



6

Growing with a long-term sustainable approach

Growing with a long-term sustainable environmental approach



Growing with a long-term sustainable environmental approach

2020 main highlights



Energy consumption



Carbon footprint

701

GWh
(695 GWh from
electricity)

100%

renewable energy
consumption in
Cellnex Ireland
and UK

100%

carbon footprint
calculation for all
countries

100%

scope 3 emissions
screened for all
countries

100%

scope 1 emissions
offsetted for all
countries

Long term Power Purchase Agreement (PPA) signed for renewable energy supply, including embedded Guarantees of Origin (GoO) in Cellnex Spain

DaMA and DaNA programmes to identify Natura 2000 Network protected areas in terms of biodiversity



TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

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



Cellnex Italy established an Integrated Sustainable Business Ecosystem (EASI), being first company worldwide to be full sustainability integrated by DNV-GL certification.

2021 main challenges

40%

Cellnex Group's energy consumption green certified by 2021 and beyond.

100%

Cellnex Group's energy consumption green certified by 2025 and beyond.

50%

Spain's energy consumption green certified by 2021 and beyond.

30%

Italy's energy consumption green certified by 2021 and beyond.

Energy Transition Plan for Cellnex Group.

Definition and establishment of carbon footprint reduction targets aligned with the SBTi (Science-based Target initiative) in 2021.

50%

Reduction of the carbon footprint by 2030

100%

Reduction of the carbon footprint by 2050

Growing with a long-term sustainable environmental approach

Responsible environmental management

In 2019 Strategic Sustainability Plan (2019-2023) was approved by the company's senior management. The Plan aims to raise the level of the company's responsibility in the field of sustainability to work towards becoming a leader in environmental management through eleven lines linked to the United Nations Sustainable Development Goals (SDG).

The Strategic and Global Objectives of the Sustainability Plan are:



Following this strategy, Cellnex implemented several actions during 2020:

- Development of Cellnex' s sustainability and climate change policy in line with the Sustainable Development Goals (SDG) (L1 Sustainability Planning and Management).
- Complete screening of the scope 3 of Cellnex's carbon footprint calculation (L2 Climate change mitigation and adaptation).
- Update of the assessment of risks and opportunities related to climate change, following the recommendations of the TCFD (L2 Climate change mitigation and adaptation).
- Analyse the climate scenarios of all countries following the recommendations of the "Task Force on Climate-related Financial Disclosures (TCFD) (L2 Climate change mitigation and adaptation).
- Collaborate in drawing up the Cellnex' s Energy Transition Plan (L3 Energy management).
- Life cycle assessment for the Telecom Infrastructure Service (TIS) (L4 Responsible management and circulation of resources).
- Identify sites in protected areas and associated regulations, specifically sites located in areas of the Natura 2000 Network (L6 Natural areas and biodiversity).
- Undertake a global mobility study (L5 Sustainable and safe mobility).

These actions will be coordinated from Corporate but will be implemented in all geographical areas. It is also worth highlighting the actions that the countries develop by themselves, such as Cellnex Italy.

Ecosistema Aziendale Sostenibile Integrato (EASI)



Cellnex Italia established an Integrated Sustainable Business Ecosystem (EASI) allowing it to specify and be aware of all relevant aspects on sustainability issues.

EASI is based on the integration of Social Responsibility and Sustainability into the strategy and business process of the company. In this way, Cellnex Italia is the first company worldwide to be full sustainability integrated by DNV-GL certification, including all the company's processes.

Cellnex Italia pursues its path to sustainability by adopting an integrated strategy to combine business growth and financial solidity with social and environmental sustainability, creating long-term value. To this end, Cellnex Italia has defined the project "SosteniAmo" as a commitment to all stakeholders (internal and external) on sustainability issues.



Following this line, in mid-2020 Cellnex Italia launched the "SosteniAmo Insieme" competition among its workers to identify actions that can combine business growth and financial solidity with social and environmental sustainability, creating long-term value. Five initiatives will be chosen, and a Working Group will be set up for each of the projects to study the idea and transform it into a feasible project and implement it.

Further actions are developed beyond Cellnex itself, for example in Spain, Cellnex has collaborated with Ambientech with a participation in the "Climatic emergency" educational itinerary as well as the participation in the educational itinerary of "Circular economy". During 2020, around half a million visits were received to the website on the subject of "Climatic emergency", and around 181,000 visits on the website on the theme of "Circular economy". Moreover, the age range of the visitors was very diverse, although the majority of participants were under 35 years.

Also, Cellnex Netherlands is a partner in Green IT Amsterdam, a platform consisting of over 50 parties that promotes a strong local datacentre industry that invests in green solutions.

Moreover, Cellnex group offer training to their employees that aims to be aware of sustainability. The employees received 403 hours of training related to sustainability.

Monitoring and managing the main risks, opportunities and environmental impacts

An update of the Risks and Opportunities arising from climate change is being carried out in 2020-2021, following the recommendations of the "Task Force on Climate-related Financial Disclosures (TCFD)". The recommendations of this methodology are based on four axes: governance, strategy, risk analysis and metrics, and aim to improve the organisation's resilience to different climate scenarios.

