

cellnex[®]
2023
Tax Reporting

Driving our tax commitment

Introduction

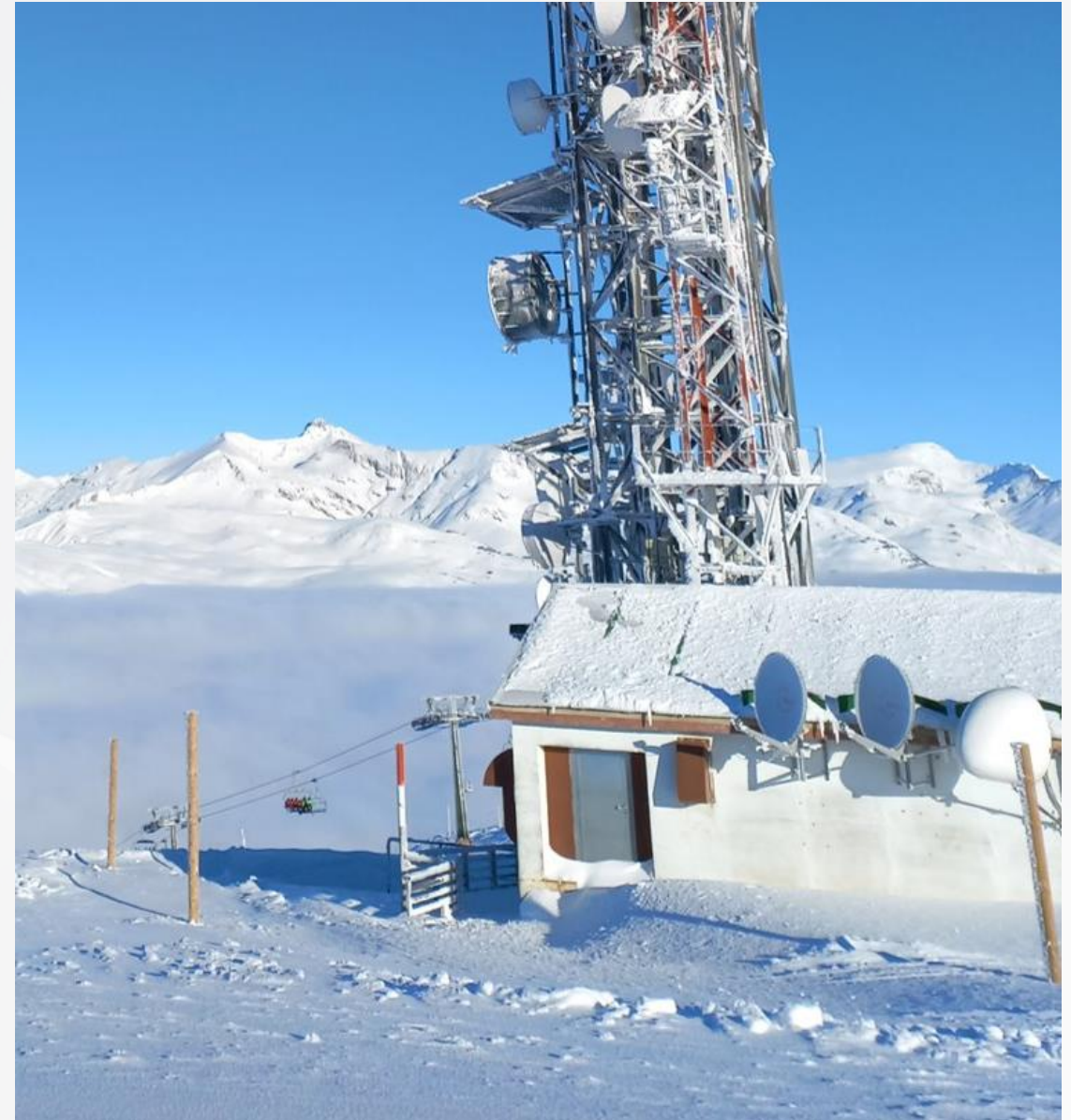
In 2016, the Board of Directors of Cellnex Telecom, SA (Cellnex) approved the “Tax Strategy” intended to serve as a set of guiding principles for regulatory compliance which address the Group’s tax obligations in the different territories where it operates. It is also intended to foster the Group’s relationships with tax administrations based on the principles of transparency, good faith, loyalty, and mutual trust.

