

5 ENVIRONMENT

Growing with a long-term sustainable environmental approach



2023 main actions and KPIs

| | |
|--|--|
| Committed to achieve carbon neutrality by 2035 and net-zero by 2050 | Drafted a TNFD report to assess its dependencies and impacts on Natural Capital, prioritising assets and identifying risks and opportunities related to nature |
| Publication of the fourth Environment and Climate Change Report with the goal of increasing transparency in environmental performance | Cellnex met its renewable electricity consumption target |
| Worked on updating the management and assessment of risks and opportunities arising from climate change in accordance with the recommendations of the TCFD | Development of mobility plans tailored to the specific needs of Cellnex offices in Spain, based on a comprehensive global mobility survey |
| Updated its Energy Transition Plan as part of its ESG Master Plan and the Environment and Climate Change Strategy, considering the current energy context | The Environment and Climate Change Policy was updated in 2023 considering the Global Biodiversity Framework, No Net Loss Principle and no deforestation commitment |

- 519,804 tCO₂e total GHG emissions in 2023
- 3016.01 tCO₂e offset by acquiring certified emission reduction (CER) credits
- 77% of renewable energy across all Business Units
- Carbon intensity reduction to 4.59 tCO₂e/site and 128.38 tCO₂e/€Mn
- 81% achievement rate of the environmental actions outlined in the ESG Master Plan for 2023
- 8.12% of sites in protected areas according to IUCN categories
- Operating income: 2.49% eligible and 0.93% aligned with the EU Taxonomy
- CapEx: 2.78% eligible and 0.23% aligned with the EU Taxonomy

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

| | Target year | Target | | 2023 |
|--|-------------|----------------|---|------------------|
| Sourcing of renewable electricity (SBT) ⁽²⁾ | 2025 | 100% | → | 77% |
| Reduction of scope 1 and 2 GHG emissions and scope 3 GHG emissions from fuel and energy-related activities (SBT) | 2030 | (70)% | ↑ | (83)% |
| Reduction of absolute scope 3 GHG emissions from purchased goods and services and capital goods (SBT) | 2025 | (21)% | → | (14)% |
| Reduction of the carbon footprint: scope 1, 2 and 3 (Carbon neutral) ⁽³⁾ | 2035 | Carbon neutral | → | (51)% |
| Net-zero (2050) | 2050 | 100% | | Work in progress |
| CDP: Minimum of 50% of the total invited suppliers each year from 2023 | 2025 | 50% | ↑ | 78% |
| Measure the 30% of Cellnex consumption by smart meter systems by 2025 | 2025 | 30% | ↑ | 31% |
| Deploy Global energy Platform for >70% of Cellnex consumption by 2025 | 2025 | >70% | → | 22% |
| % of Cellnex consumption to be ISO 5001 verified by 2025 | 2025 | 70% | → | 22% |
| Integration of environmental standards within the purchasing management system | 2025 | 100% | | Work in progress |

(1) KPIs reported on an annual basis. Carbon footprint KPIs are compared to the base year FY20 verified by an external certified entity.

(2) Electricity target (Scope 2) refer to the energy directly managed by Cellnex. Data calculated according to SBT and GHG Protocol methodology applied to the financial perimeter.

(3) By 2035 Cellnex will offset the residual emissions that could not be reduced with the aim of being carbon neutral by 2035 and net-zero by 2050.

Next steps for the upcoming years

| | |
|--|--|
| As early adopters of the TNFD, work on producing a comprehensive TNFD report, including financial impacts | Update the Climate Change Adaptation Plan |
| Conduct an initial biodiversity footprint assessment | Continue collaborating with the supply chain on the calculation of the carbon footprint to enhance data transparency and quality |
| Promote circular economy by implementing the TIS ecodesign measures identified and prioritised in 2023, and explore new eco-strategies for Datacenters | Craft a detailed roadmap to achieve Cellnex's net-zero objective |

5.1 Environmental strategy and positioning

Sustainability planning and management

One of the main goals of Cellnex's ESG Master Plan is to continue growing with a long-term sustainable environmental approach. 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 adverse repercussions on the environment and the biodiversity of the areas in which it operates.

In this regard, in 2021 Cellnex's Board of Directors adopted the [Environment and Climate Change Policy](#), which embodies the principles that promote sustainable development. With the goal of raising the company's level of responsibility, the Policy includes binding principles and commitments to the operations of all business units. These principles and commitments are grouped into five strategic priorities, aligned with the Sustainable Development Goals (SDGs).

This policy was later updated in 2023. The main updates are:

- Linkage and alignment with the United Nations SDGs.
- The Goals and Objectives of the Global Biodiversity Framework (GBF) and the

Nature Positive Global Challenge have been adopted.

- A specific commitment not to contribute to deforestation has been included.
- Commitments to Natural Areas and Biodiversity have been extended. Including the principle of No Net Loss, (Actions to compensate for residual impacts, i.e. those that cannot be avoided.)
- In the section Responsible Management of the supply chain, the commitment to Biodiversity has been extended, while risk areas on Natural Capital in the supply chain have been identified.

The ESG Master Plan comprises six strategic priorities. The strategic priority "Growing with a long-term sustainable environmental approach" is developed by the Environment and Climate Change Strategy 2023-2025.

For the update, current and forthcoming 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 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 action lines. To assess the performance of the Strategic Sustainability Plan and determine the actions required to achieve the targets set for 2024, Cellnex monitors the annual degree of achievement for each action line. For 2023, Cellnex established a series of targets grouped into actions to continue making progress within the framework of the Environment and Climate Change Strategy.

In this regard, the achievement rate for the actions outlined in 2023 was 81%. Cumulative achievement of the Environment and Climate Change Strategy stood at 70% in 2023.

Further information about each of the sections of the environmental chapter can be found in the [2023 Environment and Climate Change Report](#), available on the corporate website

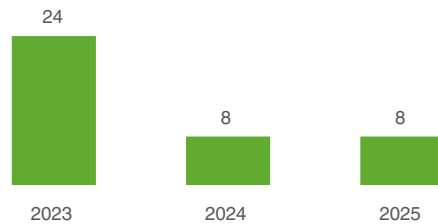


| Commitments | Strategic Lines | Number of actions |
|--|--|-------------------|
| To be a leading group in the fight against climate change by achieving carbon neutrality, improving the resilience of our infrastructure and promoting a circular economy in line with our activity. | Energy management | 4 |
| | Circular economy | 3 |
| | Climate change | 14 |
| To achieve excellence and be an industry benchmark in integrated environmental management within the telecommunications sector, establishing a solid commitment throughout our entire value chain. | Integrated environmental management | 9 |
| | Biodiversity and land use | 4 |
| To improve our environmental impact, integrating our infrastructure into the surrounding environment and establishing collaborative partnerships with stakeholders. | Water management | 1 |
| | Environmental impacts of infrastructures | 1 |
| | Training, awareness and collaboration with the Community | 4 |

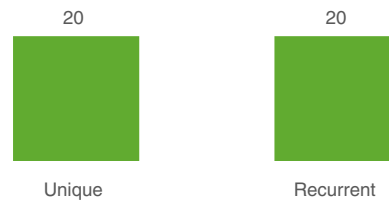
Related SDGs



Actions by year of implementation



Recurrence

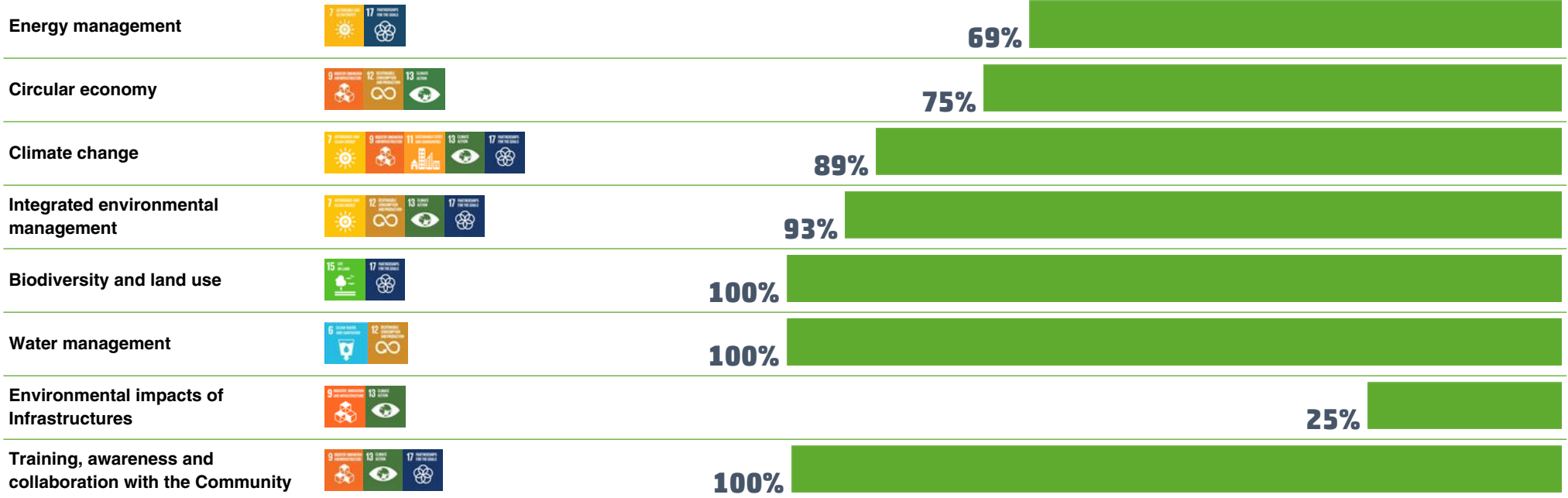


40 actions
resulting from **3 commitments**
and **8 Strategic Lines**, with
specific KPIs and targets.

