental approach and as part of Cellnex's commitment to the environment and combating climate change, the Company has adapted its business model to incorporate the measurement, reduction and mitigation of impacts caused by its activity that may have repercussions on the environment and the biodiversity of the areas where Cellnex operates.

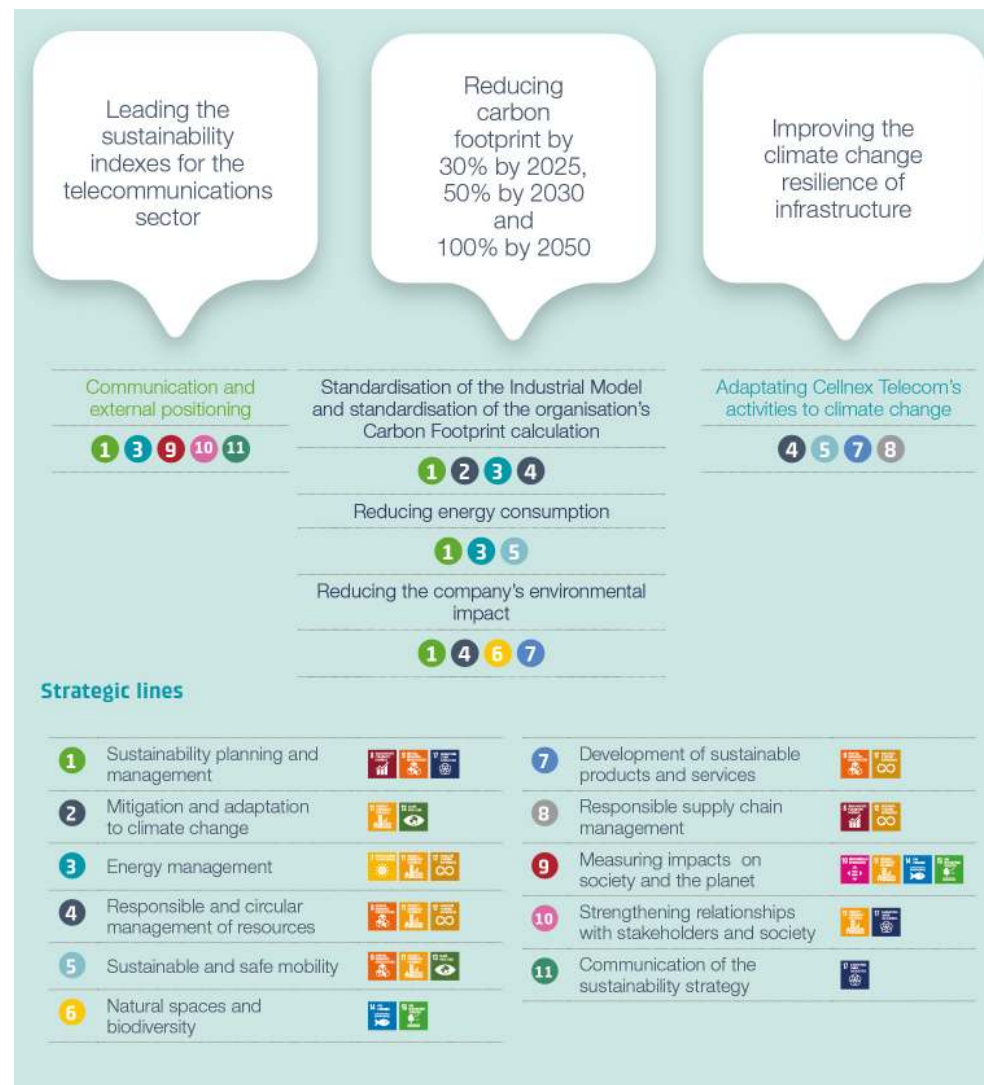
In this regard, in 2021 Cellnex's Board of Directors adopted the **Environment and Climate Change Policy** which integrates all the principles that promote sustainable development. Moreover, to raise the company's level of responsibility, the Policy includes binding principles and commitments in each of the projects, business operations and activities undertaken by all business units. In turn, these principles and commitments are grouped in five strategic lines, aligned with the Sustainable Development Goals (SDGs).

The 2019-2023 Strategic Sustainability Plan defines the actions Cellnex will take to achieve the objectives set out in the Environment and Climate Change Policy. The Plan raises Cellnex's level of responsibility towards the environment and combating climate change and comprises 11 strategic lines designed to achieve three global objectives. In addition,

the Plan is closely linked to Cellnex's global ESG strategy and the 2021-2025 ESG Master Plan.

To evaluate the performance of the Strategic Sustainability Plan and determine the actions required to achieve the targets set for 2023, Cellnex monitors the annual degree of achievement of each of the lines of action. For 2022, Cellnex established a series of targets grouped into actions to continue making progress in the Strategic Sustainability Plan. In this regard, the achievement rate for the actions outlined in 2022 was 97%. Cumulative achievement of the Strategic Sustainability Plan stood at 82% in 2022.

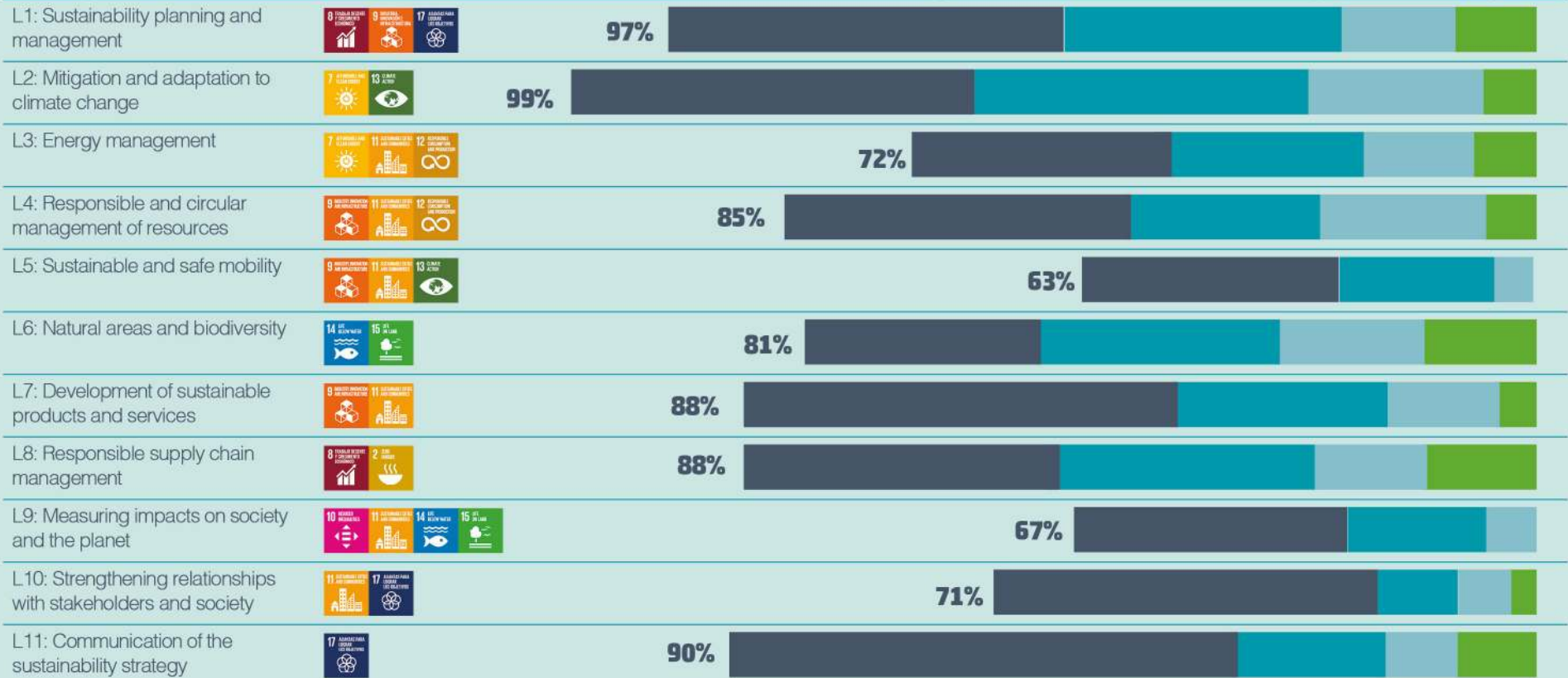
Further information about each of the sections of the environmental chapter can be found in the **2022 Environment and Climate Change Report**, available on the corporate website.



DEGREE OF ACHIEVEMENT OF THE 2019-2022 STRATEGIC SUSTAINABILITY PLAN

Strategic lines of the Plan

Degree of achievement of the Strategic Sustainability Plan



● Progress in 2019 (%)
● Progress in 2020 (%)
● Progress in 2021 (%)
● Progress in 2022 (%)

To strengthen Cellnex's ESG strategy in 2022 the *new Environment & Climate Change strategy for 2023-2025* has been redefined to reduce, offset and neutralise climate impacts throughout the value chain

Completion of the 2019-2023 Strategic Sustainability Plan has been brought forward to 2022 as part of a process to update the Strategy and rename it the **2023-2025 Environment and Climate Change Strategy**. For the update, current and future regulations on environmental sustainability issues were taken into account (such as the Corporate Sustainability Reporting Directive, European sustainability reporting standards and the EU Taxonomy), along with Cellnex's internal commitments (such as the Science-based Targets, Net-zero Strategy, Cellnex Energy Policy and Energy Transition Plan).

