

## Report on the Functions and Activities of the Capital Allocation Committee of Cellnex Telecom, S.A. during 2023

### 1. Composition, responsibility and functioning

On 27 July 2023, the Board of Directors of Cellnex approved the creation of a Capital Allocation Committee (the "**Committee**") of Cellnex Telecom, S.A. (the "**Company**").

#### a) Composition

The Board of Directors shall appoint from among its members a Capital Allocation Committee that comprises the number of directors determined in each case, within the minimum of three (3) members and the maximum of five (5) members envisaged in the Company's Board of Directors Regulations. The members of the Committee shall be appointed ensuring that they have knowledge, skills and appropriate experience to the functions they have to perform.

The Committee comprises the following members:

Capital Allocation Committee	Category	Position
Dominique d'Hinnin	Independent	Chair
Jonathan Amouyal	Proprietary	Member
Christian Coco	Proprietary	Member
Óscar Fanjul Martín	Independent	Member
Ana García Fau	Independent	Member
Virginia Navarro Virgós		Secretary
Núria Taberner Delgado		Vice-Secretary

Additionally, the Chair of the Board of Directors and the Chief Executive Officer are permanent attendees of the Committee and joined all the meetings.

In addition, internal Cellnex personnel have joined various sessions of the Committee, in order to present issues within their competence. Specifically: the Chief Executive Officer, the Chief Strategy Officer, the former Deputy Chief Executive Officer, the Chief Financial Officer, the Chief Operations Officer, the Global Capital Structure & Business Plan Director, the Global Financial Planning & Analysis (FP&A) Director, the Global Finance Director, the Global Investor Relations Director, the Global M&A Director, the Global Operations Excellence Director, the Global Commercial Director, the Global Site Management Director, the Global Head of Finance and Treasury, the Global Head of Transformation, the Managing Director of Poland, the West Cluster Managing Director, the Portugal Managing Director, the UK Managing Director and the UK Commercial Director.

## **b) Responsibilities**

The rules of organization and functioning of the Committee are described in the applicable legislation, the Company's By-laws and in the Company's Board of Directors Regulations and, without prejudice to the other functions assigned to the Committee by the applicable legislation or by the Board of Directors, the Committee will have at least the following responsibilities:

- a) To inform and assist the Board of Directors on the business plan, annual budgets and the dividend policy.
- b) To inform and assist the Board of Directors on investments or transactions of all types that, due to their high value or special characteristics, are of a strategic nature or entail a particular tax risk, except when their approval is the responsibility of the General Shareholders' Meeting.
- c) To inform and assist the Board of Directors on the preparation and review of the rules setting out the framework and limits of M&A transactions.

## **c) Functioning**

The applicable legislation, the Company's By-laws and the Company's Board of Directors Regulations shall define the skills of the Committee and its scheme of organization and functioning.

The members of the Committee will be appointed for a term of three (3) years, may be re-elected, and will cease when they do so in their capacity as directors or when so agreed by the Board of Directors, following a report from the Nominations, Remunerations and Sustainability Committee. The Board of Directors will likewise appoint a Chair from among the independent directors. The Committee itself will appoint a Secretary and may also appoint a Vice Secretary, neither needing to be members thereof or directors.

The Committee shall meet every time the Board of Directors or its Chair requests a report be issued or proposals be adopted and, in any case, whenever it is deemed advisable for the proper execution of its duties. It will be convened by the Chair of the Committee, either on his/her own initiative or at the request of the Chair of the Board of Directors or of at least two (2) members of the Committee.

The Committee will be validly constituted when the majority of its members attend the meeting, either present or represented. The resolutions will be adopted by a majority of the members in attendance, present or represented.

Any member of the Company's management team or of the Company's personnel who is requested to do so, will prepare the documentation, attend the Committee's sessions and provide access to the relevant information in his/her possession.

## **2. Activities**

During 2023, the Committee held four meetings and carried out the activities listed below. The Committee has been fully updated by the management team on the topics of its competence (during the formal meetings, by means of other informal meetings or by correspondence and conference calls) and has been provided with the relevant supporting documentation.

**a) Forecast 2023 and Budget 2024**

- On 19 September 2023, the Committee reviewed the calendar for the presentation of the forecast 2023 and the approval of the Budget 2024.
- On 31 October 2023, the Committee reviewed the forecast 2023 and the proposed Budget 2024 and provided a favourable recommendation to the Board of Directors to approve the Budget 2024.

**b) Business Plan 2025-2026**

- On 19 September 2023, the Committee reviewed the calendar for the approval of the Business Plan 2025-2026.
- On 11 December 2023, the Committee reviewed the proposed Business Plan 2025-2026 and provided a favourable recommendation to the Board of Directors to approve it.

**c) Asset Rotation Strategy**

- On 19 September 2023, 31 October 2023, 6 November 2023 and 11 December 2023, the Committee reviewed an update of the potential M&A opportunities the Company is working on in different countries.
- On 19 September 2023, the Committee reviewed the accretion and dilution analysis and the subsequent capital allocation assessment of the M&A transaction to be executed in the Nordics.
- On 31 October 2023, the Committee addressed the asset rotation strategy strategic rationale.

**d) Capital allocation**

- On 19 September 2023, the Committee reviewed the capital allocation commitments of the Company.
- On 31 October 2023, the Committee reviewed the Company's return on invested capital (ROIC) analysis.
- On 11 December 2023, the Committee reviewed a proposal of capital allocation framework for the Company.
- On 11 December 2023, the Committee reviewed the presentation from a Committee member regarding his views on the strategy to be followed by the Company on capital allocation.

**e) Capital structure**

- On 6 November 2023, the Committee reviewed the outcome of the RES and RAS performed with the rating agencies Fitch and S&P.

**f) Capital markets**

- On 6 November 2023, the Committee addressed the proposal for an equity swap instrument and provided a favourable recommendation to the Board of Directors to execute it.

**g) Relevant contracts**

- On 6 November 2023 and 11 December 2023, the Committee reviewed the amendments to two agreements in Portugal and provided a favourable recommendation to the Board of Directors to approve them.
- On 11 December 2023, the Committee reviewed a new agreement in the UK and provided a favourable recommendation to the Board of Directors to approve it.

**h) Other topics**

- On 19 September 2023, the Committee agreed to appoint Ms. Virginia Navarro Virgós as Secretary of the Committee and Ms. Núria Taberner Delgado as Vice-Secretary of the Committee.

**3.- Priorities for 2024**

The Capital Allocation Committee has identified the following priorities for 2024:

- Continue working on the development of a capital allocation framework for the Company;
- Continue working on the establishment of the shareholder remuneration policy from 2025 onwards (once investment grade by S&P has been achieved);
- Oversight of the different asset rotation and organic growth initiatives the Company is already considering and may consider in the future and review of the Golden rules of the Company;
- Continue the oversight of the preparation of the annual budget and the update of the business plan of the Company;
- Preparation of the Capital Markets Day; and
- Continue the oversight to ensure achievement of Investment Grade before the year end.