Cellnex Telecom, S.A.

Financial Statements for
the year ended
31 December 2021 and
Directors' Report, together with
Independent Auditor's Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

Deloitte, S.L.
Av. Diagonal, 654
08034 Barcelona
España

Tel: +34 93 280 40 40
www.deloitte.es

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Shareholders of Cellnex Telecom, S.A.,

Report on the Financial Statements

Opinion

We have audited the financial statements of Cellnex Telecom, S.A. (the Company), which comprise the balance sheet as at 31 December 2021, and the statement of profit or loss, statement of changes in equity, statement of cash flows and notes to the financial statements for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2021, and its results and its cash flows for the year then ended in accordance with the regulatory financial reporting framework applicable to the Company (identified in Note 2.1 to the financial statements) and, in particular, with the accounting principles and rules contained therein.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Evaluation of the impairment tests on investments in Group companies and associates	
Description	**Procedures applied in the audit**
The Company has ownership interests in the share capital of Group companies and associates that are not listed on regulated markets (see Note 8). The Company tests the investees engaging in the operation of infrastructure for mobile telecommunications operators for impairment each year, irrespective of whether there are indications of impairment, given the sensitivity of the key assumptions in the business plan. Those impairment tests are performed using discounted cash flow-based valuation techniques, for which purpose the Company employs cash flow projections aligned with projected earnings and investments in non-current assets and current assets, as well as other assumptions obtained from each investee's business plan. Also, a discount rate is determined on the basis of the economic situation in general and of that of each investee in particular. The performance of these impairment tests requires the Company's directors to make significant judgements and estimates.	Our audit procedures included, among others, obtaining and analysing the impairment tests conducted by the Company, verifying their clerical accuracy and analysing the consistency of the future cash flow projections considered in those tests with the most recent business plans prepared. In addition, we evaluated the reasonableness of the key assumptions considered (such as revenue growth, cost inflation and the discount rate), and performed a sensitivity analysis of those key assumptions and a review of their consistency with the actual data relating to the performance of the investments held. Also, we involved our internal valuation experts in order to evaluate, mainly, the methodology employed by the Company in the impairment tests conducted, the discount rates considered and the terminal value, expressed in perpetuity growth terms, of the projected future cash flows.

Evaluation of the impairment tests on investments in Group companies and associates	
Description	**Procedures applied in the audit**
As a result of the foregoing, as well as of the significance of the investments held, this matter was determined to be a key matter in our audit.	Lastly, we evaluated whether the disclosures included in Notes 4.3 and 8 to the accompanying financial statements in connection with this matter were in conformity with those required by the applicable regulatory framework.

Other Information: Directors' Report

The other information comprises only the directors' report for 2021, the preparation of which is the responsibility of the Company's directors and which does not form part of the financial statements.

Our audit opinion on the financial statements does not cover the directors' report. Our responsibility relating to the directors' report, in accordance with the audit regulations in force, consists of:

a) Solely checking that certain information included in the Annual Corporate Governance Report and the Annual Directors' Remuneration Report, to which the Spanish Audit Law refers, have been furnished as provided for in the applicable legislation and, if this is not the case, reporting this fact.

b) Evaluating and reporting on whether the other information included in the directors' report is consistent with the financial statements, based on the knowledge of the entity obtained in the audit of those financial statements, as well as evaluating and reporting on whether the content and presentation of this section of the directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we observed that the information described in section a) above was furnished as provided for in the applicable legislation and that the other information in the directors' report was consistent with that contained in the financial statements for 2021 and its content and presentation were in conformity with the applicable regulations.

Responsibilities of the Directors and of the Audit and Risk Management Committee for the Financial Statements

The directors are responsible for preparing the accompanying financial statements so that they present fairly the Company's equity, financial position and results in accordance with the regulatory financial reporting framework applicable to the Company in Spain, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit and risk management committee is responsible for overseeing the process involved in the preparation and presentation of the financial statements.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditor's report. This description, which is on pages 7 and 8 of this document, forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

European Single Electronic Format

We have examined the digital file in European Single Electronic Format (ESEF) of Cellnex Telecom, S.A. for 2021, which comprise the XHTML file including the financial statements for 2021, which will form part of the annual financial report.

The directors of Cellnex Telecom, S.A. are responsible for presenting the annual financial report for 2021 in accordance with the format and markup requirements established in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (“ESEF Regulation”).

Our responsibility is to examine the digital file prepared by the Company’s directors, in accordance with the audit regulations in force in Spain. Those regulations require that we plan and perform our audit procedures in order to ascertain whether the content of the financial statements included in the aforementioned file corresponds in full to that of the financial statements that we have audited, and whether those financial statements were formatted, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital file examined corresponds in full to the audited financial statements, and these are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Additional Report to the Audit and Risk Management Committee

The opinion expressed in this report is consistent with the content of our additional report to the Company's audit and risk management committee dated 24 February 2022.

Engagement Period

The Annual General Meeting held on 21 July 2020 appointed us as auditors for a period of three years from the year ended 31 December 2020.

Previously, we were designated by the sole shareholder for the period of three years and have been auditing the financial statements uninterruptedly since the year ended 31 December 2013 and, therefore, since the year ended 31 December 2015, the year in which the Company became a Public Interest Entity.

DELOITTE, S.L.
Registered in ROAC under no. S0692

Iván Rubio Borrallo
Registered in ROAC under no. 21443

24 February 2022

Appendix to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the use by the directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity's audit and risk management committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's audit and risk management committee with a statement that we have complied with relevant ethical requirements, including those regarding independence, and we have communicated with it to report on all matters that may reasonably be thought to jeopardise our independence, and where applicable, on the related safeguards.

From the matters communicated with the entity's audit and risk management committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Cellnex Telecom, S.A.

Financial Statements
for the year ended
31 December 2021 and
Directors' Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

ÍNDEX

CELLNEX TELECOM, S.A.

BALANCE SHEET AT 31 DECEMBER 2021

(Thousands of Euros)

ASSETS	Notes	31 December 2021	31 December 2020
NON-CURRENT ASSETS:			
Intangible assets-	**Note 6**	**28,073**	**18,223**
Computer software		28,073	18,223
Property, plant and equipment-	**Note 7**	**18,184**	**5,576**
Land and buildings		6,778	807
Plant and other items of property, plant and equipment		11,386	4,701
Property, plant and equipment under construction		20	68
Investments in Group companies and associates-		**20,224,414**	**13,444,567**
Equity instruments	Notes 8.1 and 9	20,218,413	13,081,300
Non current loans to Group companies and associates	Notes 17.3 and 9	6,001	363,267
Non-current investments-	**Note 9**	**9,021**	**18,411**
Equity instruments	Note 9	263	281
Non current loans	Note 9	7,948	10,607
Derivate financial instruments	Notes 12.3 and 9	—	6,723
Other financial assets	Note 9	810	800
Deferred tax assets	**Note 13.6**	**149,139**	**84,655**
Total non-current assets		**20,428,831**	**13,571,432**
CURRENT ASSETS:			
Trade and other receivables-		**53,088**	**18,967**
Trade receivables		163	155
Receivables from Group companies and associates	Note 17.3	51,850	16,092
Sundry receivables		891	352
Staff		—	397
Current tax assets	Note 13.2	—	1,828
Other tax receivables from Public Authorities	Note 13.2	184	143
Current investments in Group companies and associates-	**Notes 17.3 and 9**	**2,613,474**	**58,839**
Current loans to Group companies and associates	Notes 17.3 and 9	2,613,474	58,839
Current investments		**2,572**	**2,420**
Short-term loans to third parties		2,495	2,418
Derivate financial instruments	Note 12.3	77	—
Other financial assets		—	2
Current acrruals		**2,847**	**2,060**
Cash and cash equivalents-	**Note 10**	**128,681**	**3,238,309**
Cash		128,681	109,204
Cash equivalents		—	3,129,105
Total current assets		**2,800,662**	**3,320,595**
TOTAL ASSETS		**23,229,493**	**16,892,027**

EQUITY AND LIABILITIES	Notes	31 December 2021	31 December 2020
EQUITY:			
NET EQUITY	**Note 11**		
Capital		**169,832**	**121,677**
Share premium		**14,580,762**	**7,769,936**
Reserves-		**67,460**	**136,157**
Legal and bylaw reserves		19,000	19,000
Other reserves		48,460	117,157
(Treasury shares)		**(60,802)**	**(8,078)**
Profit for the year		**(92,971)**	**(69,195)**
Other equity instruments		**254,143**	**244,165**
VALUATION ADJUSTMENTS			
Hedging operations		**(15,527)**	**(6,997)**
Total equity		**14,902,897**	**8,187,665**
NON-CURRENT LIABILITIES:			
Non-current provisions	**Note 16.4**	**95**	**30**
Non-current borrowings-	**Note 12**	**7,460,169**	**7,969,744**
Bond issues		6,943,420	7,478,501
Bank borrowings		—	—
Derivate financial instruments	Note 12.3	16,961	4,907
Other financial liabilities		499,788	486,336
Total non-current liabilities		**7,460,264**	**7,969,774**
CURRENT LIABILITIES:			
Current borrowings-	**Note 12**	**670,383**	**64,863**
Bond issues		654,781	56,453
Bank borrowings		—	1,987
Derivate financial instruments		—	165
Other financial liabilities		15,602	6,258
Current loans from Group companies and associates	**Note 17.3**	**138,748**	**611,012**
Current loans from Group companies and associates		138,748	611,012
Trade and other payables-		**57,201**	**58,713**
Payables to Group companies and associates	Note 17.3	2,382	14,240
Other payables		45,787	33,886
Staff	Note 16.4	5,437	6,561
Other payables to Public Authorities	Note 13.2	3,595	4,026
Total current liabilities		**866,332**	**734,588**
TOTAL EQUITY AND LIABILITIES		**23,229,493**	**16,892,027**

The accompanying Notes 1 to 21 and Appendix I are an integral part of the balance sheet at 31 December 2021

CELLNEX TELECOM, S.A.

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

(Thousands of Euros)

	Notes	2021	2020
ONGOING OPERATIONS:			
Revenue-	**Notes 15.1 and 17.3**	**114,788**	**130,167**
Dividends		99,351	92,212
Interest income		15,437	37,955
Other operating income-	**Note 15.2**	**42,031**	**31,150**
Non-core and other current operating income		42,031	31,150
Staff costs-	**Note 15.3**	**(36,399)**	**(24,670)**
Wages, salaries and similar expenses		(31,440)	(21,341)
Employee benefit costs		(4,959)	(3,329)
Other operating expenses-		**(78,640)**	**(58,626)**
Outside services	Note 15.4	(78,210)	(58,210)
Taxes other than income tax		(364)	(416)
Losses, impairment and changes in trade provisions		(66)	—
Depreciation and amortisation	**Notes 6 and 7**	**(8,798)**	**(6,261)**
Profit from sales and others		**(99)**	**—**
Profit from operations		**32,883**	**71,760**
Finance income-		**282**	**591**
Borrowings from third parties		282	591
Finance costs-		**(202,846)**	**(183,602)**
Borrowings from Group companies and associates	Note 17.3	(472)	(1,367)
Borrowings from third parties		(202,374)	(182,235)
Change in fair value of financial instruments		**17,684**	**(2,644)**
Exchange differences		**(4,708)**	**(8,312)**
Net financial profit/loss	**Note 15.5**	**(189,588)**	**(193,967)**
Profit before tax		**(156,705)**	**(122,207)**
Income tax	Note 13.5	63,734	53,012
Profit for the year		**(92,971)**	**(69,195)**

The accompanying Notes 1 to 21 and Appendix I are an integral part of the income statement for 2021.

CELLNEX TELECOM, S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Thousands of Euros)

	Ejercicio 2021	**Ejercicio 2020**
PROFIT FOR THE YEAR PER INCOME STATEMENT	**(92,971)**	**(69,195)**
Income and expense recognised directly in equity	**(8,700)**	**(4,139)**
Valuation of Financial Instruments (Note 12.3)	2,285	(1,096)
Net investment hedge in currency other than euro	(13,885)	(4,423)
Tax effect	2,900	1,380
Transfers to the income statement	**170**	**(163)**
Cash Flow Hedges	227	(217)
Tax effect	(57)	54
Total recognised income and expense	**(101,501)**	**(73,497)**

The accompanying Notes 1 to 21 and Appendix I are an integral part of the statement of recognised income and expense for 2021.

CELLNEX TELECOM, S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

B) STATEMENT OF TOTAL CHANGES IN EQUITY

(Thousands of Euros)

	Notes	Capital	Share Premium	Reserves	(Treasury shares)	Profit for the year	Other equity instruments	Valuation adjustments	Total
Total balance 2019		**96,332**	**3,886,193**	**127,054**	**(4,222)**	**7,415**	**139,914**	**(2,695)**	**4,249,991**
Total recognised income and expense		—	—	—	—	(69,195)	—	(4,302)	(73,497)
Transactions with shareholders or owners									
Capital Increases and other equity contributions	Notes 11.1 and 11.3	25,345	3,913,024	—	—	—	100,745	—	4,039,114
Distribution of dividends	Note 11.4	—	(29,281)	—	—	—	—	—	(29,281)
Transactions with treasury shares	Notes 11.1 and 16.4	—	—	3,236	(3,856)	—	3,506	—	2,886
Distribution of the result for the year 2019		—	—	7,415	—	(7,415)	—	—	—
Otras variaciones del patrimonio neto		—	—	(1,548)	—	—	—	—	(1,548)
Total balance 2020		**121,677**	**7,769,936**	**136,157**	**(8,078)**	**(69,195)**	**244,165**	**(6,997)**	**8,187,665**
Total recognised income and expense		—	—	—	—	(92,971)	—	(8,530)	(101,501)
Transactions with shareholders or owners									
Capital Increases and other equity contributions	Notes 11.1 and 11.3	48,155	6,843,042	—	—	—	—	—	6,891,197
Distribution of dividends	Note 11.4	—	(32,216)	—	—	—	—	—	(32,216)
Transactions with treasury shares	Notes 11.1 and 16.4	—	—	634	(52,724)	—	9,978	—	(42,112)
Distribution of the result for the year 2020		—	—	(69,195)	—	69,195	—	—	—
Otras variaciones del patrimonio neto		—	—	(136)	—	—	—	—	(136)
Total balance 2021		**169,832**	**14,580,762**	**67,460**	**(60,802)**	**(92,971)**	**254,143**	**(15,527)**	**14,902,897**

The accompanying Notes 1 to 21 and Appendix I are an integral part of the statement of total changes in equity for 2021.

CELLNEX TELECOM, S.A.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

(Thousands of Euros)

	Notes	2021	2020
CASH FLOWS - OPERATING ACTIVITIES (I)		**(120,371)**	**47,724**
Profit for the year before tax		**(156,705)**	**(122,207)**
Adjustments to profit-		**198,551**	**200,228**
Depreciation and amortisation charge	Notes 6 and 7	8,798	6,261
Results for losses and disposals of fixed assets		99	—
Gains/(losses) on derecognition and disposal of financial instruments	Note 15.5	(17,684)	2,644
Losses, impairment and changes in trade provisions		66	—
Finance income	Note 15.5	(282)	(591)
Finance costs	Note 15.5	202,846	183,602
Exchange differences		4,708	8,312
Changes in working capital-		**(38,248)**	**55,066**
Trade and other receivables		(36,305)	38,074
Other current assets and liabilities		(431)	(444)
Trade and other payables		(1,512)	17,436
Other cash flows from operating activities-		**(123,969)**	**(85,363)**
Interest paid		(141,586)	(91,978)
Interest received		282	591
Income tax recovered (paid)		1,828	(154)
Other receivables and payables		15,507	6,178
CASH FLOWS - INVESTING ACTIVITIES (II)		**(9,282,668)**	**(7,072,011)**
Payments due to investments-		**(9,285,270)**	**(7,072,011)**
Group companies and associates	Note 17.3	(9,263,249)	(7,047,225)
Property, plant and equipment and intangible assets	Notes 6 and 7	(22,011)	(10,728)
Other financial assets		(10)	(14,058)
Changes for divestments-		**2,602**	—
Other financial assets		2,602	—
CASH FLOWS - FINANCING ACTIVITIES (III)		**6,293,411**	**8,019,937**
Proceeds and payments relating to equity instruments and Dividends paid		**6,765,675**	**3,982,646**
Issue of equity instruments, Acquisition of own equity instruments, and Dividends paid	Note 11	6,765,675	3,982,646
Proceeds and payments relating to financial liabilities		**(472,264)**	**4,037,291**
Proceeds from issue of bank borrowings	Note 12.2	—	269,848
Bond issues	Note 12.1	—	3,982,682
Debt issues with Group companies and associates	Note 17.3	64,142	1,623,272
Repayment and redemption of bank borrowings	Note 12.2	—	(809,081)
Repayment and redemption of Group companies and associates	Notes 12.2 and 17.3	(536,406)	(1,029,430)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)		**(3,109,628)**	**995,650**
Cash and cash equivalents at beginning of period		3,238,309	2,242,659
Cash and cash equivalents at end of period		128,681	3,238,309

The accompanying Notes 1 to 21 and Appendix I are an integral part of the statement of cash flows for 2021

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

Cellnex Telecom, S.A.

Notes to the financial statements for the year ended 31 December 2021

1. General information

Cellnex Telecom, S.A. (“the Company”) was incorporated in Barcelona on 25 June 2008. Its registered office is at Calle Juan Esplandiú nº 11 (Madrid). On 1 April 2015 it changed its name to Cellnex Telecom, S.A.

The Company's corporate purpose, as set out in its by-laws, includes:

- The establishment and operation of all kinds of telecommunication infrastructures and/or networks, as well as the provision, management, marketing and distribution, on its own account or for third parties, of all types of services based on or through such infrastructures and/or networks.

- The planning, technical assistance, management, organisation, coordination, supervision, maintenance and conservation of these facilities and services under any type of contractual arrangement permitted by law, especially administrative concessions.

The Company may undertake these activities directly or indirectly through the ownership of shares or investments in companies with a similar corporate purpose or in any other formats permitted by law.

Since May 7, 2015, the shares of the Company have been listed on the Stock Exchanges of Barcelona, Bilbao, Madrid and Valencia.

The Company is the Parent of a group of subsidiaries, and under current legislation it is required to draw up separate consolidated financial statements. The consolidated financial statements of the Cellnex Group for 2020 were drawn up by the Directors at a Board meeting on 25 February 2021.

The main figures of the consolidated financial statements for 2021, which were drawn up in accordance with Final Provision Eleven of Law 62/2003 of 30 December, under International Financial Reporting Standards approved for use in the European Union, are as follows:

	Thousands of Euros
Total assets	41,797,347
Equity (of the Parent)	14,208,097
Equity (of non-controlling interests)	1,633,591
Income from consolidated operations	2,532,799
Loss for the year attributable to the parent	(351,365)
Loss for the year attributable to non-controlling interests	(23,708)

Figures in all the accounting statements (balance sheet, income statement, statement of changes in equity and statement of cash flows) and the notes to the financial statements are expressed in thousands of euros, which is the Company’s presentation and functional currency, unless otherwise stipulated.

2.Basis of presentation

2.1. Regulatory financial reporting framework applicable to the Company

The accompanying financial statements were prepared by the Directors in accordance with the regulatory financial reporting framework applicable to the Company, which consists of:

- The Spanish Commercial Code and other business legislation.
- Spain's General Accounting Plan approved by Royal Decree 1514/2007, which has been modified by Royal Decree 1159/2010 of 17 September, Royal Decree 602/2016 of 2 December and Royal Decree 1/2021 of 12 January, and its sector adaptations, and the provisions approved by the National Securities Market Commission.
- The mandatory rules approved by the Spanish Accounting and Audit Institute to implement the National Charter of Accounts and supplementary regulations.
- Any other applicable Spanish accounting regulations.

2.2. True and fair image

The attached annual accounts have been obtained from the accounting records of the Company and are presented in accordance with the regulatory framework of financial information that is applicable to it and in particular, the accounting principles and criteria contained therein, so that they show the faithful image of the assets, the financial situation, the results of the Company and the cash flows during the corresponding year. These annual accounts, which have been formulated by the Directors of the Company on February 24, 2022, will be submitted for approval by the Ordinary General Shareholders' Meeting, and it is estimated that they will be approved without any modification. For its part, the annual accounts for 2020 were approved by the Ordinary General Shareholders' Meeting held on March 29, 2021.

In the present annual accounts, that information or breakdowns have been omitted that, not requiring any detail due to their qualitative importance, have been considered non-material or have no relative importance according to the concept of materiality or relative importance defined in the conceptual framework of the Spanish General Accounting Plan in force.

2.3. Non-mandatory accounting principles applied

No non-mandatory accounting principles were applied. However, the directors drew up these financial statements in due consideration of all mandatory accounting principles and standards with a significant impact on the statements. All mandatory accounting principles were applied.

2.4. Key issues in relation to the measurement and estimation of uncertainty

Preparation of the financial statements requires the Company to make a number of accounting estimates and judgments. These estimates and judgments are reviewed constantly and are based on historical experience and other factors, including expectations of future events, which are considered reasonable under the circumstances.

The main estimates and judgments considered in drawing up the financial statements are the following:

- Recoverable amount of investments in Group companies and associates and loans to Group companies (see Notes 4.3, 8 and 17.3).

- Valuation of derivative financial instruments and other financial instruments (see Notes 4.3.3 and 12.3).
- The criterion of recognition of deferred taxes and its recoverability plan (see Notes 4.4 and 13).
- Assessment of litigations, commitments and contingent assets and liabilities at year-end (see Notes 4.6 and 16).

Although these estimates have been made on the basis of the best information available at the end of the 2021 financial year, future events may force them to be changed (upwards or down) in the coming financial years, which would, where appropriate, be done prospectively.

Coronavirus Pandemic

Global economic conditions deteriorated rapidly in 2020 as a result of the Coronavirus Pandemic which began in China in late 2019 and subsequently spread globally. In this sense, the Board of Directors of the Company continue to evaluate the impact of the coronavirus pandemic, highlighting that it has not had a significant effect on the Group’s business, financial condition or results of operations and, therefore, has not had a significant effect on the Financial Statements for the year ended 31 December 2021.

2.5. Comparative information

The application of the accounting criteria in 2021 and 2020 has been uniform, therefore there are no transactions or operations that have been recorded following different accounting principles that could lead to discrepancies in the interpretation of the comparative figures for both periods.

The information in the accompanying notes to the 2020 financial statements is presented for the purposes of comparison with information relating to 2021.

2.6. Correction of errors

No significant errors in the preparation of the accompanying financial statements were detected that required the figures disclosed in the 2020 financial statements to be restated.

2.7. Grouping of items

Certain items on the balance sheet, income statement, statement of changes in equity and statement of cash flows are grouped together to make them easier to understand; however, whenever the amounts involved are material, the information is broken down in the notes concerned.

2.8. Changes in accounting criteria

Since January 1, 2021, the new registration and valuation standard for the recognition of income provided for in Royal Decree 1/2021 is applicable. In relation to the mentioned rule, to the nature of the Company's business, the application of the changes contained in the NRV 14th "Income from sales and provision of services" has meant that the recognition of income has not differed from that which was previously applied to them.

Likewise, the new criteria for the classification and valuation of financial instruments provided for in Royal Decree 1/2021, which are included in Note 4.3, are also applicable as of January 1, 2021, and represent a modification with respect to those applied in previous years.

Following the rules contained in section 6 of the second transitional provision, the Company has decided to apply the new criteria prospectively, considering for the purposes of classification of financial assets the facts and circumstances that exist as of January 1, 2021, the date of initial application.

The comparative information has not changed to the new valuation criteria, however, the book values have been adjusted to the new presentation criteria.

The following table shows a reconciliation as of January 1, 2021 for each class of financial assets and liabilities between the initial valuation category with the corresponding carrying amount determined in accordance with the previous regulations; and the new valuation category with its carrying amount determined according to the new criteria.

Financial Assets:

	Thousands of euros			
		Classification according to new criteria		
	Book value in Financial Statements 31/12/2020	Amortised Cost	Fair value with changes in income statement	Cost
Group, multigroup and associates				
-Equity instruments	13,081,300	—	—	13,081,300
Loans and receivables				
-Commercial credits with Group companies and associates	438,198	438,198	—	—
-Commercial credits with third parties	2,875	2,875	—	—
-Non-commercial credits	13,027	13,027	—	—
-Other	800	800	—	—
Kept for negotiation				
-Derivative financial instruments	6,723	—	6,723	—
-Heritage instruments	281	—	—	281
Total classification and valuation according to Financial Statments 31/12/2020	13,543,204			
Total classification according to new criteria 31/12/2020		454,900	6,723	13,081,581
Valuation adjustments recorded in Equity according to new criteria as of 01/01/21		—	—	—
Initial balance according to new criteria and valuation at 01/01/2021		454,900	6,723	13,081,581

Financial Liabilities:

	Thousands of euros		
		Classification according to new criteria 31/12/2020	
	Book value in Financial Statements 31/12/2020	Amortised Cost	Fair value with changes in equity
Non Current Liabilities			
-Obligations	7,534,954	7,534,954	—
-Debts with financial institutions	1,987	1,987	—
-Derivative financial instruments	5,072	165	4,907
Loans and payables			
-Commercial Credits	58,713	58,713	—
-Non-commercial credits	492,594	492,594	—
Group, multi-group and associated companies			
-Debts with group companies and associates	611,012	611,012	—
Total classification and valuation according to Financial Statments 31/12/2020	8,704,332		
Total classification according to new criteria 31/12/2020		8,699,425	4,907
Valuation adjustments recorded in Equity according to new criteria as of 01/01/21		—	—
Initial balance according to new criteria and valuation at 01/01/2021		8,699,425	4,907

The application of the new classification and valuation criteria has not had an impact on the Company's equity as of January 1, 2021.

3. Proposed distribution of profit

The distribution of 2021 profit proposed by the Company's Directors for approval by the General Shareholders' Meeting is as follows:

	Thousands of Euros
Basis of distribution:	
Profit for the year	(92,971)
	(92,971)
Distribution:	
Voluntary reserves	(45,288)
Negative results from previous exercises	(47,683)
	(92,971)

4. Accounting policies and measurement bases

As indicated in Note 2, the Company has applied the accounting policies in accordance with the accounting principles and standards contained in the Commercial Code, which are developed in the General Accounting Plan in force, as well as the rest of the commercial legislation in force at the date of closing of these annual accounts. In this sense, only those policies that are specific to the activity of the Company and those considered significant according to the nature of its activities are detailed below.

4.1. Intangible assets

The intangible assets indicated below are recognised at acquisition cost less accumulated amortisation and any loss due to impairment, with their useful life being evaluated on the basis of prudent estimates. When the useful life of these assets cannot be estimated reliably, they are amortized over a period of ten years.

Computer software

The Company records in this account the costs incurred in the acquisition and development of computer programs, including the costs of developing the web pages. The maintenance costs of computer applications are recorded in the profit and loss account for the year in which they are incurred. The amortization of computer applications is done by applying the straight-line method over a useful life of 4 years.

Impairment of intangible assets and materials

The Company evaluates, at each balance sheet date, whether there is any indication of impairment in the value of any asset. If such indication exists, or when an annual impairment test is required (in the case of assets with an indefinite useful life), the Company estimates the asset's recoverable amount, which is the greater of the fair value of an asset less costs to sell and its value in use.

To determine the value in use of an asset, the future cash inflow that the asset is expected to generate is discounted from its present value using an interest rate that reflects the current value of money at long-term rates and the specific risks of the assets (risk premium) and, eventually, the costs of sale.

In the event that the asset analysed does not generate cash flows that are independent of those from other assets (as is the case for goodwill), the fair value or value in use of the cash-generating unit that includes the asset (smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets) is estimated. In the event of an impairment loss for a cash-generating unit, the loss is first allocated to reduce the carrying amount of any goodwill allocated and then to the other assets pro rata on the basis of the carrying amount of each asset. Impairment losses (excess of an asset’s carrying amount over the recoverable amount) are recognised in the income statement for the year.

An impairment loss recognised in prior periods is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. In such a case, the carrying amount of the asset is increased to its recoverable amount. The increased carrying amount shall not exceed the carrying amount that would have been determined, net of amortisation or depreciation, had no impairment loss been recognised for the asset in prior years. This reversal would be recognised in the income statement for the year.

When an impairment loss subsequently reverses (not permitted in the specific case of goodwill), the carrying amount of the asset or cash-generating unit is increased in the revised estimate of its recoverable amount, but in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in previous periods. Such reversal of an impairment loss is recognized as income.

4.2. Property, plant and equipment

Property, plant and equipment are stated at acquisition or production cost less accumulated depreciation and any loss due to impairment, in accordance with the criteria described in the Note 4.1.

Staff costs and other costs directly related to property, plant and equipment are capitalised as part of the investment until brought into use. Costs incurred to renovate, enlarge or improve items of property, plant and equipment which increase the capacity or productivity or extend the useful life of the asset are capitalised as part of the cost of the asset, provided that the carrying amount of the assets replaced and derecognised from inventories is known or can be estimated.

The costs of major overhauls are capitalised and depreciated over their estimated useful lives, while recurring maintenance costs are charged to the income statement in the year in which they are incurred.

The depreciation of property, plant and equipment, except for land, which is not depreciated, is calculated systematically on a straight-line basis, using the estimated useful life of the assets, based on the actual decline in value caused by their use.

The depreciation rates used to calculate the depreciation of the various items of property, plant and equipment are as follows:

Item	Useful life in years
Land and buildings	15 - 35
Plant and other items of property, plant and equipment	10 - 25

When an asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is immediately reduced to its recoverable amount, and the effect is taken to the income statement for the year (see Note 4.1).

4.3. Financial instruments

4.3.1 Financial assets

Allocation

The Company's financial assets are classified as:

a. Financial assets at amortised cost: these include financial assets, including those admitted to trading on an organised market, for which the Company holds the investment in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

   In general, this category includes:

   i) Trade receivables: arising from the sale of goods or the rendering of services with deferred payment in the ordinary course business; and

   ii) Non-trade receivables: arising from loans granted by the Company and other receivables with fixed or determinable payments

b. Financial assets at cost: this category includes the following investments: a) equity instruments of Group companies, jointly controlled entities and associates; b) equity instruments whose fair value cannot be reliably determined, and derivates that consists of these investments; c) hybrid financial assets whose fair value cannot be reliably determined, unless they meet the requirements for being measured at amortised cost; d) contributions made in participation and similar agreements; e) participating loans earning contingent interest; f) financial assets that should be classified in the following category but whose fair value cannot be reliably estimated.

   Group companies are deemed to be those related to the Company as a result of control relationship and associates are companies over which the Company exercises significant influence. In addition, the multi-group category includes those companies over which under an agreement, control is exercised with one or more partners.

c. Financial assets with changes in fair value recognised in the income statement: includes financial assets held for trading and those financial assets that have not been classified in any of the above categories. The financial assets that the Company designates optionally at the time of the initial recognition, which otherwise would have been included in another category, are included in this category, because such designation eliminates or significantly reduces a valuation inconsistency or accounting asymmetry that would otherwise arise.

Initial recognition

In general terms, financial assets are initially recognised at the fair value of the remuneration given plus any directly attributable transaction costs. However, transactions costs directly attributable to financial assets classified as at fair value through profit or loss are recognised in profit or loss.

Also, in the case of equity investments in Group companies giving control over the subsidiary, the fees paid to legal advisers and other professionals relating to the investments are recognised directly in profit or loss.

Subsequent valuation

Loans and receivables are valued at their amortized cost. The effective interest rate is the rate of update that exactly matches the value of a financial instrument to all of its cash flows estimated by all concepts throughout its remaining life. For fixed-rate financial instruments, the effective interest rate coincides with the contractual interest rate established at the time of purchase plus, where appropriate, commissions which, by their nature, are similar to an interest rate. In variable interest rate financial instruments, the effective interest rate coincides with the current rate of return for all concepts until the first revision of the benchmark interest rate takes place.

Financial assets at fair value with changes in fair value recognised in the income statement are valued at their fair value, with the result of changes in that fair value being recorded in the profit and loss account.

Investments classified in category b) above are measured at cost net, where appropriate, of any accumulated impairment losses. These losses are calculated as the difference between the carrying amount of the investments and their recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and the present value of the future cash flows from the investment. Unless there is better evidence of the recoverable amount of investments in equity instruments, it is based on the value of the equity of the investment, adjusted by the amount of the unrealised gains existing at the date of measurement, net of the related tax effect. At least at year-end, the Company performs an impairment test for financial assets that are not recorded at fair value. It is considered that there is objective evidence of impairment if the recoverable value of the financial asset is lower than its book value. When it occurs, the recording of this impairment is recorded in the profit and loss account.

In particular, and with respect to the valuation adjustments relating to commercial debtors and other accounts receivable, the criteria used by the Company to calculate the corresponding value adjustments, if any, is to estimate the fair value of said balances based on the collections estimated futures.

The Company derecognizes financial assets when the rights on the cash flows of the corresponding financial asset expire or have been transferred and the risks and benefits inherent to its property have been substantially transferred, such as in firm sales of assets, assignments of commercial loans in "factoring" operations in which the company does not retain any credit or interest risk, sales of financial assets with a repurchase agreement at their fair value or securitizations of financial assets in which the assignor does not retain subordinated financing neither grants any type of guarantee or assumes any other type of risk.

On the contrary, the Company does not derecognize financial assets, and recognizes a financial liability for an amount equal to the consideration received, in assignments of financial assets in which the risks and benefits inherent to its property are substantially retained, such as the discount of effects, the "factoring with recourse", the sales of financial assets with repurchase agreements at a fixed price or the sale price plus an interest and the securitizations of financial assets in which the transferor retains subordinated financing or other types of guarantees that absorb substantially all the expected losses.

4.3.2 Financial liabilities

The financial liabilities assumed or incurred by the Company are classified in the category of valuation of financial liabilities at amortized cost and are those debits and items to be paid that the Company has and that have originated in the purchase of goods and services by traffic operations of the company, or those that, without having a commercial origin, not being derivative instruments, they come from loan or credit operations received by the Company.

These liabilities are initially valued at the fair value of the consideration received, adjusted for directly attributable transaction costs. These liabilities are then valued according to their amortised cost.

Assets and liabilities are presented separately on the balance sheet and are only presented for their net amount when the Company has the enforceable right to offset the recognized amounts and, in addition, they intend to liquidate the amounts for the net or to realize the asset and cancel the liability simultaneously.

The Company derecognises financial liabilities when the obligations that have generated them are extinguished.

Borrowings are initially recognised at fair value, including the costs incurred in raising the debt. In subsequent periods, the difference between the funds obtained (net of the costs required to obtain them) and the repayment value, if any and if it is significant, is recognised on the income statement over the term of the debt at the effective interest rate.

If existing debts are renegotiated, it is considered that there are no substantial modifications to the financial liabilities when the lender for the new loan is the same party that extended the initial loan and the present value of the cash flows, including net commissions, does not differ by more than 10% from the present value of the cash flows payable from the original liability calculated using the same method. Certain changes in the determination of cash flows may not exceed this quantitative analysis, but may also result in a substantial change in financial liabilities, such as: a change from fixed to variable interest rate in the remuneration of financial liabilities, the restatement of financial liabilities to a different currency, among other cases.

4.3.3 Derivative financial instruments

The Company uses derivative financial instruments to hedge its financial risk, arising mainly from changes in interest rates and exchange rates (see Note 5). These derivative financial instruments were classified as cash flow hedges or as hedges of net investment in currencies other than euro and recognised at fair value (both initially and subsequently), using valuations based on the analysis of discounted cash flows using assumptions that are mainly based on the market conditions at the reporting date and adjusting for the bilateral credit risk in order to reflect both the Company's risk and the counterparty's risk.

In order for these derivative financial instruments to qualify as accounting hedges, they are initially designated as such, documenting the hedging ratio. At the inception of the hedge, the Company documents the relationship between the hedging instruments and the hedged items, in addition to its risk management objective and the strategy for undertaking the hedge. The Company also documents how it will assess, both initially and on an ongoing basis, whether the derivatives used in the hedges are highly effective for offsetting changes in the fair value or cash flows attributable to the hedged risk.

The fair value of the derivative financial instruments used for hedging purposes is set out in Note 12.3.

Hedge accounting, when considered to be such, is discontinued when the hedging instrument expires or is sold, terminated or exercised or when it no longer qualifies for hedge accounting. Any accumulated gain or loss on the hedging instrument recognised in equity is retained in equity until the expected transaction occurs. If a hedged transaction is no longer expected to occur, the net accumulated gain or loss recognised in equity is transferred to net profit or loss for the year.

Classification on the balance sheet as current or non-current will depend on whether the maturity of the hedge at year-end is less or more than one year.

The criteria used to account for these instruments are as follows:

a. Cash flow hedge

   The positive or negative variations in the valuation of the derivatives qualifying as cash flow hedges are charged, in their effective portion, net of the tax effect, to equity under "Hedging Operations", until the hedged item affects the income (or when the underlying part is sold or if it is no longer probable that the transaction will take place), which is when the accumulated gains or losses in net equity are released to the income statement for the year.

   Any positive or negative differences in the valuation of the derivatives corresponding to the ineffective portion are recognised directly in profit or loss for the year under "Change in fair value of financial instruments".

   This type of hedge corresponds primarily to those derivatives entered into by the Company to convert floating rate debt to fixed rate debt.

b. Hedges of a net investment in currencies other than the euro

   The Company finances its major foreign investments in the same functional currency in which they are held so as to reduce the foreign exchange risk. This is carried out by obtaining financing in the corresponding currency or by entering into cross-currency and, or interest-rate swaps.

The exchange-rate component of hedges of net investments in foreign operations in subsidiaries and associated companies are accounted for as a fair value hedge.

The changes in fair value of the designated derivatives, which meet the conditions for qualifying as hedges of net investments in foreign operations, are recognised in the income statement under “Change in fair value of financial instruments”, together with any changes in the fair value of the hedged investment in subsidiaries, jointly controlled entities or associates that is attributable to foreign-exchange risk.

c. Derivatives not recognised as hedges

In the case of derivatives that do not qualify as hedging instruments, the positive or negative difference resulting from the fair value adjustments are taken directly to the income statement for the year.

d. Fair value and valuation techniques

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, irrespective of whether that price is directly observable or estimated using another valuation technique.

For financial reporting purposes, fair value measurements are classified as level 1, 2 or 3 depending on the extent to which inputs used are observable and the importance of the inputs for measuring fair value in its entirety, as described below:

- Level 1 – Inputs are based on quoted prices (unadjusted) for identical instruments in active markets.

- Level 2 – Inputs are based on quoted prices for similar instruments in active markets (not included in level 1), prices quoted for identical or similar instruments in markets that are not active and techniques based on valuation models for which all relevant inputs are observable in the market or can be corroborated by observable market data.

- Level 3 – In general, inputs are unobservable and reflect estimates based on market assumptions to determine the price of the asset or liability. Unobservable data used in the valuation models are significant in the fair values of the assets and liabilities.

To determine the fair value of its derivatives, the Company uses valuation techniques based on expected total exposure (which includes both current exposure as well as potential exposure) adjusted for the probability of default and loss given default of each counterparty.

The expected total exposure of the derivatives is obtained using observable market inputs such as interest rate, exchange rate and volatility curves in accordance with the market conditions at the measurement date. The inputs used for the probability of default by the Company and by the counterparties are estimated on the basis of the credit default swap (CDS) prices observed in the market.

In addition, in order to reflect the credit risk in the fair value the market standard of 40% is applied as a recovery rate, which relates to the CDS in relation to senior corporate debt.

4.4. *Income tax*

The income tax expense or income includes the portion relating to the expense or income for current tax and the portion corresponding to the deferred tax expense or income.

Cellnex Telecom, S.A. is subject to corporation tax under the tax regime of Fiscal Consolidation according to Chapter VI of Title VII of Law 27/2014, of November 27, on Corporation Tax, being the tax identification number of the group on 520/15. Consequently, corporation tax expenditure includes those advantages arising from the use of negative tax bases and uninvolved deductions that had not been recorded in the event of individual taxation of the companies that make up that tax group.

Current income tax expense is the amount the Company pays as a result of income tax settlements for a given year. Tax credits and other tax benefits applied to taxable profit, excluding tax withholdings, prepayments and tax loss carryforwards from previous years, reduce current income tax expense.

Deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences, measured as the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, as well as unused tax losses and tax credits. These amounts are measured by applying to the corresponding temporary difference or tax asset, the tax rate at which the asset is expected to be realised or the liability is expected to be settled.

Deferred tax liabilities are recognised in respect of all taxable temporary differences, with the exception of those arising from initial recognition of goodwill or other assets and liabilities in an operation that does not affect either taxable profit or accounting profit and is not a business combination.

Deferred tax assets are recognised only to the extent that it is considered likely the Company will have sufficient taxable profit in the future against which the deferred tax assets can be offset.

Deferred tax assets and liabilities arising from operations that are charged or credited directly to equity accounts are also recognised with a balancing entry under equity.

The deferred tax assets recognised are reconsidered at each closing date, and any necessary corrections are made if there are any doubts concerning future recovery. Deferred tax assets not recognised on the balance sheet are also assessed at each closing date and are recognised if it is likely they will be recovered with future tax gains.

In the determination of deferred tax assets, the tax group of which the Company is the parent, establishes a finite time horizon for the recovery of them on the basis of the best estimates made. Thus, on the basis of the estimation of the individual tax bases of the companies that make up the group, the expected period for the application of deferred tax assets has been determined, also taking into account the timetable for the use of the outstanding deductions, as well as the tax losses subject to compensation in subsequent years within the legal time limits for the use of them (Note 13).

The expense accrued by corporation tax is determined by taking into account in addition to the parameters to be considered in case of individual taxation set out above, and in accordance with the Resolution of 9 February 2016, of the Institute of Accounting and Audit of Accounts, which develops the rules for the registration, valuation and preparation of the annual accounts for the accounting of the Income Tax , the following:

- The permanent and temporary differences produced as a result of the elimination of results arising from the process of determining the consolidated tax base.

- The deductions and bonuses that correspond to each company code of the tax group under the company group regime; for this purpose, deductions and bonuses are attributed to the company carrying out the activity or obtaining the necessary return to obtain the right to deduction or tax bonus.

– For the part of the negative tax results from some of the companies in the tax group that have been compensated by the rest of the companies belonging to that group, as indicated above, an receivables with the tax group arises. On the part of the negative tax result not offset by the companies in the tax group, the company code to which it corresponds posts an asset by deferred tax according to the criterion discussed above.

4.5. Employee benefits

Under the respective collective bargaining agreements, the Company has the following obligations with its employees:

(i) Post-employment obligations:

Defined-contribution obligations

In relation to defined-contribution employee welfare instruments (which basically include employee pension plans and group insurance policies), the Company makes fixed contributions to a separate entity and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. Consequently, the obligations under this type of plan are limited to the payment of contributions, the annual expense of which is recognised on the income statement for the year as the obligations arise.

Defined-benefit obligations

Defined-benefit obligations relate mainly to bonuses or payments for retirement from the company and temporary and/or life-time annuities.

With regard to these obligations, where the company undertakes certain actuarial and investment risks, the liability recognised on the balance sheet is the present value of the obligations at the balance sheet date less the fair value of any plan assets at that date not arranged with related parties.

The actuarial valuation of the defined benefits is made annually by independent actuaries using the projected credit unit method to determine both the present value of the obligations and the related current and past service costs. The actuarial gains and losses arising from changes in the actuarial assumptions are recognised in the year in which they occur. They are not included on the income statement but are presented on the statement of recognised income and expense.

(ii) Termination benefits

Termination benefits are paid to employees as a result of the decision to terminate their employment contract before the normal retirement date, or when the employee voluntarily accepts to resign in exchange for such compensation. The Company recognises these benefits when it is demonstrably committed to terminate the employment of the employees in accordance with a formal detailed plan without the possibility of withdrawal or to provide termination benefits. If a mutual agreement is required, a provision is only recorded in situations in which the Company has decided that it will consent to termination of the employees when this has been requested by them.

(iii) Obligations arising from plans for termination of employment

Provisions for obligations relating to plans for termination of employment of certain employees (such as early retirement or other forms of employment termination) are calculated individually based on the terms agreed with the employees. In some cases, this may require actuarial valuations based on both demographic and financial assumptions.

(iv) Long-term Incentive Plan

The amounts considered by the Company in relation to the Long Term Incentive Plans which were formalised in 2018, 2019, 2020 and 2021 with the objective to retain key personnel and incentivise the sustainable creation of value for the shareholders, is based on the variables described below:

LTIP (2018-2020)

On 27 September 2018 Cellnex's Board of Directors approved the LTIP (2018-2020). The beneficiaries of this Plan are the CEO, the "Deputy CEO", the Senior Management and key employees (approximately 55 employees). This plan accrues from 1 January 2018 until 31 December 2020 and the amounts due were paid following the approval of the Group's financial statements corresponding to the 2020 financial year.

The amount to be received by the beneficiaries was determined by the degree of fulfilment of two objectives, each with a weight of 50%:

a. 50%; the attainment of a certain Recurring Leverage Free Cash Flow ("RLFCF" as described in section 2.3 of the accompanying Consolidated Management Report) per share figure according to the market consensus and a constant scope of consolidation. The scale of attainment was: 50% if the figure was 5% below the target, 100% if figure matched the target, and 125% if the target was above by 5% or more; and

b. 50%; the share price increase calculated using the initial starting price of the period and the average price in the last quarter of 2020, weighted by the volume ("vwap"). The scale of attainment was from 75% to 125% depending on the share price performance compared to IBEX 35 and certain European and American peers.

The cost of the LTIP (2018-2020) was EUR 6.5 million, which has been paid during the first half of 2021.

For the 2018–2020 LTIP, the CEO and Deputy CEO must receive the minimum amount of 50% of their LTIP remuneration in shares. The rest of the Senior Management and certain employees must receive the minimum amount of 40% of their LTIP remuneration in shares. For the rest of the beneficiaries, this minimum percentages varies depending on the position of the employee. The decision to receive shares or cash rests in an agreement between the Group and the employee. The share based compensation of this LTIP was grossed up to partially offset the tax impact on the beneficiaries.

LTIP (2019-2021)

In November 2018 the Board of Directors approved the 2019-2021 LTIP. The beneficiaries include the CEO, the "Deputy CEO", the Senior Management and other key employees (approximately 57 employees).

The amount to be received by the beneficiaries will be determined by the degree of fulfilment of the share price increase, calculated using the initial starting price of the period and the average price in the three months prior to November 2021, weighted by the volume ("vwap").

The achievement of the objectives established in the 2019-2021 LTIP will be assessed by the Nominations, Remuneration and Sustainability Committee and payment of any accrued amounts, if applicable, will be following approval of the annual consolidated financial statements of the Group as of and for the year ended 31 December 2021 by the General Shareholders' Meeting.

For the LTIP 2019 – 2021 all Senior Management and Deputy CEO must receive a minimum of 50% of their LTIP remuneration in Cellnex shares and for the CEO the minimum amount is 30% of their LTIP remuneration in shares. The outstanding 50% or 70%, as applicable, may be paid in options. The decision to receive the options parti in additional shares or in cash rests in an agreement between the Group and the employee. The share based compensation of this LTIP will be grossed up to partially offset the tax impact on the beneficiaries.

As at 31 December 2021, the estimated cost of the 2019-2021 LTIP is approximately EUR 7 million, which will be paid once the Group's financial statements corresponding to the 2021 financial year are approved.

LTIP (2020-2022)

In December 2019, the Board of Directors approved the 2020-2022 LTIP. The beneficiaries include the CEO, the Deputy CEO, the Senior Management and other key employees (approximately 105 employees).

The amount to be received by the beneficiaries shall be determined by the degree of fulfilment of the share price increase, calculated using the average price in the three months prior to 31 December 2019 (initial starting price of the period) and the average price in the three months prior to 31 December 2022 (final target price of the period), both weighted by the volume ("vwap").

The achievement of the objectives set out in the LTIP 2020-2022 will be assessed by the Nominations, Remuneration and Sustainability Committee and the payment of the amounts accrued, if will be made once the Group's Consolidated Annual Accounts for the 2022 financial year have been approved by the General Shareholders' Meeting.

For the 2020–2022 LTIP, the CEO must receive a minimum amount of 30% of his LTIP remuneration in shares and the outstanding 70% may be paid in options. The rest of the Senior Management must receive a minimum amount of 40% of their LTIP remuneration in shares and the outstanding 60% may be paid in options. Other beneficiaries must receive 70% of their LTIP remuneration in shares and the outstanding 30% may be paid in options. The decision to receive the options part in additional shares or in cash rests in an agreement between the Group and the employee.

As of 31 December, 31 2021, the estimated cost of LTIP (2020-2022) is approximately EUR 6.1 million. The cost of the LTIP assuming full achievement of the Company's objectives is estimated at approximately EUR 7.6 million.

LTIP (2021-2023)

In December 2020, the Board of Directors approved the 2021-2023 LTIP. The beneficiaries include the CEO, the Deputy CEO, the Senior Management and other key employees (approximately 180 employees).

The amount that the beneficiaries will receive will be determined by the degree of compliance with the accumulated revaluation of the share, calculated from the average price of the three months prior to December 31, 2020 (initial starting price of the period) and the average price of the three months prior to December 31, 2023 (final target price of the period), both weighted by volume ("vwap").

The achievement of the objectives established in the 2021-2023 LTIP will be assessed by the Nominations and Remuneration Committee and payment of any accrued amounts, if applicable, will be following approval of the annual consolidated financial statements of the Group as of and for the year ended 31 December 2023 by the General Shareholders' Meeting.

For the 2021–2023 LTIP, the CEO must receive a 30% of his LTIP remuneration in shares and the outstanding 70% may be paid in options. The rest of the Senior Management must receive a 40% of their LTIP remuneration in shares and the outstanding 60% may be paid in options. The rest of Management must receive 70% of their LTIP remuneration in shares and the outstanding 30% may be paid in options. The decision to receive the options part in additional shares or in cash rests in an agreement between the Group and the employee, and the expected regular dividends are not adjusted in the option price.

As of December 31, 2021, the estimated cost of the LTIP (2021-2023) is approximately EUR 7.1 million.

LTIP *(2022-2024)*

In December 2021, the Board of Directors approved the 2022-2024 LTIP. The beneficiaries include the CEO (subject to the approval of the General Shareholders meeting), the Deputy CEO, the Senior Management and other key employees (approximately 225 employees). The amount to be received by the beneficiaries will be determined by the degree of fulfilment of four metrics:

– With a weighting of 20%, achieving certain RLFCF per share (considering the perimeter signed as of the end of 2021, and in 2024 the perimeter will have to be adjusted in order to estimate the like-for-like RLFCF per share provided that the Company targets to execute further inorganic growth). Cellnex´s RLFCF per Share is calculated by dividing RLFCF of the period / Cellnex´s number of outstanding shares, with approximately 708 million shares considered (assuming approximately 27 million new shares to be issued and paid to CK Hutchison Holdings Limited).

– With a weighting of 30%, relative position among a peers group based on Total Shareholder Return. Peers group is form by: American Tower, SBA Communications, Crown Castle, Helios Towers, Vantage Towers, Inwit, Rai Way, MSCI World Index.

– With a weighting of 30%, absolute Total Shareholder Return. The degree of achievement of the share price increase will be calculated on the basis of the average price of the three months prior to the date of grant, volume weighted ("vwap").

– With a weighting of 20%, ESG metrics: i) 8% reaching an specific percentage of sourcing of renewable electricity of the Group, and ii) 12% is based on three parameters: a) the employee engagement at FY21 constant perimeter (based on the pulse survey), b) the reduction of the gender pay gap by 5% at FY21 constant perimeter, and c) achieving an specific percentage of foreign Directors at the Headquarters.

Additionally, under very exceptional performance of absolute Total Shareholder Return and relative position between top 2 companies of the peer group, a booster will be applied to the pay-out capped at a maximum of 5.0x (ranking first with respect the companies of the peer group, and being the share price approximately 115€/share). The achievement of the objectives established in the 2022-2024 LTIP will be assessed by the Nominations, Remunerations and Sustainability Committee and payment of any accrued amounts, if applicable, will be following approval of the annual consolidated financial statements of the Group as of and for the year ending 31 December 2024 by the General Shareholders' Meeting.

For the CEO 2022—2024 LTIP, 40% of the remuneration will initially be paid through granted shares and the remaining 60% through options, with an obligation to permanently hold shares equivalent to two years' fixed remuneration. The decision to receive the options part in additional shares or in cash rests in an agreement between the Group and the employee.

The estimated cost of the 2022-2024 LTIP amounts to approximately EUR 8.6 million.

4.6. Provisions and contingent liabilities

The Directors of the Company in the formulation of the annual accounts differentiate between:

a. Provisions: credit balances that cover current obligations derived from past events, whose cancellation is likely to result in an outflow of resources, but which are indeterminate in terms of their amount and / or time of cancellation.

b. Contingent liabilities: possible obligations arising as a result of past events, whose future materialization is conditioned on the occurrence, or not, of one or more future events independent of the Company's will.

The annual accounts include all provisions with respect to which it is estimated that the probability of having to meet the obligation is greater than otherwise. Unless they are considered remote, contingent liabilities are not recognized in the annual accounts, but they are reported in the notes to the report.

Provisions are valued at the present value of the best possible estimate of the amount necessary to cancel or transfer the obligation, taking into account the information available on the event and its consequences, and recording the adjustments arising from the updating of such provisions as a financial expense as it accrues.

The compensation to be received from a third party at the time of settlement of the obligation, provided that there is no doubt that said reimbursement will be received, is recorded as assets, except in the case that there is a legal link through which part of the risk, and by virtue of which the Company is not obliged to respond; in this situation, the compensation will be taken into account to estimate the amount for which, in its case, the corresponding provision will appear.

4.7. Current and non-current items

Current assets are those related to the normal operating cycle that is generally considered to be one year, as well as those assets whose maturity, disposal or realization is expected to occur in the short term from the closing date of the year. Financial assets held for trading, with the exception of financial derivatives whose settlement period is greater than one year and cash and other equivalent liquid assets. Assets that do not meet these requirements are classified as non-current.

Similarly, current liabilities are liabilities linked to the normal operating cycle, financial liabilities held for trading, with the exception of financial derivatives whose settlement period is greater than one year and, in general, all the obligations whose maturity or extinction will occur in the short term. Otherwise, they are classified as non-current.

4.8. Recognition of revenue and expenses

On the basis of the consultation to Spain's Accounting and Audit Institute (ICAC) resolved on 23 July 2009, concerning accounting classification of the revenue and expenses of a holding company in individual accounts, income from dividends and interest accruing from the financing of investees were classified under "Revenue".

Income and expenses are recognised on an accrual basis, i.e., when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the reporting date, provided that the outcome of the transaction can be estimated reliably.

Interest received on financial assets is recognized using the method of the effective interest rate and dividends, when the shareholder's right to receive them is declared. In any case, interest and dividends on financial assets accrued after the time of acquisition are recognized as income in the profit and loss account.

In relation to the dividends received, any distribution of available reserves will be classified as a "profit distribution" operation and, consequently, will give rise to the recognition of an income in the partner, provided that, from the date of acquisition, the investee or any Group company owned by the latter has generated profits in excess of the own funds that are distributed. The judgment on whether profits have been generated by the investee will be made exclusively on the basis of the profits accounted for in the individual profit and loss account since the date of acquisition, unless the distribution from these profits must be classified as a recovery of the investment from the perspective of the entity receiving the dividend.

4.9. Leases

Leases are classified as finance leases, provided that the conditions of the leases show that the risks and benefits inherent to the ownership of the asset that is the object of the contract are substantially transferred to the lessee. The other leases are classified as operating leases.

Operating lease

i. The Company acts as a lessee

Expenses derived from operating lease agreements are charged to the profit and loss account in the year in which they are accrued.

Any collection or payment that may be made when contracting an operating lease, will be treated as a prepayment or payment that will be charged to income over the period of the lease, as the benefits of the leased asset are ceded or received.

4.10. Cash and cash equivalents

For the purposes of the statement of cash flows, “Cash and cash equivalents” includes the Company's cash and current deposit accounts with an initial maturity of three months or less, or current investments that the Company can withdraw cash without giving any notice and without suffering any significant penalty. The carrying amount of these assets is similar to their fair value.

4.11. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

If the Company acquires treasury shares, these are recognised in the balance sheet under “Treasury shares” and deducted from equity and measured at their acquisition cost without recognising any valuation adjustment. When these shares are sold, any amount received, net of any additional directly attributable transaction costs and the corresponding effect of the tax on the gain generated, is included in equity of the Company.

4.12. Payments based on shares

The Company recognizes, on the one hand, the goods and services received as an asset or as an expense, according to its nature, at the time of its acquisition and, on the other hand, the corresponding increase in net assets, if the transaction is settled with equity instruments, or the corresponding liability if the transaction is settled with an amount that is based on the value of the equity instruments.

In the case of transactions that are settled with equity instruments, both the services rendered and the increase in net equity are valued at the fair value of the equity instruments transferred, referring to the date of the concession agreement. If, on the contrary, they are settled in cash, the goods and services received and the corresponding liability are recognized at the fair value of the latter, referring to the date on which the requirements for recognition are met.

4.13. Related party transactions

The Company carries out all its transactions with related parties on an arm's length basis. Also, as transfer prices are adequately documented, the Company’s Directors feel there are no significant risks that could give rise to material liabilities in the future.

For balance sheet presentation purposes, Group companies are considered as those that are direct or indirect subsidiaries of Cellnex Telecom, S.A., and associates are considered as companies that have this status with respect to companies controlled by Cellnex Telecom, S.A.; and other related companies are deemed to be those with significant influence over Cellnex Telecom, S.A., with the right to nominate a director or with a shareholding above 3% (see Note 11).

4.14. Transactions in foreign currencies

Transactions in currencies other than the euro are translated into the functional currency of the Company (the euro) using the exchange rates in effect on the transaction date.

Gains and losses on currencies other than the euro arising from the settlement of these transactions and from the translation of monetary assets and liabilities held in currencies other than the euro at the year-end exchange rates are recognised in the income statement.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The resulting gains or losses are recognised in equity or in profit or loss by applying the same methods as those used to recognise changes in fair value, as indicated in Note 4.3 on financial instruments.

4.15. Activities affecting the environment

The Company's activities and business purpose are such that it has no environmental impact, and therefore it is not necessary to incur any expenses or invest to meet the environmental requirements laid down in law.

The potential impact on the annual accounts of the risks arising from climate change described in Note 19 have been duly considered, without significant impacts. Therefore, it has not been considered necessary to record any provision for environmental risks and expenditures, as there are no contingencies in relation to climate change or environmental protection.

5. Financial risk management

5.1. Factors of financial risk

The activities of the Company and the Group, of which it is the Parent, are exposed to various financial risks: exchange-rate risk, interest-rate risk, credit risk, liquidity risk and inflation risk.

Financial risk management of the companies in the Cellnex Group is controlled by the General Finance Department following authorisation by the most senior executive officer of Cellnex, as part of the respective policy adopted by the Board of Directors.

a. Foreign-exchange risk

The Company presents its accounts in euros, therefore, fluctuations in the exchange rate of the currencies in which loans are implemented and transactions are carried out, can have an impact on: future commercial transactions, the recognition of assets and liabilities, as well as in investments in currency other than the euro.

In addition, since 2016 the Company operates outside the Euro zone and has assets mainly in the United Kingdom, Switzerland, Sweden, Poland and Denmark, which entails exposure to foreign currency risk and in particular to the risk of fluctuations in the exchange rates of the euro, the pound sterling, the Swiss franc, the Swedish krone, the Polish Zloty and the Danish krone. The strategy for hedging the exchange rate risk in investments in non-euro currencies should aim at partial risk hedge and should be implemented within a reasonable period of time, depending on market conditions and the previous assessment of the effect of the hedge.

Despite the fact that most of the Company's transactions are carried out in euros, the volatility in the conversion into euros of the agreements entered into in pounds sterling and Swiss francs may have negative consequences for the Company, affecting its business prospects, projections, financial statements and results of operations, as well as the generation of cash flows.

The Company uses derivative financial instruments to manage its financial risk mainly from exchange rate changes. These derivative financial instruments have been classified as cash flow hedging and recognized at fair value (both initial and subsequent valuations). These valuations have been calculated by analysing the cash flows discounted by assumptions based mainly on market conditions existing at the balance sheet date, in the case of unlisted derivative financial instruments (see Notes 4.3.3 and 12.3).

As of 31 December 2021, there is contracted financing to third parties that provides exchange rate hedging mechanisms (see Note 12.3).

b. Interest rate risk

The Company is exposed to interest rate risk through its non-current and current borrowings.

Foreign resources issued at variable rates expose the Company to interest rate risks of cash flows, while non-fixed interest rate exposures expose the Company to interest rate risks on fair value. In addition, any increase in interest rates may increase the financial expense of the Company associated with variable rate loans, as well as the costs of refinancing existing debt and issuing new debt.

The objective of interest rate risk management is to achieve a balance in the debt structure that minimizes volatility in the income statement over a multi-year horizon.

The Company could use derivative financial instruments to manage its financial risk derived mainly from interest rate variations. These derivative financial instruments have been classified as cash flow hedges and have been recognized at fair value (both initial and subsequent valuations). These valuations have been calculated by analyzing the discounted cash flows using assumptions based mainly on the market conditions existing at the balance sheet date, in the case of unlisted derivative instruments (see Notes 4.3.3 and 12.3).

On 31 December 2021 there is financing contracted to third parties that presents interest rate hedging mechanisms (see Note 12.3).

c. Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as other debts, including outstanding receivables and committed transactions.

To mitigate this credit risk, the Company carries out derivative transactions and spot transactions mainly with banks with strong credit ratings as qualified by international rating agencies. The solvency of these institutions, as indicated in each institution’s credit ratings, is reviewed periodically in order to perform active counterparty risk management.

During the years for which information is reported, no credit limits were exceeded and management does not expect to incur losses as a result of default by any of the counterparties indicated above.

d. Liquidity risk

The Company carries out prudent management of liquidity risk, which involves maintaining cash and having access to a sufficient amount of finance through established credit facilities as well as the ability to liquidate market positions.

Given the dynamic nature of the Company's business and its joint-hand companies, the Management aims to maintain flexibility in financing through the availability of compromised lines of credit. Due to this policy, the Company, together with its holding companies, has an available liquidity of approximately 8,661 million euros, consisting of "cash and cash equivalents" and credit policies available at the date of formulation of these annual accounts, and has no immediate debt maturities (the maturities of the group's financial obligations are detailed in Note 12).

As a result of the above, the Company considers that it has liquidity and access to medium and long-term financing, allowing it to ensure the necessary resources to meet the possible commitments of future investments.

However, the Company may not be able to withdraw or access liquid funds in a sufficient amount and at a reasonable cost to meet its payment obligations at all times. Failure to maintain adequate levels of liquidity may materially and adversely affect the business, projections, results of operations, financial conditions and/or cash flows of the Company or its Participating companies, and in extreme cases, threaten the future as a working company and lead to insolvency

e. Inflation risk

Despite a long period of historically low inflation, during the second half of 2021, inflation in the eurozone has increased considerably. A significant portion of the Company's operating costs could rise as a result of higher inflation and monetary policies of the European Central Bank. Most of the Company's services contracts are indexed to inflation through part of its operating expenses and infrastructure lease agreements. The same is true of its other contracts. As a consequence, its results of operations could be affected by inflation and/or deflation.

f. Debt-related risk

The Company's indebtedness could increase as a result of potential new acquisitions, changes in corporate structure and issues of bonds or other sources of financing made in connection with the above. The Company's present or future leverage could have negative consequences, including:

– To put the company at a possible competitive disadvantage with respect to less leveraged competitors or competitors who may have greater access to capital resources, including in acquisition operations, which would force the Company to give up certain business opportunities.
– Require the dedication of a significant portion of the cash flows of operations to debt service, thus reducing the amount of cash flows available for other purposes, such as investment in capital goods and dividends.
– To compel the Company to issue debt or shares or shares, or to sell assets, possibly in unfavourable terms, to comply with payment obligations.
– Accept certain financial commitments in existing financing contracts such as debt limitation, cash restriction or asset pledge.
– Affect the Company's current corporate rating with a potential rebate from a credit rating agency, which can make it difficult and more costly to get new funding.
– Require the Company to reimburse the outstanding debt in advance in the event that the relevant change of control clause is activated

5.2. Fair value measurements

The fair value of financial instruments not quoted on active markets is determined using valuation techniques. The Company uses a variety of methods and makes assumptions based on the existing market conditions at each balance sheet date.

6. Intangible assets

The changes in this caption on the balance sheets in 2021 and 2020 are as follows:

2021

	Thousands of Euros
	Computer software
A 31 December 2020	
Cost	33,829
Accumulated amortisation	(15,606)
Carrying amount	**18,223**
Carrying amount at beginning of period	18,223
Additions	17,475
Discards	(9)
Accumulated depreciation of discards	8
Amortisation charge	(7,624)
Carrying amount at end of period	**28,073**
A 31 December 2021	
Cost	51,295
Accumulated amortisation	(23,222)
Carrying amount	**28,073**

2020

	Thousands of Euros
	Computer software
A 31 December 2019	
Cost	23,161
Accumulated amortisation	(9,964)
Carrying amount	**13,197**
Carrying amount at beginning of period	13,197
Additions	10,668
Amortisation charge	(5,642)
Carrying amount at end of period	**18,223**
A 31 December 2020	
Cost	33,829
Accumulated amortisation	(15,606)
Carrying amount	**18,223**

The additions of the 2021 and 2020 exercises correspond to the improvement and adaptation of software developments.

All the intangible assets described in the table above have definite useful lives.

As of 31 December 2021, there are intangible assets in operation that are fully amortized for an amount of EUR 9,786 thousand (EUR 5,748 thousand as of 31 December 2020).

7. Property, plant and equipment

The changes in this caption on the balance sheets in 2021 and 2020 are as follows:

2021

	Thousands of Euros			
	Land and buildings	Plant and other items of property, plant and equipment	Property, plant and equipment under construction	Total
At 31 December 2020				
Cost	874	6,806	68	7,748
Accumulated amortisation	(67)	(2,105)	—	(2,172)
Carrying amount	**807**	**4,701**	**68**	**5,576**
Carrying amount at beginning of period	807	4,701	68	5,576
Additions	6,032	7,828	20	13,880
Transfers	1	67	(68)	—
Discards	(5)	(137)	—	(142)
Accumulated depreciation of discards	—	44	—	44
Amortisation charge	(57)	(1,117)	—	(1,174)
Carrying amount at end of period	**6,778**	**11,386**	**20**	**18,184**
At 31 December 2021				
Cost	6,902	14,608	20	21,530
Accumulated amortisation	(124)	(3,222)	—	(3,346)
Carrying amount	**6,778**	**11,386**	**20**	**18,184**

2020

	Thousands of Euros			
	Land and buildings	Plant and other items of property, plant and equipment	Property, plant and equipment under construction	Total
At 31 December 2019				
Cost	571	4,392	68	5,031
Accumulated amortisation	(39)	(1,514)	—	(1,553)
Carrying amount	**532**	**2,878**	**68**	**3,478**
Carrying amount at beginning of period	532	2,878	68	3,478
Additions	303	2,414	—	2,717
Amortisation charge	(28)	(591)	—	(619)
Carrying amount at end of period	**807**	**4,701**	**68**	**5,576**
At 31 December 2020				
Cost	874	6,806	68	7,748
Accumulated amortisation	(67)	(2,105)	—	(2,172)
Carrying amount	**807**	**4,701**	**68**	**5,576**

The additions of the 2021 financial year correspond mainly to the adaptation and improvement of the facilities rented and the data processing and technical equipment of the Company. The additions to the 2020 financial year mainly corresponded to the adequacy and improvement of the offices where the Company carries out its activity and the improvement of the Company's data processing equipment.

All the property, plant and equipment described in the table above (excluding “lands”) have definite useful lives.

The Company occupies several rented facilities (Note 16.3) which lease contracts finalise in a period between 1 and 15 years, not expecting renewals difficulties. In the opinion of the Board of Directors, those leases shall be renewed upon expiry under market conditions, so as to allow the allocation of the amortization of gross costs of the fixed assets acquired within the useful life period described in Note 4.2., and in the case where transfer occurs, no significant effects are expected.

As of 31 December 2021, there are property, plant and equipment assets in operation that are fully amortized for an amount of EUR 838 thousand (EUR 754 thousand as of 31 December 2020).

It is Company policy to take out all the insurance policies considered necessary to safeguard against any risks that might affect its property, plant and equipment.

8. Investments in Group companies and associates

8.1. Equity instruments

The breakdown of direct and indirect shareholdings in Group companies and associates, together with their carrying amount, the breakdown of equity and the dividends received from them, is shown in Appendix I.

At 31 December 2021 and 2020 there were no investees which, with a stake of less than 20%, it may be concluded there was significant influence or, in the case of investees with a stake of more than 20%, it may be concluded there was no significant influence.

The breakdown of the direct shareholdings in Group companies as well as the movement of the years 2021 and 2020 is as follows:

2021

Shareholding in Group companies	Thousands of Euros
At 31 December 2020	**13,081,300**
Additions[1]-	
Cellnex France Groupe, S.A.S.	2,200,000
Cellnex Italia, S.p.A.	3,603,000
Cellnex Switzerland AG	17,731
Cellnex UK Limited	29,743
Cellnex Poland Sp. z.o.o.	2,414,138
Cellnex Sweden, AB	633,000
CLNX Portugal, S.A.	116,000
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	136,390
Ukkoverkot Oy	179
Disposals[1]-	
Cellnex Netherlands B.V.	(22,900)
Cellnex Telecom España, S.L.U.	(1,986,165)
Towerlink Portugal, S.A.	(4,000)
Cellnex Poland Sp. z o.o. (formerly Sevilia Sp. z.o.o.)	(3)
	7,137,113
At 31 December 2021	**20,218,413**

1 The “additions" and "Disposals" for the financial year also include the entries corresponding to the application of hedge accounting as described below

2020

Shareholding in Group companies	Thousands of Euros
At 31 December 2019	**5,577,246**
Additions1-	
Cellnex Austria, GmbH (formerly EA Einhundertsechsundsdechizigste WT Holding GmbH)	953,035
Cellnex Denmark ApS	350,005
Cellnex Finance Company, S.A.U.	1,000,060
Cellnex Ireland Limited (formerly Aramaka Limited)	499,000
Cellnex Sweden, AB (formerly Goldcup 26513 AB)	2
Cellnex Switzerland AG	1,926
Cellnex Telecom España, S.L.U.	2,000,000
Cellnex UK Limited	1,575,496
Cignal Infrastructure Services, Ltd	66,708
CLNX Portugal, S.A. (formerly Belmont Infra Holding S.A.)	1,037,384
Cellnex Poland Sp. z.o.o. (formerly Sevilia, sp. z o.o)	3
Ukkoverkot Oy	25,517
Disposals1-	
Cellnex Netherlands B.V.	(5,082)
	7,504,054
At 31 December 2020	**13,081,300**

1 The “additions" and "Disposals" for the financial year also include the entries corresponding to the application of hedge accounting as described below.

Shareholding in Group companies	Thousands of Euros	
	Net Value 2021	Net Value 2020
Cellnex Austria GmbH	953,035	953,035
Cellnex Denmark ApS	350,005	350,005
Cellnex Finance Company, S.A.U.	1,000,060	1,000,060
Cellnex France Groupe, S.A.S.	4,524,391	2,324,391
Cellnex Ireland Limited	499,000	499,000
Cellnex Italia, S.p.A.	4,555,310	952,310
Cellnex Netherlands B.V.	488,455	511,355
Cellnex Sweden, AB	633,002	2
Cellnex Switzerland, AG	598,848	581,117
Cellnex Telecom España, S.L.U.	821,335	2,807,500
Cellnex Poland Sp. z.o.o.	2,414,138	3
Cellnex UK Limited	1,886,728	1,856,985
Cignal Infrastructure Services, Ltd.	178,636	178,636
CLNX Portugal, S.A.	1,153,384	1,037,384
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	136,390	—
Towerlink Portugal, S.A.	—	4,000
Ukkoverkot Oy	25,696	25,517
Total	**20,218,413**	**13,081,300**

As of 31 December 2021 and 2020, the Company has not registered valuation corrections in the investments in Group companies based on the criteria described in Note 4.3.1.