The methodology will make it possible to establish which economic impacts of climate change could affect the company. TCFD recommends that organisations exposed to the risks of climate change consider using scenario analysis to inform their strategic and financial plans and to report on how resilient to different climate change scenarios their strategies are. The objective is to assess and analyse risks and opportunities, both from a purely climate and transitional perspective - indirect regulatory, political, legislative and market changes, and subsequently evaluate the impact from an economic and financial point of view.

Climate scenarios

The climate scenarios of all countries have been analysed following the recommendations of the TCFD. The analysis aims to consider and better understand the development of Cellnex's activity under various future climate scenarios, to improve the organisation's resilience to different changes.

Climate scenario analysis is the previous step to undertake the assessment of risks and opportunities arising from climate change, in accordance with the TCFD recommendations and the CDP punctuation criteria. Climate scenarios are also a prior step for mapping the sustainability impacts.

Climate-related scenarios allow an organisation to explore and develop an understanding of how the physical and transitional risks and opportunities of climate change could plausibly impact the business over time. Scenario analysis therefore assesses 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 be analysed: physical and transition.

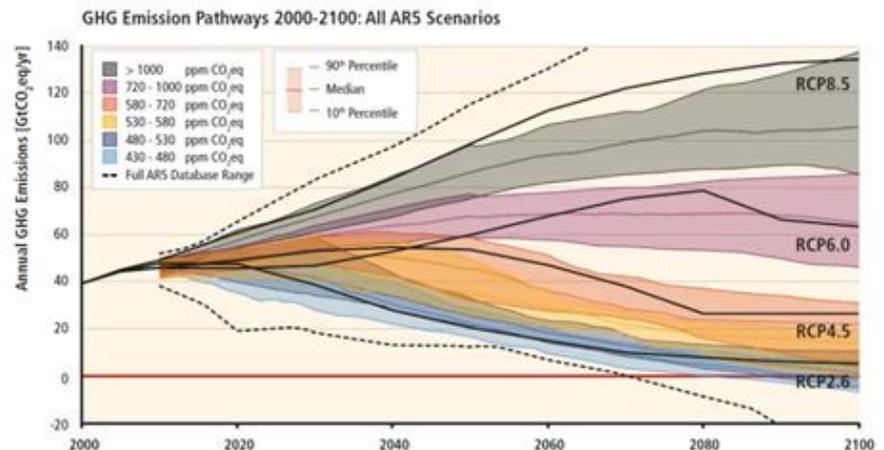
Cellnex carried out an analysis of

climate scenarios

following the TCFD recommendations

Physical scenarios

Physical scenarios consider the concentrations of greenhouse gases (GHGs) in the atmosphere and the physical characteristics of the climate to assess the possible risks that climate change may cause, using the scenario developed by the Intergovernmental Panel on Climate Change (IPCC) in its fifth assessment report (AR5). In this regard, the scenario was based on representative concentration pathways (RCP) to define a range of climate scenarios. RCPs measure the cumulatively human emissions of all GHG sources as for 2100. In this way, four RCPs were established based on simulations of GHGs in the atmosphere as shown in the following figure.



To analyse physical climate scenarios, it is recommended to take into consideration the worst possible scenario, to know and be able to anticipate the most severe impacts that they may have on organisations. That is why the RCP 8.5 scenario has been selected to analyse the climate projections. RCP 8.5 shows a Business-as-Usual (BaU) scenario, in which GHG emissions would continue to increase at the current rate. It is the worst possible scenario of higher GHG emissions in the atmosphere and higher global warming.

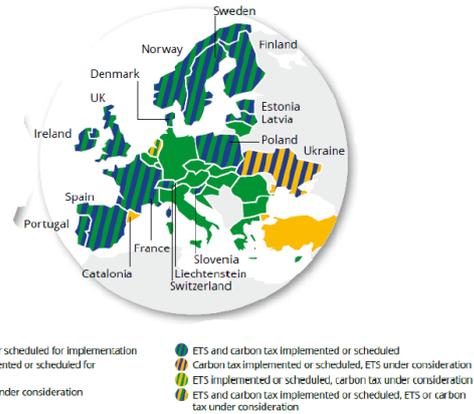
Transition scenarios

Transition scenarios analyse trends in politics, energy and economics related to climate change, to determine the possible risks they may have on an organisation's activity. The resulting scenarios are hypotheses that in no case correspond to predictions.

Two scenarios were selected to do this:

- Current policy scenario (Stated Policies Scenario or SPS), to study the existing trajectory and understand what future risks and opportunities would arise from the non-implementation of measures. In this scenario, only policies that have been formally adopted by governments and are already included in their legislation were considered. Therefore, this scenario is built on the basis of what is already defined, and the objectives set by the countries with a 2030 and 2050 horizon. This analysis has been carried out for Spain, Italy, France, the Netherlands, Switzerland, the United Kingdom, Ireland, Portugal and Finland. Below is a summary map of the regional, national and sub-national carbon pricing initiatives in place, scheduled for implementation and under consideration (ETS and carbon tax).