As a result of this work, the new plan has 40 actions grouped into eight lines of action. The linkages between the Strategic Sustainability Plan and the Environment and Climate Change Strategy are as follows:

Commitment in 2019	Commitment in 2023
Leading the sustainability indexes for the telecommunications sector	Achieving excellence and being an industry benchmark in integrated environmental management within the telecommunications sector, establishing a solid commitment throughout our value chain
Reducing our carbon footprint 30% by 2025, 50% by 2030 and 100% by 2050	Being a leading group in the fight against climate change by achieving carbon neutrality, improving the resilience of our infrastructure and promoting a circular economy in line with our activity
Improving the climate change resilience of infrastructure	Improving our environmental impact, integrating our infrastructure into the surrounding environment and establishing collaborative partnerships with stakeholders

Strategic Lines in 2019	Strategic Lines in 2023
Sustainability planning and management	1. Integrated environmental management
Mitigation and adaptation to climate change	2. Climate change
Energy management	3. Energy management
Responsible and circular management of resources	4. Circular economy
Sustainability and safe mobility	5. Water management
Natural spaces and biodiversity	6. Biodiversity and land use
Development of sustainable products and services	(*)
Responsible supply chain management	(*)
Measuring the impacts on society and the planet	7. Environmental impacts of infrastructures
Strengthening relationships with stakeholders and society	8. Training, awareness and collaboration with the Community
Communication of the sustainability strategy	(*)

(*) Strategic Lines 5, 7, 8 and 11 in the 2019 Plan have been integrated into other more general Strategic Lines in the 2023 Plan.

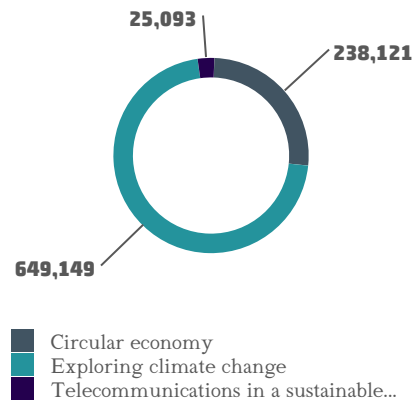
In addition to the strategic plans, Cellnex has an Environmental Management System (EMS) in place to achieve responsible management to ensure that policies and procedures advocating sustainability are designed and implemented. Seven business units are already integrated into the Global EMS (France, Portugal, Ireland, Switzerland, the Netherlands, Poland and the United Kingdom), and Spain and Italy now have the ISO 14001 certification and are due to be integrated into the Global Integrated Management System in 2023.

To increase transparency in environmental performance, in 2022 Cellnex published the second annual Environment and Climate Change report which contains information and follow-up on initiatives and projects undertaken during 2021. In 2022 a video was also published on internal and external channels to increase awareness and dissemination of **Cellnex's environmental strategy and climate objectives**.



With regard to environmental and climate change education and awareness, in 2022 Cellnex continued with its collaboration project with the education provider **Ambientech** to introduce sustainability and telecommunications training content in lower and higher secondary schools. The educational pathway is publicly available free of charge and covers three subjects: telecommunications in a sustainable world, exploring climate change and the circular economy. In addition, there was an inter-school competition focusing on solutions for environmental problems and a series of debates on human and environmental health. The three modules have received a total of 912,363 views.

Ambientech learning pathways. Number of visits during 2021-2022



In addition, in 2022 the initiative developed by Cellnex at Ambientech was selected to form part of Forética's Roadmap towards a **Future of Work focused on green jobs and a just**

transition (Jobs 2030). This initiative is designed to support and raise the profile of business activity focusing on a more sustainable and ethical Future of Work, examining the most significant factors to achieve a fairer transition in adaptation and development in digitalisation.

During the 2021-2022 academic year, Cellnex also participated in the second edition of a collaborative project called "**The Smart Green Planet**", which aims to make the planet more sustainable. In this collaborative project, various secondary schools in Spain and Latin America submit projects with solutions for multiple environmental issues such as food, awareness, consumption, biodiversity, social inclusion and waste. A total of 473 students took part and, under the umbrella of the Smart Green Planet collaborative project, they consulted the aforementioned circular economy and climate emergency pathways, among others, as well as some projects on waste management and climate change.

A third project involving Cellnex during the 2021-2022 academic year was a school event called "Series of discussions: One World One Health", organised by Ambientech to raise young people's awareness of the interconnectedness between human health, animal health and environmental health. The event was held online from 23 to 26 May 2022 with multiple videoconferences on the Zoom and Menti platforms and an app to accompany the discussion with questionnaires and quizzes to add spark to the proceedings. The event centred on two discussions, one on how infectious diseases caused by antibiotic-resistant bacteria affect public health and

another on how the environmental impact on the planet influences the overall health of people, animals and plants. Over 400 students from nine schools in Spain and Latin America took part in the project.



5.2 Monitoring and management of the main environmental risks, opportunities and impacts

Cellnex takes into account the risks and opportunities presented by climate change, incorporating them into the organisation's vision and objectives for the coming years

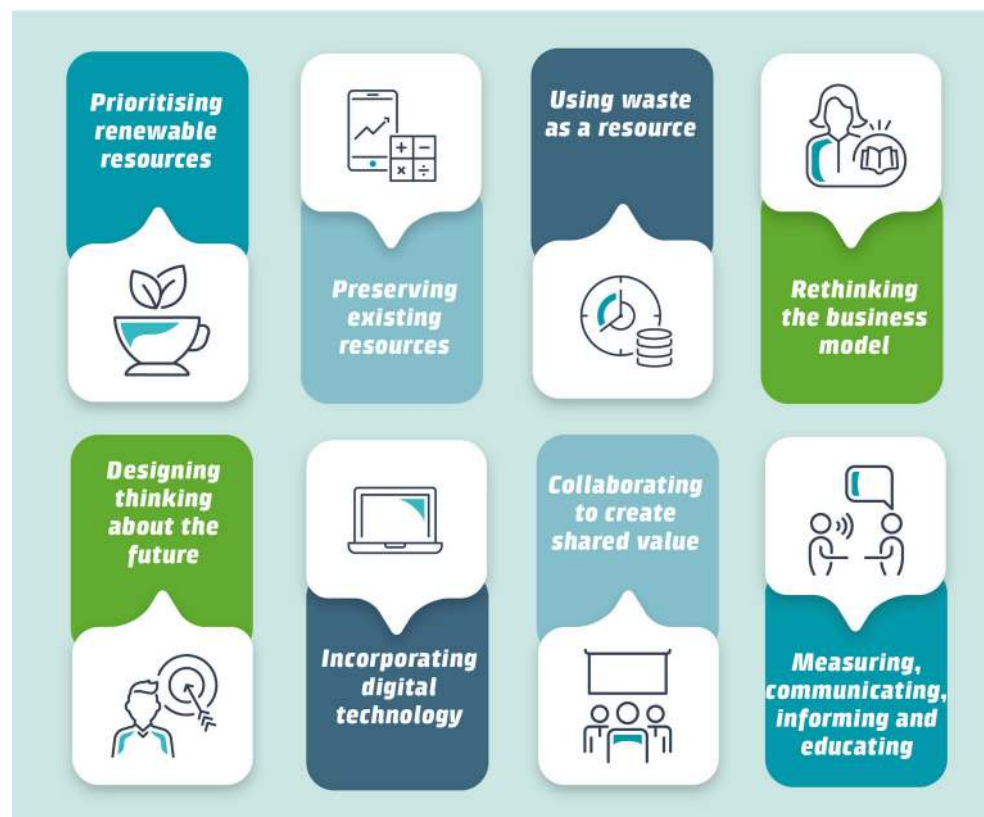
In a context of significant changes in the regulatory, economic and industrial sectors, caused by the transition towards a decarbonised economic model, there is growing pressure from investors, public bodies and society for organisations to report transparently on how they manage risks and opportunities arising from climate change in the short, medium and long term.

Within this transitional framework, in December 2015, the Financial Stability Board (FSB) established the **Task Force on Climate-related Financial Disclosures (TCFD)** to develop climate-related disclosures that “could promote more informed decisions on investment, credit and insurance underwriting” and, in turn, “would allow stakeholders to better understand the concentrations of carbon-related assets in the financial sector and the exposures of the financial system to climate-related risks”. The TCFD frames climate-related information in the business context under four pillars (governance, strategy, risk management, and metrics and objectives) and recommends disclosure in each pillar.