Degree of achievement of the 2023-2025 Environment and Climate Change Strategy

Strategic lines

Degree of achievement of 2023

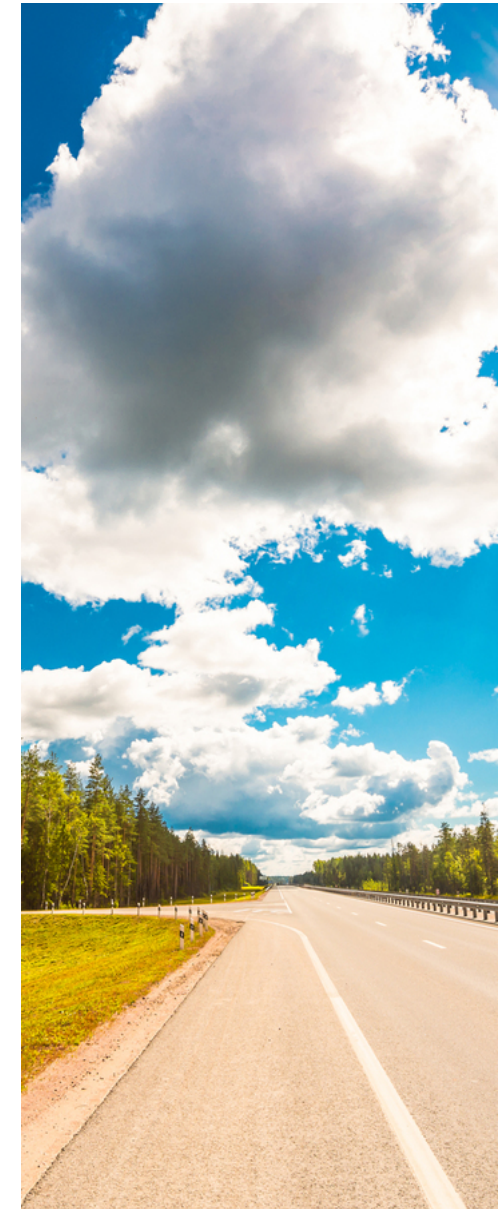


Cellnex published the fourth annual Environment and Climate Change report in 2023 with the goal of increasing transparency in environmental performance

In addition to the strategic plans, Cellnex has an Environmental Management System (EMS) within its Integrated Management System. This system aims to foster responsible management and ensure that policies and procedures advocating for 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 have their own ISO 14001 certification. Spain is due to be integrated into the Global Integrated Management System in 2024.

As previously mentioned, Cellnex published the fourth annual Environment and Climate Change report in 2023 with the goal of increasing transparency in environmental performance.

Furthermore, with regard to environmental education and community awareness, in 2023, Cellnex continued with its collaboration project with the non-profit educational association Ambientech to introduce sustainability and telecommunications training content in 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. The three modules have received a total of 1,426,784 views. In addition, there was an inter-school collaborative competition "The Smart Green Planet" focusing on solutions for environmental problems and a series of debates on the energy crisis



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

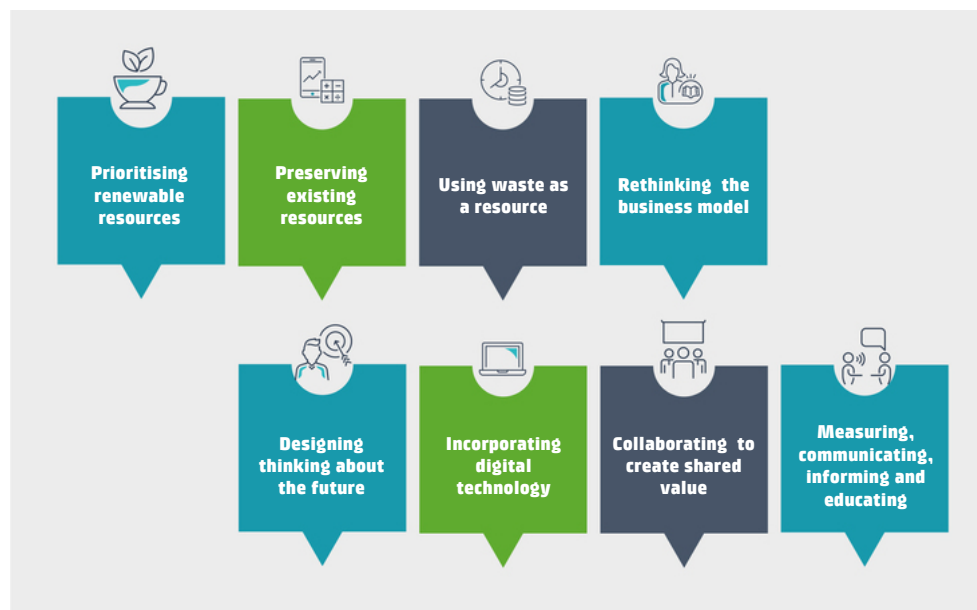
In a context of significant changes in the regulatory, economic and industrial sectors, caused by the transition towards a decarbonised economic model, there is growing pressure from investors, public bodies and society for organisations to report transparently on how they manage risks and opportunities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

Within this transitional framework, in 2017, 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 account of 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 has shown its commitment to a **carbon-neutral business model** by setting out the **Cellnex Net-zero Strategy**

Contribution to Climate Change mitigation and adaptation

Climate change mitigation is based on preventing or reducing the emission of greenhouse gases, partly 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 demonstrated 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. To that end, in 2022 and 2023 Cellnex developed a Climate Change Adaptation Plan (CCAP). The Plan's main objective 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 asset and regional climate conditions.
- Optimise the allocation of available resources in a context of climate change and adaptation.

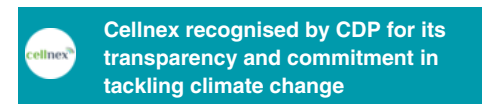
The project is in two separate parts:

- 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 rises to 10.56%.

The variables analysed included temperature, precipitation, wind, storm surge, sea level rise, flooding, fire, and landslide. It is noteworthy that temperature is the climate variable that predominantly impacts all assets across both horizons. Furthermore, in 2024, an update to the plan will be conducted.



For the fifth year in a row, Cellnex has been recognised for its transparency and commitment in tackling climate change, securing a place on the prestigious "A List" of 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 2023 Cellnex excelled in "opportunity and risk disclosure, business strategy, financial planning and scenario analysis, such as by setting ambitious and meaningful targets." The company provided these data as part of CDP's climate change questionnaire in 2023.



In 2023 Cellnex worked on updating the management and evaluation of risks and opportunities arising from climate change



Environmental Operational Control

During 2023, Cellnex Spain's Environmental department implemented an Environmental Assessment tool in its centres called 'Environmental Evaluation' expanding the control and monitoring of environmental operations, focusing on potential environmental impacts and risks in 60 centres.

TCFD: Analysis of climate-related risks and opportunities

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: Analyse trends in politics, energy and economy related to climate change, to determine the possible risks that they may have an organisation, using NGFS publications.

- Net-zero 2050: In this orderly scenario, ambitious climate policies are promptly implemented.
- Delayed transition: In this disorderly scenario, new climate policies are postponed until 2030, resulting in varying levels of action across countries and regions based on existing policies.
- Current policies: This scenario, named "Hot house world," assumes the preservation of only currently implemented policies.