Growing with a long-term sustainable environmental approach



Fuente: State and Trends of Carbon Pricing 2019, World Bank Group

- Scenario of future sustainable development policies. This scenario goes beyond the currently established policies and is considered a more ambitious reduction scenario than the Paris Agreement, as it considers that it will be possible to keep the global temperature below 2°C. The scenario developed by the International Energy Agency (IEA) called Sustainable Development Scenario (SDS) and the Deep Decarbonisation Pathways Project (DDPP) were used to draw up this scenario. This analysis is done from a more global perspective since it is not based on any approved or agreed document, but on generic hypotheses, therefore the degree of uncertainty is greater, and it is more difficult to go into detail by country.

Sustainable use of resources

Energy Management

Cellnex has recently approved its

Energy Transition Plan

accelerating its plan to reduce their emissions

The energy transition is Cellnex's great challenge for the upcoming years. The Global Energy area is finalizing the Cellnex's Energy Transition Plan, for which the Sustainability department is collaborating by setting appropriate guidelines in carbon emissions reduction calculation and SBTi management. The aim is to achieve emission reduction targets of 50% by 2030 and 100% by 2050. Energy transition plan will be a key lever to achieve Cellnex Carbon Footprint reduction goals via, amongst other actions, making sure that energy supplies to Cellnex are from renewable sources.

The Energy Transition Plan will be approved formally during Q1 2021 despite already first pillar, green energy consumption goals, has been already approved. This plan will detail the actions to be taken to accomplish the established corporate goals as well as the sensitivities to go beyond or accelerate the established timeliness and will also include the new companies integrated during 2020 as well as a clear action plan for those integrated in 2021 or later.

The Energy Transition plan is based on the four main levers of energy management:

- Energy 4.0 principles like smart metering or digitalization of energy related processes and procedures.
- Purchase of renewable energy (considering the different mechanisms available: Power Purchase Agreement (PPA's), Guarantees of Origin, etc.).
- Energy Efficiency (Offer the same service but with a reduction of energy consumption).
- Renewable energy self-generation, mainly through photovoltaic production onsite to reduce electricity consumption from the grid.

The infographic consists of four circular icons, each containing a national flag, arranged in a 2x2 grid. Each icon is surrounded by a green ring with a dotted pattern. Below each icon is a list of bullet points describing energy management actions for that country.

- Spain:**
 - 10 years Power Purchase Agreement for 50 GWh/year (around 15% of average forecasted energy consumption 2021-2030) closed in 2020. The Power Purchase Agreement includes embedded Guarantees of Origin.
 - The energy supply contract also foresees the possibility to acquire additional Guarantees of Origin up to 100% of the total volume.
 - Thanks to that provision, Cellnex will acquire other 100 GWh/year of certified green energy starting in 2021, which added with the 50GWh/year of the Power Purchase Agreement will account for almost 50% of 2021 Spain's energy being green certified supply.
- Italy:**
 - Power Purchase Agreement discussions had been initiated in 2019 and will be retaken as of end of 2020 seeking an agreement during 2021.
 - The energy supply contract also foresees the possibility to acquire Guarantees of Origin up to 100% of the total volume.
 - Thanks to that provision, Cellnex will acquire 100GWh/year of certified green energy starting in 2021. Which will account for almost 30% of 2021 Italy's energy being green certified supply.
- UK:**
 - 100% of the energy consumed in UK is green.
- Netherlands:**
 - 100% of the energy consumed in Netherlands is green.

In 2021 already 40% of Cellnex energy usage is green energy certified with Guarantees of Origin

The Energy Transition Plan will be implemented in all the countries in which Cellnex operates. In some, specific actions have already been taken:

Thanks to these actions that are currently under way in the above-mentioned countries, in 2021 approximately 40% of Cellnex's energy consumption will be green energy certified with Guarantees of Origin, without considering the increase in scope, derived from the latest acquisitions, especially the acquisition related to CK Hutchinson. Moreover, Cellnex will actively promote and closely work with its customers to ensure that 100% of group's energy will be green by 2025 for the actual perimeter, and in not more than 3 years for any new acquisition.

Additional energy volumes in current or in future Cellnex geographical areas will be included within the Energy Transition plan. The possibility for Guarantees of Origin will be mandatory part of the Contracting model, as will sleeving Power Purchase Agreement clauses. Ad-hoc Power Purchase Agreement accords will be an instrument which Cellnex will monitor closely for countries with certain volumes while virtual or financial Power Purchase Agreements will be constantly explored.

In 2021 already 40% of Cellnex energy usage is green energy certified with Guarantees of Origin

Ten-year Power Purchase Agreement (PPA) between Cellnex Spain and Endesa

Endesa and Cellnex have signed a long-term bilateral contract (PPA) by which Endesa will be the preferred supplier of 100% of Cellnex's energy in Spain for the next ten years. A minimum of 20% of the energy contracted will be 100% produced from renewables.