With its firm commitment to climate change and to making GHG emissions one of the focal points in decision-making, Cellnex takes into account the risks and opportunities presented by climate change, incorporating them into the organisation's vision and objectives for the

coming years. As such, using four core elements, as recommended by the TCFD, Cellnex shows how it takes account of climate-related risks and opportunities, as well as strategies to mitigate risks and mainstream opportunities.

Cellnex has been a **TCFD supporter** since 2021, reaffirming its commitment to Climate Change transparency and disclosure.



Cellnex undertakes actions focused on **mitigating climate change**, such as through **emission reduction initiatives**

Climate Change Contribution, Mitigation and Adaptation

Climate change mitigation is based on preventing or reducing the emission of greenhouse gases, either through the use of new technologies and renewable energies, such as replacing older equipment with more efficient models. Cellnex undertakes actions focused on mitigating climate change, such as through emission reduction initiatives (Science-based targets, energy efficiency, sustainable mobility, carbon management along the value chain, etc.). Moreover, Cellnex has shown its commitment to a carbon-neutral business model by setting out the Cellnex **Net-zero Strategy**.

In addition, it is essential to adapt to climate change to ensure the long-term resilience and conservation of Cellnex assets. As such, in 2022 Cellnex developed a Climate Change Adaptation Plan. The main objective of the Cellnex Climate Change Adaptation Plan (CCAP) is to prevent or reduce present and future damage from climate change.

With sites across Europe, Cellnex must address climate variability on a regionalised basis, so there is a particular need for a Plan that takes an integrated approach to the potential consequences of climate variability, both globally and regionally, and the vulnerability of asset types to climate conditions based on their geolocation. For this reason, the CCAP makes it possible to:

- Understand the current and projected effects of climate change on the various telecommunications assets;

- Identify the potential impacts of climate change on a regional basis;
- Identify and take advantage of positive effects and opportunities arising from climate change;
- Establish priorities and concerted efforts in adaptation measures and actions, adapted to the types of assets and regional climate conditions.
- Optimise the allocation of available resources in a context of climate change and adaptation.

The project has two separate parts:

- **Physical climate risk analysis:** this analysis includes identifying risks and assessing vulnerability, exposure and impact to obtain a physical climate risk classification.
- **Proposal and prioritisation of adaptation measures:** the adaptation proposals attempt to propose activities to help reduce the vulnerability, exposure or impact of the different climate variables on the various assets of the company.

Two periods were analysed under a RCP 8.5 scenario: 2011-2040 and 2041-2070. In the period 2011-2040 only 2.19% of assets are subject to critical or high physical climate risk. The distribution of risks follows a normalised distribution that places the largest set of assets at low risk (49.23%). In the period 2041-2070 the percentage of assets at high or critical risk increases to 10.56%.

The variables analysed were: temperature, precipitation, wind, storm surge, sea level rise, flooding, fires and landslides. The climatic variable that primarily affects all assets at both horizons is temperature.

Cellnex recognised by CDP for its transparency and commitment in tackling climate change



For the fourth year in a row, Cellnex has been recognised for its transparency and commitment in tackling climate change on the prestigious **'A List'** compiled by CDP, the non-profit administrator of a global disclosure system allowing investors, companies, cities, states and regions to manage their impact on the environment. In 2022 Cellnex excelled in "exhaustive disclosure, awareness and management of environmental risks and demonstrated best practices in environmental leadership, such as by setting ambitious and meaningful targets."



Cellnex's **Global Risk Management Policy** establishes a framework that **implements, evaluates and improves risk management**

Analysis of Climate Risks and Opportunities: TCFD

Governance

Climate risk and opportunity analysis at Cellnex Telecom forms part of the risk management process, following a bottom-up methodology, from every user in every business unit to senior management. To this end, it has a **Global Risk Management Policy**, establishing a framework that implements, evaluates and improves risk management throughout Cellnex Telecom's processes and activities.

Cellnex's governance of climate-related risks and opportunities and the risk management lifecycle ensures the overall and appropriate management of risks in the organisation; through the various levels of monitoring and validation, providing meaningful reporting to the Board of Directors.

Strategy

The climate risk analysis takes into account the time horizon analysis (short/medium/long term), the financial magnitude and management costs and the analysis of climate scenarios:

Physical scenarios: An RCP scenario is analysed, cumulatively measuring human emissions from all GHG sources to 2100. It is more relevant to take the worst case scenario into consideration, so the RCP 8.5 scenario was selected to analyse the climate projections. RCP 8.5 shows a Business-as-Usual (BaU) scenario, in which GHG

emissions would continue to increase at the current rate. This is a worst-case scenario of higher GHG emissions in the atmosphere and further global warming.

Transition scenarios: two scenarios were selected: Stated Policies Scenario (SPS), with the objective of looking at the existing trajectory and seeing what future risks and opportunities would result from not implementing measures, and Sustainable Development Scenario (SDS), a scenario that goes beyond the policies currently in place. It is considered a more ambitious scenario of reductions than the Paris Agreement, i.e. one in which global warming is kept below 2°C.

As regards the resilience of the strategy, the results obtained from the analysis allow us to anticipate potential impacts and to inform and influence our strategy and business objectives. Thanks to the risk management that has been in place for years and this latest update in terms of policy, management and governance, Cellnex Telecom has further increased its resilience and will have the necessary tools to deal with potential future climate risks.

Climate Risk and opportunity management

As such, in 2022 Cellnex worked on updating the management and evaluation of risks and opportunities arising from climate change. For this evaluation, the risks and opportunities are prioritised as high, medium and low, taking into account two aspects: impact and probability. As a result of this process, in 2022 Cellnex identified and evaluated seven climate

risks and seven climate opportunities. Those with the highest priority are outlined below:

Risk	Type	Time framework	Magnitude
GHG emissions price increase	Transitional, Legal and policy	Medium term	Medium-High
Regulatory obligations arising from F-Gas reduction	Transitional, Legal and policy	Medium term	Medium
Increased average temperature	Physical Chronic	Long term	Medium

Opportunity	Type	Time framework	Magnitude
Use of more efficient production and distribution processes	Resource efficiency	Short term	Medium-High
Development of low-carbon goods and services	Products and services	Short term	High
Change in investor preferences	Products and services	Medium term	Medium



The most appropriate risk management is determined on the basis of an assessment of inherent risk and residual risk, taking into account the strategy, policies, procedures and rules established to cover the risks, identification of the persons responsible, the organisational structure for role definition and the information available to monitor the development of the activity within the parameters (performance, information and communication, etc.).

With this information on the table, a risk response or action plan is created, management undertakes to establish actions to attempt to reduce the level of risk until the risk is controlled and the second line of defence takes action to validate the effectiveness of the action plan.

Metrics & targets

The targets set by Cellnex Telecom show its stakeholders that it is committed to reducing environmental impact while reducing carbon price exposure. The commitment through the Science-based Targets and the longer term net-zero target involve a combination of approaches including reducing Greenhouse Gas (GHG) emissions, migrating energy procurement in favour of renewable and clean energy and engaging with the supply chain.

Cellnex will continue to measure and disclose its performance in relation to these objectives. Below is an overview of the most relevant climate-related metrics and targets:

- **GHG emissions scopes 1, 2 and 3**
- **GHG intensity**
- **Science-based Target follow-up**
- **Net-zero**
- **Scope 1 Compensation**
- **Energy consumption**
- **Share of renewable electricity**
- **Suppliers**

Further information is available in the [2022 Environment and Climate Change Report](#).

5.3 EU taxonomy

The EU taxonomy is a classification system establishing a list of environmentally sustainable economic activities that will help to meet the EU's climate and energy targets for 2030 and achieve the European green deal objectives. As such, the EU taxonomy establishes appropriate definitions of which economic activities can be considered environmentally sustainable.

For an economic activity to be identified as environmentally sustainable, it must contribute to the achievement of certain environmental objectives. The Taxonomy Regulation establishes six environmental objectives:

1. Mitigation of climate change.
2. Adaptation to climate change.
3. Sustainable use and protection of water and marine resources.
4. Transition to a circular economy.
5. Pollution prevention and control.
6. Protection and restoration of biodiversity and ecosystems.

To assess the environmental sustainability of Cellnex's economic activity, a study was conducted on the following services, in which more specific economic activities were identified:

- Telecommunications Infrastructure Service (TIS).
- Audiovisual broadcasting networks and infrastructures.
- Network and other services.
- Investment in R&D&i.

Once the business activities were identified, to determine which were potentially **eligible**, a revision was undertaken of those included in the list of Taxonomy activities, specifically those listed in the Climate Delegated Act (Mitigation and adaptation). The following indicators were established on this basis:

- Operating income from eligible economic activities based on those proposed in the Climate Delegated Act.
- Capital Expenditures (Capex), Investments made by Cellnex relating to activities eligible under the Taxonomy.

Cellnex has not calculated the eligible Operating Expenditures (Opex) indicator based on the Taxonomy as it is not considered material for the business.

On January 1, 2023, all the disclosure of the Taxonomy for the objectives of Mitigation and Adaptation entered into force, forcing

reporting based on Annexes I and II of the Delegated Act of Article 8 (2021/4987/UE) . Therefore, it is obliged to report the **alignment** as well as the eligibility of the economic activities at the level of financial data, and the quantitative and qualitative verifications for technical selection criteria, DNSH and minimum guarantees.