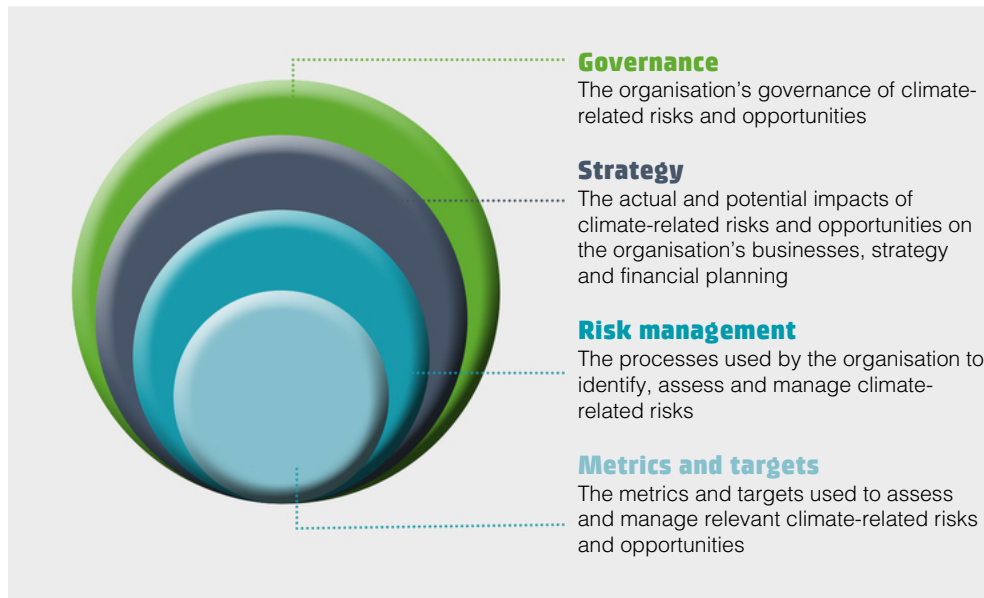
As regards the resilience of the strategy, the results of the analysis allow us to anticipate potential impacts and to inform and influence our strategy and business objectives. Thanks to the risk management that has been in place for years and this latest update in terms of policy, management and governance, 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

Accordingly, in 2023 Cellnex worked on updating the management and evaluation of risks and opportunities arising from climate change. For this assessment, the risks and opportunities are prioritised as high, medium and low, taking account of two aspects: impact and probability. As a result of this process, in 2023 Cellnex identified and evaluated seven climate risks and six climate opportunities. Those with the highest priority are outlined below:

| Risk | Type | Time framework | Magnitude |
|------------------------------------|--------------------------|----------------|-------------|
| Increase in energy prices | Transitional, Market | Medium term | Medium |
| Ability to meet client ESG demands | Transitional, Reputation | Short term | Medium |
| Acute physical climate risk | Physical Acute | Medium term | Medium-High |
| Chronic physical climate risk | Physical Chronic | Long term | Medium-High |

| Opportunity | Type | Time framework | Magnitude |
|---|---------------|----------------|-------------|
| Decarbonization of operations | Energy Source | Medium term | High |
| Development of low-carbon goods and services | Resilience | Long term | High |
| Avoid incurring costs associated with the potential impacts of specific climate risks thanks to the correct management of insurance premium | Markets | Short term | Medium-High |



The most appropriate risk management is determined on the basis of an assessment of inherent risk and residual risk, taking account of the strategy, policies, procedures, and rules established to cover the risks. This assessment involves identifying responsible individuals, defining roles within the organisational structure, and utilising available information to monitor activity development within specified parameters (such as 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 it is controlled and the second line of defence comes into play 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 cutting 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 [2023 Environment and Climate Change Report](#).



5.3 EU Taxonomy

The EU taxonomy is a classification system that establishes a list of environmentally sustainable economic activities aimed at fulfilling the EU's climate and energy targets for 2030 and advancing the objectives of the European Green Deal. It provides clear definitions of which economic activities are considered to be "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.

Regulation (EU) 2020/852 established a phased implementation of the regulation, starting with simpler regulatory requirements in 2022 and extending them from January 2023. From 1 January 2024, all disclosure obligations of the Taxonomy for Mitigation and

Adaptation targets come into force, obliging reporting on the basis of Annexes I and II of the Article 8 Delegated Act.

To evaluate the environmental sustainability of the company, a study was conducted in 2022, confirmed and validated in 2023, to identify the main business units and the specific economic activities for each of them. The result was the following list with the necessary details to achieve the definition of a specific NACE .

| Telecom Infrastructure Services | Broadcasting Infrastructure | Other network services |
|---------------------------------|-----------------------------|------------------------|
| TIS | Broadcast | IoT |
| 5G | Internet Media | Smart Services |
| Engineering Services | | MCPN |
| Fiber | | Connectivity |
| Utility fee | | O&M |
| LTE | | Other income |
| Pass through | | |
| Others TIS | | |
| DAS BL | | |
| Land Aggreg. | | |
| Datacenters | | |

Taxonomy Eligibility and alignment assessment per activity:

In the eligibility analysis, the activities have been classified according to the KPIs (Operating Income, CapEx and OpEx) as some activities only appear in some of the defined items.

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

- Operating Expenditures (OpEx): Cellnex has not computed this eligible indicator, as it is not considered material to the company's activities.

To qualify as environmentally sustainable, activities must satisfy these criteria concurrently. To assess alignment, each activity underwent initial eligibility screening, followed by checks for compliance with the following criteria:

- Compliance with the Technical Screening Criteria (TSC).
- Do No Significant Harm (DNSH) to any of the other environmental objectives.
- Implementation in accordance with the minimum established guarantees.

Changes compared to 2022

Compared to 2022, notable advancements have been made, including enhanced identification of IoT activity and mission-critical functions, as well as improvements in IoT reporting. Moreover, new studies conducted in 2023 have been initiated to analyse compliance in CTS, DNSH, and Minimum Guarantees. Additionally, the adoption of the latest Taxonomy tables has been implemented in accordance with the new regulations, specifically The Supplementary Delegated Disclosure Act.

"The ESEF ("European Single Electronic Format") labeling has meant greater homogeneity and transparency in the financial information issued. In the short term, it will continue to bring new challenges for Cellnex, also in relation to non-financial information. This highlights our ability to adapt to the changes that are yet to come."

Melodi Bermúdez
Global Finance Expert - Cellnex Corporate

Results

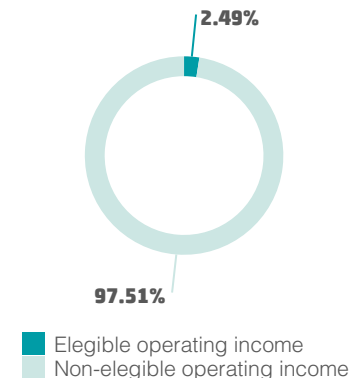
Cellnex has followed a conservative approach in reporting eligibility and alignment according to the Taxonomy, refraining from imposing definitions on activities that lack clear sustainability criteria. As a result, the level of eligibility remains low, mirroring that of the previous year. Of the total operating income, 2.49% is established as eligible based on the Taxonomy. 37.29% of this 2.49% is considered aligned - in other words, 0.93% of total operating income.

On the other hand, 2.78% of the CapEx is considered eligible. 8.17% of this 2.78% is considered aligned - in other words, 0.23% of total CapEx.

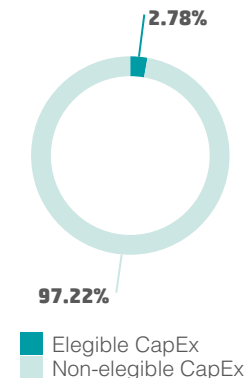
Cellnex aims to enhance the company's alignment with the TSC and DNSH principles of its eligible activities, and to maintain those classified as "aligned" during 2023. Additionally, efforts will be made to enhance methodologies and procedures to improve the applicability and usability of the EU Taxonomy.

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

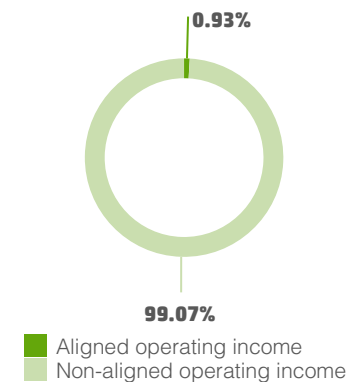
Operating income eligibility



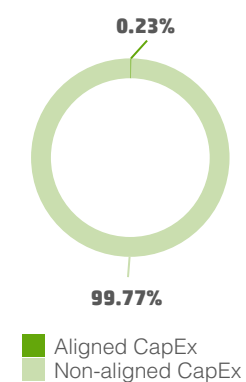
CapEx eligibility



Operating income alignment



CapEx alignment



5.4 Resource conservation

The Energy Transition Plan was updated in 2023, in the light of the current energy context

Energy management

Cellnex is aware of the importance of its energy performance and the sustainable origin of the energy needed for its operations. In this context, indirect emissions from electricity consumption significantly contribute to Cellnex's carbon footprint.