The main additions in 2021 relate to the following transactions:

i) Agreement with Hutchison

Within the framework of the agreement reached by the Company with CK Hutchison Networks Europe Investments S.à.r.L. ("Hutchison") during the second half of 2020 described below in the detail of the main movements recorded in 2020, the Company has completed the following acquisitions during the financial year 2021:

- On 21 January 2021, the Company made a capital contribution to its investee company Cellnex Sweden, AB ("Cellnex Sweden"), amounting to EUR 633 million. This capital contribution has been destined to the acquisition of 100% of the share capital of HI3G Networks AB (currently, On Tower Sweden AB) by Cellnex Sweden, dated January 25, 2021.

- On June 21, 2021, the Company has approved a capital increase amounting to EUR 3,603 million to Cellnex Italia, S.p.A. fully paid-up, which has been destined to the acquisition of 100% of the share capital of CK Hutchison Networks Italia SPA ("Networks Co Italy").

ii) Cellnex Poland Sp. z.o.o.

On March 25, 2021, the Company has approved a capital increase in its investee company Cellnex Poland sp. z.o.o o ("Cellnex Poland") amounting to PLN 3,850 million, approximately EUR 829 million. This capital increase has been destined to the acquisition of 60% of On Tower Poland sp. z.o.o (formerly Elphin Sp. s.o.o).

In connection with such acquisition, a 40% interest is established by the other shareholder to exercise a right to sell (i) a 10% (and not less than 10%) interest for a period of 30 days from the first anniversary of the closing date of the acquisition and (ii) all for a period between the 62nd business day following the first anniversary of the closing date of the acquisition. and the fourth anniversary of the same subject to certain conditions (see Note 16 and 20).

Likewise, on July 6, 2021, the Company has approved a capital increase in Cellnex Poland for an amount of PLN 7,125 million, approximately EUR 1,585 million. This capital increase has been destined to the acquisition of 99.99% of Polkomtel Infrastrukura sp. z.o.o.

iii) Cellnex France Groupe, S.A.S.

On September 1, 2021, the Company has formalized in the investee company Cellnex France Groupe, S.A.S. a capital increase amounting to EUR 2,200 million with the aim of acquiring Hivory, S.A.S. for an amount of EUR 5,282 million, with the rest of the amount of the acquisition financed by the Group Company Cellnex Finance Company, S.A.U.

iv) CLNX Portugal, S.A.

On July 27, 2021, the Company has formalized a capital increase amounting to EUR 112 million, in addition to that made on March 12, 2021 for an amount of EUR 4 million in the investee company CLNX Portugal, S.A. with the aim of acquiring 100% of Infratower, S.A. for an amount of EUR 215 million, with the rest of the amount of the acquisition financed by the Group Company Cellnex Finance Company, S.A.U.

v) Digital Infrastructure Vehicle II SCSp SICAV-RAIF

As part of the acquisition of Cignal Infrastructure Netherlands, Cellnex Telecom, S.A. and Deutsche Telekom A.G. signed, in their capacity as initial partners of the fund, a letter of commitment under which the Company undertook to invest EUR 200 million in Digital Infrastructure Vehicle II SCSp ("DIV"). During the second quarter of 2021, DIV disposed of approximately EUR 136 million which the Company paid with cash on hand.

vi) Cellnex Telecom España, S.L.U.

On February 3, 2021, Cellnex Telecom España, S.L.U. has proceeded to the refund of the entire monetary contribution made by the Company on December 17, 2020 for an amount of EUR 2,000 million. Of the total, EUR 1,986 million have been registered with payment to the holdings held since they did not correspond to results generated by the subgroup of the investee company since its acquisition.

vii) Cellnex Netherlands B.V.

On 21 January 2021, Cellnex and Cellnex Netherlands, B.V. signed a framework agreement with Deutsche Telekom A.G., Deutsche Telecom Europe, B.V. and DIV which, inter alia, sets out the conditions, stages and mechanisms for making a contribution in kind, through DIV, of 100% of the share capital of T-Mobile Infra, B.V. ("T-Mobile Infra") to Cellnex Netherlands, B.V. in exchange for a 37.65% stake in the share capital of Cellnex Netherlands, B.V. As a result of this transaction, the Company has now held a 62.35% stake in Cellnex Netherlands, B.V. as of December 31, 2021 (100% as of December 31, 2020). In addition, Cellnex, DIV and a Dutch foundation concluded a put option contract, which provides for DIV's right to sell its 37.65% minority stake to Cellnex (see Notes 16 and 20) whose fair value at 31 December 2021 amounts to EUR 296 million.

On the other hand, during the month of May 2021, Cellnex Telecom, S.A. has approved the distribution of dividends amounting to EUR 22,900 thousand that have been recorded as the lowest cost of participation in Cellnex Netherlands, B.V. (a sole proprietorship 100% owned by Cellnex Telecom, S.A.), since they did not correspond to results generated by the subgroup of the investee company since its acquisition.

Changes in the portfolio as a result of the exchange rate:

During the year 2021, the net investment coverage in foreign businesses of certain companies such as Cellnex UK Limited and Cellnex Switzerland AG represented an increase in the cost of investment in these investees for an amount of EUR 29,743 thousand and EUR 17,731 thousand, respectively (decrease and increase of EUR 14,664 thousand and EUR 1,926 thousand, respectively, during the year 2020). This variation was made with counterpart in the income statement for the year (under the heading "Change in fair value in financial instruments" due to the exchange rate effect for the part of the hedge considered as effective hedging, this impact being offset by the effect of the contracted coverage (see Note 12.3), also registered in the same heading of the income statement "Change in fair value in financial instruments" (see Note 15.5).

The main additions in 2020 relate to the following transactions:

i. Hutchison Deal

During the second half of 2020, the Company reached an agreement with CK Hutchison Networks Europe Investments S.A.R.L. ("Hutchison") for the acquisition of Hutchison's European tower business and assets in Austria, Denmark, Ireland, Italy, the United Kingdom and Sweden through six separate transactions (one per country) (the "CK Hutchison Holdings Transactions").

Under that agreement, as of 3 November 2020, the Company has acquired Cellnex Austria, GmbH (formerly Ea Einhundertsechsundsechzigste WT Holding GmbH) whose share capital amounted to EUR 35 thousand at the date of acquisition. On 17 December 2020, the Company made an equity contribution to Cellnex Austria, GmbH for an amount of EUR 953 million.

In addition, as of 2 November 2020, the Company has acquired Cellnex Ireland Limited (formerly Aramaka Limited), for a purchase price of EUR 1. As of 17 December 2020, the Company made an equity contribution to Cellnex Ireland Limited amounting EUR 499 million.

Finally, on 3 November 2020, Cellnex Denmark ApS company was established with a share capital of DKK 40 thousand (EUR 5 thousand). On 17 December 2020, the Company made a monetary contribution to the equity of Cellnex Denmark ApS amounting EUR 350 million.

ii. Cellnex Telecom España, S.L.U.

On 17 December 2020, the Company made a monetary contribution to the equity of Cellnex Telecom España, S.L.U (a sole shareholder company owned 100% by Cellnex Telecom, S.A.), amounting 2,000 million euros.

iii. Cellnex UK Limited

During the second half of 2019, the Company and its subsidiary Cellnex UK Limited arranged a contract with Arqiva Holdings Limited, a company of the Arqiva Group, to sale the 100% of the subscribed and disbursed share capital of Arqiva Services Limited (Currenly On Tower UK, Ltd), a company to which the Arqiva Group transferred through a partial split its division of telecommunication towers in the United Kingdom, following a reorganization of assets, liabilities and activities. On 8 July 2020, the acquisition was completed after all suspensive conditions were met.

In this context, on 7 July 2020, Cellnex UK Limited (a 100% owned company owned by Cellnex Telecom, S.A.), formalised share capital an increase of GBP 1,200 million (EUR 1,331 million) in order to allocate that amount to the acquisition of On Tower UK, Ltd.

In addition, on 16 December 2020, Cellnex UK Limited (a 100% owned company owned by Cellnex Telecom, S.A.) formalized a share capital increase of EUR 235,200 thousand (EUR 259,045 thousand) disbursed in full by the Company.

iv. Cellnex Finance Company, S.A.U.

On 3 November 2020, the Company's Board of Directors approved the reorganization of its financial function in order to improve efficiency. As a result of the aforementioned reorganization, the Company has established Cellnex Finance Company, S.A.U. (a sole proprietorship 100% owned by Cellnex Telecom, S.A.) with a share capital of EUR 60 thousand. Subsequently, on 9 December 2020, the Company made a monetary contribution to the equity of Cellnex Finance Company, S.A.U. for an amount of 1,000 million euros.

In the context of the aforementioned financial reorganization of the Company, the following operations have been carried out before 31 December 2020:

(i) the transfer to Cellnex Finance Company, S.A.U., as a new debtor, of the Company's indebtedness: (a) Debts to the Company's credit institutions amounting to EUR 603,563 thousand arising from financing contracts and (b) Debts to The Group's companies and associates in the amount of EUR 210,604 thousand arising from contracts cash pooling, and

(ii) the termination of certain debt instruments granted by the Company, as a creditor, in favour of certain group companies and associates in the amount of EUR 1,623,272 thousand and the granting of new debt instruments by Cellnex Finance Company, S.A.U. in favour of the same Group companies and associates for the same amount.

In relation to the aforementioned transactions, the Company continues to act as guarantor of the debt subrogated to Cellnex Finance Company, S.A.U.

In addition, in November 2020, Cellnex Finance Company, S.A.U. established a Guaranteed Euro Medium Term Note Programme (EMTN Program), guaranteed by the Company, Cellnex Telecom, S.A.U. This programme has been registered on the Irish Stock Exchange, which is listed on Euronext Dublin and allows the issuance of bonds of up to 10,000 million euros.

Finally, debt reorganization transactions between Group companies and associates were completed and effective at the end of 2020.

v. CLNX Portugal, S.A.

In the first quarter of 2020, Cellnex Telecom, S.A. acquired 100% of the share capital of Belmont Infra Holding, S.A. Belmont Infra Holding, S.A. held all the shares of BIH-Belmont Infrastructure Holding, S.A. ("BIH") which in turn held all Omtel, Estruturas de Comunicaçoes, S.A. shares ("Omtel").

The purchase price was approximately 800 million euros (Equivalent Enterprise Value[1]), estimated on the date of the transaction and subject to certain price adjustments. On 2 January 2020 Cellnex paid EUR 300 million in cash. The remaining acquisition price (corresponding to a deferred payment of EUR 570 million, with a current value at the acquisition date of EUR 462,384 thousand) will be paid on 31 December 2027 or at an earlier date in the event of certain cases of non-compliance.

In addition, on 30 June 2020 the reverse merger between the holding companies Belmont., Belmont Infrastructure Holding, S.A. (BIH) as an absorbing company and Belmont Infra Holding, S.A. as an absorbed company has been approved. In addition, Cellnex Telecom, S.A. has approved the change of social name from Belmont Infrastructure Holding, S.A (BIH) to CLNX Portugal, S.A.

Finally, on 28 September 2020, CLNX Portugal, S.A. (a 100% owned company owned by Cellnex Telecom, S.A.), formalized a share capital increase amounting to EUR 275,000 thousand with the objective of acquiring NOS Towering (currently On Tower Portugal, S.A.)

[1] Equivalent Enterprise Value considering the initial payment and debt assumption plus deferred payment discounted at investment's internal return rate.

vi. Cignal Infrastructure Services, Ltd.

In January 2020, Cignal Infrastructure Services, Ltd. (a 100% owned company owned by Cellnex Telecom, S.A.) formalized a capital increase for compensation of credits with Group companies amounting to EUR 66,708 thousand.

vii. Ukkoverkot Oy

In the second half of 2020, Cellnex Telecom, S.A. acquired 100% of the share capital of Ukkoverkot Oy, which holds the entire capital of Edzcom Oy ("Edzcom"), amounting to EUR 25,517 thousand (Enterprise Value). Edzcom offers end-to-end private LTE networks for critical markets based on Edge Connectivity solutions.

viii. Cellnex Italia, S.p.A.

During 2020, the merger by absortion of Cellnex Italia, S.p.A., (formerly Galata, S.p.A.) has been approved (absorbing company) with IGS, S.r.L, FP Infrastructture, S.r.L. and CommsCon Italia S.r.L (absorbed companies). Subsequently, the reverse merger between Cellnex Italia, S.p.A. (absorbing company) and Cellnex Italia, S.r.L. (absorbed company) has been approved. There has been no impact of such transaction on the Company's annual accounts.

ix. Cellnex Netherlands B.V.

During December 2020, Cellnex Telecom, S.A. approved the distribution of dividends in the amount of EUR 5,082 thousand that has been recognised as a reduction of the cost of the investment in Cellnex Netherlands B.V. (a sole shareholder company owned 100% by Cellnex Telecom, S.A.).

Portfolio changes as a result of the exchange rate:

During 2020, net investment coverage of certain abroad companies such as Cellnex UK Limited and Cellnex Switzerland AG resulted in a decrease and an increase in the cost of investment respectively, in those companies for an amount of EUR 14,664 thousand and EUR 1,926 thousand, respectively (increase of 14,037 thousand euros and EUR 12,319 thousands during the 2019 financial year). This variation was made with a balancing entry in the income statement for the year (under the caption "Change in fair value in financial instruments") due to the effect of the exchange rate on the part of the coverage considered as effective coverage, said impact being offset due to the effect of the contracted coverage (see Note 12.3), also recorded in the same section of the income statement (see Note 15.5).

8.2. Impairment

As indicated in Note 4.3, at the end of the year, the Company evaluates whether any of the investments recorded in books show signs of impairment and, if applicable, their recoverable value.

For this purpose, the method for estimating the recoverable value from the net equity value was used first.

In those cases in which when applying said method it has been shown that the book value was higher, the recoverable amount of the investment has been determined based on the present value of the future cash flows derived from the investment, calculated by estimating their share in the cash flows expected to be generated by the investee, or the market value (price of recent similar transactions in the market) minus the costs associated with the sale.

In those cases in which the main activity of the investee is holding company shares, the recoverable amount has been calculated based on the aggregation of the present value of the future cash flows derived from the investment of its subsidiaries.

In order to determine this current value of the future cash flows derived from the investment, the following has been mainly carried out:

- The projections of income and expenses of the impairment tests of the previous year have been reviewed to evaluate possible deviations. In this sense, no significant deviations have been observed in the review of the impairment tests for 2020 with respect to the results for the year 2021.

- The corresponding projections of income and expenses have been made, according to the following general criteria:

  - In terms of business activity, the growth of the consumer price index (CPI) in each country in which the company operates, provided by the corresponding official bodies of each country (affected), has been taken as a reference for its estimation. by the correctors that are applicable in each case), and and a 2% fix escalator in France. In the activity of the Infrastructure business for mobile telecommunications operators has been estimated taking as reference the expected growth based on the agreements they have with different customers and the possibilities of co-location in based on the configuration and distribution of the acquired network, and other specific aspects that could affect future activity. In addition, for those countries in which exist an asset purchase agreement, the Company has considered the commitments to acquire “Built to Suite” assets in the projections.

  - For expenses, the trends were considered in light of the expected changes in the respective CPI and the projected performance of the business.

  - Additionally, the Company considered the impact of the maintenance of the infrastructure that will be carried out, using the best estimates available based on the Group's experience and taking into account the projected return of the activity.

  - Taxes have been also considered in the projections

- The cash projections obtained from the projection of income and expenses carried out according to the above-mentioned criteria, have been updated to the discount rate resulting from adding to the cost of money without risk in the long term, the risk premium assigned by the market to the country where the activity of the company is carried out, the risk premium assigned by the market to each business (both considering a long-term vision).The potential impact of climate change risks described in Note 19 has been adequately considered in the projections of the evidence of deterioration, without significant impacts.

- Projections for the first years are generally based on the closing 2021 and on the most recent medium-term projection and, after approximately year ten, on the activity growth rate evident from the service contracts. Projections covers a period higher than five years of cash flows after closing, due to the duration of the existing service contracts with customers.

As a result of the foregoing, during the 2021 and 2020 periods the need to record impairment losses in any of the investments recorded under this caption has not been revealed.

As of 31 December 2021, and 2020, there is no provision for impairment of the value of the shares held in Group companies and associates.

The most significant assumptions used in determining the fair value of the investments in Group companies were as follows:

2021

The discount rate considered for CGU Spain (Tradia Telecom, S.A.U.), CGU Spain (On Tower Telecom Infraestructuras S.A.U and Metrocall S.A.), CGU Italy (TowerCo, S.p.A. and Cellnex Italia, S.p.A.), CGU France (Cellnex France, S.A.S., On Tower France, S.A.S.), CGU Netherlands (Towerlink Netherlands B.V., Shere Masten B.V., Alticom B.V., On Tower Netherlands B.V.), CGU UK (Cellnex UK Limited and On Tower UK, Ltd.), CGU Switzerland (Swiss Towers, AG and Swis Infra Services, AG) and CGU Ireland (Cignal Infraestructure Services, Ltd. and On Tower IE), CGU Denmark (On Tower DK), CGU Portugal (OMTEL Estruturas de Comunicaçoes, S.A. and On Tower Portugal, S.A.) and CGU Austria (On Tower AT) was 5,6%, 5,3%, 5,5%, 4,6%, 4,8%, 5,2%, 4,2%, 4,8%, 4,5%, 5,6% and 4,5% respectively.

The rate of growth of the activity considered for all cash-generating units was 3,5% per annum, except for Tradia Telecom, S.A.U. which was 1.5% per annum. The rate of growth of the terminal value "g" considered for all CGU's has been 2.5%, with the exception of Tradia Telecom, S.A.U. which has been 1.0%, by incorporating the effect of the business segment "dissemination infrastructures", and which is in line with an overall rate of inflation.

For all CGU, with the exception of TowerCo S.p.A., flows have been projected until 2040, in line with the years of service delivery contracts for the "Telecommunication Infrastructure Services" segment. In the case of TowerCo S.p.A., since the business is based on the concession contract with Autostrade Per l'Italia, S.p.A., the flows have been projected until the end of that concession, in 2038.

2020

The discount rate considered for CGU Spain (Tradia Telecom, S.A.U.), CGU Spain (On Tower Telecom España, S.A.U.), CGU Italy (TowerCo, S.p.A. and Cellnex Italia, S.p.A.), CGU Netherlands (Towerlink Netherlands B.V., Shere Masten B.V., Alticom B.V., On Tower Netherlands, B.V.), CGU France (Cellnex France, S.A.S., On Tower France, S.A.S.), CGU UK (Cellnex UK Limited), CGU Switzerland (Swiss Towers AG and Swis Infra Services AG) and CGU Ireland (Cignal Infraestructure Services, Ltd.) was 5.9%, 5,5%, 6.2%, 4.9%, 5.0%, 5.5%, 4.5% and 5.3% respectively.

The rate of growth of the activity considered for all cash-generating units was 3% per annum, except for Tradia Telecom which was 1.5% per annum. The rate of growth of the terminal value "g" considered for all CGU's has been 2.5%, with the exception of Tradia Telecom, S.A.U. which has been 1.0%, by incorporating the effect of the business segment "dissemination infrastructures", and which is in line with an overall rate of inflation.

For all CGU, with the exception of TowerCo, S.p.A, flows have been projected until 2040, in line with the years of service delivery contracts for the "Telecommunication Infrastructure Services" segment. In the case of TowerCo, S.p.A., since the business is based on the concession contract with Autostrade Per l'Italia, S.p.A., the flows have been projected until the end of that concession, in 2038.

Sensitivity to changes in key assumptions

With regard to evidence of impairment of investments in the Group's companies, the recoverable value (determined on the basis of fair value as noted above) obtained from them exceeds the book value of the registered shares, so that applying significant changes in the assumptions used in those calculations would not result in a significant risk of impairment.

According to the sensitivity analysis carried out, in view of variations in the discount rates of +50 basic points, in terminal value growth rates "g" of -50 basic points and, in growth rates of activity -500 basic points, there would still be no deterioration in investments in Group companies registered by the Company as of 31 December 2021.

In this way, the recoverable amount obtained exceeds the book value of the Group's holdings in companies, although the sensitivity analysis carried out in the projections clearly demonstrates a high tolerance (above 20%) changes in key assumptions used.

8.3. Other information

The Company has no commitments in relation to its investees other than the financial investments made, as described in Note 16.2, with the exception of the balances held with those companies, which are included in Note 17.3.

9. Current and non-current financial investments

The breakdown of current and non-current financial investments by categories is as follows:

Clases	Thousands of Euros							
	Long-Term Financial Instruments				Short-Term Financial Instruments		Total	
	Heritage Instruments		Credits, derivative financial instruments and others		Credits, derivative financial instruments and others			
Categories	2021	2020	2021	2020	2021	2020	2021	2020
Financial assets at cost								
Investments in Group companies and associates (Note 8)	20,218,413	13,081,300	—	—	—	—	20,218,413	13,081,300
Financial investments	263	281	—	—	—	—	263	281
Financial assets at amortised cost:								
Investments in Group companies and associates (Note 17.3)	—	—	6,001	363,267	2,613,474	58,839	2,619,475	422,106
Debtors and other accounts receivable	—	—	—	—	53,088	18,967	53,088	18,967
Credits to third parties	—	—	7,948	10,607	2,495	2,418	10,443	13,025
Others	—	—	810	800	—	2	810	802
Assets at reasonable value with changes in profit and loss:								
Derivative financial instruments (Note 12.3)	—	—	—	6,723	77	—	77	6,723
Total	**20,218,676**	**13,081,581**	**14,759**	**381,397**	**2,669,134**	**80,226**	**22,902,569**	**13,543,204**

The Company join a venture capital fund in the ICT sector, with an undertaking to subscribe six hundred thousand shares with a nominal value of one euro each. The initial disbursement amounted to EUR 90 thousand, accounting for 15% of the equity undertaken by the Company.

As of 31 December 2021, additional contributions and partial reimbursements have been made for 49 and 67 thousand, respectively (0 and 169 thousand, respectively, as of 31 December 2020).

The caption "Credits to third parties" contains an amount of EUR 8,401 thousand (EUR 10,819 thousands at 31 December 2020), corresponding to the combined book value of the net receivables that arises as a result of the company's 2020 procurement of two derivative financial instruments that are contractually linked and whose terms of exchanges make them jointly classified as a receivables.

Deposits and guarantees also included the amount of the deposit of the office rental contract, as well as the deposit amount the new offices rental (see Note 16.3).

10. Cash and cash equivalents

The breakdown of cash and cash equivalents is as follows:

	Thousands of Euros	
	31/12/2021	31/12/2020
Cash	128,681	109,204
Cash equivalents	—	3,129,105
Total	**128,681**	**3,238,309**

As of 31 December 2021, the Company has not contracted fixed-term deposits with credit institutions (EUR 3,129,105 thousand as of 31 December 2020).

11. Net equity

11.1. Capital and treasury shares

Share capital

At 31 December 2020, the share capital of Cellnex amounted to EUR 121,677 thousand and was represented by 486,708,669 cumulative and indivisible ordinary registered shares of EUR 0.25 par value each, fully subscribed and paid.

At 31 December 2021, in accordance with the capital increases detailed below, the share capital of Cellnex Telecom increased by EUR 48,155 thousand to EUR 169,832 thousand, represented by 679,327,724 cumulative and indivisible ordinary registered shares of EUR 0.25 par value each, fully subscribed and paid.

Changes in 2021

March 2021 Capital Increase

On 30 March 2021, the Company's Board of Directors, in accordance with the authorization granted by the Annual General Shareholders' Meeting of Cellnex, held on 29 March 2021, approved a capital increase (hereinafter, the "Capital Increase") through cash contributions and recognising the preferential subscription right of the Cellnex's shareholders, as detailed below:

The Capital Increase was carried out through the issuance and sale of 192,619,055 ordinary registered shares (hereinafter, "New Shares") at a subscription price (nominal plus share premium) of EUR 36.33 per each new share. Thus, the Capital Increase amounted to approximately EUR 7,000 million, which has been fully subscribed.

Preferential subscription rights were assigned to all Cellnex shareholders who acquired shares up to 31 March 2021 and whose transactions were registered in Iberclear up to 6 April 2021 (both inclusive). Each share in circulation at that time granted the right to receive a preferential subscription right (48 rights were required to subscribe 19 new shares). The pre-emptive subscription period ended on 15 April 2021.

The New Shares offer the same political and economic rights as the ordinary shares of the Company.

The funds from the capital increase will be used to support the acquisition of Cellnex's active projects pipeline.

On 23 April 2021, the public deed for the Capital Increase, was duly registered.

On 27 April 2021, the 192,619,055 New Shares were admitted to trading on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia.

Changes in 2020

July 2020 Capital Increase

On 21 July 2020, the Company's Board of Directors, in accordance with the authorization granted by the Annual General Shareholders' Meeting of Cellnex, held on 21 July 2020, approved a capital increase (hereinafter, the "Capital Increase") through cash contributions and recognising the preferential subscription right of the Cellnex's shareholders, as detailed below:

The Capital Increase was carried out through the issuance and sale of 101,382,140 ordinary registered shares (hereinafter, "New Shares") at a subscription price (nominal plus share premium) of EUR 39.45 per each new share. Thus, the Capital Increase amounted to approximately EUR 4,000 million, which has been fully subscribed.

Preferential subscription rights were assigned to all Cellnex shareholders who acquired shares up to 24 July 2020 and whose transactions were registered in Iberclear up to 28 July 2020 (both inclusive). Each share in circulation at that time granted the right to receive a preferential subscription right (19 rights were required to subscribe 5 new shares). The pre-emptive subscription period ended on 6 August 2020.

The New Shares offer the same political and economic rights as the ordinary shares of the Company.

The funds from the capital increase will be used to support the acquisition of Cellnex's active projects pipeline.

On 14 August 2020, the public deed for the Capital Increase, was duly registered.

On 19 August 2020, the 101,382,140 New Shares were admitted to trading on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia.

Significant Shareholders

In accordance with the notifications concerning the number of shares held made to the National Securities Market Commission, the shareholders who hold significant shareholdings in the share capital of the Company, both directly and indirectly, greater than 3% of the share capital at 31 December 2021 and 2020, are as follows:

	% Stake	
	2021	2020
Edizione, S.r.l. (1)	8.53%	13.03%
GIC Private Limited (2)	7.03%	7.03%
Blackrock, Inc.	5.21%	3.80%
The Children's Investment Master Fund (3)	5.00%	—
Canada Pension Plan Investment Board	5.00%	3.16%
Fundación Bancaria Caixa D' Estalvis i Pensions de Barcelona	4.77%	4.77%
Wellington Management Group LLP (4)	4.28%	4.28%
FMR, LLC. (5)	3.22%	3.05%
Norges Bank	3.00%	3.03%
Capital Research and Management Company (6)	3.88%	3.02%
Abu Dhabi Investment Authority (7)	—	6.97%
GQG Partners, LLC.	—	3.22%
Total	**49.92%**	**55.36%**

Source: National Securities Market Commission ("CNMV").

(1) Edizione S.r.l. ("Edizione") controls Sintonia S.p.A. ("Sintonia") which in turn controls ConnecT Due S.r.l.

(2) GIC Private Limited holds directly 100% of the share capital of GIC Special Investments Private Limited ("GICSI"). GICSI provides direction and management to GIC Infra Holdings Private Limited, which in turn holds 100% of the share capital of Lisson Grove Investment Private Limited.

(3) The Children´s Investments Master Fund is managed by the TCI Fund Management Limited by means of certain investment agreements. TCI Fund Management Limited is controlled by Christopher Anthony Hohn. The transactions were executed across a number of venues, including regulated markets, MFT, and OTC.

(4) Wellington Management Company LLP is a direct controlled undertaking of Wellington Investment Advisors Holdings LLP, which, in turn, is a direct controlled undertaking of Wellington Group Holdings LLP, which in turn, is a direct controlled undertaking of Wellington Management Group LLP.

(5) At the end of 2021, FMR, LLC. controlled 3.22% of the rights to vote across several investment funds and other accounts. None of the above mentioned funds and/or accounts had a shareholding higher than 3%.

(6) The Capital Group Companies, Inc. ("CGC") is the parent company of Capital Research and Management Company ("CRMC") and Capital Bank & Trust Company ("CB&T"). CRMC is a U.S.-based investment management company that serves as investment manager to the American Funds family of mutual funds, other pooled investment vehicles, as well as individual and institutional clients.

(7) Azure Vista C 2020, S.r.l. ("Azure") is a wholly owned subsidiary of Infinity Investments S.A. ("Infinity") which is, in turn, a wholly owned subsidiary of Silver Holdings S.A., which is a wholly owned subsidiary of Abu Dhabi Investment Authority.

In addition to the shareholdings detailed above, Atlantia, S.p.A. holds a stake through financial instruments amounting to 0% (4.73% at the end of 2020).

As of 31 December 2021, Edizione positioned itself as a reference shareholder of Cellnex Telecom, S.A. with a 8.53% stake in its capital. (13.03% at 31 December 2020).

In addition, as partial consideration for the CK Hutchison Holdings Pending Transaction with regards to the United Kingdom and subject to the adjustment events, Hutchison is expected to hold upon closing of the transaction an interest of between approximately 3.4% and 4.8% in Cellnex, assuming that no adjustment events occur.

As at 31 December 2021 and 2020, none of the significant shareholders, whether individually or together, controls the Company.

Shareholders' agreement entered into between Sintonia, Infinity and Raffles.

On 22 May 2020, Edizione announced that Sintonia, Infinity and Raffles Infra Holdings Limited ("Raffles") had entered into a framework agreement (the "Shareholders' Agreement") in relation to the full non-proportional spin-off of ConnecT resulting in the allocation of the shares of Cellnex formerly held by ConnecT to ConnecT Due, Azure and Prisma Holdings, S.r.L. ("Prisma"). As provided in the Shareholders' Agreement, the term "Raffles" includes any affiliates of Raffles holding the shares of Cellnex assigned through the spin-off of ConnecT. Following the execution of the Shareholders' Agreement, Prisma sold its 6.730% stake in the share capital of Cellnex to Lisson, who is the current holder of the stake as of the date of these financial statements. Each of Raffles, Prisma and Lisson are 100% owned by GIC Infra Holdings Private Limited.

The Shareholders Agreement regulates, among other matters, certain obligations in relation to the initial appointment of their respective proprietary directors in Cellnex following completion of ConnecT spin-off in order to allow a proportional representation in the Board of Directors.

On 10 June 2020, Edizione published certain clauses of the Shareholders' Agreement which qualify as a disclosable shareholder agreement (pacto parasocial) under Spanish law. In accordance with the information made public by Edizione, the Shareholders' Agreement foresees, among other matters:

- Once Raffles informs Infinity and Sintonia of its request to have a person nominated by it appointed as a proprietary director of Cellnex, the obligation of Infinity and Sintonia to formally request, and do their best efforts to cause, any proprietary director of Cellnex nominated by them to, subject to their fiduciary duties as members of the Board of Directors, support the appointment of the person nominated by Raffles as a new director of Cellnex.

- Sintonia's obligation to have ConnecT Due to attend, either by being present or by proxy, the shareholders' meeting of Cellnex where the person nominated by Raffles will be appointed or (if appointed by the Board of Directors as director by co-optation) re-elected as a director of Cellnex and cast its votes for the appointment or re-election, as appropriate, of the person nominated by Raffles as a director of Cellnex, subject to certain conditions.

- Infinity's obligation, at the request of Raffles and provided that a proprietary director of Raffles has been appointed in accordance with the above, upon the appointment as a proprietary director of Cellnex of the person nominated by Raffles, to formally request, and do its best efforts to cause, its proprietary director to resign from his current position as member of Cellnex's Nominations and Remuneration Committee on 9 May 2022 and each of Sintonia, ConnecT Due, Infinity and Azure to formally request, and do its best efforts to cause, any proprietary director of Cellnex nominated by them to, subject to their fiduciary duties, support the appointment of the proprietary director nominated by Raffles as a new member of Cellnex's Nominations and Remuneration Committee.

The above commitments shall cease to have value and effect as soon as the provisions relating to the appointment of the person appointed by Raffles as Sunday director of Cellnex (or, as appropriate, its ratification or re-election) have been complied with by Cellnex's shareholders' meeting or on the date on which the 2021 ordinary general shareholders' meeting of Cellnex is held, whichever comes first. By way of exception, the provisions contained in the last point shall remain in force until 30 June 2022.

Shareholders’ agreement entered into between Edizione, Atlantia, Sintonia and ConnecT Due

On 17 July 2020, Edizione announced the amendment of the Co-investment Agreement entered into on 24 July 2018 in relation to Cellnex between Edizione, Atlantia, Sintonia and ConnecT (the “Co-investment Agreement”). The amendments made to the Co-investment Agreement are: (i) the replacement of Connect by Connect Due as a consequence of the spin-off of the former; (ii) the extension of the term for exercising the co-investment option (extended for a further 12 months and, therefore, until 12 July 2021) on a stake of 5.98% in Cellnex; (iii) the option of exercising the ROFO and the Right to Match provided in the original Co-investment Agreement for no more than 10% of Cellnex’s issued capital until 12 July 2025, rather than the entire stake in Cellnex indirectly held by Edizione; and (iv) the grant to Atlantia of a right of first refusal on all or part of the (unexercised) options attributed to Connect Due resulting from any future rights issues approved by Cellnex until 12 July 2025 (the “ROFR”).

According to the public announcement, the combined result of Atlantia’s exercise of its ROFO and Right to Match, on the one hand, and of the co-investment option, on the other, may not lead to Atlantia acquiring a stake in Cellnex in excess of 10% of its issued share capital.

Treasury shares

Pursuant to the authorisation granted by the Board of Directors in its meeting of 26 May 2016, Cellnex has made various purchases and sales of treasury shares.

On 31 May 2018 the Ordinary General Shareholder’s Meeting of Cellnex resolved to delegate in favour of the Company’s Board of Directors the faculty to purchase treasury shares up to a limit of 10% of the share capital of the Company.

On May 19, 2021, the Company accounced a treasury shares purchase programme up to a limit of EUR 24.7 million and with a maximum of 520,000 shares representing 0.076% of the Group's share capital. This purchase program will be used for delivery to employees in accordance with the employee remuneration payable in shares. On October 28, 2021, the aforementioned purchase program was extended to a limit of 44.7 million euros and with a maximum of 820,000 shares representing 0.12% of the Group's share capital.

On November 21, 2021, the Company announced the completion of the purchase programme, having reached the maximum number of shares to be acquired. In execution of this treasury purchase programme, 820,000 shares equivalent to 0.12% of the Company's share capital have been acquired.

During the second half of 2021, Cellnex Board of Directors approved the Cellnex’s Treasury Share Policy, which is available on the Corporate Website. Thus, during 2021, the Company carried out discretional purchases of treasury shares for an amount of EUR 57,755 thousand (EUR 6,509 thousand in 2020). These purchases have been carried out under the delegation from the General Shareholders Meeting to the Board of Directors of May 2018 and fulfilling the principles established in the treasury shares policy. The use of the treasury shares acquired under discretional purchases will depend on the agreements reached by the Corporate Governance bodies.

In addition, as of 31 December 2021 and 2020, 123,969 and 125,623 treasury shares have been transferred to employees in relation to employee remuneration payable in shares, respectively, corresponding in part to the liquidation of the Long Term Incentive Plans described in Note 16.4 of these annual accounts.

At 31 December 2021, the Company has recognised a profit of EUR 634 thousand (a profit of EUR 3.236 thousand at the end of 2020), net of fees and commissions, as a result of these operations and this has been taken as a reserve movement in the balance sheet.

The number of treasury shares as at 31 December 2021 and 2020 amounts to 1,202,351 and 200,320 shares, respectively and represents 0.177% of the share capital of the Company (0.041% as at 31 December 2020).

The movement recorded in the own share portfolio during the 2021 and 2020 financial years has been as follows:

2021

	Number (Thousands of Shares)	Average price	Purchases /Sales (Thousands of Euros)
At 1 January 2021	**200**	**40.326**	**8,078**
Purchases	1,126	51.292	57,755
Sales/Others	(124)	40.586	(5,031)
At 31 December 2021	**1,202**	**50.569**	**60,802**

2020

	Number (Thousands of Shares)	Average price	Purchases /Sales (Thousands of Euros)
At 1 January 2020	**200**	**21.117**	**4,222**
Purchases	126	51.658	6,509
Sales/Others	(126)	21.120	(2,653)
At 31 December 2020	**200**	**40.326**	**8,078**

11.2. Share premium

As of 31 December 2021, the share premium increased by EUR 6,810,826 thousand to EUR 14,580,762 thousand (EUR 7,769,936 thousand as of 31 December 2020), mainly due to the capital increase described in Note 11.1.

During 2021, a cash pay out to shareholders of EUR 32,216 thousand (EUR 29,281 thousand at 31 December 2020) was declared from the share premium account (See Note 11.4).

11.3. Reserves

The breakdown of this account is as follows:

	Thousands of Euros	
	31/12/2021	31/12/2020
Legal reserve	19,000	19,000
Voluntary reserves	45,288	114,474
Other reserves	3,172	2,683
	67,460	**136,157**

Legal reserve

In accordance with the consolidated text of the Spanish Limited Liability Companies Act, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve may not be distributed to shareholders unless the Company is liquidated.

The legal reserve may be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount.

Apart from the purpose mentioned above, the legal reserve may be used to offset losses incured unless it exceeds 20% of the capital and no other sufficient reserves are available for such purpose.

At 31 December 2021 and 2020, because of the capital increases explained in Note 11.1 and for the losses the legal reserve had not reached the legally established minimum.

Voluntary reserves

On 14 February 2018, Cellnex Telecom España, S.L.U acquired 100% of the shares of Retevisión-I, S.A.U., Tradia Telecom, S.A.U. and On Tower Telecom Infraestructuras, S.A.U. owned by Cellnex Telecom, S.A., for a book value of EUR 977 million. The capital gain generated by this operation amounted to EUR 86 million, and was recorded with a credit to reserves.

Voluntary reserves are freely available.

Other equity instruments

This caption mainly includes the equity impact of convertible bond issues, amounting to EUR 230,692 thousand as of 31 December 2021 (EUR 230,692 thousand as of 31 December 2020) as well as the impact of the Long-Term Incentive Plans liquidable in shares or options, amounting to EUR 23,451 thousand as of December 31, 2021 (EUR 13,473 thousand as of December 31, 2020).

During the 2021 financial year the caption balance increased by EUR 9,978 thousand as a result of the registration of the Long-Term Incentive Plans described in note 16.4 of these annual accounts (EUR 3,506 thousand as of December 31, 2020). In addition, during 2020 the caption balance increased by EUR 100,745 thousand because of the issuance of a convertible bond in November 2020 (see Note 12).

The convertible bonds are compound instruments that have been split into its two components: a debt component corresponding to the present value of the coupons and principal discounted at the interest rate of a bond, with same nominal amount and maturity, without the convertibility option; and an equity component, for the remaining amount, due to the bondholder option to convert into shares.

Hedge Reserve

This line item includes the reserve generated by the effective portion of the changes in the fair value of the derivative financial instruments designated and classified as cash flow hedges and/or hedges of net investments in foreign operations.

11.4. Dividends

The determination of the distribution of dividends is carried out based on the individual statutory financial statements of Cellnex Telecom, S.A., and within the framework of the legislation in force in Spain.

The dividends to distribute to the shareholders are recorded as liabilities in the financial statements as soon as the dividends are approved by the Board of Directors and until their payment, as on 21 July 2020, the Annual Shareholders' Meeting approved the distribution of a dividend charged to the share premium reserve to a maximum of EUR 109 million, to be paid upfront or through installments during the years 2020, 2021, 2022 and 2023. It was also agreed to delegate to the Board of Directors the authority to establish, if this is the case, the amount and the exact date of each payment during said period, always attending to the maximum overall amount stipulated.

According to the aforementioned Shareholders' Remuneration Policy, (i) the shareholder remuneration corresponding to the fiscal year 2020 will be equivalent to that of 2019 (EUR 26.6 million) increased by 10% (to EUR 29.3 million); (ii) the shareholder remuneration corresponding to the fiscal year 2021 will be equivalent to that of 2020, increased by 10% (to EUR 32.2 million); and (iii) the shareholder remuneration corresponding to the fiscal year 2022 will be equivalent to that of 2021, increased by 10% (to EUR 35.4 million).

During the first half of 2021, in compliance with the Company´s Shareholders' Remuneration policy, the Board of Directors, pursuant to the authority granted by resolution of the Annual Shareholders' Meeting of 21 July 2020, approved the distribution of a cash pay-out charged to the share premium reserve of EUR 11,820 thousand, which represented EUR 0.01740 for each existing and outstanding share with the right to receive such cash pay-out. In addition, during the second half of 2021, the Board of Directors approved the distribution of a dividend charged to the share premium reserve of EUR 20,396 thousand, which represented 0.03004 euros for each existing and outstanding share with the right to receive such cash pay-out.

The payment of dividends will be made on the specified dates, which will be determined in each case and duly announced.

Notwithstanding the above, the Company's ability to distribute dividends depends on a number of circumstances and factors including, but not limited to, net profit attributable to the Company, any limitations included in financing agreements and Group's growth strategy. As a result of such or other circumstances and factors, the Company may modify the Shareholders' Remuneration Policy or may not pay dividends in accordance with the Shareholders' Remuneration Policy at any given time. In any case, the Company will duly announce any future amendment to the Shareholders' Remuneration Policy.

12. Current and non-current debt

The breakdown, by category, of short and long-term debts payable is as follows:

Classes	2021													
	Long-Term Financial Instruments						Short-Term Financial Instruments						Total	
	Obligations and debts with financial institutions		Derivative financial instruments		Other financial liabilities		Obligations and debts with financial institutions		Derivative financial instruments		Other financial liabilities			
Categories	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Financial liabilities at amortized cost or cost	6,943,420	7,478,501	—	—	499,788	486,336	654,781	58,440	—	165	15,602	6,258	8,113,591	8,029,700
Financial liabilities at fair value with changes in profit and losses:														
financial instruments of hedges of a net investment in a foreign operation	—	—	14,339	—	—	—	—	—	—	—	—	—	14,339	—
Financial liabilities at fair value with changes in net equity:														
financial instruments of cash flow hedge	—	—	2,622	4,907	—	—	—	—	—	—	—	—	2,622	4,907
Total	**6,943,420**	**7,478,501**	**16,961**	**4,907**	**499,788**	**486,336**	**654,781**	**58,440**	**—**	**165**	**15,602**	**6,258**	**8,130,552**	**8,034,607**

During the year ended at 31 December 2021, the Company increased its borrowings from bond issues and loans and credit facilities (which do not include “Derivative Financial Instruments” or “Other financial liabilities”) by EUR 61,260 thousand to EUR 7,598,201 thousand.

The increase in the Company’s bond issues is mainly due to the update of the present value of the debt components of convertible bonds based on their accounting treatment as a compound financial instrument.

The purpose of the financial policy, approved by the Board of Directors of the Company, is to obtain financing, at the lowest cost and longest possible period, diversifying the sources of financing. In addition, it is intended to promote access to the capital market and to have greater flexibility in financing contracts that facilitate continuing the growth strategy of the Group of which the Company is head.

As at 31 December 2021 the 99% (99% in 2020) of the financial debt was at a fixed interest rate or fixed through hedgings.

As at 31 December 2021 and 31 December 2020, the breakdown of the Company's borrowings (i) by maturity, (ii) by type of debt and (iii) by currency is as follows:

(i) Borrowings by maturity

2021

	Thousands of Euros							
			Non-current					
	Limit	Current	2023	2024	2025	2026	2027 and subsequent years	Total
Bond Issues	7,741,369	667,648	2,394	752,431	597,410	833,166	4,820,541	7,673,590
Accruals of bond arrangements expenses	—	(12,867)	(12,409)	(11,151)	(10,256)	(8,105)	(20,601)	(75,389)
Derivative financial instruments	—	—	—	—	—	7,751	9,210	16,961
Other financial liabilities	—	15,602	4,500	—	6,000	—	489,288	515,390
Total	**7,741,369**	**670,383**	**(5,515)**	**741,280**	**593,154**	**832,812**	**5,298,438**	**8,130,552**

2020

	Thousands of Euros							
			Non-current					
	Limit	Current	2022	2023	2024	2025	2026 and subsequent years	Total
Bond Issues	7,729,340	69,531	602,358	2,394	752,431	593,189	5,603,452	7,623,355
Accruals of bond arrangements expenses	—	(13,078)	(12,856)	(12,392)	(11,134)	(10,242)	(28,699)	(88,401)
Loans and credit facilities	—	1,987	—	—	—	—	—	1,987
Derivative financial instruments	—	165	—	—	—	—	4,907	5,072
Other financial liabilities	—	6,258	—	4,500	—	6,000	475,836	492,594
Total	**7,729,340**	**64,863**	**589,502**	**(5,498)**	**741,297**	**588,947**	**6,055,496**	**8,034,607**

(ii) Borrowings by type of debt

	Thousand of Euros					
	Notional as of 31/12/2021(*)			Notional as of 31/12/2020(*)		
	Limit	Drawn	Undrawn	Limit	Drawn	Undrawn
Bond issues	7,741,369	7,741,369	—	7,729,340	7,729,340	—
Total	**7,741,369**	**7,741,369**	**—**	**7,729,340**	**7,729,340**	**—**

(*) These concepts include the notional value of each caption and are not the gross or net value of the caption. See "Borrowings by maturity"."

(iii) Borrowings by currency

	Thousand of Euros	
	31/12/2021(*)	31/12/2020(*)
EUR	7,928,368	7,857,502
CHF	277,573	265,506
Total	**8,205,941**	**8,123,008**

(*) The amounts shown in the preceding table relate to the cash flows set forth in the contracts, which differ from the carrying amount of the borrowings due to the effect of avoiding the incorporation of accrual expenses.

As described in Note 5.1 of these annual accounts, the exchange rate risk on net investment in shares of Group companies operating in currencies other than the euro is managed both through loans and obligations denominated in the relevant foreign currency and through derivative financial instruments (see Note 12.3). In this context, the Company maintains investments in Group companies (Cellnex UK Limited and Cellnex Switzerland, AG) in foreign currency (Pound Sterling and Swiss Francs) and maintains loans and other obligations in Pound Sterling and Swiss francs acting as natural investment coverage in those companies.

As a result of the reorganization of the financial function explained in Note 8.1, some of these debts that the Company maintained as of 31 December 2020 have been subrogated by Cellnex Finance Company, S.A.U. In this sense, the Company and Cellnex Finance Company, S.A.U. with the aim of maintaining the coverage of foreign currency investments in the Company, which they previously maintained through natural coverage through the aforementioned foreign currency debts, have formalized a swap of foreign exchange (see Note 12.3) for a nominal of CHF 150,000 thousand and a value of EUR 136,005 thousand. In addition, the Company has contracted with third currency swaps that, together with debt issued in euros, act as natural coverage of foreign currency investments.

Finally, as of 31 December 2021, once the above mentioned restructuring has been considered, the Company maintains, on the one hand, euro obligations which, together with a swap in contracted currencies with a value of EUR 450,000 thousand and a value of GBP 382,455 thousand, act as a natural coverage of net investment in Cellnex UK Limited and, on the other hand, Swiss franc bonds amounting to CHF 285,000 thousand and a value of EUR 275,869 thousand acting as natural coverage of net investment in Cellnex Switzerland, AG. The interests accrued not paid as of 31 December 2021 amount to CHF 1,760 thousand and a value of EUR 1,704 thousand.

12.1. Bond issues

The detail of the bonds and other financing instruments at 31 December 2021 and 2020 is as follows:

	Thousand of Euros	
	31/12/2021	31/12/2020
Bond issues	7,598,201	7,534,954
Bond issues and other loans	**7,598,201**	**7,534,954**

i) Euro Medium Term Note Programme – (EMTN) Programme

Since 2015, the Group formalized, through the Company, a Euro Medium Term Note Programme (EMTN Programme). This EMTN Programme was registered on the Irish Stock Exchange listed as Euronext Dublin and is renewed annually. As of 31 December 2021, this Program allows bonds totalling EUR 10,000 million to be issued and the last renewal date was in May 2020.

Since December 2020, Cellnex Finance Company, S.A.U. is the Group's leading financial institution. Thus, a guaranteed Euro Medium Term Note Programme (the "Guaranteed EMTN Program") was established in Cellnex Finance Company, S.A.U., guaranteed by the Company, registered on the Irish Stock Exchange listed as Euronext Dublin, and which allows the issuance of bonds for an aggregate amount of EUR 10,000 million. The Guaranteed EMTN Program was last renewed in August 2021 for a period of 12 months with a maximum aggregate amount of EUR 15,000 million.

Following the establishment of the Guaranteed EMTN Program by Cellnex Finance Company, S.A.U., the Group has ceased to renew the EMTN Program with the Company.

In March 2016 Cellnex was added to the list of companies whose corporate bonds are eligible for the European Central Bank (ECB) Corporate Sector Purchase Programme (CSPP). Since May 2015 under the aforementioned EMTN programme, Cellnex has issued bonds aimed at qualified investments, according to the following details:

2021

Issue Date	Duration	Maturity Date	Fitch / S&P rating	ISIN	Fixed Coupon payable per annum	Thousands of Euros	
						Amount of issue	**Amount of issue at 31 December 2021**
27/7/2015	7 years	27/7/2022	BBB-/BB+	XS1265778933	3.13%	600,000	600,000
10/8/2016	8 years	16/1/2024	BBB-/BB+	XS1468525057	2.38%	750,000	750,000
16/12/2016	16 years	20/12/2032	BBB-/NA	XS1538787497	3.88%	65,000	65,000
18/1/2017	8 years	18/4/2025	BBB-/BB+	XS1551726810	2.88%	335,000	335,000
7/4/2017	9 years	7/4/2026	BBB-/NA	XS1592492125	Eur 6M+2.27%(1)	80,000	80,000
3/8/2017	10 years	3/8/2027	BBB-/NA	XS1657934714	Eur 6M+2.20%	60,000	60,000
31/7/2019	10 years	31/7/2029	BBB-/NA	XS2034980479	1.90%	60,500	60,500
20/1/2020	7 years	20/4/2027	BBB-/BB+	XS2102934697	1.00%	450,000	450,000
29/1/2020	7 years	18/2/2027	BBB-/NA	CH0506071148	0.78%	179,072	179,072
26/6/2020	5 years	18/4/2025	BBB-/BB+	XS2193654386	2.88%	165,000	165,000
26/6/2020	9 years	26/6/2029	BBB-/BB+	XS2193658619	1.88%	750,000	750,000
17/7/2020	5 years	17/7/2025	BBB-/BB+	CH0555837753	1.10%	96,796	96,796
23/10/2020	10 years	14/10/2030	BBB-/BB+	XS2247549731	1.75%	1,000,000	1,000,000
						4,591,368	**4,591,368**

(1) Coupon hedged by Interest Rate Swaps. See section of derivative financial instruments.

Bond issuance during 2020

On 9 January 2020, the Company completed the pricing of an Euro-denominated bond issuance (with ratings of BBB- by Fitch Ratings and BB+ by Standard&Poor's) aimed at qualified investors for an amount of EUR 450,000 thousand, maturing in April 2027 and with a coupon of 1.0%. Simultaneously, the Group entered into several cross-currency swap agreements with reputable financial counterparties by which Cellnex lent the EUR 450,000 thousand received and borrowed the equivalent amount in GBP at an agreed exchange rate, enabling Cellnex to obtain approximately GBP 382,455 thousand at a cost of 2.2%. In addition, on 29 January 2020, the Group completed the pricing of a CHF-denominated bond issuance (with a rating of BBB- by Fitch Ratings) for an amount of CHF 185,000 thousand, maturing in February 2027 and with a coupon of 0.775%. On 16 June 2020, the Group completed the pricing of a dual-tranche Euro-denominated bond issuance (with ratings of BBB- by Fitch Ratings and BB+ by Standard&Poor's) aimed at qualified investors, including a tap of the bond maturing in April 2025 for an amount of EUR 165,000 thousand, and with an equivalent coupon of 1.4%; and a new bond for an amount of EUR 750,000 thousand, maturing in June 2029 and with a coupon of 1.875%. In addition, on 22 June 2020, the Group completed the pricing of a CHF-denominated bond issuance (with a rating of BBB- by Fitch Ratings) for an amount of CHF 100,000 thousand, maturing in July 2025 and with a coupon of 1.1%. On 14 October 2020, the Group completed the pricing of a Euro-denominated bond issuance (with ratings of BBB- by Fitch Ratings and BB+ by Standard&Poor's) for an amount of EUR 1,000,000 thousand, maturing in October 2030 and with a coupon of 1.75%.

The bond issuances in Swiss francs are listed on the Swiss Stock Exchange (SIX) and the euro issuances are listed on the Irish Stock Exchange (ISE).

2020

Issue Date	Duration	Maturity Date	Fitch / S&P rating	ISIN	Fixed Coupon payable per annum	Thousands of Euros	
						Amount of issue	**Amount of issue at 31 December 2020**
27/7/2015	7 years	27/7/2022	BBB-/BB+	XS1265778933	3.13%	600,000	600,000
10/8/2016	8 years	16/1/2024	BBB-/BB+	XS1468525057	2.38%	750,000	750,000
16/12/2016	16 years	20/12/2032	BBB-/NA	XS1538787497	3.88%	65,000	65,000
18/1/2017	8 years	18/4/2025	BBB-/BB+	XS1551726810	2.88%	335,000	335,000
7/4/2017	9 years	7/4/2026	BBB-/NA	XS1592492125	Eur 6M+2.27%(1)	80,000	80,000
3/8/2017	10 years	3/8/2027	BBB-/NA	XS1657934714	Eur 6M+2.20%	60,000	60,000
31/7/2020	10 years	31/7/2029	BBB-/NA	XS2034980479	1.90%	60,500	60,500
20/1/2021	7 years	20/4/2027	BBB-/BB+	XS2102934697	1.00%	450,000	450,000
29/1/2021	7 years	18/2/2027	BBB-/NA	CH0506071148	0.78%	171,265	171,265
26/6/2021	5 years	18/4/2025	BBB-/BB+	XS2193654386	2.88%	165,000	165,000
26/6/2021	9 years	26/6/2029	BBB-/BB+	XS2193658619	1.88%	750,000	750,000
17/7/2021	5 years	17/7/2025	BBB-/BB+	CH0555837753	1.10%	92,575	92,575
23/10/2021	10 years	14/10/2030	BBB-/BB+	XS2247549731	1.75%	1,000,000	1,000,000
						4,579,340	**4,579,340**

(1) Coupon hedged by Interest Rate Swaps. See section of derivative financial instruments..

The bond issues have certain associated costs, customary in this type of transactions such as arrangement expenses and advisors' fees, which amounted to EUR 59,175 thousand as of 31 December 2020, which the Company defers over the life of the bonds and are taken to the income statement following a financial criteria. In this regard, an amount of EUR 75,389 thousand and EUR 88,401 thousand was deducted from bond issues in the balance sheet as of 31 December 2021 and 2020, respectively.

The arrangement expenses and advisors' fees accrued in the income statement for the year ended 31 December 2021 in relation to the bond issues amounted to EUR 13,012 thousand (EUR 9,376 thousand as of 31 December 2020).

Convertible bonds issue

The Company has issued the Convertible Bonds described in the table below, all of them addressed to qualified investors:

2021

Issue	Initial Duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	**Balance as at 31 December 2021 (Thousands of Euros)**
16/1/2018	8 years	16/1/2026	BBB-/NA	XS1750026186	1.50%	566,223
21/1/2019	7 years	16/1/2026	BBB-/NA	XS1750026186	1.50%	186,943
5/7/2019	9 years	5/7/2028	BBB-/NA	XS2021212332	0.50%	837,490
20/11/2020	11 years	20/11/2031	BBB-/NA	XS2257580857	0.75%	1,418,057
TOTAL						**3,008,713**

2020

Issue	Initial Duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	Balance as at 31 December 2020 (Thousands of Euros)
16/1/2018	8 years	16/1/2026	BBB-/NA	XS1750026186	1.50%	558,469
21/1/2020	7 years	16/1/2026	BBB-/NA	XS1750026186	1.50%	183,964
5/7/2019	9 years	5/7/2028	BBB-/NA	XS2021212332	0.50%	823,711
20/11/2020	11 years	20/11/2031	BBB-/NA	XS2257580857	0.75%	1,400,343
TOTAL						**2,966,487**

The 2020 Convertible Bond

In November 2020, the Company issued new senior unsecured convertible bonds (the "2020 Convertible Bond") and together with the Original Convertible Bonds and the 2019 Convertible Bond, the "Convertible Bonds"). The underlying number of Shares of the 2020 Convertible Bond is equivalent to c.3.2% of the Company's share capital as of the issue date. Bondholders may request Cellnex to repurchase the 2020 Convertible Bond (i) in the event of a change of control of the Company; or (ii) in the event that a tender offer is made with respect to the Shares which leads to a change of control of Cellnex.

The 2020 Convertible Bond has a coupon of 0.75% per annum of the notional amount payable annually in arrears. Cellnex may opt to redeem all (but not part) of the 2020 Convertible Bonds on or after 11 December 2028, if the market value of the underlying Shares per EUR 100,000 of principal amount of the Convertible Bonds exceeds 150% of the accreted principal amount of the 2020 Convertible Bonds during a specific period of time or, at any time, if more than 85% of the aggregate principal amount of the 2020 Convertible Bonds has been converted and/or redeemed and/or purchased and cancelled.

The 2020 Convertible Bonds will reach maturity in November 2031 and are rated BBB- by Fitch. Any 2020 Convertible Bonds which have not been previously converted, redeemed or repurchased and cancelled by then, will be redeemed in full at a redemption price equal to 107.37% of their principal amount, implying a yield to maturity of 1.375% per annum.

The initial conversion price of the 2020 Convertible Bond was EUR 97.07, which represented a premium of 70% over the placement price per existing Share, determined pursuant to a simultaneous placement of existing Shares on behalf of certain subscribers of the 2020 Convertible Bond, who wished to sell these existing Shares to purchasers in order to hedge their market risk with respect to the 2020 Convertible Bonds, and was subject to customary adjustments. As a result of the agreed redemption price, the effective conversion price is EUR 104.2241

These convertible bonds have been treated as a compound instrument and have been split into its two components: a debt component amounting EUR 1,398 million, corresponding to the present value of the coupons and principal discounted at the interest rate of a bond, with same nominal amount and maturity, without the convertibility option; and an equity component, for the remaining amount, due to the bondholder option to convert into shares, included in the heading “Other equity instruments”.

Clauses regarding changes of control

The Terms and Conditions of the bonds to be issued under the EMTN Programme and of the Convertible Bonds include a change of control put clause, at the option of bondholders, which could result in its early repayment.

For the bonds issued under the EMTN Programme, the put option can only be triggered if a change of control event occurs and there is a rating downgrade caused by the change of control event (as defined in the Terms and Conditions of the EMTN Programme). For the Convertible Bond, the put option can only be triggered if a change of control occurs or if a tender offer triggering event occurs (as defined in the Terms and Conditions of the Convertible Bonds).

Under the EMTN Programme and the Convertible Bonds, a “change of control event” is defined as the acquisition of more than 50% of the voting rights in respect of Cellnex or the right to appoint or dismiss all or the majority of the members of the Board of Directors of Cellnex.

Bonds obligations and restrictions

As at 31 December 2021 and 2020, Cellnex had no restrictions regarding the use of proceeds from its bond offerings, had not provided any collateral for any obligations in connection with its outstanding bonds and the bonds ranked pari passu with the rest of Cellnex’s unsecured and unsubordinated borrowings.

ii) Euro-Commercial Paper Programme – (ECP) Programme

In June 2018 Cellnex established an Euro-Commercial Paper Programme (the “ECP Programme”) with the Irish Stock Exchange, plc. trading as Euronext Dublin, which was renewed in June 2020. The ECP Programme has a limit of EUR 500 million or its equivalent in GBP, USD and CHF. As of 31 December 2021, and 2020, there were no amounts drawn down in euros under the ECP Programme nor in GBP or CHF.

Bonds obligations and restrictions

As at 31 December 2021 and 2020, the Company had no restrictions regarding the use of capital resources nor had it guarantees and the bonds rank pari passu with the rest of the unsecured and unsubordinated borrowings.

Bond issuances, which are traded on active markets, are valued in EUR 8,624 thousand, based on market prices at the corresponding closing date.

12.2. Loans and credit facilities

As of 31 December 2020, the Company transferred all debt to credit institutions to the Group Company Cellnex Finance Company, S.A.U. (see Note 8.1).

12.3 Derivative financial instruments

The Company has complied with the requirements detailed in Note 4 on valuation standards in order to classify the financial instruments detailed below as hedging. In particular, the Company carries out an analysis of the extent to which changes in the fair value or cash flows of the hedging instrument would offset changes in the fair value or cash flows of the hedged item attributable to the risk to be hedged. Taking into account this analysis, the Company determines the existence of the economic relationship and the coverage ratio.

At each year-end, the Company analyses the ineffectiveness and assesses whether there is still an economic relationship or whether the coverage ratio established is appropriate. The possible sources of ineffectiveness considered by the Company in the designation of the coverage ratio and determination of the coverage ratio are:

-The hedging instrument and the hedged item have different expiration dates, start dates, trading dates, repricing dates, etc.

- The initial value of the hedging instrument is non-zero.

- The underlying of the hedged item and the hedging instrument are not homogeneous.

a) Cash flow Hedge:

2021

Covered Item	Hedging instruments	Covered Risk	Type	Thousands of Euros				
				Notional Value	Maturity (*)	Changes in Fair Value Recognised in Income Statement	Fair Value Hedging Instrument	
							Active	Passive
Variable interest rate financing	Interest rate swap	Euribor 6M	Variable to fixed	80,000	4/7/2026	—	—	2,622

(*) The maturity of the hedging instrument coincides th the year in which cashflows are expected to ocurr and affect the profit and loss account.

2020

Covered Item	Hedging instruments	Covered Risk	Type	Thousands of Euros				
				Notional Value	Maturity (*)	Changes in Fair Value Recognised in Income Statement	Fair Value Hedging Instrument	
							Active	Passive
Variable interest rate financing	Interest rate swap	Euribor 6M	Variable to fixed	80,000	4/7/2026	—	—	4,907

(*) The maturity of the hedging instrument coincides th the year in which cashflows are expected to ocurr and affect the profit and loss account.

The breakdown of the amounts recorded in equity and profit and loss account for the years 2021 and 2020 is as follows:

	Thousands of Euros	
	2021	2020
Results directly attributed to net worth	2,285	(1,096)
Results transferred to the profit and loss account:		
Of those included under the heading of "Financial Expenses"	227	(217)

The following are the derivative financial instruments hedging cash flows as of December 31, 2021 and 2020, indicating their notional or contractual values, their maturity dates and their fair values:

2021

	Thousands of Euros							
	31/12/2021							
	National amount	2022	2023	2024	2025	2026	Years after	Net fair value (*)
Interest rate swaps:								
Cash flow hedges	80,000	(960)	(729)	(459)	(370)	(144)	—	(2,622)
Total	**80,000**	**(960)**	**(729)**	**(459)**	**(370)**	**(144)**	**—**	**(2,622)**

(*) The maturity of the hedging instrument coincides with the year in which cash flows are expected to occur and affect the profit and loss account.

2020

	Thousands of Euros							
	31/12/2020							
	National amount	2021	2022	2023	2024	2025	Years after	Net fair value (*)
Interest rate swaps:								
Cash flow hedges	80,000	(959)	(976)	(952)	(911)	(864)	(369)	(4,907)
Total	**80,000**	**(959)**	**(976)**	**(952)**	**(911)**	**(864)**	**(369)**	**(4,907)**

(*) The maturity of the hedging instrument coincides with the year in which cash flows are expected to occur and affect the profit and loss account..

Interest rate swaps

Bonds issued in April 2017 amounting to EUR 80 million and maturing in April 2026 have been covered by interest rate swaps that convert the interest rate on bonds from variable- to- fixed bond (see Note 12). The total amount and maturity of the interest rate swaps match with those of the underlying bond. By contracting these interest rate swaps, the resulting fixed interest rate this issue of 80 million euros is 2.945%.

During the 2021 and 2020 financial year, the following operations were carried out:

i) The Company designated cash acquired in Polish zlotys amounting to PLN 3,850 million, to cover the disbursement in relation to the investment commitment acquired in October 2020 for the acquisition of On Tower Poland, sp. z.o.o., which was completed on 31 March 2021 (see Note 8.1). Cash acquired in Polish zlotys was classified as a hedge when the requirements for that classification were met since, inter alia, that investment commitment was linked to a highly probable transaction at the time of acquisition of the currencies. Consequently, the euro-Polish zloty conversion differences of EUR 19,626 thousand (EUR 14,719 thousand without taking into account the tax effect) have been recognised under the heading "Adjustments for changes in value" of the accompanying balance sheet.

ii) The Company designated cash acquired in Polish zlotys amounting to PLN 7,125 million, to cover the disbursement in relation to the investment commitment acquired in February 2021 for the acquisition of Polkomtel Sp. z.o.o., which was completed on July 8, 2021 (see Note Note 8.1). Cash acquired in Polish zlotys was classified as a hedge when the requirements for that classification were met since, inter alia, that investment commitment was linked to a highly probable transaction at the time of acquisition of the currencies. Consequently, the euro-Polish zloty conversion differences of EUR -1,654 thousand (EUR 1,241 thousand without taking into account the tax effect) have been recognised under the heading "Valuation adjustments" of the accompanying balance sheet.

iii) In addition, the Company designated cash acquired in pounds sterling in the amount of GBP 1,200 million to cover the disbursement in connection with the investment commitment acquired made in October 2019 for the acquisition of On Tower Uk, Ltd., which was completed on 8 July 2020 (see Note 8.1). Cash acquired in pounds sterling was classified as a hedging inhedge upon compliance with the requirements for such classification since, interless other thingsinter alia, that investment commitment was linked to a highly likely transaction at the time of acquisition of the currencies. Consequently, the euro-pound sterling conversion differences amounting to EUR 4,422 thousand (EUR 3,316 thousand without taking into account the tax effect) have been recognised under the caption "Valuation adjustments" of the accompanying balance sheet.

b) Hedges of a net investment in a foreign operation:

2021

Hedge item	Hedging Instrument	Covered Risk	Thousands of Euros				
			Notional Value	Result Hedging Instrument	Result Covered Item Attributable to Covered Risk	Fair Value Hedging Instrument	
						Active	Pasivo
Holdings in the United Kingdom	Cross currency swap	GBP/EUR exchange rate	450,000	(29,743)	29,743	—	9,210
Holdings in Switzerland	Cross currency swap	CHF/EUR exchange rate	136,005	(17,731)	17,731	—	5,129

2020

Hedge item	Hedging Instrument	Covered Risk	Thousands of Euros				
			Notional Value	Result Hedging Instrument	Result Covered Item Attributable to Covered Risk	Fair Value Hedging Instrument	
						Active	Passive
Holdings in the United Kingdom	Cross currency swap	GBP/EUR exchange rate	450,000	14,665	(14,665)	6,116	—
Holdings in Switzerland	Cross currency swap	CHF/EUR exchange rate	170,011	(1,926)	1,926	607	—

The following are the derivative financial instruments hedging net investment in abroad businesses as of December 31, 2021 and 2020, indicating their notional or contractual values, their maturity dates and their fair values:

2021

	Thousands of Euros							
	31/12/2021							
	National amount	2022	2023	2024	2025	2026	Years after	Net fair value (*)
Cross currency swaps:								
Hedges of a net investment in a foreign operation	586,005	(4,584)	(4,396)	(4,292)	(4,128)	(14,547	16,753	(14,339)
Total	**586,005**	**(4,584)**	**(4,396)**	**(4,292)**	**(4,128)**	**(14,547**	**16,753**	**(14,339)**

(*) The difference between the future cash flows and the derivative financial instruments net fair value, corresponds to the bilateral credit risk adjustment.

2020

	Thousands of Euros							
	31/12/2020							
	National amount	2021	2022	2023	2024	2025	Years after	Net fair value (*)
Cross currency swaps:								
Hedges of a net investment in a foreign operation	620,011	(5,930)	(4,549)	(4,517)	(5,077)	(4,762)	31,436	6,723
Total	**620,011**	**(5,930)**	**(4,549)**	**(4,517)**	**(5,077)**	**(4,762)**	**31,436**	**6,723**

(*) The difference between the future cash flows and the derivative financial instruments net fair value, corresponds to the bilateral credit risk adjustment.

Interest rate swaps and/or exchange rates in different currencies

During the 2021 and 2020 financial year, the following operations were carried out:

i) At the end of 2020,The Company formalized a Cross Currency Swap ("CCS") amounting to CHF 183 million (EUR 170,011 thousand) with Cellnex Finance Company, S.A. The arrangement of the derivative financial instrument was carried out with the aim of obtaining natural hedge in the foreign currency investment in Cellnex Switzerland AG when the debt was transferred to Cellnex Finance S.A.U. with the reorganization of the Group's financial structure (see Notes 8 and 17.3). During the 2021 financial year, derived from the early repayment of the debt by Cellnex Finance Company, S.A.U., the previous swap was restructured by formalizing a new currency swap for the amount of CHF 150 million (EUR 136,005 thousand) with the aim of continuing to maintain the coverage in foreign currency investment of the subsidiaries of Switzerland.

i) During 2020, the Company contracted a Cross Currency Swap ("CCS") amounting to EUR 450 million and a sterling value of GBP 382 million, which has been designated together with the bond issue of EUR 450 million bond (see Note 12), as natural hedge of the net investment in Cellnex UK Limited.

c) Trading derivate financial instruments

On September 22, 2021, the company formalized a repurchase agreement for debt securities amounting to EUR 500 million with a financial institution. The Company has complied with the requirements detailed in Note 4 on valuation standards to be considered and valued as a single combined instrument and, consequently, to be registered as a single transaction equivalent to an interest rate swap. Although, it cannot be qualified as a hedging derivative financial instrument. Accordingly, the change in fair value of EUR 77 thousand has been recognized under the heading "Change in the fair value of financial instruments" in the accompanying profit and loss account.

12.4 Other financial liabilities

The caption "Other non-current financial liabilities" corresponds to the outstanding balance for the purchase of companies made by the Company (see Note 8.1).

In the context of the acquisition of OMTEL, Estructuras de Comunicacaoes, S.A. (see Note 8), this caption includes the current value of the outstanding amount of the total acquisition price, amounting to EUR 570 million, to be paid on 31 December 2027 or if certain cases of non-compliance ("certain events of default") materialize, whichever comes first. The amount of the previous deferred payment is updated to its present value at an annual market discount rate of 2.65% at each period end. As of 31 December 2021, the present value of the deferred payment was EUR 489,288 thousand. For its part, the impact under the caption "Financial expenses" of the corresponding accompanying profit and loss account for the year amounted to EUR 13,452 thousand.

In addition, arising from the acquisition of Ukkoverkot Oy (see Note 8) a financial liability has been recorded at the current value of the variable price of EUR 10,500 thousand, which will be paid if certain established compliances materialize, with EUR 4,500 thousand in 2023 and EUR 6,000 thousand in 2025.

The caption "other financial liabilities" corresponds to the outstanding balance with fixed asset suppliers as a result of the acquisitions of fixed assets undertaken by the Company during the current year (see Notes 6 and 7)

12.5. Guarantees delivered and financial ratios

As of 31 December 2021, the Company acts as guarantor in relation to the financing agreements arranged and loans drawn by Cellnex Finance Company, S.A.U. for an equivalent value in euros of EUR 107 million and EUR 193 million, respectively, as well as in relation to the EMTN program established by Cellnex Finance Company, S.A.U. in November 2020 and the loan amounting to GBP 600 million subscribed by

Cellnex UK Limited. The Company acts as guarantor in relation to the bond issues completed by the group company Cellnex Finance Company, S.A.U, during the year 2021, for a total amount of 6,025 million.

As of 31 December 2021, the Company acts as guarantor in relation to the undrawn credit facility provided policy not arranged by Cellnex Finance Company, S.A.U. for an amount of 4,300 million euros.