In 2021, as a result of the Group’s international growth and the evolution of the international tax environment, the Board of Directors of Cellnex decided to update the Group’s guiding principles on tax matters and approved a new document titled “Tax Policy” to replace the document approved in 2016. The change of name also reflects the fact that the concept of a Strategy must be understood as the set of elements that govern an activity and that it is, therefore, a broader concept than just a Policy.

One of the fundamental principles of the Cellnex Group reflected in both documents is collaboration and cooperation with the tax authorities, as well as the commitment with all the stockholders to create from a tax point of view added value for the society, through the direct and indirect tax contribution.

In this regards, the next step to achieve the best practice in tax transparency is to publish this Public Tax Reporting which collects all the relevant tax information that the company usually provides within different reports.

At Cellnex, we believe that this also increases transparency and trust in our relations with the society.



about Cellnex

Cellnex is Europe's leading neutral operator of telecommunications infrastructure, with a portfolio of more than 113,175 infrastructures (excluding forecast roll-outs) located in Spain, Italy, France, Switzerland, the Netherlands, the United Kingdom, Ireland, Portugal, Austria, Denmark, Poland and Sweden.

The concept of a neutral operator refers to a company that manages telecommunications infrastructures and provides services to mobile telephone operators, without acting as such.

The Group's goal is to offer a multitude of opportunities to bring the world closer together through connectivity, guided by the values of **Sustainability, Entrepreneurship, Integrity, Commitment and Inclusion.**

The Group relies on three different business lines to achieve this goal:

- ») **Telecommunications infrastructure services (TIS)** the Group's primary segment. This business consists of providing a wide range of integrated network infrastructure services in both urban and rural areas to facilitate access to the Group's wireless infrastructure (co-location service) by mobile network operators and other wireless and broadband telecommunications operators.
- ») **Audio-visual broadcasting networks** this is the Group's second largest segment in terms of turnover. At present, the Group provides this service mostly in Spain, where it is the only operator offering national DTT coverage.
- ») **Network and other services:** these include connectivity services for telecommunications operators (other than broadcast operators), radio communications, operation and maintenance services, commercial services, Smart Cities/IoT ("Internet of Things") and others.



Cellnex portfolio

113,175
sites

Austria 4,616 sites	Poland 16,040 sites
Denmark 1,638 sites	Portugal 6,541 sites
France 23,737 sites	Spain 10,535 sites
Ireland 1,985 sites	Sweden 3,114 sites
Italy 22,160 sites	Switzerland 5,487 sites
The Netherlands 4,104 sites	United Kingdom 13,218 sites