To boost this awareness, specific Energy Guidelines were issued in 2021, further developed in 2022, and evolved in 2023, taking account of the current energy context. The guidelines state 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 applications. Additionally, as more than the 76% of Cellnex's total consumption is directly consumed by customer-owned equipment, Cellnex applies energy billing models to customers that promote efficiency in customers' equipment, using the pass-through mechanism.

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**, updated in 2023, 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 energy-saving practice.

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. This plan was updated in 2023, taking account of the current energy context.



Energy 4.0

Green energy sourcing

Energy efficiency

Self-generation

In 2023, Cellnex met its **renewable electricity consumption** target with **77%** of consumption from renewable sources

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

- **Energy 4.0:** this pillar aims to foster an intelligent asset ecosystem that triggers the traceability of the whole energy value chain, from monitoring the consumption with the deployment of smart meters to the billing of energy to Cellnex's customers.
- **Green Energy Sourcing:** the objective is to ensure that the electricity consumed at Cellnex sites is 100% generated by Renewable Energy Sources (RES) from 2025, making it possible to mitigate 100% of Scope 2 carbon emissions. Throughout 2023, the high price of green energy prompted Cellnex to diversify its strategy to purchase green energy. This involved sourcing green energy within the supply contracts in some countries, but also looking for Power Purchase Agreements in others that allow greening costs to be secured. The objective was to reduce the greening cost for Cellnex customers. Currently 100% of the energy provided by Cellnex in the Data Centres in the Netherlands, France and Spain is renewable. Cellnex is also reviewing the greening journey with customers to ensure a feasible path also for them, considering the pass-through model.

- **Energy Efficiency:** this pillar seeks to ensure a continuous improvement in energy performance to alleviate and optimise the impact of Cellnex's operations. Since 76% of Cellnex consumption is energy directly used by Cellnex customer equipment, Cellnex has put in place a transfer energy cost methodology that incentivises customers to optimise the energy efficiency of their equipment. Furthermore, Cellnex is implementing the ISO 50001 standard to ensure a continuous improvement in energy performance and the creation of energy efficiency initiatives.
- **Self-generation:** the aim is to implement self generation of electricity at Cellnex sites, as far as is economically feasible, to support a path of carbon-neutral operations. This could be achieved initially by implementing economically efficient on-site generation solutions at Cellnex sites and in the most economically feasible off-site locations to reduce the consumption of fossil fuels by 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 and 2023 Cellnex continued developing the overall strategy of intensifying the key activities and outlined corporate commitments to pave the way 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 2023 was 1,390.22 GWh (1,301.18 GWh in 2022), most of which was electricity consumption. Cellnex's sites account for most electricity consumption and its offices to a lesser extent. In 2023 the total electricity consumed was 1,384.27 GWh (1,295.12 GWh in 2022), 77% of which came from renewable sources.

Detailed information on energy consumption is available in [Annex 6. KPI Tables](#)

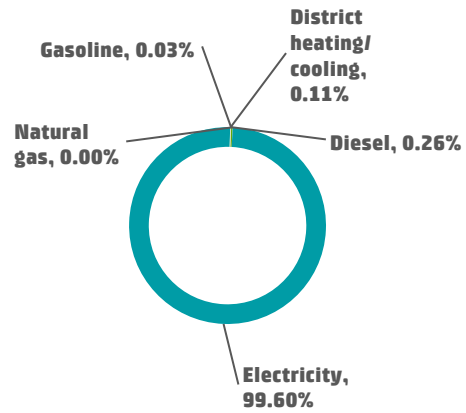
Energy Transition Plan Targets

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

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

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

Total energy consumption by source

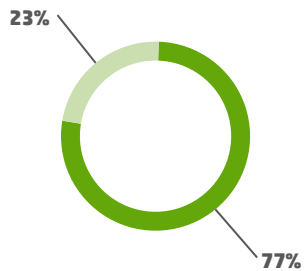


As a result of the green energy sourcing strategy, the share of renewable electricity has increased in recent years from 10% in 2020 to 77% in 2023.

77%
renewable electricity

Share of renewable electricity by country (%)

Share of renewable electricity



■ Renewable energy
■ Non-renewable energy

| | 2023 | 2022 |
|--|------|------|
| | na | na |
| | 100% | 100% |
| | 100% | 100% |
| | —% | —% |
| | 58% | 59% |
| | 100% | 100% |
| | 93% | 94% |
| | na | na |
| | 100% | 100% |
| | 100% | 100% |
| | 100% | 100% |
| | 100% | 100% |



Energy efficiency

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

As a result of investments made in energy saving and efficiency measures, in 2023 it succeeded in cutting energy consumption, as indicated below.

| | Energy saved (GWh) | Investment (thousands of EUR) |
|-------------|--------------------|-------------------------------|
| Cooling | 0.0 | 0 |
| Fuel | 0.8 | 0 |
| Electricity | 1.6 | 2.719 |
| Total | 2.4 | 2.719 |

France



Nexloop is committed to selecting air conditioners with maximum efficiency and minimal energy consumption during obsolescence or facility transformations.

As part of their green initiative, hybrid vehicles have been incorporated into the vehicle fleet. Taking a significant step towards sustainability, Cellnex France has transitioned the electricity supply contract for the Boulogne headquarters to a renewable energy source.

Cellnex Ireland



Cellnex Ireland completed the installation of 64 solar photovoltaic systems supplying electrical energy to the on-site base station equipment, producing approximately 320 MWh of sustainable green energy over the course of 2023.

Cellnex Netherlands



Cellnex Netherlands has become a participant in EU Taxonomy Data Centres, aiming to meet the EU's climate and energy targets for 2030.

Moreover, Cellnex Netherlands, has joined the European Code of Conduct on Data Centres as a participant. The organisation is expecting to implement best practices and monitor energy consumption, while regularly reporting to the EU Commission.

Cellnex Poland



Cellnex Poland continued with the modernisation of BBUs (DC power systems) by replacing the rectifiers with more efficient models and installing reactive power compensators. Furthermore, a solar panel pilot has been implemented at three sites, and according to the responsible company's declaration, it has been estimated that these panels will produce an average of 10% of its demand.

Cellnex Spain



In 2023, Cellnex Spain has been at the forefront of energy-efficiency initiatives, notably the deployment of photovoltaic panels at various locations. Noteworthy efforts include piloting hydrogen batteries, upgrading cooling equipment, and implementing advanced systems for monitoring and controlling consumption.

A pivotal highlight of Cellnex's endeavours in 2023 involves a robust campaign aimed at replacing diesel generator-powered sites with an innovative solution featuring solar panels

and compact generators. This strategic move has resulted in a substantial reduction in the carbon footprint, showcasing Cellnex's commitment to sustainable practices.





Responsible and circular resource management

Water consumption

Water is consumed throughout the Cellnex Group primarily for sanitation. Water for the whole Group is provided mainly through the public water supply network, with a total consumption of 13,615 m³. This year, the water consumption figure has increased due to improved data collection, incorporating consumption from Austria, France, and Switzerland.

Moreover, in 2023 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.

In terms of discharges, Cellnex only discharges sanitary water that can be assimilated to domestic water into the sewage network in general, and in very few cases in Spain, into duly legalised septic infiltration pits.

Waste management

Waste generated at Cellnex sites during construction, operation, maintenance, and decommissioning operations is managed by waste management providers. To ensure 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 waste prevention and preparing it for reuse and recycling.

Circular economy partnership with l'Associació Cívica La Nau

As a circular economy initiative, Cellnex has donated obsolete equipment (258 mobile phones and 463 pieces of IT equipment) to l'Associació Cívica La Nau to be reused. This initiative has prevented the generation of 746,92 kg of electronic waste and 129,15 tCO₂.

Waste management and the circular economy

In the Cellnex Group, various initiatives are being implemented to promote the circular economy and reduce waste as much as possible. They emphasise re-use over disposal and encourage suppliers to prioritise these management methods as well.

Cellnex countries have undertaken numerous activities related to the circular economy, primarily focused on reducing the quantity of generated waste, prioritising its management and valorisation.

Spain

In 2023, the Cellnex Spain Environment Department initiated the analysis in collaboration with Logistics for the recovery of WEEE (Waste Electrical and Electronic Equipment). The goal is to negotiate with a company specialising in recovering such devices, giving them a second life and preventing them from becoming waste. The objective is to reduce the amount of waste (WEEE) generated by promoting reuse and putting them back onto the market.

Portugal

Cellnex Portugal promoted the reuse of some of its towers, which were replaced by higher capacity towers in their original location but that were still usable in other areas with lower capacity demands. This not only reduces the amount of waste, but also the lengthens the life cycle of the infrastructure to its full potential.

Eco-design

Cellnex's vision is to transform the existing paradigm to reduce the environmental impact of its TIS centers in Europe. In 2020, they initiated a Life Cycle Assessment (LCA) project for these centers to identify inputs and outputs throughout their life cycle.