To assess the level of alignment by activity, the following criteria were taken into account:

- Comply with the Technical Screening Criteria (TSC) established for each activity.
- Do Not Significant Harm (DNSH) to any of the other environmental objectives.
- Be carried out in accordance with the minimum guarantees established.

These points must be met simultaneously for an activity to be considered environmentally sustainable. To analyse the degree of alignment of each activity, an eligibility screening was first carried out and then a verification of compliance with the criteria for Do Not Significant Harm (DNSH), minimum guarantees and Technical Screening Criteria (TSC).

To ensure a correct alignment analysis, Cellnex has exhaustively examined these criteria and points, working in parallel to meet each of the points that the alignment process

marks. Based on that, an extraction of financial indicators according to the methodology of the Delegated Act of Disclosure was performed.

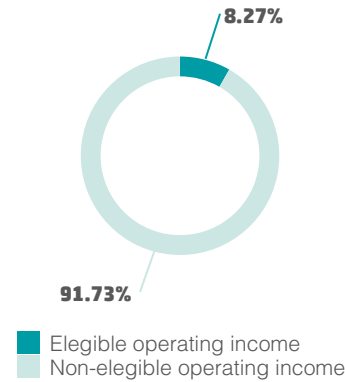
Cellnex has adopted a conservative approach when reporting eligibility and alignment based on the Taxonomy. Cellnex has avoided forcing definitions of activities that are not clearly defined as sustainable. Consequently, the degree of eligibility is low, similar to last year's. Of the total operating income, 8.27% is established as eligible based on the taxonomy. 13.60% of this 8.27% is considered aligned, being a 1.13% of the total operating income.

On the other hand, 1.15% of the Capex is considered eligible. 9.09% of this 1.15% is considered aligned, being a 0.10% of the total Capex.

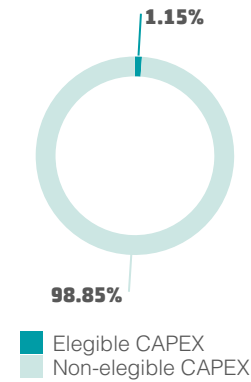
Cellnex assumes as its purpose to improve the degree of alignment of the company to the technical selection criteria and DNSH principles of its eligible activities. As well as to maintain those classified as aligned during 2022 and to improve the methodologies and procedures for the development of applicability and usability of the EU Taxonomy.

Annex 7 provides further details of the EU Taxonomy analysis performed by Cellnex.

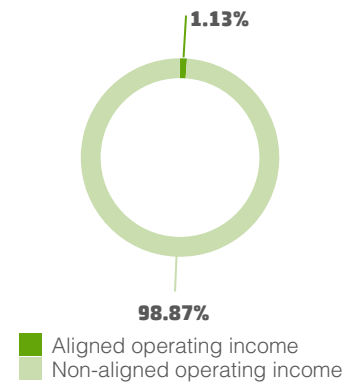
Operating income eligibility



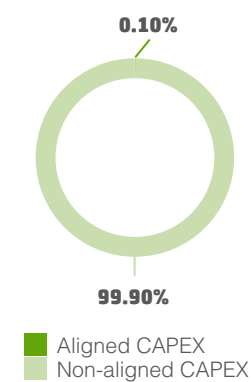
CAPEX eligibility



Operating income alignment



CAPEX alignment



Cellnex recognised as a benchmark company for its Taxonomy disclosure



In 2022 Cellnex was recognised as a benchmark company for its Taxonomy disclosure in the 2021 Integrated Annual Report. As a result, Cellnex was included in the Catalan Government's **Guide to publishing EU Taxonomy indicators**. This guide aims to provide companies that are required or choose to report their alignment to the EU Taxonomy with an explanation of the methodology to be used, explain the importance of reporting on the Taxonomy and share reporting Best Practices. Cellnex was distinguished for three aspects, (i) transparency in the justification and presentation of results, (ii) accuracy in the use of the taxonomy regulation and its delegated acts, and (iii) efforts undertaken to obtain detailed data on all the activities and the countries that make up the perimeter of a company.



5.4 Conservation of resources

Energy Transition Plan guidelines were issued in 2021 and further developed in 2022 in line with the current needs of the company

Energy management

Cellnex is aware of the importance of its energy performance and the sustainable origin of the energy necessary for its operations. In this sense, indirect emissions from electricity consumption are an significant contributor to Cellnex's carbon footprint.

To boost this awareness, specific Energy Guidelines were issued in 2021 and further developed in 2022. The guidelines establish that Cellnex promotes the efficient use of energy through the implementation of energy saving and efficiency measures in work processes and conduct, and by controlling and monitoring consumption in the most significant uses. All of this is based on compliance with applicable legal and regulatory standards at international, European, state, regional and local level, as well as the willingness to adapt to future standards and the requirements of customers and society.

To demonstrate its commitment to responsible consumption and proper energy management, in 2021 Cellnex adopted an Environment and Climate Change Policy, specifying its commitments relating to efficient energy management:

- Promoting energy efficiency in processes and procedures.
- Supporting the development of initiatives that reduce energy consumption at the Company's facilities.
- Ensuring control of energy consumption (electricity, natural gas, and fuels).
- Increasing the use of renewable energy sources.
- Raising awareness and training personnel in good practices to save energy.

To comply with these commitments, in 2021 Cellnex released the first version of its Energy Transition Plan as part of its ESG Master Plan and the Strategic Sustainability Plan.

The **Energy Transition Plan** has four pillars:

- **Energy 4.0:** this pillar aims to foster an intelligent asset ecosystem that triggers optimisation, big data analytics and comprehensive energy performance monitoring. To develop this pillar, an intelligent platform was implemented for accurate real-life energy performance monitoring and a measurement strategy was defined and implemented to accurately monitor Cellnex's energy performance, as well as that of its customers, with capability to feed the Global Energy Platform.

Energy 4.0

Green energy sourcing

Energy efficiency

Self generation

In 2022 Cellnex met its **renewable electricity consumption** target with **77%** of consumption from renewable sources

- **Green Energy Sourcing:** the objective is to ensure that the electricity consumed at Cellnex sites is from a 100% renewable source, making it possible to mitigate 100% of Scope 2 carbon emissions. To achieve this, a strategy is in place to increase and ensure the renewable origin of the electricity supplied directly from the grid to Cellnex sites.
- **Energy Efficiency:** this pillar seeks to ensure continuous improvement in energy performance to alleviate and optimise the impact of Cellnex's operations. It will be developed by implementing ISO 50001 standard to ensure continuous improvement of energy performance and the creation of energy efficiency initiatives together with Cellnex customers.

- **Self generation:** the aim is to implement self generation of electricity at Cellnex sites, as far as is reasonable and feasible, to support a journey of carbon neutral operations. This could be achieved initially by implementing economically efficient on-site generation solutions (with the possibility of higher-capacity off-site generation plants if economically viable) and in the future might also include reducing the consumption of fossil fuels for fixed backup diesel generators.

During 2021 Cellnex released the first version of its Energy Transition Plan, focused on defining the scope and overall strategy, but only with regard to delivering commitments under the Green Energy Sourcing pillar. However, in 2022 Cellnex continued developing the overall strategy

of intensifying the key activities and outlined corporate commitments to pave the path to carbon neutral operations. In addition, a budget plan was allocated to investment and development for the four pillars of the Energy Transition Plan.

The Group's total energy consumption for 2022 was 1,301 GWh (1,227 GWh in 2021), the largest part of which was electricity consumption. Cellnex's electricity consumption derives mainly from site electricity consumption and, to a lesser extent, office electricity consumption. In 2022 the total electricity consumed was 1,295 GWh (1,223 GWh in 2021), 77% of which came from renewable sources.

Detailed information on energy consumption is available in **Annex 6. KPI Tables**

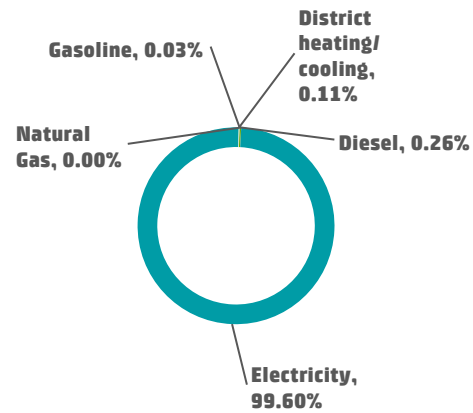
Energy Transition Plan Targets

Deploying **Global Energy Platform** for **70%** of Cellnex's consumption by **2025**

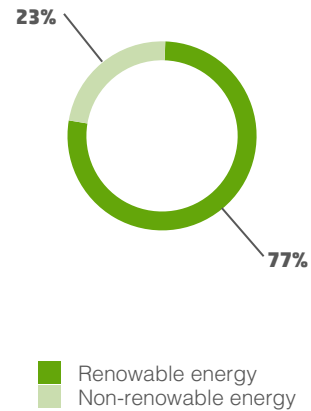
100% green energy **consumption** by **2025**.