Message from the Chief Financial Officer

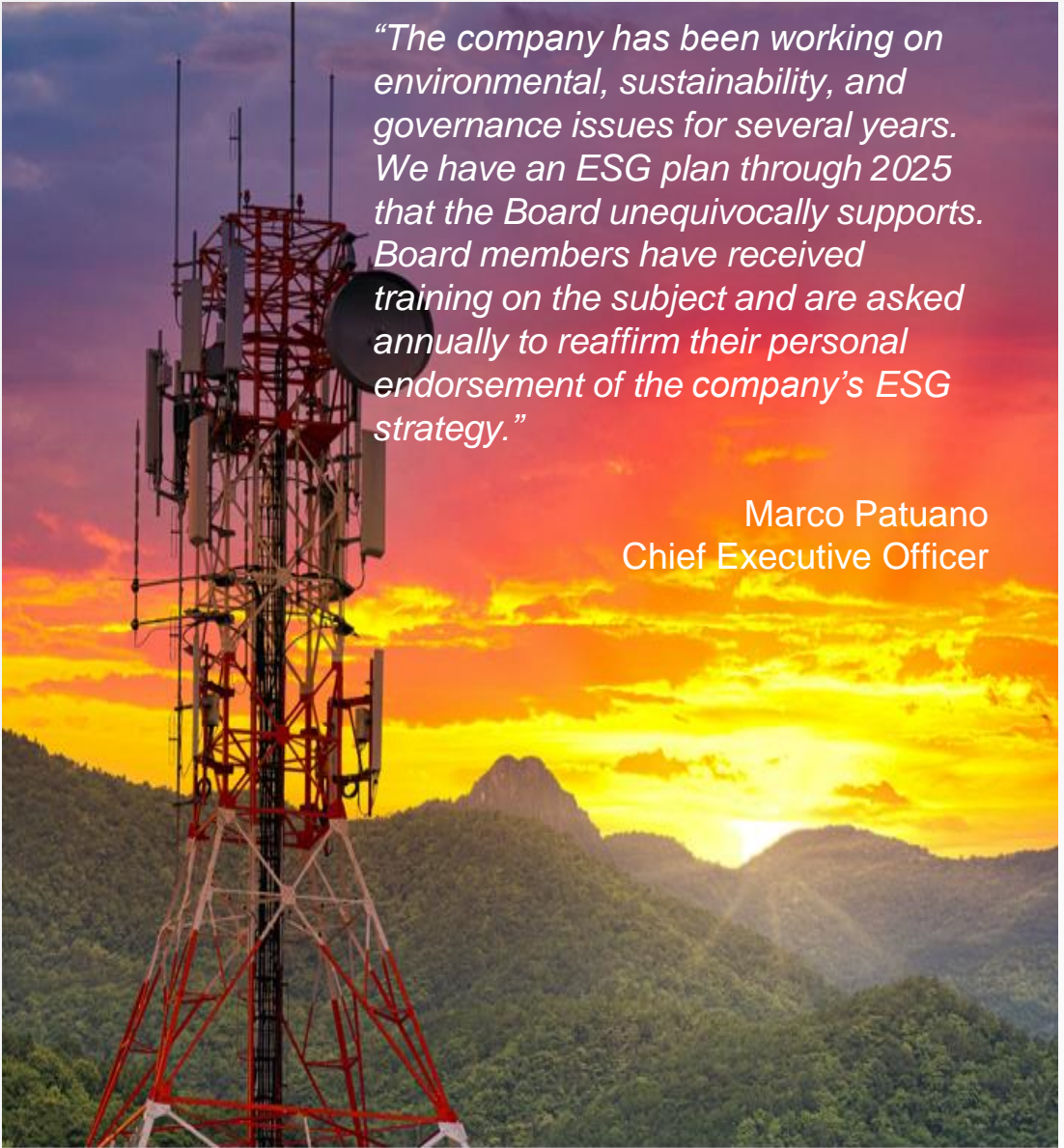
2023 has been a year full of changes in Cellnex: the business route map defined at the end of 2022 started to be put in place and new appointments within the Senior Management were made to accomplish that route map. Among the appointments, it is worth mentioning those ones of the new Chair of the Board of Directors, Ms. Anne Bouverot, the new Chief Executive Officer, Mr. Marco Patuano, and the new Chief Financial Officer, myself.

From a perspective of the tax function, it is important to say that, as in the past, these changes do not and will not affect Cellnex's commitment with the transparency and responsibility as a taxpayer in front of the society since taxes are a very essential pillar of our ESG framework.

A proof of this commitment and its continuous improvement is the elaboration of this Annual Tax Reporting by virtue of which Cellnex pursues the next level of transparency. Within the following pages it is shown a detail of elements that are all considered crucial as far as tax responsibility is concerned.

Raimon Trias

Group Chief Financial Officer



“The company has been working on environmental, sustainability, and governance issues for several years. We have an ESG plan through 2025 that the Board unequivocally supports. Board members have received training on the subject and are asked annually to reaffirm their personal endorsement of the company’s ESG strategy.”

