2020 Report from Board on Remuneration Policy

2021 Junta General de Accionistas
Annual Shareholders' Meeting

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REASONED PROPOSAL PRESENTED BY THE BOARD OF DIRECTORS OF CELLNEX TELECOM, S.A. IN RELATION TO THE PROPOSAL REFERRED TO IN ITEM FIVE OF THE AGENDA OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF THE COMPANY TO BE HELD ON 26 MARCH 2021, ON FIRST CALL, AND ON 29 MARCH 2021 ON SECOND CALL

Item 5, section two, on the agenda, submits to the approval of the General Shareholders' Meeting the approval of the Directors' Remuneration Policy of Cellnex Telecom, S.A. (the "**Company**"), formulated in the terms required by Article 529 *novodecies* of the Spanish Companies Law (the "**Remuneration Policy**").

The Board of Directors agreed to submit the modification to the Remuneration Policy to the Ordinary General Shareholders' Meeting, which consolidated text is attached to the report prepared by the Nomination and Remuneration Committee (renamed as the Nomination, Remuneration and Sustainability Committee), which the Board of Directors adopted as its own, in all its terms. Such report is attached as an Annex I to this reasoned proposal, to which is also attached, as Annex II, a presentation by the Company which, among other matters, includes the market analysis prepared in 2020 by an independent consultancy firm on the compensation of the Chief Executive Officer.

The Remuneration Policy is in line with the best practices in corporate governance matters and market trends, while maintaining a continuity with the policy in force in the last years, and follows a more transparent format which allows to clearly see the principals in which it stands. From a quantitative point of view, the Remuneration Policy includes (i) the modification of the maximum total annual remuneration to be paid to all directors in their capacity as such, and (ii) the modification of the annual fixed and multi-year variable remuneration of the Chief Executive Officer.

The Board of Directors considers that the Remuneration Policy, which is proposed to be approved, is consistent with the Company's strategy, the interests of its shareholders, the achievement of long-term results and the increased relevance of sustainability criteria. In addition, the factors that determine the different components of the remuneration of the Chief Executive Officer for the performance of hits executive functions are competitive in relation to those applied by comparable national and international entities, as can be seen from the comparative study carried out for this purpose by an independent external company.

Madrid, 25 February 2021.

ANNEX I

REPORT OF THE NOMINATIONS AND REMUNERATION COMMITTEE OF CELLNEX TELECOM, S.A. ON THE APPROVAL OF THE DIRECTORS' REMUNERATION POLICY

This report is prepared in compliance with the provisions of article 529 *novodecies* of the Capital Companies Act (*Ley de Sociedades de Capital*) and is intended to propose the approval of the Directors' Remuneration Policy, which will be in force during financial years 2021, 2022 and 2023.

The Remuneration Policy whose approval is proposed, while maintaining a continuity with the current policy, introduces a series of modifications that strengthen the alignment with the strategic priorities of the Company, with the recommendations of corporate governance and with the practices of comparable sectors and companies. For these purposes, the opinion of Cellnex's main shareholders has been considered and the information received from institutional investors and proxy advisors has been analysed, as well as the provisions of the Code of Good Corporate Governance regarding the remuneration of directors.

Likewise, Directive (EU) 2017/828 of the European Parliament and of the Council of May 17th 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, as well as the Draft Law amending the consolidated text of the Capital Companies Act and other financial regulations, as regards the encouragement of long-term shareholder engagement in listed companies, have also been taken into account.

From a qualitative point of view, the Policy submitted for approval aims to:

- Establish as clearly as possible the principles on which it is based, setting out in a transparent manner those activities that are sound remuneration practice:
  - Balance of the different remuneration components.
  - Consideration of multiple metrics.
  - Variable incentives with multi-year periods.
  - Obligation to hold shares of the Company on a permanent basis.
  - Measures aimed at mitigating risks.
  - Support from external advisors.
- Set out in equally clear terms the practices to be avoided:
  - Salary increases or variable remuneration guaranteed a priori.
  - Use of financial elements that would allow speculation on the value of the shares received.
  - Remuneration of non-executive directors linked to the company's results or individual performance.
- Include both internal and external factors in its definition:
  - Internal: results of recent years, creation of shareholder value, strategic priorities in the short and long term, growing importance of ESG criteria, greater demands in terms of transparency, internal equity with the remuneration conditions of all employees.

- External: changes in the macroeconomic environment, the latest regulatory developments applicable to listed companies, practices of comparable companies and market trends in general, recommendations on good corporate governance at national and international level, as well as recommendations received in the process of engagement with institutional shareholders.

In summary, the design of the Remuneration Policy is consistent with the Company's strategy, the interests of its shareholders, the achievement of long-term results and the increased relevance of sustainability criteria.

From a quantitative point of view, the Policy includes the following proposals:

- Modification of the maximum total annual remuneration to be paid to all directors in their capacity as such.
- Modification of the annual fixed and multi-year variable remuneration of the Chief Executive Officer.

Modification of the maximum total annual remuneration to be paid to all directors in their capacity as such

With regard to the remuneration of directors in their capacity as such, as described in the Remuneration Policy, the remuneration system envisaged is consistent with that established in the Corporate Bylaws and the Board Regulations.

The maximum annual amount of such remuneration for all directors increases compared to the previous Policy (from €2 million to €2.2 million), for two main reasons:

- The significant increase in the dedication of the Directors, given the higher number of ordinary and extraordinary meetings (in financial year 2020, 12 meetings of the Board, 8 meetings of the Audit and Control Committee and 12 meetings of the Nominations and Remunerations Committee were held).
- The provision that there may be any increase in the current remuneration of the directors during the years in which the Policy will be in force (for financial year 2021, the directors maintain the same remuneration as in the previous financial year).

Modification of the annual fixed and multi-year variable remuneration of the Chief Executive Officer

With respect to the remuneration of directors for the performance of executive duties included in the Remuneration Policy, it also complies with the requirements of the applicable legislation, as well as with the provisions of the Corporate Bylaws and the Regulations of the Board of Directors of the Company.

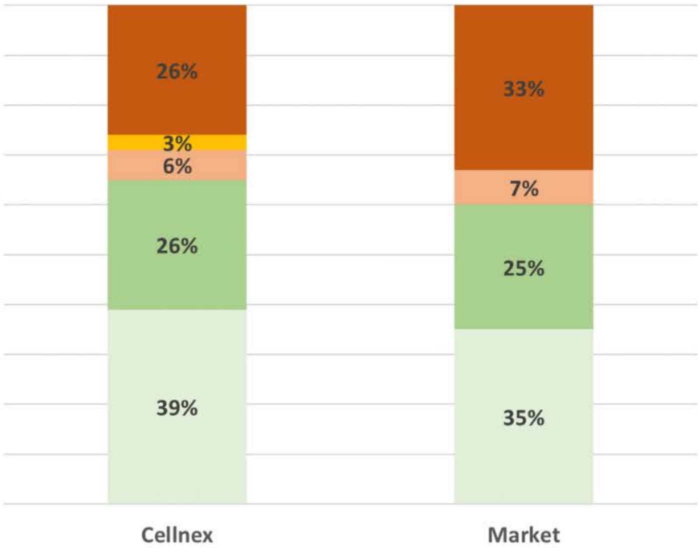
The proposed changes refer to the fixed and multi-year variable remuneration of the executive director, and are based on the proposals made by a company of recognised prestige (Willis Towers Watson) which carried out a complete study of the remuneration package of the executive director and senior management of the Company, taking into account the comparison between the 17 main companies in the telecommunications sector in Europe and the USA considered comparable (American Tower, Deutsche Telekom, Crown Castle, Vodafone, Orange, Telefónica, Swisscom, Telia, KPN, Tele2, Inwit, Telenet, Sunrise, MasMovil, Rai Way, Telxius, TDC). The Company's performance was benchmarked against the benchmark group using different business metrics (market capitalisation, revenues, EBITDA and assets); and corporate governance best practices were also taken into account.