70% of Cellnex consumption to be ISO 50001 **certified** by **2025**.

Total energy consumption by source



Share of renewable electricity



Share of renewable electricity by country (%)

As a result of the green energy sourcing strategy, the share of renewable electricity has increased in recent years from 10% in 2020 to 77% in 2022.

77%
renewable electricity

	100 % (2022) 47 % (2021)
	59 % (2022) 37 % (2021)
	100 % (2022) 0 % (2021)
	100 % (2022) 100 % (2021)
	100 % (2022) 68 % (2021)
	100 % (2022) 100 % (2021)
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	— (2022) — (2021)
	— (2022) — (2021)
	100 % (2022) 0 % (2021)
	100 % (2022) 100 % (2021)
	94 % (2022) 0 % (2021)



Energy efficiency

Cellnex is promoting energy efficiency and self generation measures, together with its customers.

As a result of investments made in energy saving and efficiency measures, in 2022 it was possible to reduce energy consumption, as shown below.

	Energy saved (GWh)	Investment (thousands of EUR)
Cooling	1.9	714
Fuel	0.8	60
Electricity	5.8	3,445
Total	8.5	4,219

Cellnex Spain

In 2022 the energy efficiency initiatives carried out by Cellnex Spain were a pilot with photovoltaic panel at sites, a pilot with hydrogen batteries, upgrading a broad range of active equipment, upgrading refrigeration equipment, and monitoring and controlling consumption.

Cellnex Netherlands

Cellnex Netherlands is working on different projects as improving energy-measurement on inventory (active equipment) to detect unknown energy consumption items; replacement of current lighting in media gateway data-center by for LED; replacement of old cooling equipment in the media gateway data-center; or energy savings at sites by

usage of alternative energy sources (wind solar smart batteries).

These initiatives shall be implemented gradually over the coming years.

Cellnex Ireland

Cellnex Ireland has identified four sites which are now at the design stage. Each site will be fitted with two 4kW photovoltaic systems to supply energy to the base stations on site. This small project is a pilot for a much larger one that may commence in the coming months.

Cellnex Italy

Cellnex Italy carried out three energy efficiency initiatives: Isolation transformer,

Outplacement of indoor equipment and Silenced Free-Cooling.

Cellnex Poland

In 2022 Cellnex Poland continued with the modernisation of BBUs (DC power systems) by replacing rectifiers with more effective models and installing reactive power compensators. In addition, 300 air-conditioning devices were replaced at its sites in 2022.

As part of its determination to remain at the cutting edge of technological advances and support the Energy Transition plan, Cellnex conducted a pilot in Spain to evaluate Fuel Cells and a pilot to test aluminium based energy storage.

Cellnex Spain uses aluminium-air batteries as backup power at its sites

In 2022 Cellnex Spain completed a pilot programme to test and validate the use of aluminium-air batteries as backup power at its sites. Cellnex collaborated with the company Phinergy to replace a diesel generating set with these innovative aluminium-air batteries which deliver 4 kW, enough to power a medium-sized telecommunications infrastructure with approximately 20 hours capacity. In view of the results, at the end of the pilot project, the aluminium battery system was kept on site for use as the standard backup power system and to assess the potential for adding it to the technological solutions used by Cellnex at its sites. This is one way in which the Company continues to make progress in fulfilling its ESG commitments to use renewable energy sources at its facilities. Moreover, given the ease of transport and installation, it is possible to use these batteries with zero environmental impact in rural locations, hard-to-reach areas, offshore sites and wherever a conventional power line is technically or economically unfeasible. Even electric vehicles will be able to benefit from this technology with packs allowing them to extend their range when chargers are not readily available.



Responsible and circular resource management

Water consumption

Water consumption throughout the Cellnex Group is used primarily for sanitation. Water for the whole Group is provided mainly through the public water supply network, with a total consumption of 2,195 m³ in 2022 (11,038 m³ in 2021), 80% lower than 2021.

Moreover, in 2022 the Group's water footprint was calculated and audited in line with the methodology defined in ISO 14046. Although Cellnex's consumption is a non-material issue for the Company due to the nature of its activity, Cellnex aims to calculate its water footprint annually to monitor and control the impact of Cellnex's activity on this resource.

Cellnex Spain prepares a Good Environmental Practices guide



Cellnex Spain has prepared a Good Environmental Practices guide with useful recommendations which is available to all its workers. These tips can be found on the Company's intranet and can be applied both at work and in daily life.

Waste management

Waste generated at Cellnex sites during construction, operation, maintenance and decommissioning operations is managed by waste management providers. To check that this management is carried out properly, Cellnex ensures that any waste produced by its suppliers in the course of outsourced activities is treated properly. In addition, Cellnex promotes proper waste management throughout the Company and its value chain, taking the waste hierarchy into account, thereby fostering the prevention of waste, and prepares it for reuse and recycling.

Cellnex Spain donates telecom equipment to the University of Alcalá



Cellnex Spain has signed a collaboration agreement with the University of Alcalá to donate telecommunications equipment that is dismantled at Cellnex sites so that the University can use it for education purposes. In this way, Cellnex gives its equipment a second life.

Circular economy partnership with l'Associació Cívica La Nau



As a circular economy initiative, Cellnex has donated 102 obsolete mobile phones to l'Associació Cívica La Nau to be reused. This initiative has prevented the generation of 15 kg of electronic waste and 806 kg of CO₂.

Eco-design

Cellnex's vision is to transform the existing paradigm to reduce the environmental impact generated by Cellnex TIS centres in Europe, with a particular focus on requirements affecting suppliers and the applicable eco-design strategies. In 2020 Cellnex initiated a Life Cycle Assessment (LCA) project for the TIS centres to identify inputs (consumption of raw materials and energy) and outputs (emissions to water, air and soil, waste and by-products) throughout every stage of their life cycle.

In 2022 Cellnex updated the LCA project begun in 2020 through the development of the Eco-design project, which established two eco-design models (short-term scenario and long-term scenario) for the two types of TIS centres (rural and rooftop), taking into account the technical and legal barriers for each of them and the proposed eco-design strategies.

To this end, an eco-design checklist was drawn up to enable:

- Reduced dependence on resources of origin.
- Reduced material management costs.
- Reduced risk from volatility in the price of materials.
- Reduced emissions (e.g. CO₂ eq., NO_x emissions, etc.).

The eco-design checklist was drawn up by applying ISO 14006. This standard provides the necessary guidelines to help the organisation establish a systematic and structured approach in the mainstreaming and implementation of an eco-design process. The most notable aspects of the design and development process for a TIS centre contained in the eco-design checklist are:

- Identifying significant environmental aspects.
- Defining areas for improvement and specific eco-design measures.
- Classifying measures according to priority (Must-have vs. Nice-to-have).
- Calculating potential environmental benefit (reduction of CO₂ equivalent).

To this end, Cellnex has established a green procurement protocol, defining a list of sustainability and circularity criteria to facilitate decision-making related to the evaluation and selection of providers that operate the IT centres. In this regard, aspects such as eco-design, consumption of raw materials, energy consumption, emissions, waste generation, impact on biodiversity and social and economic impact are taken into account.



5.5 Carbon footprint and climate change

Cellnex's Greenhouse Gas Emissions

The Greenhouse Gas (GHG) emissions inventory is a key instrument for understanding the global dimension of the impact of the Company's activity on climate change, as well as the development of GHG emissions over time and Cellnex's value chain. As such, this year Cellnex has once again calculated and certified, through an independent external body, Scope 1, 2 and 3 of the Carbon Footprint following the ISO 14064-1:2018 standard, as well as the criteria of the GHG Protocol, for all countries and at corporate level. Additionally, internal audits related to the carbon footprint have been conducted since 2021. In 2022 audits were performed in eight countries (France, Poland, the Netherlands, Denmark, Sweden, Finland, Switzerland and Corporate).

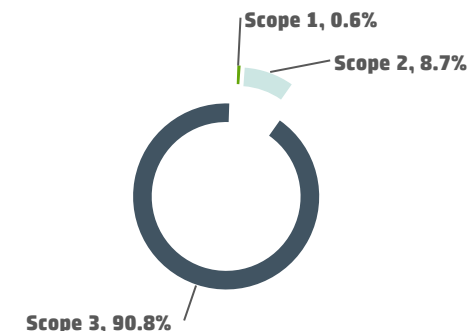
Since 2021, in addition to the ISO 14064-1:2018 standard, emissions are reported and verified according to the classification established by the Corporate Accounting and Reporting Standard of the Greenhouse Gas Protocol (GHG Protocol), developed by the World Business Council for Sustainable Development. In the case of Scope 3 emissions, the classification established in the GHG Protocol publication "Corporate Value Chain Accounting and Reporting Standard (Scope 3)" is used.

According to the verification, the verified emissions inventory for 2022 is 558,011 tCO₂e using the market-based approach (recalculated at 931,409 and 1,065,310 tCO₂e in 2021 and 2020, respectively).