In this respect, there are no obligations or financial ratios associated with guaranteed financing agreements that may result in liabilities being immediately claimable by the lender at the date of these annual accounts.

12.6. Corporate rating

As of 31 December 2021, Cellnex Telecom holds a long-term "BBB-" (Investment Grade) rating with a stable outlook, granted by the international credit agency Fitch Ratings Ltd as confirmed by a report issued on 19 January 2022, and a long-term "BB+" with a stable outlook, granted by the international credit agency Standard & Poor's Financial Services LLC, confirmed in the report issued on 28 June 2021.

13. Income tax and tax situation

13.1. Tax-related disclosures

Cellnex Telecom, S.A.,is taxed under the tax consolidation regime, for the purposes of Corporate Tax, being the Parent Company of the Tax Group, the subsidiaries of which are composed of investees at least 75% owned by it and with tax residence in Spain. The subsidiaries companies included in the tax consolidation group in 2021 are the following: Cellnex Telecom España, S.L.U., Retevisión-I, S.A.U., Tradia Telecom, S.A.U., On Tower Telecom Infraestructuras, S.A.U. Gestora del Espectro, S.L., Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A., Zenon Digital Radio, S.L. and Cellnex Finance Company, S.A.U.

During the year 2016, the Company became the parent company of a new tax consolidation group for the purposes of the Value Added Tax in Spain.

Status of inspections and litigation

The Company has pending verification of all taxes not legally prescribed. In relation to Corporate Tax, the years that are pending verification are from the year 2017 onwards. Due to interpretative differences of the current fiscal regulations applicable to some operations, fiscal liabilities of a contingent nature of difficult objective quantification could be revealed in the future. In any case, the consequences that could arise should not significantly affect the annual accounts of the Company.

On 3 July 2018, the Company received notice of initiation of tax audit for the concepts Corporate Income Tax (Consolidated Group), corresponding to the 2015 and 2016 fiscal years, and Value Added Tax, corresponding to the periods between April and December 2015 (individual) and 2016 (VAT group).

On 12 June 2020, tax records were issued in accordance with corporation tax for the years 2015 to 2018. For 2015 and 2016, the minutes are final. For 2017 and 2018, the minutes are provisional, since the inspection procedure merely verified basically the correct application of the reduction of income from the transfer of certain intangible assets. The total amount resulting from the taxes payable for the Company amounted to EUR 1,177 thousand and has been recorded in reserves. The Company's Administrators have considered that the criteria applied by the tax authorities do not have a significant impact on the years open to inspection.

Also, on 9 June 2020 unaccepted tax reassessments were communicated in respect of VAT. The proposed assessment amounted to EUR 2,413 thousand. The reason for the reassessment was the different interpretation of the financial activity carried out and how this affects the deductibility of certain items.

The allegations put forward by the Company were not accepted and on 22 December 2020 final assessments were communicated. In January 2021 the Company has appealed the final assessments before the Economic-Administrative Court and requested for the adjournment of the assessments by granting a bank guarantee to the Spanish Tax Authorities.

In all cases, the inspection authorities have considered the Group's approach to be reasonable and have expressly stated that no sanctions will be proposed.

The Company considers that there were no significant impacts arising from the tax audit, nor possible significant interpretative differences in tax legislation

13.2. Current balances with public authorities

Details of current balances with public authorities are as follows:

Receivables

	Thousands of Euros	
	31/12/2021	31/12/2020
Corporate tax refundable	—	1,828
VAT refundable	184	143
Total	**184**	**1,971**

The debtor balance for VAT as of 31 December 2021 corresponds to input VAT. The balance owed by Corporation Tax as of 31 December 2020 corresponds, mainly, to the split payments made during the 2020 financial year by the Consolidation Group. The debtor balance for VAT as of 31 December 2020 corresponds to input VAT.

Payables

	Thousands of Euros	
	31/12/2021	31/12/2020
VAT payable	2,911	3,355
Personal Income tax withholdings	461	509
Social security taxes payable	223	162
Total	**3,595**	**4,026**

The VAT credit balance as of 31 December 2021 corresponds to the amount of VAT payable by the Group in the order for the amount of December in the amount of EUR 2,911 thousand (EUR 3,355 thousands as of 31 December 2020).

13.3. Reconciliation between net accounting income and taxable income

Reconciliation between net accounting income and taxable income for income tax purposes is as follows:

2021

	Thousands of Euros		
	Increases	Decreases	2021
Net accounting income for the period			(92,971)
Income tax for the period			(63,734)
Permanent differences:			
Donations	2,833	—	2,833
Dividends (Note 15.1)	—	(95,075)	(95,075)
Issue of equity instruments		(142,204)	(142,204)
Income attributed to equity	—	—	—
Temporary differences:			
Non-deductible financial expenses	188,617	—	188,617
Remuneration Provisions	9,085	(6,495)	2,590
Equity instruments remuneration	42	(42)	—
Other	—	(348)	(348)
Taxable income	**200,577**	**(244,164)**	**(200,292)**

2020

	Thousands of Euros		
	Increases	Decreases	Total
Net accounting income for the period			(69,195)
Income tax for the period			(53,012)
Permanent differences:			
Donations	211	—	211
Dividends (Note 15.1)	—	(92,212)	(92,212)
Issue of equity instruments	—	(81,541)	(81,541)
Income attributed to equity	3,236	—	3,236
Temporary differences:			
Non-deductible financial expenses	29,632	—	29,632
Remuneration Provisions	7,472	(6,207)	1,265
Equity instruments remuneration	—	(1,566)	(1,566)
Other	—	(337)	(337)
Taxable income	**40,551**	**(181,863)**	**(263,519)**

In the 2021 and 2020 financial years, dividends from group companies in fiscal consolidation and the costs of issuing equity instruments that have been eliminated for the determination of the tax base are considered as permanent differences.

The temporary differences correspond mainly to the amounts provided during the financial year related to the Long-Term Incentive Plan and the exceptional delivery of shares to employees which are not deductible until the time of payment of the employees (see Note 16.4), as well as the amount of non-deductible financial expenses of the Tax Consolidation Group in the 2021 financial year.

13.4. Reconciliation between net accounting income and income tax expense

The standard income tax rate for 2021 and 2020 is 25%.

Reconciliation between net accounting income and income tax expense is as follows:

	Thousands of Euros	
	2021	2020
Profit (Loss) before tax	(156,705)	(122,207)
Theoretical tax	39,176	30,552
Impact on tax expense from (permanent differences):		
Sanctions and donations	—	(53)
Donations and libels	(708)	—
Dividends (Note 15.1)	23,769	23,053
Shares to employees	—	(808)
Deductions	700	224
Income tax expense for the year	**62,937**	**52,968**
Other tax effects	797	44
Income tax expense	**63,734**	**53,012**

13.5. Breakdown of income tax expense

The main items of income tax expense in the year are as follows:

	Thousands of Euros	
	2021	2020
Current tax	15,222	45,719
Deferred tax	47,715	7,249
Previous years tax/others	797	44
Income tax expense	**63,734**	**53,012**

Tax withholdings and prepayments totalled EUR 0 thousand as of 31 December 2021 (EUR 271 thousand in 2020)

13.6. Deferred taxes

The balance of the recognised deferred assets and liabilities, as well as their movement during the financial year, was as follows:

	Thousands of Euros			
	31/12/2021		31/12/2020	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
At 1 January	**84,655**	**—**	**34,661**	**—**
Debits/ (Credits) in income statements	61,640	—	48,267	—
Debits/ (Credits) in equity	2,844	—	1,727	—
At 31 December	**149,139**	**—**	**84,655**	**—**

	Thousands of Euros	
	2021	2020
(Debits)/Credits in income statements		
Deferred tax assets	61,640	48,267
(Debits)/Credits in equity		
Deferred tax assets	2,844	1,727
Total (Debits)/Credits due to deferred tax	**64,484**	**49,994**

The breakdown of the deferred taxes is as follows::

	Thousands of Euros	
	31/12/2021	31/12/2020
Deferred tax assets:		
Tax credits for negative tax bases	43,010	46,015
Non deductible financial expense	85,407	23,010
Tax credits for deductions	9,803	8,441
Employee Benefit obligations	4,741	3,792
Derivative financial instruments	635	1,227
Hedge linked to a highly likely transaction in foreign currency	4,577	1,105
Convertible Bond	752	752
Others	214	313
Total deferred tax assets	**149,139**	**84,655**

The deferred tax assets indicated above were recognised in the balance sheet because the Company's Directors considered that, based on their best estimate of the Company's future earnings, it is probable that these assets will be recovered.

In addition, during the 2021 and 2020 financial year, the Company recorded a deferred tax asset for the non-deductibility of the financial expense of companies, as head of the Spanish Tax Group amounting to EUR 62,397 and EUR 7,201 thousand, respectively.

Also, during the 2021 financial year, the Company has activated credits on negative tax bases amounting to EUR 3,005 thousand (EUR 34,689 thousand during the 2020 financial year), as head of the Fiscal Consolidation Group.

Expected schedule for reversal the deferred tax assets and liabilities

In most cases, the use of the Company's deferred tax assets and liabilities is conditional upon the future performance of the business activities, the tax regulations of the country in which it operates, and the strategic decisions to which it may be subject. Under the assumption used, it is estimated that the deferred tax assets and liabilities recognised in the balance sheet at 31 December 2021 and 2020 will be used as follows:

	Thousands of Euros	
	2021	2020
	Temporary differences	
	Deferred tax assets	
Less than one year	882	802
More than one year	148,257	83,853
At 31 December	**149,139**	**84,655**

14. Foreign currency balances and transactions

The detail of the most significant balances and transactions in foreign currency, valued at the year-end exchange rate and the average exchange rates for the year, respectively, is as follows:

	Thousands of Euros	
	2021	2020
Other assets	3,942,544	2,440,000
Accounts receivable	2,174	1,056
Loans received	795,012	765,936
Accounts payable	1,731	779
Services rendered	128	2,902
Services received	3,963	15,196

The breakdown of the exchange differences recognised in 2021 and 2020, by type of financial instrument, is as follows:

	Thousands of Euros	
	Transactions settled during the year	
	2021	2020
Other assets and liabilities	(4,708)	(8,312)
Total	**(4,708)**	**(8,312)**

15. Revenue and expenses

15.1. Revenue

Revenue in 2021 and 2020 was as follows:

	Thousands of Euros	
	2021	2020
Dividends (Note 17.3)	99,351	92,212
Interest income (Note 17.3)	15,437	37,955
Total	**114,788**	**130,167**

"Interest income" was generated by the Company's cash pooling operation with Group companies as well as for guarantees granted in relation to the financing agreements arranged and loans drawn by Cellnex Finance Company, S.A.U. (see Notes 12.5 and 17.3). The interest rate stipulated in these operations is the market rate.

15.2. Other operating income

"Other operating income" chiefly relates to services rendered to Group companies as management fees as well as the re-invoicing of expenses related to the building's rental and supply costs and other costs (see Notes 16.3 and 17.3).

15.3. Staff costs

The detail of staff costs is as follows:

	Thousands of Euros	
	2021	2020
Wages and salaries	31,233	20,885
Compensation	207	456
Social Security contributions	2,190	1,483
Other employee benefit costs	2,769	1,846
Staff costs	**36,399**	**24,670**

The average number of employees at the Company at the end of the 2021 and 2020, broken down by job category and gender, is as follows:

	2021			2020		
	Male	Female	Total	Male	Female	Total
Chief Executive Officer	1	—	1	1	—	1
Senior management	8	1	9	5	1	6
Other executives, senior and middle management	27	8	35	22	4	26
Other employees	54	49	103	39	28	67
	90	**58**	**148**	**67**	**33**	**100**

The number of employees at the Company in 2021 and 2020, broken down by job category and gender, was as follows:

	2021			2020		
	Male	Female	Total	Male	Female	Total
Chief Executive Officer	1	—	1	1	—	1
Senior management	7	1	8	5	1	6
Other executives, senior and middle management	31	11	42	25	4	29
Other employees	59	54	113	45	32	77
	98	**66**	**164**	**76**	**37**	**113**

The average number of employees at the Company with a level of disability of 33% or above in 2021 and 2020 was zero.

At the end of 2021, the Board of Directors is composed of six male Directors and five female Directors (seven male Directors and four female Director at the end of 2020).

15.4. Other operating expenses

The detail of "Other operating expenses" on the income statement is as follows:

	Thousands of Euros	
	2021	2020
Leases and royalties	4,259	3,143
Independent professional services	41,302	27,336
Advertising, publicity and public relations	6,009	8,613
Other external services	26,640	19,118
Total external services	**78,210**	**58,210**

15.5. Net financial profit/loss

The breakdown of financial income and costs by item is as follows:

	Thousands of Euros			
	2021		2020	
	Income	Expense	Income	Expense
Finance income and interest from third parties	282	—	591	—
Finance expenses and interest from third parties	—	(202,374)	—	(182,235)
Finance expenses and interest from Group and Associates (Note 17.3)	—	(472)	—	(1,367)
Change in fair value of financial instruments	47,551	(29,867)	10,096	(12,740)
Exchange differences	(3,916)	(792)	21,755	(30,067)
	43,917	**(233,505)**	**32,442**	**(226,409)**
Financial Profit/loss		**(189,588)**		**(193,967)**

The change in fair value of financial instruments for 2021 and 2020 is as follows:

	Thousands of Euros	
	2021	2020
Gain/(Loss) on hedges	17,684	(2,644)
	17,684	**(2,644)**

This item includes mainly the net impact deriving from the accounting treatment of net investments in foreign operations as hedges (see Note 12.3).

16. Commitments and obligations

16.1. Contingent liabilities

At 31 December 2021 the Company had guarantees with third parties amounting to EUR 37,094 thousands (EUR 69,139 thousands in 2020) (see Note 16.5).

16.2. Purchase commitments

The Company is a guarantor of the acquisition operations committed by the Group as well as the deployment of future sites for an amount of EUR 7,361 million (6,325 million as of 31 December 2020). As of 31 December 2021, the company is guarantor of the main purchase commitments corresponding to the operations with CK Hutchison Holding UK and MEO in Portugal aproximately amounting to EUR 3,700 million and EUR 70 million, respectively. The Company is also guarantor of the potential sales rights granted to shareholders participating in companies indirectly investees Cellnex France Groupe, S.A.S. and On Tower Poland Sp. z.o.o. (see Note 20).

Additionally, the Company has purchase contracts signed for tangible and intangible fixed assets for an amount of EUR 0 and 0 thousand, respectively (EUR 10 and 0 thousand respectively in 2020).

16.3. Operating lease commitments

The Company leases spaces, equipment and vehicles under operating leases.

Most of the leases are for one year and have a renewable option at expiry under market terms. In some cases, the lease term is greater than one year, also with renewal options.

Total future minimal rentals payable under operating leases are recurring, as all the current leases are considered to be essential for the Company's operations.

The detail of operating lease payments undertaken by the Company is as follows:

Minimum operating lease payments	Thousands of Euros	
	2021	2020
Within one year	3,144	3,447
1 to 5 years	12,575	12,575
More than 5 years	22,029	25,172
Total	**37,748**	**41,194**

The main operating lease owned by the Company is the contract between Iberdrola Inmobiliaria Patrimonio, S.A.U. and the Company signed on 11 April 2019 for the corporate building management services, understood by them, the rental of corporate offices of Torre Llevant in Zona Franca (Barcelona), for a period of 15 years. The rent paid in 2021 was EUR 4,259 thousand (EUR 1,772 thousand in 2020).

The Torre Llevant building is already built, and the delivery took place on the 16 July 2021,

16.4. Employee benefit obligations

LTIP (2018-2020)

As described in note 4.5, based on the best possible estimation of the related liability and taking into consideration all the available information, the Company had recognised a provision of EUR 2,569 thousand and EUR 2,675 thousand for this item in “Staff” and “Other equity instruments” of the accompanying balance sheet as at 31 December 2020. Therefore, the impact on the income statement attached to the closing of the 2021 financial year amounted to EUR 1,251 thousand.

LTIP (2019-2021)

As described in Note 4.5, the Company, on the basis of the best possible estimate of the obligation associated with that plan and taking into account all available information, as of 31 December 2021 the Company has recorded a provision of EUR 6,962 thousand under the caption "Other equity instruments" of the accompanying balance sheet (EUR 4,526 thousand at the end of 2020). Therefore, the impact on the income statement attached at the end of the 2021 financial year amounts to EUR 2,436 thousand (EUR 2,393 thousand at the end of 2020).

LTIP (2020-2022)

As described in note 4.5, the Company, on the basis of the best possible estimate of the obligation associated with that plan and taking into account all available information, as of 31 December 2021 the Company has recorded a provision of EUR 4,043 thousand under the caption "Other equity instruments" of the accompanying balance sheet (EUR 1,997 thousand at the end of 2020). Therefore, the impact on the income statement attached at the end of the 2021 financial year amounts to EUR 2,046 thousand (EUR 1,997 thousand at the end of 2020).

LTIP (2021-2023)

As described in Note 4.5, the Company, on the basis of the best possible estimate of the obligation associated with that plan and taking into account all available information, as of 31 December 2021 the Company has recorded a provision of EUR 2,350 thousand under the caption of "Other equity instruments" of the accompanying balance sheet.

16.5. Other Contingencies

On 19 May 2009, the Board of the National Commission on Markets and Competition (CNMC in Spanish) imposed a fine of EUR 22.7 million on Cellnex Telecom, S.A. (formerly Abertis Telecom, S.A.U.) for abusing its dominant position in the Spanish market for transmitting and broadcasting TV signals, pursuant to article 2 of the Competition Act and article 102 of the Treaty on the Functioning of the European Union. The Company filed an appeal for judicial review with the National Appellate Court against the CNMC fine, which was dismissed in the judgement passed on 16 February 2012. This judgement was appealed to the Supreme Court on 12 June 2012. On 23 April 2015 the appeal was resolved, upholding the appeal and annulling the decision of the CNMC with regard to the amount of the fine, ordering the current CNMC to recalculate that amount in accordance with the provisions of law 16/89. On 29 September 2016 the CNMC issued a decision recalculating the aforementioned amount (EUR 18.7 million), which was appealed to the Spanish High Court on 9 December 2016. Furthermore, on 4 April 2017 Cellnex filed a claim which was responded by the Spanish State Attorney. Based on the opinion of its legal advisers, the provision recorded in this regard at 31 December 2021 by Retevisión-I, S.A.U., amounted to EUR 18.7 million in “non-current provisions and other liabilities” of the balance sheet (EUR 18.7 million at the end of 2020).

On 8 February 2012, the Board of the National Commission on Markets and Competition (CNMC in Spanish) imposed a fine of EUR 13.7 million on Cellnex Telecom, S.A. (formerly Abertis Telecom, S.A.U.) for having abused its dominant position, pursuant to article 2 of the Competition Act and article 102 of the Treaty on the Functioning of the European Union. The company allegedly abused its dominant position in wholesale service markets with access to infrastructure and broadcast centres of Cellnex for broadcasting DTT signals in Spain, and retail service markets for transmitting and distributing DTT signals in Spain by narrowing margins. On 21 March 2012, the Company filed an appeal for judicial review against the decision of the CNMC with the National Appellate Court, also requesting a delay of payments with regard to the fine until the court passes a ruling on this matter. This delay was granted on 18 June 2012.

On 20 February 2015 the National Appellate Court partially upheld the appeal, ordering the CNMC to recalculate the fine as it considered that the criteria used at the time by the CNMC were not appropriate. Notwithstanding the foregoing, on 26 May 2015, an appeal was filed with the Supreme Court against the judgement of the National Appellate Court on the grounds that it is not only about the recalculation of the amount but also that the Company did not break any competition rules.

On 23 March 2018, the Supreme Court issued a judgment dismissing the appeal, and is awaiting the return of the file to the CNMC for the recalculation of the sanction. Cellnex Telecom, S.A. filed a nullity incident, which was dismissed on 19 July 2018. On 10 October 2018, Cellnex Telecom, S.A. filed an appeal with the Constitutional Court against the ruling. On 13 February 2019 the Constitutional Court dismissed Cellnex Telecom, S.A.’s appeal. Following the corresponding calculation procedure, the CNMC has ruled that the amount of the fine should not be amended. Cellnex Telecom, S.A., has filed an appeal against such decision. The original guarantee was provided on 4 February 2020. With regard to these proceedings, at 31 December 2021, the provision recognised based on the opinion of their legal advisers, amounted to EUR 13.7 million in “non-current provisions and other liabilities” of the balance sheet of Retevision-I, S.A.U. (EUR 13.7 million at the end of 2020).

Moreover, and because of the spin-off of Abertis Telecom, S.A.U. (now Abertis Telecom Satélites, S.A.U.) on 17 December 2013, Cellnex Telecom, S.A. assumed all rights and obligations that may arise from the aforementioned legal proceedings, as they relate to the spin-off business (terrestrial telecommunications). An agreement has therefore been entered into between Cellnex Telecom, S.A. and Abertis Telecom Satélites, S.A.U. stipulating that if the aforementioned amounts have to be paid, Retevisión-I, S.A.U. will be responsible for paying these fines. At 31 December 2021, Cellnex Telecom, S.A. has provided three guarantees amounting to EUR 32.5 million (three guarantees amounting to EUR 32,5 milion as of 31 de diciembre de 2020) to cover the disputed rulings with the CNMC explained above.

17. Related party transactions

17.1. Directors and Senior Management

The remuneration earned by the Company's directors as at 31 December 2021 and 2020 was as follows:

i. The members of the Board of Directors received EUR 1,706 thousand for exercising the duties in their capacity as directors of Cellnex Telecom, S.A. (EUR 1,630 thousand in 2020).

ii. For performing senior management duties, the Chief Executive Officer:

   a. received EUR 1,300 thousand, corresponding to fixed remuneration (EUR 1,000 thousand in 2020).

   b. accrued EUR 1,275 thousand corresponding to variable remuneration, estimated assuming 98,11% of accomplishment (EUR 1,335 thousand in 2020).

   c. accrued EUR 1,920 thousand for the achievement of the multi-annual objectives established in the "Long-Term Incentive Plan" that consolidates in December 2021 (1,650 thousands in 2020).

      The accounting provisions for all the LTIP in progress (2019-2021, 2020-2022, and 2021-2023), for the year ended on 31 December 2021 amounted to EUR 2,546 thousand (EUR 1,373 thousand in 2020).

iii. In addition, the Chief Executive Officer of Cellnex Telecom, S.A. received, as other benefits, contributions made to cover pensions and other remuneration in kind in the amount of EUR 325 thousand and EUR 32 thousand, respectively (EUR 250 thousand and EUR 28 thousand in 2020, respectively).

Cellnex Telecom, S.A. defines Senior Management as executives that perform management duties and report directly to the Chief Executive Officer. Fixed and variable remuneration for the year ended on 31 December 2021 for members of Senior Management amounted to EUR 5,323 thousand (EUR 4,547 thousand in 2020) and accrued EUR 4.165 thousand for the achievement of the multi-annual objectives established in all the "Long-Term Incentive Plan" that consolidates in December 2021, estimated assuming 100% of accomplishment. The accounting provisions for all the LTIP in progress (2019-2021, 2020-2022 and 2021-2023), for the year ended on 31 December 2021 amounted to EUR 4.447 thousand (EUR 3.084 thousand in 2020).

In addition, members of Senior Management received, as other benefits, contributions made to cover pensions and other remuneration in kind to the amount of EUR 423 thousand and EUR 190 thousand, respectively (EUR 334 thousand and EUR 174 thousand in 2020, respectively).

The Company has taken out executives and directors civil liability policy for the members of the Board of Directors, the Chief Executive Officer and all the Senior Management of the Cellnex Telecom group at a cost amounting to EUR 967 thousand at 31 December 2021 (EUR 538 thousand in 2020)

17.2. Other disclosures concerning Directors

In accordance with Article 229 of the Spanish Limited Liability Companies Law, the directors have reported that neither they nor any persons related to them are involved in any situations that may lead to a direct or indirect conflict with the Company's interests.

17.3. Group companies and associates

The financial assets and liabilities held by the Company with Cellnex Group companies and associates at year-end 2021 and 2020, with the exception of equity instruments (see Note 8.1), are as follows:

2021

	Thousands of Euros					
	Assets			Liabilities		
	Non-Current loans	Current loans	Receivables	Non-Current Loans[1]	Current Loans	Payables
Adesal Telecom, S.L.	—	12	1	—	—	—
Alticom B.V.	—	—	5	—	—	—
Belmont Infra Holding, S.A.	—	—	408	—	—	—
Cellnex Austria GmbH	56	—	217	—	—	—
Cellnex Connectivity Solutions Limited	—	—	240	—	—	—
Cellnex Denmark ApS	60	—	91	—	—	—
Cellnex Finance Company, S.A.U.	—	2,534,654	12,771	5,129	70,220	171
Cellnex France Groupe, S.A.S.	125	—	1,105	—	—	—
Cellnex France, S.A.S.	271	—	3,737	—	—	—
Cellnex Ireland Limited	—	—	87	—	—	—
Cellnex Italia, S.p.A.	477	—	7,145	—	—	784
Cellnex Netherlands B.V.	376	—	355	—	1	—
Cellnex Poland Sp. z o.o.	59	—	749	—	—	—
Cellnex Sweden, AB	41	—	—	—	—	—
Cellnex Switzeland AG	—	—	649	—	—	—
Cellnex Telecom España, S.L.U.	225	182	1,205	—	68,258	—
Cellnex UK Consulting Limited	—	—	2	—	—	—
Cellnex UK Limited	997	—	1,227	—	—	122
Cignal Infrastructure Services	415	—	298	—	—	—
CLNX Portugal S.A.	313	—	—	—	—	—
Edzcom Oy	—	—	29	—	—	77
Gestora del Espectro, S.L.	—	—	—	—	—	—
Grid Tracer AG	—	—	7	—	—	—
Compagnie Foncière ITM 1	—	—	—	—	—	—
Nexloop France, S.A.S.	—	—	194	—	—	—
OMTEL,Estructuras de Comunicaçoes, S.A.	340	—	1,481	—	—	—
On Tower Denmark ApS	—	—	126	—	—	—
On Tower Ireland Limited	—	—	170	—	—	—
On Tower Poland S.p z.o.o.	—	—	33	—	—	—
On Tower Sweden, AB	—	—	80	—	—	—
On Tower UK 1, Ltd.	—	—	78	—	—	—

On Tower UK 2, Ltd.	—	—	58	—	—	—
On Tower UK 4, Ltd.	—	—	7	—	—	—
On Tower UK, Ltd.	—	—	4,116	—	—	—
On Tower Telecom Infraestructuras, S.A.U.	—	5,130	62	—	—	—
On Tower Austria GmbH	—	—	314	—	—	—
OnTower France, S.A.S.	160	—	3,803	—	—	—
OnTower Portugal, S.A.	—	—	4	—	—	—
Radiosite Limited	—	—	75	—	—	—
Retevisión-I, S.A.U.	792	57,851	4,306	—	—	897
Shannonside Communications Limited	—	—	1	—	—	—
Shere Masten B.V.	—	—	4	—	—	—
Springbok Mobility	—	—	11	—	—	—
Swiss Infra Services, S.A.	259	—	1,666	—	—	—
Swiss Towers AG	271	—	1,546	—	—	—
Towerco, S.p.A	—	—	405	—	—	—
Towerlink France, S.A.S.	—	—	176	—	—	—
Towerlink Portugal, S.A.	—	—	28	—	—	—
Tradia Telecom, S.A.U.	724	12,346	2,538	—	—	331
Ukkoverkot Oy	—	—	3	—	—	—
Watersite Limited	—	—	39	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	40	2,869	188	—	269	—
Zenon Digital Radio, S.L.	—	430	10	—	—	—
Total	**6,001**	**2,613,474**	**51,850**	**5,129**	**138,748**	**2,382**

[1] Corresponds to the contract formalized for a cross currency swap with Cellnex Finance Company, S.A.U. (see Note 12.3)

2020

	Thousands of Euros					
	Assets				Liabilities	
	Non-Current loans	Non-Current Investments[1]	Current loans	Receivables	Current Loans	Payables
Adesal Telecom, S.L.	—	—	48	2	—	—
Belmont Infra Holding, S.A.	—	—	—	726	—	—
Cellnex Austria GmbH	—	—	—	237	—	—
Cellnex Denmark ApS	—	—	—	91	—	—
Cellnex Finance Company, S.A.U.	—	607	25	—	590,791	—
Cellnex France, S.A.S.	402	—	—	751	—	—
Cellnex France Groupe, S.A.S.	—	—	—	3,656	—	—
Cellnex Ireland Limited	—	—	—	19	—	—
Cellnex Italia, S.p.A.	362	—	—	160	—	501
Cellnex Netherlands, BV	336	—	—	514	17,448	—
CLNX Portugal, S.A.	360,000	—	6,065	—	—	—
Cellnex Telecom España, S.L.U.	242	—	—	103	2,515	—
Cellnex Switzerland AG	563	—	—	2,154	—	—
Cellnex UK Limited	302	—	—	4,360	19	121
Cignal Infrastructures Limited	143	—	380	621	—	—
On Tower France, S.A.S.	67	—	—	—	—	—
OMTEL, Estruturas de Comunicaçoes, S.A.	263	—	—	7	—	—
On Tower Telecom Infraestructuras, S.A.U.	—	—	3,720	28	—	157
Cellnex Connectivity Solutions Limited	—	—	—	35	—	—
Retevisión-I, S.A.U.	189	—	38,667	1,563	—	11,002
Cellnex Poland Sp. z.o.o.	—	—	—	316	—	—
Springbok Mobility	—	—	—	43	—	—
Swiss Towers AG	—	—	—	28	—	—
TowerCo, S.p.A.	—	—	—	20	—	—
Towerlink France, S.A.S.	—	—	—	51	—	—
Tradia Telecom, S.A.U.	360	—	8,223	489	—	2,459
Ukkoverkot Oy	—	—	—	10	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	38	—	1,433	102	239	—
Zenon Digital Radio, S.L.	—	—	278	6	—	—
Total	**363,267**	**607**	**58,839**	**16,092**	**611,012**	**14,240**

[1] Corresponds to the contract formalized for a cross currency swap with Cellnex Finance Company, S.A.U. (see Note 12.3)

As of 31 December 2021, under the caption "Credits to Group companies and non-current partners, the Company has registered the amounts corresponding to:

a. On 13 February 2020, the Company signed a long-term bond with CLNX Portugal, S.A. for an amount of EUR 235 million and a 5 year maturity from the date of disposal. In addition, on 24 September 2020, the Company signed an additional long-term bond issuance with CLNX Portugal, S.A. for an amount of EUR 125 million and a 5-year maturity. At the end of 2021, there has been a subrogation of this subscription with Cellnex Finance Company, S.A.U so that Cellnex Telecom S.A. is no longer the holder of these bonds.

As of 31 December 2021, under the caption "Credits to Group companies and current partners" the Company has registered the amounts corresponding to:

a. Current debtor balance of the receivables with the Group companies that are part of the Tax Consolidation Group, by consolidated corporate tax regime amounting to EUR 82,788 thousand (EUR 45,148 thousand at the end of 2020).

b. Current debtor balance of the receivables with the Group companies that are part of the Tax Consolidation Group, by consolidated VAT tax regime, amounting to EUR 3,466 thousand of euros.

c. This heading includes the debit balance for short-term loans for Cash Pooling with Cellnex Finance Company, S.A.U. for a total of 2,527,220 thousand EUR

As of 31 December 2021, under the caption "Debts with Group companies and current partners" the Company has registered the amounts corresponding to:

a. On 10 December 2020, a centralized Treasury management contract was signed between Cellnex Telecom, S.A. and Cellnex Finance Company, S.A.U, which includes provisions both short and long term, and lasting one year, renewable tenderly for annual periods. As of 31 December 2021, the Company maintains a short-term debt amounting to EUR 68,943 thousand, and interest accrued and unpaid amounted to EUR 39 thousand.

b. On December 16 2021, an agreement was reached by the respective directorates of Retevisión-I, S.A.U. and Tradia Telecom, S.A.U. for the implementation of a voluntary collective redundancy procedure. On December 31, and in application of the principles of prudential risk management, Cellnex Telecom España, S.L.U. proceeded to partially revoke the agreement to distribute the Interim Dividend and partially reinstate Cellnex's Interim Dividend in the amount of EUR 66,000 thousand equivalent to the sum of Retevisión-I, S.A.U. Interim Dividend and Tradia Telecom, S.A.U. Interim Dividend.

c. Creditor balances with the Group companies that are part of the Tax Consolidation Group, by consolidated corporate tax regime amounting to EUR 3,495 thousand (EUR 3,495 thousand at the end of 2020).

d. Creditor balances with the Group companies that are part of the Tax Consolidation Group, by consolidated VAT tax regime amounting to EUR 270 thousand.

As of 31 December 2021 and 2020, there are no long-term debts to Group companies and associates.

The Company’s transactions with Cellnex Group companies and associates in 2021 and 2020 are as follows:

2021

	Thousands of Euros				
	Income			Expenses	
	Dividends	Services rendered	Accrued interests	Services received	Accrued interests
Alticom B.V.	—	221	—	—	—
Belmont Infra Holding S.A.	—	408	—	—	—
Breedlink B.V.	—	3	—	—	—
Cellnex Austria GmbH	—	218	—	—	—
Cellnex Connectivity Solutions Limited	—	240	—	—	—
Cellnex Denmark ApS	—	152	—	—	—
Cellnex Finance Company, S.A.U.	—	485	12,967	188	471
Cellnex France Groupe, S.A.S.	—	890	—	—	—
Cellnex France, S.A.S.	—	3,951	—	—	—
Cellnex Ireland Limited	—	87	—	—	—
Cellnex Italia, S.p.A.	59,847	6,737	—	799	—
Cellnex Netherlands B.V.	—	1,040	—	—	1
Cellnex Poland Sp. z o.o.	—	441	—	—	—
Cellnex Sweden, AB	—	99	—	—	—
Cellnex Switzeland AG	—	713	—	—	—
Cellnex Telecom España, S.L.U.	39,504	1,915	—	231	—
Cellnex UK Consulting Limited	—	2	—	—	—
Cellnex UK Limited	—	1,170	1	—	—
Cignal Infrastructure Services	—	294	—	—	—
CLNX Portugal, S.A.	—	—	2,469	—	—
Edzcom Oy	—	28	—	8	—
Grid Tracer AG	—	7	—	—	—
Nexloop France, S.A.S.	—	194	—	—	—
OMTEL,Estructuras de Comunicaçoes, S.A.	—	1,474	—	—	—
On Tower Denmark, ApS	—	120	—	—	—
On Tower Ireland Limited	—	168	—	—	—
On Tower Poland S.p. z.o.o.	—	33	—	—	—
On Tower Sweden, AB	—	80	—	—	—
On Tower UK 1, Ltd.	—	78	—	—	—
On Tower UK 2, Ltd.	—	58	—	—	—
On Tower UK 4, Ltd.	—	7	—	—	—

On Tower UK, Ltd.	—	4,051	—	—	—
On Tower Telecom Infraestructuras, S.A.U.	—	3,320	—	51	—
On Tower Austria GmbH	—	314	—	—	—
OnTower France, S.A.S.	—	3,763	—	—	—
OnTower Portugal, S.A.	—	313	—	—	—
Radiosite Limited	—	75	—	—	—
Retevisión-I, S.A.U.	—	2,788	—	11,224	—
Shannonside Communications Limited	—	1	—	—	—
Shere Masten B.V.	—	452	—	—	—
Springbok Mobility	—	9	—	—	—
Swiss Infra Services, S.A.	—	1,400	—	—	—
Swiss Towers AG	—	1,415	—	—	—
Towerco, S.p.A	—	402	—	—	—
Towerlink France, S.A.S.	—	176	—	—	—
Towerlink Netherlands B.V	—	209	—	—	—
Towerlink Portuga, S.A.	—	29	—	—	—
Tradia Telecom, S.A.U.	—	1,620	—	4,247	—
Ukkoverkot Oy	—	3	—	—	—
Watersite Limited	—	39	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	—	194	—	—	—
Zenon Digital Radio, S.L.		10		—	—
Total	**99,351**	**41,896**	**15,437**	**16,748**	**472**

Cellnex Telecom, S.A. has approved a dividend distribution for an amount of EUR 22,900 thousand from Cellnex Netherlands, B.V. which has been recognised as a reduction of the cost of the investment (see Note 8).

2020

	Thousands of Euros				
	Income			Expenses	
	Dividends	Services rendered	Accrued interests	Services received	Accrued interests
Alticom B.V.	—	9	—	—	—
Belmont Infra Holding, S.A.	—	726	—	—	—
Cellnex Austria GmbH	—	237	—	—	—
Cellnex Denmark ApS	—	91	—	—	—
Cellnex Finance Company, S.A.U.	—	—	—	—	69
Cellnex France, S.A.S.	—	758	6,402	—	—
Cellnex France Groupe, S.A.S.	—	3,633	418	—	—
Cellnex Ireland Limited	—	19	—	—	—
Cellnex Italia, S.p.A.	—	3,813	14,260	501	—
Cellnex Netherlands B.V.	—	1,592	—	—	—
CLNX Portugal, S.A.	—	—	6,065	—	—
Cellnex Switzerland AG	—	2,014	—	—	—
Cellnex Telecom España, S.L.U.	92,212	11,036	—	—	1,182
Cellnex UK Limited	—	3,679	2,437	—	116
Cignal Infrastructure Services, Ltd.	—	589	1,421	—	—
OMTEL, Estructuras de Comunicaçoes, S.A.	—	7	—	—	—
On Tower Telecom Infraestructuras, S.A.U.	—	167	6,831	130	—
Cellnex Connectivity Solutions Limited	—	35	—	—	—
Retevisión-I, S.A.U.	—	1,426	—	9,142	—
Cellnex Poland Sp. z.o.o.	—	316	—	—	—
Swiss Towers AG	—	20	—	—	—
TowerCo, S.p.A.	—	4	—	—	—
Towerlink France, S.A.S.	—	42	113	—	—
Towerlink Portugal, S.A.	—	—	8	—	—
Tradia Telecom, S.A.U.	—	595	—	2,032	—
Ukkoverkot Oy	—	10	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	—	104	—	—	—
Total	**92,212**	**30,922**	**37,955**	**11,805**	**1,367**

Cellnex Telecom, S.A.approved a dividend distribution for an amount of EUR 5,082 thousand from Cellnex Netherlands, B.V. which has been recognised as a reduction of the cost of the investment (see Note 8).

In relation to the reorganization of its financial function during 2020, the financial debt that the Company maintained as of December 2020 has been subrogated by Cellnex Finance Company, S.A.U. during 2021.

In relation to the aforementioned operations, the Company continue acting as a guarantee of the subrogated debt by Cellnex Finance Company, S.A.U (see Note 12.2).

17.4. Other related parties

Other related parties, in addition to the Group companies and associates indicated in Note 17.3 above and as defined in Spain's General Accounting Plan, include shareholders (and their subsidiaries) of Cellnex Telecom, S.A. that exercise significant influence over it, those with the right to appoint a director or those with a stake of more than 3%.

On 12 July 2018, ConnecT acquired 29.9% of the Company's share capital. ConnecT is controlled by Sintonia, a subholding company wholly-owned by Edizione S.r.L and, in turn, Sintonia is the largest shareholder of Atlantia. As a result, as of 31 December 2018, Edizione S.r.L, together with its group of companies, is considered a party related to the Company. As of 31 December 2021, Edizione S.r.L is listed as a reference shareholder of Cellnex Telecom, S.A. with a 8.53% stake.

Services rendered and received

The transactions carried out with Abertis Group companies and associates during 2021 and 2020 financial years are as follows:

2021

	Thousands of Euros	
	Income	Expenses
	Services rendered	Services rendered
Abertis Autopistas España, S.A.	135	—
Total	**135**	**—**

2020

	Thousands of Euros	
	Income	Expenses
	Services rendered	Services rendered
Abertis Autopistas España, S.A.	228	—
Total	**228**	**—**

The Company carries out all its transactions with related parties on an arm's length basis. Also, given that transfer prices are adequately documented, the Company's Directors consider that there are no significant risks that could give rise to material liabilities in the future.

Other

The other assets and liabilities held by the Company with companies of the Abertis group and associates at 31 December 2021 and 2020 are the following:

2021

	Thousands of Euros	
	Assets	Liabilities
	Receivables	Payables
Abertis Autopistas España, S.A.	160	—
Total	**160**	**—**

2020

	Thousands of Euros	
	Assets	Liabilities
	Receivables	Payables
Abertis Autopistas España, S.A.	130	—
Total	**130**	**—**

18. Other information

18.1. Audit fees

In 2021 and 2020 the fees for financial audit and other services provided by the auditor of the Company's financial statements, Deloitte, S.L., or by companies related to these auditors as a result of control, common ownership or common management, were as follows:

	Thousands of Euros	
	2021	2020
Audit of financial statements	987	782
Other non-audit services required of the entity by legislation	125	—
Other verification services not required by legislation	160	474
Total audit services and other related services	**1,272**	**1,256**
Tax advisory services	51	46
Other services	2,881	2,040
Total professional services	**4,204**	**3,342**

18.2. Information on deferral of payment to suppliers.

The information required by the additional third decree of Law 15/2010 of 5 July (modified by the second final decree of Law 31/2014) prepared in accordance with the resolution issued by the Spanish Accounting and Auditing Institute (AAI) of 29 January 2016 in relation to the information to be disclosed in the annual report with regard to the average supplier payment period for commercial transactions, is set up below:

	Thousands of Euros	
	2021	2020
Total payments in the year	71,401	54,731
Total payments outstanding	18,728	14,777
Average payment period to suppliers (days)	21	34
Ratio of transactions paid (days)	24	42
Ratio of transactions outstanding (days)	8	5

In accordance with the AAI resolution, only the delivery of goods and services from the date Law 31/2014 of 3 December came into force have been taken into account.

For the sole purpose of the disclosure of information required by this resolution, the term ‘suppliers’ relates to the trade payables for debts with suppliers of goods or services included in the caption 'Suppliers, Group and Associated companies' and ‘Trade and other payables’ in the short term liabilities of the balance sheet.

Average payment period to suppliers is understood to mean the period lapsed from the delivery of goods or services by the supplier to the actual payment of the transaction.

18.3 Modification or termination of contracts

There has been no conclusion, modification or early termination of any contract between the Company and any of its partners or Directors or person acting on their behalf, affecting operations outside the ordinary traffic of the Company or that has not been carried out under normal conditions.

19. Environmental information

Group’s key objective is to generate sustained value in the short, medium and long term, through responsible management of the business, incorporating the interests and expectations of the Company’s stakeholders. In this sense, in 2021, the Board of Directors approved the Group's Environmental, Social and Governance (ESG) Policy and the Environment and Climate Change Policy.

Additionally, within the environmental management system already implemented and certified, Cellnex periodically updates the identification and evaluation of its environmental aspects, risks and opportunities related to the Group’s activity and the derived environmental impacts, as well as the significance criteria. The most significant impacts are extracted from these evaluations, to which end a monitoring system is established and actions are planned to mitigate them. However, due to the nature of the business, the most significant environmental aspect is energy. In this context, the Group of which it is the Dominant Company, monitors its energy consumption to achieve maximum efficiency and the least possible impact on the environment and therefore on society. From an economic point of view, in the vast majority of contracts with mobile network operators and customers, energy costs are transferred to them, as the Group only manages the necessary infrastructure and access to energy, and transfers energy costs to customers in a transparent manner.

The Company considers that in the context of its operations it complies with applicable environmental protection laws and the Company has procedures designed to encourage and ensure such compliance. Finally, potential contingencies, indemnities and other environmental risks which the Company or its subsidiaries could incur are sufficiently covered by its third-party liability insurance policies.

20. Events after the reporting period

Agreement on the acquisition of shares increasing the stake in On Tower Poland, Sp. z.o.o.

In the first quarter of 2022, Cellnex Poland, Sp z.o.o. and Iliad Purple entered into an agreement amending the exercise conditions of Iliad Purple's right on 10% of the share capital of On Tower Poland, Sp z.o.o.. Pursuant to the terms of this agreement, Cellnex Poland Sp. z.o.o. and Iliad Purple have agreed that such 10% interest in On Tower Poland, Sp z.o.o. will be purchased by Cellnex Poland, Sp z.o.o. before the end of the first quarter of 2022, for a price of PLN 615 million (approximately EUR 140 million at the current exchange rate) (before taxes). This price implies the same valuation of On Tower Poland Sp. z.o.o. applied at the closing of the Iliad Poland Acquisition.

Agreement on the acquisition of the remaining 30% of On Tower France S.A.S. and amendment of the master services agreement with Free Mobile

In the first quarter of 2022, Cellnex France Groupe S.A.S., Iliad S.A, On Tower France S.A.S. and Free Mobile entered into two agreements amending the exercise conditions of Iliad's right and the Iliad Master Service Agreements. Pursuant to the terms of such agreements, Cellnex France Groupe, S.A.S. and Iliad, S.A. have notably agreed that Iliad's remaining 30% non-controlling interest in On Tower France, S.A. will be purchased by Cellnex France Groupe, S.A.S before the end of the first quarter of 2022, subject to the approval of Iliad's Board of Directors, that will take place after the formulation of these financial statements. The agreed consideration for the acquisitions of the 30% interest in On Tower France, S.A. is EUR 950 million, exclusive of taxes, which have been calculated following the criteria defined in the Iliad SHA. On top of that, Cellnex has enhanced the build-to-suit programmes with 2,000 new sites (additional to the minimum 2,500 sites already commited) until 2027, with an Enterprise Value of EUR 639 million.

Agreements with Bouygues Telecom for the deployment of new build-to-suit programs in France

In the first quarter of 2022, the Group and Bouygues Telecom entered into agreements in order to contractualize several new build-to-suit ("BTS") programs in France with a view to neutralize Capex and EBITDA expected impacts from Hivory required remedies, on a run rate basis. As such, the Group has contracted a BTS program of up to 1,350 sites in rural areas, to be deployed by 2029 with an estimated Capex of up to approximately EUR 310 million. This program will be structured in a similar way as Nexloop project. Secondly, the Group has also contracted an extension of the existing BTS program in very dense areas of up to 1,500 sites with Bouygues Telecom to be deployed by 2029 with an estimated Capex of up to approximately EUR 490 million. Lastly, Cellnex has increased the scope of the BTS program with Bouygues Telecom that involves strategic sites with data processing capabilities by adding up to 2 additional Mobile Switching Centers, to be transferred by 2025 with an estimated BTS Capex of up to approximately EUR 70 million. This program will inherit similar conditions as Nexloop project.

Cellnex France Groupe, Bouygues Telecom and Phoenix France Infrastructures have reached an agreements in principle to dispose approximately 2,000 urban sites in France

In the first quarter of 2022, Cellnex France Group, Bouygues Telecom and Phoenix France Infrastructures entered into an agreement in principle in order to dispose approximately 2,000 sites in France in very dense areas, subject to the French Competition Authority ("FCA") approval, in order to fulfill Hivory closing requirements for an expected amount of approximately EUR 620 million, net of taxes. Bouygues Telecom and Phoenix France Infrastructures will act together as a counterparty under a Joint Venture.

In addition, Cellnex France Group is finalizing an agreement in principle in order to dispose approximately 1,200 sites in France in very dense areas, subject to FCA approval, in order to fulfill Hivory closing requirements.

21. Explanation added for translation to English

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Company in Spain (see Note 2.1). Certain accounting practices applied by the Company that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Cellnex Telecom, S.A.

APPENDIX I. Direct and indirect shareholdings to the Notes to the 2021 financial statements

(Thousands of Euros)

Direct ownership interest .

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	Share premium and reserves (interim dividend deducted)			
2021:										
Cellnex Italia, S.p.A.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Holding	100%	4,555,310	Deloitte	1,000	4,572,496	94,571	(36,331)	59,847
Cellnex Netherlands B.V.	Papendorpseweg 75-79 3528 BJ Uthrecht, the Netherlands	Holding	75.00%	488,455	Deloitte	1	839,188	(9,572)	(8,200)	—
Cellnex UK Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Holding	100%	1,886,728	Deloitte	1,349,303	437,251	(16,238)	(28,032)	—
Cellnex France Groupe, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Holding	100%	4,524,391	Deloitte	2,207,466	2,295,494	(11,441)	(36,552)	—
Cellnex Telecom España, S.L.U.	Juan Esplandiú, 11-13 28007 Madrid	Holding	100%	821,335	Deloitte	103,753	701,999	(649)	25,749	39,504

(*) Unaudited financial statements at 31 December 2021.

This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	Share premium and reserves (interim dividend deducted)			
2021:										
Cellnex Switzerland AG	Thurgauerstrasse, 136 8152 Opfikon	Holding	72.00%	598,848	Deloitte	184	727,907	(1,177)	(1,436)	—
Cignal Infrastructure Services, Ltd.	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	178,636	Deloitte	3,252	61,250	6,317	17,349	—
Ukkoverkot Oy	Gräsäntörmä 2, 02200 Espoo, Finland	Holding	100%	25,696	Deloitte	3	6,928	979	968	—
CLNX Portugal, S.A.	Av. Fontes Pereira de Melo, nº 6 7 º direito, Distrito: Lisboa Concelho: Lisboa Fregesia , San Antonio 1050 121 Lisboa	Holding	100%	1,153,384	Deloitte	200	817,052	(4,336)	5,765	—
Cellnex Finance Company, S.A.U.	Juan Esplandiú, 11-13 28007 Madrid	Group Finance Company	100%	1,000,060	Deloitte	60	996,288	(2,168)	(4,488)	—

(*) Unaudited financial statements at 31 December 2021.

This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	Share premium and reserves (interim dividend deducted)			
2021:										
Cellnex Sweden, AB	Box 162 85, 103 25 Stockholm	Holding	100%	633,002	Deloitte	628,345	(2)	(1,596)	(10,697)	—
Cellnex Austria GmbH	Schubertring 6, 1010 Vienna	Holding	100%	953,035	Deloitte	35	950,564	(1,421)	(1,128)	—
Cellnex Ireland Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50,	Holding	100%	499,000	Deloitte	499,000	(1,710)	(7,127)	(10,395)	—
Cellnex Poland Sp. z.o.o.	Plac Marsz. Józefa Pilsudskiego 100-078 Warsaw	Holding	100%	2,414,138	—	84,209	2,313,627	(28,653)	(28,111)	—
Cellnex Denmark ApS	Ørestads Boulevard 114, 4th floor, 2300 Copenhagen S	Holding	100%	350,005	Deloitte	349,797	(1,344)	94	(2,474)	—
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	5, Heienhaff in L-1736 Senningerberg	Investment vehicle	33%	136,390	—	—	—	—	—	—
Total ownership				**20,218,413**						**99,351**

(*) Unaudited financial statements at 31 December 2021.
This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Cellnex Telecom, S.A.

Appendix I to the Notes to the 2021 financial statements
(Thousands of Euros)

Indirect Ownership Interests

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Retevisión-I, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	81,270	94,145	28,567	19,362
Tradia Telecom, S.A.U.	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	131,488	50,189	9,147	9,243
On Tower Telecom Infraestructuras, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	72,725	367,480	34,837	4,108
Gestora del Espectro, S.L. (*)	Juan Esplandiú, 11 28007 Madrid	Implementation, management, explotation and marketing of the mobile network services	100%	Cellnex Telecom España, S.L.U.	—	—	(1)	—	—
Metrocall, S.A.	c/ Juan Espladiú 11-13 29007 Madrid	Implementation, management and explotation of the mobile network in Madrid's subway	60%	Cellnes Telecom España, S.L.U.	Deloitte	2,750	9,494	1,282	957
Adesal Telecom, S.L.	Ausias March 20, Valencia	Provision of related services for terrestrial communications concessions and operators	60.00%	Tradia Telecom, S.A.U.	Deloitte	3,228	2,296	555	411
Zenon Digital Radio, S.L. (*)	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Provision of telecommunications equipment	100%	Tradia Telecom, S.A.U.	—	32	2,585	614	455

(*) Unaudited financial statements at 31 December 2021,

This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Construction and operation of optic fiber telecommunications	100%	Tradia Telecom, S.A.U.	Deloitte	6,825	14,089	6,400	4,680
TowerCo, S.p.A.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	20,100	6,301	10,056	6,514
CK Hutchinson Networks Italia, S.p.A.	Largo Metropolitana 5, 20017 RHO (Milan)	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	70,000	1,312,212	65,196	29,743
Iaso Group Immobiliare, S.r.L.	via Cesare Giulio Viola 43, Roma (RM)	Construction contractor industry	100%	Cellnex Italia, S.p.A.	Deloitte	10	42	—	—
Towerlink Netherlands B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	—	71,502	7,538	6,286
Shere Masten B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	18	214,212	17,682	14,925
Breedlink B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	—	(647)	(62)	(35)

(*) Unaudited financial statements at 31 December 2021.

This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Alticom B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	18	52,118	546	(477)
On Tower Netherlands B.V.	Axelstraat, 58, 4537 AL, Terneuzen, The Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	1,825	14,810	5,089	3,269
Springbok Mobility	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Provision telecommunications infrastructure operator	75%	Cellnex France Groupe, S.A.S.	Deloitte	1	(366)	(385)	(387)
Cignal Infrastructure Netherlands B.V.	Waldorpstraat 80, 2521 CD The Hague, The Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	10	(55,417)	11,655	4,138
Cellnex France, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	21,543	815,631	20,295	(20,315)
Towerlink France, S.A.S. (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100.00%	Cellnex France, S.A.S.	—	20	(1,044)	(6,971)	(14,292)
Nexloop France, S.A.S	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	51%	Cellnex France Groupe, S.A.S.	Deloitte	3,050	26,765	5,609	(3,370)

(*) Unaudited financial statements at 31 December 2021.

This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
On Tower France, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	70%	Cellnex France Groupe, S.A.S.	Deloitte	381,384	44,722	72,154	33,583
Compagnie Foncière ITM 1 (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	—	1	(68)	(13)	(13)
Hivory, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S. / Hivory II, S.A.S.	Deloitte	35,343	596,366	29,719	17,050
Hivory II, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	802,480	461,698	—	(5,371)
Cellnex UK Midco, Ltd.	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	—	208,904	(2,120)	(1,712)
Watersite Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	28,912	(7,225)	2,191	1,924
Radiosite Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	31,029	1,726	3,508	2,741

(*) Unaudited financial statements at 31 December 2021.
This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
London Connectivity Partnership Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Fixed and mobile telecommunications services provider	100%	Cellnex UK Midco, Ltd.	—	—	—	—	—
Cellnex Connectivity Solutions Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	1,924	137,580	(3,494)	(3,534)
Cellnex UK Consulting Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	2,529	(904)	1,701	1,365
On Tower UK, Ltd.	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK, Limited	Deloitte	3,460	649,830	82,873	41,113
On Tower UK 1, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK, Ltd.	—	3,017	29,264	(2,433)	(3,033)
On Tower UK 2, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK 1, Ltd.	—	4,498	5,615	554	(631)
On Tower UK 3, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK, Ltd.	—	2,908	(1,630)	—	—

(*) Unaudited financial statements at 31 December 2021.

This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
On Tower UK 4, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK, Ltd.	—	15	8,581	(604)	(547)
On Tower UK 5, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK, Ltd.	—	—	—	—	—
Swiss Towers AG	Thurgauerstrasse, 136 8152 Opfikon	Terrestrial telecommunications infrastructure operator	100%	Cellnex Switzerland AG	Deloitte	275,392	61,312	28,785	5,695
Swiss Infra Services, S.A.	Thurgauerstrasse, 136 8152 Opfikon	Terrestrial telecommunications infrastructure operator	90%	Swiss Towers AG	Deloitte	90	72,384	35,187	19,252
Grid Tracer AG (*)	Thurgauerstrasse, 136 8152 Opfikon	Internet of Things	55%	Swiss Towers AG	—	93	35	294	239
OMTEL, Estructuras de Comunicaçoes, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho: Lisboa Fregesia, rroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	100%	CLNX Portugal, S.A.	Deloitte	576,345	(10,716)	17,664	6,197
On Tower Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho: Lisboa Fregesia, rroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	10%	CLNX Portugal, S.A.	Deloitte	6,150	78,395	25,156	15,943

(*) Unaudited financial statements at 31 December 2021.

This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Infratower, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho:Lisboa Fregesia, Arroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	100%	CLNX Portugal, S.A.	Deloitte	100	212,033	(998)	(1,044)
Towerlink Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho:Lisboa Fregesia, Arroios 1050 121 Lisboa	Fixed and mobile telecommunications services provider	100%	CLNX Portugal, S.A.	Deloitte	50	4,157	255	122
Cignal Infrastructure Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, 1050 121 Lisboa	Fixed and mobile telecommunications services provider	100%	CLNX Portugal, S.A.	Deloitte	50	—	(17)	(17)
Cellcom Ireland Limited (en proceso de liquidación)	Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	Deloitte	—	201	—	(180)
Shannonside Communications Limited	Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	Deloitte	—	67	35	30
On Tower Ireland Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Ireland Limited	Deloitte	1,000	136,988	20,917	14,772
Wayworth Limited (*)	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	—	—	1	151	132

(*) Unaudited financial statements at 31 December 2021.
This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Edzcom Oy	Gräsäntörmä 2, 02200 Espoo, Finland	Provision of communication sites used by Mobile Network Operators	100%	Ukkoverkot Oy	Deloitte	—	3,263	(3,356)	(3,466)
On Tower Austria GmbH	Brünner Straβe 52, 1210 Vienna	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Austria GmbH	Deloitte	35	232,857	34,615	11,750
On Tower Denmark ApS	Scandiagade 8, 2450 Kobenhavn SV	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Denmark ApS	Deloitte	8,652	103,237	13,248	7,301
Towerlink Poland S.p z.o.o.	Konstruktorska 4, Warsaw 02-673, Poland	Terrestrial telecommunications infrastructure operator	100%	Cellnex Poland S.p. z.o.o.	Deloitte	22,636	463,192	21,422	15,801
On Tower Poland S.p z.o.o.	Wynalazek 1, 02-677 Warszawa	Terrestrial telecommunications infrastructure operator	60%	Cellnex Poland, S.p. z.o.o.	Deloitte	403,518	941,430	(4,686)	(14,736)
Sapastre Sp. z o.o.	Warsaw, at Plac Marszałka Józefa Piłsudskiego 1, 00-078 Warsaw	Terrestrial telecommunications infrastructure operator	100%	Cellnex Poland, S.p. z.o.o.	Deloitte	—	—	—	—
On Tower Sweden, AB	Box 7012, 121 07 Stockholm-Globen	Terrestrial telecommunications infrastructure operator	100%	Cellnex Sweden AB	Deloitte	5	116,496	26,555	20,363

(*) Unaudited financial statements at 31 December 2021.
This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year
2021:									
Torre de Collserola, S.A.	Ctra. Vallvidrera a Tibidabo, s/n Barcelona	Construction and operation of infrastructures and telecommunications	41.75%	Retevisión-I, S.A.U.	Deloitte	4,520	171	36	4
Consorcio de Telecomunicaciones Avanzadas, S.A. (COTA)	C/ Uruguay, parcela 13R, nave 6, Parque Empresarial Magalia, Polígono Industrial Oeste Alcantarilla (Murcia)	Provision of related services for terrestrial communications concessions and operators	29.50%	Tradia Telecom, S.A.U.	Deloitte	1,000	282	541	406
Nearby Sensors, S.L. (*)	C/Berruguete 60-62, Barcelona	Computing and deployment of loT and automation of hybrid IT-OT processes (industraial IoT), which will arise from the deployment of 5G	13%	Tradia Telecom, S.A.U.	Deloitte	47	452	(321)	(258)
Nearby Computing, S,L. (*)	C/Travessera de Gràcia, 18, Barcelona	Development of softwares amd IT app	23%	Tradia Telecom, S.A.U.	Areas Auditores	6	1,019	(620)	(470)

(*) Unaudited financial statements at 31 December 2021.
This appendix forms an integral part of Note 8 to the 2021 financial statements, with which it should be read.

Cellnex Telecom, S.A.

Appendix I to the Notes to the 2020 financial statements
(Thousands of Euros)

Direct Ownership Interest

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	premium and reserves (interim dividend			
2020:										
Cellnex Italia, S.p.A.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Holding	100%	952,310	Deloitte	1,000	985,633	90,919	43,710	—
Cellnex Netherlands B.V.	Papendorpseweg 75-79 3528 BJ Uthrecht, the Netherlands	Holding	100%	511,355	Deloitte	—	328,506	(3,090)	4,939	—
Cellnex UK Limited	Office 132 Spaces Liverpool Street Station, 35 New Broad Street, London, EC2M 1NH	Holding	100%	1,856,985	Deloitte	1,349,303	477,027	(22,981)	(32,043)	—
Cellnex France Groupe, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Holding	100%	2,324,391	Deloitte	7,466	2,309,887	(14,285)	(14,393)	—

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	Share premium and reserves (interim dividend deducted)			
2020:										
Cellnex Telecom España, S.L.U.	Juan Esplandiú, 11-13 28007 Madrid	Holding	100%	2,807,500	Deloitte	103,753	2,630,259	(5,342)	97,409	92,212
Cellnex Switzerland, AG	Thurgauerstrasse, 136 8152 Opfikon	Holding	72.22%	581,117	Deloitte	184	724,095	(579)	(550)	—
Towerlink Portugal, S.A. (*)	Avenida Álvares Cabral, nº61 – 4º piso, 1250-017 Lisboa, Portugal	Fixed and mobile telecommunications services provider	100%	4,000	—	4,000	85	132	78	—
Cignal Infrastructure Services, Ltd.	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	178,636	Deloitte	3,252	55,595	4,831	4,198	—
Ukkoverkot Oy	Itämerentori 2, 00180 Helsinki Finland	Holding	100%	25,517	Deloitte	3	7,659	(688)	(689)	—
CLNX Portugal, S.A.	Av. Fontes Pereira de Melo, nº 6 7 º direito, Distrito: Lisboa Concelho: Lisboa Fregesia , San Antonio 1050 121 Lisboa	Holding	100%	1,037,384	Deloitte	50	715,678	(1,972)	(33,901)	—

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	Share premium and reserves (interim dividend deducted)			
2020:										
Cellnex Finance Company, S.A.	Juan Esplandiú, 11-13 28007 Madrid	Group Finance Company	100%	1,000,060	Deloitte	60	1,000,000	(612)	(3,712)	—
Cellnex Sweden, AB	Box 162 85, 103 25 Stockholm	Holding	100%	2	Deloitte	—	—	—	—	—
Cellnex Austria GmbH	Schubertring 6, 1010 Vienna	Holding	100%	953,035	Deloitte	35	953,000	(2,383)	(2,441)	—
Cellnex Ireland Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50,	Holding	100%	499,000	Deloitte	499,000	—	(1,585)	(1,710)	—
Cellnex Poland Sp. z.o.o. (*)	Plac Marsz. Józefa Pilsudskiego 100-078 Warsaw	Holding	100%	3	—	—	—	—	—	—
Cellnex Denmark ApS	Sundkrogsgade 5, DK-2100 Copenhagen	Holding	100%	350,005	Deloitte	349,797	(39)	(1,316)	(1,338)	—
Total ownership				**13,081,300**						**92,212**

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Cellnex Telecom, S.A.

Appendix I to the Notes to the 2020 financial statements
(Thousands of Euros)

Indirect Ownership Participation

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2020:									
Retevisión-I, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	81,270	29,178	108,673	82,966
Tradia Telecom, S.A.U.	Avenida del Parc Logístic 12-20 08040 Barcelona	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	131,488	31,683	26,433	21,590
On Tower Telecom Infraestructuras, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	72,725	370,394	31,000	1,548
Gestora del Espectro, S.L. (*)	Juan Esplandiú, 11 28007 Madrid	Provision of related services for terrestrial communications concessions	100%	Cellnex Telecom España, S.L.U.	—	—	(1)	(1)	—
Metrocall, S.A.	c/ Juan Espladiú 11-13 29007 Madrid	Implementation, organization and operation of the mobile network in Madrid	60%	Cellnes Telecom España, S.L.U.	—	2,750	9,271	313	223
Adesal Telecom, S.L.	Ausias March 20, Valencia	Provision of related services for terrestrial telecommunications concessions and operators	60.08%	Tradia Telecom, S.A.U.	Deloitte	3,228	1,711	782	585

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year
2020:									
Zenon Digital Radio, S.L. (*)	C/Lincoln, 11, 1º3º 08006 Barcelona	Provision of telecommunications	100%	Tradia Telecom, S.A.U.	—	32	1,926	890	660
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	Av. Del Parc Logístic, 12-20 08040 Barcelona	Construction and operation of optic fiber telecommunicarions	100%	Tradia Telecom, S.A.U.	Deloitte	6,825	12,960	5,295	3,729
TowerCo, S.p.A.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	20,100	6,468	8,195	4,681
Tower Lease, S.r.L.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	100	1,121	(124)	(133)
TowerLink Italia, S.r.L. (*)	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	—	10	3	(3)	(2)
Areaventi, S.r.L.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	500	784	—	—
Towerlink Netherlands B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	100%	Cellnex Netherlands B.V.	Deloitte	—	69,411	7,128	6,007
Shere Masten B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	100%	Cellnex Netherlands B.V.	Deloitte	18	208,558	17,512	14,799

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2020:									
Breedlink B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	100%	Cellnex Netherlands B.V.	Deloitte	—	(493)	(189)	(154)
Alticom B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	100%	Cellnex Netherlands B.V.	Deloitte	18	184,142	1,135	156
On Tower Netherlands B.V.	Axelstraat, 58, 4537 AL, Terneuzen, The Netherlands	Terrestrial telecommunications infrastructure operator	100%	Cellnex Netherlands B.V.	Deloitte	1,825	11,229	4,619	3,013
Springbok Mobility (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Provision of related services for concessionaires and terrestrial	100%	Cellnex France Groupe, S.A.S.	—	1	(25)	(338)	(341)
Cellnex France, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	21,543	835,694	11,671	(20,063)
Towerlink France, S.A.S. (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	99.99%	Cellnex France, S.A.S.	—	20	(300)	(267)	(688)
Nextloop France, S.A.S	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	51%	Cellnex France Groupe, S.A.S.	Deloitte	3,050	23,968	1,750	(685)

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2020:									
On Tower France, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	70%	Cellnex France Groupe, S.A.S.	Deloitte	381,384	4,205	81,052	40,516
Compagnie Foncière ITM 1 (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	—	1	(69)	(4)	(4)
Cellnex UK Midco, Ltd.	Arbion House High Street, Unit 6 Woking One (Woking) Surrey GU21 6BG	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	—	208,876	(20)	(4)
Watersite Holding Limited	Arbion House High Street, Unit 6 Woking One (Woking) Surrey GU21 6BG	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	28,912	(10,398)	1,617	1,442
Radiosite Limited	Arbion House High Street, Unit 6 Woking One (Woking) Surrey GU21 6BG	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	31,029	(4,535)	4,090	3,197
Cellnex Connectivity Solutions Limited	Arbion House High Street, Unit 6 Woking One (Woking) Surrey GU21 6BG	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	1,924	136,718	(2,797)	(2,708)

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2020:									
Cellnex UK Consulting Limited	Arbion House High Street, Unit 6 Woking One (Woking) Surrey GU21 6BG	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	2,529	(1,338)	390	393
On Tower UK, Ltd.	Crawley Court, Winchester. SO21 2QA	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	3,227	582,391	61,101	37,316
On Tower UK 1, Ltd.	Crawley Court, Winchester. SO21 2QA	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	3,017	25,999	3,083	2,765
On Tower UK 2, Ltd.	Crawley Court, Winchester. SO21 2QA	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	4,498	3,261	3,037	2,105
On Tower UK 3, Ltd.	Crawley Court, Winchester. SO21 2QA	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	2,811	(1,305)	—	—
On Tower UK 4, Ltd.	Crawley Court, Winchester. SO21 2QA	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	112	8,108	8	8
On Tower UK 5, Ltd.	Crawley Court, Winchester. SO21 2QA	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	—	—	—	—
Swiss Infra Services, S.A.	Rue du Caudray, 4, 1020 Renens Vaud	Terrestrial telecommunications infrastructure operator	90%	Swiss Towers AG	Deloitte	90	44,261	42,867	27,783

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2020:									
Swiss Towers AG	Thurgauerstrasse, 136 8152 Opfitkon	Terrestrial telecommunications infrastructure operator	100%	Cellnex Switzerland AG	Deloitte	275,392	40,910	25,804	4,705
Grid Tracer AG (*)	Thurgauerstrasse, 136 8152 Opfitkon	Internet of Things	55%	Swiss Towers AG	—	93	(1)	44	35
OMTEL, Estructuras de Comunicaçoes, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho: Lisboa Fregesia, rroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	100%	CLNX Portugal, S.A.	Deloitte	576,345	(6,107)	7,532	(3,503)
On Tower Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho: Lisboa Fregesia, rroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	10%	CLNX Portugal, S.A.	Deloitte	6,150	105,078	(1,040)	(1,419)
Cellcom Ireland Limited (en proceso de liquidación)	Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Services, Ltd.	Deloitte	—	11,718	753	(169)
Shannonside Communications Limited	Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Services, Ltd.	Deloitte	—	47	23	20

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2020:									
On Tower Ireland Limited	28/29 Sir John Rogerson's Quay, Dublin 2, Dublin, Ireland (cambio dde domicilio social en proceso) después será Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Ireland Limited	Deloitte	1,000	129,595	629	492
Edzcom Oy	Itämentori 2, 00180 Helsinki Finland	Provision of communication sites used by Mobile Network Operators	100%	Ukkoverkot Oy	Deloitte	—	4,377	(1,138)	(1,157)
On Tower Austria GmbH	Bruünner Strabe 52, 1210 Vienna	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Austria GmbH	Deloitte	35	50,484	1,021	573
On Tower Denmark ApS	Scandiagade 8, 2450 Kobenhavn SV	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Denmark, ApS	Deloitte	8,652	101,904	399	373
Torre de Collserola, S.A.	Ctra. Vallvidrera a Tibidabo, s/n Barcelona	Implementation and construction of infrastructures and telecommunications	41.75%	Retevisión-I, S.A.U.	Deloitte	4,520	170	33	2
Consorcio de Telecomunicaciones Avanzadas, S.A. (COTA)	C/ Uruguay, parcela 13R, nave 6, Parque Empresarial Magalia, Polígono Industrial Oeste Alcantarilla (Murcia)	Provision of related services for terrestrial telecommunications concessions and operators	29.50%	Tradia Telecom, S.A.U.	Deloitte	1,000	879	603	452
Nearby Sensors, S.L. (*)	C/Berruguete 60-62, Barcelona	Computing and deployment of loT and automation of hybrid IT-OT processes (industraial IoT), which will arise from the deployment of 5G	30%	Tradia Telecom, S.A.U.	Deloitte	47	(167)	(453)	281
Nearby Computing, S.L. (*)	C/Travessera de Gràcia, 18, Barcelona	Development of softwares amd IT app	9%	Tradia Telecom, S.A.U.	Areas Auditores	6	1,434	(473)	(358)

(*) Unaudited financial statements at 31 December 2020.

This appendix forms an integral part of Note 8 to the 2020 financial statements, with which it should be read.

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

Cellnex Telecom, S.A.

Directors' Report
for the year ended
31 December 2021

1. Information required under Article 262 of the Spanish Limited Liability Companies Law

1.1 Situation of the Company

Cellnex Telecom, S.A. (a company listed on the Barcelona, Bilbao, Madrid and Valencia stock exchanges) is the parent company of a group in which it is the sole shareholder and the majority shareholder of the companies operating in the various business lines and geographical markets. The Cellnex group provides services related to infrastructure management for terrestrial telecommunications through the following business segments:

- Telecom Infrastructure Services,
- Broadcasting Networks and
- Network Services and Others.

