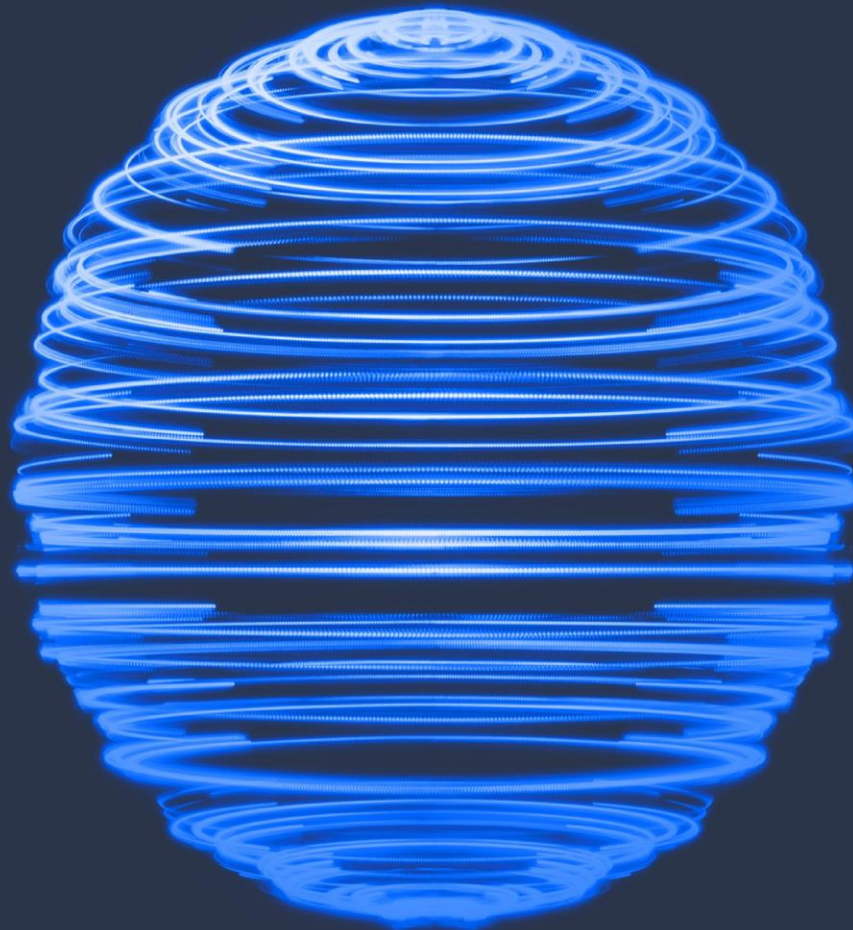


Corporate Profile

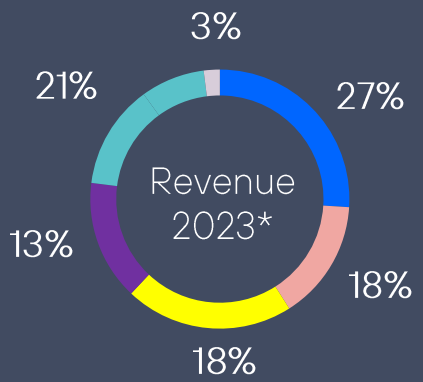
2024



Telefónica, in numbers

- Telefónica operates in **12 countries**
- The company has 388 million accesses and offers **telco services and digital solutions** in more than 170 countries via strategic partner agreements.