The decrease in emissions is due mainly to implementation of the actions defined in the **Energy Transition Plan** regarding the purchase of renewable electricity.

In line with the GHG protocol with the market-based approach, 90.8% of the emissions correspond to Scope 3, followed by Scope 2 with 8.7% and Scope 1 with under 0.6% of GHG emissions.

GHG emissions by scope in 2022

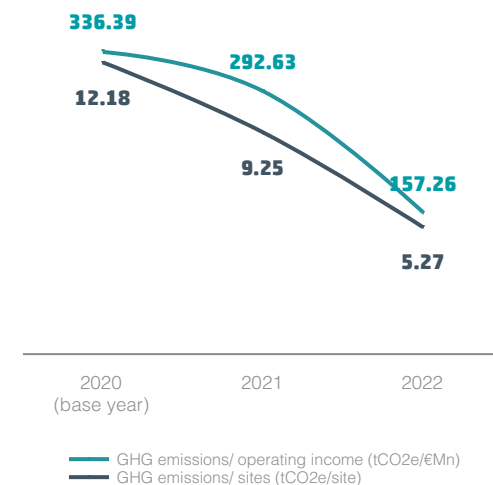


Carbon emissions according to GHG Protocol (t CO₂e)
(market-based)

Category	2022	2021	2020 (base year)
Scope 1: direct emissions	3,212	3,623	3,940
Scope 2: indirect emissions	48,329	326,857	432,160
Scope 3: other indirect emissions	506,470	600,929	629,210
3.1. Goods and services purchased	32,724	31,963	37,138
3.2. Capital goods	40,807	43,755	43,819
3.3 Fuel and energy-related activities	57,079	102,419	88,937
3.4. Transport and distribution upstream	132	14,256	16,140
3.5. Waste generated in operations	33	4,750	4,798
3.6. Business trips	1,147	45,318	56,785
3.7. Displacement of employees	2,553	2,159	1,553
3. 8. Leased assets upstream	107,265	109,271	114,808
3.13. Leased assets downstream	264,729	310,719	342,177
Total	558,011	931,409	1,065,310

In 2022, Cellnex has **reduced its total emissions** compared to 2020 base year by **48 %**

Evolution of the emission intensity (Scope 1+2+3)



Emission intensities have reduced over recent years mainly due to the efforts made in green electricity consumption (scope 2). With regard to this strategy, it is worth highlighting the difference between scope 2 local-based emissions (48,329 tCO₂e) and market-based emissions (340,262 tCO₂e) as a indication of Cellnex's commitment to reduce its carbon impact.

The GHG emissions disclosed for 2021 and 2020 (as base year) have been recalculated and restated, due to changes in the perimeter, Further information can be found in Chapter **7.3. Carbon footprint: Scope and calculation methodology.**

Carbon offsetting

Since 2015, as part of its efforts to mitigate GHG emissions, Cellnex has offset emissions to achieve neutrality in scope 1 for all the countries. In 2022 Cellnex offset 3,212 tCO₂e by acquiring 3,212 CER (certified emission reductions) credits in two different projects:

The projects are:

- Manantiales Behr Wind Farm in Argentina (VCS)
- Madhya Pradesh Wind Project in India (Gold Standard)



Total GHG emissions

558,011

tCO₂e in 2022

-48% reduction
vs base year 2020

	38,407	(2022)
	87,196	(2021)
	101,033	(2022)
	181,413	(2021)
	32,968	(2022)
	40,531	(2021)
	5,723	(2022)
	14,284	(2021)
	24,566	(2022)
	36,282	(2021)
	42,762	(2022)
	58,316	(2021)
	8,726	(2022)
	6,805	(2021)
	31,228	(2022)
	36,885	(2021)
	25,168	(2022)
	26,333	(2021)
	2,849	(2022)
	4,381	(2021)
	1,051	(2022)
	1,313	(2021)
	243,532	(2022)
	437,671	(2021)

Energy Transition Plan guidelines were issued in 2021 and developed further in 2022 in line with the current needs of the company

Achieving the Science Based Targets

In line with the recommendations in the TCFD "Metrics and Objectives" pillar, Cellnex recognises the importance of measuring the total emissions that its activity generates as this enables the Company to draw a roadmap for setting emission reduction targets, which will allow the company to achieve climate neutrality.

In this regard, in 2019 Cellnex committed to developing a science-based emissions reduction target, in line with the **Science-Based Targets Initiative (SBTi)**, which aims to increase companies' commitment to sustainable management and seek more ambitious solutions to climate change. This initiative, aligned with the Paris Agreement, aims to help establish science-based climate change strategies to reduce greenhouse gas emissions. As such it aims to limit global warming to well below 2°C above pre-industrial levels and to continue efforts to limit warming to 1.5°C.

In 2021 Cellnex established three specific objectives for the reduction of emissions which have been validated by the Science-Based Targets initiative (SBTi) and are aligned with the Global Pact "Business Ambition for 1.5°C". These reduction targets are the first essential step in defining Cellnex's Net-zero Strategy.

In 2022 Cellnex has been working on the roadmap to achieve these objectives, such as defining the 2023-2025 Climate Change Strategy. Specific actions were also undertaken with suppliers, in addition to energy management actions.



Cellnex's achievements in 2022

77% sourcing of renewable electricity

79% reduction in scope 1 and 2 GHG emissions and scope 3 GHG emissions from fuel and energy-related activities

9% reduction in absolute scope 3 GHG emissions from purchased goods and services and capital goods

Cellnex's Science-Based Targets commitments (SBTs)

Increasing the annual **supply of renewable electricity** from 0% in 2020 to

100% by 2025

Reducing absolute Scope 1, 2 GHG emissions and Scope 3 GHG emissions (fuels and energy)

70% by 2030, compared to base year 2020.

Reducing absolute Scope 3 emissions (goods and services and capital goods) by

21% by 2025, compared to base year 2020.

"Combating global warming is one of our greatest challenges and the solution is to reach net-zero by 2050. It is a long and complex process that will require research, technological advances and investment. I am proud that Cellnex has made this global commitment, which demonstrates a strong will to move towards a more sustainable business model".

Yolanda Romero, EHS-Q project manager - Cellnex Corporate

Committed to achieve carbon neutrality by 2035 & net zero by 2050

Net-zero Strategy

The most significant challenge in today's world is the climate crisis. As the latest IPPC (Intergovernmental Panel on Climate Change) report states "global warming, reaching 1.5°C in the near-term, would cause unavoidable increases in multiple climate hazards and present multiple risks to ecosystems and humans. Near-term actions that limit global warming to close to 1.5°C would substantially reduce projected losses and damages related to climate change in human systems and ecosystems, compared to higher warming levels, but cannot eliminate them all". Recognising this serious situation, Cellnex is actively working to limit the effects of climate change and contribute to the decarbonisation of the economy.

According to the Science-based Targets initiative (SBTi), net-zero carbon emissions are achieved when anthropogenic greenhouse gas (GHG) emissions to the atmosphere are balanced by anthropogenic removals over a period of time. For cities and businesses, this means balancing the emissions produced by the organisation's operations and supply chain with the emissions removed from the atmosphere.

Cellnex's 2019-2023 Strategic Sustainability Plan has been updated in the 2023-2025 Environment and Climate Change Strategy. Cellnex wants to go one step further, giving substance to its commitment to the decarbonisation of the economy by defining a strategy to reduce and neutralise its emissions with specific objectives in the medium and long term: the Cellnex Net-zero Strategy. This

strategy is a key component of the 2023-2025 Environment and Climate Change Strategy, as well as the Company's ESG Master Plan, and will allow Cellnex to be a net-zero company by 2050, with the intermediate goal of being Carbon Neutral by 2035.

Under the Net-zero Strategy, the Company will develop a roadmap with specific medium and long term goals to accelerate the transition towards a net-zero business model. The first lines of action that were established set out three types of measures:

- Reduction of direct and indirect CO₂ emissions.
- Neutralisation of unavoidable emissions, when emissions have been reduced to a level close to zero, through absorption projects to remove carbon from the atmosphere.
- As a prior step to neutralisation, Cellnex will offset its residual emissions by financing projects to avoid the generation of new emissions outside the scope of Cellnex's own activity.

To this end, Cellnex has established a strategy to reduce GHG emissions as far as possible and neutralise residual emissions that cannot be reduced. The strategy is structured around the following seven pillars:

1. Science-based reduction targets
2. Energy transition
3. Value chain
4. Circular economy
5. Sustainable mobility
6. Neutralisation of residual emissions
7. Transparency and governance

With the implementation of the planned GHG emission reduction measures, there are a number of residual emissions that are not within Cellnex's control and cannot be reduced. Recognising this, Cellnex wants to act to achieve its net-zero objective. As such, Cellnex will allocate climate finance to carbon offsetting and absorption projects on the voluntary carbon market. The company will also develop offsetting opportunities in its value chain. In addition, the projects financed by Cellnex will be regulated by international standards (MDL, VCS, Gold Standard) to ensure that they contribute towards sustainable development in the countries and the fight against climate change.