The relationship of trust between the two companies works both ways, as Cellnex has been declared Endesa's preferred supplier in terms of network.

The significance of the agreement reinforces the partnership with Endesa in the field of energy supply, also committing specific objectives in the field of renewable energy and promoting the energy transition that allows us to contribute to the objectives of reducing our carbon footprint and our impact on climate change..

As part of the actions carried out in regard to energy efficiency, during 2020 ISO 50.001 certification has been obtained for Spain and a global model for further certification to the rest of the countries has been established, as there is the intention to implement ISO 50.001 in the rest of the countries of the group in the coming years (2025).

Apart from Cellnex's Energy Transition Plan, several initiatives have been launched to keep improving performance in terms of energy efficiency in all geographical areas with different scale and scope. Additionally, some pilots are being run and/or evaluated for further implementation. For example, the investment in new broadcasting transmitters with lower power consumption, replacement of AACC for free-cooling systems, replacing UPS and light fittings, etc.

In addition, collaboration projects are under way with other entities, for example a project with Enertika to implement photovoltaic self-consumption facilities in their main telecommunications centres.

Energy efficiency projects in Spain



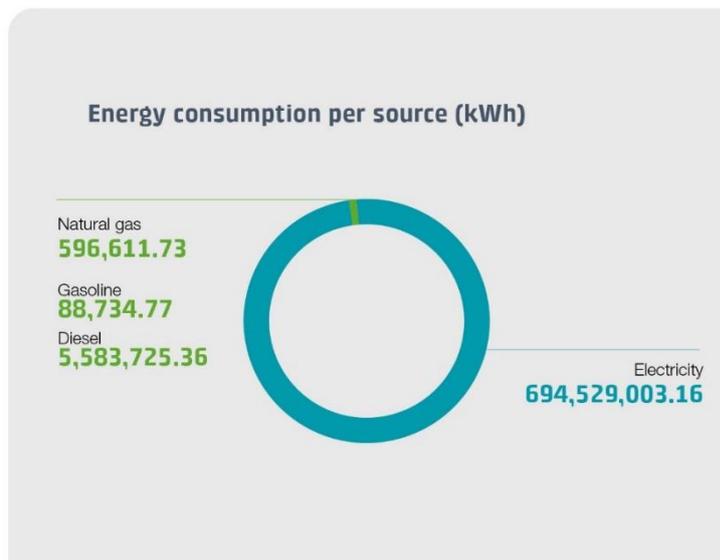
In Spain, five energy efficiency projects were developed. These were:

- Free-cooling installation in 218 centres with a RadiCal fan. This type of cooling system that consumes less energy by using external air to chill water for more efficient air conditioning than traditional systems. The estimated saving was 610 MWh.
- Installation of photovoltaic cells for self-consumption in Legacy and Installation of photovoltaic cells for self-consumption in On Tower. The estimated saving was 275 MWh.
- Renewal of broad equipment connected to uninterruptible power supply (UPS) systems in 22 centres in order to reduce energy consumption. The estimated saving was 247 MWh.
- Renovation of climate equipment with implementation of free-cooling. The estimated saving was 907 MWh.

The 5 planned initiatives have had an impact of 2,039GW of savings in electricity consumption (vs 1,062 GW planned). In terms of year-based savings, savings have been 3,176 GW (vs. 2,953 GW planned). Additionally, the control and monitoring actions of the setpoint temperature and control logic have had an impact of an additional 0.7 GW in 2020.

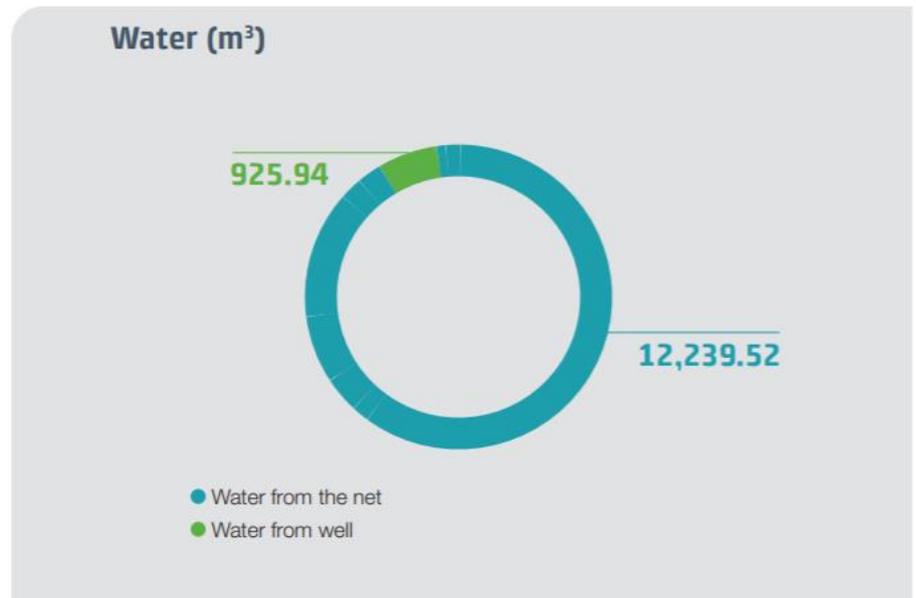
Owing to the nature of Cellnex's business, the only material environmental aspect is, energy. Cellnex monitors the organisation's energy consumption to achieve maximum efficiency and the lowest possible impact on the environment and hence on society. In this regard, for example Cellnex Netherlands, changed the heating of the building in IJsselstein and saved usage of gas. Moreover, in 2020 they dismantled the gas installation and gas-heater, therefore reducing yearly around 22,824m3 of gas.

