

Disciplinary System

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1. Purpose and Scope

1.1. Introduction.

Respect for the law is one of the main principles of Cellnex, so we shall endeavour to achieve the highest levels of compliance and integrity when carrying out our activity; as a management objective, we shall ensure a high degree of individual awareness on all Company's employees regarding the importance to act, at all times, with the utmost respect for the law and minimize, as much as possible, the risk of bad ethical practices or regulatory breaches in our organization.

In this regard, we should mention the reform of the Criminal Code approved by the Spanish Organic Law 5/2010 of June 22, by virtue of which the Spanish criminal legislation was adapted to other neighbouring countries and to the reality of our times, and which introduced in Spain, the criminal liability of the legal persons for crimes that employees and management personnel could commit within their organization.

In this respect, Cellnex should approve and implement, with the maximum efficiency, organizational and management procedures, which shall include monitoring and control measures to prevent any criminal activity in our organization and which shall ensure at all times the legality of the acts of employees and management personnel when carrying out their professional activities.

Within this regulatory framework, we find this Disciplinary System as one of the mandatory measures that Cellnex should include within the framework of its Prevention Model of criminal conduct, in accordance with the provisions set out in the **Spanish Organic Law 1/2015, of 30 March amending the Spanish Organic Law 10/1995 of 23 November, of the Criminal Code.**

Therefore, this disciplinary system is set forth, as a way to sanction the breach of procedures and internal rules implemented by Cellnex for the prevention and detection of the crime. The above is aimed at assisting to prevent criminal behaviour that deviates from the provisions of the law and/or breaches internal rules or procedures established by the Company, thus acting as an exemplary, correction and solution mechanism.

Therefore, this document does not replace the current disciplinary system established in Cellnex and/or in applicable collective agreements, but completes it for the purposes of contributing to the prevention and detection of crimes by employees.

1.2. Scope of application.

The Disciplinary System applies to all employees (included and excluded from the collective agreement) and management (including Senior Management) of Cellnex and companies within its group, without any exception, all of whom are obliged to comply with the rules and procedures implemented by the Company within its organization and to maintain, at all times, a behaviour which is in accordance the highest levels of ethics and integrity when performing their duties.

2. Development

2.1. Managerial and disciplinary rights of Cellnex.

The Disciplinary System finds its legitimacy in the managerial and disciplinary rights of the company, which legitimizes and empowers it to act by imposing sanctions, within a previously established framework where legal relationships inter privados exists, against any conduct that deviates or breaches the internal rules and procedures within its organization.

The above is justified as a response to the need to maintain the order and discipline within all the business organization since this is an organized structure with multiple relationships and hierarchical levels, where a set of rules and principles to govern the professional behaviour of all employees and personnel of the company are necessary to be adopted, as well as the relevant Disciplinary System in order to maintain the highest standards of ethics, integrity and compliance.

The legal basis for the referred managerial and disciplinary powers can be find in the Spanish Royal Legislative Decree 2/2015 of 23 October, approving the consolidated text of the Law of the Workers' Statute, which in its article 1.1 states that paid employment is "*within the scope of the organization and management of another person (physical or legal), named employer or entrepreneur*"; in its article 5.c) provides that it is an essential duty of the employees to "*carry out the orders and instructions of the employer in the ordinary exercise of their executive powers*"; and in article 20.1 it is stated that the employees "*are obliged to perform the agreed work under the direction of the employer or the person to whom he delegates*".

Furthermore, article 20.2 of the mentioned law states that "*the employee owes the employer the diligence and professional collaboration provided in the laws, collective agreements and orders or instructions adopted by the employer in the ordinary exercise of its managerial powers*"; therefore, any action carried out by any employee or member of the management team of the Company in the course of his professional duties, which is contrary to the applicable

legislation, collective agreement or any internal policy or rules implemented by Cellnex for the prevention and detection of crimes, may be deemed to be considered as a labour breach which could be sanctioned in accordance with article 58.1 of the Workers' Statute.

2.2. Duties and responsibilities of the employees and management personnel of Cellnex.

By virtue of the above referenced laws, all employees and members of the management team of Cellnex should perform their professional duties with respect and in compliance with the applicable laws and internal policies and regulations implemented by the Company to prevent any unlawful and/or criminal action in our organization.

In this sense, it is a mandatory duty for all the employees and management members of Cellnex, to act at all times following the principles of ethics, integrity, legality and transparency in all their actions, and according to the provisions set forth in the Code of Ethics of Cellnex, which should be read, understood and always be kept in mind and applied in accordance with the performance of the professional duties that each person has been assigned.

Moreover, in order to prevent or, where appropriate, detect any irregular behaviour that could take place in any of the hierarchical levels, all employees and management personnel of Cellnex, are obliged to inform about, and report, through the procedures established in the Whistle blowing Channel implemented in our organization, the potential risks or infringement of the legislation, the Code of Ethics, any other internal rules or protocols implemented by Cellnex and/or any action that might be considered unlawful or criminal.

Any breach of the referred rules and internal policies and/or the legislation at the time of performing the professional duties, shall be deemed to be considered as a labour breach which could entail sanctions, in accordance with article 54 of the Workers' Statute, which provides that *"the following acts should be considered contractual breaches: indiscipline or disobedience at work, the infringement of contractual good faith as well as breach of trust in the performance of the work duties"*.

2.3. Sanctions and sanctioning procedure.

The sanctions corresponding to the disciplinary offenses referred to above, consisting in the infringement of the legislation, the Code of Ethics or any other internal rules or protocols implemented by Cellnex, and/or any action that could be considered unlawful or criminal, will be graded by Cellnex or the companies of its group as minor, serious or very serious, depending on the specific circumstances of the case.

The determination of the sanction and the procedure for imposing any sanctions, shall comply with the provisions of the applicable collective agreements and/or in its absence, the provisions of the Workers' Statute or the specific rules of application, and will vary depending on the minor, serious or very serious nature of the sanctioned offence.

2.4. Effective date and duration of the disciplinary system.

This document has been approved by the Board of Directors of Cellnex in its meeting held on 1 December 2016, will come into force on the same date and will remain in full force and effect provided that the same has not been amended.