The comparative report reflects that Cellnex's results over the last 4 years, in terms of total shareholder return, revenue growth, EBITDA and total assets, place the Company consistently close to the 75th percentile of the benchmark group. This evolution has meant that, since its creation in 2015, Cellnex has ranked 2nd in this group of companies in terms of TSR (total shareholder return).

If we compare the Company's performance against the CEO's total target remuneration, there is a lack of alignment between these figures. The figures below show the comparison between the evolution of the Company's various business figures and the evolution of the CEO's fixed remuneration over the last two years:

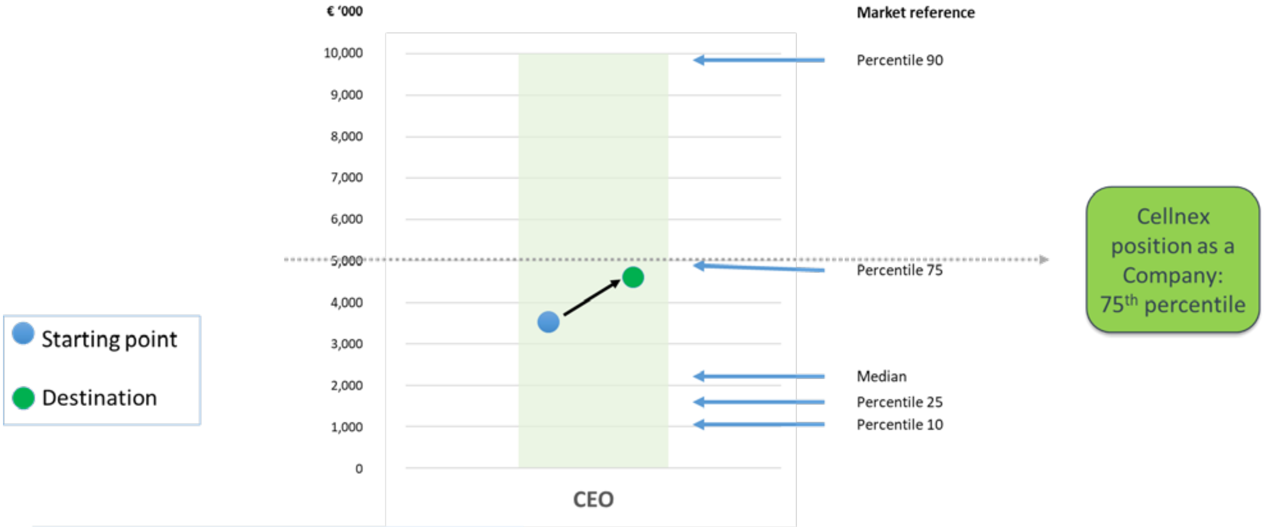
	Growth in two years
Fixed remuneration	30%
Countries	57%
Sites	100%
Revenues	114%
EBITDA	148%
Market Cap	361%

With regard to the CEO's overall remuneration, it is worth paying attention firstly to the "pay mix", i.e. the different weighting of the remuneration items compared to the market. In the case of Cellnex's CEO, the variable components have a significantly higher weighting than the market average, which translates into greater exposure to risk (as they are remuneration items that may not materialise, or may not materialise completely):



	CEO	Market
Base Salary Board Fees Pension	Fixed part 35%	 40%
Annual Bonus LTI	Variable part 65%	 60%

From the point of view of remuneration magnitudes, the result of the aforementioned independent study is reflected in the following graph, which shows the situation of the remuneration package of the CEO of Cellnex with respect to the rest of the companies in 2020 and the situation in which he would be after the approval of the proposals contained in the new Policy:



2020	% Variable (Annual + LTIP) % Fixed	65% 35%
2021	% Variable (Annual + LTIP) % Fixed	68% 32%

NOTE: the comparison only includes fixed remuneration, annual variable remuneration and long-term incentive (all other remuneration components are not included in the external baseline), in order to make homogeneous comparisons.

According to the benchmark, Cellnex's total CEO compensation in 2020 was around the 65th percentile of the market, while Cellnex's performance has placed the Company steadily close to the 75th percentile of the market.

Therefore, the remuneration proposal for the CEO consists of:

- An increase in fixed remuneration in 2021, from €1,000,000 (fixed remuneration which in 2020 remained unchanged compared to 2019) to €1,300,000.
- Maintain the same percentage of annual variable remuneration (100% of fixed remuneration).
- An increase in the long-term variable incentive, so that the target is 183% of the fixed remuneration, to be applied from the 2021-2023 LTIP programme, i.e., to be settled, if applicable, in 2024. A correction factor may be applied to this percentage (in the event of significant over- or under-performance), which could range from 140% to 240%.

Note that the proposal does not alter the pay mix, i.e. the weight of the CEO's fixed component in his total remuneration, once these changes are applied, remains well below the market average.

The full text of the Remuneration Policy submitted for approval by the General Shareholders' Meeting is attached as an annex to this report.

Remunerations Policy of the Directors of Cellnex Telecom, S.A.

Introduction

The Board of Directors of Cellnex Telecom, S.A. (hereinafter, without distinction, "Cellnex" or the "Company") approved at its meeting held on 25 February 2021, at the proposal of the Nominations and Remunerations Committee, to submit this remuneration policy for members of the Board of Directors for financial years 2021, 2022 and 2023 (hereinafter, the "Remuneration Policy" or the "Policy") to the 2021 Annual General Meeting, as a separate item in the agenda, in accordance with the provisions of the restated text of the Spanish Companies Law (*Ley de Sociedades de Capital*) approved by Legislative Royal Decree 1/2010 of 2 July (hereinafter the "Companies Law").

This Policy builds on the existing policy but introduces a number of adjustments that align it more closely with the Company's strategic priorities, corporate governance recommendations, and industry and peer practices. For this purpose, the Company has considered the opinion of Cellnex's main shareholders, the information received from institutional investors and proxy advisors, and the provisions of the Good Governance Code concerning directors' remuneration.

Likewise, for the purposes of drawing up this Remuneration Policy, the Draft Law amending the restated Corporations Law and other financial provisions regarding the encouragement of long-term shareholders' engagement in listed companies has also been taken into account.

This Remuneration Policy include the following sections:

Our principles and practices

The main purpose of the Remuneration Policy is to attract, retain and motivate talent, so that the Company is able to meet its strategic objectives within the increasingly competitive and internationalised framework in which it operates, establishing such measures and practices as are most appropriate for this purpose.

The general principles underpinning the Remuneration Policy are as follows:

ALIGNMENT WITH STAKEHOLDERS' INTERESTS

To align the interests of executive directors with those of shareholders, linking a significant portion of total directors' remuneration to the Company's results and long-term value creation for shareholders. Variable remuneration is also linked to the achievement of environmental, social and good governance (ESG) targets, in line with the sustainability strategy.

In addition, decisions on the remuneration of executive directors are made taking into account the remuneration conditions of the management team as a whole and the interests of other stakeholders.