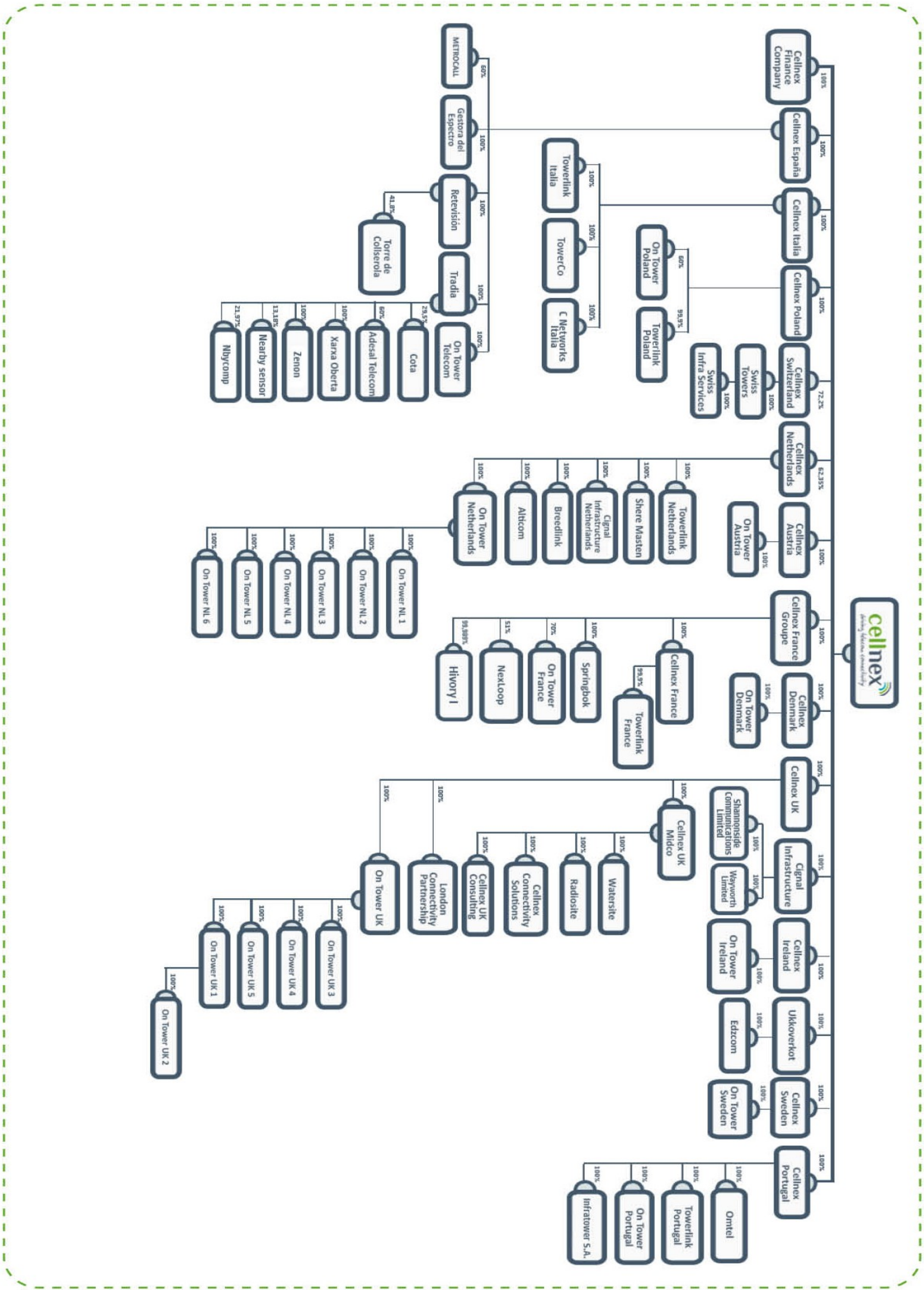
Cellnex is the main neutral[2]infrastructure operator for wireless telecommunication in Europe. Cellnex has committed up to 125,098 sites, 101,802 of them already in the portfolio and the rest in the process of completion or with planned roll-outs up to 2030, and positions the Company in the development of new generation networks. Cellnex provides services in Austria, Denmark, Spain, France, Ireland, Italy, the Netherlands, Poland, Portugal, the United Kingdom, Sweden and Switzerland, as a result of its investment efforts to promote its transformation and internationalisation.

The Company is listed on the continuous market of the Spanish stock exchange and is included in the selective IBEX 35 and EuroStoxx 100 indices. It is also present in the main sustainability indexes, such as CDP (Carbon Disclosure Project), Sustainalytics, FTSE4Good, MSCI and Vigeo Eiris.

Cellnex's reference shareholders include Edizione, GIC, TCI, Blackrock, Canada Pension Plan, CriteriaCaixa, Wellington Management Group, Capital Group, Fidelity and Norges Bank.

[2]Neutral: without the mobile network operator holding as a shareholder (i) more than 50% of the voting rights or (ii) the right to appoint or remove a majority of the members of the Board of Directors. The loss of the Group's neutral position (i.e. by having one or more mobile network operators as a major shareholder) may make sellers of infrastructure assets reluctant to enter into new joint ventures, mergers, divestitures or other arrangements with the Group (which also affects the organic growth of the business). As the Group grows, management expects that large network operators may become open to collaborating with the Group in various ways, such as by selling their sites or other infrastructure assets to Cellnex, including in exchange for shares, which could adversely affect the Group's business and future prospects, as this type of transaction could affect the perceived neutrality of the Group.

As of 31 December 2021, the organisational structure of the Cellnex Group, hereinafter Cellnex or the Group, is as follows:



The breakdown of direct and indirect shareholdings in Group companies and associates is shown in Appendix I of the accompanying financial statements.

1.2 Business model and Significant events in 2021

The Cellnex Group achieved many milestones during 2021: the appointment of a new Chairman, the completion of the acquisition of several of the CK Hutchison's assets, the acquisition of 100% of Hivory with a portfolio of 10,500 sites in France, the agreement with Deutsche Telekom to integrate the 3,150 sites of T-Mobile Infra BV in the Netherlands, the renewal for the fifth consecutive year of Cellnex's qualification as a "Zero Outage Supplier" in Spain by Deutsche Telekom, a capital increase of EUR 7 billion to finance Cellnex's growth, the acquisition of Polkomtel Infrastruktura in Poland, the approval of Cellnex's emission reduction targets by the Science Based Targets (SBTi) initiative and the launch of the first acceleration programme for social-impact startups by the Cellnex Foundation.

There follows a historical timeline of Cellnex's business model from 2015 to 2021:

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

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

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

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

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

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

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

Inaugural bond issuance of 600 million euros, under EMTN program

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

CSR Master Plan 2016-2020 was approved.

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

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

FTSE Russell added Cellnex Telecom to the FTSE4Good Index Series

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

Cellnex joined the ESG sustainability index from Sustainalytics.

First issuance of a convertible bond of 600 million euros

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

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

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

Cellnex were admitted to the MSCI Europe Index.

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

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

2020
Cellnex acquired OMTEL and NOS Towering in Portugal.

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

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

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

Capital increase of €4 billion.

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

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

2021
Appointment of Bertrand Kan as the new non-executive Chairman of Cellnex

Closing of the acquisition of several of the CK Hutchison's assets

Acquisition of Hivory with a portfolio of 10,500 sites in France

Agreement with Deutsche Telekom to integrate the 3,150 sites of T-Mobile Infra BV in the Netherlands

Renewal for the fourth consecutive year of Cellnex's qualification as a "Zero Outage Supplier" in Spain by Deutsche Telekom

A Capital increase of 7 billion euros to finance Cellnex's growth

5 bond issuances amounting 6 billion Euros, including an inaugural issuance in the U.S. dollar market

Acquisition of Polkomtel Infrastruktura in Poland

Approval of Cellnex's emission reduction targets by the Science Based Targets (SBTi) initiative

Launch of the first acceleration program for social impact startups by the Cellnex Foundation

Through the ESG Strategy, Cellnex analyses, measures and manages its impacts as a company on society and its environment. The Company's own value creation model, focusing on the shared management of telecommunications infrastructures, fosters to sustainability, efficiency – and thus responsibility – in the use of the resources with which it works. By building partnerships with its customers, Cellnex has a long-term relationship with them and manages the Company with the long cycle in mind, aware of the principles of ethics, good governance, respect for human rights and dialogue with its stakeholders, which should govern Cellnex's actions.

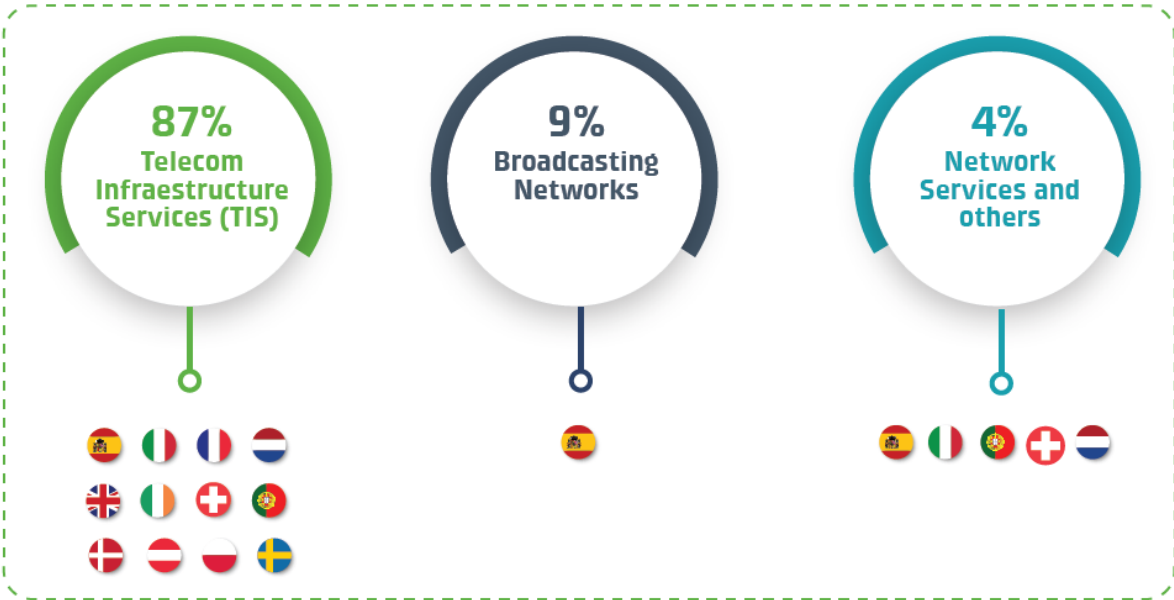
Services

Cellnex offers its customers a range of services aimed at ensuring the conditions for reliable and high-quality transmission for wireless broadcasting of content, including voice, data or audiovisual content.

Cellnex also develops solutions in the field of "smart cities" projects, which optimise services for citizens through networks and services that facilitate municipal management. In this field, Cellnex is deploying smart communications networks in several countries, based on various IoT technologies (Sigfox, LoRaWAN...), that enable objects to be connected and, therefore, the development of a robust ecosystem for the Internet of Things (IoT).

Also relevant is the Group's role in the deployment of security and emergency networks for law enforcement agencies, known as Terrestrial Trunked Radio (TETRA) networks or by their acronym PPDR (Public Protection and Disaster Relief). This Company business line embodies the skill levels of the human team that manages them and the resilience and reliability of the architecture of the networks themselves and the equipment that make them up. Cellnex also participates in the deployment of Private Network services for business environments where service continuity is critical (such as ports, nuclear power plants, petrochemicals, etc.) and dedicated radio communications networks designed to suit customers' needs.

The services provided by Cellnex in each geographical territory in the field of infrastructure management for wireless telecommunications are presented below. In this regard, Telecommunications Infrastructure Services is still relatively the most significant item in the Group's 2021 income statement owing to the acquisition and integration of new telecommunications sites.



As Cellnex expands its presence in the territory, the Company also increases its portfolio of services. For example, with the integration of Poland, Cellnex has incorporated the provision of active equipment services into its business.

Telecommunications Infrastructure Services (TIS)

Cellnex operates in more than 134,813 Point of Presence (PoPs), has a portfolio of nearly 101,802 sites, including BTS committed deployments and is committed to the development of new generation networks.

Cellnex offers co-location services in its infrastructure for mobile operators to install their telecommunications and wireless broadcasting equipment there. This infrastructure is designed to suit the needs of various technologies (broadband, point-to-point connections or mobile communications) in both urban and rural areas. This service involves adapting sites for new co-locations or multiple network modifications required by the operators (installation of new technologies, equipment changes, reconfigurations...). The objective is to meet and improve the SLAs (Service Level Agreements) offered by Cellnex, which are of two main types:

- The provision SLA, when an Operator requests a new shelter or a network modification to carry it out with the highest quality and in the agreed time or better.
- The Operation and Maintenance (O&M) SLA to provide the services with the agreed continuity, and service level, and to improve on it. It should be added that one of Cellnex's priorities is the continuous improvement of processes and procedures, and of contingency plans.

Augmented TowerCo

From pure Co-location services to the most developed Site as a Service concept, Cellnex offers to its clients telecom infrastructure services for sustainable connectivity that relief them from the burden of managing the infrastructures and networks over which their systems operate.

The neutral host nature makes Cellnex’s model the most efficient possible, as developing multi-operator sites which means decreasing costs to the clients, increasing sustainability to telecom and connectivity ecosystem and rapidly meeting all stakeholders expectations as services are quickly deployed.

In this regard, it is worth highlighting the efforts and achievements in terms of security, duration and cost achieved in the campaign to negotiate rental contracts with landlords. In the case of Spain, for example, at the end of the year the percentage of sites secured was over 80%, this is a significant level and guarantees the continuity of this line of business in the future.

Jumping project

During 2021, Cellnex Spain's sites have been adapted to facilitate the deployment of the "Jumping" project (sharing of active network equipment in less populated areas) promoted by two of its customers, Orange and Vodafone, thus helping operators to implement this project.

Cellnex also offers a wide range of services for the distribution of television and radio signals via satellite or teleport (Arganda), as well as data distribution via VSAT stations (Very Small Aperture Terminals or private satellite data communication networks). Cellnex combines terrestrial and satellite solutions to offer each customer the best solution in each case.

In addition, Cellnex offers advanced Ethernet and IP transport services, both for the audiovisual sector and for telecommunications operators, thanks to a fibre optic network that currently consists of 40 MPLS nodes. Cellnex has 163 points of presence interconnecting all broadcasters, audiovisual agents, operators, public administrations, TETRA networks (for critical sectors such as emergency services) and the first IoT (Internet of Things) network in Spain with more than 1,300 UNB stations.

Cellnex Netherlands wins bid for management and expansion of ProRail telecom infrastructure

Cellnex Netherlands was selected in 2021 by ProRail as the Passive Infrastructure Provider (PIP). Cellnex will be responsible for managing and expanding the telecom sites for mobile connectivity along the Dutch railway tracks. For implementation, Cellnex works together with VolkerWessels Telecom, a specialist in designing, building and managing digital infrastructure. In addition to its role as a neutral telecomms infrastructure provider for ProRail, Cellnex has the exclusive rights for any BTS development along the whole rail network.

DAS (Distributed Antenna System) and Small cells

Distributed Antenna Systems or DAS is a network of spatially separated antenna nodes connected to a common source via a transport medium that provides wireless services in a geographical area or structure. A DAS can be installed inside a building to boost the internal wireless signal. Cellnex uses DAS systems to provide DASaaS services (DAS as a Service) with an end-to-end approach. In addition, DAS systems and Small Cells are one of the base infrastructures from which the new 5G communication standard will be deployed.

During 2021, DAS coverage solutions have been developed to provide connectivity in spaces or venues with a high volume of public that require simultaneous voice and mobile data services.

DAS projects developed by Cellnex Spain

In Spain, the entire deployment of the 4G network has been completed in the 300 km and 300 stations of the Madrid metro, thus providing connectivity continuity throughout the underground. In addition, agreements and deployments in various football stadiums in the country, such as the Benito Villamarín stadium of Real Betis Balompié in Seville and the Ciudad de Valencia stadium of Levante Unión Deportiva, are also worth mentioning.

Also noteworthy in the field of data centres is the opening of the first data centre in Barcelona, on Paseo de la Zona Franca, in the area of industrial estates (Pedrosa and Zona Franca) and the Fira II exhibition centre. The data centre has several fibre connectivity routes and has been successfully marketed to one of the four mobile telephone operators, among other customers.

Grand Paris Express

Cellnex France has been commissioned by the Société du Grand Paris (SGP) to deploy a DAS (Distributed Antenna System) network on the new lines 16 and 17 of the Grand Paris Express metro.

Cellnex France will deploy a DAS (Distributed Antenna System) coverage system on lines 16 and 17 to offer mobile operators an uninterrupted and optimal voice and data service with connectivity in all stations and tunnels between Saint- Denis Pleyel and Noisy Champs (Line 16) and between Charles de Gaulle Airport and Le Mesnil Amelot (Line 17).

Cellnex Portugal becomes a referent in the Portuguese DAS market

Cellnex strengthens its position in Portugal with the purchase of towers from the Altice group. During 2021 Cellnex Portugal has closed a second transaction with the Altice group comprising 687 assets, including 223 macro sites and 464 DAS and Small-Cells. Because of these acquisitions, 3 new DAS solutions have been implemented, therefore positioning Cellnex as a referent in the Portuguese DAS market.

Cellnex Italia helps reduce the territorial digital divide in the Historic center of Erice

The municipal administration of Erice has long been committed to winning the great challenge of overcoming any outstanding issues regarding the territorial digital divide. The administration's philosophy is to combine the need for modernity and respect for the historical heritage, in order to provide a service not only to the inhabitants but also to tourists. However, its mountain-top position reduces, if not eliminates, the signal coming from the macro sites of the operators serving the internal streets of the centre.

To achieve a solution meeting Erice's needs, Cellnex has installed an Outdoor Distributed Antenna System. To that end, Cellnex created an optical infrastructure within the 3 km of historic centre, to connect the active equipment distributed through the medieval town.

In order to offer a modern system that respects the historic heritage, the antennas chosen for covering the areas are passive panels which have been discreetly positioned with custom fitted brackets in ideal locations to achieve a very low aesthetic impact. The system provides for the use of a total of 25 antennas.

Accordingly, to offer a high-quality service to people in the historic centre of Erice, this multi-operator system comprises a total of 48 sectors dedicated to providing a high-quality performance to residents and tourists in these areas. The system is supervised 24/7 from Cellnex's Network Operation Centre, equipped with all the necessary hardware and software, and an appropriate complement of expert staff.

Audiovisual broadcasting networks

Cellnex is the leading operator of broadcasting infrastructures in Spain, with more than 1,700 sites exclusively dedicated to transmitting audiovisual and radio signals. Cellnex offers a comprehensive network operation and radio spectrum management service. Ensuring the distribution and broadcasting of digital television, radio and multi-screen content to the main private and public audiovisual groups in the country.

For digital television content, Cellnex has led the implementation of DTT in Spain. The solutions offered by Cellnex include signal distribution, encoding in the most innovative formats and broadcasting of Ultra High Definition (UHD) content. For radio services, Cellnex offers configurable sound quality, data services capacity, flexibility in multiple channel composition, spectrum efficiency and cost efficiency.

In 2021, these DTT and FM services were provided with a very high level of service (SLA - Service Level Agreement), and despite inclement weather, without any significant incident thanks to the operational excellence of the organisation, resources, processes, procedures and people.

The tasks associated with the Second Digital Dividend were also completed, a process initiated in 2020 aimed at freeing up the 700MHz frequency band to facilitate the deployment of 5G. To that end, multiple actions were carried out in national, regional and local DTT broadcasting networks, with channel changes, adaptation of elements such as radiating systems, multiplexes, etc., always in coordination with the Administration and broadcasters. At the business level, all contracts that were due to expire during the year were successfully renewed.

Cellnex also provides innovative services for the management and distribution of paid and free-to-air Internet content for multi-screen environments. For example, Online Business Support Services is a practical and efficient solution to manage all the processes involved in a customer's complete lifecycle, from first contact to billing and collection, through subscription service management, data modification and customer management.

Network and other services

Cellnex offers integrated and adaptable solutions to develop a connected society and make the smart concept a tangible reality in both urban and rural areas. Cellnex provides end-to-end network services for Public Administrations and large companies, integrating and adapting the required solutions. These include: Mission Critical Private Networks (MCPN) services, Business Critical Private Networks (BCPN) services, connectivity services, Operation and Maintenance services and IoT and Smart services.

- Mission Critical Private Networks (MCPN) services: these are networks for Security and Emergency forces that are provided with very high availability and communications security. During 2021, significant contracts were renewed in Spain (Radiecarm Network in Murcia, Tetra Network in Galicia, Secora Network in Seville, Tetra Network in the Balearic Islands ....) and tactical cell pilots were carried out with emerging LTE technology. Also, through the subsidiary Zenon Digital Radio SL, terminals and accessories were sold to various security and emergency forces.
- Business Critical Private Network Services (BCPN): a pilot test was deployed in Spain with BASF at its petrochemical plant in Tarragona, the largest plant in southern Europe. In this new network, a number of industrial 5G use cases were developed: vehicle guidance, assisted maintenance with augmented reality, monitoring and location for worker safety in professional environments, etc.
- Connectivity services: Cellnex's main transport network in Spain has been renewed to improve its security and enhance its capacity, a key aspect for boosting the connectivity business through mixed fibre and radio link solutions for companies and operators. Radio-link connectivity is provided from high rural towers that have direct line of sight covering more than 95% of Spanish territory and the deployment of new connectivity or fibre back-up has excellent quality and dedicated capacity and a very fast time to market. In terms of fibre, Cellnex, through its subsidiary XOC (Xarxa Oberta de Comunicació i Tecnologia de Catalunya S.A, Open Network of Catalonia), has the highest fibre density and is working with the Catalan government to boost high bandwidth communications in Catalonia, offering connectivity for both the Catalan government and wholesale services. Demand for both fibre and radio services continued to grow at a good pace. A new development was the start of the Quantum Communications project with ICFO and the Barcelona Supercomputing Center (BSC). The objective is to implement a node of the European Quantum Communication Infrastructure in Barcelona, and Cellnex provides connectivity between the sites involved through fibre rings, both primary and secondary.
- Operation and Maintenance Services: the agreement has been renewed for the provision of engineering, supply, maintenance and monitoring services for Enel's communications network in Spain (Endesa). Similarly, the agreement with Lyntia has been renewed for the maintenance of its fibre network, broadening its scope to include operational monitoring (Control Centre).
- IoT and Smart Services: the CONNECTA VALÈNCIA project for the Provincial Council of Valencia, an initiative that will enable the development of the province of Valencia as a Smart Tourist Destination, making it possible to develop new management policies. The project includes the implementation of interactive Totems, a tourist Wi-Fi network, the provision of LoRa connectivity through the deployment of a network of 500 gateways for the transmission of information from various meteorological and environmental sensors and the traceability of mobile devices, a survey tool, a data Portal, a Progressive Web Application, a Content Manager, etc. In short, all the necessary elements to understand and analyse the experience of tourists and to guide them on their trips.

Geographical presence and portfolio

In recent years, Cellnex's business has grown exponentially through inorganic operations, which has resulted in a significant expansion of its European presence, increasing complexity both in management and in new products and services.

Cellnex in Europe

Cellnex Austria

Cellnex Austria joined the Group in 2020, as part of the agreement between Cellnex Group and CK Hutchison. Cellnex Austria operates more than 4,470 telecommunications sites located in urban, peripheral and rural areas throughout Austria. In addition, several dozen Cellnex sites have been deployed in areas considered dead spots to provide mobile coverage for the first time to isolated rural towns. Cellnex Austria provides services ranging from accommodation and co-location to electrical connections, security and alarm detection to corrective and preventive maintenance, among many others. As a result of this transaction, Cellnex entered Austria, reaching 25% of the market and becoming the main independent operator of telecommunications towers in the country. All this was achieved by Cellnex Austria's small team, with some members who have years of experience in the sector. It is about to expand so as to provide efficient and quality solutions to customers.

Cellnex Denmark

At the end of 2020, the telecommunications company HI3G Networks Denmark officially transferred the ownership of its towers and sites, together with the corresponding passive equipment, to Cellnex, operating thereafter under the name Cellnex Denmark. Cellnex Denmark owns more than 1,300 sites throughout Denmark, serving telecommunications operators and technology companies through state-of-the-art telecommunications infrastructure. In addition, Cellnex Denmark maintains the goal of building more than 500 new sites in the next few years with a view to the deployment of 5G in the country. At the forefront of these services is a team of professionals with extensive experience in telecommunications, committed to providing infrastructure services for telecommunications for the benefit of all interested parties and always with a proactive attitude.

Cellnex Spain

Cellnex has an important telecommunications infrastructure network in Spain with more than 10,000 operational sites distributed throughout the territory, which provide a wide geographical coverage and allow it to offer services to mobile operators, broadcasters and administrations. Cellnex, as a neutral operator, offers all mobile operators in the country the services necessary for the wireless transmission of data and content, allowing its clients a high degree of efficiency in the deployment of networks and positioning itself advantageously in the development of the networks. 5G networks. Public and private broadcasters entrust the distribution and broadcast of their signal to Cellnex, which has high quality parameters and extensive experience in spectrum management. On the other hand, Cellnex collaborates with state, regional and local public administrations, in order to develop networks and services that contribute to improving the administration-citizen relationship and give way to the Smart City.

Cellnex France

The Cellnex France Group, which in turn is part of the Cellnex Group, is made up of five companies: Cellnex France, On Tower France, Nexloop France, Springbok mobility, and Hivory. Cellnex in France was founded in July 2016 as part of an initial agreement to purchase the more than 600 telecommunications sites from Bouygues Telecom. The vast majority of the sites occupy quality locations in densely populated areas, an ideal situation for the future deployment of 5G. On Tower France was founded in December 2019 after the acquisition by the Cellnex France Group of 70% of the Iliad subsidiary that manages Free Mobile's passive infrastructure. On Tower France currently manages more than 5,700 sites throughout France. Nexloop France was created in May 2020 under a strategic partnership between Bouygues and the Cellnex France Group. Nexloop designs, implements, owns, manages, operates and maintains fiber optic infrastructure networks and numerous regional collection sites, as well as marketing services related to these activities. Springbok Mobility has been 100% subsidiary of the Cellnex France group since 2019. Springbok Mobility develops and operates dedicated indoor infrastructures for companies and real estate businesses, in existing or planned buildings, under its Mobile Inside global service contract, which is based on ensuring that buildings are 100% connected. In addition, in 2021 Cellnex closed the purchase of approximately 100% of Hivory from Altice France and Starlight Holdco. Hivory manages the 10,500 sites that mainly serve the French mobile phone operator SFR.

Cellnex Ireland

Through the acquisition of Cignal in 2019, Cellnex Ireland is the country's newest telecommunications infrastructure provider, focusing primarily on the development and management of fiber infrastructure and tower sites to meet the requirements of the wireless communications industry. Cellnex's portfolio of sites in Ireland consists of more than 550 towers located throughout the country, plus the CK Hutchison sites, for which an agreement was reached in 2020. In addition, Cellnex Ireland is committed to providing the necessary infrastructure to support the improvement and availability of high-speed wireless broadband in rural areas and to help mobile operators address coverage in these communities.

Cellnex Italy

Cellnex manages more than 24,000 sites in Italy which form a dense and far-reaching network covering the whole of Italy, and are therefore of great strategic value for mobile telecommunications, as well as for developing the current ultra-fast mobile 4-4.5G networks and the new 5G technology. Cellnex Italy provides multiple services in multi-operator mode, a key concept for the development of wireless networks and services, for optimizing investments and ensuring more rational and efficient use both in operation and in terms of the environmental impact of the reach of the existing and future network. In addition, TowerCo, a company 100% controlled by Cellnex Italy, manages more than 500 infrastructure assets spread over the entire Italian motorway network, operating in multi-operator and multi-service mode.

Cellnex Netherlands

Cellnex Netherlands emerged from the acquisitions of Alticom BV (in 2017), Towerlink Netherlands BV (in 2016), Shere Masten BV (in 2016), Cignal Infrastructure Netherlands BV (originally T-Mobile Infra BV) (integrated in 2021) and Media Gateway (purchased in 2021). Cellnex's telecommunications infrastructure in the Netherlands consists of antenna masts, broadcasting towers, data centers and advertising masts strategically located in both urban and rural areas. Cellnex Netherlands' infrastructure is managed by a team of professionals from the Utrecht offices in The Hague. All our specialists have years of knowledge and experience in data and telecommunications.

Cellnex United Kingdom

In 2016 Cellnex entered the British market through the acquisition of Shere Group. In December 2019, Cellnex UK acquired the marketing rights of 220 tall towers from BT, and in July 2020 it acquired Arqiva Services Limited. From this acquisition "On Tower UK Limited" was born to be integrated into the current structure of Cellnex United Kingdom. Cellnex UK has over 9,000 sites and has access to hundreds of thousands of street-level assets essential for outdoor Small Cells and 5G deployments in dense urban areas. Responsible for leading Cellnex's business in the UK, the management team is committed to developing collaborative partnerships with clients, portfolio partners and stakeholders across the industry, driving innovation and growth, and creating value for everyone in today's connected world. In addition, pursuant to a sale and purchase agreement dated 12 November 2020, Hutchison agreed to sell to Cellnex UK the 100% of the share capital of CK Hutchison Networks (UK) Limited. The completion of the CK Hutchison Holdings Transaction in respect of the United Kingdom is subject to the satisfaction or waiver of applicable conditions precedent, including in relation to anti-trust and national security clearances, as required. On 16 December 2021, the United Kingdom Competition and Markets Authority ("CMA"), published its provisional findings and notice of possible remedies in relation to the CK Hutchison Holdings Transaction in respect of the United Kingdom, whereby it provisionally found that the CK Hutchison Holdings Transaction in respect of the United Kingdom would lead to a substantial lessening of competition in the market for the supply of access to developed macro sites and ancillary services to mobile network operators and other wireless communication providers in the United Kingdom. The Group publicly responded to the provisional findings and notice of possible remedies in January 2022 and, whilst the Group maintains that the CK Hutchison Holdings Transaction in respect of the United Kingdom will not result in any substantial lessening of competition, it has proposed a divestment remedy comprised of a limited subset of the infrastructures currently operated by Cellnex in the United Kingdom to resolve any potential concerns the CMA may continue to have at the time of its final decision. The deadline for publication of the CMA's final decision is 7 March 2022. If the CK Hutchison Holdings Transaction in respect of the United Kingdom is cleared subject to remedies, the deadline for implementation of remedies is 30 May 2022 (which may be extended by the CMA to 11 July 2022).

Cellnex Poland

In October 2020, Cellnex reached an agreement with Iliad to acquire a 60% majority stake in Play Communications' portfolio of towers in Poland. On September 2020, Iliad launched a takeover bid for Play, agreed with its two main shareholders, which concluded at the end of November 2020. After receiving the green light from the Polish Office for Competition and Consumer Protection, Cellnex formalized the acquisition announced in October to acquire a 60% majority stake in the company. Furthermore, in February 2021 Cellnex announced a transaction with Cyfrowy Polsat Group for the acquisition of 99.9% of its telecommunications infrastructure subsidiary, Polkomtel Infrastruktura. In July 2021, the Polish competition authority (UOKiK) authorized the acquisition of Polkomtel Infrastruktura by Cellnex, formalizing the acquisition at that time. Cellnex Poland operates 7,250 sites distributed throughout Poland, mainly consisting of towers that provide telecommunications operators and technology companies with a state-of-the-art telecommunications infrastructure.

Cellnex Portugal

In Portugal, Cellnex owns the companies Omtel (Omtel, Estruturas de Comunicações, S.A.), On Tower Portugal (On Tower Portugal, S.A.), Towerlink (Towerlink Portugal, S.A.) and Infratower (Infratower, S.A.). In 2019, Cellnex incorporated Towerlink, a company that owns and operates a SIGFOX IoT network. In January 2020, Cellnex acquired the full share capital of Omtel, the first independent Portuguese tower company. In September 2020, Cellnex acquired the full share capital of Nos Towering - Gestâo de Torres de Telecomunicaçôes, S.A., which changed its corporate name on that date to On Tower Portugal, S.A. In the last quarter of 2021, Cellnex acquired 100% of the share capital of Infratower S.A., owner of approximately 223 macro-sites and 464 micro-sites (DAS and Small Cells) in Portugal. Through Omtel, On Tower and Infratower, in Portugal, Cellnex already owns more than 5,000 telecommunications sites located in urban, suburban and rural areas throughout mainland Portugal and the islands of Madeira and Azores. Of these, a few dozen Cellnex sites were deployed to strategic point areas to bring mobile coverage to remote rural areas for the first time. Cellnex has a highly experienced and diversified team in Portugal, totally independent from the telecommunications operators, dedicated to efficiently supporting its growth and commitment to service excellence.

Cellnex Sweden

On Tower Sweden was incorporated in January 2021, from the acquisition of the assets of CK Hutchison. This company has more than 2,500 sites and its portfolio is distributed throughout the country and includes everything from 72-meter towers to highly complex interior space systems, which allows enabling it to offer operators very cost-effective and respectful installation environments with the environment.environmentally- friendly installations. On Tower Sweden provides a full range of services, deploys and optimises sites, provides installation services, as well as operation and maintenance. On Tower Sweden is an infrastructure co-location partner of the main Swedish wireless operators. The company provides secure and well-maintained sites for mobile, broadcast, IoT, Wi-Fi and fiberfibre operators.

Cellnex Switzerland

In Switzerland, Cellnex is made up of the companies Swiss Towers AG and Swiss Infra Services SA. Swiss Towers AG was acquired in 2017 by acquiring the infrastructure of Sunrise Communications AG. In 2019, Swiss Infra Services SA was created by taking over the infrastructure of Salt Mobile (90%). In the first quarter of 2021, Cellnex (through Cellnex Switzerland AG), entered into an agreement with Matterhorn Telecom SA to acquire 10% of the share capital of Swiss Infra Services SA from Matterhorn. Pursuant to this acquisition, Swiss Towers AG held 100% of Swiss Infra as of 31 December 2021. Cellnex Switzerland creates added value for society, its customers and all stakeholders. With a team of experienced industry experts, the company operates a dense network of more than 6,000 telecommunications sites across the country. Cellnex Switzerland is the leading independent, national and neutral telecommunications infrastructure and services operator.

Significant events in 2021

In 2021 the following significant events took place regarding corporate operations at Cellnex Group.

CK Hutchison

Following the various agreements reached in 2020 between Cellnex and CK Hutchison, 2021 has been a year of completing a large part of the agreements and integration of the different acquisitions made. Thus, in December 2020 the assets of Denmark, Austria and Ireland were incorporated and in 2021 those of Sweden and Italy. Currently, the transaction in the UK is still active in 2022. In this regard, Cellnex is working together with the British Competition and Markets Authority (CMA), in relation to the ongoing analysis of Cellnex's acquisition of CK Hutchison's passive infrastructure assets in the United Kingdom. The consideration for the CK Hutchison Holdings Transaction in respect of the United Kingdom is expected to be settled upon closing partly in cash and partly by the issue to Hutchison of new Shares and (if applicable) the transfer to Hutchison of treasury Shares. On 29 March 2021, the general shareholders' meeting of Cellnex (the "General Shareholder's Meeting") approved (delegating its execution on the Board of Directors) a share capital increase by means of an in-kind contribution for the payment of the portion of the consideration to be settled in Shares, as described in the item 10 on the agenda of the resolutions passed by the 2021 General Shareholder's Meeting. Hutchison is expected to receive approximately EUR 1.4 billion in Shares (with the exact number of Shares to be received by Hutchison based on the Cellnex Share price at closing[3]). Hutchison is expected to receive approximately 27 million new Shares, depending on the Cellnex's share price as explained below, with Cellnex expecting to transfer such number of additional treasury Shares as is necessary to reach the number of the Shares consideration payable to Hutchison pursuant to the CK Hutchison Holdings Transaction in respect of the United Kingdom. The aggregate number of Shares to be delivered to Hutchison at completion is also subject to adjustment in the event that certain events (same adjustments events as in the EUR 850Mn 2028 convertible bond) relating to Cellnex's share capital occur prior to completion of the CK Hutchison Holdings Transaction in respect of the United Kingdom, including, among others, issues of Shares in Cellnex by way of conferring subscription or purchase rights (such as the issuance of Shares by Cellnex that occurred on 23 April 2021). As described in item 10, paragraph 10, of the Resolutions passed by the 2021 General Shareholder's Meeting, the General Shareholders'

[3] As such, the minimum and the maximum number of shares to be issued and delivered to Hutchison amounts to 23.7 million and 34.1 million, respectively, in the event the arithmetic average of the Volume Weighted Average Price on each of the 20 consecutive trading days ending on and including the date which is five trading days prior to the completion date of the CKH Hutchison Holdings Transactions in respect of the United Kingdom equals to or is above €57.0 per share and equals to or is below €39.6 per share, respectively.

Meeting acknowledged that the potential differences in value between (i) the implicit value attributed to Cellnex's shares which will be issued in the context of the share capital Increase resolution; and (ii) the volume weighted average price of Cellnex's shares on a date which is close to the date where the share capital increase will be executed (subject to a collar mechanism limiting, exclusively to this purpose, the potential fluctuations in the share price) will be adjusted. Such adjustment, which has a purely contractual significance and does not affect in any way the terms of the share capital increase, will be effected, if applicable, by means of Cellnex's shares transfer and/or, if agreed between Cellnex and Hutchison, by cash payment. Hutchison is expected to hold at closing of the CK Hutchison Holdings Transaction in respect of the United Kingdom an interest of between approximately 3.4% and 4.8% in Cellnex's share capital, depending on the Cellnex's share price as explained in the presentation to the market of 12 November 2020 as well as the capital increase prospectus of 30 March 2021, assuming that no further adjustment events occur. However, in the event that the Cellnex shareholder approval to issue new Shares expires and is not renewed before completion, payment of the total consideration for the CK Hutchison Holdings Transaction in respect of the United Kingdom can be made fully in cash, unless otherwise agreed between the parties. In relation to the consideration for the CK Hutchison Holdings Transaction in respect of the United Kingdom that is expected to be partially settled through the issuance to Hutchison of new Shares and (if applicable) the transfer to Hutchison of treasury Shares, if as a result of a takeover bid prior to closing of such transaction a third party (alone or in concert with another person) acquires the majority of the votes in Cellnex, instead of delivering Shares, Cellnex shall procure that Hutchison receives at completion such equivalent consideration as Hutchison would have received had it been a shareholder of Cellnex at the time of the takeover bid.

In Italy, the closing of the purchase of CK Hutchison's telecommunications tower assets in the country (9,100 sites) was completed in June 2021, following the green light from the Italian competition authority (Autorità Garante della Concorrenza). In this sense, during the second half of 2021 and during 2022, work will be done to integrate Hutchison into Cellnex Italia,

In Ireland, the completion of the asset purchase was announced in December 2020. Thus, during that year the focus was on integrating the Hutchison team into Cellnex Ireland and understanding the assets, challenges and opportunities to operate as a just business.

In the case of Austria, Sweden and Denmark, representing new markets, the challenge in 2021 has been to enter a new market and to create the team and integrate it into the Cellnex model. In the case of Sweden and Denmark, a Shared Services team has been set up to support both countries and in the case of Austria, a Shared Services team has been established with Switzerland. In both cases, the Shared Services centers carry out business support functions such as Finance, IT or People amongst others.

T-Mobile Infra BV

In June 2021, the agreement announced in January of that same year was signed whereby Cellnex had reached an agreement with Deutsche Telekom to integrate the 3,150 telecommunications sites of T-Mobile Infra BV's in the Netherlands. This operation allows Cellnex to operate a total of 4,314 sites in the country and to play an important role as a telecommunications infrastructure operator in the Netherlands. Likewise, Cellnex and T-Mobile Netherlands BV will sign a long-term service contract of 15 years, automatically renewable for periods of 10 years. The agreement also includes the deployment of 180 new sites. In addition, Cellnex, DIV and a Dutch foundation entered into an agreement upon closing, which set forth the right of DIV to sell its 37.65% non-controlling interest to Cellnex, at a price to be calculated pursuant to said agreement.

Play

The agreement with Iliad announced in October 2020 was completed in March 2021, whereby Cellnex would now have a 60% controlling stake in the company that operates the nearly 7,000 Play telecommunications sites in Poland. Thus, the remaining 40% will continue to be owned by Play (Iliad), following the model agreed upon by Cellnex and Iliad in the case of the sites that Free (Iliad) operates in France. This new Polish telecommunications infrastructure company controlled by Cellnex plans to invest up to 1,300 million euros between now and 2030 in the deployment of up to c. 5,000 new sites.

Polkomtel Infrastruktura

In July 2021, the completion of the transaction with Cyfrowy Polsat Group was announced, in relation to the agreement to acquire 99.9% of its telecommunications infrastructure subsidiary, Polkomtel Infrastruktura. Polkomtel operates the passive infrastructures assets (7,000 towers and telecommunications sites) and active infrastructures (37,000 radio carriers covering all the bands used by 2G, 3G, 4G and 5G, a backbone network of

11,300 km of fiber - backbone– and fiber to the tower –backhaul– and a national network of microwave radio links). The agreement represents an investment of 1,600 million euros for Cellnex, accompanied by an additional deployment program of up to 1,500 sites, as well as investments in active equipment, mainly for the deployment of 5G, for another 600 million euros in the next 9 years.

Upon completion of the Polkomtel Acquisition, Polkomtel Infrastruktura, Polkomtel and Aero 2 sp. z.o.o., a MNO within the Polkomtel Group ("Aero", and together with Polkomtel, the "Polkomtel Customers"), entered into a master services agreement whereby Polkomtel Infrastruktura provides access to its passive infrastructures, render the services necessary to maintain the technical conditions that are necessary to provide the transmission of radio signals of a cellular telecommunication network and provide transmission "backhaul", among other ancillary services, to the Polkomtel Customers (the "Polkomtel MSA"). The Polkomtel MSA is following a business model consisting in a long-term revenue that ensures the profitability and return on investment (Capex) executed by Cellnex on behalf of the customer, encouraging investment in the expansion and modernization of client infrastructure and allowing better customer quality services owing to new investments (Capex). The revenue of any year according to the MSA is composed mainly by the addition of the following items: i) a Capex payback (which tend to be 10 years) ii) an industrial margin on the Capex payback, iii) an agreed opex required to run the Capex, (iv) electricity pass through, and (v) other opex items. This long term revenue model presents a tariff scheme that allow Cellnex to increase items ii), iii) and v) on year basis following the Polish CPI. Item i) will follow inflation as new capex cycles are considered in the long term revenue model. This business model presents similar characteristics to the BTS programs, as Cellnex is remunerated when Cellnex invests on the new Capex programme agreed with the client. Also, Cellnex i) can share the infrastructure with third parties, ii) has operating leverage, iii) strong backlog and iv) maintenance capex higher to its c. 3% of total Revenues.

The acquisition of Polkomtel Infrastruktura places Cellnex in a strategic position in Poland while incorporating a new service within Cellnex's business portfolio: Active Team management. This marks an unprecedented event at Cellnex, where the challenge from now on is to expand the active team management service throughout the Company's portfolio.

Hivory

In October 2021, Cellnex's purchase, announced in February of that year, of approximately 100% of Hivory from Altice France and Starlight Holdco in France by Cellnex was completed. Hivory manages the 10,500 sites that mainly serve the French mobile phone operator SFR. The agreement represents an investment of EUR 5,200 million for the company, which will be accompanied by an eight-year programme for another EUR 900 million for the deployment, among other projects, of up to 2,500 new sites. The authorization of this operation by the French competition authority also establishes that Cellnex will have to divest approximately 3,200 urban sites of the total number of sites that the Group will be managing in France after the integration of Hivory.

Innovation

Innovation at Cellnex is led by the Product Strategy and Innovation Department, which consists of three sections: New Product Strategy, Innovation, and Project Management Office. The Innovation area is responsible for monitoring the evolution of current technologies, as well as monitoring new technologies that may have an impact on the company's business (e.g. 6G). The New Product Strategy area is responsible for the design, validation, and launch of new innovative products and services (e.g. Edge Computing). Finally, the Project Management Office area transversally manages all administrative, legal, and economic aspects related to management. The main lines of work focus on future site design, broadband communications available anywhere, and security management (information, infrastructure, and people).

1.3. Activity and main risks and uncertainties

The financial statements of Cellnex Telecom, S.A. reflect the consequences of its investment activity and its activity as parent company of the group, both from the point of view of the balance sheet (investments and financing) and the income statement (contributions through dividends from the different companies and borrowing costs and structure).

The Company balance sheet is chiefly composed of shareholdings in companies and the financing required for their acquisition using debt.

On November, 2020, the Company's Board of Directors approved the reorganization of its financial function in order to improve efficiency. As a result of the aforementioned reorganization, the wholly owned company Cellnex Finance Company, S.A.U. was incorporated.

In the context of the aforementioned financial reorganization, prior to December 31, 2020, the following operations were carried out:

(i) the transfer to Cellnex Finance Company, S.A.U., as new debtor, of the following Company's indebtedness: indebtedness owed to third parties by the Company derived from financing contracts and indebtedness owed to Group companies by the Company derived from cash pooling contracts;

(ii) the termination of certain debt instruments granted by the Company, as creditor, in favour of certain Group companies and the granting of new debt instruments by Cellnex Finance Company, S.A.U. in favour of the same Group companies and for the same amount;

In relation with the abovementioned operations, the Company continues to act as guarantor of the transferred debt.

Finally, the Intra-group Debt Reorganization Transactions were completed and became effective at the end of 2020.

Due to the nature of its investment activity, the Company is exposed to certain financial risks, such as foreign currency risk, interest rate risk, credit risk, liquidity risk and Inflation risk. For more details, see Note 5 of the accompanying financial statements.

Cellnex has implemented a risk management model that has been approved and is monitored by the Audit and Control Committee and is applicable to all business and corporate units in countries where the Group operates. The risk management model is aimed at effectively ensuring that the Group's objectives are achieved.

The information concerning the risks of the Company is presented, with this same date and in the same mercantile register, in the Consolidated Management report of the Cellnex Group, which has been prepared according to internationally recognised standards.

1.4 Information relating to the deferred of payments to suppliers

See the information in Note 18.2.of the accompanying financial statements.

1.5 Use of financial instruments

In the year ended 31 December 2021, Cellnex Telecom, S.A. abided by the policy for use of financial instruments described in Note 5 to the accompanying financial statements.

1.6 Research and Development activities

The Company as Parent Company of Cellnex Group has not carried out any research and development activities, due to the fact that they are been developed at operative companies level. The information concerning the Group research and development activities is presented, in the Consolidated Management report of the Cellnex Group, which has been prepared according to internationally recognised standards.

1.7 Cellnex's Corporate Social Responsability framework

Cellnex is aware of the new risks and the demands arising from the environmental and social phenomena that predominate the international context, which is evidenced by the preparation and implementation of the ESG Plan 2021-2025, where climate change is a key pillar of the strategy due to its connection with the environment, which includes carbon emissions, toxic emissions and waste.

Cellnex has carried out a climate scenario analysis, as recommended by the TCFD, which allows the company to understand and define the level of resilience with regard to a number of future states relating to climate change. This enables Cellnex to explore and develop an understanding of how physical and transition risks, as well as opportunities, could plausibly impact the business over time.

Climate Scenarios analysis therefore evaluates a range of hypothetical outcomes by considering a variety of alternative plausible future states (scenarios) under a given set of assumptions and constraints. According to the TCFD methodology, there are two main types of scenarios to analyse: physical and transition.

- The physical scenarios take into account the concentrations of greenhouse gases (GHG) in the atmosphere and the physical characteristics of the climate to assess the possible risks that climate change may cause.
- Transition scenarios analyse trends in politics, energy and economics related to climate change, to determine the possible risks that they may pose to the activity of an organisation.

In this context, Cellnex has selected a physical climate scenario and two transitional climate scenarios to assess the possible impacts that the Company would have to face in the future.

1.8. Other Information

Non-financial information

The non-financial information presented in this Director's Report is complemented with the information presented, with this same date and in the same mercantile register, in the Consolidated Management report of the Cellnex Group, which has been prepared according to internationally recognised standards.

Shareholder remuneration

The approved shareholders' remuneration policy, which is amended from time to time, aims to maintain an appropriate balance between shareholder remuneration, the Company's profit generation and the Company's growth strategy, while pursuing an adequate capital structure. When implementing of the Shareholders' Remuneration Policy, the Company is focused on distributing an annual dividend by an amount 10% above the dividend distributed for the year. As a result, each year the Company distributes dividends against either net profit or distributable reserves attributable to the Company for the respective financial year.

On 21 July 2020, the Annual Shareholders' Meeting approved the distribution of a dividend charged to the share premium reserve with a maximum of EUR 109 million, to be paid upfront or in instalments over the years 2020, 2021, 2022 and 2023. It was also agreed to delegate to the Board of Directors the authority to establish, if appropriate, the amount and the exact date of each payment during that period, while always remaining within the maximum overall amount stipulated.

According to the Shareholders' Remuneration Policy, the shareholder remuneration for fiscal year 2021 will be equivalent to that for 2020 (EUR 29.3 million) plus 10% (EUR 32.2 million); the shareholder remuneration corresponding to fiscal year 2022 will be equivalent to that of 2021, plus 10% (EUR 35.4 million).

During 2021, and in compliance with the Company´s shareholder remuneration policy, the Board of Directors, pursuant to the authority granted by the decision of the Annual Shareholders' Meeting of 21 July 2020, approved the distribution of a dividend charged to the share premium reserve in the amount of EUR 11,820 thousands, which represents EUR 0.01740 for each existing and outstanding share giving entitlement to receive such a cash pay-out. In addition, the Board of Directors, pursuant to the authority granted by the resolution of the Annual Shareholders' Meeting of 21 July 2020, approved the distribution of a dividend charged to the share premium reserve in the amount of EUR 20,396 thousands, which represents EUR 0.03004 for each existing and outstanding share giving entitlement to receive such a cash pay-out.

Dividends will be paid on the specific dates to be determined in each case and will be duly announced.

Notwithstanding the above, the Company's ability to distribute dividends depends on several circumstances and factors including, but not limited to, the net profit attributable to the Company, any limitations included in financing agreements and the Company's growth strategy. As a result of such circumstances and factors (or others), the Company may amend the Shareholders' Remuneration Policy or may not pay dividends in accordance with the Shareholders' Remuneration Policy at any given time. In any case, the Company will duly announce any future amendment to the Shareholders' Remuneration Policy.

Business outlook

In terms of business prospects, during 2022 the Group will continue to focus on executing organic growth (leveraging on its neutral operator character), integrating assets resulting from inorganic agreements already signed and seeking new inorganic opportunities to continue to remain a benchmark independent tower operator in Europe. Thus, as a result of the organic growth expected along with assets and companies acquired, and their progressive integration into the Group as a whole, the Group expects to increase various key indicators by at least 35% for the year ending on 31 December 2022.

Market figures: Cellnex on the stock market

On 20 June 2016, the IBEX 35 Technical Advisory Committee approved the inclusion of Cellnex Group (CLNX: SM) in the benchmark index of Spain's stock exchange, the IBEX 35, which brings together the principal companies on the Spanish stock exchange in terms of capitalisation and turnover. This milestone brought with it a broadening of the shareholder base, giving Cellnex higher liquidity and making it more attractive to investors. At present Cellnex has a solid shareholder base and the majority consensus of analysts who follow our Company +75% - is a recommendation to buy.

As at 31 December 2021, the share capital of Cellnex Group increased by EUR 48,155 thousand to EUR 169,832 thousand (EUR 121,677 thousand at the end of 2020), represented by 679,327,724 cumulative and indivisible ordinary registered shares of EUR 0.25 par value each, fully subscribed and paid (see Note 11 of the accompanying financial statements).

Cellnex's share price rose 12.5% increase during 2021, closing at EUR 51.2 per share. The average volume traded has been approximately 1,622 thousand shares a day. The IBEX 35, STOXX Europe 600 and the STOXX Europe 600 Telecom rose by 7.9%, 22.2% and 11.4% over the same period.

Cellnex's market capitalisation stood at EUR 34,768 million at the year ended on 31 December 2021, 868% higher than at start of trading on 7 May 2015, compared with a 22% drop in the IBEX 35 over the same period.

The evolution of Cellnex shares during 2021, compared to the evolution of IBEX 35, STOXX Europe 600 and STOXX Europe 600 Telecom, is as follows:

The detail of the main Cellnex stock ratios as of 31 December 2021 and 2020 is as follows:

	31 December 2021	31 December 2020
Number of treasury shares	679,327,724	486,708,669
Market capitalisation at the end of the period/year (€millions)	34,768	23,907
Price at the end of the period (€/share)	51.0	49.0
Maximum price of the period (€/share)	62.0	57.0
Date	24/08/2021	11/04/2020
Minimum price of the period (€/share)	39.0	33.0
Date	08/03/2021	03/16/2020
Average price of the period (€/ share)	50.0	47.0
Average daily volume (shares)	**1,622,122**	**1,317,890**

Treasury shares

On 31 May 2018 the ordinary general shareholder's meeting of Cellnex decided to delegate in favour of the Company's Board of Directors the power to purchase treasury shares up to a limit of 10% of the share capital of the Company.

On 19 May 2021, Cellnex announced a treasury shares purchase programme with a limit of €24.7 million and for a maximum of 520,000 shares representing 0.076% of the share capital of the Group. This purchase programme will be used for issuing shares to employees in accordance with employee remuneration payable in shares. On 28 October the purchase programme was expanded up to a limit of €44.7 million and with a maximum of 820,000 shares representing 0.12% of the Group's share capital.

On 21 November 2021, Cellnex notified the termination of the purchase programme, having reached the maximum number of shares to be acquired. In execution of the treasury shares purchase programme, 820,000 shares were acquired equivalent to 0.12% of the Company's share capital, for an effective amount of EUR 42.9 million.

During the second half of 2021, Cellnex Board of Directors approved the Cellnex Treasury Share Policy, which can be consulted on the corporate website. Thus, during 2021, Cellnex carried out discretionary purchases of treasury shares for an amount of EUR 57,755 thousand (EUR 6,509 thousand during 2020).

The number of treasury shares as at 31 December 2021 and 2020 amounts to 1,202,351 and 200,320 shares, respectively and represents 0.177% of the share capital of Cellnex Telecom, S.A. (0.041% as at 31 December 2020).

The treasury shares transactions carried out in 2021 are disclosed in Note 11.1 of the accompanying financial statements.

Post balance sheet events

See Note 20, "Events after the reporting period", of the accompanying financial statements.

2. Annual Report on the Remuneration of Directors of Cellnex Telecom 2021

The Annual Report on the Remuneration of Directors for the year 2021 is included below.

Index

*Nominations, Remunerations and Sustainability Committ

Letter from the Chair of the NRSC

Dear Stakeholder,

On behalf of the Cellnex Board of Directors, I am honoured to present to you our Annual Report on the Remuneration of Directors of Cellnex Telecom 2021, which includes our proposed new Remunerations Policy, which remains subject to approval at the upcoming 2022 Annual General Meeting (AGM), and how it would be applied in 2022. The report also includes our 2021 Annual Remunerations Report, which describes the implementation of our current policy during the previous fiscal year

The Committee which I chair is also responsible for all aspects related to the areas of Nominations and Sustainability.

Within the area of Remunerations, these are the following responsibilities:

- To determine, on behalf of the Board of Directors, the remuneration policy of the Chair of the Board, the non-executive directors, the CEO and the senior management of the Company
- To define the remuneration packages for these individuals, including any compensation that is related to the potential termination
- To operate in accordance with the principles of good corporate governance, and
- To issue an Annual Report on the Remuneration of Directors.

The CEO's remuneration is fully aligned with the level of achievement of the value creation for shareholders

I am convinced that the new Remunerations Policy will lead to a significant improvement towards your demands, since it includes some of the concepts that you have requested, notably an increased alignment between the remuneration of executives and value creation:

- The remuneration of the CEO is fully aligned with the creation of value for shareholders, since:
    - i. his Fixed Remuneration is not increased,
    - ii. the Variable Remuneration and Long-Term Incentive are increased, only in the case of exceptional performance, and
    - iii. relevant changes are introduced in the Annual Variable Remuneration and Long-Term Incentive Plan to reflect new KPIs related to ESG performance

- The prominence and commitment to sustainability is evident in the increased importance given to more specific metrics which apply both in the short and long-term

- The importance of the good governance recommendations is evident in the new proposal, exceeding the demands of the investment community and regulator in this area by 80%

In addition, this year, we have undertaken an engagement process with our investors and proxy advisors with the assistance of an external consultant. We are increasingly interested in hearing from our stakeholders and we have included many of their suggestions in our proposal, taking into account the . detailed analysis with Proxy Advisors and Proxy Solicitors, as well as with some of you, who have kindly participated by offering your feedback for the definition of the Remunerations Policy.

I am well aware that this Policy is challenging for the CEO and management team all in accordance with our ambitious business targets. But I am convinced that it is a necessary step in order to align the Company performance with the interests of our shareholders.

In addition, this year, we have undertaken an engagement process with our investors and proxy advisors with the assistance of an external consultant. We are increasingly interested in hearing from our stakeholders and we have included many of their suggestions in our proposal. All of these initiatives have been adopted after a detailed analysis with Proxy Advisors and Proxy Solicitors, as well as with some of you, who have kindly participated by offering your feedback for the definition of the Remunerations Policy.

I am well aware that this Policy is a challenge for our CEO and management team. But I am convinced that it is a necessary step in order to align the Company with the interests of our shareholders.

In 2021, the overall achievement level of the CEO's Annual Variable Remuneration was [98.11% of the objective] and the 2019-2021 LTIP that the CEO will receive in the month following the AGM which will approve the 2021 annual accounts, being the before tax payout 1,920,157 euros (which represent 1.16 times his Fixed Remuneration).

The Committee has met on 15 occasions during 2021, demonstrating its high level of commitment.

The Committee has assumed all of its responsibilities during 2021 and has met on a total of fifteen occasions, demonstrating its discipline and commitment to consider carefully and address the issues which fall under its responsibility. This includes the creation of an action plan to evaluate the Board of Directors, the appointment of an independent Chair of the Board of Directors, to the process undertaken to create a matrix of competences to identify the needs of the Board, the review of the Succession Plan, the approval of a new strategic ESG plan for 2021-2025, as well as the ESG training for Board of directors and the review of the internal Company regulations.

The Committee believes that the new Policy, detailed in the following sections, will serve to generate progress and commitment amongst our employees.

And once again, please allow me to thank all of our stakeholders for the level and quality of the support provided this fiscal year.

Marieta del Rivero

Chair of the Nominations, Remunerations and Sustainability Committee (NRSC)

Summary of remuneration in 2022

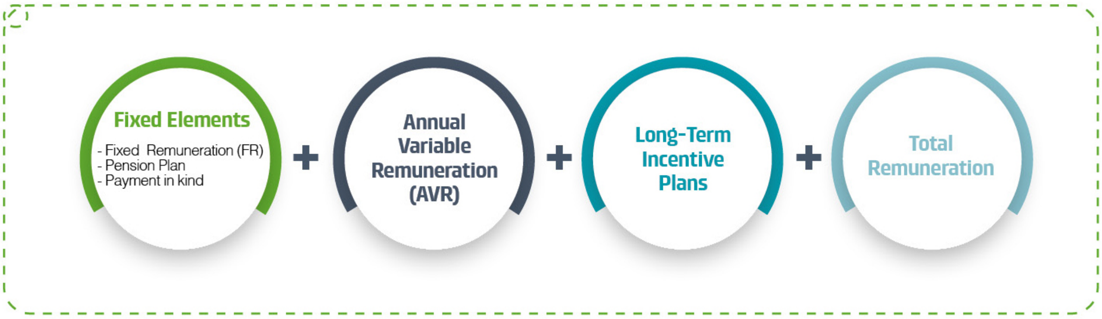
The CEO's remuneration for 2022 includes **metrics reflecting the creation of value for shareholders and further reinforcing long-term sustainability**

General principles of the remuneration of the CEO in 2022

General principles of the remuneration of the CEO in 2022

Fixed Remuneration (FR)	1,300,000 euros. No increase in the Fixed Remuneration as compared to 2021.
Annual Variable Remuneration (AVR) for excellent performance	In the case of excellent performance, the maximum opportunity will be 180% FR (150% x 1.2 of the multiplier linked to the Company's Leadership Model).
Long-Term value creation FR 2024* (5.5/3)* achievement	• The Long-Term Incentive Plan (LTIP) includes metrics reflecting the creation of value for shareholders and reinforces long-term sustainability. Increasing from 1 measure of share revaluation (TSR*) in the prior plan to 4 measures: ESG**, RLFCF*** per share, absolute TSR and relative TSR compared to a comparable group. • The standard multiplier over Fixed Remuneration is maintained without changes as compared to the previous plan (5.5/3= 1.83) • Increase the percentage of granted shares in the LTIP, from 30% to 40%. *TSR: Total shareholder return / ** ESG: Environmental, Social and Governance / *** RLFCF: Recurring Levered Free Cash Flow.
"Pay for performance" over the LTIP (Booster)	In accordance with the pay for performance principle, an exceptional remuneration will be offered (through the application of a new multiplying factor) only in the case in which the results are exceptional.
Remuneration mix with a greater weight of at-risk remuneration	26% Fixed Remuneration and 74% at-risk. This component is 6% greater than the average of comparable market data, according to peer group analysis conducted by Willis Towers Watson (WTW).
Increased alignment with the Good Governance Code	Compensation and non-compete clause: limited to 2 years of the total remuneration, including a 2 year non-compete clause within this amount.

The total remuneration of the CEO in 2022 is made up of three elements as summarised below:



Fixed Elements: No increase as compared to year 2021

Fixed Remuneration (FR)	1,300,000 euros
Pension Plan	25% of FR
Payment in kind	Benefits related to private medical insurance and Company car

Annual Variable Remuneration: Only increases in case of overperformance: (from 150% to 180%)

Minimum: 0%

Target: 100%

Maximum: 180% → (150%* 1.2 linked to Leadership Model)

- 35% Adjusted EBITDA
- 30% Organic growth
- 20% ESG Indicators (focused on the E: reduced carbon footprint, and the S: % women in management positions)
- 15% Inorganic growth

Calculation formula: FR * Achievement level (%) * 1.2

Long-Term Incentive Plan 2022-2024: Only increases in case of overperformance (Booster)

- 30% Evolution of share price
- 30% Relative evolution of share price compared to comparable companies
- 20% Recurring Levered Free Cash Flow (RLFCF) per share
- 20% ESG (focusing on the E: % of green energy consumption and on the S: reduction of the gender pay gap, among other things)

Calculation formula: LTIP= FR 2024 * (5,5/3) * Achievement level (%) * Booster

The standard multiplier of the CEO (5.5 / 3 years=183%) remains unchanged as compared to the previous year, while the new Booster (new multiplying factor) will only apply if the revaluation of the share is exceptional in absolute and relative values.

- Minimum multiplier 1.2 (>10% TSR= 70 euros/share and second relative position)
- Maximum multiplier 5 (30% TSR = 114.4 euros/share and first relative position)
- Payment modality: 40% granted in shares / 60% in stock options

Others

Shareholding:	Equivalent to a minimun of 2 years of Fixed Remuneration

This model contributes to the Company's business strategy and long-term sustainability

The objective of the structure of the remuneration package of the CEO is to align it with the performance and value creation for the Company. The NRSC is therefore confident that the proposed remuneration structure will play an important role in supporting the delivery of the Company's strategy and ensuring it meets its sustainability goals, as set out in the Company's Strategic Plan.

As a result, the proposed remuneration of the CEO for 2022 It is in line with best international practices and has been benchmarked against the relevant peer group.

2022 Remunerations Policy in detail

The Remunerations Policy of the Directors of Cellnex in force at the time of drafting of this report (the "Report" or "Annual Remuneration Report"), was approved by the shareholders at the AGM held on 29 March 2021. The policy was supported by88.15% of [voting] shareholders and was expected to be valid throughout fiscal years 2021, 2022 and 2023. This policy may be accessed through the Cellnex website[1].

However, the Board of Directors has decided to submit a new Remunerations Policy of the Directors for approval by the AGM to be held in April 2022. Although the new Remunerations Policy builds on the current Policy, it introduces certain new aspects which are detailed in this Report.

The design of the Remunerations Policy is coherent with the Company's strategy and is oriented to ensure that the long-term results are achieved.

The design of the Remunerations Policy is aligned with the Company's strategy and is oriented to ensure the achievement of the long-term results.

In Cellnex the only Executive Director is the CEO and his total remuneration consists of distinct remuneration elements, as detailed below:

Fixed elements

intended to compensate for the level of responsibility of the position in the organisation, the individual's professional experience and market, national and international practices of comparable companies.

Annual Variable Remuneration

intended to promote the commitment of the CEO with the Company, motivating his performance and ensuring the achievement of the specific objectives of each fiscal year.
Linked to a combination of financial and non-financial corporate objectives. The non-financial objectives may include objectives linked to the sustainability strategy and individual performance. Compensation is made in cash, in contributions to the pension plan and/or in shares.

Long-Term Incentives

intended to motivate and retain through a remuneration policy that links and integrates the CEO with the Company's Strategic Plan, aligning his objectives with those of the shareholders, and maintaining external competitiveness to allow the acquisition and retention of talent.
These Long-Term Incentives are included in a multi-annual framework, to ensure that the evaluation process is based on the long-term results and that the underlying company economic cycle is considered. This remuneration is granted based on value creation , to ensure that the interests of the CEO are in line with those of the shareholders.

Therefore:

- There is a appropriate balance between the fixed and variable components of the remuneration.

[1] https://www.cellnextelecom.com/content/uploads/2021/04/B.AOB_.3.-Politica-de-remuneraciones-2021-2023-V.3.pdf

- The variable component of the CEO's remuneration is structured so that none is paid in the event the minimum target achievement is not met.

The established metrics, for both annual variable remuneration and long-term variable remuneration, reflect the Company's strategic priorities at all times and the guidance offered to its investors.

- The established metrics, for both Annual Variable Remuneration as well as Long-Term Incentive, are linked to the achievement of a combination of financial and non-financial objectives, which reflect the Company's strategic priorities, as well as the guidance communicated to investors. Specifically, the non-financial objectives may be linked to sustainability metrics in any of the three vectors: environmental, social and governance.

- There is no guaranteed minimum level of the variable remuneration component.

The Cellnex Nominations, Remunerations and Sustainability Committee works with expert advisors to understand, benchmark and monitor competitive market practices.

It also has the objective of including relevant market practices to ensure that the Remunerations Policy supports the attraction and retention of highly qualified leaders, rewards for short and long-term results and the creation of value for our investors.

This process includes an analysis with Industry comparable companies and a benchmark analysis.

During fiscal year 2021, and as of the drafting of this report, the Nominations, Remunerations and Sustainability Committee has been advised by prestigious entities

Throughout fiscal year 2021, and as of the date of this Report, the Nominations, Remunerations and Sustainability Committee has taken advice from prestigious recognised entities, who have offered their knowledge on this area, including i) Willis Towers Watson (WTW) and ii) Georgeson (proxy solicitor). Similarly, feedback has been provided by the proxy advisors (ISS and Glass Lewis) and from a representative sample of investors.

Section 3.3 of this Report presents the principles and criteria upon which the 2022 Remunerations Policy is based, as well as the external advisors who have collaborated on its design, and the peer group companies used for comparative purposes.

3.1 Remuneration of the Cellnex CEO in 2022

As of the date of this Report, the CEO is the only executive of the Company.

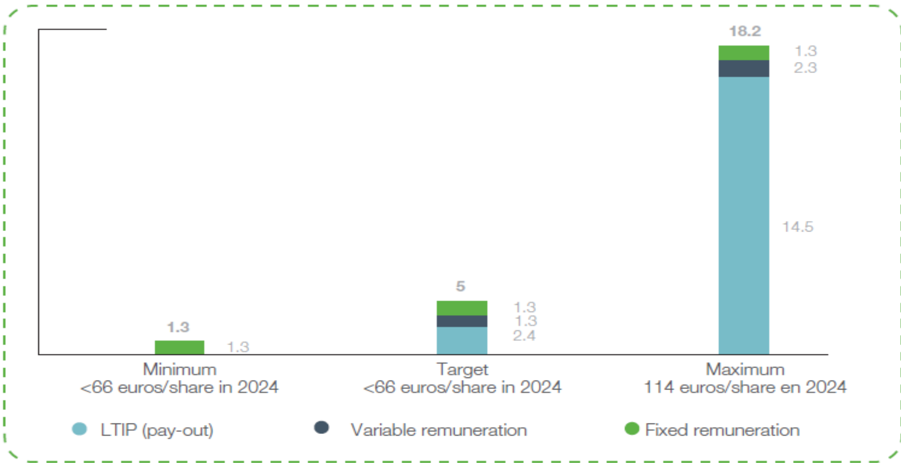
3.1.1 Percentage of remuneration linked to risk

The remuneration mix reflects the reasonable assumption of risks combined with the achievement of defined short and long-term objectives, linked to the creation of sustainable value.

Regarding the remuneration mix, the Remunerations Policy of the Directors of Cellnex provides a reasonable balance between the distinct fixed and variable elements (annual and long-term) of the remuneration which reflects a reasonable assumption of risk combined with the achievement of defined short and long-term objectives, linked to the creation of sustainable value.

Therefore, during the period in which the new Remunerations Policy proposal (since its approval by the AGM and until-2025) is in force, the weight of the remuneration at "risk" for the CEO stands at 74% of the total remuneration, in a scenario of standard (target) achievement. The weight of the remuneration at risk can reach up to 93%, in a maximum achievement scenario, that is, in a scenario of over-achievement of the objectives at both an annual and long-term level.

The graph below presents the 2022 total remuneration for the CEO, as well as the remuneration mix for a scenario of minimum, target and maximum achievement, according to the new Remunerations Policy of the Directors (subject to approval at the 2022 AGM). This policy, based on the "pay for performance" principle, will encourage Cellnex to create value as in prior periods (2017-2021).



	2017	2018	2019	2020	2021
Income (million euros)	792	901	1,035	1,608	2,536
Total Assets (million euros)	4,445	5,133	13,043	24,070	41,797
Market capitalisation (million euros)	4,946	5,187	14,785	23,907	34,768
TSR	56%	4%	93%	34%	13%

The Committee agreed to maintain the Fixed Remuneration of its CEO and, therefore, **his salary remained unchanged in 2022.**

3.1.2 Details on the remuneration elements of the CEO in 2022

The CEO's remuneration package consists mainly of certain Fixed Elements (Fixed Remuneration, contribution to the pension plan and certain remuneration in kind), an Annual Variable Remuneration and certain Long-Term Incentive Plans.
Below, please find a summary of the different remuneration elements making up the CEO's total remuneration for 2022:

Fixed elements:

Fixed Remuneration (FR)

Purpose: To offer compensation considering the level of responsibility, experience, professional competences and market practices in companies with: similar activity, size and complexity compared to Cellnex..

Amount (€)	Detail
1,300,000 euros in 2022.	100% in cash.
The Committee agreed not to increase the Fixed Remuneration; therefore, his remuneration will remain unchanged during 2022.	To be paid on a monthly basis.

Willis Towers Watson has advised the Company in the benchmark against a group of comparable companies and analysed the trends and best remuneration practices of the market.

Regarding the Fixed Remuneration, it should be noted that the amount may be revised during the validity period of the Remunerations Policy of the Directors under certain circumstances such as (but not limited to) the excellent evolution of the Company's business parameters, changes in the business, competences or responsibilities of the CEO and excellent Company performance.

Under these circumstances, the Board, after the favourable recommendation of the NRSC, may decide to apply an increase. The maximum increase during the validity period of the Remunerations Policy of the Directors is 30%. Any such increase will be explained in the corresponding Annual Report on the Remuneration of Directors, along with the underlying rationale.

Likewise, the CEO will receive compensation for his appointment and dedication to the Board of Directors.

Pension Plan

Purpose: To provide competitive post-retirement benefits.

Amount (€)	Detail
25% of the FR	The pension plan is aligned with the defined contribution contracts and is instrumented through a collective insurance policy.

Annual Pension plan contribution is positioned between median and 75 percentile of the Industry peer group as per WTW benchmark.