Most of Cellnex's electricity consumption comes from its sites and, to a lesser extent, its offices. In 2020, the company's total electricity consumption was 694,529,003 kWh (563,003,094 kWh in 2019).



Water consumption

Cellnex's activity does not require the consumption of water. All the water consumed in Cellnex comes from the municipal drinking water network and is limited to the use of the office's toilets and kitchen. The following chart shows water consumption of Cellnex group in 2020.



However, Cellnex can help the public and private sector in water management efficiency through different initiatives such as Internet of Things network for Integrated water resources management.

Internet of Things network for Integrated water resources management

Cellnex Spain and Global Omnium, a company specialised in water management, have deployed an Internet of Things (IoT) network in the towns of Burjassot and La Pobla de Farnals in the Valencian Community (Spain) to facilitate integrated water resource management to public and/or private sector entities of these municipalities through data capture and transmission. They have also provided an IoT data management platform, which allows them to have information in real time and to act remotely, either manually and/or automatically, throughout the water cycle.

Adesal Telecom, the Valencian company partly owned by Cellnex and Global Omnium, is responsible for operating and managing the maintenance of these two IoT networks, based on LoRa technology, which facilitate automatic detection of leaks and preventive actions on these, remote meter reading or digital customer service and electronic invoicing, among other services.

Waste management

Cellnex is not a waste producer, as waste arises from the supplier's activities. The company is committed to ensuring that waste produced by its suppliers on Cellnex sites during their activity (construction, operation, maintenance and dismantling) is managed and disposed of at a licenced waste treatment operator. Cellnex requests evidence of the proper waste valorisation periodically and encourages its suppliers to find

99,2%

waste recovery in Cellnex Spain

alternatives to waste disposal/incineration when possible e.g. recycling metal used to construct and maintain towers.

Waste management in Cellnex Spain



Cellnex Spain recovered 99,2% of the waste, including hazardous and non-hazardous waste.

Action Areas	Non-Hazardous waste	Hazardous waste	Total
Waste disposal	485	1,018	1,503
Waster recovery	133,926	641,721	175,647
Total	134,411	42,739	177,150

Materials and resource efficiency in Cellnex Portugal



Cellnex Portugal have detailed specifications for tower construction that its contractors must follow. These specifications avoid construction waste being generated due to miscalculation and ensure the towers are designed appropriately for Cellnex's needs.

They have eliminated the use of some materials for durability reasons and will continue to monitor material options to identify opportunities for improving the durability of their towers.

Their contractors are responsible for materials used in preventive and corrective maintenance visits, providing contractors with an incentive to maximise resource efficiency. The towers are designed with the optimal materials so that they are efficient, and thus minimise the amount of materials necessary and waste produced in each maintenance intervention on the tower.

Life Cycle Assessment (LCA) for the Telecom Infrastructure Service (TIS)

The Life Cycle Assessment for the Telecom Infrastructure Services began in 2020. Life cycle assessment (LCA) is a methodology standardised by ISO 14040:44 (2006) that systematises the acquisition and generation of information on the environmental aspects of products, services and processes by analysing inputs (consumption of raw materials and energy) and outputs (emissions to water, air, soil, waste and by-products) throughout all stages of their life cycle.

This study provides the organisation with a basis for taking objective decisions regarding sustainable development, identifying opportunities for improving the whole system and comparing technically viable and functionally equivalent alternatives. The main goals of the TIS LCA are:

- Identification of critical points
- Identification of environmental impacts generated along the value chain
- Minimising the risks of transferring impacts from one process to another
- Obtaining rigorous information for decision-making

Carbon footprint and climate change

We are aware of and are committed to reducing our CO₂ emissions, following the guidelines of the United Nations Global Compact. At Cellnex Netherlands we have diligently compiled all relevant data on our CO₂ emissions in order to study the opportunity to improve our operations and generate fewer emissions. For example, today we already use 100% wind energy and we continue to reduce gas consumption.