COMPETITIVENESS

The Remuneration Policy must be competitive. This is achieved by setting a remuneration package in line with market standards, based on comparable industries and peer companies.

Remuneration must be adequate to attract and retain directors with the talent and profile required by the Company.

SUITABILITY

Remuneration must be sufficient and appropriate to each director's time commitment, qualifications and responsibilities, without compromising the director's independence of judgement.

TRANSPARENCY

The Company's Board of Directors undertakes to implement full transparency in respect of all items of remuneration received by all directors by providing sufficient transparent information in advance, in line with good governance recommendations for listed companies.

A breakdown by remuneration item, the allocation criteria and a breakdown for each individual are published in the Annual Report on the remuneration of directors.

These principles translate into a Remuneration Policy aligned with sound good governance practices:

WHAT WE DO

- **Reasonable balance between the different components**: the balance between fixed and variable components (annual and multi-annual) is designed to reward appropriate risk-taking combined with the achievement of short and long-term targets, so that the Company is able to meet its strategic objectives.
- **Consideration of multiple metrics**: variable remuneration is tied to parameters that reflect the achievement of objectives linked to the overall performance of the Company and its group, as well as of the individual performance, including targets associated with the sustainability strategy (ESG).
- **Long-term incentive plan (LTIP) linked to a multi-year assessment period**: the multi-year remuneration of executive directors vests after a minimum of three years and is closely linked to the creation of value for shareholders.
- **Shareholding**: executive directors are required to permanently hold a number of shares equivalent to two times their fixed annual remuneration.
- **Proportionality and management of risk**: the Remuneration Policy provides for specific measures to mitigate inappropriate risk-taking, including limits on maximum remuneration, linkage to multiple metrics, and malus and clawback provisions for variable remuneration.
- **Sound processes for involving shareholders in remuneration and governance.**
- **Support of external advisors**: the Board of Directors and the Nominations and Remunerations Committee are able to draw on external advice for the purpose of evaluating and interpreting information on market remuneration as a factor to be taken into account when deciding policy design. They also receive external advice when defining and implementing the remuneration proposals for each year.

WHAT WE DO NOT DO

- There are **no** contracts with **guaranteed salary increases**.
- There is **no guaranteed variable remuneration**.
- **Hedging, pledging, short selling and derivatives on shares** received **are prohibited** during the holding period.
- Non-executive directors do not receive remuneration linked to the Company's results or their own individual performance. Nor do they participate in long-term savings or other pension or insurance schemes.
- **No loans** or **advances** are granted.

Remuneration policy for executive directors

As of the date of preparation of this Remuneration Policy, only the Chief Executive Officer performs executive functions.

I. Items of remuneration

The components of ordinary remuneration for the performance of executive functions are as follows: (i) fixed items, (ii) annual variable remuneration, and (iii) long-term incentive plan (LTIP)*:

Fixed items

Reward the level of responsibility of the position in the organisation as well as the director's experience, ensuring that the remuneration is competitive with that paid by peer companies

- Fixed remuneration (FR): €1,300,000*
- Annual contribution to the pension plan: 25% of FR

Annual variable remuneration

Linked to a combination of corporate financial and non-financial targets. The non-financial targets may include targets linked to the sustainability strategy and individual performance. Paid in cash and/or shares

- Target: 100% of FR
- Maximum: 150% of FR

LTIP

Awarded annually. Closely linked to value creation for shareholders. Measured over a period of at least three years. Targets linked to achievement of the Company's strategic priorities

- Maximum: 238% of FR**

* Executive directors may also receive other remuneration in kind. Details are provided in section 2 IV. On the other hand, executive directors may receive remuneration for membership of the Board of Directors and dedication to the Board meetings.

** This limit is set in order to determine the amount of the incentive at the date of the award. That is, this percentage reflects the maximum for any award under an LTIP in progress during the term of this Policy.

II. Remuneration mix

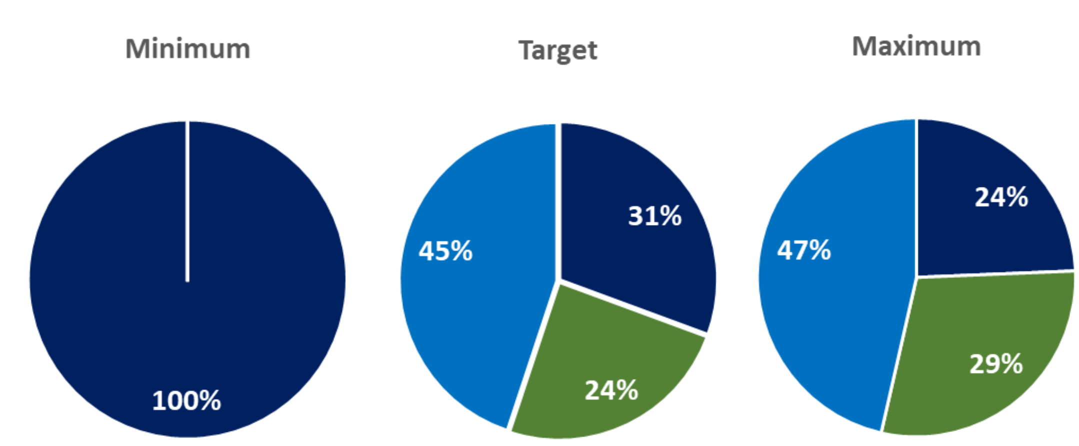
The Remuneration Policy provides a reasonable balance between the various fixed and variable components (annual and long-term), reflecting appropriate risk-taking combined with the achievement of short and long-term targets linked to the creation of sustainable value.

Fixed items [1]	All scenarios	• Fixed remuneration (FR): €1,300,000 • Contribution to the pension plan: 25% of FR
Annual variable remuneration	Minimum	No incentive would be paid
	Target:	100% of FR
	Maximum	150% of FR
Long-term incentive[2]	Minimum	No incentive would be paid
	Target:	183% of FR
	Maximum	238% of FR

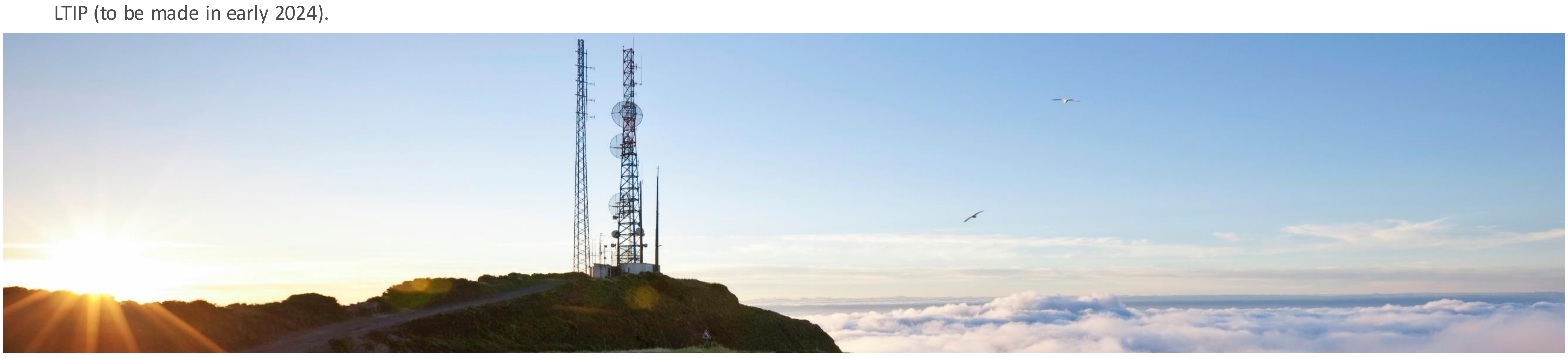
1 Any remuneration in kind received by executive directors is not included, as it would be insignificant in amount.