The contingencies covering the Pension Plan are: a) Survival at 65 years of age or the legal retirement age; b) Death; c) Overall permanent disability for the regular, absolute profession for all types of work and major disability; d) Long-Term unemployment: In these circumstances, he will be entitled to receive the total amount of the provision established in his favour in the Defined Contribution Pension Plan when, after ceasing in his duties, do not receive any remuneration, throughout an entire calendar year, as defined in the Personal Income Tax regulations..

In the case of removal of the Company's CEO prior to the occurrence of any of the contingencies foreseen in the pension plan, the CEO will have the rights related to the contributions made up to such date[2].

Payment in Kind

Purpose: To provide competitive benefits.

Amount (€)	Detail
32.000 €*	This includes, among others, the payment of life and accident insurance premiums and healthcare policies, of which the executive director and members of his family may be beneficiaries .

[2] Except in the following cases: a) In the case in which, at any time during the twelve (12) months following termination of his contract –due to causes other than the contingencies and without having received the survivor's benefits–, he breaches the non-compete obligation regulated in his contract; b) In the case of the termination of his contract due to a violation of good contractual faith; c) in the case of termination of his contract due to abuse of trust during the performance of his duties.

* Estimated amount. In 2022, the same elements comprising the payment in kind from 2021 are maintained.

Regarding the variable elements for 2022, these consist of: i) Annual Variable Remuneration (AVR), and ii) Long-Term Incentive Plans (LTIP).

Variable Elements

Annual Variable Remuneration (AVR)

Purpose: To promote the CEO's commitment to the Company, motivate his performance and compensate for the achievement of specific objectives during each fiscal year,

Amount (€)	Detail	Disign
Minimum: 0%	Adjusted EBITDA (35%)	100% in cash in fiscal year 2022[3]
Target: 100% of the FR (1,300,000 euros)	Evolution of the number of sites managed (30%)	Subject to malus and clawback provisions (12 months)
Maximum: 180% (150% * 1.2) of the FR (2,340,000 euros)	ESG indicators (20%)	Discretion of the Board in the case of exceptional circumstances
(See additional details on the level of achievement, below)	Inorganic growth (15%)	

The Annual Variable Remuneration designed for 2022 demonstrates Cellnex's commitment to rigorously and objectively create and comply with the remuneration objectives. Upon review of the market practices, the Committee reached the conclusion that the Company's performance with regard to these objectives is challenging, revealing that the Company had created rigorous objectives for its Incentive Plans.

To quantify the Company's performance, metrics that were directly linked to those used to measure the Company's financial performance (such as the EBITDA, adjusted according to accounting standard IFRS16) were proposed, as well as other key metrics related to the execution of the Cellnex strategy, such as organic and inorganic growth and the progress of ESG initiatives.

[3] All or some of the Annual Variable Remuneration may be substituted by a company contribution to improve the pension plan or by Cellnex shares.

The metrics reflect the creation of value for the shareholders, promoting alignment and team work

These metrics reflect the shareholders' value creation, ensuring that the Company's financial and operative performance and the progress of the ESG strategies are shared objectives of the management team and the market, promoting alignment and team work.

These objectives are approved by the Board of Directors, upon proposal by the Nominations, Remunerations and Sustainability Committee, at the end of each preceding fiscal year.

As shown in the chart above, the Board of Directors, in its meeting held on 16 December 2021, established a target amount of the Annual Variable Remuneration of the CEO for fiscal year 2022. That is, the amount corresponding to a standard level of target achievement, equivalent to 100% of the Fixed Remuneration (1,300,000 euros) for his executive functions, in accordance with the new Remunerations Policy of the Directors of Cellnex and following the regular practices of the Spanish market for similar positions.

On the other hand, it is worth mentioning that 85% of the pre-established objectives is the minimum level of achievement required for receiving Annual Variable Remuneration. Below such threshold no Annual Variable Remuneration will vest.

In the case of over achievement of the pre-established objectives (115% achievement), it is possible to reach 150% of the Fixed Remuneration (1,950,000 euros) and in the case of exceptional performance (if applying an additional discretional multiplier of 1.2 per individual contribution linked to the Cellnex Leadership Model), a maximum of 180% of the Fixed Remuneration may be reached, implying 2,340,000 euros for his executive functions.

This multiplier factor was proposed by the Nominations, Remunerations and Sustainability Committee and was approved by the Board of Directors. As in 2021, in 2022 the following aspects will be evaluated based on the Cellnex Leadership Model:

Aspects considered in the Cellnex Leadership Model that are subject to evaluation

1.	**Empowerment**	Enabling individuals to be more independent and courageous, assuming more risks in the area of their responsibilities
2.	**Promotion of Commitment**	Promote the sense of belonging, connecting to individuals having the goals of the organisation and appreciating their contribution to the same
3.	**Creativity**	Developing ideas to resolve key issues and offer added value to their work
4.	**Transformation**	Includes key factors and tendencies of the business and cultural transformation and adapting to the same
5.	**Results-oriented**	Establishing ambitious objectives, identifying opportunities, anticipating challenges and mitigating risks, thereby achieving excellent results
6.	**Client-oriented**	Understanding and responding to the needs of clients with speed, efficiency and quality, exceeding their expectations
7.	**Search for Excellence**	Proposing solutions in a proactive manner, anticipating and continually improving the client service and seeking excellence
8.	**Team alignment**	Cooperating and demonstrating team spirit, seeking new ways to work and promoting cohesion to achieve common objectives.
9.	**Inclusive environment**	Creating a positive and inclusive environment in which everyone is comfortable and integrated to offer the best of themselves and others
10.	**Appreciation and recognition**	Recognising the contribution of all to the common objectives, promoting their wellbeing to improve performance
11.	**Networking**	Work, collaborate and cooperate effectively

The level of achievement of the Annual Variable Remuneration is approved by the Company's Board of Directors, upon proposal of the Nominations, Remunerations and Sustainability Committee, based on the assessment of the level of achievement of the established objectives, once the annual accounts of the specific fiscal year have been closed and audited.

In order to ensure that the Annual Variable Remuneration has an effective relationship with the professional performance of the CEO, when it comes to determining the level of achievement of the quantitative objectives, the economic positive or negatives effects resulting from the extraordinary events which may impact the assessment results.

Long-Term Incentive Plans

Purpose: To motivate and retain, through a remuneration policy that links and integrates the CEO with the Company's Strategic Plan, guaranteeing a sustainable business, aligning the objectives of the directors with those of the shareholders, thereby maintaining external competitiveness to allow the acquisition and retention of talent.

Existing agreements with clients allow Cellnex to generate relatively predictive long-term growth. Therefore, the management decisions with the greatest impact over the long-term in the Company are generally related to issues such as capital allocation and capital structure, inorganic growth, long-term contract negotiation with the main clients, level of indebtedness, growth opportunities, expansion in new markets and strategic alliances. These decisions may have a short-term impact but they generate long-term value.

Therefore, Cellnex is convinced that it is useful to link a major part of the remuneration scheme to long-term objectives.

Offering significant levels of remuneration in the form of shares encourages the management team to focus on the achievement of long-term

In addition, offering significant levels of remuneration in shares helps to ensure that the management team is focused on long-term sustainable business and results achievement, reinforcing value creation for all shareholders and the Company as a whole (through our ESG objectives included in the Master Plan for 2021-2025).

Below is a summary of the main aspects linked to the Long-Term Incentive Plan (LTIP -2022-2024) of the CEO. In addition to LTIP 2022-2024, the 2020-2022 and 2021-2023 LTIPs remain in force (for more details, see Annex 3).

2022-2024 Long-Term Incentive Plan

As mentioned in Section 2 of this Report, the design of the 2022-2024 LTIP consist of various novelties that will allow Cellnex to continue to align itself with the best international standards, including:

The new 2022-2024 LTIP: it is aligned with the Pay for performance principles; it promotes "at risk" remuneration; it includes various metrics for value creation and ESG; and it Increases the percentage of remuneration that is received in shares

- The new Plan includes a combination of metrics that are focused on value creation and ESG aspects, as compared to the use of a single metric (share price) as in previous plans.
- The remuneration mix promotes "at-risk" remuneration, with 74% of it being variable (6% greater than the average of its comparable companies in the market), as per WTW benchmark.
- Being fully aligned with the Pay for performance principles, in which exceptional remuneration is offered (through the application of a new multiplier - Booster) in the case of exceptional results.
- The percentage of remuneration to be received in shares is increased to: i) 40% granted in shares and ii) 60% in stock options

The chart presented below summarises the main metrics and weights established for the 2022-2024 LTIP:

Area	Metric	Weight	Minimum level of achievement: 85%	Target achievement level: 100%	Maximum achievement level: 115%****
ESG	ESG progress based on the specific Objectives of the ESG Master Plan 2021-2025	8%	82% sourcing of renewable electricity*	90% sourcing of renewable electricity*	100% sourcing of renewable electricity*
		12%	1. Overall employee engagement score of 77%** 2. Reduction of gender pay gap by < 5%** 3. 45% of appointments of Directors at HQ being foreign	1. Overall employee engagement score of 80%** 2. Reduction of gender pay gap by 5%** 3. 50% of appointments of Directors at HQ being foreign	1. Overall employee engagement score of 90%** 2. Reduction of gender pay gap by 15%** 3. 60% of appointments of Directors at HQ being foreign
RLFCF per share	Constant perimeter as of December 2021	20%	2.2euros / share	2.6euros / share***	3.0euros / share***
TSR	Assessment of the share price, calculated between the initial price at the beginning of the period and the average price over the last quarter of 2024, weighted by volume (vwap)	30%	N/A*****	8% TSR****** (65.62 euros/share in 2024)	10% TSR (69.3 euros/share in 2024)
Position as compared to market comparable companies	American Tower, Crown Castle, SBA Communications, Helios Towers, Vantage Tower, Inwit, Rai Way, MSCI World Index	30%	#4	#3	#1 or #2

*Energy targets refer to the energy directly managed by Cellnex (Scope 2). Data calculated according to SBT and GHG Protocol methodology applied to FY21 perimeter.
**Considering the current perimeter as of the close of December 2021 and without considering future increases in perimeter due to inorganic growth operations.
***This ratio is consistent and is aligned with the middle-term guidance established by a RLFCF of 2.0eurosBn – 2.2eurosBn for 2025.
**** In the case of achievement with 115% of the target, an achievement level of 150% will be applied.
*****Below the target achievement level, 0% achievement.
******Initial price: 52.09 euros per share and invoicing 8% of the TSR during a three-year period, equivalent to 65.62 euros per share.

1. ESG

ESG metrics are aligned with the 2021-2025 ESG Master Plan. The Board of Directors will assess the level of results achieved based on a preliminary evaluation carried out by the Nominations, Remunerations and Sustainability Committee in accordance with the information provided by the ESG Committee. Data on the results achieved will be taken from the Integrated Annual Report and, if necessary, will be complemented with specific reports on the issue.

The objectives reflect the Company's commitment to improve its positive impact on the value chain, promoting green energy consumption

In terms of the environment, these objectives are reflected in the Company's commitment to improve its positive impact on the value chain, increasing the consumption of green energy and, in the social environment, assuring a high engagement by all individuals in the team, ensuring equity in remuneration and promoting cultural and international diversity at all levels of the organisation, three key priorities aligned with the priorities of the Company's Equality, Diversity and Inclusion Plan.

2- RLFCF per share

The RLFCF by share is the measure of performance that is the most closely adjusted to shareholder interests since it is used by management and investors as a key indicator of the Company's financial results.

The RLFCF per share is the measure of performance that is the most closely adjusted to the interests of shareholders during a multi-annual period, since it is used by the management and investors as a key indicator of the Company's financial results.

In the case of achievement of 115% of the target, an achievement level of 150% will be applied.

The RLFCF per share of Cellnex is calculated dividing the RLFCF of the period by the number of Cellnex shares issued on a specific date, considering approximately 708 million shares (including c.27 million new shares to be issued following the approval of the Annual General Meeting held in March 2021 or its renewal thereof and delivered to CK Hutchison Holdings Limited within the context of the last UK transaction, assuming that this transaction is closed according to market terms). The use of the RLFCF per share metric encourages management to reserve the use of its own Company funds as a financing mechanism only for those opportunities in which it is strategically justified and profitable over the long-term for existing shareholders.

The objective of 2.6 euros per share, as indicated in the chart above, considers the perimeter existing at the end of 2021. In 2024, it will be necessary to adjust the perimeter to estimate the RLFCF per share in comparable terms. This adjustment will be validated by an external auditor following an "agreed upon procedures" assessment, since the Company intends to undertake more inorganic growth projects.

3. TSR in absolute terms

Performance will be determined by the increase in share price, calculated based on the average price of the three months prior to the date of concession, weighted by volume ("vwap") (52.09 euros per share, initial price of the period) and estimating a profitability of 8% annually, in a period of three years, thereby obtaining the target price at the end of the period (65.62 euros per share).

4. TSR over a relative base

The TSR should also be measured in relative terms, in regard to a group of market comparable companies including the following seven companies and a global index:

American Tower	Vantage Towers
SBA Communications	Inwit
Crown Castle	Rai Way
Helios Towers	Índice MSCI World

The TSR achieved by the comparable companies and by Cellnex will be ordered in descending order, from the company (or index) having the best TSR result to the company with the poorest result, taking the following circumstances into account:

- In the case in which the relative position of Cellnex is situated amongst the first two positions, the maximum level of achievement will be obtained, situated at 115%.

- If Cellnex manages to position itself in third position, this position will be considered to be a Target achievement and therefore, achievement of 100% will be attained.

- However, in the case in which the Cellnex position is situated in fourth position, achievement will be 85%.

- Finally, in the case in which the Cellnex position is situated between the fifth and subsequent positions, the target will not be achieved and, therefore, the incentive accrual will be 0%.

- Once the previous four metrics have been evaluated, the weighted figure will become the achievement level (%).

The new Long-Term Incentives Plan includes a booster (multiplier) factor which, when relevant, may be applied in addition to the regular multiplier of the CEO

It should be noted that in this new Plan, the application of a booster factor has been proposed. In the case of its application, it will be in addition to the regular multiplier of the CEO (183% = 5.5 / 3 years) which remains equal as compared to the previous year.

This booster will only apply when there is extraordinary performance on the two TSR variables, both absolute and relative. In other words:

- TSR >10%

- Relative position of Cellnex in the group of comparable companies mentioned above, is in one of the first two positions.

The booster will be applied according to the following table:

Adjustment factor

TSR		Relative position		Interpolation
		1st place	2nd place	
	10% TSR = 69,3 €/share	1.5	1.2	
	15% TSR = 79,2 €/share	1.9	1,5	
	20% TSR = 90,0 €/share	2.6	2	
	25% TSR = 101,7 €/share	3.6	2,9	
	30% TSR = 114,4 €/share	5.0	4	

As observed in the table above, the minimum multiplier is 1.2 and will be applied when the TSR is greater than 10% (equivalent to a share price that is equal or greater than 70 euros) and Cellnex is situated in the second relative position. The maximum multiplier is 5 and will be applied when the TSR is greater than 30% (equivalent to a share price that is greater than 114.4 euros) and Cellnex is situated in the first relative position.

In the case of applying the booster, the payment will be made as described above: 40% granted shares; 60% stock options.

The Company considers that the multiplier (booster) will only be applied under exceptional conditions of performance and value creation for the shareholders

Annex 1 of this Report includes details on the main differences existing between the Remuneration Policy approved in the 2021 AGM (covering 2021-2023) and the Remuneration Policy that will be submitted for approval at the 2022 AGM(which will be in force as from its approval in the AGM and until 2025).

The Company believes that the application of this booster will only be carried out under certain conditions of exceptional performance and value creation for the shareholders, taking into account that the objectives assigned to the same are extremely challenging (both in terms of level of behaviour of the share in absolute terms as well as relative terms, demanding simultaneous achievement of both) and that, at the beginning of 2022, the Cellnex shares were listed at significantly lower levels as compared to the close of fiscal year 2021.

The calculation formula for the payment of the 2022 - 2024 LTIP will be as follows:

$$\text{Fixed remuneration}_{2024} * 5.5/3 * \text{Achievement level (\%)} * \text{Booster}$$

3.1.3 Malus and Clawback provisions

Cellnex has established the following provisions for the variable remuneration. They will be in force during 2022:

- **Regarding the Annual Variable Remuneration:** If, during a period of 12 months, circumstances arise that justify a new assessment or revision of the level of achievement of the objectives by the Board of Directors, after the favourable recommendation of the NRSC, the Company may suspend payment of the amounts pending payment to the CEO, for any variable item, and, when relevant, it may reclaim any unduly paid amounts as a result of the new valuation performed.

- **Regarding the Long-Term Incentive Plan:** If, during a period of three years following the payment of the incentive, (i) Cellnex was obliged to reformulate the accounts that were used to calculate the same, due to extraordinary events; or (ii) the Board of Directors of Cellnex is made aware of any negative behaviour of the CEO, Cellnex may recalculate the incentive that was paid, and when relevant, demand a refunding of the excess received based on the new calculation, or its entirety, in the case in which the determined behaviour was considered very serious by the Board of Directors or in any way influenced the metrics used to calculate the incentive.

Below, three examples of the total pay-out of the LTIP are presented, based on the performance achieved for each of the metrics:

EXAMPLE 1	EXAMPLE 2	EXAMPLE 3
Mixed Performance (does not apply the multuplier)	**Poor performance (does not apply the multuplier)**	**Higher performance on both metrics (applies the maximum enhancement)**
ESG minimum objective reached: 85% score* 20% weight	ESG objective reached: 100% score* 20% weight	ESG objective reached: 115% score* 20% weight
RLFCF per share 100% objective: 100% score* 20% weight	RLFCF per share 85% objective: 85% score* 20% weight	RLFCF per share > 115% objective: 150% score* 20% weight
TSR at 8% = 100% score* 30% weight	TSR at 3% = not granted (30% weight)	TSR at 30% = 115% score * 30% weight
Relative position in 2nd place = 115% score * 30% weight	Relative position in the 7th position = not granted (30% weight)	Relative position in the 1st position = 115% score * 30% weight
Multiplier base: 1.83 (5.5/3)	Multiplier base: 1.83 (5.5/3)	Multiplier base: 1.83 (5.5/3)
Payment= (85%*20% + 100%*20% + 100%*30% + 115%*30%)* 1.83*€1.3Mn = 0.95 * 1.83 * €1.3Mn = €2.41Mn	**Payment= (100%*20% + 85%*20% + 0% + 0%)*1.83*€1.3Mn = 0.37 * 1.83* €1.3Mn = €880k**	**Payment = (115%*20% + 150%*20% + 115%*30% + 115%*30%)*5.0 *1.83*€1.3Mn = 5.95 * 1.83* €1.3Mn = €14.51Mn**
In this case, the CEO will receive 40% of €2.41 Mn in granted shares at a price of 52.09 euros, implying approximately 18,500 shares and 60% of €2.41 Mn in stock options at an option price of 13.53 euros, implying approximately 107,100 stock options	*In this case, the CEO will receive 40% of €0.88 Mn in shares at a price of 52.09 euros, implying approximately 6,800 shares and 60% of €0.88 Mn in stock options at a price per share of 13.53 euros, implying approximately 39,000 stock option*	*In this case, the CEO will receive 40% of €14.51 Mn in shares at a price of 52.09 euros, implying approximately 111,400 shares and 60% of €14.51 Mn in stock options at a price per option of 13.53 euros, implying approximately 643,600 stock options*

3.1.4 Shareholding policy

The CEO is obliged to permanently hold Cellnex shares for an amount equalling two times his annual Fixed Remuneration. The valuation of the shares held on the date of approval of the Remunerations Policy of the Directors, will be carried out periodically.

3.1.5 Extraordinary remunerations

The 2022-2025 Remunerations Policy **eliminates the possibility of extraordinary remunerations,** given that the booster will serve as a tool to compensate for any exceptional performance

In order to continue to improve the level of alignment with international best practices, the Board of Directors, after the favourable recommendation of the Nominations, Remunerations and Sustainability Committee, within the framework of the new Remunerations Policy of the Directors (upon approval at the AGM of 2022) has decided to eliminate the section related to extraordinary remunerations. Any extraordinary performance will be rewarded with the booster explained in Section 3.1.2 above.

3.1.6 New Executive Directors

In exceptional cases, for potential appointments of new Executive Directors and to facilitate the hiring of external candidates, the Nominations, Remunerations and Sustainability Committee may propose that the Board of Directors establish a special incentive to compensate for the loss of incentives that were not accrued by the former company due to the termination there and acceptance of the Cellnex offer. Preferably, this special incentive will be paid in Company shares.

3.1.7 Condiciones Contract conditions, including compensation for termination and non-compete

The main characteristics of the commercial contract between the Company and the CEO are as follows:

Characteristics	Details
Duration	Defined, since execution of the contract until 31 December 2024.
Prior notice	3 months. If the CEO breaches this obligation he will be obliged to pay the Fixed Remuneration corresponding to this period.
Payment for contract termination and non-compete	• If the CEO resigns during the contract duration, he will receive 2 times his Fixed Remuneration. This amount includes compensation for a non-compete undertaking of 2 years. • If the Company terminates the contract prior to its expiration date, or, if, following the expiration date of the contract, the Company or CEO decides not to renew it, the latter will receive two times his Fixed Remuneration and Annual Variable Remuneration. This amount includes compensation for a non-compete undertaking of 2 years. • If, following the expiration date of the contract, it is not renewed and the CEO is offered a non-executive or external advisor position with the Company, the CEO will receive 2 times his annual Fixed Remuneration and Annual Variable Remuneration. This amount includes
Exclusivity	• The contract includes the obligation to provide service to the Company in an exclusive manner, and with full dedication, with the CEO not being permitted to provide services on his own behalf, directly or indirectly, to third parties outside of the Group, except when the express consent of the Company has been granted.
Confidentiality	• In accordance with the Spanish Companies Law[4] and the Regulation of the Company's Board of Directors, the CEO should maintain secrecy regarding the information, data, reports or background information to which he has had access during the carrying out of his position, including when he has ceased to work for it, except in cases permitted or required by the law.

- The previously mentioned compensation is compatible with the contingencies covered by the Pension Plan

3.1.8 Other supplementary remuneration

No other supplementary remuneration is offered for services provided to the Company, other than those already detailed in the previous sections.

3.2 Remuneration of Directors in their condition as such for fiscal year 2022

According to the new Remunerations Policy of the Directors of Cellnex (subject to approval at the upcoming 2022 AGM), the total maximum annual remuneration to be paid to the set of directors for their membership in the Board and/or committees may not exceed 2.5 million euros during the period of validity of the policy (since its approval by the 2022 AGM and until 2025).

In order to ensure alignment of the directors' remuneration, the Nominations, Remunerations and Sustainability Committee, based upon an analysis carried out by Willis Towers Watson, has considered two groups of market comparable companies: 1) companies belonging to the Ibex-35 and 2) European companies that are comparable companies on an Industry level, listed on other markets (FTSE 100, DAX 40 and the MIB 40).

Tras el análisis de comparables se concluyó que la remuneración de los consejeros se encontraba un 30% por debajo de la media en referencia.

Therefore, as compared to the sample of selected comparable companies, the remuneration of the directors is found to be 30% below average of the comparable market reference. In 2022, based on the level of efficiency and responsibility demonstrated, and justified by the value creation and high level of commitment revealed, an attempt was made to reduce this gap with respect to our comparable companies, situating the average director remuneration closer to the average value of said benchmark.

On 16 December 2021, the Board of Directors approved the following remuneration for the members of the Board of Directors:

Position	2022 Amount	2021 Amount	YoY (2022/2021)
Chair of the Board	325,000 euros	260,000 euros	+25%
Chair of Committees	225,000 euros	180,000 euros	+25%
Committee Members	175,000 euros	150,000 euros	+16.7%
Board Members	125,000 euros	115,000 euros	+8.7%

Remuneration of the directors in their position as such consists fully of fixed components, not receiving daily allowance payments.

[4] Ley de Sociedades de Capital

Notwithstanding this, travel expenses and stays that are incurred from attendance to the Board of Directors and/or committee meetings will be paid for by the Company.

No remuneration will be provided by way of participation in profits or premiums or remuneration systems or plans that include variable remuneration. Likewise, there are no beneficiaries of long-term savings systems.

Similarly, the granting of credits, advance payments, guarantees created for the Company in favour of members of the Board are not anticipated.

The Company has contracted civil liability insurance for its directors in accordance with market conditions.:

3.3 Additional aspects of the Remunerations Policy for 2022

3.3.1 Principles and criteria

The principles and criteria of the Remunerations Policy of the Directors are periodically reviewed, within the framework of their competencies, by the Nominations, Remunerations and Sustainability Committee and the Board of Directors, in order to ensure the alignment of the Remunerations Policy of the Directors with the best practices and market trends.

The following main principles were sustained by the Remunerations Policy of the Directors for 2022 (subject to the approval of the Annual General Board of 2022), and have been unaltered with respect to the Policy approved at the 2021 AGM

Alignment with Stakeholders interests

To align the CEO's interests with those of the shareholders, linking a significant part of the total remuneration to the company results and long-term shareholder value creation. The variable remuneration is also linked to the achievement of environmental, social or governance objectives (ESG), aligned with the sustainability strategy.
Furthermore, decisions regarding the CEO's remuneration will be taken while considering the remuneration conditions of the management team as a whole and the interests of other stakeholders.

Competitiveness

The Remuneration Policy should be competitive, achieved through the establishment of a remuneration package according to the market standards, considering comparable sectors and companies. The remuneration should be appropriate to attract and retain talented directors with the desired profile for the company.

Suitability

The Remunerations Policy of the Directors is suited to the composition of the Board. Amounts are sufficient to compensate for their qualifications, dedication and responsibility, ensuring the due fidelity and link to the company, but without coming to compromise the independence of its members.

Transparency

The Company's Board of Directors assumes the commitment of ensuring the principle of full transparency of all remuneration areas received by all of the Directors, providing transparent and sufficient information, issued with the required advance notice and in line with the recommendations for good governance of listed companies.

From a qualitative point of view, the policy subject to approval maintains the fundamentals of the policy approved in fiscal year 2021, clearly establishing the principles by which the Cellnex remuneration model is governed and the practices to be avoided.

What we do

- Reasonable balance between the fixed and variable remuneration components, reflecting an appropriate assumption of risks combined with the achievement of short and long-term objectives.
- Consideration of multiple metrics, including those linked to the Sustainability strategy (ESG).
- Long-Term Incentive linked to a period of measurement of multi-annual objectives, of three years.
- Permanent shareholding requirement, equivalent to two times the fixed remuneration.
- Existence of specific measures to mitigate the adoption of inappropriate risks. These measures include, within the framework of variable remuneration:
  - Thresholds of maximum remuneration
  - Link to multiple metrics
  - Malus and clawback clauses
- Solid processes of engagement with shareholders and proxy advisors in the area of remuneration and good governance.
- Support of external advisors.

What we avoid

- We do not have contracts with guaranteed salary increases.
- There are no guaranteed variable remunerations.
- The use of financial elements that would allow speculation on the value of the shares received is not permitted.
- Non-executive directors do not participate in remuneration formulas or systems linked to the company results or to individual performance.
- Non-executive directors do not participate in long-term savings systems or other pension systems.
- Loans and advance payments are not granted.

The remuneration model for Cellnex Directors, in accordance with the new Remunerations Policy of the Directors which, upon approval by the AGM will be in effect in fiscal year 2022, as well as for fiscal years 2023, 2024 and 2025, has been detailed in Sections 3.1 (Remuneration of the Cellnex CEO in 2022) and 3.2 (Remuneration of the Directors in their position as such in 2022), of this Report.

3.3.2 External advisors collaborating in the design of the Policy for fiscal year 2022

Throughout fiscal year 2021, and until the date of this Report, the Nominations, Remunerations and Sustainability Committee has been advised by recognised entities with extensive knowledge in the area of remuneration, such as Willis Towers Watson and Georgeson who carried out the following activities:

Willis Towers Watson

- Advising in the defining of the sample of companies (comparable companies) / indexes to carry out a comparative analysis of remuneration (as explained in the following section: 3.3.3)
- Comparative analysis of Fixed Remuneration and Long-Term Incentive Plan for the CEO position as well as the other senior management positions with regard to the previously mentioned comparable companies sample.

Georgeson

- Carrying out a remuneration GAP Analysis and designing an Action Plan to continue aligning Cellnex remuneration scheme with market expectations. In section 7.3 of this Report are detailed main measures adopted by the Nominations, Remunerations and Sustainability Committee.

- Support in the engagement meetings held with main investors and proxy advisors (as explained in section 7.3 of this Report).

For fiscal year 2021, a market remunerations benchmark was performed, permitting the comparison of remuneration practices of the same for the CEO, directors in their position as such and senior management of Cellnex

3.3.3 Comparable companies used for the design of the 2022 Remunerations Policy

To ensure the attraction, retention and commitment of the best professionals and to achieve the Company's long-term objectives, the Nominations, Remunerations and Sustainability Committee will periodically assess the market information with respect to remuneration levels, mix and practices.

For fiscal year 2021, a market remunerations benchmark was carried out by Willis Towers Watson, covering the remuneration practices for the executive directors, directors in their position as such, and senior management of Cellnex. The results of this benchmark allowed Cellnex to position its remuneration for the fiscal year 2021, being the reference for the 2022 Remunerations Policy proposal, which will allow Cellnex to improve its positioning versus its comparable companies.

For the CEO's remuneration, the NRSC has considered two peer groups: peers at a sectorial level and European peers of high growth

As for the remuneration of the executive directors, the Nominations, Remunerations and Sustainability Committee has taken into account two groups of comparable companies in order to identify the positioning of Cellnex: Industry comparable companies and High growth European comparable companies. These two groups are considered the most relevant by Cellnex given that they allow a positioning of Cellnex with respect to companies in the same activity sector, same life cycle, and similar growth phases. Please find in the chart below, the rationale behind the selection of each group:

<table>
<tr><th></th><th></th><th>1st Group of Peers: Sectorial</th><th>2nd Group of Peers: European companies with high growth</th></tr>
<tr><td rowspan="7">Selection Criteria</td><td>Definition</td><td>Companies of the same sector and comparable in size. It considers the approach of the proxy advisors to define the groups of comparable market peers.</td><td>European companies in the same growth phase (TSR annualised over the last 5 years by over 20%) and comparable in size. These group peers are relevant in order to continue to attract and retain the best talent.</td></tr>
<tr><td>Industry</td><td>Same Industry considered in the “Integrated communication Services” of MSCI. In addition, the peer companies selected by ISS and those companies included in the benchmark performed in 2020.</td><td>Multi-sector</td></tr>
<tr><td>Phase of the business life (in terms of growth)</td><td>Not applicable</td><td>Companies with a TSR annualized over the last 5 years of between 20% and 60%.</td></tr>
<tr><td>KPI</td><td colspan="2">Comparable companies in terms of market capitalisation (between 33% and 300% with regard to the Cellnex position).</td></tr>
<tr><td>Geographic sample and complexity</td><td colspan="2">Present in more than 6 -7 countries and / or having a business complexity comparable to Cellnex.</td></tr>
<tr><td>Availability of remuneration data</td><td colspan="2">Companies that participate in the surveys on executive compensation carried out by Willis Towers Watson.</td></tr>
<tr><td>Adjustments</td><td colspan="2">Some companies have been included in the sample, even when, according to size, they should not be included in the sample, given their relevance, upon being considered competition in terms of talent.</td></tr>
</table>

Based on the previously described criteria, the Committee has performed a comparative study with 16 companies considered comparable companies according to Group 1, and with 14 companies considered comparable companies according to Group 2, as shown in the table below.

Group 1: Industry comparable companies		**Group 2: High growth European comparable companies**	
1. American Tower	9. Telia	1. Anglo American	9. Rentokil Initial
2. Deutsche Telekom	10. KPN	2. Fluidra	10. Worldline
3. Crown Castle	11. Inwit*	3. Asm International	11. Sandvik
4. Vodafone	12. Tele2	4. Kering	12. Halma
5. Swisscom	13. Proximus	5. Gn Store Nord	13. Atlas Copco
6. Orange	14. Telenet	6. Adidas	14. Experian
7. Telefónica	15. Helios Towers	7. London Stock Exchange Group	
8. Vantage Towers	16. Rai Way*	8. Koninklijke DSM	

* (Inwit y RaiWay) Information available at a CEO level.

As for the remuneration of the directors in their position as such, the Nominations, Retribution and Sustainability Committee also considered two peer groups: 1) companies that belong to the Ibex-35 and 2) comparable companies on an Industry level. These companies are presented below.

Group 1: IBEX-35*

1. Acciona	12. Endesa	23. Merlin Properties
2. Acerinox	13. Ferrovial	24. Naturgy
3. ACS	14. Fluidra	25. Pharma mar
4. Almirall	15. Grifols	26. Red Eléctrica
5. Amadeus	16. IAG	27. Repsol
6. Banco Sabadell	17. Iberdrola	28. Santander
7. Bankinter	18. Inditex	29. Siemens Gamesa
8. BBVA	19. Indra	30. Solaria
9. Caixabank	20. Inmobiliaria Colonial	31. Telefónica
10. CIE Automotive	21. Mapfre	32. Viscofan
11. Enagás	22. Meliá Hotels	

Group 2: Industry comparable companies

1. American Tower	1. Rai Way
2. Crown Castle	2. Swisscom
3. Deutsche Telekom	3. Tele2
4. Helios Towers	4. Telefónica
5. Inwit	5. Telenet
6. KPN	6. Telia
7. Orange	7. Vantage Towers
8. Proximus	8. Vodafone

* Three companies were excluded from the Ibex-35 sample: Cellnex, Arcerlormittal, given that the Board is not located in Spain and AENA, given its limited remuneration, due to regulatory issues, skewing the statistics.

The total target remuneration of the CEO is situated between the median and the 75th percentile at a sectorial level, and between the 75th and 90th percentile, with regard to European companies of high growth

The comparative report reflects the following positioning of Cellnex in 2021 as compared to its comparable companies, in terms of remuneration:

Regarding the Executive Directors (CEO):

- The Fixed Remuneration is between the 75th and 90th percentile, both at an Industry level as well as with regards to High growth European companies.

- The Annual Variable Remuneration as a percentage of the Fixed Remuneration is at median, both at an Industry level and with regard to High growth European companies.

- The Long-Term Incentive Plan (annualised) as a percentage of the Fixed Remuneration is between the median and the 75th percentile (at an Industry level) and between the 75th and 90th percentile with regard to the sample of High growth European companies.

- The total target remuneration of the CEO (including costs related to pensions) is between the median and the 75th percentile at an Industry level, and between the 75th and 90th percentile with regard to High growth European companies.

Regarding the Directors in their position as such:

- The level of Cellnex's remuneration for membership and attendance to the Board is at the median of the Ibex-35, and between the median and 75th percentile at an Industry level.

- The salary level of the Non-Executive Chair of Cellnex is below the 25th percentile of the Ibex-35, and between the median and the 75th percentile at an Industry level.

- The total annual remuneration of all of the members of the Board of Directors and the average remuneration for Cellnex board member is between the 25th percentile and the median of the Ibex-35, and between the median and the 75th percentile at an Industry level.

- The maximum limit of annual remuneration of the Cellnex board (2.5 million euros) is between the 25th percentile and the median of the Ibex-35.

Remunerations Policy

The Board of Directors and the Nominations, Remunerations and Sustainability Committee has applied the 2021-2023 Remunerations Policy, in accordance with the principles included in the same. This Policy was approved at the AGM last 29 March 2021, receiving support of 88.15% of voting shareholders, and it may be accessed at the following link[5].

4.1 Company performance in 2021 and sustainable performance

In 2021 it has been characterised by coherent and sustainable organic growth, solid financial results and double digit growth.

The long-term vision of Cellnex is to promote its position as a neutral European leader of telecommunications infrastructure, offering innovative services and integral network solutions to operators of mobile networks and audio-visual dissemination media. Through long-term alliances with its clients and its role as a trusted partner, fruit of its operational excellence in the provision of added value services, the Company has been able to acquire infrastructures, with the objective of continuing with the European market development strategy for telecommunications infrastructures.

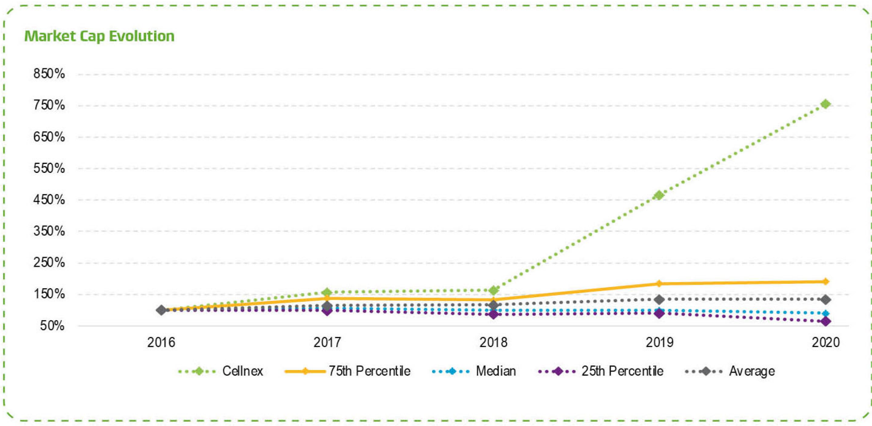
In 2021, it has been characterised by a unique combination of high-quality defensive and structural growth with a limited exposure to the COVID-19 pandemic, which has been possible through the organic, coherent and sustainable growth. It has reported solid financial results and double-digit growth.

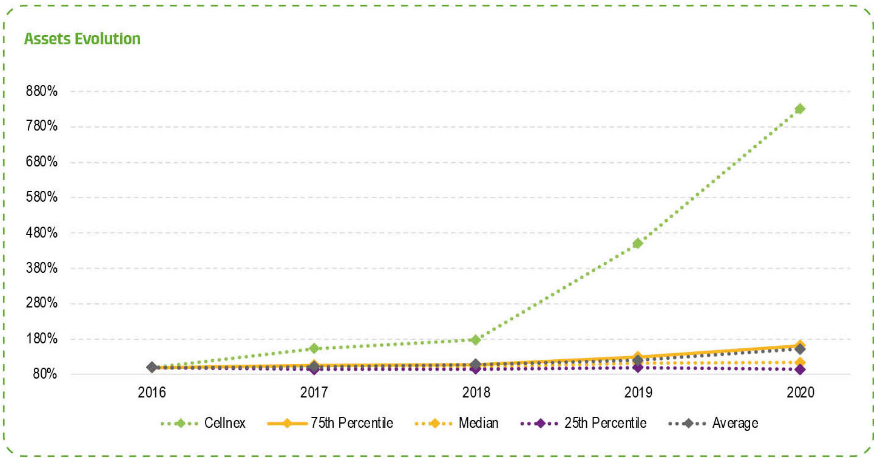
Below, some of the most relevant results obtained by Cellnex over the past five years are presented:

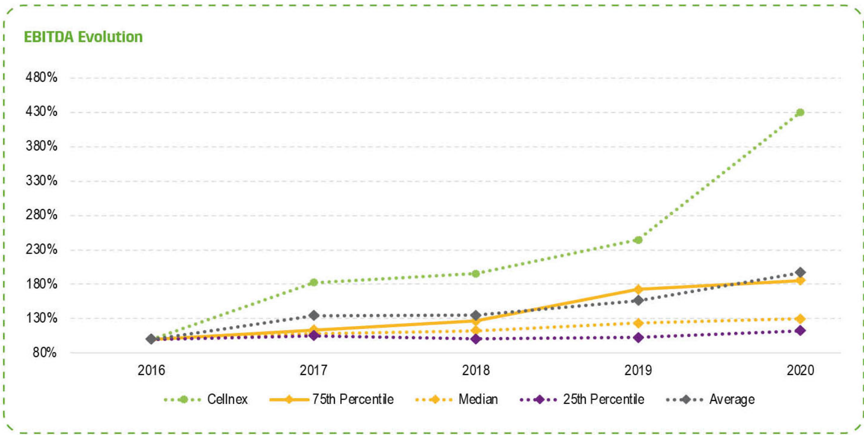
	2017	2018	2019	2020	2021
Income (million euros)	792	901	1,035	1,608	2,536
Total Assets (million euros)	4,445	5,133	13,043	24,07	41,797
Commercial capitalisation (million euros)	4,946	5,187	14,785	23,907	34,768
TSR	56%	4%	93%	34%	13%

Likewise, the graphs below reveal a comparison between the Cellnex evolution during the 2016 - 2020 period, and that of its market comparable companies, from a perspective of commercial capitalisation, assets and EBITDA. The data reveal the Company's excellent progress, with a very positive trend during this period, much above that of the market and its comparable companies.

[5] https://www.cellnextelecom.com/content/uploads/2021/04/B.AOB_.3.-Politica-de-remuneraciones-2021-2023-V.3.pdf

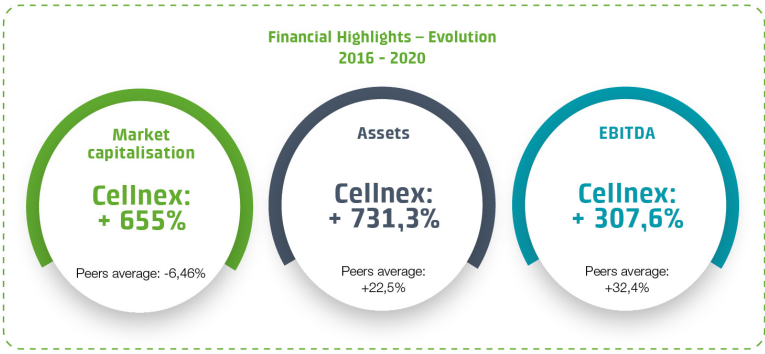

Market Cap Evolution
850%
750%
650%
550%
450%
350%
250%
150%
50%
2016
2017
2018
2019
2020
Cellnex
75th Percentile
Median
25th Percentile
Average


Assets Evolution
880%
780%
680%
580%
480%
380%
280%
180%
80%
2016
2017
2018
2019
2020
Cellnex
75th Percentile
Median
25th Percentile
Average


EBITDA Evolution
480%
430%
380%
330%
280%
230%
180%
130%
80%
2016
2017
2018
2019
2020
Cellnex
75th Percentile
Median
25th Percentile
Average

Cellnex's market capitalisation increased by 655% during the 2016-2020 period, while the average of its peers decreased by 6.46%

From the graphs above, various relevant data are revealed:



- Cellnex's commercial capitalisation has increased by 655% during the 2016-2020 period, whereas the average of its comparable companies has decreased by 6.46%.
- The increases recorded in terms of assets and EBITDA have been significantly higher during this period in the case of Cellnex, as compared to its comparable companies.
    - The Cellnex assets demonstrated growth of 731.3% whereas the assets of its comparable companies had an average growth of 22.5%.
    - The increase in EBITDA was of 307.6% for Cellnex, while in the case of its comparable companies, the average growth increased by 32.4%.

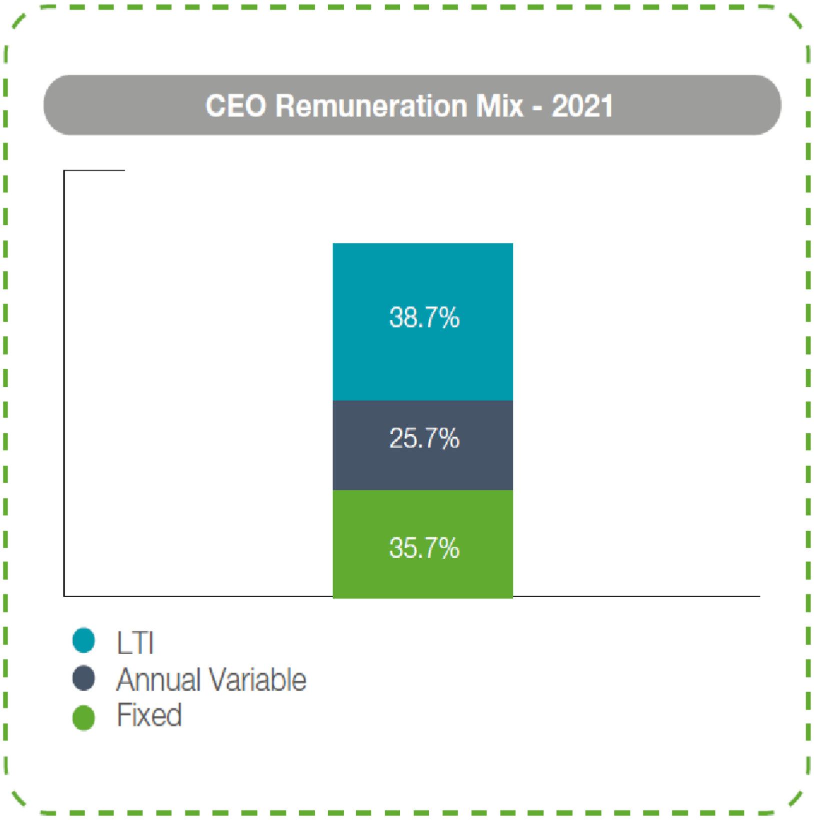
4.2 CEO remuneration accrued in 2021

In 2021, remuneration linked to risk has made up 64.3% of the CEO's total remuneration

The remuneration mix of the CEO reflects a balance between the fixed and variable components and is aligned with the corporate strategy, objectives, values and long-term interests of Cellnex.

The graph below illustrates the weight of the distinct elements accrued in 2021. Thus, the fixed elements[6] made up 35.7% of the total remuneration, while the remuneration linked to risk (variable remuneration) made up 64.3% of the total remuneration.

[6] The fixed elements are made up of: i) annual Fixed Remuneration assigned to the CEO for his executive work; ii) remuneration in his position as board member; iii) pension plan; iv) and other less costly remuneration areas including: car, gasoline, insurance premium.



In the sections below, the accrued remuneration is detailed, both fixed as well as variable, for the CEO throughout 2021.

4.2.1 Fixed Remuneration accrued in 2021

The Board of Directors determines the Fixed Remuneration of the CEO, proposed by the Nominations, Remunerations and Sustainability Committee and it is paid in cash on a monthly basis. In order to provide a suitable and competitive remuneration with regard to the market, the Committee takes the following factors into account:

- Specific characteristics of the position, level of responsibility and of involvement required of the executive directors.
- Individual competencies and experience.
- Evolution of the contribution of the position and the individual.
- Overall remuneration conditions for employees.
- Market data in companies of similar size and complexity as Cellnex.

The amount may be reviewed during the validity period of the Remunerations Policy should certain circumstances arise, such as (but not limited to) the excellent evolution of the Company's business parameters, changes in the business, competencies or responsibilities of the executive director and exceptional Company performance. The maximum increase permitted throughout the validity period of the Remunerations Policy of the Directors is 30%.

Fixed remuneration: executives

Compensate based on level of responsibility of the position in the organisation, professional experience and national and international market practices of peer companies.

2021 Amount 1,300,000 €

Fixed remuneration: Directors

Payment based on the functions and responsibilities of the CEO, in his position as member of the Board of Directors.

2021 Amount 115,000 €

Payment in kind

The CEO is a beneficiary of a health insurance plan that also covers its family, for life and accident insurance and car renting.

2021 Amount 31,972 €

Pension plan

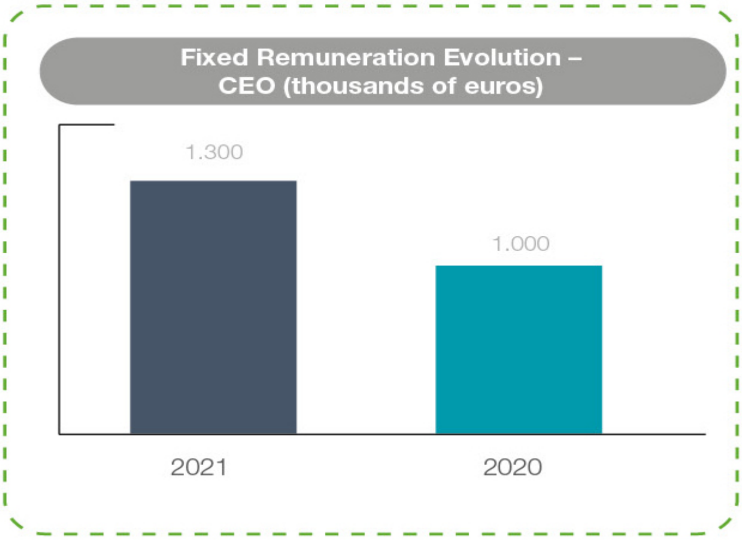
The annual contribution to the CEO's insurance during fiscal year 2021 is the equivalent to 25% of his fixed annual remuneration for the senior management functions.

2021 Amount 325,000 €

Total remuneration 2021: Fixed elements: 1,771,972 euros

The CEO's fixed remuneration in 2021 increased to 1,300,000 euros, implying an increase of 30% as compared to the fixed remuneration accrued in 2020

According to the Remunerations Policy of the Directors approved in the previous AGM of 29 March 2021, the Fixed Remuneration of the CEO in 2021 was set at 1,300,000 euros, implying an increase of 30% as compared to the Fixed Remuneration accrued in 2020 (1,000,000 euros).

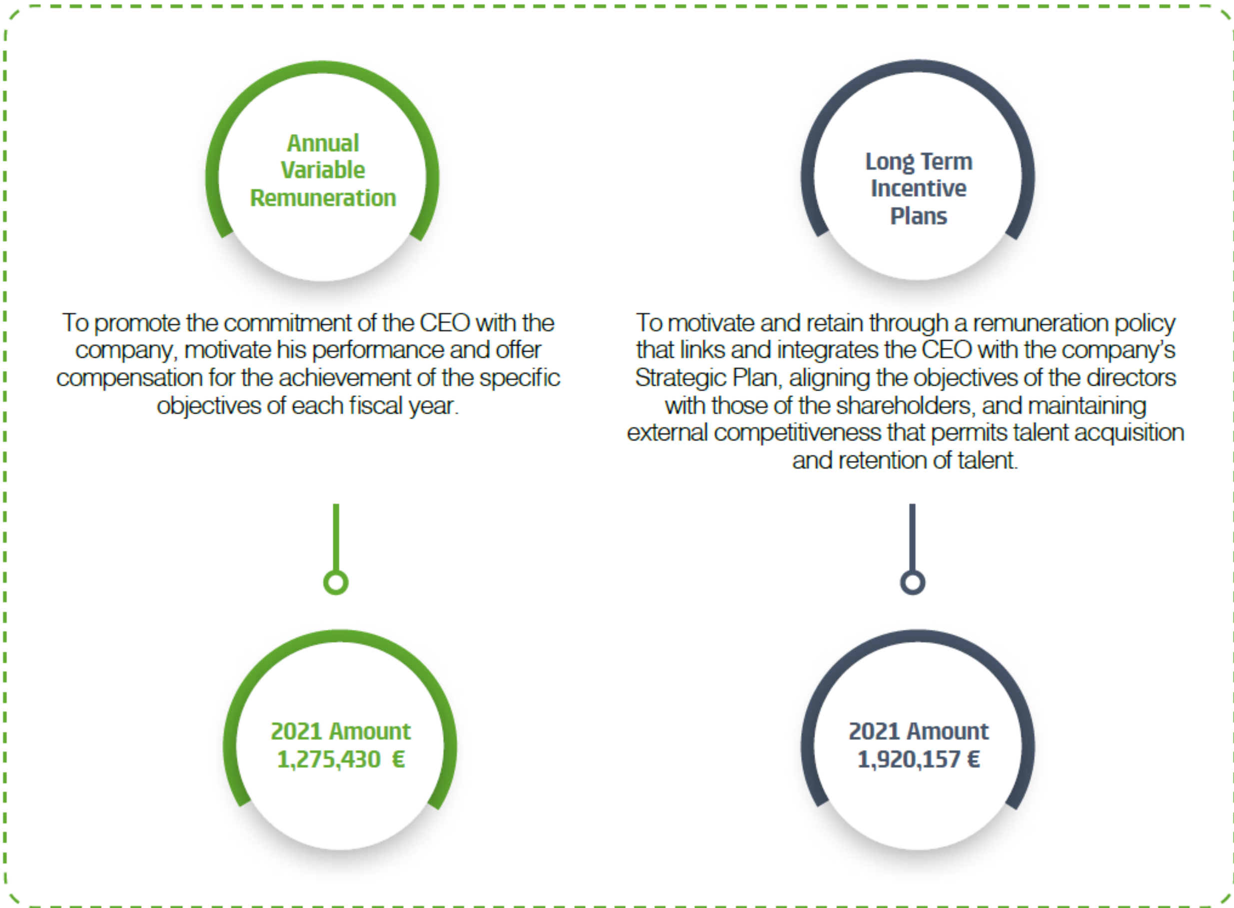


It should be noted that the Company published the details referring to the causes of said increase in the following reports, which may be accessed via the following links:

- Report of the Board (and of the Nominations, Remunerations and Sustainability Committee) on the Remunerations Policy of the Directors of 2020, created within the framework of the past Annual General Meeting.
- Annual Remuneration Report of the Directors corresponding to fiscal year 2020.

4.2.2 Variable remuneration accrued in 2021

The variable remuneration of the CEO consists of an Annual Variable Remuneration (AVR) and a Long-Term Incentive Plan (LTIP), which are subject to performance metrics. In the selection of the performance metrics for both variable remuneration schemes, the Nominations, Remunerations and Sustainability Committee takes into account the strategic objectives of Cellnex. The performance metrics are established in accordance with the operational plan of the Group and are reviewed on an annual basis. Upon selecting the objectives, the Committee takes into account the economic conditions and performance expectations during the relevant period.



In the selection of performance measures for both variable remuneration schemes, the NRSC has taken into account Cellnex's strategic objectives

Annual Variable Remuneration (AVR) accrued in 2021

Below, the principles and functioning of the Annual Variable Remuneration are summarised, and appear in greater detail in the Remunerations Policy approved in the 2021 AGM, and as applicable for the remuneration accrued in fiscal year 2021:[7]

[7] https://www.cellnextelecom.com/content/uploads/2021/04/B.AOB_.3.-Politica-de-remuneraciones-2021-2023-V.3.pdf

Amount	Functioning
• Target achievement equals 85% of AVR. • Maximum: 150% of the Fixed Remuneration. It will be attained in the case of significant over-achievement of the pre-established objectives.	• The Board of Directors, after the favourable recommendation of the NRSC, is responsible for establishing the objectives at the end of each preceding fiscal year and assessing the achievement with the same, once the annual accounts for the year in question have been closed and audited. • The Board of Directors, after the favourable recommendation of the NRSC, has the power to adjust the level of payment of the Annual Variable Remuneration in order to ensure that the outcome is fair and balanced, in light of the overall Company results and shareholder experience. • Each metric will have an associated scale of achievement set at the end of each preceding fiscal year, with a minimum level below which the incentive will not be paid, and a maximum level. • The Board of Directors, after the favourable recommendation of the NRSC, may decide to apply the assessment of certain parameters such as upwards (limited to 1.5) or downwards (limited to 0.75) modifiers. The determination of the modifier may be based, among others (but not limited to), the axes of the Cellnex Leadership Model.

The Board of Directors, after the favourable recommendation of the Nominations, Remunerations and Sustainability Committee, agreed to determine the Annual Variable Remuneration corresponding to fiscal year 2021 based on five metrics that are presented in detail in the table below. Likewise, the table includes the assigned weights, the values of objective targets and the level of achievement attained.

Metrics	Details	Weight	Level of achievement: Minimum (70% of AVR)	Level of achievement: Target (85% of AVR)	Level of achievement: Maximum (100% of AVR)	Level of achievement attained	Payment level of the incentive by metric
Organic Growth (Evolution of the number of sites managed)	75% Pops (Points of presence) 25% Nodes	20%	PoPs: Budget for 2021 - 3% Nodes: Budget for 2021 - 3%	Budget for 2021	PoPs: Budget for 2021 + 5% Nodes: Budget for 2021 + 5%	94.64%	18.93%
Inorganic growth	Number of inorganic growth projects carried out in coherence with the financial discipline of Cellnex and the Company's firepower	15%	1	2	3	100%	15%
Market Diversification (Product portfolio deployment)	1. 50% Number of offers signed in Europe (Min: 50, Std.: 70, Max: 100) 2. 50% Sales Budget (Min: Budget 21-10%, Std.: Budget 21, Max: Budget 21+15%)	15%	70%	85%	100%	96.75%	14.51%
Recurring Levered Free Cash Flow (RLFCF)	EBITDA less maintenance CAPEX less change in working capital less interest paid less income tax paid	35%	Budget of 2021 – 3%	Budget of 2021	Budget of 2021 + 5%	99.06%	34.67%
ESG Indicators	Assess and follow up on the efforts made by the Group in the area of ESG, based on a combination of the overall score obtained in a selection of ESG indices in which Cellnex Telecom participates (DJSI; Sustainalytics and FTSE4Good).	15%	Improvement of 3%	Improvement of 5%	Improvement of over 7%	100%	15%
						Final Achievement:	**98.11%**

Given the level of achievement attained on the distinct metrics, it has been determined that the final weighted achievement of these metrics is 98.11%

Given the level of achievement attained on the distinct metrics, it has been determined that the final weighted achievement of these metrics is 98.11%.

For fiscal year 2021, the scale of achievement of each objective is situated between 0% and 100%, with the possible application of a corrective factor of between 75% and 150% based on the personal contribution of the CEO. In order to apply the referred factor, the Board of Directors, after the favourable recommendation of the NRSC, has assessed the following aspects based on the Cellnex Leadership Model, granting the following achievement percentages:

Aspects considered in the Cellnex Leadership Model that have been subject to assessment		Level of achievement
1. Empowerment	Teaches individuals to be more independent and courageous, assuming more risks in their area of responsibilities	
2. Impulse for Commitment	Promote a sense of belonging, connecting to individuals having the purpose of the organisation and appreciating their contribution to the same	
3. Creativity	Developing relative ideas to resolve key challenges and provide added value to their work	
4. Transformation	Includes the key factors and trends of the business and cultural transformation and adapting to them	
5. Results orientation	Establishing ambitious objectives, identifying opportunities, anticipating challenges and mitigating risks, thereby achieving excellent results	
6. Client orientation	Understanding and responding to the needs of clients with speed, efficiency and quality, exceeding their expectations	
7. Search for Excellence	Proposing solutions in a proactive manner, anticipating and continually improving client service and seeking excellence	
8. Team alignment	Cooperating and demonstrating team spirit, seeking new ways to work and promoting cohesion to achieve common objectives.	
9. Inclusive environment	Creating a positive and inclusive environment in which everyone is comfortable and integrated to get the best out of all	
10. Appreciation and recognition	Recognising the contribution of all to the common objectives, promoting their wellbeing to improve their performance	
11. Networking	Work, collaborate and cooperate effectively	
	Final Result	**100%**

After evaluating the set of objectives presented above, the Nominations, Remunerations and Sustainability Committee has considered that the CEO has an overall achievement for fiscal year 2021 of 98.11% (98.11% * 100%).

Therefore, the Board of Directors, after the favourable recommendation of the Nominations, Remunerations and Sustainability Committee, has approved the Annual Variable Remuneration for a total of 1,275,430 euros (98.11% of the annual Fixed Remuneration for his executive functions).

It is worth mentioning that the level of achievement attained in each of the metrics and the consequent final Annual Variable Remuneration payout to the CEO has been reviewed and confirmed by the Internal Auditor.

This remuneration may be collected once the Annual Accounts of the fiscal year 2021 have been drawn up.

Long-Term Incentive Plan (LTIP) 2019-2021

Below, the principles and functioning of the Long-Term Incentive Plan 2019-2021 are summarised, presented in greater detail in the Remunerations Policy approved in the 2021 2021 AGM[8], and which is applicable for the remuneration accrued in fiscal year 2021:

Amount	Functioning
Multiplier 116.7% (annualised) of the Fixed Remuneration.	• The incentives will be structured in annual concessions (ROLLING LTIPs). The measurement period for the objectives for each concession will be, a minimum of three years. • At the beginning of the effective period of this Plan, 30% will be delivered in granted shares and 70% in stock options (share appreciation rights). • For the portion that is delivered in shares, Cellnex will pay for the tax withholdings applied to the CEO. Minimum permanent shareholding requirement: One year of FR. Once said obligation has been satisfied, it is possible to opt to receive the LTI in contributions to a pension plan or equivalent product, or in cash. • The period for the exercising of the stock options will be two years as of the moment of their delivery, which will take place following the AGM approving the annual accounts of 2021. • Upon determining the level of achievement with the quantitative objectives the economic, positive or negative effects derived from extraordinary events that may cause distortions in the assessment results may be eliminated. • The Nominations, Remunerations and Sustainability Committee may propose to the Board of Directors that adjustments be made to the elements, criteria, thresholds and limits of the multi-annual remuneration variable, in the case of exceptional circumstances.

[8] https://www.cellnextelecom.com/content/uploads/2021/04/B.AOB_.3.-Politica-de-remuneraciones-2021-2023-V.3.pdf

30% of the long-term remuneration was initially made through the **delivery of granted shares** and the remaining **70%, in stock appreciation rights**.

The 2019-2021 LTIP consisted of a multi-annual bonus of three years, based on a single valuation metric: share price revaluation. Therefore, the amount to be received will be determined by the level of achievement with said metric. A total of 30% of this remuneration was initially paid through the delivery of granted shares and the remaining 70% in stock options.

The level of achievement with the Plan has been calculated based on the average price adjusted by capital increases of the three months prior to 8 November 2018, date when the Board approved this plan, weighted by volume ("vwap") (16.69 euros / share, initial price of the period) and estimated a profitability of 8% annually for a period of three years, thereby obtaining the target price at the end of the period (21.02 euros / share). The aforementioned prices have been adjusted from 21.93 euros/share and 27.62 euros/share initially established in the Plan due to the impact of the four capital increases done in the period between 2019 and 2021, following Bloomberg adjustments.

The share price weighted by volume over the last three months as of 8 November 2021 is 55.99euros. Therefore, the revaluation of the share has been 237% during the measured period. Hence, the Nominations, Remunerations and Sustainability Committee has approved the payment of the 2019-2021 LTIP.

The incentive to be received by the CEO in the month following the AGM that will approve the 2021 Annual Accounts will total 455,000 euros in shares, the price of which is established at 21.02 euros and 1,061,667 euros in stock options, the price of which is established at 4.33 euros, with the subscription price of the stock options being 16.69 euros. Cellnex will only pay the withholdings tax applicable to the CEO for the portion of shares delivered.

If the CEO complies with the permanent shareholding obligation equivalent to a year's Fixed Remuneration, he may opt to receive part of the share appreciation rights in a contribution to his Defined Contribution Pension Plan or in cash.

These levels of achievement have been validated by an external auditor.

4.2.3 CEO Contract conditions

In 2021, the contract conditions of the CEO have not varied with respect to 2020. The Board of Directors, in its meeting held on 16 December 2021, agreed to modify, as of 2022, the clauses related to payments for contract termination and non-compete undertaking, in order to continue aligning with corporate governance best practices. Such modifications are indicated in Annex I of this Report.

4.3 Evolution of the CEO's remuneration during the past 5 years.

The table shown below reveals the evolution of various remuneration elements accrued by the CEO during the past five years.

CEO	2021	2020	2019	2018*	2017*
Fixed Remuneration	1,300,000	1,000,000	1,000,000	700,000	700,000
Fixed Board remuneration	115,000	111,250	100,000	120,417**	85,000
Social Welfare Plan	325,000	250,000	250,000	175,000	175,000
Others (PCF, vehicle, gasoline, insurance premium, etc.)	31,972	27,582	27,582	9,319	9,319
Total Fixed Elements	1,767,582	1,388,832	1,377,582	1,004,736	969,319
Annual Variable Remuneration	1,275,430	1,335,000	1,195,000	627,375	420,000
Extraordinary Remuneration			1,000,000		
Long-Term Incentive	1,920,157	1,650,000	1,416,667	991,667	1.920.157
Total	4,967,559	4,373,832	4,989,249	2,623,777	1,389,319

*Note: As of 2019, the criteria by which the information on the LTIP was reported changed, from accounting criteria (provision) to the consolidation criteria (reporting the amount corresponding to the LTIP that matured during said year).

**In 2018, the CEO assumed the functions of Chairman for a period of six months.

4.4 CEO pay ratio

The total remuneration accrued by the CEO of Cellnex in 2021 reached a total of 4,968 thousand euros, while the average remuneration of the rest of the non-executive directors totalled 159.1 thousand euros. As for the relative ratio of the average remuneration of the staff, it should be noted that Cellnex has a total of 2877 employees, whose average remuneration is 60,300 euros.

Therefore, the ration existing between the CEO's total remuneration and the mean remuneration of the staff is 79 times

Therefore, the ration existing between the total remuneration of the CEO and the average remuneration of the staff is 79 times.

In the Statistical Annex presented at the end of this Report, a graph is included which details the evolution of the remuneration of the CEO over the past five years, as well as the evolution of the rest of the non-executive directors, the consolidated Company results and the evolution of the average remuneration of the staff (non-directors) for the same five-year period.

4.5 Remuneration of the directors in their position as such accrued in 2021

The maximum total annual remuneration to be paid to the Board of Directors in their position as such and as established by the Remunerations Policy of the Directors applicable to fiscal year 2021, has a limit of 2,200,000 euros. The distinct concepts and amounts paid in 2021 reach a total of 1,706,000 euros for this concept and its payment is detailed below:

- Chair of the Board 260,000 euros / year (amount similar to that of 2020)
- Chair of a Committee 180,000 euros / year (amount similar to that of 2020)
- Committee member 150,000 euros / year (amount similar to that of 2020)
- Director 115,000 euros / year (amount similar to that of 2020)

The remuneration model of Cellnex corresponding to fiscal year 2021 will be applicable for all directors that have been part of the Company's Board of Directors throughout fiscal year 2021. Therefore, it should be noted that in July of 2021, Ms Kate Holgate was appointed by co-optation, substituting Mr Mamoun Jamai, who resigned from his position in 2020.

The chart below presents a list of directors for which the Cellnex remuneration model will be applicable in 2021:

Name	Position in the Board	Clasification	Accrual period (2021)	Retribution (thousands of euros) 2021	2020
Tobías Martínez Gimeno	CEO	Executive	From 1/1/2021 to 31/12/2021	115	111
Bertrand Boudewijn Kan	Chair and ARMC member	Independent	From 1/1/2021 to 31/12/2021	260	172
Giampaolo Zambeletti	Lead Independent Director	Independent	From 1/1/2021 to 31/12/2021	154	172
Pierre Blayau	NRSC Member	Independent	From 1/1/2021 to 31/12/2021	150	145
Anne Bouverot	ARMC Member	Independent	From 1/1/2021 to 31/12/2021	150	145
Marieta del Rivero Bermejo	Chair of the NRSC[9]	Independent	From 1/1/2021 to 31/12/2021	176	145
María Luisa Guijarro Piñal	NRSC Member	Independent	From 1/1/2021 to 31/12/2021	150	145
Peter Shore	Chairman of the ARMC[10]	Independent	From 1/1/2021 to 31/12/2021	176	145
Christian Coco	ARMC Member	Proprietary	From 1/1/2021 to 31/12/2021	150	113
Alexandra Reich	NRSC Member	Proprietary	From 1/1/2021 to 31/12/2021	150	—
Kate Holgate	ARMC Member	Independent	From 28/7/2021 to 31/12/2021	75	—

The only remunerations received by the directors in their position as such given that they belong to the Board of Directors of Cellnex during fiscal year 2021, with the exception of the Remuneration of the CEO for the exercising of his executive functions, are those mentioned above.

Application of other remuneration elements or clauses during 2021

It should be noted that during fiscal year 2021:

[9] Since 25 February 2021
[10] Since 25 February 2021

- It has been unnecessary to reduce or reclaim any amount related to the variable component of the CEO's remuneration.

- There have been no termination of the CEO contract, therefore no termination payments have been accrued.

- The Company has not granted any advance payment, credit or guarantee to any Cellnex director, in line with the Remunerations Policy of the Directors of the Company.

- There is no supplementary remuneration accrued in favour of the directors as compensation for the services provided that are distinct from those inherent in his/her position, or additional remunerative items other than those explained in the previous sections.

Alignment of the remuneration

The Remunerations Policy of the Directors of Cellnex reflects a reasonable assumption of risks combined with the achievement of defined short and long-term objectives, linked to the creation of sustainable value. Similarly, it offers a reasonable balance between the distinct fixed and variable elements (annual and long-term), considering the Company's strategy and its middle and long-term results. Therefore, the characteristics of the Remunerations Policy of the Directors of Cellnex include the following elements:

The CEO's variable remuneration system is fully flexible and allows the CEO to receive no amount for this concept if the minimum compliance thresholds are not met.

- Long-Term Incentive Plans: The Company uses multi-annual incentives, having a minimum duration of three years, and with the objective of associating and integrating the managers of the Group and, especially, the CEO, with the Company's Strategic Plan which is aligned with the guidelines presented to the market. The remuneration of these plans is granted in the form of shares or stock options, based on value creation, to guarantee that the managers' interests are in line with those of the shareholders. Similarly, the Long-Term Incentive Plans have an approximate weight of 80% of the CEO's total remuneration, in a scenario of over-achievement of objectives (maximum limit).

- Shareholding: To reinforce the CEO's commitment with the Company's long-term interests and the shareholders' interests, he should maintain a minimum amount of Company shares, equivalent to the amount that is, at least, twice the amount of his Fixed Remuneration.

- The variable remuneration system of the CEO is fully flexible and allows the CEO to receive no amount for this concept, if the minimum achievement thresholds are not reached.

Similarly, the following characteristics of the Cellnex Remunerations Policy ensure a reduced exposure to excessive risks:

Variable remuneration of the CEO and senior management	• With regard to the objectives and metrics: • Periodic review by the Nominations, Remunerations and Sustainability Committee to ensure that the objectives and metrics are sufficiently demanding, measurable and quantifiable. In the case of Annual Variable Remuneration, the definition of the weights, targets and levels of achievement are approved by the Board of Directors after the recommendation of the NRSC at the end of each preceding fiscal year, taking into account other factors such as the economic environment, strategic plan, historical analysis, Company budget and expectations or consensus of investors and analysts. • Assessment of the level of achievement of the metrics upon finalising the measurement period. Both for the establishment of the objectives as well as for the assessment of their achievement, the NRSC also considers any associated risk. Positive or negative economic effects resulting from extraordinary events are expected to be eliminated. This includes events that may introduce distortions in the assessment results. The NRSC will evaluate the level of achievement of the established objectives and, taking into account the weights of each established metric, will determine the amount to be paid, which must be subsequently approved by the Board of Directors. • The assessment of the annual objectives and the long-term objectives and the confirmation of variable remuneration are carried out based on audited financial statements.
With regard to the payment of Annual Variable Remuneration:	• The payment is made following the formulation of the annual accounts. Because the payment of the CEO's Annual Variable Remuneration corresponds to the fiscal year when the accrual takes place, it is not carried out immediately, but rather, only after the formulation of annual accounts, thereby allowing the Company to analyse the achievement with objectives in a sufficient timeframe. • Establishment of "malus and clawback" provisions. If, during a period of 12 months, circumstances arise that justify a new assessment or revision of the level of achievement of the objectives by the Board of Directors, after the favourable recommendation of the NRSC, the Company may suspend payment of the amounts pending to be paid to the CEO, for any variable item, and, when relevant, it may reclaim any unduly paid amounts as a result of the new valuation performed.

With regard to the payment of the Long-Term Incentive Plan (LTIP):	• The payment will be made after the Annual General Meeting is held. Payment of the Long-Term Incentive of the CEO, as in the case of the Annual Variable Remuneration, will not be made immediately. In this case, it will be made following the approval of the Annual Accounts corresponding to the last fiscal year of the LTIP in question, by the Annual General Meeting. • Establishment of "malus and clawback" provisions.If, during a period of three years following the collection of the incentive, (i) Cellnex was obliged to reformulate the accounts that were used to calculate the same, due to extraordinary events; or (ii) the Board of Directors of Cellnex is made aware of any negative behaviour on behalf of the CEO, Cellnex may recalculate the incentive that was paid, and when relevant, demand a refunding of the excess received based on the new calculation, or its entirety, in the case in which the determined behaviour was considered very serious by the Board of Directors or in any way influenced the metrics used to calculate the incentive.