Marco Patuano
Chief Executive Officer

Tax strategy: our key pillars

Tax Policy

The Tax Policy applies to all Group companies and all employees, as well as to the members of the Board of Directors and Senior Management and is also available to stakeholders on the Group's website.

The Tax Policy is based on the following principles:

- *Regulatory compliance and tax risk prevention.*
- *Economic substance*
- *Transparency and cooperation with Tax Administrations*

The Cellnex Group's **Audit and Risk Management Committee** is responsible for reviewing the Tax Policy periodically and making recommendations or proposals to the Board of Directors for any changes or improvements it deems necessary.

Also is responsible for evaluating its effectiveness and adopting the appropriate measures for its proper operation, reporting its findings to the Board of Directors.

Tax Governance

The **Tax Compliance Committee** will ensure proper compliance with the Tax Policy by establishing the necessary internal control mechanisms and rules, reporting thereon to the Audit and Risk Management Committee.

The Tax Compliance Committee is structured as a collegiate body composed of a Chairperson (as independent), three members and a Secretary (the latest without voting rights).

The role of Chairman, appointed by the Board of Directors of Cellnex Telecom on the recommendation of the Audit and Risk Management Committee, is held by a person external to Cellnex with vast experience and recognised prestige in the field of taxation, whether in the public or private sector.

The members are the Chief Financial Officer of the Group, the Head of Global Tax and the Head of Corporate Risk Management.

This collegiate structure, chaired by a third party outside the Cellnex Group, guarantees the independence, integrity, commitment and competence, and ensures that its decisions are adopted independently.

Tax Transparency

One of the fundamental principles of the Cellnex Group is the collaboration and cooperation with the tax authorities.

In this regard, on 18 December 2020, Cellnex Group informed its intention to adhere to the Code of Good Tax Practices in Spain, as compromise of tax transparency and collaborative approach.

Since then, Cellnex has been preparing an annual Tax Transparency Report. The Cellnex Group believes that adhering to the Code of Good Tax Practices necessarily entails the submission of this document which provides comprehensive tax-related information. Indeed, adherence to the Code of Good Tax Practices must be accompanied by a sign of goodwill on the part of the taxpayers who choose this option, which is why, following the recommendation, the Cellnex Group presents this document every year from 2020.

On the other hand, Cellnex has achieved the maximum recognition from transparency point of view, for the Spanish listed companies, after reviewing the public tax information by Fundación Haz, an independent foundation focused on transparency matters.

Tax Planning at Cellnex

We do not engage in aggressive tax planning or artificial structuring that lacks business purpose or economic substance.

Our industrial role, governance model and business structure conduct our tax activities, accompanied with the clear understanding, and disclosing the facts and circumstances to the tax authorities. If jurisdictions offer public tax incentives, they are carefully considered. Otherwise, we refrain from discretionary tax arrangements.

The Group try to generate value for each stakeholder through the balance between the legitimate fiscal interest and the interest of the Group in a practicable and legally secure tax law. In the end, we try to pay the fair taxes, not more, not less.

For this reasons, we pay taxes in the jurisdictions where we operated based on the value created there and the economic reality of our business.