2 The amounts reflect the value of the long-term incentive at the date of the award (LTIP 2021-2023), i.e. this target and cap will not apply until the payment of the 2021-2023 LTIP (to be made in early 2024).

The chart shows examples of the potential future total remuneration payable to the Chief Executive Officer under this Remuneration Policy for financial year 2021. The possible results and the assumptions on which they are based are set out below:



- Fixed items (fixed remuneration and contribution to the pension plan)
- Annual variable remuneration
- Long-term incentive[2]



Remuneration of executive directors (cont'd)

III. Main changes

In 2020, the Cellnex Nominations and Remunerations Committee carried out a process of reflection on the remuneration policy then in force with a view to proposing a new policy to the Board of Directors. The following factors were taken into account:

Internal factors

- The results achieved in recent years, including value creation for shareholders
- Short and long-term strategic priorities
- Increased importance of sustainability
- Increased demand for transparency
- Internal equity with the remuneration conditions of all employees

External factors

- Changes in the macroeconomic environment
- Recent regulatory developments applicable to listed companies
- Industry and peer practices and market trends in general
- National and international good corporate governance recommendations
- Recommendations received through institutional shareholder engagement

The proposed new Remuneration Policy builds on the policy approved with 88.78% of the votes cast at the General Shareholders' Meeting held on 9 May 2019, but introduces a number of adjustments that reinforce alignment with our strategic priorities, our shareholders' opinions and corporate governance recommendations. The main changes proposed with respect to executive directors are summarised below:

Fixed Items			
	Current policy	New policy	Reasons
Fixed remuneration (FR):	• Amount: €1,000,000 in 2019 and 2020 • Increase limited to 20% during the term of the Policy (not applied)	• Amount: €1,300,000 in 2021 • Increase limited to 30% during the term of the Policy The reasons for this amount are set out in the Nominations and Remunerations Committee report and the Annual Report on the remuneration of directors	• Proportionality with the importance of the Company and the value generated for shareholders • Retention of key talent • Alignment with international market practices
Annual variable remuneration			
	Current policy	New policy	Reasons
ESG targets	• Corporate governance targets are included	• Remuneration is linked to environmental, social and governance (ESG) targets associated with our sustainability strategy	• Alignment with the interests of all stakeholders • Alignment with international market practices and corporate governance recommendations
Long-term incentives			
	Current policy	New policy	Reasons
ESG targets	• Not included	• The Policy provides for the possibility of linking long-term incentives to environmental, social and governance (ESG) targets associated with our sustainability strategy	• Alignment with the interests of all stakeholders • Alignment with international market practices and corporate governance recommendations
Other items			
	Current policy	New policy	Reasons
Shareholding	• The shareholding requirement is linked to each long-term incentive plan	• The shareholding requirement is part of the Remuneration Policy, regardless of any long-term incentive plan	• Alignment with shareholders' interests • Alignment with international market practices and corporate governance recommendations
Malus and clawback provisions	• Applicable for: 6 months after receipt of the annual variable remuneration	• Applicable for: 12 months after receipt of the annual variable remuneration (in the long-term incentive this period already was 36 months) • The reasons for applying the provisions are specified	

Remuneration of executive directors (cont'd)

IV. Fixed elements for the performance of executive functions

Fixed remuneration	
Purpose	To reward the executive director having regard to the responsibility of the position in the organisation, the executive's experience, and national and international market practice among peer companies.
Amount	Chief Executive Officer: €1,300,000 in 2021.
How it operates	The fixed remuneration of executive directors is set by the Board of Directors at the proposal of the Nominations and Remunerations Committee. It is paid monthly in cash. To ensure that the remuneration is appropriate and competitive, the Nominations and Remunerations Committee takes the following factors into account: • The specific characteristics of the position and the level of responsibility and involvement required of the executive director. • The executive's competencies and experience. • Developments in the role and in the individual's contribution. • The remuneration conditions for employees in general. • Market data on remuneration in companies of a similar size and complexity to Cellnex. In certain circumstances, such as (but not limited to) an excellent performance in the Company's business metrics, changes in the business or in the powers or responsibilities of the executive director or exceptional Company performance, the amount may be reviewed during the term of the Remuneration Policy. In circumstances such as these and following the proposal from the Nominations and Remunerations Committee, the Board may decide to apply an increase. The maximum increase during the term of the Remuneration Policy is 30%. Any such increase and the reasons for it would be set out in the Annual Report on the remuneration of directors.

Pension plan	
Purpose	To provide competitive post-retirement benefits.
Amount	Chief Executive Officer: 25% of fixed remuneration.
How it operates	As stated in the contracts, the pension plan is a defined contribution plan and is implemented through a collective insurance policy. The contingencies it covers are: • Survival at age 65 or the legal retirement age. • Death. • Total permanent disability for the person's usual occupation, absolute disability for all types of work, and severe disability. • Long-term unemployment. If an executive director leaves the Company before any of the contingencies provided for in the pension plan occurs, any contributions made until that date will be vested, except in the following cases: • In the event that at any time during the 12 months following the person's loss of office as executive director for reasons other than the occurrence of the contingencies and without having received the survivor's benefit the person fails to comply with the contractual obligation not to compete. • In the event of termination for breach of contractual good faith. • In the event of termination for abuse of trust in the performance of the director's duties.

Non-cash remuneration	
Purpose	To provide competitive benefits.
Amount	Chief Executive Officer: €31,000.
How it operates	The executive director may be entitled to certain benefits in kind, including a company vehicle, the payment of premiums for life insurance or health care policies, of which both the executive director and the members of his or her immediate family may be beneficiaries. However, any properly justified expenses reimbursed to executive directors for the performance of services for the Company, such as travel or representation expenses, and the use and enjoyment of resources made available to executive directors for the proper performance of their duties (including any necessary security measures) will not be considered remuneration. The Company has also purchased liability insurance for its directors on market terms.

Remuneration of executive directors (cont'd)