To make Cellnex a net-zero company, it is important to mainstream sustainability and climate change into the day-to-day management of the company for it to operate responsibly in each of its activities and business areas.

Carbon management along the value chain

Cellnex's commitment to the environment is transferred to the value chain through the dedication and commitment of the actors in the Environment and Climate Change Policy chain. In addition, acceptance of Cellnex's commitment through evidence of business activities is also included in the environmental requirements for suppliers and through the monitoring of outsourced processes, in addition to the environmental requirements outlined in construction and infrastructure projects, among others.

Carbon management along the value chain

In 2020-2021, a preliminary internal carbon tax was established with the dual purpose of promoting efforts to reduce the company's emissions and fostering a shift in behaviour towards a less emission-intensive activity.

During 2022, a pilot project was conducted in the Procurement areas, allowing the following main conclusions to be drawn regarding the feasibility of the project and the next steps to be taken:

- It would be more feasible for Cellnex to implement a Shadow Price, rather than an Internal Carbon Tax.
- Transition time is required to meet the reporting requirements (2025-2030 horizon).

In this regard, implementation from 2025 onwards is proposed because prior work is required to understand suppliers' emissions. In relation to this, Cellnex's Supplier Support project in the CDP Supply Chain Programme (currently underway) aims to make progress in this direction.

Internal tax pilots will be also explored in the coming years in other areas of emissions such as Business Travel.

Mobility Plan

The Health and Safety department at Cellnex, in collaboration with the Environment and Climate Change department, has developed a "Mobility Plan" project to reduce the number of traffic accidents and to ensure that travel by and for Cellnex is as sustainable as possible.

In 2022 a global mobility survey was conducted and work was undertaken to establish mobility plans for the offices in Spain (Barcelona and Madrid) and Italy (Rome).

Carbon footprint supplier engagement

Another notable project related to carbon management and linked to the Cellnex supply chain was support and assistance for suppliers in their carbon footprint calculations, to increase the transparency and quality of emissions calculations throughout Cellnex's supply chain by obtaining better quality supplier-specific data for the calculation of procurement-related emissions.

Supplier Risk Management Model

In 2022 Cellnex implemented the environmental and emission reduction requirements under the company's new procurement risk management model (Supplier Risk Management Model).

Cellnex Spain includes environmental criteria in procurement tenders



The Cellnex Spain environment team has collaborated with the procurement team so that the tender for a one-time purchase includes new air conditioning equipment with a type of refrigerant gas with a lower global warming potential (R32), to be installed at Cellnex Spain centres. This will allow Cellnex to reduce its carbon footprint and contribute towards becoming a net-zero Company.

5.6 Nature and biodiversity

Halting the decline in biodiversity is one of the main objectives that companies must address. The protection and conservation of biodiversity in the places where the Company's activities are conducted is a priority for the company.

With the aim of preserving the natural spaces where Cellnex's activity takes place and minimising environmental impacts, such as visual or noise impacts, Cellnex has created a specific pillar in its sustainability strategy for "Natural Spaces and Biodiversity". In this regard, in 2022 Cellnex Netherlands received nine noise and visual impact complaints and Cellnex UK received one.

In recent years Cellnex has been working on various actions focused on biodiversity management and evaluating Cellnex's impact on natural spaces and all these actions have resulted in the development of the Natural Capital project.

Visual impact management

One of the actions carried out is management of the visual impact of Cellnex sites. The policies and practices related to the location of masts and transmission sites, site sharing and initiatives to reduce visual impacts in each country where Cellnex operates are outlined below.

Cellnex Austria

The locations where Cellnex Austria builds sites are determined primarily by customers'

needs, as is the case with site sharing. With regard to visual impact, Cellnex Austria meets the local requirements established by the government.

Cellnex Denmark

Denmark is highly regulated in terms of building requirements, planning regulations and the placement of new towers in rural areas and the impact on open land. In this regard, Cellnex Denmark follows best practices and guidelines from municipal and governmental agencies to comply with regulations.

Cellnex Spain

Cellnex Spain complies with municipal regulations on the location of masts and all that this entails, in addition to taking into account criteria such as visual impact (in this regard, camouflage measures are taken). Each action is subject to local regulations and is undertaken in accordance with the regulations applicable in each case. The procedure consists of a prior study and compliance with the regulations applicable to each of the sites.

Cellnex France

At Cellnex France, site location is mostly determined by customers' needs. A task force works to promote shared sites and optimise locations where possible. In this regard, in 2022 a project was initiated with the aim of relocating sites owned by Cellnex. This project

will be further developed in 2023 and will take sites not owned by Cellnex into consideration.

As regards visual impacts, Cellnex France uses a specific strategy of "integration paysagère". This technique consists of reducing visual impact by concealing telecommunications equipment using fake objects (fake trees, fake chimneys, etc.).

Cellnex Netherlands

In The Netherlands telecom operators are obliged by law, to share mast sites. For all regular towers an environmental building permit is needed. For every new site a compliance to Natura2000 is mandatory. In certain cases along railroads NGCE (non exploded conventional explosives) investigations need to be executed. High towers require a valid and up to date environmental permit.

Cellnex Ireland

Cellnex Ireland has a process for planning applications for new developments, as well as a Visual Impact Assessment for its site in Portrane. When building a new site, Cellnex Ireland focuses on requirements, existing services and co-location.

Cellnex Italy

Cellnex Italy takes great care to reduce environmental impact for its customers. To this end, multi-operator infrastructures are built.

Cellnex Italy follows Italian law and specific actions are taken to further reduce visual impacts at the request of the Public Authorities.

Cellnex Poland



During the site design process, architectural style, local conditions and communities are taken into account. Cellnex Poland responds to the needs of the landowners and legal authorities (e.g. monument conservators) and makes sure that the structures do not disturb the surrounding architecture and fit into the surroundings as much as possible. In addition, the focus of the local community is of great importance in the process of selecting a structure.

Cellnex Portugal



Cellnex Portugal locations are determined at the request of its customers, as envisaged in the BTS programmes. New sites are built ready for shared use. Existing sites are adapted for co-location at the request of Cellnex Portugal customers. As regards reducing visual impact, all of Cellnex Portugal processes are scrutinised by municipalities and entities with decision-making powers on infrastructure concessions, meaning that the definitive solutions are aligned with the decisions of these entities.

When such entities require concealment, or when this is agreed with the landowner, Cellnex provides solutions for rooftops (chimneys) and green spaces (trees) to reduce visual impact.

Cellnex United Kingdom



Cellnex UK looks to manage and deploy shareable communications infrastructure, which aligns to long-standing town planning policy to share existing sites and minimise the proliferation of new communication sites. Cellnex UK town planning and community relations processes are aligned with the industry Code of Practice for Wireless Network Development in England, a similar Code in Wales and similar practice in Scotland and Northern Ireland. The Code of Practice sets out guidance and principles in deploying mobile communication infrastructure, largely based around minimising environmental impact through sharing good design, where possible, respecting site context and sensitivity.

This is embedded into Cellnex UK project delivery, ensuring that good design and environmental considerations are considered at the earliest stages of feasibility, through to the eventual planning submission to the relevant determining body, such as the local planning authority.

Even where certain infrastructure needed by Cellnex UK or its customers does not require planning permission and can be regarded as 'permitted development', there is governance and control within the planning legislation to ensure that any chosen design looks to minimise visual impact.

Cellnex UK is also currently engaged in initiatives to bring forward better rooftop and mast design, through an aesthetic design initiative with an architectural consultancy firm. Cellnex UK town planning activities are supported by a Town Planning and Community Relations Guide and a comprehensive suite of model town planning documentation which embed the Code of Practice and also ensure that Cellnex UK proposals meet local and national town planning policy.

Cellnex Sweden



Cellnex Sweden follows the regulations of the country, region and municipality and the guidelines and recommendations of the owners in relation to requirements to reduce visual impact.

Cellnex Switzerland



Sites at Cellnex Switzerland are built in line with the local regulations and administrative procedure.

Natural Capital

The natural capital perspective involves a new approach that presents nature as the provider of a wide range of benefits. As such, this new perception of nature makes it easier for decision-makers to take into account the interactions of companies with natural systems and the flows between them.

During 2022, a materiality analysis on natural capital was performed for Cellnex, assessing the impacts, dependencies, risks and opportunities.

The Natural Capital project set out to analyse Cellnex Telecom's relationship with natural capital in terms of dependencies and impacts. Specifically, the company's dependence on ecosystem services and natural assets and its contribution to the main drivers of biodiversity loss, taking the value chain into consideration. The project was divided in two phases: 1) Analysis of impacts and dependencies on biodiversity; 2) Identification of risks and opportunities following the recommendations of the Task Force for Nature-Related Financial Disclosures (TNFD).

Methodology

The starting point to identify the impacts and dependencies on natural capital in a qualitative way was the identification of all the economic activities (based on the International Standard Industrial Classification (ISIC)) that are directly or indirectly related to Cellnex along the value chain.