As for the measures used by the Company with respect to professionals with material repercussions in the profile of entity risks, and with regard to the measures taken to avoid conflicts of interest, a succession plan was created to ensure the continuity of the most relevant positions of Cellnex, thereby avoiding any potential vacancies in the Company's key positions.

Finally, Cellnex has diverse internal regulations designed to regulate potential conflicts of interest, which are mentioned below:

- Article 27 of the Regulations of the Board of Directors defines the cases of conflicts of interest and establishes the rules governing these situations.

- Article 29 of the Regulations of the Board regulates the use of non-public information with private purposes.

- Article 30 of the Regulations of the Board include specific aspects that the Board should notify to the Company.

- Articles 32 and 33 of the Regulations of the Board establish the regulations in the case of "transactions with directors and significant shareholders". Included in the powers that have been attributed to the Audit and Risk Management Committee, is that of informing of transactions with related individuals.

- Chapter VIII of the Internal Regulations of Behaviour regulates the action criteria of the Cellnex employees in situations of personal and Company conflicts..

Agreements to be approved by our 2022 Annual General Meeting

The Board of Directors, in its meeting held on 16 December 2021, approved the following remuneration aspects for fiscal year 2022:

Agreements of the Board of Directors with regard to the remuneration of the CEO	
Fixed remuneration 2022	• The Board of Directors, after the favourable recommendation of the Nominations, Remunerations and Sustainability Committee, in the session held on 16 December 2021, approved the Fixed Remuneration of the CEO for his executive functions for fiscal year 2022 for an annual amount of 1.3 million euros, maintaining this without change with regard to the Fixed Remuneration received during 2021. This remuneration will be paid monthly in cash.

Annual Variable Remuneration 2022

- The Board of Directors, after the favourable recommendation of the Nominations, Remunerations and Sustainability Committee, in the session held on 16 December 2021, established:

  – The target amount of the Annual Variable Remuneration of the CEO for fiscal year 2022, that is, the amount corresponding to a standard level of achievement of objectives, at an amount equivalent to 100% of the Fixed Remuneration (1.3 million euros), in accordance with the Remunerations Policy of the Directors of Cellnex and following the regular practices of the Spanish market for positions of similar responsibility.

  – The maximum amount of the Annual Variable Remuneration of the CEO, occurs in the case of over-achievement of the pre-established objectives. This maximum amount is established at 180% of the Fixed Remuneration (2,340,000 euros).

  – The metrics and weights for the Annual Variable Remuneration of the CEO, linked to the achievement of certain economic-financial and operative annual objectives of the Cellnex group,

Objective*	Weight	Minimum level of achievement: 85% of 2022 Budget	Target level of achievement: 100% of 2022 Budget	Maximum level of achievement: 115% of 2022 Budget
Organic growth; PoPs**	30%	-5%	Budget	+5%
Growth of inorganic projects in coherence with the financial discipline of Cellnex and the Company's firepower	15%	2	3	4
Adjusted EBITDA	35%	-5%	Budget	+5%
ESG***	10%	Reduction 20% of scope 1 and 2 GHG emissions and scope 3 GHG emissions from fuel and energy-related activities****	Reduction 22% of scope 1 and 2 GHG emissions and scope 3 GHG emissions from fuel and energy-related activities****	Reduction 26% of scope 1 and 2 GHG emissions and scope 3 GHG emissions from fuel and energy-related activities****
	10%	24% women in management positions	26% women in management positions	28% women in management positions

* All indicators are aligned with the ESG Master Plan 2021-2025
**Concept of equivalent PoPs
*** Taking into account the current perimeter at the close of December 2021 and without considering future increases in perimeter for inorganic growth operations
**** As compared to base year 2020, at a constant perimeter verified by a certified external entity

LTIP

- The Board of Directors, after the favourable recommendation of the Nominations, Remunerations and Sustainability Committee, in a session held on 16 December 2021, approved the 2022-2024 LTIP, with the characteristics mentioned in section 3 of this document.

Extraordinary remuneration

- The Board of Directors, after the favourable recommendation of the Nominations, Remunerations and Sustainability Committee, in a session held on 16 December 2021, approved the Booster explained in Section 3.1.2 applicable in case of extraordinary performance which will be the way to remunerate extraordinary results. Therefore, there is no longer the possibility of receiving an extraordinary payment.

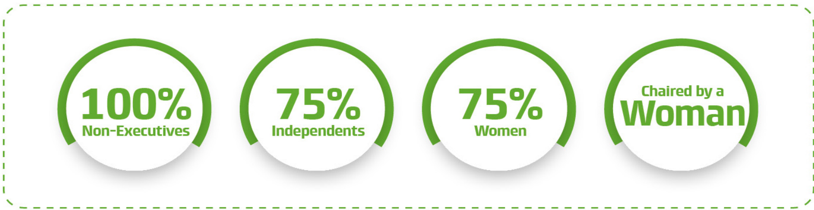
Annual contribution to insurance	• The annual contribution to insurance of the CEO is equivalent to 25% of his annual Fixed Remuneration for his executive functions. The annual contribution for 2022 totals 325,000 euros.
Payment for contract termination and non-compete	• The Board of Directors, after the favourable recommendation of the Nominations, Remunerations and Sustainability Committee, in a session held on 16 December 2021, approved the following conditions of compensation and payment for the non-compete undertaking applicable to fiscal year 2022: • If the CEO resigns during the duration of the contract, he/she will receive 2 times his annual Fixed Remuneration. This amount includes compensation for the non-compete undertaking of 2 years. • If the Company terminates the contract before its expiration date, or if, after contract expiration, the Company or CEO decides not to renew the contract, the CEO will receive 2 times his Fixed Remuneration and Annual Variable Remuneration. This amount includes a non-compete undertaking of 2 years. • If, after contract expiration, it is not renewed, and the CEO is offered a position as non-executive director or external Company advisor, he/she will receive 2 times his Fixed Remuneration and Annual Variable Remuneration. This amount includes a non-compete undertaking of 2 years

The NRSC in 2021

7.1 Composition and profile of Committee members

The Nominations, Remunerations and Sustainability Committee is 75% female and is presided over by a woman.

As of 31 December 2021, the Nominations, Remunerations and Sustainability Committee of Cellnex consists of 4 members, none of whom are executive directors, 3 of whom are Independent Directors (75%) and one of whom is Proprietary Director (25%). The Committee is chaired by a woman, Ms. Marieta del Rivero, who is an Independent Director.



During 2021, changes have taken place in the composition of the Nominations, Remunerations and Sustainability Committee, with the most relevant one being that on 25 February 2021 Ms. Marieta del Rivero assumed the position of Chair, substituting Mr. Giampaolo Zambeletti, who left the committee in December of 2021.

Please find below information on the members of this Committee as of the close of fiscal year 2021, including, but not limited to, their technical profile and high degree of commitment and dedication, given that all of the members attended the 15 meetings held over 2021.

Marieta del Rivero Bermejo

Independent Director

Chair of the NRSC

Seniority	5 years
Level of attendance at the NRSC – 2021 meetings:	15/15 = 100%
Technical profile / Experience	– **Country of origin:** Spain – **Current positions:** independent director of Gestamp Automoción and member of its Sustainability Committee. Non-executive Chairperson of Onivia. Member of the Advisory Board of the Mutual Society of Lawyers, Trustee of the Tecnalia Foundation and Board member of the Spanish Association of Directors. Co-Chair of Women Corporate Director Spain. – **Previous positions held:** She has served as global marketing director of Telefónica, deputy managing director to the digital commercial managing director of Telefónica, CEO of Nokia Iberia, senior advisor of Ericsson, partner at Seeliger & Conde and Chairperson of the International Women´s Forum Spain. – **Other information:** She was named one of ‘The 500 Most Influential Women in Spain’ in 2018, 2019 and 2020 according to ‘El Mundo’; one of ‘The Top 100 Women Leaders 2018’ by Mujeres & Cía, and she was recognised as the ‘Best Executive 2017’by the Spanish Association of Business Women. She is the author of the book ‘Smart Cities: a vision for the citizen’ and is member of the management board of the Spanish Directors Association (AED), – **Academic training:** She has a BA in Business Administration from the University Autónoma of Madrid (UAM). In 2019, she attended the ‘Workshop on Global Leadership’ led by the Harvard Kennedy School. AMP (Advanced Management Program) by the IESE, EP (Executive Program) by Singularity University and Executive coach, certified by the ECC.

Pierre Blayau

Independent Director

Member of the NRSC

Seniority	7 years
Level of attendance at the NRSC – 2021 meetings:	15/15 = 100%
Technical profile / Experience	– **Country of origin:** France – **Current positions:** President of the CCR (Caisse Centrale de Reassurance), member of the strategic committee of SECP (del Grupo Canal +), Censor of FIMALAC, Senior Advisor of Bain & Company and Chairman of Harbour Conseils. – **Previous positions held:** Chief Executive Officer of Pont à Mousson, PPR, Moulinex, Geodis, and Executive Director of SNCF. He has also served as Executive Director of La Redoute, as member of the Board of Directors of FNAC, Independent Director of Crédit Lyonnais and President of the Board of Directors of Areva. – **Academic training:** He is a Public Finance Inspector of the French Ministry of Finance and graduated from the École National d'Administration de París and the École Normale Supérieure de Saint-Cloud.

María Luisa Guijarro Piñal

Independient Director

Member of the NRSC

Seniority	4 years
Level of attendance at the NRSC – 2021 meetings:	15/15 = 100%
Technical profile / Experience	– **Country of origin:** Spain – **Current positions held:** dominical director of EQT in Adamo Telecom Iberia, S.A. and Adamo Telecom, S.L. – **Previous positions held:** Global Marketing and Sponsorship Manager, CEO of Terra España, Director of Marketing and Business Development in Spain and, in her final years at the company, member of the Executive Committee in Spain as head of Strategy and Quality. – **Academic training:** She has a degree in Economics from the Universidad Autónoma de Madrid

Alexandra Reich

Dominical Director

Member of the NRSC

Seniority	1 year
Level of attendance at the NRSC – 2021 meetings:	15/15 = 100%
Technical profile / Experience	– **Country of origin:** Austria – **Current positions held:** member of the Board of Directors of the Dutch company Delta Fiber. – **Previous positions:** 20 years of experience in the telecommunications industry, after beginning her career in investment banking. She was senior advisor at Telenor as well as Chairperson of the Boards of Telenor in Thailand – DTAC (from 2018 to 2020). She was CEO of Telenor Hungary between 2016 and 2018 as well as Chairperson of the Boards of Telenor Serbia and Telenor Bulgaria. She has also held distinct management positions at Swisscom (between 2009 and 2016) and Sunrise (between 2007 and 2009) in Switzerland and at Hutchison (between 2005 and 2007) and United Telecommunications (between 2004 and 2005) in her native Austria. – **Academic training:** She has a degree in Business Administration and a Master's degree in Business Management and Administration from the Vienna University of Economics and Business Administration.

* The number of years of seniority has been rounded to the nearest whole number, in some cases, varying a few months (more or less).

7.2 Main activities carried out by the Nominations, Remunerations and Sustainability Committee in 2021

The Nominations, Remunerations and Sustainability Committee played a very active role in overseeing Cellnex's remuneration aspects. As evidence of this, the committee met on 15 occasions during 2021. Below is a summary of the main activities carried out in the area of remuneration, subject to discussion and supervision by this Committee.

Period	Main activities carried out by the NRSC in terms of remuneration
I Quarter 2021 **(5 meeting)** 08-01-2021 19-01-2021 11-02-2021 24-02-2021 18-03-2021	11-02-2021: – Proposal for the new 2021-2023 Remunerations Policy, to adjust it to the recommendations of the Good Governance Code, Company strategy and the group of comparable companies. The maximum total remuneration of the Directors was modified, as well as the Fixed Remuneration and multi-annual remuneration of the CEO. – Preparation of the Annual Report on the Remuneration of Directors in the format established by the Spanish Securities and Exchange Commission and examination of the first draft of such Report. – Assessment of the quantitative objectives of the MBO of the CEO for 2020. 24-02-2021: – Approval and submission to the Board of the evaluation of the achievement of the 2018-2020 LTIP. – Approval and submission to the Board of the contract model of the 2021-2023 LTIP. – Favourable recommendation to the Board of Directors on the Annual Report on the Remuneration of Directors, the MBO of the CEO, the Remunerations Policy of the Directors and the Report on the Remunerations Policy of the Directors.
II Quarter 2021 **(3 meetings)** 12-04-2021 03-05-2021 08-06-2021	During the 2nd quarter of 2021, no specific topics were discussed with regards to remuneration.

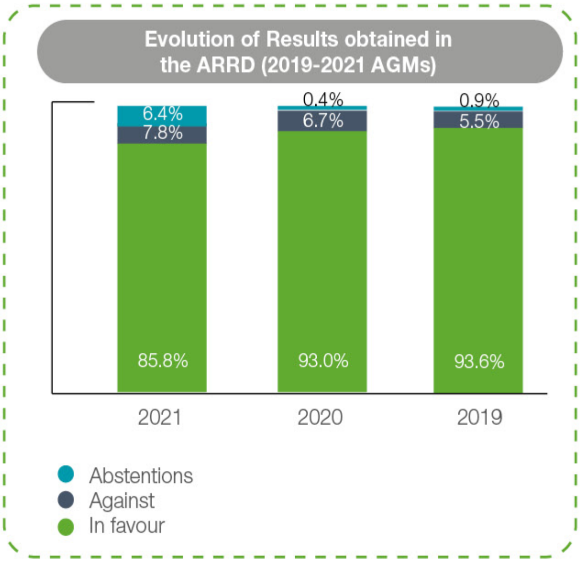
III Quarter 2021 **(3 meetings)** 15-07-2021 21-07-2021 08-09-2021	15-07-2021: – Presentation of the procedures to be followed for the review of the remuneration for the directors and senior management. The possibility of creating the Annual Report on the Remuneration of Directors in free format to improve transparency was also considered. 08-09-2021: – Review of the Remunerations Policy of the Directors, approved in 2021 by the Annual General Meeting, from the perspective of corporate governance. Review of the most recent market trends.
IV Quarter 2021 **(4 meetings)** 13-10-2021 09-11-2021 02-12-2021 15-12-2021	13-10-2021: – Review of the benchmark strategy and challenge Willis Towers Watson to work with a more extensive group of companies experiencing the same high growth moment as the Company, as well as companies that traditionally have been included in the group of comparable companies in this industry. – Qualitative analysis of the remuneration components of the CEO and decision to reinforce the analysis to carry out a set of meetings with investors and proxy advisors in order to test out the updates to be included in the CEO's remuneration and, specifically, in the 2022-2024 LTIP. 09-11-2021: – Review of the benchmarking for the remuneration of the non-executive directors. – Review of the benchmarking for the qualitative analysis of the remuneration of the CEO. – Qualitative proposal for the remuneration of senior management. 02-12-2021: – Approval of the proposal for remuneration of the CEO and 2022-2024 LTIP, applicable to the entire collective of beneficiaries, except for the breakdown of ESG objectives and the levels of low, average and high achievement for each of the metrics. – Approval of the proposal for remuneration of the senior management. 15-12-2021: – Approval of the breakdown of the ESG objectives and the levels of low, average and high achievement for each of the metrics. – Approval of the remuneration of the non-executive directors.

7.3 Evolution and impact of the results of the Annual General Meeting and measures adopted by the NRSC to reduce dissidence

Annual General Meetings held by Cellnex during 2019-2021, a decline was noted in the level of support received by the shareholders with regard to the Annual Report on the Remuneration of Directors, decreasing from 93.6% votes in favour in 2019, to 93.0% in 2020 and 85.8% in 2021

2021 AGM Results - Annual Report on the Remuneration of Directors

	Nº shares	% of Total votes
For	334,441,400	85,77%
Against	30,438,514	7,81%
Abstention	25,026,647	6,24%
Blanck	635	0,00%

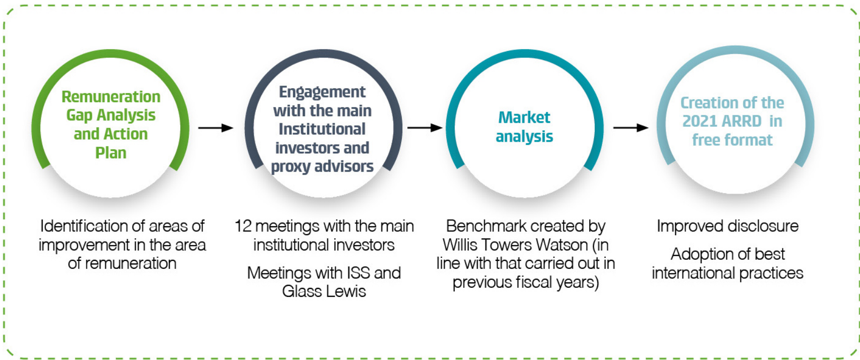


One of the main functions of the Nominations, Remunerations and Sustainability Committee is to monitor the results of the AGMs in terms of support by the Company's investors in the areas of responsibility making up its scope of action.

For this, the Nominations, Remunerations and Sustainability Committee, in order to understand the reasons leading the shareholders to reduce their level of support and to offer a reasonable response to the same and to other stakeholders, adopted a series of actions in 2021 in order to improve alignment of its remuneration practices to market expectations and to reduce the level of dissidence at the upcoming AGM.

The actions adopted by the Company led by the NRSC are described below:

ACTIONS LED BY THE CELLNEX NOMINATIONS, REMUNERATIONS AND SUSTAINABILITY COMMITTEE TO IMPROVE THE COMPANY'S REMUNERATIONS MODEL



During the 4th quarter of 2021 and throughout 2022, the Company has held a total of 12 virtual meetings with the main institutional investors representing its shareholdings and its reference proxy advisors (ISS and Glass Lewis)

As observed in the graph above, during fiscal year 2021, Cellnex, led by the Nominations, Remunerations and Sustainability Committee, carried out the following measures:

	Measures / Activities	Objective
1	Development of a Gap Analysis with regard to remunerations	Identification of the degree of alignment of the Cellnex remunerations practices with the issues of greatest relevance and concern to the market (investors and proxy advisors), establishing a specific Action Plan that allows the Company to continue to progressively align itself with the market expectations. As explained below in more depth, as a consequence of the implementation of the Action Plan, the level of alignment in remuneration practices, has gone from 32% high alignment to **84% high alignment.**

2	Engagement meetings with main investors and proxy advisors	During the 4th quarter of 2021 and throughout 2022 (until the date of this Report), the Company has held a total of 12 virtual meetings with the main institutional investors (representing an aggregate total of approximately 49% of the Company's share capital), as well as with the main proxy advisors (ISS and Glass Lewis). The following corporate areas attended these meetings: • Board Secretariat • Investor Relations • Chief Financial Officer • Human Resources The Chair of the Nominations, Remunerations and Sustainability Committee, Ms. Marieta del Rivero also attended some of these meetings.
3	Market analysis	As has been the case for several years now, Cellnex received advisory services in the defining of the sample of companies considered to be comparable companies in order to carry out a benchmark of remuneration. This comparative analysis includes the following: • The identification of the components of the remuneration of the CEO (Fixed Remuneration, Annual Variable Remuneration and Long-Term Incentive Plan) as compared to the defined sample of comparable companies. • The identification of the remuneration of non-executive directors, in their position as such, as compared to the defined sample of comparable companies.
4	Creation of the Annual Remuneration Report in free format	Creation, for the first time, of the Annual Report on the Remuneration of Directors in free format, in order to increase the transparency towards the market in the area of remuneration.

The level of alignment of the Remunerations Policy of the Directors of Cellnex with the best market practices, **has increased from 32% high alignment and 56% average alignment to 84% high alignment and 12% average alignment.**

Based on the Gap Analysis and Action Plan defined in fiscal year 2021, below are some of the main measures adopted by the Nominations, Remunerations and Sustainability Committee:

With the adoption of all of these measures, the level of alignment of the remunerations of the Directors of Cellnex with the best market practices has gone from 32% high alignment and 56% average alignment to **84% high alignment** and 12% average alignment.

7.4 Description of Company procedures and bodies involved in the determination, approval and application of the Remunerations Policy.

In accordance with the Spanish Companies Law and the Company’s internal regulations (corporate bylaws, Regulations of the Annual General Meeting and Regulations of the Board of Directors), Cellnex relies on the following bodies for the determination, approval and application of the Remunerations Policy:

Below we detail the procedures carried out by each of these bodies:

- **Annual General Meeting:** in accordance with the Spanish Companies Law and the Regulations of the Annual General Meeting, this body approves the Remunerations Policy of the Directors.

- **Board of Directors:** according to the Spanish Companies Law, corporate bylaws and the regulations of the Board of Directors, it has the following non-transferrable powers:

    - Decisions related to the remuneration of each of the directors in their position as such, taking into account the functions and responsibilities attributed to each director, inclusion in the distinct board committees and other objective circumstances that are deemed relevant; always within the scope of the statutory framework and the Remunerations Policy of the Directors as approved by the Annual General Meeting.

    - Approval of the CEO's contract which details, among other things, all of the aspects for which he/she may be paid for the performing of executive functions, as well as the terms and conditions of his/her contract with the Company, based upon applicable regulations at any times and the Remunerations Policy of the Directors approved by the Annual General Meeting. It should be mentioned that the Remunerations Policy of the Directors should include the following:

        - The total amount of the annual Fixed Remuneration and its variability during the period referred to in the policy,

- The distinct parameters for the establishment of the variable components,

- The main terms and conditions of the CEO's contract (i.e., duration, compensation for early dismissal or termination of the contractual relationship, exclusivity agreements, post-contractual non-compete clauses, permanence or loyalty).

- **Nominations, Remunerations and Sustainability Committee:** assumes the main role in terms of the determination, application and review of the Remunerations Policy of the Directors. According to the competencies assigned in the Regulations of the Board of Directors, below we summarise the functions assigned to this committee with regard to the determination, application, review and transparency of the Remunerations Policy of the Directors:

  - Propose the following to the Board of Directors: The Remunerations Policy of the Directors and of the senior management (or those who may perform executive functions) as well as the individual remuneration and other basic conditions of their contracts.

  - To verify the compliance of the Remunerations Policy established by the Company.

  - To periodically review the Remunerations Policy applying to directors and the senior management, including the remuneration systems and their application, and to ensure that their individual remuneration is proportional to that paid to other directors and members of senior management of the Company.

  - To verify the information on the remuneration of Directors and senior management as found in the different Company documents, including the Annual Report on the Remuneration of Directors and to propose to the Board of Directors a consultative vote at the Annual General Meeting on said Report.

The Nominations, Remunerations and Sustainability Committee considers it essential to periodically review the Remunerations Policy of the Directors, according to the best practices of corporate governance as adopted by the institutional investors and the recommendations of the main proxy advisors.

During 2021, the NRSC has worked to develop an annual agenda of the topics to consider, in order to ensure that all of the objective topics of the year are covered.

Therefore, the Committee, in an attempt to continue to improve on a yearly basis, and as a result of the 2021 Action Plan approved as a result of the Board's evaluation in 2020, has been working in 2021 on the development of an annual agenda of topics to consider, in order to ensure that all of the relevant topics are covered throughout the year. Meetings are planned at 12 months.

- Audit and Risk Management Committee: To verify the economic and financial information serving as the basis of calculation of the level of achievement of the objectives (both short and long-term).

Annexes

Annex 1: Summary of main differences in remuneration in 2022 as compared to 2021 for the CEO

Align the CEO's Remuneration with Cellnex's expected performance and value creation		
Base Salary: No changes	2021	2022
Fixed Remuneration	1,300,000 euros	No changes
Other Benefits	Benefits related to travel and private medical insurance	No changes
Pension	25% of the annual Fixed Remuneration	No changes
Variable remuneration: greater achievement when performance is exceptional		
Annual Variable Remuneration	Target: 100% Maximum: 150%	Target: 100% Maximum: 180%*
	• 35% Recurring Levered Free Cash Flow • 20% Organic growth • 15% Market diversification • 15% ESG indicators • 15% Inorganic growth	• 35% Adjusted EBITDA • 30% Organic growth • 20% ESG indicators • 15% Inorganic growth
Long Term Incentive Plan (LTIP)	2021-2023	2022-2024
PILP	Applies in the case in which profitability during the 2021-2023 period is 8% annually for a period of three years. Initial Plan Price of 48.28 euros, final price of the plan 60.81 euros	PILP= RF 2024 * (5,5/3) * Nivel de logro (%) * Booster
		• 30% Evolución precio por acción • 30% Evolución Relativa precio por acción • 20% Evolución Generación de flujo de caja por acción
	NA	Booster: Only applies if the share revaluation is exceptional in absolute and relative terms. Minimum multiplier** 1.2 (10% TSR> 70€/ share and second relative position) and maximum multiplier *** 5.0 (30% TSR >114.4 €/share and first relative position
Percentage of payment in shares in the LTIP	30% granted in shares 70% in options	40% granted in shares 60% in options
Align the CEO's Remuneration with the Recommendations for Good Corporate Governance		
Others		
Severance and non-compete clauses	2 years Fixed Remuneration + Annual Variable Remuneration and 1 year of Fixed Remuneration, for non-compete commitment	2 years Fixed Remuneration + Annual Variable Remuneration (including compensation for non-compete clause in this amount)
Shareholding guidelines	Equivalent to a minimum of 2 years of Fixed Remuneration	No changes

* 180% = 150% * 1.2

**The minimum multiplier applies when the TSR >10%

*** The maximum multiplier applies when the TSR >30%

Annex 2: How did we create this Report?

The Annual Report on the Remuneration of Directors corresponding to fiscal year 2021 is Cellnex's first report created in free format. Using this new format, which is significantly distinct in structure and content from the reports created during prior fiscal years, Cellnex attempts to comply with the following four objectives:

One of the objectives of this Report is to respond to the demands of the institutional investors and proxy advisors

1. **Respond to the main demands** of institutional investors and proxy advisors: Cellnex has taken into account the expectations of these stakeholders, collected during the engagement process carried out by the Company in 2021.

2. Consider **best international practices** in terms of information transparency in the area of remuneration through information disclosure in a simple, clear, transparent and detailed manner, aligning the model with the Company's goals of long-term sustainability and value creation for its stakeholders.

3. Serve as a **source of information** for stakeholders wishing to know more about the Cellnex remuneration model.

4. Comply with the **regulation and recommendations** included in the Companies Act, regulations of the National Commission on the Securities Market[11] and the Good Governance Code of the listed companies.[11]

Likewise, it should be noted that, according to the principles included in the Technical Guide 1/2019 of the National Commission on the Securities Market on the functioning of the Nominations, Remunerations and Sustainability Committee, the Company has received independent external consulting in the area of remuneration.

Georgeson has carried out a GAP Analysis in this area, created in order to identify areas of improvement, and has assisted the Company in the creation of this Report, by

[11] Circular 3/2021, of 28 September, of the National Commission on the Securities Market, modifying Circular 4/2013, of 12 June, which establishes, among other things, models of the Annual Report on the Remuneration of the Directors of listed companies.

improving the transparency and disclosure to investors of the Company's remuneration practices.

On the other hand, Willis Towers Watson has advised the Company in the selection process of the peer companies, carrying out a benchmark against these groups and analysing the trends and best remuneration practices of the market.

Annex 3: Long-Term Incentive Plans in force and prior to 2022-2024

Below, the Long-Term Incentive Plans from prior to 2022-2024 are detailed, which continue to be in effect.

Long-Term Incentive Plans, in force and prior to 2022-2024

2021-2023 LTIP:

The anticipated remuneration of the CEO, in the case in which, at the close of fiscal year 2022, the established Company objectives are reached, is 183% of the Fixed Remuneration.

A total of 30% of said remuneration is initially paid via delivery of granted shares and the remaining 70% in stock options, with an obligation to hold permanent shares equivalent to two years of the Fixed Remuneration.

The amount to be received will be determined by the level of achievement with the price of the share, calculated based on the average price of the three months prior to December of 2020, weighted by volume ("vwap") (48.28 euros / share, initial price of the period) and estimating a profitability of 8% annually, for a three-year period, thereby obtaining the objective price at the end of the period (60.81 euros / share).

The aforementioned prices have been adjusted from 52.12 euros/share and 65.66 euros/share initially established in the Plan due to the impact of the capital increase done in 2021, following Bloomberg adjustments.

If the CEO already complied with this obligation (permanently holding shares equivalent to two years of the Fixed remuneration) he may opt to receive part of the rights to the revaluation of the shares in a contribution to his Defined Contribution Pension Plan (retirement insurance), or in cash.

The final incentive amount may be corrected by applying a factor (upwards or downwards) with the objective of collecting the contribution (or decrease) in value that is derived from a significantly higher (or lower) performance than that anticipated during the application period of this LTIP.

This correction factor (+- 30%) is made up of two components:

- 15% will be applied upon the discretion of the Board of Directors, taking into account the contribution of value to the stakeholders, including ESG factors.

- 15% will be applied using the RLFCF per share (Recurring Levered Free Cash Flow per share) parameter, its evolution in the period and its comparison between the real and anticipated value.

- In a scenario of maximum achievement of the objectives, the incentive will increase to 238% of the Fixed Remuneration. The Cellnex Board of Directors considers it important to define this correction factor in order to reinforce the alignment between the CEO's interests and those of the shareholders, and to allow the CEO (and other management) to collect part of the additional value that may have been generated for the shareholders.

- It should be noted that the maximum incentive may increase up to 238% of the Fixed Remuneration, but also, may decline by 141%, due to the application of this corrective factor; or it may even be 0, if there is no compliance with the accrual and liquidation conditions.

Summary of the 2021-2023 LTIP

	Objectives	Metric	Details
2021-2023 LTIP	Target: 183% de le RF. A correction factor may be applied (upwards or downwards) of 1.3 in the case of performance that is better (or worse) than anticipated[12]. Maximum (annualised): 238% of the RF Correction factor (+- 30%): – 15% Evolution RLFCF per share – 15% ESG This quantity reflects the value of the Long-Term Incentive as of the date of its granting. That is, the Target and Maximum limits established will not be applicable until payment of the LTIPs.	• Increased share price Details on each of these Plans are detailed below the chart.	30% granted shares; 70% stock options 3 years of measurement of the objectives Subject to malus and clawback provisions (36 months) Shareholding: equivalent to a minimum of 2 years of Fixed Remuneration.

2020-2022 LTIP

The expectations for remuneration of the CEO, in the case in which, at the close of fiscal year 2022, the Company objectives are achieved, is 150% of his/her Fixed Remuneration. This percentage is equivalent to the maximum remuneration of the CEO for this area.

A total of 30% of this remuneration will be initially paid via the delivery of granted shares and the remaining 70% in stock options, with an obligation of permanently holding shares equivalent to two annual payments of Fixed Remuneration.

The amount to be received is determined by the level of achievement of the share price increase, calculated based on the average price of the three months prior to December of 2019, weighted by the volume ("vwap") (32.96 euros / share), (initial price of the period) and stimulating a profitability of 8% annually for a period of three years, thereby obtaining the objective price at the end of the period (41.52 euros / share).

[12] Therefore, the maximum can be increased up to 238 % (or decrease by 141%; or may even be 0 if it does not comply with the conditions of accrual and liquidation).

The aforementioned prices have been adjusted from 38.17 euros/share and 48.08 euros/share initially established in the Plan due to the impact of the capital increases done in 2020 and 2021, following Bloomberg adjustments.

If the CEO already complies with the obligation of permanent shareholding equivalent to two years the Fixed Remuneration, he/she may opt to receive part of the appreciation rights in a contribution to his/her Defined Contribution Plan (retirement insurance), or in cash.

Summary of the 2020-2022 LTIP:

	Objetivos	Métrica	Detalle de la Politica
PILP 2020-2022	Target: (annualised) 150% of the RF Maximum Maximum (annualised): 150% of the Fixed Remuneration	▪ Incremento precio de la acción	30% granted in shares; 70% stock options 3 years of objective measurement Subject to malus and clawback provisions (36 months) Shareholding: equivalent to a minimum of 2 years of Fixed Remuneration

As for the three Long-Term Incentive Plans that are in force as of the date of the creation of this Report, the following is noted:

- The final evaluation of the achievement of the objectives established in each of the ROLLING LTIP plans will be carried out by the Nominations, Retribution and Sustainability Committee once its period of validity and liquidation has concluded, following the holding of the Annual General Meeting to approve the annual accounts of the last fiscal year in which each plan is included.

- The Annual Report on the Remuneration of Directors corresponds to each year in which each of the Plans is liquidated, reflecting in detail the calculation formula and the amounts resulting from each of the same. It also informs on the amount accrued and paid in each fiscal year, and the financial instruments used for the liquidation of the remuneration in this area.

- The period for the exercising of the stock options will be two years from the moment they are delivered,, which will take place following the holding of the Annual General Meeting to approve the annual accounts of the last fiscal year of each Plan.

Anexo 4: Statistics

ANNEX III. STATISTICS RELATING TO THE ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

ISSUER IDENTIFICATION DETAILS

YEAR END-DATE 2021

TAX ID (CIF)

Company name:
CELLNEX TELECOM

Registered office:

ANNEX. STATISTICS RELATING TO THE ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

B OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED

B4 Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:

	Number	% of total
Votes cast	390,099,389	80.15%

	Number	% of votes cast
Votes against	30,438,514	7.81%
Votes in favour	33,441,400	85.77%
Blank ballots	635	0,00%
Abstentions	25,026,647	6.42%

C ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Period of accrual in year n
Tobías Martínez Gimeno		De 01/01/202 1 a 31/12/2021
Bertrand Boudewijn Kan		De 01/01/202 1 a 31/12/2021
Giampaolo Zambeletti		De 01/01/202 1 a 31/12/2021
Pierre Blayau		De 01/01/202 1 a 31/12/2021
Anne Bouverot		De 01/01/202 1 a 31/12/2021
Marieta del Rivero Bermejo		De 01/01/202 1 a 31/12/2021
María Luisa Guijarro Piñal		De 01/01/202 1 a 31/12/2021
Peter Shore		De 01/01/202 1 a 31/12/2021
Christian Coco		De 01/01/202 1 a 31/12/2021
Alexandra Reich		De 01/01/202 1 a 31/12/2021
Kate Holgate		De 28/07/202 1 a 31/12/2021

C.1 Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year n	Total year n-1
Tobías Martínez Gimeno	115			1.300	1.275	1.062			3.752	2.996

Bertrand Boudewijn Kan			**260**						**260**	**172**
Giampaolo Zambeletti			**154**						**154**	**172**
Pierre Blayau			**150**						**150**	**145**
Anne Bouverot			**150**						**150**	**145**
Marieta del Rivero Bermejo			**176**						**176**	**145**
María Luisa Guijarro Piñal			**150**						**150**	**145**
Peter Shore			**176**						**176**	**145**
Christian Coco			**150**						**150**	**113**
Alexandra Reich			**150**						**150**	**0**
Kate Holgate			**75**						**75**	**0**

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of plan	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
Tobías Martínez Gimeno	ILP 2019-2021	16.474					21.647	21,02	858			
	ILP 2020-2022	6.449										7.468
	ILP 2021-2023			5.772								6.232

iii) Long-term savings schemes

	Remuneration from vesting of rights to savings schemes
Director 1	

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Year n		Year n-1	
	Year n	Year n-1	Year n	Year n-1	Schemes with vested economic rights	Schemes with non-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights
Tobías Martínez Gimeno			325	250		1.475		1.150

iv) Details of other items

Name	Concept	Amount of remuneration
Tobías Martínez Gimeno	**Prima seguro de vida**	**11**
Tobías Martínez Gimeno	**Prima seguro médico**	**2**
Tobías Martínez Gimeno	**Vehículo**	**17**
Tobías Martínez Gimeno	**Gasolina**	**2**

b) Remuneration of directors of the listed company for seats on the boards of other subsidiary companies:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year n	Total year n-1
Director 1										
Director 2										

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of plan	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
Director 1	Plan 1											
	Plan 2											

iii) Long-term savings schemes

	Remuneration from vesting of rights to savings schemes
Director 1	

Name	Contribution for the year by the company (thousands of euros)		Amount of accrued funds (thousands of euros)
	Savings schemes with vested economic rights	Savings schemes with non-vested economic rights	

	Year n	Year n-1	Year n	Year n-1	Year n		Year n-1	
					Schemes with vested economic rights	Schemes with non-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights
Director 1								

iv) Details of other items

Name	Concept	Amount of remuneration
Director 1		

c) Summary of remuneration (thousands of euros):

This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

	Remuneration accruing in the Company					Remuneration accruing in group companies					
Name	Total cash remuneration	Gross benefit of vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year n, company	Total cash remuneration	Gross benefit of vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year n. group	Total in year n, company + group
Tobías Martínez Gimeno	3.752	858	325	32	4.967						
Bertrand Boudewijn Kan	260				260						
Giampaolo Zambeletti	154				154						
Pierre Blayau	150				150						
Anne Bouverot	150				150						
Marieta del Rivero Bermejo	176				176						
María Luisa Guijarro Piñal	150				150						
Peter Shore	176				176						
Christian Coco	150				150						
Alexandra Reich	150				150						
Kate Holgate	75				75						
Total:	5.343	858	325	32	6.558						

C.2 Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company.

	Total amounts accrued and % annual variation								
	Year n	% variation n/n-1	Year n-1	% variation n-1/n-2	Year n-2	% variation n-2/n-3	Year n-3	% variation n-3/n-4	Year n-4
Executive directors									
Tobías Martínez Gimeno	4,967	13.56%	4,374	-12.33%	4,989	90.13%	2,624	88.91%	1,389
Director's remuneration 2									
Director's remuneration n									
External directors									
Bertrand Boudewijn Kan	260	51.16%	172	14.67%	150	2.04%	147	13.08%	130
Giampaolo Zambeletti	154	-10.47%	172	14.67%	150	2.04%	147	8.89%	135
Pierre Blayau	150	3.45%	145	11.54%	130	1.56%	128	6.67%	120
Anne Bouverot	150	3.45%	145	11.54%	130	124.14%	58		
Marieta del Rivero Bermejo	176	21.38%	145	11.54%	130	1.56%	128	75.34%	73
María Luisa Guijarro Piñal	150	3.45%	145	11.54%	130	124.14%	58		
Peter Shore	176	21.38%	145	11.54%	130	1.56%	128	11.3%	115
Christian Coco	150	32.74%	113						
Alexandra Reich	150								
Kate Holgate	75								
Company results	-534	-164.36%	-202	-274.07%	-54	-50.0%	-36		20
Average employee remuneration	64	3.23%	62	6.90%	58	-4.92%	61	-11.59%	69

Observations

This annual remuneration report was approved by the Board of Directors of the company in its meeting of ___24/02/2022______.

Indicate whether any director voted against or abstained from approving this report.

Yes ☐ No X☐

Name or company name of any member of the Board of Directors not voting in favour of the approval of this report	Reasons (against, abstention, non attendance)	Explain the reasons

3. Annual Corporate Governance Report

The following is the Annual Corporate Governance Report 2021, presented by the Board of Directors of Cellnex Telecom, S.A., spread over 99 pages, numbers 1 to 99, inclusive.

****

Barcelona, as of February 24, 2022

Note: This document is a translation of a duly approved Spanish language document, and is provided for information purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish language document which this translation is intended to reflect, the text of the original Spanish language document shall prevail.

ANNEX I TEMPLATE

ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED COMPANIES

ISSUER IDENTIFICATION DETAILS

YEAR ENDING 31/12/2021

CORPORATE TAX ID (CIF)
A-64907306

Company name:

CELLNEX TELECOM, S.A

Registered office:

C/ JUAN ESPLANDIÚ 11-13 - MADRID

ANNUAL CORPORATE GOVERNANCE REPORT
FOR LISTED COMPANIES

A OWNERSHIP STRUCTURE

A.1 Complete the following table on share capital and attributed voting rights, including those corresponding to shares with a loyalty vote as at the close of the fiscal year, where appropriate:

Indicate whether the company's bylaws contain the provision of double loyalty voting:

Yes ☐ No X General Shareholders' Meeting approval date dd/mm/yyyy

Minimum period of uninterrupted ownership required by the statutes

Indicate whether the company has awarded loyalty votes:

Yes ☐ No X

Date of the last modification of the share capital	Share capital	Number of shares	Number of voting rights (not including additional loyalty-attributed votes)	Number of additional attributed voting rights corresponding to shares with loyalty vote	Total number of voting rights, including additional loyalty-attributed votes
23/04/2021	169,831,931.00	679,327,724	679,327,724		679,327,724

Number of shares registered in the special register pending the expiry of the loyalty period

Remarks

Indicate whether there are different classes of shares with different associated rights:

Yes ☐ No X

Class	Number of shares	Par value	Number of voting rights	Rights and obligations conferred

Remarks

A.2 Give details on company's significant direct and indirect shareholders at the year-end, including directors with a significant shareholding:

Name of shareholder	**% of voting rights** attributed to the shares (including loyalty votes)		**% of voting** rights through financial instruments		**% of total** voting rights	From the total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
BLACKROCK INC.	0.00	5.03	0.09	0.09	5.21		
EDIZIONE, S.R.L.	0.00	8.53	0.00	0.00	8.53		
CRITERIA CAIXA, S.A.U.	4.77	0.00	0.00	0.00	4.77		
CANADA PENSION PLAN INVESTMENT BOARD	5.00	0.00	0.00	0.00	5.00		
WELLINGTON MANAGEMENT GROUP	0.00	4.28	0.00	0.00	4.28		
CAPITAL RESEARCH AND MANAGEMENT COMPANY	0.00	3.44	0.00	0.43	3.88		
FMR LLC	0.00	3.22	0.00	0.00	3.22		
GIC PRIVATE LIMITED	0.25	6.73	0.04	0.00	7.03		
HONH. CHRISTOPHER ANTHONY	0.00	0.79	0.00	5.00	5.79		
LISSON GROVE INVESTMENT PRIVATE LIMITED	6.73	0.00	0.00	0.00	6.73		
NORGES BANK	3.00	0.00	0.00	0.00	3.00		
THE CHILDREN'S INVESTMENT MASTER FUND	0.00	0.00	5.00	0.00	5.00		
FUNDACION BANCARIA CAIXA D ESTALVIS I PENSIONS DE BARCELONA	0.00	4.77	0.00	0.00	4.77		

Remarks

Breakdown of the indirect holding:

Indirect shareholder	Direct shareholder	% voting rights attributed to the shares (including votes for loyalty)	% voting rights through financial instruments	% total voting rights	From the total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
					Direct	Indirect
BLACK ROCK INC.	VARIOUS FUNDS NOT REQUIRED TO REPORT INDIVIDUALLY	5.03	0.18	5.21		
EDIZIONE S.R.L.	CONNECT DUE S.R.L.	8.53	0.00	8.53		
WELLINGTON MANAGEMENT GROUP LLP	WELLINGTON GROUP HOLDINGS LLP	4.27	0.00	4.27		
CAPITAL RESEARCH AND MANAGEMENT COMPANY	VARIOUS FUNDS NOT REQUIRED TO REPORT INDIVIDUALLY	3.44	0.43	3.88		
FMR LLC	VARIOUS FUNDS NOT REQUIRED TO REPORT INDIVIDUALLY	3.22	0.00	3.22		
GIC PRIVATE LIMITED	LISSON GROVE INVESTMNENT PRIVATE LIMITED	6.73	0.00	6.73		
HONH. CHRISTOPHER ANTHONY	THE CHILDREN'S INVESTMENT MASTER FUND	0.00	5.00	5.00		
FUNDACION BANCARIA CAIXA D'ESTALVIS I PENSIONS DE BARCELONA	CRITERIA CAIXA, S.A.U.	4.77	0.00	4.77		

Remarks

Indicate the most significant changes in the shareholder structure during the year:

Most significant movements
CANADA PENSION PLAN INVESTMENT BOARD 26/01/2021 5% of capital attributable to shares has been exceeded FIDELITY MANAGEMENT & RESEARCH COMPANY LLC 29/01/2021 3% of aggregate capital (shares and financial instruments) has been exceeded

NORGES BANK 04/02/2021 The percentage of voting rights attributed to shares has been reduced below 3% of share capital
NORGES BANK 05/02/2021 It has decreased below 3% of aggregate capital (shares and financial instruments)
NORGES BANK 08/02/2021 3% of aggregate capital (shares and financial instruments) has been exceeded
FIDELITY MANAGEMENT & RESEARCH COMPANY LLC 08/02/2021 It has decreased below 3% of aggregate capital (shares and financial instruments)
NORGES BANK 12/02/2021 It has decreased below 3% of aggregate share capital (shares and financial instruments)
GQG PARTNERS LLC 25/02/2021 It has decreased below 3% of capital (attributable to shares)
NORGES BANK 02/03/2021 3% of aggregate capital (shares and financial instruments) has been exceeded
NORGES BANK 04/03/2021 It has decreased below 3% of aggregate capital (shares and financial instruments)
NORGES BANK 12/03/2021 3% of aggregate capital (shares and financial instruments) has been exceeded
CAPITAL RESEARCH AND MANAGEMENT COMPANY 31/03/2021 3% of aggregate capital (shares and financial instruments) has been exceeded
FMR LLC 01/04/2021 The percentage of voting rights attributed to shares has been reduced below 3% of share capital
CAPITAL RESEARCH AND MANAGEMENT COMPANY 07/04/2021 The percentage of voting rights attributed to shares has exceeded 3% of share capital
FMR LLC 12/04/2021 3% of aggregate capital (shares and financial instruments) has been exceeded
CAPITAL RESEARCH AND MANAGEMENT COMPANY 15/04/2021 5% of aggregate capital (shares and financial instruments) has been exceeded
ABU DHABI INVESTMENT AUTHORITY 22/04/2021 It has decreased below 5% of aggregate capital (shares and financial instruments)
THE CHILDREN'S INVESTMENT MASTER FUND 22/04/2021 1% of aggregate capital (shares and financial instruments) has been exceeded. Tax havens only.
ATLANTIA SPA 23/04/2021 Change in the number of the issuer's voting rights
EDIZONE S.R.L. 23/04/2021 It has decreased below 10% of aggregate capital (shares and financial instruments)
CAPITAL RESEARCH AND MANAGEMENT COMPANY 28/04/2021 It has decreased below 5% of aggregate capital (shares and financial instruments)
THE CHILDREN'S INVESTMENT MASTER FUND 04/05/2021 2% of aggregate capital (shares and financial instruments) has been exceeded. Tax havens only.
ABU DHABI INVESTMENT AUTHORITY 07/05/2021 It has decreased below 3% of aggregate capital (shares and financial instruments)
CHRISTOPHER ANTHONY HOHN 07/05/2021 3% of aggregate capital (shares and financial instruments) has been exceeded
CHRISTOPHER ANTHONY HOHN 11/05/2021 Change in SWAP maturity date
THE CHILDREN'S INVESTMENT MASTER FUND 11/05/2021 Change in SWAP maturity date
BLACKROCK INC. 18/06/2021 5% of aggregate capital (shares and financial instruments) has been exceeded
ATLANTIA S.P.A. 12/07/2021 Atlantia has not exercised its option to acquire the shares of Cellnex Telecom S.A.
BLACKROCK INC. 31/08/2021 It has decreased below 5% of aggregate capital (shares and financial instruments)
BLACKROCK INC. 08/10/2021 5% of aggregate capital (shares and financial instruments) has been exceeded
THE CHILDREN'S INVESTMENT MASTER FUND 11/10/2021 4% of aggregate capital (shares and financial instruments) has been exceeded. Tax havens only.
CHRISTOPHER ANTHONY HOHN 28/10/2021 5% of aggregate capital (shares and financial instruments) has been exceeded
CHRISTOPHER ANTHONY HOHN 15/12/2021 The percentage of voting rights through financial instruments has exceeded 5% of share capital

THE CHILDREN'S INVESTMENT MASTER FUND 15/12/2021 5% of aggregate capital (shares and financial instruments) has been exceeded BLACKROCK INC 17/12/2021 The percentage of voting rights attributed to shares has exceeded 5% of share capital

A.3 Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A2 above:

Name of director	**% of voting rights** attributed to the shares (including loyalty votes)		**% of voting rights** through financial instruments		**% of** total voting rights	**From the total % of voting** rights attributed to the shares, indicate, where **appropriate, the % of the** additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MR. TOBIAS MARTINEZ GIMENO	0.02	0.00	0.00	0.00	0.02		
MR. BERTRAND KAN	0.00	0.00	0.00	0.00	0.00		
MR. PIERRE BLAYAU	0.00	0.00	0.00	0.00	0.00		
MS ANNE BOUVEROT	0.00	0.00	0.00	0.00	0.00		
MR. GIAMPAOLO ZAMBELETTI ROSSI	0.00	0.00	0.00	0.00	0.00		
Total	0.02	0.00	0.00	0.00	0.02		

Total percentage of voting rights held by the Board of Directors	0.02

Remarks

Breakdown of the indirect holding:

Name of director	Direct shareholder	**% voting** rights attributed to shares (including loyalty votes)	**% of voting** rights through financial instruments	**% of total** voting rights	From the total **% of voting** rights attributed to the shares, indicate, where appropriate, **the % of the** additional votes attributed corresponding to the shares with a loyalty vote
MR. PIERRE BLAYAU	HARBOUR CONSEILS	0.00	0.00	0.00	
MR. GIAMPAOLO ZAMBELETTI ROSSI	AREPO FIDUCIARIA	0.00	0.00	0.00	

Remarks

List the total percentage of voting rights represented on the board:

Total percentage of voting rights held by the Board of Directors	15.56

Remarks
In 2020, a director was appointed at the request of EDIZIONE, which holds an 8.53%.
In 2020, a director was also appointed at the request of GIC PRIVATE LIMITED, which holds a 7.03%.

A.4 If applicable, indicate any family, commercial, contractual or corporate relationships that exist among significant shareholders that they are known to the company, unless they are insignificant or arise in the ordinary course of business, with the exception of those reported in section A.6:

Name or company name of related party	Nature of relationship	Brief description

See section D.2

A.5 If applicable, indicate any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or its group, unless they are insignificant or arise in the ordinary course of business:

Name or company name of related party	Nature of relationship	Brief description

See section D.2

A.6 Describe the relationships, unless insignificant for both parties, that exist between significant shareholders or shareholders represented on the Board and directors, or their representatives in the case of directors that are legal persons.

Explain, if applicable, how the significant shareholders are represented. Specifically, indicate those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders, or who are linked to significant shareholders and/or companies in their group, specifying the nature of such relationships. In particular, mention the existence, identity and position of any directors of the listed company, or their representatives, who are in turn members or representatives of members of the Board of Directors of companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders.

Name of the related director or representative	Name of the related significant shareholder	Name of the company pertaining to the significant shareholder group	Description of relationship/position
MR. CHRISTIAN COCO	CONNECT DUE S.P.A.	EDIZIONE, S.R.L.	CEO
MS. ALEXANDRA REICH	LISSON GROVE INVESTMENT PRIVATE LIMITED	GIC PRIVATE LIMITED	N.A.

Remarks
GIC Private Limited selected Ms. Alexandra Reich through an external candidate selection process for the role of proprietary director at Cellnex Telecom, S.A.

A.7 Indicate any shareholders' agreements of which the company has been notified in accordance with the provisions of articles 530 and 531 of the Spanish Companies Law. If so, describe them briefly and list the shareholders bound by the agreement:

Yes X No ☐

Parties to the shareholders' agreement	% of share capital affected	Brief description of the agreement	Expiry date of the agreement, if any
EDIZIONE, S.R.L., SINTONIA S.P.A, ATLANTIA, S.P.A., CONNECT DUE S.R.L.	5.98	Co-investment agreement dated 24 July 2018, novated by virtue of a non-extinctive modification novation agreement dated 9 July 2020, by virtue of which, among others, Sintonía (i) grants Atlantia the right to co-invest a stake representing 5.98% of the share capital until 12 July 2021, (ii) grants Atlantia a right to match on the options (not exercised) resulting from any issuance of future rights approved by Cellnex until 12 July 2025, and (iii) grants Atlantia the option to exercise the ROFO and the Right to Match for a maximum of 10% of the issued share capital of Cellnex until 12 July 2025, instead of for the entire indirect stake of Edizione's in Cellnex. The specific terms of the agreement are available on the CNMV's website and on Cellnex's website.	12 July 2025

The non-extinctive modification novation agreement of the co-investment agreement was published as Other Relevant Information on the CNMV's website on 17 July 2020 under Registration Number 3441.

Remarks

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

Yes ☐ No X

Parties to the concerted action	% of share capital affected	Brief description of the concerted action	Expiry date of the concert, if any

Remarks

If any of the aforementioned agreements or concerted actions have been amended or terminated during the year, indicate this expressly:

A.8 **Indicate whether there is any individual or legal entity that exercises or may exercise control over the company in accordance with article 5 of the Securities Market Law. If so, identify them:**

Yes ☐ No X

Name or company name

Remarks

A.9 Complete the following table with details of the company's treasury shares:

At the close of the year:

Number of direct shares	Number of indirect shares (*)	Total percentage of share capital
1,202,351		0.18

Remarks

(*) Through:

Name of direct shareholder	Number of direct shares
No data	
Total:	

Remarks

Explain any significant changes during the year:

Explain significant changes

A.10 Provide a detailed description of the conditions and the period of authorisation granted by the general shareholders' meeting to the Board of Directors to issue, buy-back, or transfer treasury shares

The current mandate to the Board of Directors was granted by the Ordinary General Shareholders' Meeting held on 31 May 2018 for a term of 5 years. In its ninth resolution, the General Shareholders' Meeting authorised the Board of Directors to acquire shares of the Company by way of sale, exchange, donation, award or lieu of payment or by any other onerous title, up to the legal limit of 10% of the share capital. The price or counter value will oscillate between a minimum equivalent to its nominal value and a maximum equivalent to the higher of (i) 110% of the listed price of the Company's shares on the Continuous Market at the time of the acquisition or the closing price of the last trading session prior to the acquisition, if the acquisition is done outside the operating hours of the Continuous Market; and (ii) the result of increasing the maximum listed price of the three months prior to the time of the acquisition by 10%.

A.11 Estimated floating capital:

	%
Estimated Floating Capital	49.28

Remarks

A.12 Indicate whether there are any restrictions (as per the bylaws, legislation or any other type) on the transfer of securities and/or any restrictions on voting rights. In particular, indicate the existence of any type of restriction that may hinder a takeover of the company through the acquisition of its shares in the market, as well as such regimes of authorisation or prior notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

Yes □ No X

Description of the restrictions

A.13 Indicate whether the general shareholders' meeting has resolved to adopt measures to neutralise a takeover bid by virtue of the provisions of Law 6/2007.

Yes □ No X

If so, explain the measures approved and the terms under which such limitations would become ineffective :

Explain the measures approved and the terms under which such limitations would become ineffective

A.14 Indicate whether the company has issued securities that are not traded on a regulated EU market.

Yes □ No X

If so, indicate the different types of shares and for each type, the rights and obligations conferred.

Indicate the different classes of shares

B GENERAL SHAREHOLDERS' MEETING

B.1 Indicate whether there are any differences between the minimum quorum regime provided for in the Spanish Companies *Law for General Shareholders' Meetings* and the quorum set by the company, and if so give details.

Yes □ No X

	% quorum different to that set out in article 193 of the Spanish Companies Law for general matters	**% quorum different to that set out in article** 194 of the Spanish Companies Law for special matters
Quorum required at 1st call		
Quorum required at 2nd call		

Description of differences

B.2 Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided for in the Spanish Companies Law and, if so, give details:

Yes ☐ No X

Describe how it is different from the regime provided in the Spanish Companies Law.

	Qualified majority different to that set out in article 201.2 of the Spanish Companies Law for matters governed by article 194.1 of the Spanish Companies Law	Other matters requiring a qualified majority
% established by the company to adopt resolutions		

Describe the differences

B.3 Indicate the rules for amending the company's Bylaws. In particular, indicate the majorities required to amend the Bylaws and any provisions in place to protect shareholders' rights in the event of amendments to the Bylaws.

The rules contained in the Spanish Companies Law for the amendment of the Bylaws shall apply.

B.4 Provide details of attendance at General Shareholders' Meetings held during the year to which this report refers, as well as the two previous years:

Date of General Shareholders' Meeting	Attendance				
	% physically present	**% present by** proxy	**% remote** voting		Total
			Electronic voting	Other	
09/05/2019	30.36	51.49	0.00	0.00	81.85
Of which, floating capital:	0.37	25.79	0.00	0.00	26.16
21/07/2020	24.28	50.05	0.00	0.00	74.33
Of which, Floating Capital:	24.23	49.85	0.00	0.00	74.08
29/03/2021	17.63	62.52	0.00	0.00	80.15
Of which, Floating Capital:	0.77	62.34	0.00	0.00	63.11

Remarks
From the list of attendees, the ultimate identification of shareholders cannot be guaranteed due to the existence of institutional investors.

B.5 Indicate whether any item on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason.

Yes ☐ No X

Items on the agenda not approved	**% vote against (*)**

(*) If the non-approval of the item was for a reason other than the votes against, this will be explained in the text part and "N/A" will be placed in the "% votes against" column.

B.6 Indicate whether the Bylaws contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes X No ☐

Number of shares required to attend General Meetings	100
Number of shares required to vote remotely	100

Remarks

B.7 Indicate whether it has been established that certain decisions, other than those provided for in law that entail an acquisition, disposal, contribution to another company of essential assets or other similar corporate transactions must be submitted for the approval of the General Shareholders' Meeting.

Yes ☐ No X

Explain the decisions that must be submitted to the General Shareholders' Meeting, other than those provided for in law

B.8 Indicate the address and manner of access on the company's website to information on corporate governance and other information regarding General Shareholders' Meetings that must be made available to shareholders through the company website.

The "Shareholders and Investors" section of the website www.cellnextelecom.com provides the information required by article 539.2 of the Spanish Companies Law and Circular 3/2015 of the National Securities Market Commission.

C STRUCTURE OF THE COMPANY'S ADMINISTRATION

C.1 Board of Directors

C.1.1 Maximum and minimum number of directors provided for in the Bylaws and the number set by the general meeting:

Maximum number of directors	13
Minimum number of directors	4
Number of directors set by the general meeting	11

Remarks

C.1.2 Complete the following table on Board members:

Name or company name of director	Representative	Category of director	Position on the board	Date of first appointment	Date of last appointment	Election procedure
MR. BERTRAND KAN		Independent	CHAIR	16/04/2015	31/05/2018	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MR. TOBIAS MARTINEZ GIMENO		Executive	CHIEF EXECUTIVE OFFICER	17/11/2014	09/05/2019	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MR. GIAMPAOLO ZAMBELETTI ROSSI		Independent	LEAD INDEPENDENT DIRECTOR	16/04/2015	31/05/2018	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING

MR. PIERRE BLAYAU		Independent	DIRECTOR	16/04/2015	31/05/2018	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MS ANNE BOUVEROT		Independent	DIRECTOR	31/05/2018	31/05/2018	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MS. MARIETA DEL RIVERO BERMEJO		Independent	DIRECTOR	27/04/2017	21/07/2020	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MS. MARIA LUISA GUIJARRO PIÑAL		Independent	DIRECTOR	31/05/2018	31/05/2018	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MR. LEONARD PETER SHORE		Independent	DIRECTOR	16/04/2015	31/05/2018	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MR. CHRISTIAN COCO		Proprietary	DIRECTOR	02/04/2020	21/07/2020	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MS. ALEXANDRA REICH		Proprietary	DIRECTOR	16/12/2020	29/03/2021	RESOLUTION OF GENERAL SHAREHOLDERS' MEETING
MS. KATE HOLGATE		Independent	DIRECTOR	28/07/2021	28/07/2021	CO-OPTION

Total number of directors	11

Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
MR. FRANCO BERNABÈ	Proprietary	21/07/2020	04/01/2021	N.A.	YES

Reason for cessation when this occurs before the end of the term of office and other observations; information on whether the director has sent a letter to the remaining members of the board and, in the case of cessation of non-executive directors, explanation or opinion of the director dismissed by the general meeting
Mr. Franco Bernabé, proprietary director of ConnecT Due S.r.l., tendered his resignation as director and Chair of the Board of Directors, for personal reasons, on 4 January 2021. Mr. Bernabè sent his resignation letter to the Secretary, who forwarded it to the rest of the Board members. The new Chair of the Board of Directors is currently the independent director Mr. Bertrand Kan.

C.1.3 Complete the following tables on the members of the Board and their categories:

EXECUTIVE DIRECTORS

Name of the director	Position in company's organisational structure	Profile
MR. TOBIAS MARTINEZ GIMENO	CHIEF EXECUTIVE OFFICER	Tobias Martinez is the company's top-ranking executive (CEO) and sole director of the subsidiary Cellnex Finance Company, S.A.U. He joined Acesa Telecom (Abertis Group) in the year 2000, first as Board Member and Director General of Tradia, and subsequently of Retevisión. Before joining the Abertis Group, he headed his own business project in Information and Telecommunication Systems for more than 10 years. He studied Telecommunications Engineering and holds a Diploma in Top Management from the IESE Business School (PADE) and a Diploma in Marketing Management from the Instituto Superior de Marketing de Barcelona (Higher Institute of Marketing of Barcelona).

Total number of executive directors	1
Percentage of Board	9.09

Remarks

EXTERNAL PROPRIETARY DIRECTORS

Name or company name of director	Name or company name of the significant shareholder represented by the director or that has proposed his/her appointment	Profile
MR. CHRISTIAN COCO	CONNECT DUE S.R.L.	Christian Coco is Investment Director at Edizione Srl. He is also a director of the companies of Edizione Group, Benetton Srl and CEO of ConnecT Due, as well as non-executive Chairman of Benetton Group Srl. He began his professional career in strategic planning in the energy sector and in 2002 he joined Mediobanca in the acquisition finance department. From 2007 to 2011 he worked in private equity firms, focusing especially on investments in the infrastructure sector in Europe. Subsequently, and until joining the Edizione Group in 2015, he was head of Planning, Control and M&A of the CIR Group of the De Benedetti family. Christian Coco has an engineering degree from Milan Polytechnic, and a post graduate degree in Utility Companies from MIP Milan (Politecnico's Business School).
MS. ALEXANDRA REICH	LISSON GROVE INVESTMENT PRIVATE LIMITED	Alexandra Reich has 20 years' experience in the telecommunications industry, after starting her career in investment banking. She is currently member of the Board of Directors of the Dutch company Delta Fiber and of Ikano (Ikea) Sea. She has been senior advisor at Telenor, as well as CEO of Telenor in Thailand – DTAC (from 2018 to 2020) and CEO of Telenor Hungary (from 2016 to 2018) as well as Chair of the Boards of Telenor Serbia and Telenor Bulgaria. She also held various management positions at Swisscom (between 2009 and 2016) and Sunrise (between 2007 and 2009) in Switzerland, and at Hutchison (between 2005 and 2007) and United Telecommunications

		(between 2004 and 2005) in her native Austria. Alexandra Reich has a degree in Business Administration and a Master degree from the Vienna University of Economics and Business Administration.

Total number of proprietary directors	2
Percentage of Board	18.18

Remarks

EXTERNAL INDEPENDENT DIRECTORS

Name of the director	Profile
MR. BERTRAND KAN	He has extensive professional experience in investment banking and focused on the telecoms, media and technology sector in particular. He spent most of his career at Morgan Stanley where he became a Managing Director and Head of the European Telecoms Group. Subsequently in 2006 he moved to Lehman Brothers, where he was Co-Head of the Global Telecoms Team and was a member of the European Operating Committee. In 2008, following the acquisition of Lehman Brothers by Nomura, he became Head of the Global Telecoms, Media and Technology Group at Nomura and was a member of the Investment Banking Global Executive Committee. He left investment banking in 2012. Among other responsibilities, in addition to the Cellnex Board, he is currently a member of the Advisory Council of Wadhwani Asset Management and Chairman of the Board of UWC Netherlands. Bertrand Kan graduated with B.Sc. and an M.Sc. degrees in Economics from the London School of Economics.
MR. GIAMPAOLO ZAMBELETTI ROSSI	He has spent much of his professional career in the chemicals/pharmaceuticals and telecoms sectors. He was previously Founder and Managing Director of Zambeletti España, President and CEO of Zambeletti Group, President of Italgas SpA, President, Managing Director of Ellem Industria Farmaceutica SpA and Vice-President of Unidad Editorial, S.A. He served as Vice President of the pharma labs association, Farmindustria. In 2001 he has been appointed Group Senior Vice President International Affairs of Telecom Italia.

	He has furthermore been a member of the Board of Directors of Telecom Italia International (Netherlands), Auna, S.A. (Spain), Avea (Turkey), Oger Telecom (Dubai), Ojer Telekomunikasyon (Turkey) and Telekom Austria. Giampaolo Zambeletti holds a degree in Chemistry from the Università degli Studi di Pavia and received the Isabel la Católica Award from King Felipe VI in 2015.
MR. PIERRE BLAYAU	Pierre Blayau is currently Censor of FIMALAC, Senior Advisor of Bain & Company, Chair of Harbour Conseils and Bord member of Newrest. He was previously CEO of Pont à Mousson, PPR, Moulinex, Geodis, and Executive Director of SNCF. He has also served as Executive Director of La Redoute, as a member of the Board of Directors of FNAC, an independent director of Crédit Lyonnais, and Chair of the Board of Directors of Areva and CCR (Caisse Centrale de Réassurance). Pierre Blayau is a Public Finance Inspector of the French Ministry of Finance, and graduated from the École Nationale d'Administration de Paris and the École Normale Supérieure de Saint-Cloud.
MS ANNE BOUVEROT	Anne Bouverot is currently Chairperson of the Board of Technicolor, as well as Senior Advisor of TowerBrook Capital Partners and Board member of Ledger. She is also Chairperson of Foundation Abeona, whose motto is "Championing Responsible AI", working on social impact of AI and digital technology. Previously she was CEO of Morpho, a biometrics and cybersecurity company (between 2015 and 2017) and general director of the GSMA (between 2011 and 2015). Prior to this she had a 19 years career with several management positions in the Orange/France Telecom group, the last of which was Executive Vice President of Mobile Services from 2009 to 2011. Anne Bouverot has a degree in Mathematics and a PhD in Artificial Intelligence from the École Normale Supérieure in Paris, and a degree in Engineering from Telecom Paris.
MS. MARIETA DEL RIVERO BERMEJO	Marieta del Rivero is an independent director of Cellnex Telecom and Gestamp Automoción and member of its Sustainability Committee. Non-Executive Chair of Onivia. She is a member of the Advisory Board of *Mutualidad de la Abogacía*. Trustee of the Tecnalia Foundation and member of *Junta de la Asociación Española de Directivos* and Co-Chair of Women Corporate. She has been global Marketing Director of Telefónica, Deputy General Manager to the general digital commercial director of Telefónica, CEO of Nokia Iberia, Senior Advisor at Ericsson,

	partner at Seeliger y Conde and Chairperson of International Women's Forum Spain. She was one of "The 500 Most Influential Women in Spain" in 2018, 2019 and 2020 according to "El Mundo"; one of "The Top 100 Women Leaders 2018" by Mujeres & Cía, and was recognised as the "Best Manager 2017" by the Spanish Association of Women Entrepreneurs. She is the author of the book "Smart Cities: a vision for the citizen". Marieta del Rivero completed an AMP (Advanced Management Program) by IESE, an EP (Executive Program) by Singularity University California and she is executive coach certified by ECC. Marieta del Rivero holds a degree in Business Administration from the *Universidad Autónoma de Madrid (UAM)*.
MS. MARIA LUISA GUIJARRO PIÑAL	María Luisa Guijarro has worked most of her career in the Telefónica group, from 1996 until 2016, where she held positions including Global Marketing and Sponsorship Manager, CEO of Terra España, Director of Marketing and Business Development in Spain and, in her later years at the company, member of the Executive Committee in Spain as head of Strategy and Quality. She is proprietary director on behalf of EQT in Adamo Telecom Iberia, S.A. and Adamo Telecom, S.L. She has a degree in Economics from the Universidad Autónoma de Madrid.
MR. LEONARD PETER SHORE	Leonard Peter Shore has extensive experience in the telecommunications and tech sector. He held the position of Chair of Unwired in Australia (2003) and of Arqiva in the UK from 2007-2014. He has also been Chair of Uecomm, Lonely Planet Publications, the Hostworks Group and Airwave. Shore was Group Managing Director at Telstra in Australia, CEO of MyPrice (Aust/NZ) and Managing Director of Media/Communications/Partners. He has served as a Director of Objectif Telecomunications Limited, Foxtel, SMS Management and Technology and OnAustralia. He was furthermore a member of the Advisory Board of Siemens Australia. He also served as member of the Corporate Board of the National Society for the Prevention of Cruelty to Children and Board of the Australia-United Kingdom Chamber of Commerce. He is also currently Chairman of Gigacomm Pty Ltd, a private Australian broadband service provider. Leonard Peter Shore holds a degree in Applied Mathematics and Computing Science from the University of Adelaide.
MS. KATE HOLGATE	Kate Holgate has extensive professional experience in a range of sectors including technology, professional and financial services, and real estate. Working predominantly in financial, corporate and crisis communications, Kate has worked in the United Kingdom and the Asia-Pacific region. A specialist in mergers and

	acquisitions and IPOs, she is currently Co-Head of Global New Business at the international communications and public affairs consultancy Brunswick Group. From 2019 until December 2020, she was Head of the company's Hong Kong office, and between 2013 and 2019 was based in Singapore after holding other senior positions at Brunswick Group's head office in London, which she joined in 2000. In 1994 Kate joined Kleinwort Benson's Corporate Advisory Department and prior to that, worked for the UK Diplomatic Service, having graduated with an Honours degree in Physics from Oxford University.

Total number of independent directors	8
Percentage of Board	72.72

Remarks

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the last year, either in his or her own name or as a significant shareholder, director or senior manager of a company that has or has had such a relationship.

If so, include a reasoned statement from the Board explaining why it believes that the aforementioned director can perform his or her duties as an independent director.

Name of the director	Description of the relationship	Reasoned statement
No data		

OTHER EXTERNAL DIRECTORS

Identify the other external directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their links with the company, its management or its shareholders:

Name of the director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
No data			

Total number of other external directors	N.A.
Percentage of Board	N.A.

Remarks

Indicate any changes that have occurred during the period in each director's category:

Name or company name of director	Date of change	Previous category	Current category
No data			

Remarks

C.1.4 Complete the following table with information regarding the number of female directors at the close of the past four years, as well as the category of these female directors:

	Number of female directors				% of total directors for each category			
	Year n	Year n-1	Year n-2	Year n-3	Year n 2021	Year n-1 2020	Year n-2 2019	Year n-3 2018
Executive					0.00	0.00	0.00	0.00
Proprietary	1	1	1	1	50.00	33.33	25.00	25.00
Independent	4	3	3	3	50.00	42.86	42.80	42.80
Other external					0.00	0.00	0.00	0.00
Total:	5	4	4	4	45.45	36.36	33.33	33.33

Remarks

C.1.5 Indicate whether the company has diversity policies in relation to its Board of Directors regarding issues such as age, gender, disability or professional training and experience. Small and medium-sized entities, in accordance with the definition set out in the Spanish Auditing Law, will have to report at least the policy that they have implemented in relation to gender diversity.

Yes X   No ☐   Partial policies ☐

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the Nominations and Remunerations Committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why it does not.

Description of policies, objectives, measures and how they have been applied, and results achieved
On 19 February 2021 the Board of Directors of Cellnex, following the proposal of the Nominations, Remunerations and Sustainability Committee, approved the new Policy on the composition of the Board of Directors, which aims, among other things, to achieve an

appropriate composition for the Board in line with the recommendations of the of Good Governance Code for Listed Companies of the National Securities Market Commission, revised in June 2020.

The Policy on the composition of the Board of Directors states that in the selection of its members, aspects such as the Company's shareholder structure, the diversity of knowledge, professional experience, origin, nationality, age and gender of its members, their ability to devote the time necessary to perform their duties, their possible specialisation in specific matters of special relevance (financial, non-financial, legal, telecommunications, etc.), the absence of conflicts of interest (real or potential), neutrality, independence in their actions and their personal commitment to defend the corporate interest must be taken into account.