In 2022, Cellnex updated this project with the Eco-design project, establishing two eco-design models for rural and rooftop TIS centers, considering 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 help reduce:

- Dependence on resources of origin.
- Material management costs.
- Risk from volatility in the price of materials.
- Emissions (e.g. CO₂ eq., NOx emissions, etc.).

The eco-design checklist was drawn up by applying ISO 14006. 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.

Based on the scenarios identified in the Eco-design project, an Eco-design group was formed in 2023 to collectively develop proposals to add environmental criteria to Cellnex's operations and maintenance. The group was attended by colleagues from Spain, Poland, France, Sweden, Italy, and Austria. The proposals were discussed jointly addressing topics such as energy efficiency technologies, reuse and recycling of materials, implementation of renewable energies, use and collection of batteries, use of fuels, and new eco-design proposals.

On the other hand, in 2023, a Life Cycle Assessment of datacentres has been carried out, with the aim of identifying where the main impacts are in all phases of the life cycle of this service, in order to be able to define in 2024, eco-strategies and initiatives to make the datacentre activity more circular. The main conclusions of the datacentre LCA are:

- The electricity consumption is the most relevant contributor to the environmental impacts.
- Achieving a lower PUE and having a higher share of renewable energies is key to address the environmental impacts from electricity.
- The environmental impacts are generated along the supply chain of the materials used.



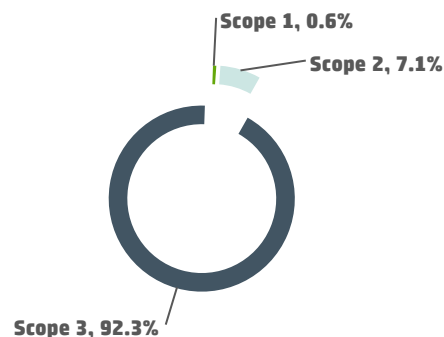
5.5 Carbon footprint and Climate Change

Cellnex's Greenhouse Gas Emissions

The Greenhouse Gas (GHG) emissions inventory is a key instrument for understanding the global impact of the company's activities on climate change, as well as the development of GHG emissions over time and Cellnex's value chain. This year, therefore, Cellnex has calculated and certified Scope 1, 2 and 3 of the Carbon Footprint through an independent external body, following the ISO 14064-1:2018 standard and the criteria of the GHG Protocol. These calculations encompass all countries and corporate levels. Additionally, internal audits related to the carbon footprint have been conducted since 2021, with audits performed in six countries (UK, France, Poland, Corporate, Austria, Switzerland) in 2023.

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 2023 is 519,804 tCO2e using the market-based approach (recalculated at 558,011 and 931,409 tCO2e in 2022 and 2021, respectively).



It is important to highlight the reduction in Scope 3 emissions due to two important factors:

- Extensive work with its supply chain through CDP, which has enabled to obtain accurate emissions data from a greater number of its suppliers. Through this engagement, the company has been able to better monitor emission reductions in the supply chain. This efforts have let to reduce at 5%

- A major effort by local country teams to engage its customers, enabling the company to understand their energy use and whether they use renewable energy. This efforts have let to reduce at 8%
- It is also worth highlighting the efforts to maintain the % of renewable electricity supply in 2023 as defined in the Energy Transition Plan.

GHG emissions by scope in 2023

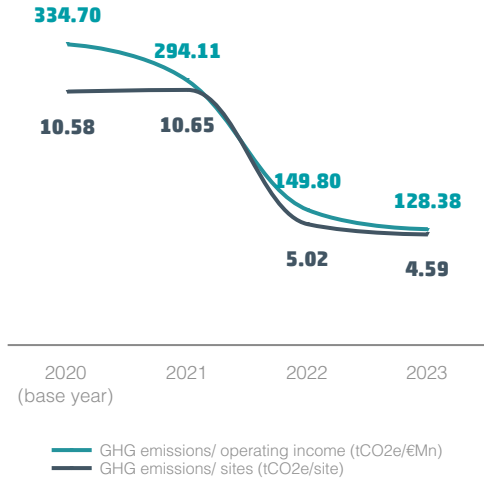
In line with the GHG protocol with the market-based approach, 92.3% of the emissions correspond to Scope 3, followed by Scope 2 with 7.1% and Scope 1 with 0.6% of GHG emissions.

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

| Category | 2023 | 2020 (base year) |
|--|---------|------------------|
| Scope 1: direct emissions | 3,016 | 3,940 |
| Scope 2: indirect emissions | 36,798 | 432,160 |
| Scope 3: other indirect emissions | 479,990 | 629,210 |
| 3.1. Goods and services purchased | 31,200 | 37,138 |
| 3.2. Capital goods | 38,518 | 43,819 |
| 3.3 Fuel and energy-related activities | 51,393 | 88,937 |
| 3.4. Transport and distribution upstream | NA | 16,140 |
| 3.5. Waste generated in operations | NA | 4,798 |
| 3.6. Business trips | 1,128 | 56,785 |
| 3.7. Displacement of employees | 2,910 | 1,553 |
| 3. 8. Leased assets upstream | 111,119 | 114,808 |
| 3.13. Leased assets downstream | 243,721 | 342,177 |
| Total | 519,804 | 1,065,310 |

In 2023, Cellnex reduced its total emissions compared to its base year (2020) by 51%

Evolution of emission intensity (Scopes 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 location-based emissions (346,283.75 tCO2e) and market-based emissions (36,798.04 tCO2e). The latter represent about 10 times less than the former, as a indication of Cellnex's commitment to reduce its carbon impact.

The GHG emissions disclosed for 2021 and 2020 (as base year) were recalculated in 2022, 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 2023, Cellnex offset 3,016.01 tCO2e by acquiring 3,016.01 CER (certified emission reduction) credits in the project Wind energy in India Tamil Nadu, adorned with the prestigious Gold Standard certification.



Poland

As a part of the carbon footprint reduction efforts, Cellnex Poland is in the process of replacing electricity sub-meters on sites with models that enable remote reading. This will reduce unnecessary car trips to visit sites.

Additionally, internal audits related to the carbon footprint and water footprint have been conducted since 2021. In 2023 internal audits were performed in Poland.



Spain

At Cellnex Spain, internal actions by the Environmental Department have been integrated with the units purchasing climate equipment. The aim of this collaboration is to select equipment with refrigerants that have lower GWP (Global Warming Potential) in the procurement process.



Voluntary Agreement Programme for the reduction of greenhouse gas (GHG) emissions

In 2023, Cellnex Spain recorded the results of the calculation of its carbon footprint for 2022 in the official registers of the Generalitat de Catalunya (Climate Change Office). The company adheres to the carbon footprint in the Voluntary Agreements Programme (PAV) and in the Miterd (Ministry for the Ecological Transition and the Demographic Challenge) through registration in the Ministry's Carbon Footprint, Compensation, and CO₂ Absorption Projects Register.

Total GHG emissions
519,803.67

tCO₂e in 2023

(51)% reduction
vs base year 2020



| | | |
|--|---------|------|
| | 45,092 | 2023 |
| | 38,407 | 2022 |
| | 84,315 | 2023 |
| | 101,033 | 2022 |
| | 29,253 | 2023 |
| | 32,968 | 2022 |
| | 3,113 | 2023 |
| | 5,723 | 2022 |
| | 9,970 | 2023 |
| | 24,566 | 2022 |
| | 39,241 | 2023 |
| | 42,762 | 2022 |
| | 18,416 | 2023 |
| | 8,726 | 2022 |
| | 33,878 | 2023 |
| | 31,228 | 2022 |
| | 23,418 | 2023 |
| | 25,168 | 2022 |
| | 767 | 2023 |
| | 2,849 | 2022 |
| | 1,081 | 2023 |
| | 1,051 | 2022 |
| | 231,259 | 2023 |
| | 243,532 | 2022 |

Cellnex has been working on the roadmap to achieve these objectives, such as defining the **2023-2025 Climate Change Strategy**

Achieving Science-Based Targets (SBTs)

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. These targets are pivotal for achieving climate neutrality.

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. Aligned with the Paris Agreement, it aims to help establish science-based climate change strategies to reduce greenhouse gas emissions, limiting 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 were validated by the Science-Based Targets initiative (SBTi) and 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 worked 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.

During 2023, the company persisted in advancing towards the fulfilment of its commitments, achieving notable milestones. Noteworthy achievements include the sourcing of 77% of its electricity from renewable sources, a 83% reduction in scope 1 and 2 GHG emissions, and scope 3 GHG emissions related to energy and fuel activities. Additionally, there was a 14% reduction in absolute scope 3 GHG emissions from purchased goods and services, as well as capital goods.

Cellnex's achievements in 2023

77% sourcing of renewable electricity

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

(14)% reduction in absolute scope 3 GHG emissions from purchased goods and services and capital goods

Cellnex's Science-Based Targets commitments (SBTs)



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

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.