V. Variable elements for the performance of executive functions

Annual variable remuneration	
Purpose	To reinforce the commitment of executive directors to the Company, motivate their performance and reward the achievement of specific targets set for each financial year.
Amount	• Target: 100% of fixed remuneration. The target amount will be achieved if 100% of the preset performance targets are met. • Maximum: 150% of fixed remuneration. The maximum amount will be achieved if the preset performance targets are significantly exceeded.
Metrics	Combination of quantitative and qualitative objectives aligned with Cellnex's strategic priorities. These targets may include specific, preset and quantifiable economic/financial, operational or value creation parameters. For 2021, the metrics to be used and their weights are the evolution of the number of sites managed (20%), inorganic growth (15%), commercial diversification (15%), cash flow generation (35%) and ESG indicators (15%). Indicators linked to the sustainability strategy and the executive director's personal performance may also be considered.
How it operates	The Board of Directors, at the proposal of the Nominations and Remunerations Committee, is responsible for setting the targets at the start of each financial year and for assessing achievement once the annual accounts for the financial year in question have been closed and audited. At the proposal of the Committee, the Board has the power to adjust the amount of variable annual remuneration paid to ensure that the result is fair and balanced in the light of the Company's overall results and shareholder experience. Each metric is associated with a scale of achievement, which is set at the beginning of each year, with a minimum, below which no incentive is paid, and a maximum. The Board of Directors, at the proposal of the Nominations and Remunerations Committee, may decide to use the score for a particular parameter to modify the overall score upward (no more than 1.5 points) or downward (no less than 0.75 points). The modifier parameter may be chosen based, among other things, on the dimensions of the Cellnex Leadership Model: 1 Leading the vision: through strategic vision, change orientation and innovation. 2 Leading people development: by managing the team's talent and helping to detect and nurture talent. 3. Leading the relationship: through influential communication with stakeholders, teamwork, and exploitation of synergies. 4. Leading the contribution to results: by setting challenging goals and ensuring timely, quality execution. 5 Skill and ability to successfully integrate new businesses and M&A transactions. To ensure that annual variable remuneration is effectively related to an executive director's professional performance, any positive or negative economic effects arising from extraordinary events that could distort the assessment are eliminated when assessing the level of achievement of quantitative targets. Variable remuneration is paid in cash or shares, although, subject to agreement, all or part may be replaced by a Company contribution to the executive director's pension plan. The specific targets, their weighting, the final assessment in each of the above metrics and the resulting amount payable, as well as any points considered in determining the corrective factor, will be set out in detail in the Annual Remuneration Report for each year. In exceptional circumstances due to extraordinary internal or external factors or events, the Nominations and Remunerations Committee may propose to the Board of Directors that adjustments be made to particular items, criteria, thresholds or limits of variable annual remuneration. The details of and reasons for any such adjustments will be stated in the corresponding Annual Report on the remuneration of directors.

Long-term incentives	
Purpose	To motivate and retain talent through a remuneration policy that links and integrates executive directors with the Company's Strategic Plan, aligning the objectives of directors with those of shareholders, while maintaining external competitiveness to facilitate talent recruitment and retention.
Amount	Maximum annualised incentive 238% of fixed remuneration. This amount reflects the value of the long term incentive at the date of the award. The target amount is 183% of the fixed remuneration. A correction factor (upwards or downwards) of 1.3 can be applied subsequently in the case of over (or under) performance. Consequently, the maximum can be increased to 238% (or decreased to 141%; or even be 0, if the vesting and settlement conditions are not met).
Metrics	Incentives may be linked to the economic, financial and operational objectives of the Strategic Plan and value creation objectives for shareholders, as well as non-financial objectives, which could be linked to the sustainability strategy. Some of the metrics may be measured relative to a comparator group of rival companies. The key metrics used are TSR (Total Shareholders Return), share price performance and cash flow generation.
How it operates	Incentives will be structured in annual awards (rolling LTIs). The targets for each award will be measured over a period of at least three years. The incentive may be delivered entirely or partly in share options, shares, cash or other remuneration instruments that will help achieve the purpose stated above. At the beginning of the Policy period, 30% is delivered in shares and 70% in options (share appreciation rights). Executive directors are subject to a minimum Cellnex shareholding requirement (paragraph 2VIII). Once said requirement has been met, executive directors may choose to receive LTIP awards in contributions to a pension plan or equivalent product, or in cash. The Board of Directors, at the proposal of the Nominations and Remunerations Committee, is responsible for the approval of targets at the beginning of each LTIP period and for assessing achievement at the end of each target measurement period. Each metric is associated with a scale of achievement, which is set at the beginning of each year, with both a minimum, below which no incentive is paid, and a maximum level. When assessing achievement of targets, any positive or negative economic effects arising from extraordinary events that could distort the assessment are eliminated. In exceptional circumstances due to extraordinary internal or external factors, the Nominations and Remunerations Committee may propose to the Board of Directors that adjustments be made to particular elements, criteria, thresholds or limits of multi-year variable remuneration. The details of and reasons for any such adjustments will be stated in the relevant Annual Report on the remuneration of directors.

Remuneration of executive directors (cont'd)

VI. Provisions of the previous Policy that will continue to apply

In 2017, the Board of Directors at the proposal of the Nominations and Remunerations Committee, agreed to launch a three year LTIP, which will apply for part of the term of the present Remuneration Policy and was designed to retain and secure the involvement of the Chief Executive Officer and certain key Group personnel.

In particular, at the date of approval of the present Policy, the following LTIPs are in force: LTIP 2019-2021, LTIP 2020-2022 and LTIP 2021-2023. The details of these plans and the amounts allocated are broken down in the Annual Reports on the remuneration of directors. The Nominations and Remunerations Committee intends to extend the current rolling LTIP framework for the next few years.

VII. Ex-post control of variable remuneration (malus and clawback provisions)

If, within a 12-month period, circumstances arise that warrant a reassessment or review of the degree of achievement of the targets by the Board of Directors, following a report from the Nominations and Remunerations Committee, as the case may be, Cellnex may suspend the payment of amounts outstanding for annual variable remuneration and, where applicable, claim back amounts paid that should not have been paid according to the reassessment.

In relation to LTIP awards, if within a three year period after receipt of the award (i) Cellnex is obliged to restate the accounts that were used in calculating the award, due to extraordinary events; or (ii) Cellnex's Board of Directors becomes aware of any misconduct on the part of the executive director, Cellnex may recalculate the award and, where appropriate, demand reimbursement of any excess over the recalculated amount, or of the full amount if the conduct is considered very serious by the Board of Directors or influenced the metrics used to calculate the award.

VIII. Minimum shareholding requirement

Executive directors are obliged to permanently hold Cellnex shares in an amount equivalent to two times their annual fixed remuneration. Shares held at the date of approval of the Remuneration Policy will be valued at regular intervals.

IX. Extraordinary remuneration

The Board of Directors, at the proposal of the Nominations and Remunerations Committee, shall require the authorization of the General Shareholders' Meeting in order to grant special incentives to executive directors in the event of extraordinary corporate, acquisition, investment, divestment, restructuring or any other type of transaction. The following criteria will be used to determine the appropriateness of any such bonus:

- Importance, complexity and uniqueness of the corporate transaction that generates significant added value for the Company's shareholders or an economic benefit or a significant increase in equity that reinforces Cellnex's sustainability.
- Extraordinary effort made by the executive director that was crucial to successful completion of the corporate transaction.
- Positive performance of the ordinary business. Thus, the extraordinary bonus will not offset reduced or zero payments for poor performance resulting from ordinary LTIPs.
- Assessment of whether the items of ordinary fixed and variable remuneration are sufficient reward for the significant value added to the Company.
- Market competitiveness of the remuneration package.

In any case, the amount, currency of payment and settlement date of any extraordinary variable remuneration will be submitted to a vote of the General Shareholders' Meeting as a separate item in the agenda.

IX. Main contractual terms

At present, the performance of the Chief Executive Officer's duties and responsibilities is governed by a contract for services that has all the clauses usually included in practice in this type of contract. The contract was proposed by the Nominations and Remunerations Committee and approved by the Company's Board of Directors.