The aforementioned Policy on the composition of the Board of Directors of Cellnex Telecom, S.A. is transcribed below:

1.- Scope of Application.

This policy applies to the selection of board members of the Company.

2.- Selection process.

In accordance with the provisions of the Spanish Companies Law, the proposal for the appointment or re-election of members of the Board of Directors corresponds to the Nominations, Remunerations and Sustainability Committee in the case of independent directors and to the Board of Directors in all other cases. The aforementioned proposal for appointment or re-election must be accompanied by an explanatory report from the Board detailing the competency, experience and merits of the candidate proposed. Furthermore, the proposal for the appointment or re-election of any non-independent director must be preceded by a report from the Nominations, Remunerations and Sustainability Committee.

The appropriate composition of the Board shall be based on a prior analysis of the needs of the Company, to be carried out by the Board of Directors with the advice and report from the Nominations, Remunerations and Sustainability Committee. The aim is to integrate different professional and management experiences and competences, and the promotion of the diversity of knowledge, experiences, age and gender, considering the weight of the different activities carried out by Cellnex and taking into account those areas or sectors that need to be strengthened.

Any director may request the Nominations, Remunerations and Sustainability Committee to consider, if it deems it appropriate, potential candidates to fill directors vacancies.

3.- Conditions to be met by candidates.

The candidates for director of the Company must be honourable and ideal persons of recognised solvency, with the competence, experience, qualification, training, availability and commitment required for their position.

They must be trustworthy professionals whose conduct and professional career is aligned with the principles set out in the Cellnex Code of Ethics and with the mission, vision and values of the Cellnex Group.

In the analysis of candidatures, the Nominations, Remunerations and Sustainability Committee, taking into account the needs of the Board of Directors, will assess the following elements:

a) The candidate's technical and professional skills, promoting the diversity of knowledge, experiences, age and gender, taking into account also the context in which Cellnex operates.

b) The commitment necessary to carry out the position, also evaluating the positions already held by the candidates in other companies. c) The potential existence of conflicts of interest. d) To guarantee the principles of neutrality and independence of action of the candidates. e) The significance of any commercial, financial or professional relationships existing or recently maintained, directly or indirectly, by the candidates with the Company or other Group companies. f) And any procedures that may undermine the responsibility or reputation of the candidates. 4.- Impediments to be candidate for director. Persons who are involved in any of the causes of incompatibility, incapacity or prohibition to hold their position as set out in the legal system or in the Company's internal regulations may not be considered as candidates for directors. 5.- Assistance from external consultants. For the selection of candidates for director of the Company, the Nominations, Remunerations and Sustainability Committee may hire the services of external consultants specialized in the search and selection of candidates in order to strengthen the efficiency and effectiveness of the procedures for their identification. In the analysis of the applications, the consultant must assess the requirements set out in section 3 of this Policy. 6.- Special reference to gender diversity. In all cases, in the candidate selection process any type of implicit bias that may imply any kind of discrimination shall be avoided. This Policy on the composition of the Board of Directors shall promote the balanced presence of women and men. Likewise, it must ensure that, in the shortest possible time and at the latest by the end of 2022, the least-represented gender shall be at least forty percent of the total number of members of the Board of Directors. 7.- Verification of compliance with this policy. On an annual basis, the Nominations, Remunerations and Sustainability Committee shall verify compliance with this Policy on the composition of the Board of Directors and will report its conclusions to the Board of Directors. The NRSC has reviewed compliance with this Policy and has taken measures detailed in section C.1.6.

C.1.6 Describe the measures, if any, agreed by the Nominations Committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the required professional profile among potential candidates, in order to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Explanation of measures
In addition to the Policy on the composition of the Board of Directors referred to in the previous section, the Board of Directors of Cellnex, following the recommendation of the Nominations, Remunerations and Sustainability Committee, on 19 February 2021

amended its Equity, Diversity and Inclusion Policy, with respect to the promotion of women in senior management. Also on 19 February 2021, the Board of Directors amended the Board of Directors Regulations, following the recommendation of the Nominations, Remunerations and Sustainability Committee, to incorporate into the internal regulations that as soon as possible and in the shortest possible time and at the latest by the end of 2022, the least-represented gender shall be at least forty percent of the total number of members of the Board of Directors. The 2021 financial year ends with a percentage of women on the Board of Directors of 45.45%, a figure that exceeds the recommendations to this effect of the National Securities Market Commission in the Good Governance Code revised in June 2020. On the other hand, the management team regularly presents to the Nominations, Remunerations and Sustainability Committee an update of the Equity, Diversity and Inclusion Plan for 2021, and of the Cellnex ESG Master Plan, which has a pillar that connects with diversity.

When, despite the measures that, where appropriate, have been adopted, there is little or no number of female directors or female senior managers, explain the reasons that justify it:

Explanation of reasons
N.A.

C.1.7 Explain the conclusions of the Nominations Committee on verifying compliance with the policy that aims to promote an appropriate composition of the Board of Directors.

The appointments made in recent years have always been in accordance with the criteria stated in the Policy on the composition of the Board of Directors, formerly Policy on the composition and selection of the Board of Directors. In addition, the Company more than complies with the recommendations of the Good Governance Code for listed companies regarding diversity on the Board, with a representation of 45.45% female directors at the end of 2021, the recommendation of the Good Governance Code for listed companies of June 2020 being that by the end of 2022 there should be a representation of female directors of at least 40%. Finally, during 2021, the Nominations, Remunerations and Sustainability Committee launched the preparation of the Board's competence matrix in order to analyse the strengths and areas of reinforcement.

C.1.8 If applicable, explain the reasons why proprietary directors have been appointed at the request of shareholders with less than 3% of the share capital:

Name or company name of shareholder	Reason
No data	

Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose shareholding is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests have not been attended:

Yes ☐ **No X**

Name of shareholder	Explanation

C.1.9 Indicate the powers, if any, delegated by the Board of Directors, including those relating to the option of issuing or re-purchasing shares, to directors or board committees:

Name of the director	Brief description
TOBIAS MARTINEZ GIMENO	Chief Executive Officer, who has all the powers of representation, management and disposition, except those that cannot be delegated by law or by the Bylaws.

C.1.10 Identify any members of the Board who are also directors, representatives of directors or managers in other companies that form part of the listed company's group:

Name of the director	Name of the group company	Position	Does the director have executive powers?
MR. TOBIAS MARTINEZ GIMENO	CELLNEX FINANCE COMPANY, S.A.U.	Sole administrator	YES

Remarks

C.1.11 List any directors, or representatives of directors legal persons of your company who are members of the Board of Directors or representatives of directors legal persons of other companies, whether or not they are listed companies:

Name of director	Name of the listed company or not listed company	Position
MR. BERTRAND KAN	UWC NETHERLANS	CHAIR
MR. PIERRE BLAYAU	HARBOUR CONSEILS	CHAIR
MR. PIERRE BLAYAU	NEWREST	DIRECTOR
MS. ANNE BOUVEROT	TECHNICOLOR	CHAIR
MS. ANNE BOUVEROT	LEDGER	DIRECTOR
MS. MARIETA DEL RIVERO BERMEJO	GESTAMP AUTOMOCION	DIRECTOR
MS. MARIETA DEL RIVERO BERMEJO	ONIVIA	CHAIR
MS. MARIA LUISA GUIJARRO PIÑAL	ADAMO TELECOM, S.L.	DIRECTOR
MS. MARIA LUISA GUIJARRO PIÑAL	ADAMO TELECOM IBERIA, S.A.	DIRECTOR
MR. LEONARD PETER SHORE	GIACOMM PTY LTED	CHAIR
MR. CHRISTIAN COCO	CONNECT DUE S.P.A.	CEO
MR. CHRISTIAN COCO	BENETTON GROUP SRL	CHAIR
MS. ALEXANDRA REICH	DELTA FIBER	DIRECTOR
MS. ALEXANDRA REICH	IKANO (IKEA) SEA	DIRECTOR

Remarks

Indicate, where appropriate, the other remunerated activities of the directors or directors' legal representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or legal representative	Other remunerated activities
MS. MARIETA DEL RIVERO BERMEJO	MEMBER OF THE ADVISORY BOARD OF *MUTUALIDAD DE LA ABOGACÍA*
MR. CHRISTIAN COCO	INVESTMENT DIRECTOR AT EDIZIONE
MS. KATE HOLGATE	CO-HEAD OF GLOBAL NEW BUSINESS AT BRUNSWICK
MS. ANNE BOUVEROT	SENIOR ADVISOR AT TOWERBROOK CAPITAL PARTNERS
MS. ANNE BOUVEROT	TRUSTEE OF THE THOMSON REUTERS FOUNDERS SHARE COMPANY

Remarks

C.1.12 Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes X **No** ☐

Explanation of the rules and identification of the document where this is regulated
Article 25 of the Board of Directors Regulations of Cellnex Telecom, S.A. states that "The directors shall have the appropriate dedication and shall adopt the measures required to ensure the good management and control of the Company in the performance of their duties. For this purpose, the directors of the Company may not sit on more than four Boards of Directors of listed companies other than the Company. For these purposes, all the Boards of Directors of companies that are part of the same group will be counted as a single Board of Directors and, the following will not be counted: (i) Boards of Directors of holding companies or companies that may constitute vehicles or complements for the professional exercise of the director, his/her spouse or equivalent or their closest family members, (ii) Boards of Directors on which the director sits as a proprietary director at the proposal of the Company or any company in its group, and (iii) the Boards of Directors of companies whose purpose is complementary or accessory to another activity that, for the director of the Company may entail an activity related to leisure, assistance or help to third parties or of any other kind that does not imply as such a dedication to a commercial business."

C.1.13 Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	1,706
Funds accumulated by current directors through long-term savings systems with consolidated economic rights (thousands of euros)	
Funds accumulated by current directors for long-term savings systems with non-consolidated economic rights (thousands of euros)	
Funds accumulated by former directors through long-term savings systems (thousands of euros)	

Amount of accrued pension rights of current directors (thousands of euros)	

Remarks

C.1.14 Identify members of senior management who are not executive directors and indicate their total remuneration accrued during the year:

Name or company name	Position(s)
MR. ALEXANDRE MESTRE MOLINS	Deputy CEO
MS. VIRGINIA NAVARRO VIRGÓS	Legal M&A & Financing Director
MR. JOSÉ MARÍA MIRALLES PRIETO	General Counsel - Legal & Regulatory Affairs
MR. ANTONI BRUNET MAURI	Corporate and Public Affairs Director
MR. JOSÉ MANUEL AISA MANCHO	CFO
MR. SERGIO TÓRTOLA PÉREZ	Global Operations Director
MR. OSCAR PALLAROLS BROSSA	Global Commercial Director
MR. SERGIO MARTINEZ PIE	Internal Audit Manager

Number of women in senior management	1
Percentage of total senior management	14.28

Total remuneration of senior management (thousands of euros)	10,236.2

Remarks
The difference from the amount indicated in the financial statements is due to the fact that in the ACGR the remuneration of the internal auditor is also included. However, the internal auditor has not been taken into account in the computation of the percentage of women since he is not part of the senior management. The Global Resources Director Mr. Alberto López Prior left his position at Cellnex on 15 November 2021, and his remuneration has been included in the total calculation since he was part of the Senior Management.

C.1.15 Indicate whether the Board regulations were amended during the year:

Yes X **No ☐**

Description of amendment(s)
The amendment of the Board of Directors Regulations of 19 February 2021 designed the specific measures aimed at guaranteeing the best administration of the Company, and (i) to adjust the content to the legal provisions then in force or to the recommendations of good governance, as well as to the expected amendment of the Spanish Companies Law, which was finally published later, on 12 April (ii) to modify the regulation of the operation, powers and/or composition of the Board of Directors and its Committees; and (iii) for reasons of expediency, to improve its wording, without introducing any material modification, as well as to unify the terminology used in the Board of Directors Regulations. In addition, the proposed deletion of one article led to the renumbering of the articles. This amendment of the Board of Directors Regulations was also complemented with the amendment of the Company's Bylaws and the Regulations of the General Shareholders' Meeting, which were approved at the Company's General Shareholders' Meeting held on 29 March 2021.

C.1.16 Specify the procedures for selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

The selection procedure is detailed in the Policy on the composition of the Board of Directors, dated 19 February 2021, transcribed in section C.1.5 of this Report.

The appointment, re-election and removal of directors is detailed in articles 18 to 21, both inclusive, of the Board of Directors Regulations:

Article 18. Appointment of directors

1. Directors will be appointed by the General Shareholders' Meeting or by the Board of Directors, in accordance with the provisions of the restated text of the Spanish Companies Law approved by the Royal Decree 1/2010, of 2 July, or legal text that may replace it.

2. Proposals for the appointment of directors submitted to the Board of Directors for deliberation at the General Shareholders' Meeting and the appointment decisions that the Board of Directors adopts in virtue of the powers of co-optation with which it is legally vested must be preceded by the corresponding proposal by the Nominations, Remunerations and Sustainability Committee in the case of independent directors, and by a report in the case of all other directors. In any case, the proposal for the appointment or re-election of directors must be accompanied by a justifying report from the Board of Directors in which the competence, experience and merits of the proposed candidate are evaluated, which will be attached to the minutes of the General Shareholders' Meeting or of the Board of Directors.

Article 19. Appointment of external directors

The Board of Directors and the Nominations, Remunerations and Sustainability Committee, within the scope of their powers, shall ensure that the candidates selected are individuals of recognized solvency, competence and experience, taking extreme care in relation to those called to fill independent director positions provided for in article 5 of these Regulations and in the terms of the applicable good governance regulations.

Article 20. Term of office

1. Directors will hold their positions for the term provided for in the Corporate Bylaws, and may be re-elected one or more times for said term.

2. Directors appointed by co-option will hold their positions until the date of the first General Shareholders' Meeting. If the vacancy arises after the General Shareholders' Meeting has

been called but before it is held, the Board of Directors may appoint a director until the next General 15 Shareholders' Meeting is held. In addition, any director appointed by co-optation by the Board of Directors need not necessarily be a shareholder of the Company.

When, further to the Nominations, Remunerations and Sustainability Committee report, the Board of Directors learns that the interests of the Company are in jeopardy, the director ending his/her mandate or for any other reason ceasing to hold his/her position cannot provide his/her services to another entity with a similar corporate purpose to the Company and that is a competitor thereof according to the assessment of the Board of Directors, for the period established by it and that will in no case be greater than two (2) years.

Article 21. Cessation of directors

1. Directors will cease in their positions when they have completed the period for which they were appointed and when decided on by the General Shareholders' Meeting under the powers legally or statutorily vested therein.

2. Directors will have to make their positions available to the Board of Directors and, if considered appropriate, formalize the corresponding resignation in the following cases:

a) When they cease to hold the executive positions linked to their appointment as a director. Independent directors, when they complete twelve (12) years in the position.

b) When they find themselves in a situation of conflict of interests or a prohibited situation as provided for by law.

c) When there are situations that affect them, related or not to their performance in the Company, that may harm the Company's credit and reputation, and when they are investigated in any criminal case, informing the Board of Directors of the procedural details, or are the subject of disciplinary proceedings for serious or very serious misconduct carried out by the supervisory authorities.

d) When their continued membership of the Board of Directors could put the Company's interests in jeopardy and when the reasons for their appointment no longer exist. This last circumstance will be understood as occurring in respect of a significant shareholder when the full shareholding of which he/she is the owner or whose interests he/she represents have been disposed of and also when the reduction of their shareholding requires the consequent reduction of its proprietary directors.

3. Executive directors must make their positions available to the Board of Directors once they have reached seventy years of age and the Board of Directors must decide whether they will continue exercising their executive or delegated duties or remain simply as a director.

4. In the event that, due to the resignation or by resolution of the General Shareholders' Meeting, a director leaves the post before the end of his/her mandate, it must sufficiently explain the reasons of his/her resignation or, in the case of non-executive directors, its opinion on the reasons given by the General Shareholders' Meeting in a letter to be sent to all the members of the Board of Directors. Notwithstanding it is being reported in the Annual Corporate Governance Report, the Company will make public the cessation as soon as possible, including sufficient reference to the reasons or circumstances provided by the director.

5. The Board of Directors may only propose the cessation of an independent director before the expiration of the statutory period when there is just cause, as appreciated by the Board of Directors 16 following a report from the Nominations, Remunerations and Sustainability Committee. In particular, it will be understood that there is just cause when the director goes on to hold new positions or undertakes new obligations that prevent him/her from devoting the necessary time to the performance of the functions of the position of director, fails to comply with the duties inherent to his/her position or is involved in any of the circumstances that might cause him/her to lose his/her status of independent director, in accordance with the provisions of the applicable legislation. Such cessation may also be proposed as a result of takeover bids, mergers or other similar corporate transactions that entail a change in the structure of the share capital of the Company, when such changes in the structure of the Board of Directors are brought by the criterion of proportionality.

C.1.17 Explain to what extent if the annual evaluation of the Board has given rise to significant changes in its internal organisation and in the procedures applicable to its activities:

Description of amendment(s)
As a result of the external evaluation of the Board of Directors and its Committees carried out by Ernst&Young in 2020, various actions were done in 2021 in the following areas: - Development of a competence matrix of the Board. - Preparation of an annual calendar of meetings of the Board and its committees with a detailed agenda to ensure adequate planning of all issues to be addressed during the year. - Elaboration and implementation of a Welcome Program and a Board training programme. - Review of the Company's Corporate Governance in the context of the legislative changes to date. - Intensified interaction between the Chairs of the Board and the two Committees. - Appointment of the Vice Secretary of the Board of Directors as Secretary of the Nominations, Remunerations and Sustainability Committee in order to increase the coordination between the Board and this Committee.

Describe the evaluation process and the areas evaluated by the Board of Directors with or without the help of an external advisor, regarding the functioning and composition of the Board and its committees and any other area or aspect that has been evaluated.

Description of the evaluation process and areas evaluated
This evaluation has been led in 2021 by the Secretary and Vice Secretary of the Board of Directors, who have prepared a report based on the responses of the directors to a questionnaire covering the following areas: composition of the Board, functioning of the Board, Chair, Secretary of the Board, Audit and Risk Management Committee, Nominations, Remunerations and Sustainability Committee, Chief Executive Officer and relationship with Senior Management, alignment of the Board and commitment to the Company's strategic objectives, individual contribution of each Director and overall assessment of the Board.

C.1.18 For the years in which the evaluation has been carried out with the help of an external advisor, detail the business relationships that the external advisor or its group company has with the company or any of its group companies.

N.A.

C.1.19 Indicate the cases in which directors are obliged to submit his/her resignation.

It is detailed in article 21 of the Board of Directors Regulations, transcribed in section C.1.16 of this Annual Corporate Governance Report.

C.1.20 Are qualified majorities other than those provided for in law required for any particular kind of decision?:

Yes ☐ **No** X

If so, describe the differences.

Description of differences

C.1.21 Explain whether there are any specific requirements, other than those relating to directors, for being appointed as Chair of the Board of Directors.

Yes No X

Description of requirements

C.1.22 Indicate whether the Bylaws or the Board of Directors Regulations state an age limit for directors:

Yes X No

	Age limit
Chair	N.A.
CEO	70
Director	N.A.

Remarks

C.1.23 Indicate whether the Bylaws or the Board of Directors Regulations state any limited term of office or other stricter requirements for independent directors in addition to those required by law or other from those stated in the regulations:

Yes No X

Additional requirements and/or maximum number of years of office	

C.1.24 Indicate whether the Bylaws or the Board of Directors Regulations state any specific rules for delegating votes within the Board of Directors in favour of other Directors. If this is the case, indicate the procedure for doing so and, in particular, the maximum number of delegations that a director may hold, as well as whether any limitation has been established regarding the categories of director to whom votes may be delegated beyond the limitations imposed by the legislation. If so, briefly describe these rules.

Article 19 of the Bylaws states that any director may confer his/her representation to another director in writing, by fax, email or any other similar method. Non-executive directors may only confer their representation to another non-executive director.

C.1.25 Indicate the number of meetings held by the Board of Directors during the year. Also indicate, if applicable, the number of times the Board met without the Chair being present. Meetings where the Chair gave specific proxy instructions are to be counted as attended.

Number of board meetings	14
Number of board meetings held without the presence of the Chair	3

Remarks
Following the resignation of Mr. Franco Bernabè on 4 January and until 22 January 2021, when Mr. Bertrand Boudewijn Kan was appointed as the new Chair of the Board, the latter, who was then Vice-Chair of the Board, served as Chair at all meetings of the Board of Directors.

Indicate the number of meetings held by the lead independent director with the other directors that were not attended by any executive director, present or represented:

Number of meetings	0

Remarks

Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the executive committee	N.A.
Number of meetings held by the Audit Committee	9
Number of meetings held by the Nominations and Remunerations Committee	15
Number of meetings held by the nominations committee	N.A.
Number of meeting held by the remunerations committee	N.A.
Number of meetings held by the _____ committee	N.A.

Remarks

C.1.26 Indicate the number of meetings held by the Board of Directors during the year and information regarding the attendance of its members:

Number of meetings in which at least 80% of the directors were present in person	14
% of attendance in person over the total number of votes during the year	97.22
Number of meetings attended in person or proxies given with specific instructions, of all directors	12
% of votes cast with in person attendance and proxies given with specific instructions, over the total votes during the year	98.61

Remarks

C.1.27 Indicate whether the individual and consolidated financial statements are certified before being submitted to the Board for approval:

Yes X No ☐

Identify, if applicable, the person(s) who has/have certified the individual and consolidated financial statements of the company for issue by the Board:

Name	Position
MR. JOSÉ MANUEL AISA MANCHO	CFO
MR. TOBIAS MARTINEZ GIMENO	Chief Executive Officer

Remarks

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations.

The consolidated financial statements have been prepared in accordance with the financial reporting regulatory framework applicable to the Group, which is established by the International Financial Reporting Standards (hereinafter "IFRS") adopted by the European Union (hereinafter "EU IFRS") and taking into consideration all the accounting principles and standards and the mandatory assessment criteria, as well as the Commercial Code, the Spanish Companies Law and other applicable commercial legislation, so that the image shows faithful of the equity and the financial situation of the Cellnex Group as of 31 December 2021 and of the results of its operations, of the changes in equity and of the consolidated cash flows that have occurred in the year ended on that date. The annual accounts are audited.

C.1.29 Is the secretary of the Board also a director?

Yes ☐ No X

If the secretary is not a director, complete the following table:

Name or company name of the secretary	Representative
MR. JAIME VELÁZQUEZ VIOQUE	

Remarks

C.1.30 Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

One of the functions of the Audit and Risk Management Committee (article 15.2 b) of the Board of Directors Regulations is to propose to the Board of Directors, for submission to the General Shareholders' Meeting, proposals for the selection, appointment, re-election and replacement of the statutory auditors or audit firms, taking responsibility for the selection

process, the conditions of employment, the scope of professional mandate and, where appropriate, the revocation or non-renewal, all in accordance with the applicable regulations, as well as to regularly collect from the aforesaid information on the audit plan and the implementation thereof, and to maintain their independence in the exercise of their duties.

Another function (art. 15.2 d) of the same Regulations is to establish the appropriate relations with the statutory auditors or external audit firms to receive information on issues which may threaten their independence, to be analyzed by the Committee, and any other issues related to the process of account auditing, and where appropriate, the authorization of services other than those prohibited in the terms contemplated in the applicable regulations, in relation to the independence regime as well as any other requirements set out in legislation and regulations on the auditing of accounts. In all cases, an annual statement must be received from the statutory auditors or audit firms, regarding their independence with regards to their relationship with the entity or directly or indirectly related entities, in addition to detailed information on an individual basis about any type of additional services provided and the corresponding payments received from these entities by the external auditors or audit firms or by persons or entities related to them, pursuant to the regulations on auditing activities.

Additionally, another function of the Audit and Risk Management Committee (art. 15.2, j) of the Board of Directors Regulations is to issue, on an annual basis, prior to the issuance of the Audit Report, a report containing an opinion regarding whether the independence of the statutory auditors or audit firms has been compromised. This report must contain, in all cases, a reasoned evaluation of the provision of each and every additional service referenced in the previous paragraph, considering each service individually and jointly, other than the legal audit, and in relation to the independence regime or the regulations governing audit activities.

In accordance with the legal requirements, information on the fees paid to the Company's external auditor for the provision of audit and other services is included in the Company's financial statements.

The governing bodies pay particular attention to not compromising the independence of financial analysts, investment banks and rating agencies.

C.1.31 Indicate whether the company changed its external auditor during the year. If so, identify the incoming and outgoing external auditor:

Yes ☐ **No X**

Outgoing auditor	Incoming auditor

Remarks

If there were any disagreements with the outgoing auditor, explain their content:

Yes ☐ **No X**

Explanation of the disagreements

C.1.32 Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes X No

	Company	Group companies	Total
Amount of work other than standard audit work (thousands of euros)	3,216	279	3,495
Fees for work other than standard **audit/Fees for audit work (%)**	100	14	100

Remarks
In view of the impossibility of entering the correct percentage that the fees for work other than standard audit work represent on the total fees invoiced to the Company, we have entered 100%, since it is the maximum allowed by the system. However, the correct percentages are as follows: Amount of work other than audit: Company: 326%, Group companies 14%, Total 117%.

C.1.33 Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general meeting by the Chair of the audit committee to explain the content and extent of the qualified opinion or reservations.

Yes No X

Explanation of the reasons and direct link to the document made available to the shareholders at the time that the general meeting was called in relation to this matter

C.1.34 Indicate the number of consecutive years that the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	9	9

	Individual	Consolidated
Number of years audited by the current audit firm/number of years that the company or its group **have been audited (in %)**	100%	100%

Remarks

C.1.35 Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes X No ☐

Details of the procedure
Article 22 of the Board of Directors Regulations states that the Agenda of the Board of Directors meetings will clearly indicate those items on which the Board of Directors must adopt a decision or resolution in order for the directors to be able to study or gather, in advance, the information required for their adoption. Whenever, exceptionally, the Chair or some of the directors wish to submit decisions or resolutions which do not appear in the agenda to the Board of Directors for approval, the prior and express consent of the majority of directors present will be required, which will be duly recorded in the minutes. Also, the same article states that all the information regarding the proposals to be presented to the directors will be at their disposal at least seventy-two (72) hours in advance. The information sent to the directors during the 2021 fiscal year was generally sent one week in advance.

C.1.36 Indicate whether the company has established rules obliging directors to inform the Board of any circumstances, whether or not related to their performance in the company itself, that might harm the company's standing and reputation, submitting their resignation where appropriate. If so, provide details:

Yes X No ☐

Explain the rules
Article 21 of the Board Regulations states that Directors will have to make their positions available to the Board of Directors and, if considered appropriate, formalize the corresponding resignation in the following cases: - When they find themselves in a situation of conflict of interests or a prohibited situation as provided for by law. - When there are situations that affect them, related or not to their performance in the Company, that may harm the Company's credit and reputation, and when they are investigated in any criminal case, informing the Board of Directors of the procedural details, or are the subject of disciplinary proceedings for serious or very serious misconduct carried out by the supervisory authorities. - When their continued membership of the Board of Directors could put the Company's interests in jeopardy, and - When the reasons for their appointment no longer exist. This last circumstance will be understood as occurring in respect of a significant shareholder when the full shareholding of which he/she is the owner or whose interests he/she represents have been disposed of and also when the reduction of their shareholding requires the consequent reduction of its proprietary directors. Recommendation 22 of the Good Governance Code extended the obligation to report when directors are investigated in any criminal case, providing in this sense article 30.4 of the Board of Directors Regulations: A director must inform the Company of those circumstances concerning him/her that could affect the credit or reputation of the Company, in particular, of criminal proceedings in which they appear as the accused and of

their procedural details. After examining the situation presented to it, the Board of Directors may require the director to resign and the director must comply with this decision.

C.1.37 Indicate, unless there have been special circumstances that have been recorded in the minutes, if the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

Yes ☐ No X

Director's name	Nature of the situation	Remarks

Indicate whether the Board of Directors has examined the case. If so, explain in a reasoned manner whether, given the specific circumstances, it has adopted any measure, such as opening an internal investigation, requesting the director's resignation or proposing his or her dismissal.

Indicate also whether the Board decision has been supported by a report from the Nominations Committee.

Yes ☐ No ☐

Decision / action taken	Reasoned explanation

C.1.38 Detail any significant agreements entered into by the company and that come into force, that are modified or terminated in the event of a change in control of the company following a public takeover bid, and their effects.

<u>Bonds and other borrowings</u>

The terms and conditions of the bonds issued under the EMTN programme, the Guaranteed EMTN Programme as well as the US dollar bonds and the convertible bonds include a change of control clause (at the option of the bondholders) that would imply their early repayment.

In relation to the bonds issued under the EMTN Programme, the Guaranteed EMTN Programme and the US Dollar Bonds the put option can only be triggered if a change of control event occurs and there is a credit rating downgrade caused by the change of control event (as defined in the Terms and Conditions of the EMTN Programme, the Guaranteed EMTN Programme and the US Dollar Bonds). For the convertible bond, the put option can only be triggered if there is a change of control or if an offer triggering event (as defined in the Terms and Conditions of the convertible bonds) occurs.

In the EMTN Programme, the Guaranteed EMTN Programme, the U.S. Dollar Notes and the Convertible Notes, a "change of control event" is defined as the acquisition of more than 50% of the voting rights in Cellnex or the right to appoint or remove all or a majority of the members of the Board of Directors of Cellnex.

<u>Loans and credit facilities</u>

In the loans and credit lines subscribed by Cellnex, the trigger for the change of control occurs at the Cellnex level. With respect to the syndicated credit facility agreement entered into by Swiss Towers, the trigger for the change of control is measured with respect to Cellnex Switzerland, Swiss Towers and Swiss Infra (as defined below). For GBP Credit Lines, the change of control trigger is measured with respect to Cellnex UK and at the Cellnex level. For Nexloop Credit Lines, the trigger for the change in control is measured with respect to Nexloop. For the 5-year syndicated loan associated with the acquisition of T-Mobile Infra, change of control indicators are measured with respect to Cellnex Netherlands and T-Mobile Infra. A "change of control event" is generally triggered when a third party, alone or jointly with others, acquires 50% of the voting shares or obtains the right to appoint or remove a majority of the members of the board of directors of the company in question. See Note 15 of the consolidated financial statements corresponding to the year 2021.

Infrastructure acquisitions

With respect to infrastructure acquisitions from mobile telecommunications operators undertaken by the Group, certain relevant contracts entered into by the Group, including most of the agreements with clients who are the first co-located (anchor clients), could be modified or terminated if a change of control clause is triggered. In respect of relevant contracts entered into by the Group with clients who are the first co-located (anchor clients), a change of control clause may be triggered in the event that (and is generally limited to) a competitor of the clients who are the first co-located (anchor clients), either alone or together with others, obtains "Significant Influence" and/or "control" (which is generally defined as holding (i) more than 50% of the voting shares (except in certain exceptional cases where this threshold is defined as holding 29% or more of the voting shares), or (ii) the right to appoint or remove a majority of the members of the Board of Directors of the relevant Group company). In such circumstances, the clients who are the first co-located (anchor clients) may be granted an option to repurchase assets (generally the infrastructure where the service is being provided). In addition, such a repurchase option may also be granted in the event that a direct competitor of the clients who are the first co-located (anchor clients) acquires a significant portion of the shares or obtains voting or governance rights that may be exercised in a manner that could adversely affect the interests of the clients who are the first co-located (anchor clients). A change of control clause may be triggered at the Cellnex level or only at the level of the relevant subsidiary that has entered into the relevant contract. In certain contracts, the definition of control, and therefore of a change of control, makes specific reference to the applicable law in the relevant jurisdiction. Finally, in connection with the transaction with Hutchison in the United Kingdom (see Note 21) and the portion of the price to be received by Hutchison in Cellnex shares, if, as a result of a takeover bid prior to the closing of such transaction, a third party (alone or in concert with another shareholder) acquires a majority of the votes in Cellnex, Cellnex will procure that Hutchison receives at closing the equivalent consideration which Hutchison would have received if it had been a Cellnex shareholder at the time of the takeover bid.

C.1.39 Identify individually, when referring to directors, and in an aggregated form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries	
Type of beneficiary	**Description of the agreement** The Directors have signed contracts with the Company which include compensation clauses. In general terms, the compensation clause of the contracts provides for the accrual of a compensation in favour of the executive in the

CEO and Senior Management	event of (i) unfair dismissal, (ii) unilateral termination of the contract by the executive due to serious breach by the Company of the obligations stated in the contract, substantial non-consensual modification of the executive's functions, powers or conditions of their provision of services. The compensation is the greater of the following amounts: a) compensation equivalent to one year's salary, taking into consideration the gross annual fixed remuneration in cash received at the time of termination, as well as the gross annual variable remuneration received by the director in the twelve months immediately prior to the effective termination of services; or b) compensation legally provided for in the labour legislation in force. In the case of a member of Senior Management the compensation clause of the contracts provides for the accrual of an compensation in favour of the executive also in the case of: (iii) unilateral termination of the contract by the executive due to a change of control of the Company within the meaning of article 42 of the Commercial Code and similar circumstances.

Indicate whether, beyond the cases provided for in legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

	Board of directors	General shareholders' meeting
Body authorising the clauses	X	

	YES	NO
Are these clauses notified to the General Shareholders' Meeting?		X

Remarks

C.2 Committees of the Board of Directors

C.2.1 Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors that compose them:

EXECUTIVE COMMITTEE

Name	Position	Category

% of executive directors	
% of proprietary directors	
% of independent directors	
% of other external directors	

Remarks

Explain the functions delegated or assigned to this committee, other than those that have already been described in Section C.1.9, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the bylaws or in other corporate resolutions.

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Position	Current
MR. LEONARD PETER SHORE	CHAIR	Independent
MR. BERTRAND KAN	MEMBER	Independent
MS ANNE BOUVEROT	MEMBER	Independent
MR. CHRISTIAN COCO	MEMBER	Proprietary
MS. KATE HOLGATE	MEMBER	Independent

% of proprietary directors	20.00
% of independent directors	80.00
% of other external directors	0.00

Remarks

Explain the functions assigned to this committee, including, where applicable, those that are additional to those provided by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the bylaws or in other corporate resolutions.

SEE EXPLANATORY NOTE TO SECTION C.2.1. WHICH IS PROVIDED IN SECTION H

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chair of this committee was appointed.

Names of directors with experience	MR. LEONARD PETER SHORE
Date of appointment of the Chair	25/02/2021

Remarks

NOMINATIONS, REMUNERATIONS AND SUSTAINABILITY COMMITTEE

Name	Position	Category
MS. MARIETA DEL RIVERO BERMEJO	CHAIR	Independent
MS. MARIA LUISA GUIJARRO PIÑAL	MEMBER	Independent
MR. PIERRE BLAYAU	MEMBER	Independent
MS. ALEXANDRA REICH	MEMBER	Proprietary

% of proprietary directors	25
% of independent directors	75
% of other external directors	0.00

Explain the functions assigned to this committee, including where applicable those that are additional to those provided by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the bylaws or in other corporate resolutions.

SEE EXPLANATORY NOTE TO SECTION C.2.1. WHICH IS PROVIDED IN SECTION H

NOMINATIONS COMMITTEE

Name	Position	Category

% of proprietary directors	
% of independent directors	
% of other external directors	

Explain the functions assigned to this committee, including where applicable those that are additional to those provided by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the bylaws or in other corporate resolutions.

REMUNERATIONS COMMITTEE

Name	Position	Category

% of proprietary directors	
% of independent directors	
% of other external directors	

Explain the functions assigned to this committee, including where applicable those that are additional to those provided by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the bylaws or in other corporate resolutions.

_____ COMMITTEE

Name	Position	Category

% of executive directives	
% of proprietary directors	
% of independent directors	
% of other external directors	

Explain the functions assigned to this committee and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the bylaws or in other corporate resolutions.

C.2.2 Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors			
	Year n **Number %**	Year n-1 **Number %**	Year n-2 **Number %**	Year n-3 **Number %**
Executive committee				
Audit and Risk Management Committee	2 – 40%	1 – 25.00%	2 – 50.00%	2 – 50.00%
Nominations, Remunerations and Sustainability Committee	3 – 75%	3 – 60.00%	2 – 40.00%	2 – 40.00%
Nominations Committee				
Remunerations Committee				
_____ committee				

Remarks

C.2.3 Indicate, where applicable, the existence of any regulations governing the Board committees, where these regulations are available, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

The Board Committees do not have their own regulations; their operation is regulated in the Board of Directors Regulations, which are available on the Company's website in the Shareholders and Investors, Corporate Governance, Corporate Documents section. Each of these Committees has prepared a report on its 2021 activities, which is available on the Company's website in the Shareholders and Investors, Corporate Governance, Corporate Documents section.

D RELATED PARTY AND INTRAGROUP TRANSACTIONS

D1 Explain, where appropriate, the procedure and competent bodies relating to the approval of transactions with related and intragroup parties, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected directors or shareholders. Detail the internal reporting and periodic control procedures established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors.

Article 4.3.t) of the Board of Directors Regulations state that the Board of Directors, following a report from the Audit and Risk Management Committee, is responsible for approving transactions that the Company or companies of its group may conduct with directors, in the terms of articles 229 and 230 of the Spanish Companies Law, or with shareholders with significant holdings, either individually or jointly with others, including shareholders represented on the Board of Directors of the Company or of other companies which form part of the same group, or with persons related to them. Only those transactions for which the following three characteristics are present shall be exempt of this approval:

1) they are carried out by virtue of contracts, the conditions of which are standardized and applied en masse to a large number of customers;
2) they are carried out at prices or rates set generally by whoever acts as the supplier of the good or service in question; and
3) their amount does not exceed one percent of the Company's annual income.

With respect to transactions with significant shareholders, article 32 of the aforementioned Regulations state that:
1) The Board of Directors formally reserves the knowledge of any relevant transaction of the Company with a significant shareholder.
2) With regard to ordinary transactions, the general authorization of the line of transactions and its conditions of execution will suffice.
3) The Company's Annual Corporate Governance Report will include information on these transactions.

With respect to transactions with Board members, article 33 of the aforementioned Regulations state that: Information on the transactions of directors or anyone acting on their behalf, with the Company or with a company of the same group, which are carried out during the financial year to which the annual accounts refer, will be included in the Company's Annual Corporate Governance Report in all cases, and in the Notes to the annual accounts when the transactions are outside the Company's ordinary course of business or are not carried out under normal market conditions.

D2 Give individual details of transactions that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the General Meeting has had the responsibility, indicate if the proposed resolution has been approved by the Board of Directors without a vote against the majority of the independent directors.

Name or company name of the shareholder or of any of its subsidiaries	% Shareholding	Name or company name of the company or entity within its group	Nature of the relationship	Type of transaction and other information required for its evaluation	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the General Meeting, if applicable, has been approved by the Board of Directors without a vote against the majority of independent directors
EDIZIONE S.P.A.	8.53	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	2,749	General Meeting and Board of Directors		
GIC PRIVATE LIMITED	7.03	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	1,277	General Meeting and Board of Directors		
CRITERIA CAIXA, S.A.U	4.77	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	1,102	General Meeting and Board of Directors		
WELLINGTON MANAGEMENT GROUP	4.28	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	781	General Meeting and Board of Directors		
BLACKROCK INC.	5.21	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	1,252	General Meeting and Board of Directors		
CANADA PENSION PLAN INVESTMENT BOARD	5.00	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	1,155	General Meeting and Board of Directors		

Estimated Floating Capital	49.28

FMR LLC	3.22	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	742	General Meeting and Board of Directors		
NORGES BANK	3.00	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	693	General Meeting and Board of Directors		
CAPITAL RESEARCH AND MANAGEMENT COMPANY	3.88	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	1,110	General Meeting and Board of Directors		
HOHN CRISTOPHER ANTHONY	5.79	CELLNEX TELECOM, S.A	Corporate	Dividends and other profits distributed	170	General Meeting and Board of Directors		

Remarks

D3 Give individual details of transactions that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those transactions carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the General Meeting has had the responsibility, indicate if the proposed resolution has been approved by the Board of Directors without a vote against the majority of the independent directors.

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Nature of the transaction and other information necessary for its evaluation	Amount (thousands of euros)	Approving body	Identity of the shareholder or director who has abstained	The proposal to the General Meeting, if applicable, has been approved by the Board of Directors without a vote against the majority of independent directors
No data							

Remarks
See Note 24.a) of the Consolidated Financial Statements for the year 2021.

D.4 Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter carried out by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except that no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction carried out with entities established in countries or territories considered as tax havens:

Company name of the entity within its group	Brief description of the transaction and other information necessary for its evaluation	Amount (thousands of euros)
N.A.	N.A.	N.A.

Remarks
As of 31 December 2021 and 2020, the Group does not have significant assets and liabilities with companies associated of the Cellnex Group. In turn, no transactions of significant amount have been carried out with associated companies during 2021 and 2020.

D5 Give individual details of the transactions that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the transaction and other information necessary for its evaluation	Amount (thousands of euros)
Atlantia S.p.A.	Agreement under which the Group may locate certain assets to provide telecommunications infrastructure services on Italian highways that are under Autoestrade pell'Italia SpA's concession until 2038.	3

Remarks
In addition to the contracts indicated above, there were no transactions of significant amount with related entities during the periods ended 31 December 2021 and 2020.

D6 Give details of the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, senior management, significant shareholders or other related parties.

According to the Board of Directors Regulations, these conflicts must be declared by the directors and entail the duty to abstain from attending and participating in the matters in which they are involved. The directors -article 26 c) of the Regulations-, must abstain from participating in the deliberation and voting on resolutions or decisions in which the director or a related person has a direct or indirect conflict of interests. Excluded from the foregoing prohibition are the resolutions or decisions that affect the director in its status as such, such as the director's appointment or removal from positions on the administration body or others of a comparable kind.

In addition, the board members -art. 26 e) of the same Regulations- adopt the necessary measures to avoid entering into situations in which his/her own interests or those of third parties may come into conflict with corporate interest and with his/her duties with the Company. An exception shall be made for those cases in which the Company has given its consent under the terms set forth in article 230 of the Spanish Companies Law.

As indicated, the directors -art. 27 of the aforementioned Regulations-, must communicate to the Board of Directors of any direct or indirect conflict that they, or any related persons, might have with the Company's interest. The director concerned will refrain from taking part in resolutions or decisions related to the transaction to which the conflict refers. The votes of the directors affected by the conflict and who must abstain, will be deducted for the purposes of calculating the majority of votes needed. In particular, the duty to avoid situations involving conflicts of interest obliges directors to abstain from:

a) Conducting transactions with the Company, except in the case of ordinary operations, made under standard conditions for customers, and with scant relevance, understanding as such those whose information is not necessary for expressing a true and fair view of the Company's equity, financial situation and results.
b) Using the name of the Company or invoking his/her status as director to unduly influence the conduct of private transactions.
c) Making use of corporate assets, including confidential information on the Company, for private purposes.
d) Taking advantage of the Company's business opportunities.
e) Obtaining advantages or payments from third parties other than the Company and its group, associated with the performance of his/her duties, except in the case of mere courtesies.
f) Conducting activities on his/her own account or on the account of third parties which involve effective competition with the Company, either real or potential, or which, in any other way, place him/her in a permanent conflict of interest with the Company.

The Board of Directors of Cellnex on 19 February 2021 approved a new Internal Code of Conduct in securities markets issues (ICC), adapted to the requirements of the European Market Abuse Regulation. Regarding conflicts of interest, the Internal Code of Conduct states the following:

Operating principles
In any situation involving a "Conflict of Interest" (being a clash between the interests of the Company and the personal interests of the Affected Person), Affected Persons shall act in accordance with the following principles: (i) Independence. They must act at all times with loyalty to the Company, irrespective of their own interests or those of third parties. (ii) Abstention. They must refrain from intervening or influencing in the taking of decisions concerning matters affected by the conflict. (iii) Confidentiality. They shall refrain from accessing confidential information which may have a bearing on the aforesaid conflict.

Notification of Conflicts of Interest
Affected Persons shall notify the Board Secretariat of any possible Conflicts of Interest to which they are subject by their family relationships, their personal holdings, their activities outside the Company, or on any other grounds.
It shall be considered that there is no Conflict of Interests owing to family relationships when said relationship is beyond the fourth degree of consanguinity or the second degree of affinity.

It shall be considered that there is a possible Conflict of Interests derived from personal holdings when said holdings arise in relation to a company in which the Affected Person holds a management post or is an administrator or has a significant stake (which is understood to mean a total stake, direct or indirect, in excess of twenty (20) per cent of its total issued share capital). Affected Persons must ensure that the information is kept up to date, reporting any modification to or termination of previously communicated situations, as well as the emergence of any new possible Conflicts of Interest. Communications must be issued without delay once the current or possible situation of Conflict of Interest is recognized, prior to taking any decision which may be affected by the possible Conflict of Interest. Members of the Board of Directors In addition to the foregoing, the members of the Company's Board of Directors shall be subject to the provisions of the applicable corporate regulations and internal Company's rules.

D.7 Indicate whether the company is controlled by another entity in the meaning of article 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with that entity or any of its subsidiaries (other than those of the listed company) or carries out activities related to those of any of them.

Yes ☐ **No X**

N.A.

Indicate whether the respective areas of activity and any business relationships between the listed company or its subsidiaries on the one hand, and the parent company or its subsidiaries have on the other hand, have been publicly disclosed with precision:

Yes ☐ **No ☐**

Report the respective areas of activity and any business relationships between, on the one hand, the listed company or its subsidiaries and, on the other hand, the parent company or its subsidiaries, and identify where these matters have been publicly disclosed.
N.A.

Identify the mechanisms in place to resolve potential conflicts of interest between the other parent company of the listed company and the other group companies:

Mechanisms to resolve potential conflicts of interest
N.A.

E RISK MANAGEMENT AND CONTROL SYSTEMS

E1 Explain the scope of the company's financial and non-financial Risk Management and Control System, including tax risk.

The Risk Management System is deployed comprehensively, is continuously reviewed, consolidating such management for each Business Unit. It is currently implemented in Corporation, Spain, France, the Netherlands, Ireland, Italy, Poland, Portugal, the United Kingdom and Switzerland. The model is scheduled to be deployed in Austria, Denmark and Sweden in 2022.

Following the risk culture at Cellnex and with the commitment to strengthen global risk management, the Board of Directors in 2020 approved the methodology of the three lines risk model, which mainly consists of the following:

- 1st Line: functional areas that are responsible for assessing, controlling and mitigating risks along with maintaining effective internal controls.
- 2nd Line: facilitates and monitors the implementation of effective risk management practices.
- 3rd Line: provides independent assurance of the risk model.

Cellnex currently has a Global Risk Management Policy and a Global Risk Management Model in which:

- The Policy states the essential principles and commitments in the area of Risk Management, its communication to stakeholders and its progressive integration into all operational processes of the Cellnex Group. The principles and commitments set forth in this Policy are of general application and must be taken into account in each of the projects, businesses and activities carried out by the Company. This Policy is mandatory for all companies controlled by Cellnex Telecom.
- The model defines the methodology for Global Risk Management in the Cellnex Group. It establishes the governance model, roles and responsibilities, risk life cycle, risk taxonomy, and risk assessment and monitoring.

During 2021, progress was made in the implementation of the initiatives launched in the previous year:

- The Global Risk Committee has deployed risk management in the Cellnex Group and validated the risks and action plans defined in each risk map.
- The risk management department has been responsible of promoting the common risk culture at Cellnex.

E2 Identify the bodies within the company responsible for preparing and executing the financial and non-financial Risk Management and Control system, including tax risk.

The bodies responsible for definition, execution and supervision are the following:

- *Board of Directors:* is the ultimately responsible for approving the Risk and Control Policy and strategy as well as for defining the Company's risk appetite.
- *Audit and Risk Management Committee*: as a function entrusted by the Board of Directors, it supervises the effectiveness of the risk management model, ensuring that the risk management model adequately identifies, prioritises, controls, monitors and discloses all risks.
- *Chief Executive Officer:* has ultimate responsibility for the organisation's risk management and control framework providing leadership and oversight of risk management activities.
- *Senior Management:* responsible for risk management, which includes the definition and implementation of defined risk policies, validation of risk maps, assignment of responsibilities, implementation of control activities and action plans, as well as monitoring of existing risks in its area of responsibility.
- *Function Managers*: each person responsible of an area is in charge of identifying, evaluating and implementing control activities aimed at mitigating risks.
- *Global Risk Committee:* its purpose is to deploy risk management in the Cellnex Group and validate the risks and action plans defined in each risk map, and to properly formalise the Three Lines in Cellnex.
- *Risk Management*: responsible for preparing and updating risk management policies, establishing the mechanisms and methodology to identify and assess risks, updating risk maps, implementing a monitoring system, and communicating with the highest governance bodies.
- Internal Audit: provides assurance to the Board of Directors, the Audit and Risk Management Committee and Senior Management that risks are properly understood and managed, and proposes solutions to improve the risk control and management structure.

E3 Indicate the main financial and non-financial risks, including tax risks, as well as those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant and may affect the achievement of business objectives.

Risks at Cellnex can be classified into the following types:

- Strategic: risks that affect the business strategy or strategic objectives of any company.
- Operational: risks of potential losses resulting from the inadequacy of key operations processes as well as the people, equipment and systems that support these processes.

Risks are also classified according to the functional area of their main impact, and the functional areas defined are as follows:

- Legal / Regulatory / Compliance: the possibility of incurring legal or administrative sanctions, significant financial losses or loss of reputation due to non-compliance with laws, regulations, internal rules and codes of conduct applicable to the business.
- Financial: risk of loss of value or profits as a result of adverse movements in financial variables and the company's inability to meet its obligations or build its assets.
- Business: any risk that may affect the company's core business in its provision of services to customers, either directly or indirectly.
- Operations: risks associated with the execution of operational processes, including, among others, technological risks, dependence on suppliers, ...
- Environment and climate change: risks involving potential damage to the environment such as natural disasters, climate change, ...
- People: risks related to people, such as: culture, talent, ...
- Systems: those risks that may affect Cellnex's information systems infrastructure.

E.4 Indicate whether the entity has risk tolerance levels, including for tax risk.

Tolerance levels are defined in the risk assessment matrix.
For the risks identified, each manager evaluates the potential impact of the risk in the event that it materialises, differentiating among four levels: low, medium, important and critical, taking into account the economic impact, involvement in the organisation and reputational impact. The likelihood of the risk occurring is then assessed. This probability is classified among the four defined levels: remote, possible, probable and almost certain. The combination of impact and probability leads to risk prioritisation.

E5 Indicate which risks, financial and non-financial, including tax risks, have materialised during the year.

We highlight the most relevant risks materialised during the year:

- Increased competition in the acquisition of assets and companies in the context of the Group's business expansion.
- Worldwide increase in the cost of energy. Cellnex controls the impact of this increase in the price of energy through initiatives such as the advance purchase of energy, agreements with customers, etc., in addition to complying with the commitments acquired in terms of sustainability and energy efficiency.
- A portion of the Group's revenues is derived from a small number of customers. In the Infrastructure Services for Mobile Telecommunications Operations segment, the main customers are telecommunications operators (mostly MNOs); in the Broadcasting Infrastructure segment, its main customers are the broadcast media (TV channels and radio stations); and in the Other Network Services segment, its main customers are (i) a small number of public administrations, at the national, regional and/or local level, (ii) security and emergency response organisations, (iii) companies operating in the utilities sector, and (iv) certain telecommunications operators.
- The existing pandemic situation has led to a slowdown in economic activity that affects employee mobility and has had a slight impact on the execution of certain operations, in some business processes, ...

E.6 Explain the response and oversight plans for the company's main risks, including tax risks, as well as the procedures followed by the company in order to ensure that the Board of Directors responds to any new challenges that arise.

The implemented risk management model establishes the response and supervision plans for the main risks based on their assessment.

The risk maps as well as those risks considered to be priority risks are reviewed by the Audit and Risk Management Committee, which in turn reports to the Board of Directors, as well as if there is any variation in the risks not defined as priority risks. In addition, the areas perform risk management.

In order to reduce exposure to risks such as infrastructure sharing, regulatory changes, technological advances and development of alternative technologies not currently used, increased competition, increase in the cost of energy, among others, the Group continues with a policy of internationalisation, diversification and selective growth, promoting understanding with the Public Administrations for the development of infrastructure and continues with the efficiency plan for the optimisation of operating expenses and investments.

In addition, continuing with the management of the health crisis resulting from the COVID 19 pandemic, Cellnex maintains business contingency and recovery plans in all countries, deployed in 2020. This has allowed the continuity of all critical services of our customers, preserving the safety of people. Practically all of our activities have been and continue to be carried out remotely.

We are currently immersed in the process of designing and updating the global business continuity model, starting with the most critical processes.

F INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS RELATING TO THE PROCESS OF PUBLISHING FINANCIAL INFORMATION (ICFR)

Describe the mechanisms forming your company's Internal Control over Financial Reporting (ICFR) system.

F.1 The entity's control environment

Report on at least the following, describing their principal features:

F.1.1. The bodies and/or departments that are responsible for: (i) the existence and maintenance of an adequate and effective ICFR system; (ii) its implementation; and (iii) its supervision.

The Internal Control over Financial Reporting (hereinafter " ICFR ") of Cellnex is part of its general internal control system and is configured as the set of processes that the Board of Directors, the Audit and Risk Management Committee, the Management and the Company's personnel carry out to provide reasonable assurance regarding the reliability of the financial information published in the markets.

Cellnex's " ICFR Organisational and Supervisory Model" (hereinafter " ICFR Organisational Model") establishes that the Board of Directors is ultimately responsible for the supervision of internal reporting systems, as well as the Risk Control and Management Policy. In addition, the Board of Directors Regulations state, among others, the following powers and responsibilities:

- The determination of the Company's general policies and strategies.
- The drawn up and approval of the annual accounts and any other report or information required by law.
- The approval of the financial information listed companies must periodically disclose.
  The determination of the Risk Control and Management Policy, including tax risks, and the supervision of internal information and control systems.

- The supervision of the effective functioning and performance of the delegated bodies, including the Audit and Risk Management Committee, and designated executives.

Based on the Board of Directors Regulations (art. 15), the basic responsibilities of the Audit and Risk Management Committee (hereinafter "ARMC") include:

- The supervision of the process of preparation and presentation of the mandatory financial information of the Company, as well as its integrity.
- The supervision of the effectiveness and adequacy of Cellnex's internal control and risk assessment, and of the surveillance and control measures suitable for preventing the commission of criminal offences, and of the risk management systems, including tax and compliance management systems for all applicable regulations.
- Discussion with the auditor of significant weaknesses in the internal control system detected during the audit.
- Supervision of the internal audit services, ensuring their independence, and verification that the recommendations and corrective measures recommended by them are considered by the Management.

Cellnex's Internal Audit function is responsible for supervising the ICFR by delegation from the ARMC, with the Global Finance & M&A Department being responsible for its design, maintenance and implementation.

F.1.2. Indicate whether the following exist, especially in relation to the drawing up of financial information:

- Departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination throughout the entity.

The Organisation Department and the Global Finance & M&A Department are responsible for designing and periodically reviewing the organizational structure that participates in the preparation of the financial information of the Company. These departments define the general lines of the structure and distribution of responsibilities, as well as the procedure for the design, review, updating and dissemination thereof, a procedure that is documented in the organisational charts (organisational structure) and the process model and its associated regulations that form part of the Cellnex policy catalogue.
Cellnex has an internal organisation chart, which covers all areas, and which is fundamentally divided by department (including those departments involved in the preparation, analysis and supervision of financial information). This organisation chart indicates responsibilities up to a certain management level and is complemented by more detailed ones distributed at the department level.

With regard to the process of preparing financial information, in addition to detailed organisation charts, for the purpose of assigning responsibilities there is the ICFR Organisational Model, developed by the Global Finance & M&A Department.

- Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body in charge of analysing breaches and proposing corrective actions and sanctions.

Cellnex has a Code of Ethics, approved by the Ethics and Compliance Committee, which has been communicated to employees and is available on the corporate intranet. The current composition of the Ethics and Compliance Committee is as follows:

- José Mª Miralles (Chair). General Counsel Legal and Regulatory Affairs.
- Sergio Martínez (Secretary). Internal Audit and Risk Control Manager
- Yolanda Menal. Global People Director
- Daniela Sonno. Cellnex Italy Economic and Management Control Director
- Yvette Meijer. Cellnex Netherlands Deputy General Manager

In order to maintain the independence of the Cellnex Group's Ethics and Compliance Committee, it maintains its functional and organic dependence on the Audit and Risk Management Committee of the Board of Directors of Cellnex Telecom.

The main values and principles contained in the Code of Ethics are: integrity, honesty, transparency and good faith. Likewise, the Code of Ethics includes the commitment to offer economic and financial information that faithfully reflects its economic, financial and equity reality, in accordance with generally accepted accounting principles and applicable international financial reporting standards, as well as the responsibility of its employees and managers to ensure that this is so, both through the correct performance of their duties and by informing the governing bodies of any circumstance that may affect this commitment.

The body responsible for analysing noncompliance and proposing corrective action and sanctions is the Ethics and Compliance Committee.

- Whistle blower channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential and whether anonymous notifications can be made, protecting the rights of the whistle blower and the person reported.

The Cellnex Group, in its mission to foster a strong culture of compliance, has implemented a Whistle blower Channel.

The Whistle blower Channel is a communication tool accessible to all Group employees and stakeholders, which allows them to confidentially and anonymously report any potentially significant irregularities they may notice within the Group's companies.

Through the Whistle blower Channel, all subject persons and stakeholders can:

- Inquire about the interpretation of the Code of Ethics of the Cellnex Group and other applicable internal regulations.
- Communicate conduct that may imply a breach of the Code of Ethics, of internal regulations or, in general, of the laws in force applicable to the Group (among others, crimes and irregularities related to financial, accounting, labour or human rights matters).

Both the people who make up the Cellnex Group and third parties with which the Group is related must cooperate with the early detection and communication, through the Whistle blower Channel, of those behaviours that may involve a violation of applicable regulations, especially when such conduct may result in criminal liability for Cellnex.

The Whistle blower Channel is easily accessible as follows:

- Through the Cellnex Group Intranet;
- Through the e-mail canal.etico@cellnextelecom.com, by filling out the form available on the website, and

- By mail to the attention of the Chair of the Ethics and Compliance Committee (Ref. Canal Ético – Cellnex, Passeig Zona Franca,105; 08038 Barcelona).

  Complaints will be received by an independent third party, who will carry out an initial assessment and transfer them to the Ethics and Compliance Committee to proceed with the appropriate investigation, if necessary.

  Such complaints shall be confidential and anonymous.

- Training and periodic refresher programmes for personnel involved in the preparation and revision of financial information, as well as in the assessment of the ICFR system, covering at least accounting standards, auditing, internal control and risk management.

In relation to training and periodic updating programmes on aspects that may affect the preparation and publication of financial information, Cellnex believes that the development and continuous training of its employees and executives is key. In this regard, Cellnex also believes that in-depth and updated training in accounting regulations and standards for the preparation of financial information, capital market regulations, taxation and internal control is necessary to ensure that the information reported to the markets is reliable and complies with the regulations in force.

With respect to the preparation and review of financial information, during the 2021 financial year Cellnex carried out training based on the needs identified by the Consolidation and Corporate Management Control departments, in relation to:

- New accounting, tax, capital markets and internal control regulations, adopted by the European Union and applicable to Cellnex.
- Changes in the methodology for reporting to the Regulator (ESEF Reporting) and/or in the information systems.
- Individual initiative of team members.

As a result of the identification of needs in the aforementioned areas, appropriate training activities are designed and implemented to meet the annual training objectives in these areas.

Cellnex carried out training activities during the 2021 financial year by external experts and internal training sessions, covering personnel involved in the preparation and review of financial information. The training areas on which most emphasis was placed in 2021, in line with the previous year, are related to the accounting, tax and financial areas that may have a greater impact on the preparation of Cellnex's consolidated financial information, especially with changes in national and international tax and accounting regulations and with the new developments of the year related to EU-IFRS. Training activities have also been carried out in the area of non-financial information, especially on issues related to environmental, social and corporate governance factors, which are becoming increasingly relevant.

In this regard, the Consolidation, Corporate Management Control and Global Accounting Policy departments subscribe to various accounting/financial publications and journals, as well as to the IASB website, which periodically sends news and other communications of interest, which are analysed and duly disseminated, ensuring that they are taken into consideration in the preparation of Cellnex's financial information. For its part, Cellnex has an e-learning platform, where training can be provided, both technical, for certain groups, and other more general training on a voluntary and, in some cases, mandatory basis.

Finally, it is important to highlight the dedication of the various areas of the Global Finance & M&A and Corporate & Public Affairs Departments during 2020, responding to the requirement of the CNMV and ESMA to present the Consolidated Financial Statements for the 2020 financial year in XBRL format, in accordance with the transparency requirements imposed by the Regulator. To this end, Cellnex had a team of experts and a technological platform of recognised prestige, which allowed us to transform and automate the process of compliance and presentation of regulated financial information through this platform. During 2021, the Group has once again relied on this collaborative platform for the preparation of the Consolidated Financial Statements and the Integrated Annual Report for fiscal year 2021, due to the fact that it allows users a considerable improvement in productivity, as well as greater control over the processes of preparing the regulated financial information.

F.2 Assessment of risks in financial reporting

Report on at least the following:

F.2.1. The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- Whether the process exists and is documented.
- Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.
- The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.
- Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.
- The governing body within the company that supervises the process.

Cellnex has a Risk Control and Management Policy with the aim of establishing the basic principles and general framework of action for the control and management of the risks of all kinds that it faces. In this way, Cellnex identifies and updates the main risks, organising the appropriate internal control and information systems and regularly monitoring them.

Likewise, the Financial Reporting Internal Control System (ICFR) compliance Manual hereinafter " ICFR compliance Manual") describes and formalises Cellnex's internal control and risk management model with respect to its Financial Reporting Internal Control System and establishes the mechanisms used to determine the risks in this area, the key business processes, as well as the practical and operational documentation of this internal control model.

The process for preparing and issuing financial information establishes the financial information to which it refers, as well as the methodology for defining materiality. Additionally, guidelines are established to determine whether the process covers all the objectives of the financial information (existence and occurrence; completeness; valuation; presentation, disclosure and comparability; and rights and obligations), whether it is updated and the frequency.

Cellnex has identified the relevant business processes, as well as the risks inherent to each one, and has designed a Risk and Control Matrix that aims to identify the main risks, based on which control activities have been designed, in such a way as to ensure that, from their proper fulfilment, full and reliable financial information is obtained.

The process of identifying risks of error in financial information is carried out and documented by the Consolidation department, a process that is complemented by the Internal Audit function, considering them in relation to Cellnex's general Risk Map (which includes both financial and non-financial risks). The entire process is ultimately supervised by the Audit and Risk Management Committee (ARMC).

The Cellnex Audit and Risk Management Committee is responsible for supervising the internal control and risk management system with the support of Internal Audit.

During the second half of the 2020 financial year, a project was carried out to redefine and re-evaluate Cellnex's ICFR Model with the main purpose of adapting the current model to the current situation of exponential growth of the Group through the incorporation of new subsidiaries and assets. The aim of this project was to ensure that the ICFR model is based on standardised, homogeneous and global processes applicable to the entire Cellnex Group. During 2021, the new ICFR model has been implemented both in corporate areas and in the different countries where Cellnex has a presence. In this sense, the internal Audit Department has redefined its audit plan to adapt it to the new model, where it will verify the operational effectiveness of the new control activities defined at Group level, as well as compliance with the established action plans. In addition to the various internal audit processes, the Group has developed checklists that must be completed and signed by countries and corporate areas in order to obtain greater certainty that the defined control activities are being carried out properly. Additionally, during 2021, the integration of this new ICFR model has begun within a new risk management tool, with the idea of automating the process of audits and receipt of evidence, as well as improving document management. This integration is expected to be completed during the first half of 2022.

F.3 Control activities

Report on whether the company has at least the following, describing their main characteristics:

F.3.1. Review and authorisation procedures for financial information and a description of the ICFR, to be disclosed to the securities markets, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions which may materially affect the financial statements, including accounting closing procedures and the specific review of significant judgements, estimates, valuations and projections.

Cellnex has a Manual for Issuing Regulated Information, duly approved by the Audit and Risk Management Committee, which details the procedure for preparing and approving financial information and the description of the ICFR to be published in the securities and investment markets. This manual also states the criteria for identifying relevant public financial information, which is classified as follows:

- Issuers' Periodic Public Reporting (PPR) obligations:
  - Semi-annual Financial Report.
  - Annual Financial Report and Annual Corporate Governance Report (ACGR).

- Annual Report on Directors' Remunerations (ARR).
- Other Relevant Information.

Cellnex's Regulated Information Issuance Manual also establishes the departments involved in the process of preparing, reviewing and authorising financial information and their respective responsibilities, from the accounting close to the publication of the material disclosures. In particular, for each set of relevant regulated financial information to be published in the market, there is a preparation and review procedure, which involves the completion of internal control questionnaires on the communication of regulated information, in order to obtain reasonable assurance on the reliability of the entity's financial statements.

Compliance with the Regulated Information Issuance Manual and the completion of specific internal control questionnaires are mandatory and are subject to review by Cellnex's internal auditor.

With regard to the documentation describing the flows of activities and controls of the different types of transactions that may materially affect the financial statements, Cellnex has a ICFR Organisational Model, which structures the specific mechanisms that have been set up to maintain an internal control environment conducive to the generation of complete, reliable and timely financial information, which contemplates the possible existence of irregularities and the ways to detect and remedy them. Cellnex has developed procedures for those processes that are considered material and relevant in terms of their potential impact on the financial information to be disclosed, as follows:

- General Entity Level Controls (ELC)
- Information systems (ITGC):
- Revenue recognition and accounts receivable
- Operating expenses and accounts payable
- Tangible and intangible assets
- Provisions
- Staff
- Closing of accounts
- Consolidation, Reporting and Business Combinations
- Treasury and finance
- Taxes
- Leases – IFRS16

The individual and consolidated financial statements, the semi-annual financial reports and the financial information contained in Cellnex's quarterly interim statements are prepared and reviewed by the Global Finance & M&A Department prior to their submission to the Audit and Risk Management Committee. The latter applies the procedures included in the Regulated Information Issuance Manual as a step prior to submitting the information to the Cellnex Board of Directors for final approval.

Regarding activities and controls directly related to transactions that may materially affect the financial statements, Cellnex has descriptions of controls in place to mitigate the risk of material misstatement in the information reported to the markets. These descriptions are also documented in the Risk and Control Matrix and contain information on what the control activity should consist of, what it is performed for, which area/department should perform it, how often, as well as other information on which information systems or which activities performed by third parties are relevant to the effectiveness of the respective control activity. The controls cover areas such as revenue generation, investments and expenses, acquisitions and subsequent valuation of other fixed assets, analysis of the recoverability of investments, recording of taxes on profits or the correct presentation of financial instruments and Cellnex's financing operations.

In relation to the relevant opinions and estimates made, Cellnex reports in its consolidated financial statements those areas of a degree of uncertainty that it considers particularly relevant. The specific review and approval of the relevant opinions, estimates, valuations and projections, as well as the key assumptions used in their calculation, with a material impact on the consolidated financial statements, is performed by the Global Finance & M&A Department and, if applicable, by the Chief Executive Officer. The most significant issues, such as asset value monitoring and hedging policies, are discussed and reviewed by the Audit and Risk Management Committee prior to approval by the Board of Directors.

F.3.2. Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) which support significant processes within the company relating to the preparation and publication of financial information.

Cellnex uses information systems to maintain an adequate record and control of its operations and, therefore, their correct functioning is a key element of special emphasis for Cellnex.

The Systems area is responsible for establishing the internal control model for information systems in aspects related to access security, segregation of duties (in coordination with the business and support operating areas) and change control, in addition to carrying out risk monitoring activities and controls derived from the outsourcing of the systems.

F.3.3. Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.

Cellnex regularly uses reports from independent experts for the valuation of its financial instruments, employee benefit commitments and acquisition price allocation processes in business combinations, among others. In addition, Cellnex maintains certain activities associated with the economic, personnel and operation and maintenance administration of its corporate information systems outsourced to an external provider.

Cellnex has formalised guidelines regarding the treatment of activities with third parties in both contracting and results. These guidelines are included in the internal procurement procedures.

The Global Finance & M&A Department carries out controls on the work of these experts, aimed at verifying:

- The competence, training, accreditation and independence of the experts.
- The validity of the data and methods used.
- The reasonableness of the assumptions used, if applicable.

In this regard, certain control and risk management mechanisms have been established with the supplier to ensure the integrity and quality of the financial information derived from these activities, such as a contract Management and Monitoring Committee, service level agreements, risk indicators, service reports, technological security measures, external audits, as well as contingency and continuity plans, among others.

F.4 Information and communication

Report on whether the company has at least the following, describing their main characteristics:

F.4.1. A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for operations in the organisation, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates.

Responsibility for defining, maintaining and updating Cellnex's accounting policies lies with the Global Accounting Policy department, which is part of the Global Finance & M&A Department.

One of the functions of this department is to respond to any accounting queries that may be raised by the different business units or other corporate departments of Cellnex.

Cellnex has an accounting policy manual, Group Reporting and Accounting Principles Handbook (GRAPH) for the purposes of preparing the financial statements prepared under EU-IFRS, which is prepared by the Global Accounting Policy department and updated periodically (at least annually) and incorporates the standards applicable in the year. The Audit Instructions that the external auditor sends to the auditors of the different companies for the limited review or audit at each semi-annual and annual closing, respectively, indicate that the accounting principles on which they must perform their work are those contained in the Cellnex GRAPH.

Any changes that may be made are communicated to the subsidiaries by e-mail. Its last updated was carried out in 2021 and, in any case, it is reviewed to ensure that in the most recent quarter there have been no significant new modifications that could affect the preparation of the consolidated financial information for the year.

F.4.2. Mechanisms for capturing and preparing financial information in standardised formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICFR.

Cellnex has a single integrated environment for the preparation of consolidated financial information, through two platforms: Planning and Budgeting Cloud Service (hereinafter "PBCS") and Financial Consolidation and Close Service (hereinafter "FCCS"), both from Oracle. The integrity and reliability of these information systems is validated by means of the general controls indicated in section F.3.2.

The consolidated and regulated financial information of the Cellnex Group and the individual financial statements of Cellnex Telecom, S.A. (Controlling Company) are prepared by the Global Finance & M&A Department. in order to ensure uniformity in their preparation.

On a monthly basis, the Corporate Management Control and Consolidation departments receive the monthly Reporting Package (under IFRS) from all subsidiaries included in the scope of consolidation. This Reporting Package includes all the financial information necessary for the preparation of the Group's consolidated financial information and, in turn, guarantees the homogeneity of the information received, by means of the following characteristics:

- It is homogeneous and consistent for all countries and businesses.
- It is prepared on the basis of the Cellnex accounting manual, which is the same for all subsidiaries.
- It incorporates the applicable legal, tax, commercial and regulatory requirements.

The monthly Reporting Package (under IFRS) is loaded directly into the tools indicated above by the Finance Department of each country.

It should be noted that as of the second half of 2020, the Go Live to the new Consolidation tool, "FCCS" of Oracle, from which the consolidated financial statements of the Cellnex Group are obtained, under international IFRS standards, became effective. This tool allows the homogenisation and maximum interconnection with the current Corporate Management Control tool, Oracle's "PBCS" (implemented in all countries) in order to obtain a single and homogeneous reporting that responds to the needs of both departments. With this migration, the synergies of having both areas (Planning & Reporting and Consolidation) in an interconnected financial information flow environment became effective. The new tool provides the advantages of a current, advanced system that is up to date with the latest Cloud technological advances.

F.5 Supervision of the functioning of the system

Report on at least the following, describing their principal features:

F.5.1. The activities of the audit committee in overseeing ICFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICFR. Additionally, describe the scope of ICFR assessment made during the year and the procedure through which the person responsible for performing the assessment communicates its results, whether the company has an action plan detailing possible corrective measures, and whether their impact on financial reporting has been considered.