Cellnex's Net-zero Strategy is a key component of the 2023-2025 Environment and Climate Change Strategy, as well as the Company's ESG Master Plan

Net-zero Strategy

The most important challenge in the world today is the climate crisis, as the effects of Greenhouse Gases (GHG) emissions have been detected throughout the climate system, generating risks for ecosystems and human beings. In line with the Paris Agreement, which agreed to limit global warming well below 2°C and to make efforts to limit it to 1.5°C below pre-industrial levels, priority is given to the development of actions aimed at reducing GHG emissions to substantially minimize climate change-related losses and damages to human systems and ecosystems.

Within current climate science, one of the measures to address climate change and set global carbon emission limits is the development of "Net-zero", a concept that seeks to achieve a balance between GHG emissions and actions to reduce or eliminate those emissions so that the net amount of GHG in the atmosphere is equal to or very close to zero.

To make Net-zero a useful framework, the global carbon cap must be translated into individual decarbonization pathways for nations, states, subnational entities, corporations, and other organisations. At the corporate level, Net-zero is about developing ambitious emissions reduction measures within the value chain itself, making systemic changes across sectors and addressing active emissions removal, considering the development of actions beyond the organisation's value chain, and implementing emissions offsetting and neutralisation measures.

In line with these climate requirements, Cellnex is actively working to limit the effects of climate change and contribute to the decarbonization of the economy, defining a strategy to reduce, offset and neutralise its emissions with specific medium- and long-term objectives that make up the Cellnex Net-zero Strategy.

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

The Company is developing 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 funding projects to avoid the generation of new



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

Even with the implementation of reduction measures, there are a number of residual emissions that need to be managed by carrying out actions beyond the value chain. For this, Cellnex proposes to allocate climate finance for the purchase of carbon credits generated in carbon reduction/avoidance and sequestration/removal projects within the Voluntary Carbon Market (VCM). The financing of these projects will be governed mainly by compliance with international standards (VCS and Gold Standard) to ensure that these projects meet quality requirements, and that they generate benefits in the communities and ecosystems in which they are developed.

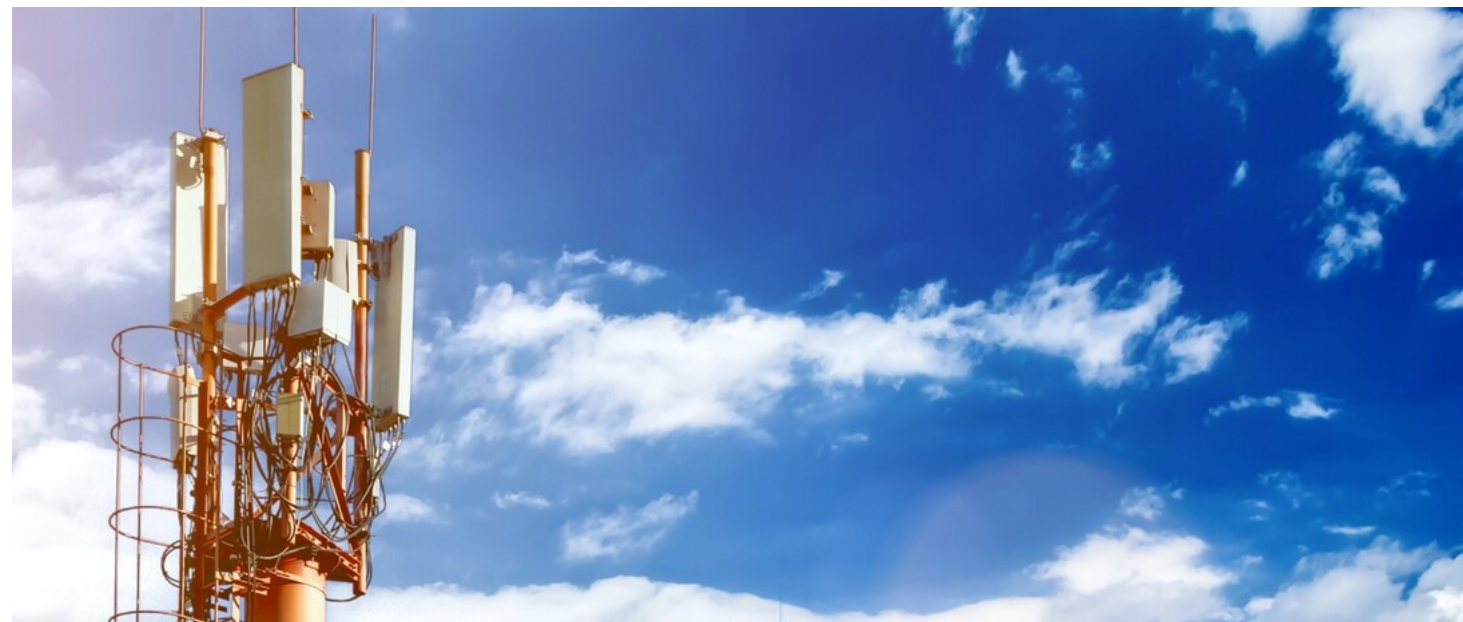
To make Cellnex a net-zero company, it is important to mainstream sustainability and climate change into the day-to-day management of the company for it to operate responsibly in each of its activities and business areas.

For 2023, following the announcement of the commitment to achieve climate neutrality by 2050, Cellnex published a video and a document in which the roadmap of the Net-zero strategy is developed.

- Watch Cellnex's Net-zero strategy video: <https://www.youtube.com/watch?v=C2Dr0ljSHHw>
- Know more about Cellnex's Net-zero strategy: https://www.cellnex.com/app/uploads/2023/05/Cellnex_Net_Zero_Strategy.pdf

"Environmental projects implemented in Poland, such as the project to replace old and worn out models of air conditioning units with new ones, are aimed, among other things, at reducing greenhouse gas emissions into the environment. Such activities are part of the Net-zero strategy adopted by Cellnex."

Adam Stajniak
Field Network Maintenance
Department - Cellnex Poland



Carbon management throughout the value chain

Cellnex's commitment to the environment extends throughout 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 is demonstrated through business activities and incorporated into the environmental requirements for suppliers. This commitment is also monitored in outsourced processes, and environmental requirements are 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 Departments, 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.
- A transition period is required to meet the reporting requirements (by 2025-2030).

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

In 2023 Cellnex has joined the Global Confirming® program, together with Santander bank, which aims to incentivise suppliers in emission reductions through better CDP Climate change scoring. This solution allows advanced payment at an exceptional cost, without consuming bank risk and provides visibility on the payment of invoices at maturity. There is a link between the scores of the CDP and the conditions of the Global Confirming® program. Those suppliers who already have the sustainability criteria of the CDP, will also benefit from a better rate.

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

Supplier Risk Management Model

In 2022, Cellnex implemented the environmental and emission reduction requirements under the company's new Supplier Risk Management Model for procurement.

Throughout 2023, Cellnex Spain worked collaboratively with the corporate level to update and refine new environmental requirements for suppliers.

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 2023, a comprehensive global mobility survey was conducted, laying the groundwork for the development of mobility plans tailored to the specific needs of Cellnex offices in Spain (Barcelona and Madrid) and Italy (Rome).

Italy

The year saw the implementation of various initiatives, including the introduction of a convenient shuttle service facilitating round-trip commuting between the Rome office and metro B Magliana. Furthermore, a strategic agreement was forged to provide employees with access to 'e-car sharing' services at preferential rates. This initiative enables staff to use full-electric cars, offering a sustainable

transport solution for commuting to the headquarters or the airport.

Spain



In 2023, the Mobility Plan for the workplace centres located in Madrid and Barcelona was completed and published, identifying improvement actions. Cellnex has recently been awarded the prestigious PDE Commuting Travel Plan seal. This achievement underscores Cellnex's public commitment to adopting practices that promote sustainable mobility in the workplace, aligning with the principles of the Spanish mobility law.

The attainment of the PDE seal is a direct result of a favourable evaluation conducted by the Metropolitan Transport Authority (ATM) regarding Cellnex Travel Plan for Torre Llevant headquarters. Collaborative efforts have been made with the Occupational Risk Prevention (PRL) and Environmental Management (MA) departments of the Corporation and Spain. Furthermore, in 2023, Cellnex staff in Barcelona were trained in sustainable driving.



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.

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

Impact management

Biodiversity impacts are managed in Cellnex sites. To reduce visual impact, the company has an internal committee where different solutions are regularly presented and discussed. The policies and practices related to the location of masts and sites, site sharing and initiatives to reduce visual impacts and other 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 laid down by the government. Internal quarterly meetings on concealment solutions are being held to align and review both current and new solutions aimed at reducing visual impacts.