The main terms and conditions are summarised below:

Duration	The contract between the Company and the Chief Executive Officer has a specified term (until 31 December 2024).
Notice	Three months' notice is required.
Compensation in the event of termination of the contractual relationship	If the contractual relationship is terminated before the end of the agreed period, the Chief Executive Officer will not be entitled to receive any compensation for termination of the relationship, except in the following cases: (i) serious breach by the Company of its obligations under the contract; (ii) substantial non-consensual modification of the Chief Executive Officer duties; (iii) change of control of the Company within the meaning of Article 42 of the Spanish Commercial Code; or (iv) termination or non-renewal of the Chief Executive Officer position as director. In these cases, the Chief Executive Officer will be entitled to receive a compensation equal to two years' annual fixed and variable remuneration (accrued during the last year preceding termination of the contract).
Post-contractual non-compete covenant	The Chief Executive Officer undertakes, for one year from the date of termination of the contract, not to provide, either directly or indirectly, as an employee or for his or her own account, personally or through an intermediary, services to any company or other entity whose purpose includes "activities that compete with those of the Company". The specific financial consideration for these restrictions will consist of payment of one year's fixed remuneration. If the Chief Executive Officer fails to comply with this non-compete obligation, he or she must return the amount received and pay an additional amount equivalent to one year's fixed remuneration. This covenant does not apply if the contract is terminated but the Chief Executive Officer maintains some kind of legal tie to Cellnex or its group of companies.
Exclusivity	The contract stipulates the obligation to provide services to the Company on an exclusive, full-time basis and the prohibition of the provision by the Chief Executive Officer of services to third parties unrelated to the Group whether directly or indirectly, to third parties outside the group, without the express consent of the Company.
Confidentiality	In accordance with the Board of Directors Regulations, directors must keep secret all information, data, reports or records to which they may have access in the performance of their duties, even after they have left office, except where permitted or required by law.

The aforementioned compensation is compatible with benefits under the pension plan.

X. Other remuneration items

There are no items of remuneration other than those indicated in the previous sections.

Directors’ remuneration for holding the office of director

In accordance with the Company’s Bylaws and the Board of Directors Regulations, directors’ remuneration consists of a fixed annual remuneration.

Directors are not entitled to attendance allowances. Nevertheless, any travel and living expenses incurred in attending meetings of the Board of Directors or board committees will be paid by the Company.

The maximum total annual remuneration to be paid to all directors for holding the position of director must not exceed 2,200,000 euros (which represents an increase of 200,000 euros compared to the maximum applicable in 2020). For the term of this Remuneration Policy, the maximum remuneration will be maintained on the same terms, unless specifically agreed by the General Shareholders’ Meeting at which a different amount is approved.

The Nominations and Remunerations Committee is responsible for proposing to the Board of Directors for the remuneration of directors for holding the office of director (including the maximum annual amount, which must be approved by the General Shareholders’ Meeting). The Board of Directors is responsible for setting the exact amount to be paid within the aforementioned limit and the distribution of that amount among the different directors, taking each director’s duties and responsibilities on the Board of Directors and any board committees into account, as well as any other objective circumstances the Board deems relevant.

The following table shows a breakdown of directors’ remuneration for holding the office of director for financial year 2021:

		Member	Chairman
Board of Directors	Fixed annual remuneration	€115,000	€260,000
Committees	Fixed annual remuneration	€150,000	€180,000

Directors will receive remuneration from the Company only for the highest of the responsibilities they have assumed.

These amounts may be reviewed and updated by the Board of Directors, following a report from the Nominations and Remunerations Committee, within the maximum annual amount approved by the General Shareholders’ Meeting. The specific remuneration of each director will be stated in the Annual Report on the remuneration of directors.

The Company has also purchased liability insurance for its directors on market terms.

The Policy does not provide for the granting by the Company of loans, advances or guarantees to members of the Board of Directors.

Nor does it provide for the participation of non-executive directors in pension schemes, nor for compensation in the event of termination of their relationship with the Company as directors, nor for the award of remuneration additional to that specified above.

* The only change with respect to the previous Remuneration Policy is the increase in the maximum total annual remuneration to be paid to all directors for holding the office of director (+€200,000).

Remuneration applicable to new directors

The directors' remuneration system described above will apply to any director who joins the Board of Directors during the term of this Policy in an executive or non-executive role.

The Nominations and Remunerations Committee and the Board of Directors will take the person's assigned duties, responsibilities and professional experience, as well as the market remuneration for the position and any other factors it deems appropriate, into account in determining the items and amounts of remuneration applicable to the newly appointed director, as will be duly reflected in the draft contract between the Company and the new director.

Exceptionally, for executive directors and to facilitate the hiring of external candidates, the Nominations and Remunerations Committee may propose to the Board of Directors that a special incentive be offered to offset the loss of unvested incentives in the candidate's previous company due to termination and subsequent acceptance of Cellnex's offer. Preferably, this special incentive will be paid in Company shares.

For internal promotions, the Nominations and Remunerations Committee may cancel or offset any pre-existing incentives and other obligations in effect at the time of appointment.

5

Process of setting the Remuneration Policy

Consideration of shareholders' opinions

The Nominations and Remunerations Committee considers both the external environment in which the Company operates and the guidelines issued by the organisations that represent our institutional shareholders. The Nominations and Remunerations Committee also considers the information received from institutional investors and proxy advisors during Cellnex's regular consultation process.

Consideration of the terms of remuneration of the management team and the outlook for the management team

In setting the terms of remuneration for executive directors, as described in this Remuneration Policy, the remuneration strategy applicable to the Company's employees in general has been taken into account.

The Remuneration Policy for executive directors is thus aligned with the policy for all employees, especially the managerial ranks, who are remunerated for the value they contribute to Cellnex, sharing the following principles:

- **Total remuneration structure**: the remuneration package offered by Cellnex may consist of fixed and variable components, as well as non-cash remuneration and other benefits. In any event, fixed remuneration makes up a significant proportion, insofar as, in certain circumstances, variable remuneration may be zero. Moreover, the amounts and relative proportions of the different items of remuneration are adapted to the local practices of the markets in which Cellnex operates.
- **Equity of remuneration**: the Company guarantees non-discrimination on the basis of gender, age, culture, religion or race in implementing remuneration practices and policies. Thus, Cellnex professionals are remunerated in a manner consistent with their level of responsibility, leadership and level of performance within the organisation, so as to facilitate retention of key professionals and attract the best talent.
- **Pay for performance**: a significant part of the total remuneration of the Company's management team is variable and is linked to the achievement of pre-set, specific and quantifiable financial, business and value creation targets aligned with Cellnex's corporate interest.
- **Proportionality and management of risk**: remuneration levels are commensurate with the size of the Company, its economic situation at any given time and market standards in comparable industries and peer companies. The Policy includes provisions to mitigate inappropriate risk-taking.
- **Values**: the Remuneration Policy is designed to attract and retain the best talent and motivate a high performance culture.

Consideration of market conditions

The directors' remuneration is compared with the remuneration for comparable roles in companies of a similar size. Details of the comparator groups and of the analyses performs are included in the Annual Report on the remuneration of directors.

Consideration of independent external advice

In formulating, reviewing and implementing the Remuneration Policy, the Nominations and Remunerations Committee seeks independent advice and ensures that no director is involved in decisions relating to his or her own remuneration.

Specifically, in designing the present Remuneration Policy, the conclusions drawn from comparisons of the policy in force in 2020 with the practices of other industries and peer companies have been taken into account, together with corporate governance recommendations. The comparison included an analysis of the total remuneration strategy (positioning relative to the market and remuneration mix) and of the design of the different items of remuneration.

The role of the Nominations and Remunerations Committee is specified in the Board of Directors Regulations.