Tax Havens

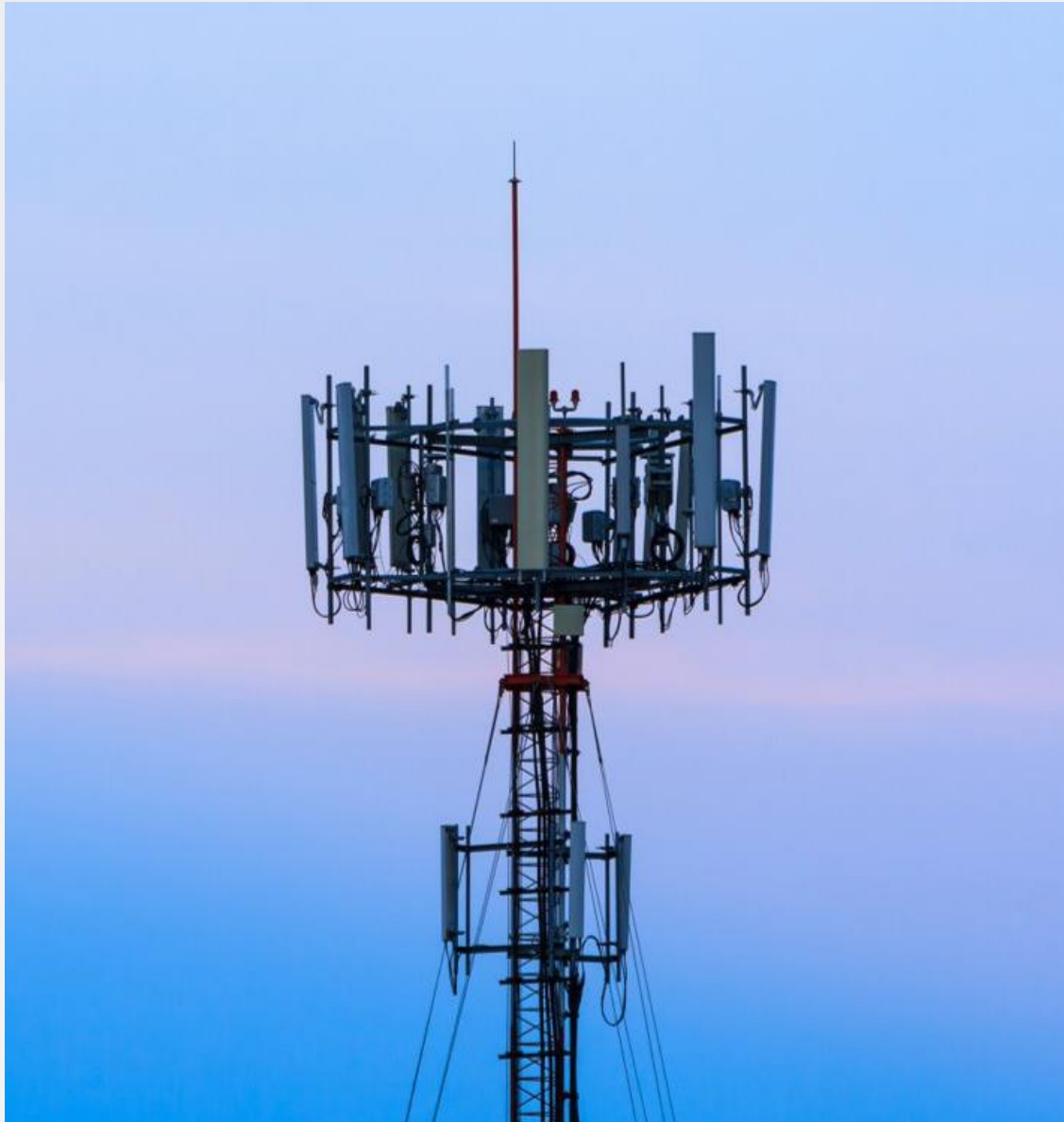
There are no Cellnex Group companies in countries classified as non-cooperative jurisdictions, as identified by list of non tax cooperative regimes issued by the European Union.

However, if the Group were to operate in such jurisdictions, the Cellnex Group's own Tax Policy establishes controls and limitations prohibiting from operating in non-cooperative jurisdictions for the purpose of avoiding the tax obligations that would otherwise be applicable and from using opaque and/or artificial structures, processes or systems designed to prevent the tax authorities from knowing who is ultimately responsible for the business activities or who is the actual owner of the assets or rights involved. The potential existence in the future of Cellnex Group companies in these territories would only be possible for business reasons.

Transfer Pricing (TP)

All the Group related parties transactions have an organizational and economic rationale, and are measured in accordance with the OECD TP Guidelines and the arm's length principle.

The economic analysis of the transactions detailing the TP policy applied in each case is included in the relevant Local File, that is disclosed to the relevant tax authorities.