**Peter Klein, Manager
Maintenance and Operations of
Cellnex Netherlands**

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tCO₂eq/MEUR of annual revenue

Once again, this year, Cellnex measured and obtained independent third-party confirmation of its carbon footprint, to ascertain the company's impact on climate change and to set a baseline for managing and reducing its emissions. Since the foundation of Cellnex in 2015, the carbon footprint has been calculated yearly at group level. Each year, the companies acquired by Cellnex are incorporated into the carbon footprint calculation. The operational scope is based on the ISO 14064-1:2018 as well as the GHG Protocol criteria.

Cellnex has carried out in 2020 a complete Screening of its indirect emissions for the eight countries where Cellnex is already operating, in order to determine their significance as per the GHG Protocol Corporate Value Chain (Scope 3) and the ISO 14064-1:2018. This will be the basis on which the emission reduction targets will be defined to keep the increase in global temperature below 1.5 °C, as marked by the Science Based Target initiative (SBTi) to which Cellnex has joined. These relevant categories have also been included in the carbon footprint calculation, that has been verified following the ISO 14064-1:2018 Standard. In addition, and due to the expansion of the countries where the company operates and the addition of indirect GHG emission categories as set out in the new International Standard ISO 14064-1: 2018, Cellnex Telecom has decided to modify its base year. In short, the organization has established 2020 as the base year for GHG emissions for comparative purposes and other GHG programs requirements and intended uses.

The inventory of GHG emissions becomes, therefore, a key instrument to know the global dimension of the impact of the company's activity on climate change, as well as the evolution of its GHG emissions over time. The results obtained in the GHG emissions inventory will be useful to respond to the sustainability index in which the organization participates, such as FTSE4GOOD, CDP, Sustainalytics and "Standard Ethics". It is worth mentioning that for the second year in a row, Cellnex has been recognised for its commitment to sustainability and the fight against climate change by CDP –which manages a global disclosure system for investors, companies, cities, states and regions to measure their environmental impact–, securing a place on its prestigious 'A List'.

Moreover, the new internal audit program started in 2020 in four countries will be consolidated and extended to the rest of the countries. Additionally, thanks to the collection of employee commuting data for the carbon footprint Scope 3 Screening, a basic global mobility study is being undertaken. In countries like France for instance, all vehicles used by the company are already hybrid.

According to the verification, the verified emissions inventory for 2020 is 303,819 t CO₂e with the market-based approach (205,051 t CO₂e in 2019). The increase in emissions is mainly due to the inclusion of new sources of indirect emissions as a result of the Scope 3 Screening (indirect emissions) for the SBT, as well as the incorporation of new countries in the calculation of the carbon footprint.

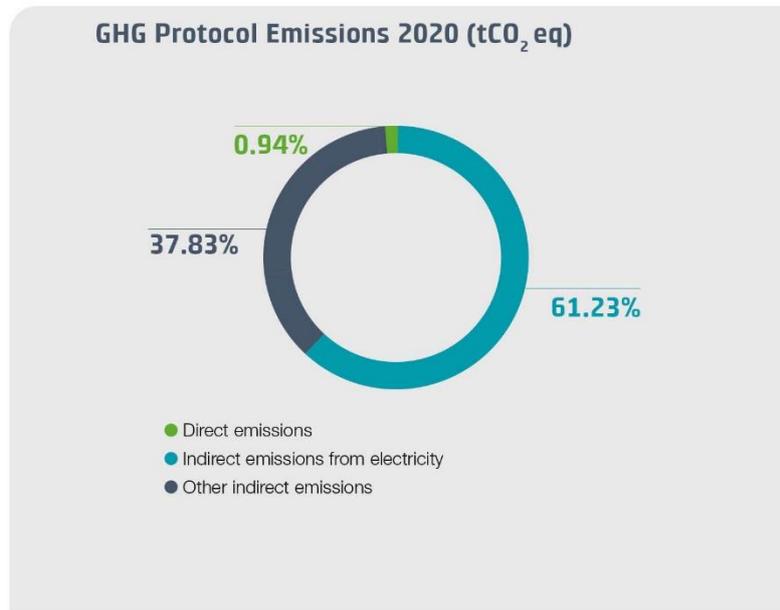
GHG PROTOCOL EMISSIONS (market-based)			ISO 14064 GHG EMISSIONS (market-based)		
Category	GHG emissions (t CO2e)	%	Category	GHG emissions (t CO2e)	%
Scope 1: direct emissions	2,848.14	0.94%	C1. Direct GHG emissions and removals	2,848.14	0.94%
Scope 2: indirect emissions from electricity	186,025.52	61.23%	C2. Indirect GHG emissions from imported energy (market)	186,025.52	61.23%
Scope 3: other indirect emissions	114,945.18	37.83%	C3. Indirect GHG emissions from transportation	2,774.76	0.91%
			C4. Indirect GHG emissions from products used by organization	112,170.42	36.92%
			C5. Indirect GHG emissions associated with the use of products from the organizations	0	0.00%
Total	303,818.84	100.00%	Total	303,818.84	100.00%

Furthermore, emissions are also reported with the classification established by The Greenhouse Gas Protocol (GHG Protocol) Corporate Accounting and Reporting Standard, developed by the World Business Council for Sustainable Development. In the case of Scope 3 emissions, the classification established in the publication of the GHG Protocol "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" is used.