➤ **104.142 employees**



- Spain
- Germany
- UK
- Brazil
- Telefónica Tech
- HispAm

79%

Revenue* from key markets. Spain, Germany, Brazil and UK

92%

OIBDA* from key markets

Our mission: we want to make our world more human by connecting people's lives

Values

WE ARE OPEN

WE ARE BOLD

WE ARE TRUSTED

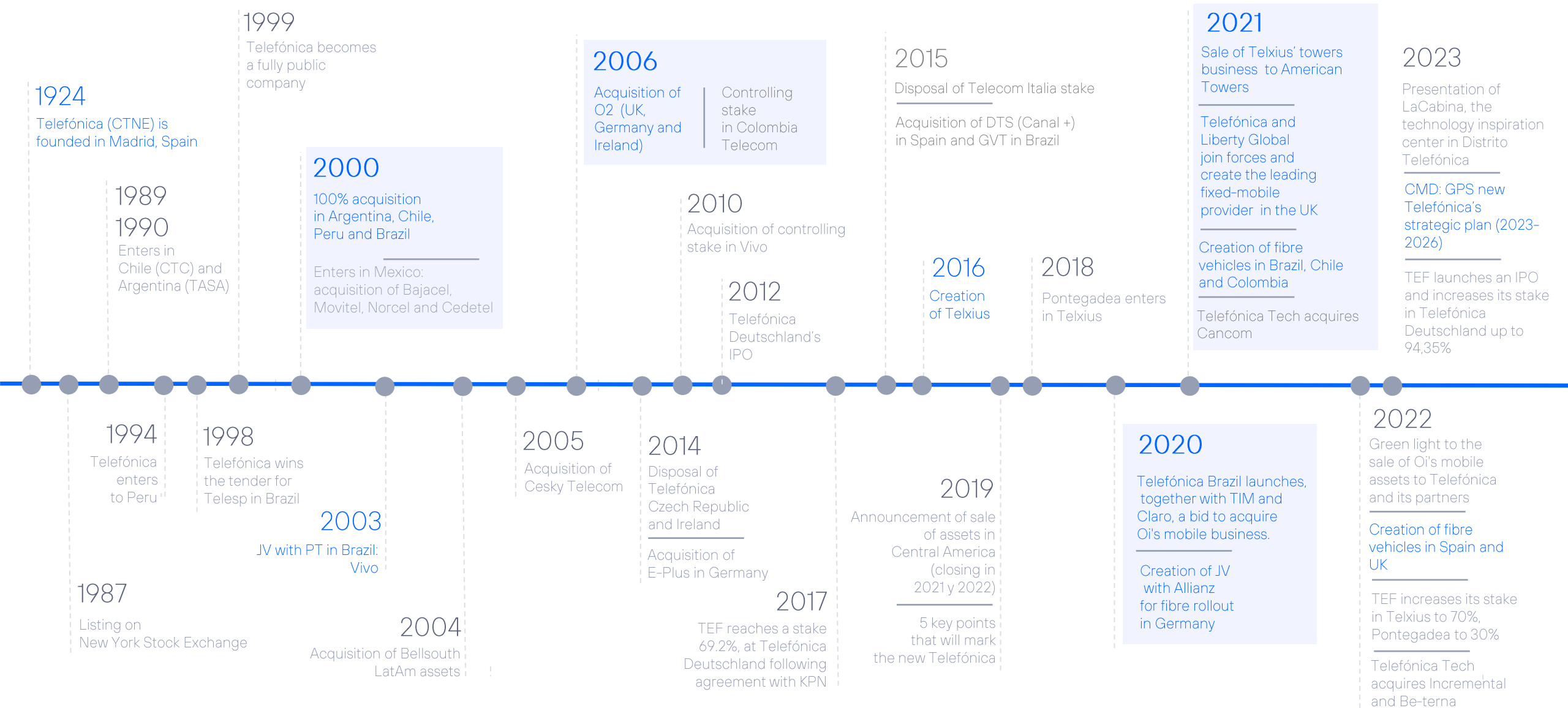
About Telefónica

Telefónica is one of the largest telecommunications service providers in the world. The company offers fixed and mobile connectivity as well as a wide range of digital services for residential and business customers. With 388 million customers, the company operates in Europe and Latin America.

Telefónica is a 100% listed company and its shares are traded on the Spanish Stock Market and on those in New York and Lima.

*Weights calculated with revenues and OIBDA ex spectrum and 50% of VMO2 JV.