Tax position



*The strong tax principles and solid guidelines allow Cellnex to declare that...
...no relevant impacts in case of tax audits are expected*

Tax audits

- » In October 2020, the Italian Tax Authorities requested a copy of Transfer Pricing documentation relating to fiscal year 2016. Following this request, in May and June 2021, the Italian Tax Authorities requested additional documentation and, in July 2022, a further meeting with the tax inspectors took place. The Group is expecting to receive the final assessment from the Tax Authorities, although no material impact is expected.
- » In December 2022, the Portuguese Tax Authorities communicated to CLNX Portugal, SA the commencement of a general tax audit in relation to corporate income tax and VAT for the year 2020. No material impact is expected.

Open courts procedures - Spain

- » In July 2018 general inspection proceedings were initiated in relation to consolidated corporate income tax for 2015 and 2016 and VAT for the periods April to December 2015 (individual) and 2016 (group entities). In June 2020 agreed tax reassessments were issued in relation to corporate income tax for the years 2015 to 2018. Also, in June 2020 unaccepted tax reassessments were communicated in respect of VAT. The proposed assessment amounted to EUR 2,413 thousand. The allegations put forward by Cellnex were not accepted and in December 2020 final assessments were communicated. In January 2021 Cellnex appealed the VAT final assessments before the Economic-Administrative Court and requested for the adjournment of the assessments by granting a bank guarantee to the Spanish Tax Authorities. In August 2023, the Economic-Administrative Court issued the resolution rejecting the Cellnex's claims and this resolution was appealed in October 2023 before the National Court.

Open courts procedures - Netherlands

- » In December 2021, the Dutch Tax Authorities issued initial tax assessments in relation to the amount of real estate transfer tax ("RETT") paid in respect of the 2016 acquisitions of Protelindo Netherlands B.V. and Shere Group Limited. Cellnex shall engage with the Dutch Tax Authorities to appeal the assessment and no material impact is expected. During 2022, the Dutch Tax Authorities raised assessments relating to historic (2012) RETT transactions affecting Towerlink Netherlands B.V. and Shere Masten B.V. Cellnex has entered into litigation with the Dutch Tax Authorities regarding such assessments, but with no material impact expected to arise.

Total Tax Contribution - 2023

In 2023, the Cellnex Group contributed a total of **€466 million** in respect of tax payments, levies, rates and similar. The amount of taxes paid in 2022 was of €513 million.