As shown in the previous table, 61.23% of the GHG emissions inventory corresponds to category "Scope 2: indirect emissions from electricity" (GHG Protocol) or "C2: indirect emissions from imported energy" (ISO 14064), followed by category "Scope 3: other indirect emissions", with 37.83% of the total emissions (GHG Protocol), that corresponds to categories C3 and C4 (ISO 14064).

The main reason of the high percentage of contribution of the Scope 2 category is that Cellnex do not have yet renewable electricity consumption in most of their countries. Regarding Scope 3 Category, it is composed mainly of GHG emissions derived from the purchase of good and services and capital goods during 2020, and the emissions related to the production of fuels and energy purchased and consumed by Cellnex in the reporting year that are not included in Scope 1 or Scope 2.

Growing with a long-term sustainable environmental approach



The evolution of the company's growth in recent years, as well as the expansion of indirect emission sources, has led to a change in the base year of calculation, being 2020 the new base year established. Thus, with the aim of offering comparable data to evaluate the evolution of emissions in recent years, only the trend of scopes 1 and 2 are shown over the years in relation to revenues and the number of sites, as indicators of emissions intensity.



As part of its efforts to manage greenhouse gas emissions, in 2020 Cellnex Telecom offsetted 2,850 t CO₂ by purchasing 2,850 VER (Verified Emissions Reductions) credits

on the voluntary market from the Rio Taquesi Hydroelectric Power Project in Bolivia, with the Verified Carbon Standard (VCS), to achieve neutrality in Scope 1 carbon footprint emissions from all countries.

Regarding noise and light pollution, Cellnex's activity does not produce a significant impact. Even so, Cellnex takes these impacts into account and works to minimize them. Cellnex Netherlands received two complaints related to light disturbance during night and two associated to noise disturbance. Complying with the process, grievances were carried out to be resolved as an incident.

Science-Based Targets Initiative

Cellnex Telecom is firmly committed to reducing its carbon emissions. In October 2019 (signed in July), Cellnex undertook to develop a Science-Based Emission Reduction Target over the following 24 months, which will be recognised by the Science-Based Targets Initiative. In this regard, Cellnex has been working to match all the necessary criteria to submit to the SBT initiative before 30 June 2021.

The Science-Based Targets Initiative, aligned with the Paris agreement (COP 21, 2015), is a joint initiative by CDP, the UN Global Compact, the World Resources Institute and WWF, which supports companies in setting emission reduction targets in line with the level of decarbonisation required to keep the global temperature increase below 2°C compared to pre-industrial levels. The targets are calculated using methodologies based on scientific knowledge and making it the dominant practice.

Likewise, in 2019 Cellnex joined the Global Compact initiative "Business ambition for 1.5°C". This is a global initiative, signed by more than a hundred companies, 10% of which are Spanish. The initiative sets out two areas of action: "1.5°C science-based targets", aligning its GHG emissions in all relevant areas with emission scenarios at 1.5°C, and "Zero Emissions Commitment" setting a public target to achieve zero emissions by 2050. In this way, the Group is stepping up and committing the business to set science-based targets aligned with limiting the global temperature rise to 1.5°C above pre-industrial levels. In December, the Spanish Global Compact Network, together with the UN Global Compact, the Chilean Network and the British Network, held an event in the context of COP25 in which, in addition to presenting the commitments in the manifesto, publicly recognised the Spanish entities adopting Business Ambition for 1.5°C.

The company worked during 2020 to match all the necessary criteria prior to setting the SBT initiative:

- Boundaries (scopes 1+2)
- Timeframe (5 to 15 years)
- Level of ambition (temperature reduction below 1.5 °C)
- Scope 3 (if it represents more than 40% of emission)
- Reporting (annual disclosure of emissions inventory in CDP, website)

After the results of the screening of the scope 3 it has been determined that a scope 3 target is not to be included initially in the SBTi. A timeframe will be also established, and the SBT will be completed and submitted to the SBT Initiative during the first semester of 2021.



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**BUSINESS
AMBITION FOR 1.5°C**

Internal carbon price

During 2021-2022 Cellnex will conduct a study for the implementation and calculation of the Internal Carbon Price, with the aim of completing it in 2022.

The incorporation of the internal carbon price will be a key instrument in strategic decision-making (both at investment and operational level) at Cellnex Telecom. Among other aspects, it will enable the organisation to increase its positioning and corporate reputation with investors and improve its assessment in the various sustainability ratings in which Cellnex is involved, such as the CDP, and to make progress on possible regulatory changes linked to climate change.

The internal price of carbon is a financial tool that helps reflect the social, environmental and economic costs of climate change in relation to the greenhouse gas emissions generated by the consumption of energy and materials necessary for the daily activity of an organisation:

- It can add value to investments that reduce social, environmental and economic costs, thus creating incentives for innovation in low-carbon companies.
- It makes it possible to get ahead of policies that may affect the operations or the value chain of the company.
- It helps to achieve ambitious emission reduction targets.
- It translates the business impact on climate change into financial terms, helping to translate carbon into relevant terms for the company and to strengthen internal engagement.
- It responds to investor and customer demands.
- It improves corporate positioning on climate change.