Cellnex Denmark



Cellnex, with a dedicated focus on minimising its impact on nature, adheres to stringent regulations in Denmark concerning building requirements, planning regulations, and the placement of new towers in rural areas. The company diligently follows best practices and guidelines from municipal and governmental agencies, underscoring its commitment to ensuring a limited impact on both nature and biodiversity.

Since 2023, Cellnex Denmark has taken a proactive approach to addressing environmental concerns. The company has adopted a policy of planting five new trees for every tree removed during the construction of new sites. Additionally, Cellnex Denmark has established a local biodiversity committee tasked with proposing initiatives in the biodiversity domain. This committee actively encourages employee participation, inviting input and suggestions for biodiversity projects.

Cellnex France



At Cellnex France, site locations are mostly driven by customers' requirements. A task

force works to promote shared sites and optimise locations wherever feasible. In 2022 a project was initiated with the aim of relocating sites owned by Cellnex, and this initiative has been expanded during 2023 to include sites not owned by Cellnex.

To mitigate visual impacts, Cellnex France employs a specific strategy of landscape integration, which involves disguising telecommunications equipment as other objects, such as artificial trees and chimneys.

Cellnex Ireland



Cellnex Ireland implements a detailed planning application process for new developments. This process includes an impact assessment on critical environmental receptors such as people, water, biodiversity, and cultural and architectural heritage. The process also encompasses visual impact assessments.

Cellnex Italy



Cellnex Italy highly values biodiversity preservation and manages its sites in order to minimize any kind of environmental impact. Studies made at September 2021, showed that 866 sites are located in the "Nature 2000 Network". The activities carried out in these sites are carried out in full compliance with the current national and local laws as well as in full compliance with all the regulations by the bodies in charge and / or indicated in the building permits obtained.

The full compliance with laws and regulations makes it possible not to affect the environment where the activities are carried out and, therefore, their influence on the biodiversity hasn't significant impact.

Cellnex Netherlands



Cellnex Netherlands reduced noise emission from cooling for the Maastricht location by installing noise-reducing equipment as part of its service expansion on the site. Furthermore, a project on the preservation of peregrine falcons remains active.

Cellnex Poland



Cellnex Poland has translated and adopted corporate documents on Biodiversity Management and Environment and Climate Change Policy. The documents are updated in line with biodiversity recommendations of the two most highly regarded standards: the Dow Jones Sustainability Index and the CDP Climate Change questionnaire from 2023.

On the other hand, 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 local community's opinion is of great importance in the process of selecting a structure.

Finally, Cellnex Poland has become a part of the UN Global Compact Climate Positive Program. Under the program, all employees had the opportunity to participate in the following webinars: "Biodiversity and climate change" and "Climate change facts and myths".

Cellnex Portugal



Whenever technically and economically feasible, Cellnex Portugal initiates operational synergy projects for sites in close proximity, concentrating all customer equipment onto a single site. This strategy effectively reduces the visual impact of infrastructure and minimises consumption of maintenance materials. All of processes are scrutinized by the Municipalities and entities that have infrastructure granting decisions, so the final solutions are aligned with the decisions of these entities. When concealment is required or agreed upon with landowners, Cellnex provides solutions for rooftops (chimneys) and green spaces (trees) to further diminish visual impact.

Cellnex Spain



The most significant impact on biodiversity is the potential disruption caused by our activity in Protected Areas, through the disturbance of facilities located in Biodiversity Protection Zones, as well as the disturbance to living organisms such as storks, crows, parrots, and other birds nesting on our towers.

In terms of visual impact, Cellnex España carries out the mimetisation of structures to reduce this type of impact. There are mainly two types of actions:

- Mimetisation of antenna support structures that do not have it.
- Changes in the mimetisation of structures due to their modification or increase in volume due to the increase in the number of antennas installed.

Cellnex Sweden



Cellnex Sweden is in full compliance with the regulations of the country, region, and municipality concerned. In addition, the company abides by the guidelines and recommendations of the property owners, particularly where there is a need to reduce visual impact. In an internal Cellnex committee, various solutions for reducing visual impact are regularly presented and discussed.

Cellnex Switzerland



Sites at Cellnex Switzerland are built in line with the local regulations and administrative procedure. In CH, due to the high restriction of the different canton and municipality, there is a strategy to reduce the visual impact because is mandatory to follow the regulation and the requirement of the authority to built our infrastructure.

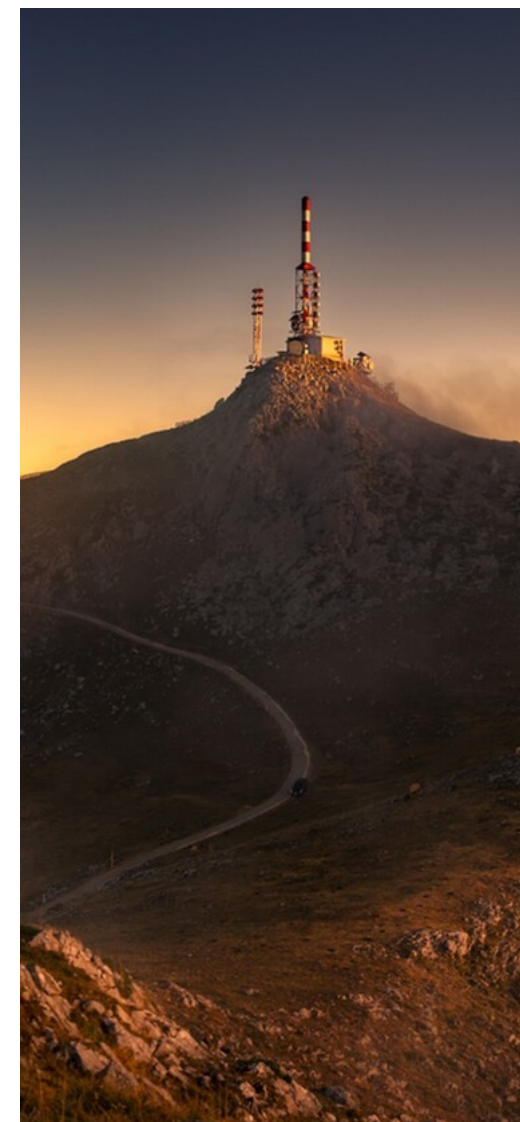
Cellnex United Kingdom



As a neutral provider of wholesale infrastructure, Cellnex UK aims to manage and deploy sharable communications infrastructure, which is in line with the long-standing planning policy of sharing existing sites and minimising the proliferation of new communications sites. The planning and community relations processes conform to the

Code of Practice for Wireless Network Development in England, with a similar code in Wales and similar practices in Scotland and Northern Ireland. The Code of Practice sets out guidance and principles for the deployment of mobile communications infrastructure, based largely on minimising environmental impact, through shared use wherever possible, good design and respect for the context and sensitivity of the site. This is integrated into the implementation of the projects, ensuring that good design and environmental considerations are taken into account at the earliest feasibility stages, right through to the eventual planning submission to the relevant body, such as the local planning authority.

Cellnex UK is also currently involved in initiatives to improve the design of roofs and masts, through an aesthetic design initiative with an architectural consultancy. The planning activities are supported by a Planning and Community Relations Guide (UK-SM-GUI-0005) and a comprehensive set of planning documentation templates which form part of the Code of Practice and ensure that our proposals comply with local and national planning policy. The Code of Practice also has a very strong consultative approach to the development and deployment of electronic communication. To this end, Cellnex UK uses a simple rating system and traffic light form to establish the level of prior community engagement that can be expected before any planning application is submitted or in cases where the project does not require permission. This is prior to and in addition to any engagement that may be undertaken by the local planning authority.



Natural Capital and Taskforce on Nature-related Financial Disclosures

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.

The Taskforce on Nature-related Financial Disclosures (TNFD) is a framework that provides a management and risk disclosure structure related to nature. Its ultimate goal is to support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes.

The TNFD report, based on the assessment of Cellnex's dependencies and impacts on Natural Capital, was drafted in 2023. It analyses and prioritises assets relevant to the organisation, and identifies risks and opportunities related to nature.