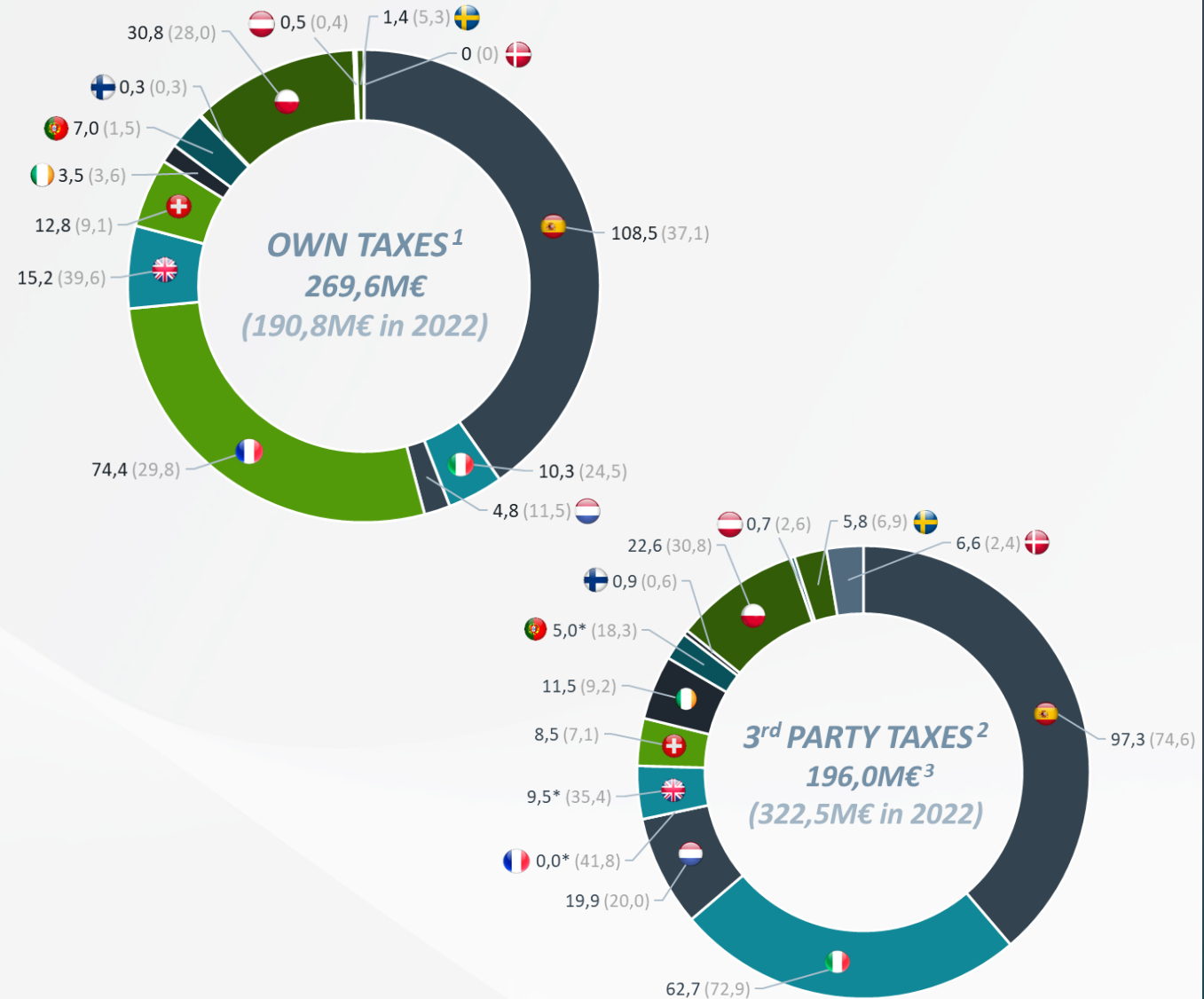
According to the OECD methodology, this amount can be broken down as follows:

- (i) Own Taxes¹: €269,6M
- (ii) Third Party Taxes²: €196M

As it can be shown opposite, the amount of Own Taxes has been higher than the amount of this concept in 2022. However, Third Party Taxes have been reduced compared with the amount of these taxes paid in 2022.

As established in the Tax Policy of the Group, Cellnex is committed to the attainment of the Sustainable Development Goals established by United Nations, the aim of which is to eradicate poverty, protect the planet and ensure the prosperity of all mankind as part of a new sustainable development agenda. Specifically, the goals which are directly linked to taxation are goals Eight (decent work and economic growth), Ten (reduction of inequalities) and Seventeen (partnerships as a means of achieving goals), although the Group is committed to them all.

The tax contribution by Cellnex pursues the accomplishment of the above.



(1) Own taxes include CIT, Social Security (company), Radio Spectrum Tax and other autonomic, and local taxes.

(2) Third-party taxes include Social Security (employees), withholding tax on salary payments, VAT, and other withholding taxes (over real estate, capital income, etc.).

Breakdown of the income tax payment by country

BREAKDOWN OF THE INCOME TAX PAYMENT BY COUNTRY (millions of euros)					
	2023				
	Income from sales to third parties	Income from intra-group operations with other tax jurisdictions	Tangible assets other than cash and cash equivalent	Corporate income tax accrued on gains/losses	Corporate income tax paid
Austria	83	0	257	3	0
Denmark	38	1	94	2	0
France	794	0	5.000	38	68
Ireland	63	0	0	0	2
Italy	797	1	1.716	16	1
Netherlands	142	0	146	9	7
Poland	485	0	1.519	24	9
Portugal	149	0	550	5	6
Spain	613	73	831	(43)	80
Sweden	60	0	157	2	1
Switzerland	166	2	258	8	12
UK	659	1	1.139	57	(7)
Total	4049	78	11667	121	181