Consistency with the Company's strategy, interests and long-term sustainability

The design of the Remuneration Policy is consistent with the Company's long-term, results-oriented strategy:

- The total remuneration of executive directors is composed of different items of remuneration, mainly: (i) fixed items, (ii) annual variable remuneration, and (iii) long-term incentives.
- The long-term incentives are embedded in a multi-year framework to ensure that performance is assessed on the basis of long-term results, taking the Company's underlying business cycle into account. Long-term incentives are awarded for value creation, so as to align the interests of executive directors with those of shareholders

In addition, a proper balance is sought between the fixed and variable components of remuneration. The system of variable remuneration for executive directors is fully flexible and allows executive directors to receive no variable remuneration whatsoever if certain minimum thresholds are not met.

At the same time, the Remuneration Policy has the following characteristics that reduce exposure to excessive risks:

- One of the main functions of the Nominations and Remunerations Committee throughout the process is to analyse, select and propose the targets and metrics for the variable remuneration of executive directors and senior management. The main characteristics of the targets are as follows:

  a) they are reviewed at regular intervals to ensure that they remain sufficiently demanding;

  b) they are mostly measurable and quantifiable and the weightings and achievement levels for annual variable remuneration are approved by the Nominations and Remunerations Committee at the beginning of each financial year, taking, among other things, the economic environment, the strategic plan, historical analyses, the Company's budget and investors and analysts' expectations or consensus into account;

  c) they are monitored by the Nominations and Remunerations Committee throughout the measurement period;

  d) at the end of the measurement period, the Nominations and Remunerations Committee assesses the final degree of achievement. In setting targets and assessing achievement, the Nominations and Remunerations Committee also takes associated risks into account. Any positive or negative economic effects arising from extraordinary events that could distort the assessment are eliminated. The Nominations and Remunerations Committee will assess the degree of achievement of the agreed targets and determine the amount to be paid, taking the weighting of each metric into account, subject to final approval by the Board of Directors. The annual and long-term targets are assessed and long-term variable remuneration is awarded on the basis of audited financial statements.

- The Policy includes an ex-post control of variable remuneration (malus and clawback provisions) should certain circumstances arise.
- To reinforce executive directors' commitment to the Company's long-term interests and alignment with shareholders' interests, the Policy includes the minimum shareholding requirement described above.

Validity

The Board of Directors, at the proposal of the Nominations and Remunerations Committee, will submit this new Remuneration Policy for approval by the 2021 Ordinary General Shareholders' Meeting and, if approved, the Policy will enter in force in 2021, replacing the Remuneration Policy currently in force, which was approved by the General Shareholders' Meeting held on 9 May 2019.

This new Remuneration Policy will remain in force for three years (2021, 2022 and 2023), although the Nominations and Remunerations Committee may propose a new policy for approval at an earlier date if deemed appropriate.

ANNEX II

PRESENTATION

Remuneration Policy 2021-2023

CEO's Total Remuneration

- Benchmark analysis

- Proposed Evolution

Barcelona, February 2021

Introduction

- In November 2020, an independent consultant (Willis Towers Watson - WTW) conducted a market analysis of the overall compensation of Cellnex's executive team, both from a qualitative and quantitative point of view.

- Main objectives:
  - ✓ Assess the degree of alignment of Cellnex's executive compensation policy with the market practice and corporate governance perspectives.
  - ✓ Assess the external competitiveness of the senior executives' total compensation.
  - ✓ Assess the alignment of the pay mix against the market.

- Peer group:
  - ✓ Quantitative analysis: 17 European and US companies from telecommunications and network infrastructure sectors, comparable in terms of size and geographical scope to Cellnex.
  - ✓ Qualitative analysis: a selection of 11 European and US companies from the peer group with a good quality compensation score rated by ISS or which are relevant competitors for Cellnex.

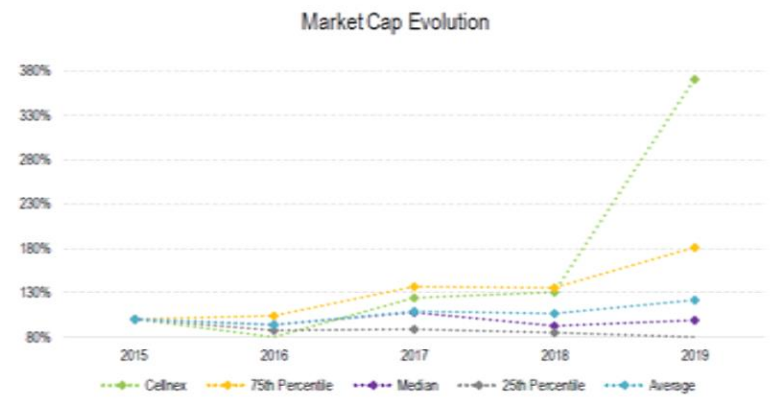
- Source of compensation data: 2020 WTW Executive Compensation surveys in Europe and US and publicly available information disclosed in 2020.

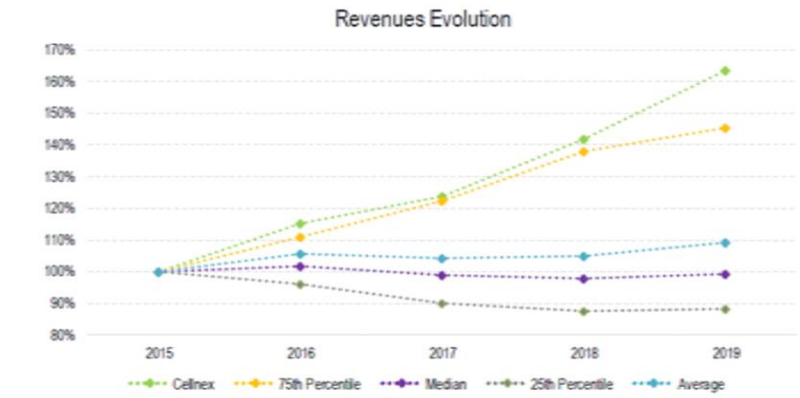
- Corporate governance recommendations:
  - ✓ ISS' and Glass Lewis' guidelines for continental Europe and the UK.
  - ✓ Specific guidelines from relevant institutional investors (BlackRock, Fidelity, Legal and General, Ethos, Vanguard, Hermes) and the Association of British Insurers (ABI).
  - ✓ The Spanish Governance Code.
  - ✓ The UK corporate governance code (which is at the forefront of the corporate governance trends in Europe).

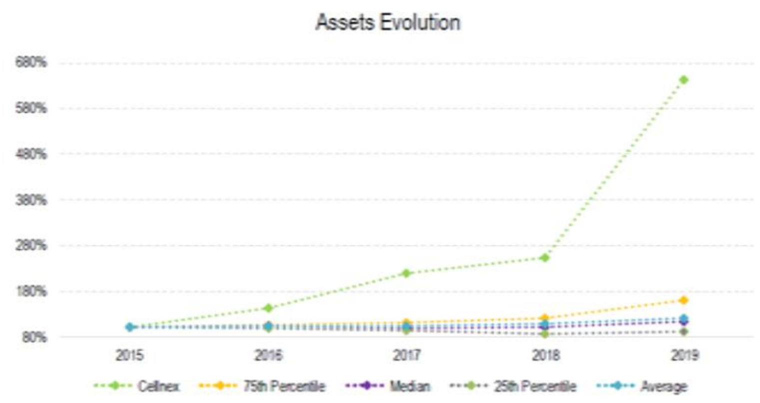
The following pages contain an extract of this analysis, to support the CEO remuneration proposal contained in Cellnex's new Remuneration Policy.