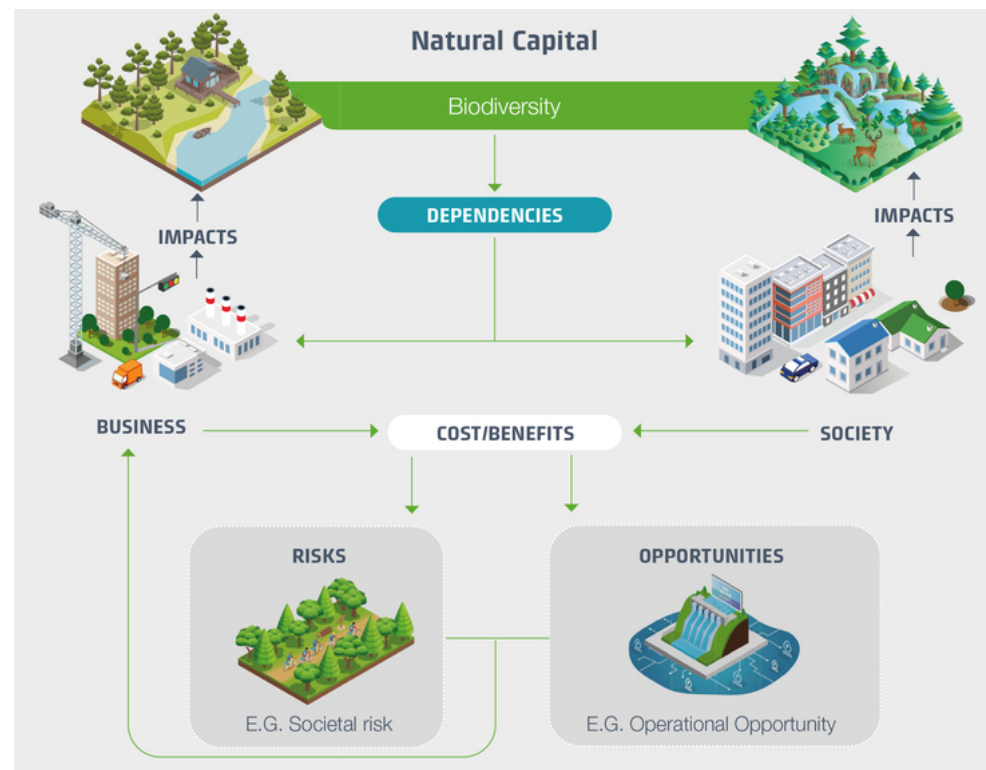
Methodology

The TNFD report was prepared following the methodology established by the LEAP approach. In the first phase of the report, the prioritisation of Cellnex Telecom's priority assets is carried out through a heat map that presents the biodiversity value of the geographical environment in which the organisation operates. This prioritisation is carried out considering that the organisation's assets interact with nature in specific

locations. Therefore, dependencies and impacts on nature, as well as sources of business risks, are often location-specific.

Risks and opportunities related to nature are also identified based on the dependencies and impacts assessed earlier in the Natural Capital report. Risks are identified to obtain an overview of the risk levels of the organisation's various assets, and opportunities are identified in order to effectively reduce dependencies on nature, minimise environmental impacts and mitigate associated risks.

This analysis allows a global assessment of Cellnex's interaction with its natural environment, as the information obtained in both the Natural Capital report and the TNFD provides a holistic view of how the organisation's activities depend on and impact ecosystems and biodiversity. Furthermore, the development of the TNFD report provides a geographical framework through which to identify specific points on which the organisation should concentrate its efforts to mitigate any adverse impacts on both nature and the organisation's own assets.



Source: Natural capital & business relational models

"For some years now, at Cellnex we have been analysing the impacts and dependencies of natural capital, identifying the associated risks and opportunities, and also geographically locating priority assets that pose a risk to biodiversity and ecosystems. Regulatory demands and those of our stakeholders have led us to move forward and continue working on the analysis and disclosure of these risks and their financial impacts.

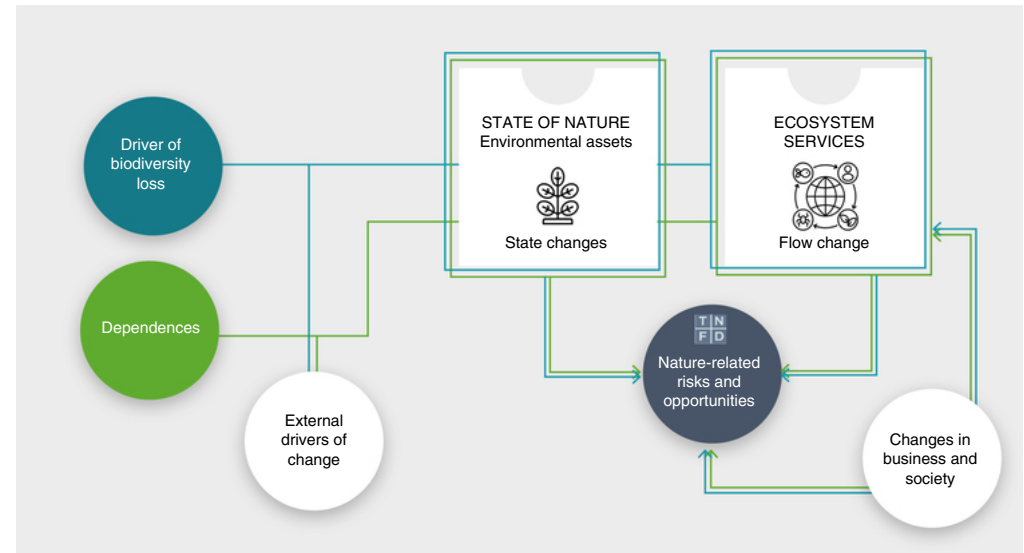
To this end, we have become TNFD early adopters, which means that at Cellnex we are pioneers in the adoption of this framework, and provides more credibility and transparency to our disclosures on biodiversity and natural capital."

Yolanda Romero
Global Environment & Climate Change Expert - Cellnex Corporate

Next steps

The calculation of the biodiversity footprint is carried out to obtain a detailed view of the organisation's impact on the ecosystems in which it operates and the biodiversity that inhabits these spaces. This will allow the establishment of strategic actions following the mitigation hierarchy for the management of the natural environment. It will also allow the definition of a baseline for the future establishment of Science-Based Targets for Nature (SBTN), science-based targets for the reduction of impacts on nature, as well as the definition of future actions and strategies that will have a positive impact on nature.

Furthermore, at the beginning of 2024, the company became an "Early adopter" of the TNFD, thus demonstrating its commitment to adopting this framework and dissemination. to the organisation, as a TNFD early adopter.



Source: TNFD



Cellnex identifies and assesses biodiversity legislation applicable to the Company using the SALEM tool

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. With the update of the Environmental and Climate Change policy, specific commitments regarding biodiversity and non-deforestation have been incorporated.

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. The SALEM tool was introduced in 2021 through a series of training and awareness-raising sessions that were held at various Cellnex Business Units. The tool is currently fully implemented and audits are carried out on a periodic basis.

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 Nature 2000 Network or in protected areas in line with the IUCN 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.



118,330
sites analysed²⁶

8%
of sites in protected areas

| | |
|--|-------------|
| | 10 % (2023) |
| | 10 % (2022) |
| | 1 % (2023) |
| | 1 % (2022) |
| | 9 % (2023) |
| | 6 % (2022) |
| | 3 % (2023) |
| | 2 % (2022) |
| | 5 % (2023) |
| | 5 % (2022) |
| | 4 % (2023) |
| | 4 % (2022) |
| | 15 % (2023) |
| | 14 % (2022) |
| | 9 % (2023) |
| | 9 % (2022) |
| | 11 % (2023) |
| | 10 % (2022) |
| | 2 % (2023) |
| | 1 % (2022) |
| | 1 % (2023) |
| | 1 % (2022) |
| | 7 % (2023) |
| | 10 % (2022) |

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 at 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 work 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 load 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 load 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 load 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.

Where possible, Cellnex aims to foster biodiversity at its sites, but this is balanced against our core activities of operating critical communication infrastructure and services that operate 365 24/7 and require upgrades and maintenance to ensure businesses and communities remain connected. Biodiversity initiatives therefore have to reflect these operational constraints and need to and can vary from site to site. Certain biodiversity initiatives like bird boxes may not be suitable, but there is a commitment on working with relevant bodies where necessary to promote biodiversity as appropriate on a Cellnex site.

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 entitled "**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.



²⁶ Including some of the forecasted roll-outs.



Protection of Avifauna

Within the 'Stork Nest Baskets' Project shared by the Environmental team of Cellnex España with the rest of the Cellnex territories in 2022, as a model of good environmental practices that reinforces Cellnex's commitment to the protection and preservation of biodiversity, in 2023, the department conducted an analysis of the effectiveness of the baskets installed in 2021 and 2022. Of the total 195 installed baskets, 88% have proven to be effective.



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. In 2023, the peregrine falcons suffered from bird flu. Still they could find coverage in Cellnex nests and at least 11 sibling newborns have been registered.



Compensatory measures

In 2023, Cellnex Telecom, Cellnex España, and the Cellnex Foundation continued their collaboration with the **Life Nature Funds** to implement measures for conserving 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 its 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 a danger to 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 carried out in a border area between Spain and Portugal.



Another measure to offset the removal of nests is Cellnex España's collaboration with TRENCA, an organisation located in Catalonia that relocates and builds stork nests in suitable nesting areas. This measure has been ongoing in 2023.