Cellnex followed the international tools ENCORE, developed by UNEP, and SBTN's Sectoral Materiality Tool for the identification of impacts and dependencies, respectively. For each economic activity, the analysis identified where negative impacts are generated along the value chain, as well as the drivers of biodiversity loss and the specific pressures that generate them.

This is key information to identify the points where the company should concentrate its efforts. At the same time, the degree of dependence on each ecosystem service and the related environmental aspects were identified for each economic activity. For both impact and dependencies, an exercise was undertaken to align the results to reflect the specific nature of Cellnex's business.

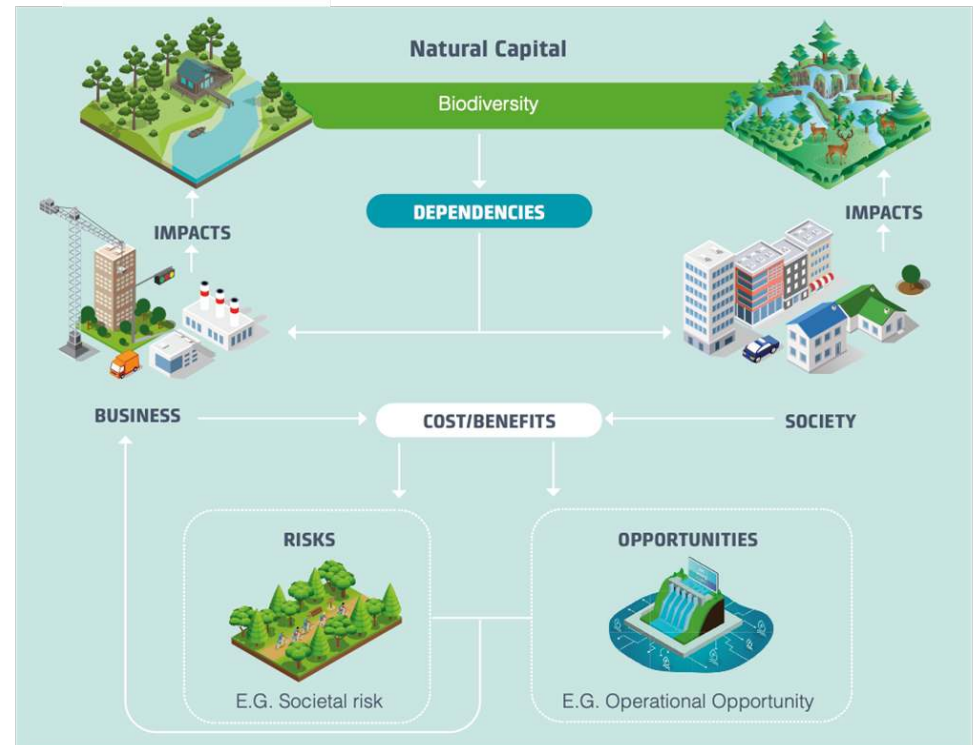
This analysis allows for a global assessment of the impacts and dependencies on natural capital, thus facilitating a better understanding of these issues and providing a holistic view of the interaction between Cellnex Telecom and the natural environment.

In addition, this pre-planning exercise was essential to assess the nature-related risks that the company is exposed to, as well as the

opportunities that can be addressed. An initial analysis was performed based on the recommendations by the Task Force for Nature Related Financial Disclosure (TNFD). This exercise, following the corporate risk management system, resulted in an initial identification of risks and opportunities associated with nature, the potential impact that they would generate and the possible management of them.

Next steps

This is an initial analysis to establish a roadmap towards measuring, managing and establishing nature-positive goals in a strategic way, helping to improve the resilience of the organisation for ecosystem restoration and mainstreaming the opportunities it offers.



Source: Natural capital & business relational models

The **DaNA tool** makes it possible to apply climatic scenarios to **evaluate how climate change may affect these sites** and apply preventive and corrective measures.

Biodiversity

Biodiversity loss and the transformation of ecosystems are real challenges that threaten to cause serious harm to human beings and worsen the impact of climate change. Cellnex recognises the importance of identifying which of its sites are in nature protection areas in the countries where the company operates.

To this end, Cellnex identifies and assesses biodiversity legislation applicable to the Company using the SALEM tool. The tool is updated monthly with European, national and local legislation related to environment management, biodiversity, energy, etc.

During 2021, training and awareness-raising sessions were carried out at the various Cellnex Business Units to provide an introduction to the operation of the SALEM tool. These training and awareness-raising sessions were extended and completed in 2022. In addition, following completion of the training, country-specific follow-ups were undertaken in 2022.

Protected areas assessment

Another tool that Cellnex uses is the DaNA tool (DaMa in the case of Cellnex Spain). This tool is used to geolocate Cellnex sites in all the territories where the Company operates. It can identify the sites that are located in spaces within the Natura 2000 Network or in protected areas in line with the UICN categories. The tool also makes it possible to apply climatic scenarios to evaluate how climate change may affect these sites and consequently apply preventive and corrective measures.



84,428

sites analysed

7%

of sites in protected areas

	10 % (2022)
	11 % (2021)
	5 % (2022)
	5 % (2021)
	6 % (2022)
	6 % (2021)
	1 % (2022)
	1 % (2021)
	4 % (2022)
	11 % (2021)
	10 % (2022)
	10 % (2021)
	2 % (2022)
	3 % (2021)
	9 % (2022)
	9 % (2021)
	10 % (2022)
	10 % (2021)
	1 % (2022)
	2 % (2021)
	1 % (2022)
	1 % (2021)
	14 % (2022)
	12 % (2021)

Birdlife protection

Cellnex also evaluates the impact that its sites have on the environment (such as visual impact), carrying out studies to enable sites to blend into the rural or urban setting where they are located, or developing projects to integrate the sites into the environment. One of the main impacts managed by Cellnex relates to birdlife, especially in Cellnex Spain, as the sites are located in stopover areas for migratory birds. In this regard, storks are protected by laws and regulations in Spain, where it is prohibited to disturb them or damage their eggs or nests during the nesting period.

Because of climate change, the length of stopovers for birds in Spain has increased to as long as 10 months, making it difficult to carry out maintenance processes on Cellnex sites. This results in costs due to non-compliance with the SLA and customer dissatisfaction.

Each nest weighs about 100 kg, and this causes a problem because it reduces carrying capacity, in addition to increasing the risk of falling from the nest and danger for people who work there. To prevent this risk and be able to carry out maintenance procedures at the sites, Cellnex Spain has designed and built structures for stork nests on its towers: **Nest Baskets**. Moreover, this structure allows Cellnex to place the weight of the nest on the most appropriate part of the tower, simultaneously preventing the nests from impacting its customers' antenna systems and improving the carrying capacity.

Cellnex has installed over 50 nest baskets at sites where it was technically feasible. Thus far, they have proved to be effective, as the storks have returned and made their nests in the baskets that were installed.



Cellnex Spain also collaborates with the Catalan Government in the Exocat project, which focuses on identifying exotic species with invasive behaviour, as they have a considerable impact on natural ecosystems, other species or even human and economic activities, leading to loss of native biodiversity. Every two years, the Catalan Government prepares an annual report on "**Les espècies exòtiques invasores a Catalunya**", which includes the number of invasive species detected. Cellnex is mentioned as a collaborating company in the last report published, corresponding to 2019-2020.

Cellnex Spain shares the knowledge acquired with stork nests with the other territories



In May 2022, the Cellnex Spain Environment team shared the "Stork Nest Basket" project with the other Cellnex territories. Although the location of some territories means there is no impact on migratory birds, the project is a model of good environmental practices, strengthening Cellnex's commitment to protecting and preserving biodiversity.

Cellnex Netherlands installs nesting boxes with the Peregrine Falcon Society



Cellnex Netherlands actively takes the nesting season into account in its operations by planning work and technical visits to towers in such a way that nesting peregrine falcons are not affected, or are impacted as little as possible. In this regard, Cellnex Netherlands has installed nesting boxes on 16 of its 24 media towers, in consultation with the Peregrine Falcon Society. This results in a healthier working environment for workers, less damage to the building and facilities and well maintained ledges and roofs. In 2022 it resulted in 35 siblings.



Compensatory measures

Cellnex Telecom, Cellnex Spain and the Cellnex Foundation have presented a joint application to the **Life Nature Funds** to develop actions for the conservation of agro-steppe habitats and species in the Natura 2000 Network. The purpose of Cellnex's participation in this project is to compensate the loss of biodiversity due to the presence of birds at its facilities as a consequence of Cellnex's activity. The actions focus on restoring 300 hectares of degraded natural pastures, their biodiversity and quality; signing agreements with landowners to promote sustainable practices; promoting crops with greater added value on at least 100 hectares; fixing power lines that are dangerous for agro-steppe birds; and strengthening alliances between farmers to improve habitats. The project will last five years and €20,000 will be invested per year. The actions will be undertaken in a border area between Spain and Portugal.



In addition, another measure to compensate the removal of nests is Cellnex Spain's collaboration with TRENCA, an organisation that relocates and builds stork nests in suitable nesting areas.