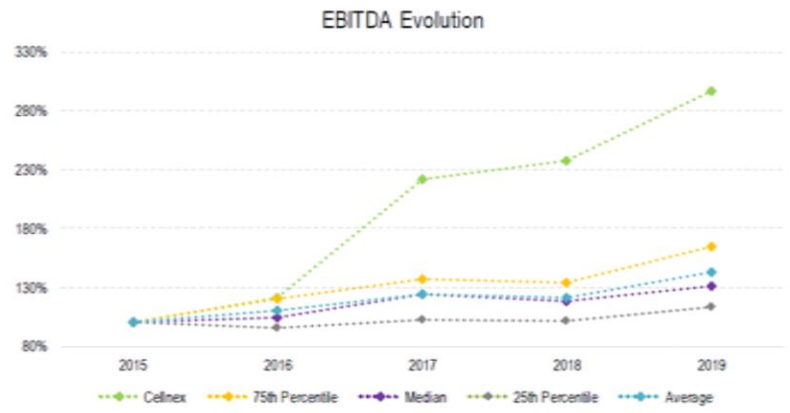
Cellnex compared against his peers: positioned above 75th percentile

Cellnex's performance in the past 4 years positions the company above the market's upper quartile









#	COMPANY	TOTAL SHAREHOLDER RETURN (7.05.2015 - 31.08.2020)
1	Másmóvil	434
2	Cellnex	338
3	Inwit	251
4	American Tower	195
5	Crown Castle	141
6	Tele2	74
7	Sunrise	63
8	Rai way	58
9	Deutsche Telekom	14
10	Swisscom	14
11	KPN	-8
12	Telia	-14
13	Orange	-18
14	Telenet	-27
15	Vodafone	-34
16	Telefónica	-66
17	Telxius	Not Listed
18	TDC	Not Listed

Source: Willis Towers Watson: "Cellnex's remuneration policy for the management team: Diagnosis from a market practice and corporate governance perspective; November 2020

Impressive Cellnex's business evolution during the last two years

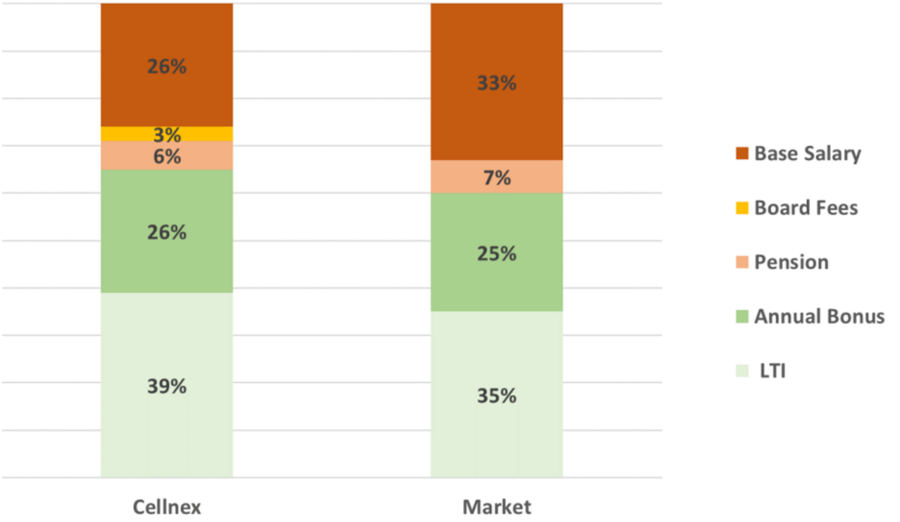
	Initial	End (+2 years)	2-year growth
Countries	7	11	**57%**
Sites	36.500	73.000	**100%**
Revenues (M€)	1.030	2.200	**114%**
EBITDA (M€)	686	1.700	**148%**
Market cap	5.187	23.907	**361%**

Cellnex's CEO total compensation compared against his peers: **positioned around 60th percentile...**

Quantum - Chief Executive Officer

EUR Thousand	Your data (target LTI)	Your data (expected LTI)	MARKET DATA 10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile
Base Salary (BS)	1,000	1,000	345	595	865	1,035	1,600
Target Bonus (%BS)	100%	100%	55%	70%	100%	135%	165%
Base Salary + Target Bonus	2,000	2,000	735	1,070	1,505	2,395	2,880
LTI: annualised expected value	150%	105%	50%	100%	180%	395%	855%
Total Target Direct Compensation	3,500	3,048	1,015	1,610	2,120	4,930	9,860
Board Fees	100	100	--	--	--	--	--
Total Target Compensation	3,600	3,148	1,015	1,610	2,120	4,930	9,860
Pension: annual contribution (%BS)	25%	25%	10%	10%	20%	30%	35%
Total Target Compensation (including pension contribution)	3,850	3,398	1,030	1,785	2,310	5,125	10,195

... and having the **variable components a significantly higher weighting (65%)** than the market average (60%), so greater exposure to risk



	CEO	Market
Base Salary Board Fees Pension	Fixed 35%	40%
Annual Bonus LTI	Variable 65%	60%

Source: Willis Towers Watson: "Cellnex's remuneration policy for the management team: Diagnosis from a market practice and corporate governance perspective; November 2020

Cellnex's CEO total compensation evolution during the last two years

	2019	2020	2021
Base Salary	1.000.000	1.000.000	1.300.000
Annual Bonus	1.195.000	1.335.000	1.553.500
Long Term Incentive	1.416.667	1.650.000	1.453.030
Extraordinary Bonus	1.000.000	-	-
Board Feed	100.000	111.250	115.000
Pension Plan	250.000	250.000	325.000
Other	27.582	27.582	27.582
TOTAL	**4.989.249**	**4.373.832**	**4.774.112**
Increase		**-12%**	**9%**

Without the extraordinary bonus in 2019

	2019	2020	2021
Base Salary	1.000.000	1.000.000	1.300.000
Annual Bonus	1.195.000	1.335.000	1.553.500
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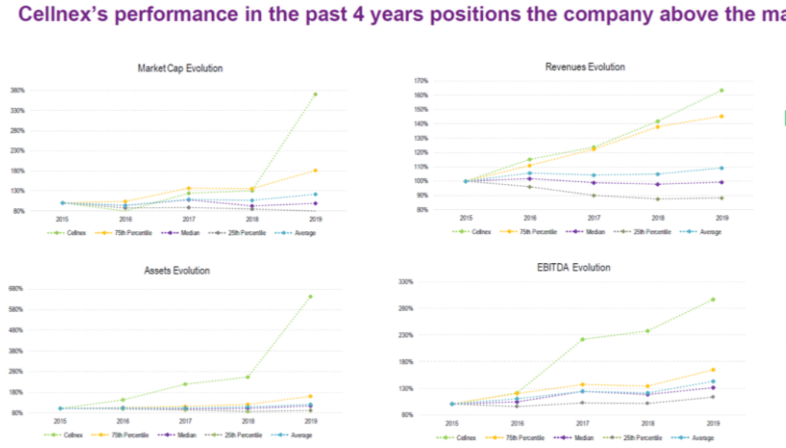
At a glance

Cellnex compared against his peers: positioned above 75th percentile



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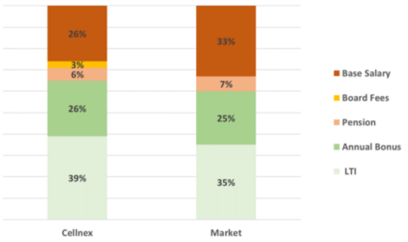

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