In line with the previous year, the Audit and Risk Management Committee has carried out the following specific activities in relation to the ICFR in fiscal year 2021:

- Monitoring of the degree of implementation and possible changes to Cellnex's ICFR model.
- Review of the information related to the ICFR included in the Annual Corporate Governance Report.
- Review of the financial information released by Cellnex to the market.
- Periodic monitoring and analysis of the evolution of the operational implementation of the ICFR, taking account of its degree of implementation and its effectiveness.
- Follow-up of the work performed by the Company's external auditors in order to be aware of the internal control weaknesses detected in the performance of their work, as well as the relevant aspects or incidents thereof.

At present, the Audit and Risk Management Committee has already approved the Internal Audit Plan for the year 2022, which includes the necessary actions to ensure adequate supervision and evaluation throughout the year, regularly reporting the incidents detected and the necessary improvement actions once contrasted with the audited areas and countries.

Cellnex has an Internal Audit Department that reports functionally to the Audit and Risk Management Committee, and whose main function, as indicated in the Board of Directors Regulations of Cellnex, and specifically, the section corresponding to the functions of the Audit and Risk Management Committee, is to supervise the effectiveness of internal control of the Company, the internal audit services, checking the adequacy and integrity thereof and reviewing the appointment and replacement of those responsible, to supervise the surveillance and control measures suitable for preventing the commission of criminal offences, the risk management systems, including tax risks, the systems for managing compliance with all applicable regulations, and to discuss with the auditors any significant weaknesses in the internal control system detected during the course of the audit.

During the 2021 financial year, the Internal Audit function has carried out several activities to review the key business processes from which no significant weaknesses have arisen, all of which were reported in due time and form to the ARMC, which could have a material impact on Cellnex's financial information for the 2021 financial year, and the necessary corrective actions have been established to resolve any other weaknesses in the future.

Likewise, the external auditor, as mentioned in section F.7.1., has issued an agreed procedures report on the description of the ICFR carried out by Cellnex in which no noteworthy matters have been highlighted.

F.5.2. Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards), the internal auditor and other experts can report to senior management and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

The procedure for discussing significant internal control weaknesses identified is based, in general terms, on periodic meetings held by the various parties involved. In this regard, the Internal Audit function periodically informs the Global Finance & M&A Department and the Audit and Risk Management Committee of the conclusions regarding internal control identified in the ICFR reviews and in the internal audits of processes carried out during the year, as well as the status of implementation of the action plans established for their mitigation.

With regard to relationships with the external auditors, as indicated in article 38 of Cellnex's Board of Directors Regulations, these are channelled through the Audit and Risk Management Committee. In this regard, the Audit and Risk Management Committee regularly meets with the external auditor in order to fulfil its responsibilities to supervise its actions, as well as to receive, where appropriate, communications on potential internal control weaknesses detected in the course of its professional activities. These communications are documented in the minutes of the Audit and Risk Management Committee and are followed up through the Internal Audit function.

In addition, Cellnex's auditor has direct contact with the Global Finance & M&A Department, holding regular meetings both to obtain the necessary information for the development of its work and to communicate the control weaknesses detected in the development thereof.

F.6 Other relevant information

No additional matters to be discussed have been identified.

F.7 External auditor's report

Report:

F.7.1. Whether the ICFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment. If not, reasons why should be given.

Cellnex has submitted the ICFR information sent to the markets for the 2021 financial year for review by the external auditor. The scope of the auditor's review procedures has been carried out in accordance with Circular E14/2013 of 19 July 2013 of the Spanish Institute of Chartered Accountants (Instituto de Censores Jurados de Cuentas de España), which publishes the Guidelines and auditor's report model referring to the information related to the financial reporting internal control system (ICFR) of listed companies.

G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company´s conduct. General explanations are not acceptable.

1. **That the bylaws of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of the company through the acquisition of its shares on the market.**

Complies X Explain ☐

2. **That when the listed company is controlled by another entity in the meaning of article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with that entity or any of its subsidiaries (other than those of the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:**

   a) **The respective areas of activity and possible business relationships between the listed company or its subsidiaries on the one hand, and the parent company or its subsidiaries on the other hand.**

   b) **The mechanisms in place to resolve any conflicts of interest that may arise.**

Complies ☐ Complies partially ☐ Explain ☐ Not applicable X

3. **That, during the Ordinary General Shareholders' Meeting, as a complement to the distribution of the written Annual Corporate Governance Report, the Chair of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:**

   a) **Changes that have occurred since the last General Shareholders' Meeting.**

   b) **Specific reasons why the company has not followed one or more of the recommendations of the Good Governance Code and the alternative rules applied, if any.**

Complies X Complies partially ☐ Explain ☐

4. **That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly positioned shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.**

   And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and

corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies X Complies partially ☐ Explain ☐

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of pre-emptive rights in an amount exceeding 20% of the share capital at the time of delegation.

   And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of pre-emptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies X Complies partially ☐ Explain ☐

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

   a) Report on the auditor's independence.

   b) Reports on functions and activities of the Audit and Nominations and Remunerations Committees.

   c) Report of the audit committee on related party transactions.

Complies X Complies partially ☐ Explain ☐

7. That the company should transmit in real time, through its website, the holding of the General Shareholders' Meetings.

   And that the company should have mechanisms in place allowing the delegation and casting of votes by electronic means and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such electronic means.

Complies X Complies partially ☐ Explain ☐

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting by the Board of Directors are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the Chair of the audit committee should clearly explain to the General Meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the General Meeting is called, alongside the other Board proposals and reports.

Complies X Complies partially ☐ Explain ☐

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory manner.

Complies X Complies partially Explain

10. **That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:**

    a) **Should immediately distribute such complementary items and new proposed resolutions.**

    b) **Should publish the attendance, proxy and remote voting card model with the necessary changes such that the new agenda items and alternative proposed resolutions can be voted on the same terms as those proposed by the Board of Directors.**

    c) **Should submit all these alternative items or proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.**

    d) **That after the General Shareholders' Meeting, a breakdown of the voting on said additional items or alternative proposals be communicated.**

Complies Complies partially Explain Not applicable X

11. **That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.**

Complies Complies partially Explain Not applicable X

12. **That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.**

    And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies X Complies partially Explain

13. **That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.**

Complies X Explain

14. **That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:**

    a) **Is concrete and verifiable;**

b) **Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and**

c) **Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.**

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the Nominations Committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The Nominations Committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies X Complies partially ☐ Explain ☐

15. **That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.**

And that the number of female directors represents at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less than 30% prior to that date.

Complies X Complies partially ☐ Explain ☐

16. **That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.**

This criterion may be relaxed:

a) **In large-cap companies where very few shareholdings are legally considered significant.**

b) **In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.**

Complies ☐ Explain X

As of 31 December 2021, the Board of Directors consisted of 11 directors, of which 1 was executive, 8 were independent and 2 were proprietary directors. Although the percentage of share capital represented by shareholders with representation on the Board is slightly lower than the percentage that proprietary directors represent over the total number of non-executive directors, it should be recalled that no other shareholder (significant or otherwise) has requested the appointment of a director and, indeed, one of the two directors appointed by ConnecT Due-Edizione resigned during 2021. Consequently, and in view of the fact that the share capital in the hands of non-significant shareholders stands at 49.279%, it is considered that there is a very appropriate balance between independent and proprietary directors.

17. **That the number of independent directors should represent at least half of the total number of directors.**

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors represents at least one third of the total number of directors.

Complies X Explain ☐

18. That companies publish the following information about their directors on their website, and keep it updated:

a) Professional profile and biography.

b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.

c) Indication of the category of director to which they belong, indicating, in the case of proprietary directors, the shareholder they represent or to which they are connected.

d) Date of their first appointment as a director of the company's Board of Directors, and any subsequent re-elections.

e) Company shares and share options that they own.

Complies X Complies partially ☐ Explain ☐

19. That the annual corporate governance report, after verification by the Nominations Committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies ☐ Complies partially ☐ Explain ☐ Not applicable X

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies X Complies partially ☐ Explain ☐ Not applicable ☐

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the Nominations Committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies X Explain ☐

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

    And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the Nominations and Remunerations Committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

    Complies X Complies partially ☐ Explain ☐

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.

    Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

    This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

    Complies X Complies partially ☐ Explain ☐ Not applicable ☐

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

    And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

    Complies X Complies partially ☐ Explain ☐ Not applicable ☐

25. That the Nominations Committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

    And that the Board regulations establish the maximum number of company Boards on which directors may sit.

    Complies X Complies partially ☐ Explain ☐

26. **That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.**

Complies X Complies partially ☐ Explain ☐

27. **That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.**

Complies X Complies partially ☐ Explain ☐

28. **That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.**

Complies X Complies partially ☐ Explain ☐ Not applicable ☐

29. **That the company should establish adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.**

Complies X Complies partially ☐ Explain ☐

30. **That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.**

Complies X Explain ☐ Not applicable ☐

31. **That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.**

When, in exceptional circumstances, the Chair wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies X Complies partially ☐ Explain ☐

32. **That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.**

Complies X Complies partially ☐ Explain ☐

33. **That the Chair, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and bylaws, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.**

Complies X Complies partially ☐ Explain ☐

34. That when there is a lead independent director, the bylaws or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the Chair and Vice Chair, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the Chair.

Complies X Complies partially ☐ Explain ☐ Not applicable ☐

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies X Explain ☐

36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

a) The quality and efficiency of the Board of Directors' work.

b) The workings and composition of its committees.

c) Diversity in the composition and skills of the Board of Directors.

d) Performance of the Chair of the Board of Directors and of the chief executive officer of the company.

e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the Nominations Committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the Nominations Committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies X Complies partially ☐ Explain ☐

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies ☐ Complies partially ☐ Explain ☐ Not applicable X

38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies ☐ Complies partially ☐ Explain ☐ Not applicable X

39. All members of the audit committee, in particular its Chair, should be appointed taking in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies X Complies partially ☐ Explain ☐

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive Chair of the Board or of the audit committee.

Complies X Complies partially ☐ Explain ☐

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies X Complies partially ☐ Explain ☐ Not applicable ☐

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational , technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.

b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.

c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made

anonymously, respecting the rights of the whistle-blower and the person reported.

d) Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.

b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.

c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.

d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.

e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies X Complies partially □ Explain □

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies X Complies partially □ Explain □

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies X Complies partially □ Explain □ Not applicable □

45. That the risk management and control policy identify or determine, as a minimum:

a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.

b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.

c) The level of risk that the company considers to be acceptable.

d) Measures in place to mitigate the impact of the risks identified in the event that they should materialised.

e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies X Complies partially Explain

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:

a) **Ensuring the proper functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.**

b) **Actively participating in drawing up the risk strategy and in important decisions regarding risk management.**

c) **Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.**

Complies X Complies partially Explain

47. That in designating the members of the Nominations and Remunerations Committee – or of the Nominations Committee and the Remunerations Committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies X Complies partially Explain

48. That large-cap companies have separate Nominations and Remunerations Committees.

Complies Explain X Not applicable

It is not considered necessary at this time to have a separate Nominations Committee and a separate Remunerations Committee, since the current Nominations, Remunerations and Sustainability Committee is capable of analysing both aspects in a unified manner. Also, the size of Cellnex's Board of Directors, which is smaller than that of other listed companies with similar capitalisation, makes it advisable not to duplicate the presence of directors on mandatory committees, thus maintaining the concentration in the Nominations, Remunerations and Sustainability Committee.

49. That the Nominations Committee consult with the Chair of the Board of Directors and the Chief Executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the Nominations Committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies X Complies partially Explain

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

a) **Proposing the basic conditions of employment for senior management to the Board of Directors.**

b) **Verifying compliance with the company's remuneration policy.**

c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.

d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.

e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies X Complies partially Explain

51. That the remunerations committee should consult with the Chair and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies X Complies partially Explain

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

a) That they be composed exclusively of non-executive directors, with a majority of independent directors.

b) That their Chairs be independent directors.

c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.

d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.

e) That their meetings be recorded and their minutes be made available to all directors.

Complies X Complies partially Explain

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the Nominations Committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies X Complies partially Explain

54. The minimum functions referred to in the foregoing recommendation are the following:

a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.

b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.

c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.

d) Supervision of the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.

e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies X Complies partially ☐ Explain ☐

55. That environmental and social sustainability policies identify and include at least the following:

a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct

b) Means or systems for monitoring compliance with these policies, their associated risks, and management.

c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.

d) Channels of communication, participation and dialogue with stakeholders.

e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies X Complies partially ☐ Explain ☐

56. That directors' remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies X Explain ☐

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies X Complies partially Explain

58. **That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.**

    And, in particular, that variable remuneration components:

    a) **Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.**

    b) **Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.**

    c) **Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.**

Complies X Complies partially Explain Not applicable

59. **That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.**

    That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies X Complies partially Explain Not applicable

60. **That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.**

Complies X Complies partially Explain Not applicable

61. **That a material portion of the executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.**

Complies X Complies partially Explain Not applicable

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the Nominations and Remunerations Committee, to deal with such extraordinary situations as may arise and so require.

Complies X Complies partially Explain Not applicable

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies X Complies partially Explain Not applicable

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies X Complies partially Explain Not applicable

H FURTHER INFORMATION OF INTEREST

1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but which it is necessary to include in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.

2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.

   Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In such case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Tax Practices of 20 July 2010.

Cellnex has adhered in 2020 to the Spanish Tax Agency's Code of Good Tax Practices. This Code contains recommendations voluntarily assumed by companies, aimed at improving the application of the Spanish tax system by increasing legal certainty, reciprocal cooperation based on good faith and legitimate trust between the Spanish Tax Agency and the companies themselves, and the application of responsible tax policies in companies with the knowledge of the Board of Directors.

Cellnex's participation in Sustainability Indexes and initiatives

Dow Jones Sustainability Index

The Dow Jones Sustainability Indices (DJSI) are a family of best-in-class benchmarks for investors who have recognized that sustainable business practices are critical to generating long-term shareholder value and who wish to reflect their sustainability convictions in their investment portfolios. Created jointly by S&P Dow Jones Indices and SAM, the DJSI combine the experience of an established index provider with the expertise of a specialist in Sustainable Investing to select the most sustainable companies from across 61 industries. The score ranges from 0 to 100, where 100 is the best score that can be obtained.

Cellnex participates annually in the DJSI index as a guest company. In 2021, S&P recognized Cellnex's progress in terms of sustainability, including the Company as a member of the Sustainability Yearbook.

In recent years Cellnex Group has increased its score consecutively, reaching an overall score of 73 points in **2021 (+7 compared to 2020, +13 compared to 2019,** +16 compared to 2018). This result has allowed Cellnex to **remain above the sector average by 31 points (+7 than in 2020).**

In **2021 Cellnex Group has improved in the Environmental dimension, with a score of 83 (+4 than in 2020), and** Economic, with a score of **75 (+15 than in 2020), while it has worsened in the Social Dimension, with a score of** 64 (-3 than in 2020).

FTSE4GOOD

The FTSE4Good index series is designed to measure the compliance of companies that demonstrate a high level of competence in their environmental, social and governance practices. They are used by many financial market players in the creation and evaluation of so-called responsible investment funds and other products that integrate environmental, social and governance factors into their investment decisions.

The indices identify companies that best manage the risks associated with these factors and are used for tracking index funds, for structured financial products and as a benchmark. They are also the benchmark for comparisons between investments.

ESG ratings, which represent entry into and ratification in the FTSE4Good indices, are used by investors who wish to incorporate environmental, social and corporate governance factors into their investment selection processes. They are also used as a framework for assessing corporate commitment and rating corporate governance.

In terms of the overall ESG rating, Cellnex obtained a score of 4.4 in 2021, an improvement of 0.2 points compared to 2020. It should be noted that although the average score of the industry and subsector in the Environment and Social dimension has increased, Cellnex has increased the positive difference with them in these two dimensions.

Cellnex has remained stable in Governance (5 out of 5 points) and has improved its sco**re in the social (+0.3 points than in 2020) and environmental (+0.3 points than in 2020) dimensions, which has contributed to the increase in the overall score (+0.2 points than in 2020).**

CDP

The CDP is a global gold standard for measuring and rating corporate transparency in environmental and sustainability matters. CDP's annual environmental disclosure and scoring process is widely recognised as the gold standard of corporate environmental transparency, where the organisation prepares the rankings based on the information submitted by the companies.

CDP uses a thorough and independent methodology to assess these companies, assigning a score from A to D- based on completeness of reporting, awareness and management of environmental risks, as well as demonstration of good practices associated with green leadership, such as setting serious and ambitious targets. The maximum score that can be achieved is an A, and companies that do not disclose or provide insufficient information are given an F rating.

In 2021, Cellnex has obtained an A for the third consecutive year, which means that it continues to be a Leadership Brand. The score obtained continues to be above the sector average and is among the 38% of companies that achieved the Leadership level in the Activity Group.

In 2021, Cellnex improved its score in "Objectives" (from C to A) and "Energy" (from B- to B). However, the scores obtained in "Opportunity Disclosure" and "Business Strategy and Financial Planning" have slightly worsened (from A to A-). It is worth noting that Cellnex's score categories are always above (or equal to) the industry average.

Cellnex also received an "A-" in the CDP Supplier Engagement Rating. This is higher than the European average, which is B-, and the Marketing, Wholesale, Distribution, Rental and Leasing industry average, which is B-.

Sustainalytics

Sustainalytics is an environmental, social and corporate governance (ESG) research and rating company for investors worldwide that measures a company's ESG risk, understood as the degree to which a company's economic value is at risk due to ESG factors, i.e. the magnitude of a company's unmanaged ESG risks. The rating ranges from 0 to 100, where the higher the score, the higher the risk. Values from 0 to 10 indicate negligible risk.

Cellnex is part of the STOXX Global ESG index, which offers a representation of the world's leading companies in terms of ESG criteria, based on the indicators provided by Sustainalytics.

In 2021 Cellnex has once again made a qualitative leap in the Sustainalytics assessment, as it has once again moved up a category in terms of "Market capitalisation" from 12-15 million dollars to 27.8-30.3 million dollars, as well as consolidating its position as a low ESG risk company. This has placed the company in eighth place in the Global Telecommunications Ranking.

Cellnex has improved its ESG Risk Rating in all relevant categories by at least 7 points, except for the Human Rights-Supply Chain category, which has remained virtually unchanged. It should be noted that 5 of the categories belong to the low risk classification, while the rest belong to the negligible classification.

In terms of ESG Risk Exposure, due to Cellnex's expansion and the increase in sites and nodes, the company has been considered slightly more **exposed to ESG Risks (+2.1), as it is responsible for securing the information of a** large number of customers.

MSCI ESG Rating

MSCI measures the intersection between a company's core business and the company's resilience to long-term ESG risks. For the rating, 35 key issues are selected annually for each industry and weighted according to MSCI's mapping framework on a scale of 0-10, the company's final score is adjusted based on overall industry performance and assigned a letter grade based on an AAA-CCC scale. The AAA rating is the best that can be obtained.

In 2012 Cellnex significantly improved its ESG Action Rating according to the MSCI index, increasing its score by 0.9 points and achieving A status for the first time. Cellnex has improved its score in all MSCI categories, except for carbon emissions (Environmental dimension) and Labour Management (Social dimension), where the score has remained the same. Of particular note is the 0.8 point increase in the Governance dimension, which represents 57% of the total score. Furthermore, in 2021, Cellnex's score is 0.4 points higher than the sector average.

Vigeo

The Vigeo indices are composed of listed companies and are ranked according to an assessment of their ESG performance. The ratings are weighted and measure the company's performance against a set of risks defined to monitor and evaluate corporate responsibility. The score ranges from 0 to 100, with 100 being the best score.

In 2021 Cellnex Group has increased its overall ESG score for the third consecutive year, reaching a score of 60 (an increase of 33% over last year). In addition, Cellnex is well above the sector average in all three dimensions: **+12 points in the Governance dimension, +17 points in the Social dimension and +11 points in the Environme**nt dimension. In terms of the transition to a low-carbon economy, Cellnex's carbon footprint is rated B (significant) and the energy transition score as Robust (58/100).

In terms of risk and opportunity management, it is worth noting the robustness with which Cellnex manages the following high-risk factors: Fundamental Human Rights, Board of Directors, Career Management and Health and Safety.

GRESB

The GRESB Public Disclosure Level is an overall measure of ESG disclosure by listed real estate companies, based on a selection of indicators aligned with the existing GRESB infrastructure asset assessment. The public disclosure level provides information on the ESG disclosure activities of GRESB participants and non-participants and provides investors with information that is not currently captured in the GRESB Infrastructure Asset Assessment. The rating is based on an A-E scale, where A is the best achievable score.

For the first time since Cellnex has participated in this index, in 2021 the company is placed in the A category, with a score of 85 points. Cellnex has improved its score in all 5 themes, compared to the previous year. It should be noted that Cellnex has improved the ranking category in all disclosure topics (from C to B and from B to A), except in the topic "Sustainability Disclosure-Governance", which Cellnex maintains an A.

With the score obtained in 2021, and considering the Comparison Group (Europe/Data Infrastructure), Cellnex is positioned as the leading company in its peer group.

Bloomberg Gender-Equality index

Cellnex has been selected as one of 418 companies across 45 countries and regions to join the 2022 Bloomberg Gender-Equality Index (GEI), a modified market capitalization-weighted index that aims to track the performance of public companies committed to transparency in gender-data reporting.

This reference index measures gender equality across five pillars: female leadership & talent pipeline, equal pay & gender pay parity, inclusive culture, anti-sexual harassment policies, and pro-women brand.

The index recognizes Cellnex's commitment to advancing gender equality in the labour market by rolling out policies and initiatives to promote women's professional careers and greater female representation in the organization. Likewise, it has valued the efforts that the company has been making in recent years to continue advancing in equal pay & gender pay parity, female leadership and talent promotion, inter alia.

United Nations Global Compact

Cellnex has been a participant of the United Nations Global Compact since November 2015, as an expression of its commitment to including the concept of corporate social responsibility into its operational strategy and organisational culture. Each year, the company publishes its COP (Communication of Progress) on the official Global Compact website.

Social Contribution

One of the strategic pillars of Cellnex's ESG Master Plan is "Being a facilitator of social progress". To this end, a series of actions to be carried out between 2021 and 2025 have defined within the Plan. These actions aim to increase Cellnex's social contribution to society by financing or co-financing activities and programs, as well as carrying out corporate volunteering programs, and the development of different educational, social and cultural projects. All of them related to the challenges of the digital world in which technology is the backbone, as well as creating an open virtual space to share these projects with society.

Cellnex's Covid-19 Relief Initiative

As a result of the global crisis generated by the COVID-19 pandemic, Cellnex has developed the "Cellnex's Covid-19 Relief Initiative". 10 million fund to support national and international organisations and projects to help minimise the health, economic and social impact of the crisis.

Half of the 10 million euro fund is intended to finance research carried out by a European consortium of hospitals led by the Clínic-IDIBAPS and the Banc de Sang i Teixits, with the participation of the IISGM-Hospital Universitario Gregorio Marañón, the IRST-IRCCS in Meldola, the INSERM-U1183 in Montpellier and the IRCCS-Hospital San Raffaele in Milan.

One of the keys to tackling COVID-19 is to have a thorough understanding of the immune status of the population against the SARS-CoV-2 virus and the specific role of this immunity, i.e. the type of immunity and how long it is maintained. The aim of the project is therefore to measure the cellular responsiveness of the immune system to SARS-CoV-2 by detecting and obtaining T-lymphocytes that can act to combat COVID-19 in its various stages.

The other half of the fund is allocated to social action projects with non-governmental organisations in the different countries in which Cellnex is present to help people and groups in vulnerable situations, to support with funds the purchase of protective material for health personnel and to provide resources to the most vulnerable groups.

Communications Access

Quality education and digitization

As explained throughout chapter "3. Commitment to our employees", for Cellnex the training, the possibilities of professional development, empowerment, involvement, etc. are maxims that are very present in the dynamics of the company. But the company also carries out numerous activities outside its centres and groups of employees, in constant contact with a society whose digitization and modernization is a key part of its social objective. An example of this is Cellnex's participation in the Enterprise Challenges, as well as its collaboration with various foundations, for instance ESADE Foundation, BEST Foundation or IESE.

Other Social Initiatives

During 2021 Cellnex has developed several social initiatives, some of these were:

Magic Line Sant Joan de Déu: The Magic Line is a solidarity mobilisation at Sant Joan de Déu in favour of the most vulnerable people. The 2021 Magic Line had the slogan "More than ever", where all the resources would be allocated to social projects for people suffering the consequences of the COVID pandemic throughout Spain. Cellnex Volunteers encouraged Cellnex employees to participate in a family solidarity activity on 13 June 2021. Hunger does not go away on holidays: While thousands of citizens are preparing their suitcases for a summer getaway after more than a year of restrictions due to the pandemic, another part of the population is still severely affected by the economic crisis, so neighbourhood associations, foundations and charities are asking for more donations to fill their pantries because "hunger does not go away on holiday". In 2021, Cellnex continued for the second year with this online solidarity initiative due to the challenges that the pandemic continues to cause and the exceptional current context. As part of the initiatives of the Cellnex Foundation Volunteer Programme, some online donation campaigns were proposed to organisations dedicated to helping those who need it most.

La Palma needs our help: In 2021 La Palma (Canary Islands) was in constant agony due to the eruption of the Cumbre Vieja volcano on 19 September, wiping out more than 1000 houses and leaving many, many people homeless. Cellnex has a staffed office on La Palma in one of the devastated areas. Therefore, as an internal initiative of some of our colleagues in the Canary Islands and thanks to the Cellnex Foundation volunteers, we offered the possibility of making an online donation to one of the organisations that are working and helping those affected.

El Gran Recapte: Once again this year, Cellnex participated in the Gran Recapte event.

Teaming: This initiative has been running for more than 8 years and consists of a monthly contribution of 1 euro through the payroll. The contributions collected are used to help finance social initiatives and organisations. The participants in the Teaming initiative themselves are responsible for proposing and voting on which social actions are to be financed each year.

Cellnex Foundation

The creation of the Cellnex Foundation is Cellnex's response to boost its social commitment and provide differential value through actions based on technological connectivity solutions, aligned with the company's business model. The Foundation has been conceived as a dynamic tool at the service of people to achieve the transformation of individual and collective realities in situations of vulnerability, as well as contributing to the improvement of the environment.

Bringing people at risk of exclusion closer to technology by promoting effective connectivity, favouring the improvement of connections in territories and spaces of singular heritage or historical relevance, and promoting positive solutions for the environment are the main fields of action of the Foundation.

The actions developed by the Cellnex Foundation are focused on responding to the challenges and problems detected in the Cellnex environment: Digital, territorial and social gaps.

Foundation's own programmes

The strategy for implementing the Foundation's own programmes is based on the Foundation's Connectivity Master Plan, which defines the lines of dynamization by rural area in order to achieve the defined impact on the territory.

In this sense, as its first project, the Foundation is working on the revitalisation of the textile colonies in the area of Puig-Reig (Berguedà, Barcelona, Spain). The objectives of the Textile Colonies pilot programme are to promote economic activity and innovation in the municipality, as well as the revitalisation of the industrial colonies located there.

Joint programmes

In 2021, the Cellnex Foundation launched its first acceleration programme for social impact start-ups: the Cellnex Bridge.

The Cellnex Bridge Accelerator was created with the aim of holistically accompanying start-ups with a high social impact through technology and connectivity to work on the purpose of the Cellnex Foundation.

In November 2021 the three start-ups selected in the first Cellnex Bridge programme were announced: Voluta.coop, Nixi for Children and eAgora.

Corporate volunteering

The Cellnex Foundation is creating a portfolio of activities of great social value for employees in all the countries where Cellnex is present.

Corporate volunteering is developed based on Cellnex' s know-how in the areas of education, training and mentoring, employability and access to technology.

In the area of Education, training and mentoring, a corporate volunteering programme called Youth Challenge has been designed. This is an education programme for young people in vulnerable situations in order to facilitate their insertion in the labour market.

During the 2020-2021 academic year, the programme was developed in Spain and Italy. For the academic year 2021-2022 the programme has also been extended to France and Portugal.

Volunteer Day

In December 2021, took place the 1rst volunteer day in Cellnex. All employees were invited to have the opportunity to collaborate and participate in different activities where volunteering was the fundamental pillar and the environment and sustainability the main theme.

Reform of Internal Corporate Governance Rules

At the beginning of 2021, Cellnex carried out an in-depth review of its internal regulations in order to focus on a strong Corporate Governance system, in line with the Company's significant growth. For this purpose, it has taken into account the different regulatory or normative initiatives, as well as the adoption of best practices in Corporate Governance, through its internal regulations: the Company's Bylaws, the Regulations of the General Shareholders' Meeting, the Board of Directors Regulations, the Internal Code of Conduct, as well as the related Corporate Policies/Codes.

The main changes relate to the following:

- Composition of the Board and Committees:

The Company has incorporated into its internal regulations express reference to age diversity, to the need for at least half of the directors to be independent (although de facto it was already complying with this recommendation), as well as the need for the number of female directors to account for at least 40% of the members of the Board of Directors before the end of 2022. Likewise, in line with the provisions of the Good Governance Code, the Company has included in its Equity, Diversity and Inclusion Policy a reference to the fact that measures that encourage the Company to have a significant number of female senior managers are considered to favour gender diversity. On the other hand, the Company has adapted its internal regulations to reflect that currently the directors of listed companies must necessarily be natural persons.

The functions of the Board Committees have been revised to ensure that they cover all the matters established in the Good Governance Code of Listed Companies, with more emphasis on risk management in the case of the Audit and Control Committee, which has been renamed the Audit and Risk Management Committee, and more emphasis on ESG and the evaluation and periodic review of corporate governance rules in the case of the Nominations and Remunerations Committee, which has been renamed the Nominations, Remunerations and Sustainability Committee.

Finally, it has been stated that the Chairs of the Committees shall be replaced every 4 years (until now this provision was only included, by legal requirement, with respect to the Audit and Risk Management Committee).

- General Shareholders' Meeting by electronic means. Board of Directors' meeting by electronic means.

Both the Bylaws and the Regulations of the General Shareholders' Meeting provide for shareholders to be able to attend the General Shareholders' Meeting by electronic means. It has also been included that, in exceptional cases (as has occurred with COVID-19), and whenever legally possible, the General Meeting may be held exclusively by electronic means.

- Information to the Board of Directors

The advance notice with which the directors must receive the necessary information for the deliberation and adoption of resolutions on the matters to be dealt with has been extended to 72 hours.

- Quarterly information

In addition to some changes to adapt the Internal Code of Conduct to the latest regulatory changes, the obligation to publish quarterly information has been eliminated.

- Related persons:

Law 5/2021, of 12 April amends the definition of related parties contained in the Spanish Companies Law, specifying that a director is considered to have a significant holding in a company when he/she holds a stake of more than 10%. The Board of Directors Regulations have been amended to include a reference to the applicable legislation.

- Bylaws

Finally, the Company's Bylaws have been completely revised in order to simplify them, eliminating aspects that were already regulated in the Regulations of the General Shareholders' Meeting or in the Board of Directors' Regulations or in the Spanish Companies Law itself.

On the other hand, it has been clarified that the corporate purpose includes the activities of a holding company (holding of shares) and it has been stated that the approval of the minutes of the Board of Directors may be carried out in any of the following ways: (i) at the end of the meeting (either in whole or in part), (ii) at the following meeting, (iii) approval by all directors after sending the draft minutes, (iv) approval by the Chair and another designated director.

The General Shareholders' Meeting held on 29 March 2021 approved the proposals of the Board of Directors of Cellnex to amend the Bylaws and the Regulations of the General Shareholders' Meeting. Likewise, the Meeting was informed of the modification of the Company's Board of Directors Regulations.

During 2021, internal regulations have also been created or adapted, such as the Policy on the composition of the Board of Directors, the Environmental, Social and Governance (ESG) Policy, the Policy on the communication of financial, non-financial and corporate information and contacts with shareholders, institutional investors and proxy advisors, the Equity, Diversity and Inclusion Policy, the Environment and Climate Change Policy, the Occupational Health and Safety Policy, the Ethics and Compliance Committee Regulations, the Tax Compliance Committee, the Tax Policy, the Treasury Stock Policy or the Board of Directors Competence Matrix.

EXPLANATORY NOTE TO SECTION C.2.1. AUDIT AND RISK MANAGEMENT COMMITTEE

a) **Responsibilities**

The rules of organization and operation of the Committee are described in the applicable legislation, the Company's By-laws and in the Company's Board of Directors Regulations and, without prejudice to the other tasks assigned to the Committee by the applicable legislation, the Board of Directors or the regulations governing the auditing of accounts, the Committee will have at least the following responsibilities:

a) To inform the General Shareholders' Meeting on questions that may arise regarding its competences, and in particular, on the result of the audit, explaining how it has contributed to the integrity of the financial and non-financial information and the role that the Committee has taken in this process.

b) To propose to the Board of Directors, for submission to the General Shareholders' Meeting, proposals for the selection, appointment, re-election and replacement of the statutory auditors or audit firms, taking responsibility for the selection process, the conditions of employment, the scope of professional mandate and, where appropriate, the revocation or non-renewal, all in accordance with the applicable regulations, as well as to regularly collect from the aforesaid information on the audit plan and the implementation thereof, and to maintain their independence in the exercise of their duties.

c) To monitor and evaluate the process of preparation and presentation of financial and non-financial information as well as the control and management systems of financial and non-financial risks related to the Company and, where appropriate, the group, including operational, technological, legal, social, environmental, political and reputational or related to corruption, reviewing compliance with regulatory requirements, the adequate delimitation of the consolidation perimeter and the correct application of accounting criteria.

d) To establish the appropriate relations with the statutory auditors or external audit firms to receive information on issues which may threaten their independence, to be analyzed by the Committee, and any other issues related to the process of account auditing, and where appropriate, the authorization of services other than those prohibited in the terms contemplated in the applicable regulations, in relation to the independence regime as well as any other requirements set out in legislation and regulations on the auditing of accounts. In all cases, an annual statement must be received from the statutory auditors or audit firms, regarding their independence with regards to their relationship with the entity or directly or indirectly related entities, in addition to detailed information on an individual basis about any type of additional services provided and the corresponding payments received from these entities by the external auditors or audit firms or by persons or entities related to them, pursuant to the regulations on auditing activities.

e) In the event of the resignation of the external auditor, to examine the circumstances that gave rise to it.

f) To ensure that the remuneration of the external auditor does not compromise its quality or independence.

g) Ensure that the Company communicates the change of external auditor through the Spanish Securities Market Commission, accompanied by a statement of any disagreements arising with the existing auditor and the reasons of the same.

h) Ensure that the external auditor has a yearly meeting with the Board of Directors in full to inform about the work undertaken and developments in the Company's risk and accounting positions.

i) To ensure that the Company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other regulations concerning auditor independence.

j) To issue, on an annual basis, prior to the issuance of the Audit Report, a report containing an opinion regarding whether the independence of the statutory auditors or audit firms has been compromised. This report must contain, in all cases, a reasoned evaluation of the provision of each and every additional service referenced in the previous paragraph, considering each service individually and jointly, other than the legal audit, and in relation to the independence regime or the regulations governing audit activities.

k) To inform the Board of Directors in advance on all matters provided for by the Law, the Corporate Bylaws and in these Regulations and, in particular, regarding the financial information that the Company must publish periodically, on the creation or acquisition of shares in special purpose entities or that are registered in countries or territories considered tax havens and on transactions with related parties.

l) To provide information in relation to situations and transactions that involve or could involve situations of conflicts of interest, and in general, on the matters contemplated in Chapter IX of these Regulations, as well as periodically review situations of potential conflicts of interest.

m) To monitor the independence of the unit handling the internal audit function; propose the selection, appointment and removal of the head of the internal audit service; propose the service's budget; approve or make a proposal for approval to the Board of Directors of the priorities and annual work program of the internal audit unit, ensuring that it focuses primarily on the main risks the company is exposed to; receive regular information on its activities; and verify that senior management are acting upon the conclusions and recommendations of its reports.

n) To monitor the effectiveness of the Company's internal control, , the internal audit, and the risk management systems, as well as discussing with the statutory auditors any significant weaknesses of the internal control system detected during the audit, without compromising their independence. For these purposes, and where appropriate, they may submit recommendations or proposals to the management body and the corresponding deadline for their monitoring.

o) To establish and supervise a mechanism that allows employees and other persons related to the Company, such as directors, shareholders, suppliers, contractors or subcontractors to report, confidentially, irregularities of potential significance related to the Company, including especially financial and accounting irregularities, as well as those which may involve criminal responsibility for the Company.

p) To analyze and report to the Board of Directors on the economic conditions of the structural and corporate modification operations that the Company plans, and its accounting impact and, especially, where applicable, on the proposed exchange ratio.

The above responsibilities are stated by way of example, without prejudice to any others that may be conferred upon the Committee by the applicable legislation, the Board of Directors or which may be attributed thereto by the regulations governing the auditing of accounts.

b) Operation

The applicable legislation, the Company's By-laws and the Company's Board of Directors Regulations shall define the skills of the Committee and its scheme of organization and operation.

The members of the Committee will be appointed for a maximum term of four (4) years, may be re-elected, and will cease when they do so in their capacity as directors or when so agreed by the Board of Directors, following a report from the Nominations, Remunerations and Sustainability Committee. The Board of Directors will likewise determine who will hold the position of Chair from among the independent directors, who will be substituted every four (4) years, being able to be re-elected once a period of one (1) year has elapsed since his/her cessation. The Committee itself will appoint a Secretary and may also appoint a Vice Secretary, neither needing to be members thereof. The Committee will meet as many times as necessary for the execution of its functions and will be convened by its Chair, either on his/her own initiative or at the request of the Chair of the Board of Directors or of two Committee members.

The Committee will be validly constituted when the majority of its members attend the meeting, either present or represented. The resolutions will be adopted by a majority of the members in attendance, present or represented.

Any member of the Company's management team or of the Company's personnel who is required to do so, will be obliged to attend the Committee's sessions and to collaborate and provide access to the information in his/her possession. The Committee can also request that the Company's external auditor or external auditing company attend its sessions.

Activities

During 2021, the Committee held nine meetings and carried out the activities listed below. The Committee has been fully updated by the management team on the topics of its competence (during the formal meetings, by means of other informal meetings or by correspondence and conference calls) and has been provided with the relevant supporting documentation.

a) Review of financial information

- 2020 financial statements:

  - On 24 February 2021, the Committee supervised and evaluated the preparation process and the integrity of the financial and non-financial information 2020, the 2020 Consolidated Financial Statements and the 2020 Integrated Annual Report, including the external Auditors' Report, with the finance team and the external auditors who presented the main aspects and their conclusions. The Committee provided a favourable recommendation to the Board of Directors to approve (i) the 2020 Integrated Annual Report and the 2020 Financial Statements (including the Management Report and the Annual Corporate Governance Report) and (ii) the application of the 2020 results.

- 2021 financial statements and 2022 budget:

  - On 5 May 2021, the Committee reviewed the financial results for the first quarter of the year,. This information was discussed with the members of the management team responsible for their preparation who presented the main aspects and their conclusions. The Committee unanimously agreed to provide a favourable recommendation to the Board of Directors to approve the first quarter results.

  - On 27 July 2021, the Committee reviewed the half-yearly financial statements and the relevant external Auditors' Report. This information was discussed with the members of the management team responsible for their preparation and with the external auditors who presented the main aspects and their conclusions. The Committee unanimously agreed to provide a favourable recommendation to the Board of Directors to approve these interim financial statements that have been audited.

  - On 22 September 2021, the Committee reviewed the August 2021 results and a first draft of the 2022 budget with the finance team who presented the main aspects and its conclusions.

  - On 26 October 2021, the Committee reviewed the financial results for the third quarter of the year. This information was discussed with the members of the management team responsible for their preparation who presented the main aspects and their conclusions. The Committee unanimously agreed to provide a favourable recommendation to the Board of Directors to approve the third quarter results.

  - On 26 October 2021, the Committee reviewed the 2022 budget with the finance team who presented the main aspects and its conclusions. The Committee unanimously agreed to provide a favourable recommendation to the Board of Directors to approve the 2022 budget.

- On 26 October 2021, the finance team presented an update of the business plan 2021-2025 which was fully aligned with the 2025 guidance provided to the market.

- On 26 October 2021, the Committee agreed to provide a favourable recommendation to the Board of Directors to approve a cash contribution to be paid to the shareholders against the share premium reserve for an amount of €20.4Mn. in accordance with the Company's Shareholder Remuneration Policy.

b) **External auditors**

- On 24 February 2021, the external auditors attended the Committee to review the 2020 Consolidated Financial Statements (including the Management Report and the Annual Corporate Governance Report) and the 2020 Integrated Annual Report, including the external Auditors' Report, and presented the main aspects and their conclusions.

- On 27 July 2021, the external auditors attended the Committee to present the report of the 2021 half-yearly financial statements.

- On 26 October 2021, the external auditors attended the Committee to present the external audit plan, focusing on the scope and audit team, planning and organization of the audit work and international coordination.

c) **Corporate Governance**

- On 24 February 2021, the Committee reviewed and unanimously approved the following reports for year 2020 in connection with the Annual Accounts, the Management Report and the Annual Corporate Governance Report, namely: (i) Auditor's Independence Report; (ii) the 2020 Report on the Functions and Activities of the Committee; (iii) the Report on Related Party Transactions; and (iv) SCIIF report on internal audit from an external audit.

- On 5 May, 7 June and 22 September 2021, the Committee recorded that the financial information published in the Company's and CNMV's websites had been updated and matched the financial information drown up by the Board of Directors and disclosed to the market, in accordance with recommendation 43 of the CNMV's Technical Guide on Audit Committees.

- On 26 October 2021, the Committee reviewed the amendment of the Cellnex Internal Code of Conduct that was carried out as a result of the amendments introduced by Law 5/2021 and the statement issued by the CNMV indicating that for quarterly financial information it was no longer mandatory to open closed periods because of the recent changes in the Securities Market Law. However, the Company will analyse in each case if this quarterly financial information contains inside information and, if so, it will open a restricted period.

d) **Capital markets**

- On 15 January 2021, the finance team presented to the Committee the features of the US market and introduced the possibility of a USD bond issuance. The Committee requested a further explanation of the mechanics of the cross currency swap.

- On 24 February 2021, the finance team provided the Committee with an overview of the recent bond issuances, explained the mechanics of the cross currency swaps that synthetically convert USD issuances into EUR issuances and presented the analysis of the refinancing options for the 2022 bond.

- On 5 May 2021, the Committee discussed the renewal of the European Medium Term Note (**EMTN**) and the multi-currency European Commercial Paper (**ECP**). The finance team presented the main aspects and its conclusions. The Committee provided a favourable recommendation to the Board of Directors to approve (i) the renewal of the existing EMTN Programme by Cellnex Finance Company, S.A.U with the guarantee of Cellnex Telecom, S.A. for one year and the increase of its limit to €15,000 million (or the equivalent amount in other currencies); and (ii) the renewal of the existing ECP Programme by Cellnex Finance Company, S.A.U and guaranteed , if necessary or convenient, by Cellnex Telecom, S.A. for one year for an amount of €750 million (or the equivalent amount in other currencies) and the capacity to drawdown the full amount.

- On 7 June 2021, the Committee discussed the USD bond issuance proposal in order to diversify the sources of funding. The finance team presented the main aspects and its conclusions. The Committee provided a favourable recommendation to the Board of Directors to approve the issue and offering by Cellnex Finance Company, S.A.U. of senior unsecured notes, guaranteed by Cellnex Telecom, S.A. for a nominal amount of up to the equivalent in US$ of €500 million, together with the hedging agreement named Cross Currency Swap that will include a Cash Collateral Agreement.

- On 15 January, 24 February and 5 May, 2021, the Corporate Finance Director, together with the CFO, provided to the meeting a capital markets and financing update (including the liquidity and bond market assessment).

- On 22 September 2021, the finance team provided the Committee with an update on recent bond issuances and equity bond conversion and explained the FX exposure of the Group.

- On 26 October 2021, the finance team provided the Committee with an overview of treasury shares and reminded the commitments with shares that the Company had and the current authorisations in place. The finance team presented a new Treasury Shares Policy and proposed to implement discretionary management transactions to acquire up to 1% of the share capital. The Committee provided a favourable recommendation to the Board of Directors to approve the Cellnex Treasury Shares Policy and an in-house discretionary management of treasury shares transactions.

- On 15 December 2021, the Committee discussed the establishment of an ESG Financing Framework under which issuing bonds, as this feature was becoming more relevant in the market, in order to issue a multi-tranche USD bond with ESG features. The Committee provided a favourable recommendation to the Board of Directors to approve the issuance of a multi-tranche USD bond with ESG features for 5, 10 and 30 years for an amount of up to USD 2,000Mn on the terms agreed.

e) **Capital structure**

- On 15 January, 24 February, 22 September, 26 October and 15 December 2021, the Business Plan and Capital Structure Director, together with the CFO, attended the Committee to:

  - Provide an update on the current situation with rating agencies (including MSA and IFRS 16 updates) and the different aspects affecting the Company's credit rating;

  - Review the M&A projects pipeline and the Company's financial firepower to execute said pipeline; and

  - Provide a capital structure assessment, including financing considerations, details on the financial and debt structure of the Company and its group and strategic and key considerations and all the information necessary regarding the April Company's capital increase.

- On 15 January 2021, a Spanish law firm and external financial advisors attended the Committee to present their views and strategic and key considerations on the Company's April capital increase. They explained the strong rationale for the Company to pursue the rights issue on the terms described and provided a favourable recommendation to go ahead with such capital increase.

- On 5 May 2021, the finance team presented to the Committee an update after the execution of the Company's April capital increase focusing mainly on investors and market feedback and on relevant financial aspects.

f) **Tax**

- On 5 May 2021, the Global Tax Director presented to the Committee the total cash contribution of the Group in 2020, the tax audits update, the tax control framework and the campaign 2020 controls.

- On 27 July 2021, the Global Tax Director, together with the Global Head of International Tax, presented to the Committee an update of the achievement of the Company's tax policy. They explained that the Company's tax policy had been followed, achieving a successful fulfilment.

- On 27 July2021, the Global Tax Director, together with PwC presented to the Committee the option of creating a Tax Compliance Officer, which proposed structure consisted in: (i) an internal, specific and collegiate body, (ii) chaired by an independent third party and (iii) with direct reporting to the Audit and Risk Management Committee. This structure was among the best practices in the market. After due consideration, the Committee provided a favourable recommendation to the Board of Directors to approve: (i) the establishment of the Tax Compliance Committee, (ii) the appointment of the independent third party Chair of the Tax Compliance Committee, and (iii) the Regulations of the Tax Compliance Committee.

- On 27 July 2021, the Global Tax Director, provided an update to the Committee on the Tax Policies and Regulations, to align them to the new structure explained in the previous section. After due consideration, the Committee provided a favourable recommendation to the Board of Directors to approve: (i) the updated Tax Policy, (ii) the Tax Risk Management & Control Standard and, (iii) the Transfer Pricing Policy .

- On 27 July 2021, the Global Tax Director presented an update of the Tax Control Framework which needed to be redefined in order to be scalable to 12 countries. For these purposes the tax key processes and tax key controls had been redefined and the Company was ready to do the international roll out. He also presented an analysis done by *Fundación Compromiso y Trasparencia* related to the annual tax transparency ranking of the Ibex 35 companies, where Cellnex ranked in category 5.

- On 27 July 2021, the Global Head of International Tax presented to the Committee the analysis of Cellnex taxations vs. its peers and the tax cash measures in Italy.

- On 22 September 2021, the Global Tax Director, together with the Global Head of International Tax explained the tax cash evolution until 2030 and the main measures in which the Company was working.

- On 26 October 2021, the CFO of Cellnex Italy, together with PwC provided an overview of Big Merger II, the transaction by which Hutchison Italy would merge into Cellnex Italy (surviving entity).

- On 15 December 2021, the Global Tax Director together with the Chair of the Tax Compliance Committee presented to the Committee the Industrial Model proposal and explained the methodology for calculation the industrial fee, which was based on the value contributed to the companies. The Global Tax Director also presented the analysis of the Cellnex Finance Company one year later, concluding that there were economic-financial and organization reasons that motivated this financial structure.

- On 15 December 2021, the Global Tax Director together with the Chair of the Tax Compliance Committee provided an overview of the functioning and organization of the Tax Compliance Committee and reviewed the resolutions approved by the Committee, with particular reference to the Transparency Report. The Global Tax Director presented the amendments to the Tax Risk Control & Management Standard and the action plan for the deployment activities of the model in all the countries. The Committee provided a favourable recommendation to the Board of Directors to approve the submission of the Transparency Report to the Spanish Tax Authorities and the proposed amendments to the Tax and Risk Management & Control Standard.

g) Other information

- <u>IFRS 16</u>: the finance team has kept the Committee updated on the main aspects of this topic during all the year.

- <u>2025 guidance provided to the market</u>: this has been a recurring topic on which the finance team has been updating the Committee throughout the year.

- <u>Non-audit services</u>: the Committee approved unanimously Deloitte's fees in relation to the Company's April capital increase. The scope of work undertaken as well as the details of the fees and the key justifications regarding the level of fees were explained to the Committee.

- <u>Corporate matters</u>:

    - Share capital increase by contribution in kind: On 24 February 2021, the Secretary of the Committee reminded that the UK perimeter of the transaction with Hutchison was to be paid partly in cash and partly in shares and in this regard the Company intended to do a capital increase by contribution in kind. The Committee provided a favourable recommendation to the Board of Directors to approve the issuance of the report on the share capital increase of the Company by way of contribution in kind and the submission to the Annual General Shareholders' Meeting of the approval of the share capital increase by way of contribution in kind.

    - Whistleblowing Channel: On 5 May 2021, the Committee discussed the composition of the Ethics and Compliance Committee in order to promote diversity of gender and nationality.

- Ethics and Compliance Committee: On 27 July 2021, the General Counsel – Legal Affairs Director provided a quick overview of the two documents that were proposed for approval, the Committee of Ethics and Compliance Regulations and the Rule Zero and presented the three new members whose appointment to the Ethics and Compliance Committee was being proposed. The Committee provided a favourable recommendation to the Board of Directors to approve the Ethics and Compliance Committee Regulation, the Cellnex Rule Zero Standard and the appointment of three new members of the Ethics and Compliance Committee in order to promote diversity of gender and nationality.

- Whistleblowing Channel: On 26 October 2021, the General Counsel – Legal Affairs Director explained that the Whistleblowing Channel had been amended to ensure not only confidentiality but also anonymity. The Committee discussed the need to have a third party as the recipient of the compliant deciding how to deal with it and directing it to the appropriate person within the Company to guarantee the anonymity.

- Whistleblowing Channel: On 15 December 2021, the General Counsel – Legal Affairs Director reported on the new composition of the Ethics and Compliance Committee and explained the new process to be carried out in the Whistleblowing Channel, in which a third party would be the recipient of the complaints.

• Investor relations update: On 24 February, 5 May, 27 July, 22 September, 26 October and 15 December 2021, the Investor Relations Director, together with the CFO, provided to the Committee an update on this topic, focusing mainly on the share price performance and the relation with investors and analysts.

h) Internal audit

• Diagnosis of the internal audit function: On 24 February 2021, the Committee discussed this topic. The Global Internal Audit and Risk Control Expert explained the key points of the report prepared together with an external advisor aimed at reinforcing the area. On 27 July and 26 October 2021, the Global Internal Audit and Risk Control Expert provided the Committee with an update on this topic.

• Functions: The main internal audit functions are:

  - Propose the annual internal audit plan to the Committee. The audits are based on reasonable and established criteria, especially in the risk level assessment and focusing on the main organizational activities, giving priority to those that are considered to be more exposed to risk, and those that are requested by the Committee and / or by the Senior Management and /or Managing Directors.

  - Perform the auditing activities as defined in the annual audit plan and report directly to the Committee on its execution.

  - Report to the Committee and Senior Management regarding the key recommendations in each company of the group, as well as to provide them with the action plan to be performed by such companies.

  - Report to the Managing Directors the key recommendations, as well as to provide them with the action plan to be performed.

  - Maintain an adequate coordination with the external auditors for the exchange of information regarding the audits carried out with the aim of minimizing duplication and in order to track the audits performed as well as any weaknesses in the internal control identified.

  - Propose budget for the service.

• Activities: The main activities carried out by internal audit and supervised by the Committee are:

  - Audits:

  - The performance of those audits included in the 2021 audit plan and of those audits not originally included in the audit plan but requested by the Committee and / or by the Senior Management and / or Managing Directors.

  - The monitoring of the recommendations and action plans proposed for the different audits. While carrying out its audit work, if internal audit detects that improvements can be made to the internal controls, it reports the main recommendations and the action plans defined by the area responsible that includes the implementation date of the action plan, with the aim of strengthening the existing control or implementing a new control.

- The review of the defined processes and controls related to financial reporting which are included in the annual internal audit plan.

- Audit Plan: Prepare the audit plan for the next year. On 22 September 2021, the Responsible of the unit presented its annual work plan, the Committee reviewed and unanimously approved the audit plan for 2022 based upon:

- Assessing the risk level and focusing on the main organization's activities, giving priority to those that are considered to be more exposed to risk, and those that are requested by the Committee and / or by the Senior Management and / or Managing Directors.

- Defining the activities to be reviewed, i.e., basic processes (sales, procurement, etc.), other processes (rentals, investments projects, etc.) or compliance (ICFR, others).

i) **Risk control**

This function is carried out by internal audit, which participates in the internal Global Risk Committee made up of different departments.

The activities carried out in this regard by internal audit and supervised by the Committee in 2021 were:

- The review of the risk maps (including likelihood and impact) at corporate level and by country, including France, Ireland, Italy, the Netherlands, Poland, Portugal, Spain, Switzerland and UK.

- The review of the action plans associated to the risks in these countries, focusing in the consolidated risks map.

In addition, on 5 May 2021, the Committee reviewed the Security Master Plan defined to detect the main security risks and the main activities carried out in 2020 and on 22 September 2021, the Global Commercial Director presented the methodology to assess the customer dependency risk and the three ways to reduce the customer concentration impact.

EXPLANATORY NOTE TO SECTION C.2.1 - NOMINATIONS, REMUNERATIONS AND SUSTAINABILITY COMMITTEE

a) Responsibilities

The rules of organization and operation of the Committee are described in the applicable legislation, the Company's By-laws and in the Company's Board of Directors Regulations and, without prejudice to the other tasks assigned to the Committee by the applicable legislation or by the Board of Directors, the Committee will have at least the following responsibilities:

a) To evaluate the skills, knowledge and experience necessary in the Board of Directors. To this end, it shall define the duties and skills required from candidates to fill each vacancy, and it shall evaluate the time and dedication required for them to effectively perform their duties.

b) To establish a target to increase the less represented gender on the Board of Directors and to prepare guidelines on how to attain said target.

c) To submit to the Board of Directors proposals for the appointment of independent directors for their appointment by co-optation or for their submission to the decision of the General Shareholders' Meeting, as well as proposals for the re-election or dismissal of the aforesaid directors by the General Shareholders' Meeting.

d) To report on proposals for the appointment of the other directors for their appointment by co-optation or for the submission to the decision of the General Shareholders' Meeting, as well as proposals for the re-election or dismissal of the aforesaid directors by the General Shareholders' Meeting.

e) To report to the Board of Directors proposals for the appointment and dismissal of senior management positions.

f) To report, in advance, on the appointment by the Board of Directors of the position of Chairperson and, where applicable, of one (1) or more Vice Chairpersons, as well as the appointments to the position of the Secretary and, where applicable, of one (1) or more Vice Secretaries. The same procedure shall be followed to agree on the dismissal of the Secretary and, where applicable, of each Vice Secretary.

g) To examine and organise the succession of the Chair of the Board of Directors and of the Company's CEO and, if appropriate, to submit proposals to the Board of Directors to ensure that such succession is conducted in an orderly and planned manner.

h) To propose to the Board of Directors the members that should be part of each of the Committees.

i) To coordinate the performance assessment of the Board of Directors and its Committees, and raise the results of the aforementioned assessment to the plenary session, together with a proposal for an action plan or with recommendations to correct any deficiencies detected.

j) To report to the Board of Directors on the non-financial information that the Company must disclose periodically.

k) To supervise compliance with the rules of corporate governance and internal codes of conduct.

l) To monitor the implementation of the general policy regarding the communication of economic, financial, non-financial, and corporate information, as well as communication and contacts with shareholders, investors, proxy advisors and other interest groups.

m) To evaluate and periodically review the corporate governance system and the environmental and social policy of the Company, in order to comply with their mission of promoting corporate interest and take into account, as appropriate, the legitimate interests of the remaining stakeholders.

n) To monitor that the Company's practices in environmental and social matters comply with the strategy and policies established.

o) To supervise and evaluate the relationship processes with the different stakeholders.

p) To review and report on the Annual Sustainability Report prior to its presentation to the Board of Directors.

q) To recommend the strategy regarding the contributions to the Cellnex Foundation and affect them in compliance with the Sustainability programs adopted by the Company.

r) To propose to the Board of Directors the remuneration policy for directors and senior management, or for those individuals who perform their senior management functions reporting directly to the Board of Directors, executive committees or CEOs, as well as the individual remuneration and other contractual conditions for executive directors.

s) To verify compliance with the remuneration policy established by the Company.

t) To review periodically the directors and senior managers remunerations policy including the remuneration systems with shares and their application, as well as guarantee that their individual remuneration is proportionate to that paid to other directors and senior managers of the Company.

u) To ensure that conflicts of interest do not affect the independence of the external advice provided to the Committee.

v) To verify the information on directors and senior managers remunerations contained in the various corporate documents, including the annual report on directors' remunerations and propose to the Board of Directors, for submission to a consultative vote at the General Shareholders' Meeting the preparation of the aforementioned annual report.

w) Any others related to matters within its competence and that are requested by the Board of Directors or by its Chair.

c) Operation

The applicable legislation, the Company's By-laws and the Company's Board of Directors Regulations shall define the skills of the Committee and its scheme of organization and operation.

The members of the Committee will be appointed for a maximum term of four (4) years, may be re-elected, and will cease when they do so in their capacity as directors or when so agreed by the Board of Directors, following a report from this Committee. The Board of Directors will likewise determine who will hold the position of Chair from among the independent directors, who will be substituted every four (4) years, being able to be re-elected once a period of one (1) year has elapsed since his/her cessation. The Committee itself will appoint a Secretary and may also appoint a Vice Secretary, neither needing to be members thereof.

The Committee shall meet every time the Board of Directors or its Chair requests a report be issued or proposals be adopted and, in any case, whenever it is deemed advisable for the proper execution of its duties. It will be convened by the Chair of the Committee, either on his/her own initiative or at the request of the Chair of the Board of Directors or of two members of the Committee.

The Committee will be validly constituted when the majority of its members attend the meeting, either present or represented. The resolutions will be adopted by a majority of the members in attendance, present or represented.

Any member of the management team or the Company's personnel who is required to do so, will be obliged to attend the Committee's sessions and to collaborate and provide access to the information in his/her possession.

Activities

During 2021, the Committee held fifteen meetings and carried out the activities listed below. The Committee has been fully updated by the management team on the topics of its competence (during the formal meetings, by means of other informal meetings or by correspondence and conference calls) and has been provided with the relevant supporting documentation.

a) **Corporate Governance**

- Succession process of the Chair of the Board of Directors and the Chairs of the Committees:
  - On 8 January 2021, the Committee launched the succession process to appoint a new Chair of the Board of Directors to be carried out by Korn Ferry.
  - On 19 January 2021, Korn Ferry presented to the Committee the results of the evaluations carried out. The Committee provided a favourable recommendation to the Board of Directors to appoint Mr. Bertrand Kan as Non-Executive Chair of the Board of Directors.
  - On 19 January 2021, the Committee launched the succession process to appoint the new Chairs of the Committees to be carried out by Korn Ferry.
  - On 24 February 2021, the Committee reviewed the results of the evaluations carried out by Korn Ferry on the appointment of the new Chairs of the Committees. The Committee provided a favourable recommendation to the Board of Directors to appoint Mr. Peter Shore as Chair of the Audit and Risk Management Committee and Ms. Marieta del Rivero as Chair of the Nominations, Remunerations and Sustainability Committee.
- On 19 January 2021, the Committee issued a report on the ratification and re-election of the appointment of the proprietary director Ms. Alexandra Reich for the purposes of her ratification and re-election by the General Meeting.
- On 19 January 2021, the Committee issued a report on the number of members of the Board of Directors to be submitted to the Board of Directors, which in turn would submit it to the General Shareholders' Meeting.
- On 19 January 2021, the calendar of meetings of the Nominations, Remunerations and Sustainability Committee for 2021was presented, with a proposed agenda for each meeting.
- On 11 February 2021,the Committee reviewed a first draft of the Annual Corporate Governance Report and the Annual Report on the Remunerations of Directors .
- On 19 January 2021, the Committee launched, in line with good governance best practices, the elaboration of a competences matrix of the Board of Directors. On 24 February, 18 March, 12 April and 3 May 2021 the Committee followed-up on the competences matrix of the Board of Directors, which was carried out internally. On 8 June 2021, the Committee reviewed the final conclusions of this exercise and it agreed to provide a favourable recommendation to the Board of Directors to approve the competences matrix and to prepare an action plan with the training sessions and workshops in accordance with the competences matrix conclusions.
- On 11 February 2021, the Corporate and Public Affairs Director presented to the Committee a first draft of the Annual Integrated Report.
- On 11 February 2021, the Global Resources Director presented to the Committee the proposal regarding the Remunerations Policy of Directors 2021-2023 to align it with the Good Governance Code recommendations, the strategy of the Company and the peer group companies. The maximum global amount of the directors' remuneration and the annual fixed and long term variable remuneration of the CEO were also modified.

- On 11 February 2021, the Committee reviewed the Company's internal regulations: the Corporate Bylaws, the Board of Directors' Regulations, the Regulations of the General Shareholders' Meeting and the Internal Code of Conduct, as well as the Policy on the Composition of the Board of Directors, the ESG Policy, the Policy on the communication of financial, non-financial and corporate information and contacts with shareholders, institutional investors and proxy advisors and the Equity, Diversity and Inclusion Policy to adapt them to the amended Good Governance Code reviewed by the CNMV in 2020 and to the recent legislative changes and upcoming transposition of the Shareholders' Directive. The Committee provided a favourable recommendation to the Board of Directors to approve all these documents.
- On 11 February 2021, the Committee reviewed the main conclusions of the external evaluation on the functioning of the Board and its Committees for 2020 together with the proposed action plan for 2021 to correct the deficiencies detected.
- On 24 February 2021, the Committee reviewed and approved the Report on the functioning and activities of the Nominations, Remunerations and Sustainability Committee for 2020.
- On 24 February 2021, the Committee provided a favourable recommendation to the Board of Directors to approve the Integrated Annual Report, the Annual Corporate Governance Report, the Annual Report on Remunerations of Directors and the Remunerations Policy of Directors. The Committee issued a Report on the Remunerations Policy of Directors.
- On 18 March 2021, the Committee reviewed the Environmental and Climate Change Policy, the Occupational Health and Safety Policy, the Global Quality Policy and an amendment made to the ESG Policy. The Committee provided a favourable recommendation to the Board of Directors to approve these policies.
- On 15 July 2021, the Committee agreed to propose to the Board of Directors to appoint by co-option Ms. Kate Holgate as new independent Board member and as new member of the Audit and Risk Management Committee. On 21 July 2021, the Committee issued the corresponding reasoned proposal on the appointment of the independent director Ms. Kate Holgate, for the purposes of her appointment by co-option as Board member and as member of the Audit and Risk Management Committee.
- On 13 October 2021, the Secretary of the Committee presented the amended version of the Internal Code of Conduct as a result of the recent amendment of the Spanish Securities Market Law, which eliminated the requirement that Spanish listed companies had to publish their quarterly financial reports. In addition it was also proposed to amend the Internal Code of Conduct to align it to article 19.11 of the MAR, which states that during closed periods only persons with Managerial Responsibilities were affected by the prohibition to trade with Cellnex's shares. The Committee agreed to recommend to the Board of Directors the amendment of the Internal Code of Conduct in order to (i) eliminate Closed Periods for the publication of quarterly information and (ii) establish the prohibition to trade during Closed Periods only for Persons with Managerial Responsibilities, according with the provisions stated in the MAR.
- On 13 October 2021, the Committee launched the Board of Directors Self-assessment 2021 (which this year was done internally). On 15 December 2021, the Vice Secretary of the Board of Directors presented the results of the Self-assessment of the functioning of the Board and its Committees during 2021 and the Action Plan 2021. The Committee also reviewed the proposed Action Plan 2022 and agreed to recommend to the Board of Directors the acknowledgment of the Board of Directors Annual Assessment Report 2021 and to approve the Action Plan 2022 to correct the areas of improvement.

b) Succession Plan

- On 19 January 2021, the Committee reviewed the report carried out by Korn Ferry on the executive development and succession plan, which included the main highlights and recommendations regarding the Senior Management and an aggregated view of the projected timing of succession needs. The Committee also reviewed each position on a case-by-case basis.
- On 24 February 2021, the Committee followed-up on the executive development and succession plan. The Committee reviewed the succession plan and the contingency plan for the Deputy CEO and his potential internal successors and also discussed the possibility of transversal career movements of the Senior Management and one level down. The Committee members also asked Korn Ferry to circulate the analysis performed on the contingency plan of the potential external candidates to replace the CEO.

- On 18 March 2021, the Committee reviewed the succession plan of the Country Managing Directors.

- On 15 July 2021, the Committee reviewed the progress on the Executive Development Program and the status in the different countries. The Global People Director also presented the Deputy CEO contingency plan, the potential successors and the organizational adjustments for each of the candidates, as well as the succession plan for each Country Managing Director.

- On 15 December 2021, the Committee reviewed the Executive Development Program, covering those actions that were structural, those related to talent development and the key focus areas. The Committee also reviewed the succession plan for the Deputy CEO and the Senior Management.

c) Remuneration-related activities

- On 11 February 2021, the Committee analysed the degree of achievement of the quantitative and qualitative CEO's MBO targets for 2020.

- On 24 February 2021, the Committee agreed to submit to the Board of Directors the final assessment of the achievement of the targets set for the LTIP 2018-2020 .

- On 24 February 2021, the Committee agreed to submit to the Board of Directors the LTIP 2021-2023 contract model.

- On 24 February 2021, the Committee agreed to submit to the Board of Directors the CEO's MBO targets for 2021.

- On 15 July 2021, the Global Resources Director presented the envisaged process to review the remuneration of the Board members and the Senior Management. The Committee agreed to engage Willis Towers Watson as external advisor to assist the Committee during this exercise. The Committee also considered the possibility of preparing the Annual Report on the Remunerations of Directors in a free format to improve transparency.

- On 8 September 2021, the Committee reviewed the Remunerations Policy of the Directors approved by the 2021 General Shareholders' Meeting from a corporate governance perspective. The initial situation was analysed and the most recent market trends were reviewed.

- On 13 October 2021, the Committee reviewed the benchmarking strategy and Willis Towers Watson presented the two peer groups selection criteria, which main novelty was to include European high growth companies (in the same high growth stage as the Company), in addition to the companies in the same industry that have traditionally been included in the peer group basket. The Committee agreed to approve the primary peer group (industry-based), the secondary peer group (high growth European companies) and the peer group to review pay practices (the qualitative analysis) proposed by Willis Towers.

- On 9 November 2021, the Committee reviewed the benchmarking of Non-Executive Directors' remuneration, the benchmarking of the qualitative analysis of the Executive Director remuneration and the qualitative proposal of the Senior Management remuneration.

- On 2 December 2021, the Committee agreed to recommend to the Board of Directors to approve the Executive Director's remuneration proposal and the LTIP 2022-2024 applicable to the entire group of beneficiaries, except for the breakdown of ESG targets and the low, medium and high level of achievement for each metric. The Committee also agreed to recommend to the Board of Directors to approve the Senior Management's remuneration proposal.

- On 15 December 2021, the Committee approved the breakdown of the ESG targets and the low, medium and high level of achievement for each metric. The Committee also agreed to recommend to the Board of Directors to approve the Non-Executive Directors' remuneration.

d) Activities related to ESG

- On 18 March 2021, the Global People Director presented to the Committee the Equity, Diversity and Inclusion Program – Plan 2021, indicating the status of each of the actions. The Global People Director also explained the three main pillars of the People strategy: culture, leadership and talent and reminded the ESG 2021-2025 goals related with diversity.

- On 3 May 2021, the Committee reviewed the ESG Master Plan and the Corporate and Public Affairs Director explained the different ESG indexes to which the Company belonged to and the level of transparency and reporting to which the Company was subject. The Corporate and Public Affairs Director also referred to the setting up of the ESG Committee, its composition and functions.

- On 3 May 2021, the Global Operations Director together with the Global Head of Energy presented to the Committee the Energy Transition Plan and the Energy Transition Model, which was based in 4 pillars: green energy sourcing, energy efficiency, auto-generation from renewable sources and energy 4.0.

- On 3 May 2021, the Global Resources Director presented the ESG-related risk map from a consolidated strategic risks map and from a consolidated operations risks map point of view. The Global Resources Director also explained the ESG metric of the CEO, the Senior Management and the Management Directors' MBO.

- On 8 June 2021, the Global Resources Director together with the Global People Director presented an update of the Equity, Diversity and Inclusion Program (EDI) and explained the 2025 objectives, the EDI strategy quantitative targets and the EDI initiatives carried out in the first half of 2021.

- On 8 June 2021, the Corporate and Public Affairs Director presented an update of the ESG Master Plan and explained that the Company had been working on increasing internal and external awareness of its ESG activity. The Corporate and Public Affairs Director also referred to the ESG ratings to which the Company belonged and the main achievements of the ESG Master Plan 2021-2025.

- On 15 July 2021, the Global Operations Director together with the Global Head of Energy presented to the Committee an update of the Energy Transition Plan, noting that the Company was making good progress and it was closer to achieve its goals ahead of the targeted time. There was a clear commitment to have 100% of green energy by 2025.

- On 8 September 2021, the Corporate and Public Affairs Director provided the Committee with an update of the ESG Master Plan 2021-2025 explaining the achieved actions up to the first half of 2021. He also provided an overview of where the Company stood in the ESG indexes. PwC presented the materiality analysis that was done when defining the ESG Master Plan.

- On 8 September 2021, the Committee approved the ESG Board training with IESE, in the context of the Board Workshops plan 2021-2022.

- On 15 December 2021, the President and the General Manager of the Cellnex Foundation presented to the Committee the Foundation purpose, the Foundation's own programs and joint programs and the budget for 2022, differentiating the different pillars and projects, which amounted to a total of €1,000,000. The Committee agreed to recommend to the Board of Directors the donation of €1,000,000 to the Cellnex Foundation .

e) Talent Management

- On 15 July 2021, the Global People Director, presented to the Committee the Talent Management Program, which was focussed on One Cellnex, inclusion, empowerment, trust and transparency. The Committee reviewed the key initiatives that the Company had developed to attract talent, assess the existing talent, develop the existing talent and retain/engage the existing talent.

- On 15 December 2021, the Global People Director presented an overview of the talent actions carried out during 2021.

f) Other information

- On 19 January 2021, the Committee provided a favourable recommendation to the Board of Directors to approve the extension until 31 March 2021 of the period to be taken into account for the purposes of the delivery of shares to all Cellnex employees matching up to €500 the purchase made, if any, by the employee, as agreed at the Committee meeting held on 20 October 2020, in order to maximise the number of employees who could benefit from this initiative.

- On 3 May 2021, the Secretary explained the onboarding program for new directors and the board training sessions in which the Company was working.

- On 15 July 2021 and 9 November 2021, the Committee received an update on the Organization of the Company.
- On 8 September 2021, the Global People Director presented to the Committee the Board workshops plan 2021-2022, which had been defined in accordance with the results of the Board competences matrix and the feedback received from the different Board members.

This Annual Corporate Governance Report was approved by the Board of Directors of the Company in its meeting held on 24/02/2022

Indicate whether any director voted against or abstained from approving this report.

Yes ☐ No X

Name or company name of the member of the Board of Directors who has not voted for the approval of this report	Reasons (against, abstention, non attendance)	Explain the reasons
Observations		