Biodiversity

Cellnex advocates the protection and preservation of the environment and its biodiversity. To this end, Cellnex manages its facilities to minimise any type of environmental impact, not only the direct impact caused by Cellnex but also the potential impact of its providers when executing maintenance work and services. To achieve this, Cellnex also works with its suppliers to ensure that they are environmentally responsible and that they use best practices, for instance by properly managing waste and protecting biodiversity.

Cellnex takes into account local, national and European regulations on matters of environmental protection. To this end, Cellnex has a global tool (SALEM) for identifying and evaluating compliance with all the legislation that applies to the company. The tool is updated every month with the European, national and local legislation in reference to issues related to Environment, Quality, Health and Safety, Biodiversity, Energy, etc.

Cellnex Tower Finder App



In Ireland, several Cellnex's sites are on land currently or originally owned by the State forestry body (Coillte forests). Therefore, whenever Cellnex develops new site on Coillte land, the company has to follow the national policy that states that, for each tree that is cut by Coillte to install a tower, another tree must be replanted tree elsewhere on the Coillte estate.

Moreover, to minimise the impact while working on Coillte, Cellnex Ireland has developed a "Cellnex Tower Finder App", to make sure that operators are using the correct access route to a Cellnex location, among other things.



In addition to minimising its impact, Cellnex carries out specific projects in relation to biodiversity conservation.

DaMA and DaNA programmes

Cellnex uses environmental data servers to identify sites in protected areas and associated regulations, specifically sites located in areas of the Natura 2000 Network (DaMA is the project for Spain, DaNa is the global one for all countries).

The objective is to know which sites are in protected areas and thus be able to take the necessary measures for impact prevention and mitigation on these sites, in terms of biodiversity protection.

DaMA and DaNA programmes to identify Natura 2000 Network

protected areas
in terms of
biodiversity

	Total sites	Inside Nature 2000 Network	Perimeter of 100m of Nature 2000 Network	Outside of Nature 2000 Network	% of sites in protected areas
Spain	8734	997	198	7539	16%
France	4753	52	50	4651	2%
Ireland	520	31	20	469	4%
Italy	11477	334	182	10961	4.5%
Netherlands	817	23	23	771	8%
Portugal	4927	357	49	4521	8%
UK	8419	51	45	8323	1%
Switzerland	5085	0	336	4749	7%
Total Cellnex	44732	1845	903	41984	100%

Preservation of natural habitat of storks



Cellnex Portugal has undertaken actions that aims to preserve the natural habitat of storks.

Prior to the removal of a stork nests, the company guarantees that the specific situation has evaluated and licensed by the Institute for the Conservation of Nature and Forests.

The Peregrine falcon projects



Cellnex Netherlands is helping to build nesting boxes for Peregrine falcons at several very high tower sites. This not only protects a rare breed of bird, but also helps Cellnex to keep the high towers free from pigeon droppings.

Moreover, the municipality of Amsterdam has installed a webcam on the Cellnex-towers at De Zuidas in Amsterdam. The camera is equipped with the latest technology, the images are HD-quality and the camera can be manually operated to different positions. Visitors can see not only the offices, the Zuid and the RAI, but can also zoom into Schiphol to see aeroplanes landing and departing. The WTC, A10 ring road and the ABN AMRO can also be viewed. Every image remains for 15 seconds until the next visitor operates the camera.

Alive webcam in the Mortel data tower offers an inside view of the peregrines. The telecom and data tower in the Mortel (Municipality of Gemert) houses the falcons. On the "Beleef de Lente" (Experience the spring) website anyone can view the life of a pair of peregrines that nested there in 2005. A few years ago, the Dutch Bird Protection Foundation installed a webcam that records every event. Looking inside the nest box is not only fun and interesting to do, but peregrine falcons are also very useful near the towers because they scare off pigeons, which are the favourite food of this bird of prey. Pigeon excrement can be a nuisance in the towers.

The Marker Wadden project



Marker Wadden is a unique nature reserve in development. The nature islands are being built with sand, clay and sludge from the Markermeer (a 700 km² lake in the central Netherlands). New forms of nature will develop on this novel group of islands with their natural shores, both under water and on the surface. It is a natural paradise for fish and birds and a wonderful recreational island.



Because there is no fixed internet connection to the island, Cellnex Netherlands has deployed a communication infrastructure based on microwave transmission. The connection is established using microwaves over eight kilometres, between the telecom & data tower in Lelystad and the site set-up point in the booth near the entrance of the Marker Wadden harbour.

The required equipment uses the self-supporting energy system on the island and the whole fits completely into the coherent architecture which is so typical for the Marker Wadden.

Thanks to this connectivity, the network can also be used in future for collecting data with, for example, sensors (IoT) or other 'smart' systems.