Telefónica, 1924–2024: 100 years of history



*** This document is classified as F O U R by TELEFÓNICA.

A leader in telco infrastructures

#1 global leader in UBB deployment, excluding China*

* Source: Analysys Mason

Pioneers in
Telco Cloud

Open
Broadband

Multi Edge
Computing

Network
Slicing

Open RAN

Virtualization &
Softwarization

173.1 million premises passed (PPs) with UBB
74.3 m FTTH PPs
~ 106 m FTTH PP in 2026



- High capacity, energy efficiency networks
- Flexible network architecture
- High level of automation: Artificial Intelligence and Machine Learning

Autonomous Network Journey

2024 (Spain)
Leading copper
network shutdown

5G
Coverage



87%
population



>94%
population



48%
population



51%
population

62% global coverage
(Target: 70% in 2026)

Greener
technology






FTTH
85% more energy
efficient than copper

5G
90% more energy
efficient the 4G
per traffic unit

Telefónica has reduced **8,6%** energy consumption since 2015, in spite of a traffic increasing of 8.6 times in the same period

ESG, at the heart of the company's strategy







Environmental

-  Net Zero accross value chain by 2040
-  100% renewable energy by 2030
-  Zero waste by 2030
-  - 51% reduction in total carbon emissions over last 8 years
-  Enabled customers to avoid >86 m tCO₂ emissions in 2023



CDP Climate A-List
for 10th consecutive year



Social

-  Rural mobile broadband coverage by 2024¹ >90%
-  >€100,000 m in socio economic contribution aligned with ODSs
-  37% women executives by 2027
-  eNPS: 76 +7 p.p. y-o-y
-  NPS: 31 +10 p.p. vs. 2017
-  In Bloomberg Equality Index for 6th consecutive year



#1 in Digital Inclusion

Governance

-  Balanced Board of Directors: 40% women; 67% independent.
-  ~ 40% of financing related to ESG indicators by 2026²
-  Zero tolerance of corruption
-  92,401 employees trained in Code of Ethics
-  Total tax contribution: >€7.6 bn



#1 in digital rights

¹ Rural coverage (4G/LTE) FY23: Brazil 82%, Germany 99%, Spain 95%

² Financing linked to sustainability criteria includes balance sheet debt, hybrids and undrawn committed credit lines based on ICMA sustainable bond principles, LMA Sustainability Linked Loan Principles and other ESG criteria. Not necessarily linked to EU Taxonomy aligned activities

A Stronger Company with Higher Ambition

Datos cierre 2023

GPS plan 2023-2026: Growth, Profitability and Sustainability

A strategy based on 5 lines of action

- 1 Sustain B2C revenue growth
- 2 Keep above-industry B2B moment
- 3 Evolve wholesale and partners' revenues
- 4 Drive efficiencies to reduce OpEx
- 5 Sustain differentiation while reducing CapEx



GPS: Growth, Profitability, Sustainability (Crecimiento, Rentabilidad y Sostenibilidad, por sus siglas en inglés)

GPS plan: guidance 2023-2026

Elevating Telefónica's ambition further

GPS

Growth

~1%

Revenue

Profitability

~2%

EBITDA

~5%

EBITDAaL-CapEx

Sustainability

>10%

FCF

Reported CAGR 23-26

GPS plan: guidance 2023-2026

Creating significant shareholder value

GPS

>10%

CAGR 23-26
FCF

2.2-2.5x (2026)
Leverage reduction

€0.30 floor DPS (2023-26)
Shareholder value creation

Improved strategic optionality

2023: achievement and commitment

Strong cash generation and attractive shareholder remuneration



Growth

+3.7%

Revenue

+3.1%

OIBDA

y-o-y organic growth
2023 guidance criterio - Includes 50% VMO2

Financial
guidance
delivered

Strong balance sheet

€27.3 bn

Net debt

Net debt/OIBDAaL
Ratio: 2.6x

Robust cash generation

€4.2 bn

€0.75

FCF/share

Dividend
widely covered

Solid liquidity position

€19.5 bn

11.6
Average
debt life

Attractive shareholder remuneration

Dividend 2024

€0.30

per share in cash

Treasury stock
cancellation

1.4 % capital

Telefónica España

Differential offer in quality and leadership



Results 2023*

Revenues
€12,654 m
+1.3 %

OIBDA
€3,229 m
-0.8 %

OIBDA-CapEx
-2.3 %

** y-o-y changes in organic terms*

GPS

The most compelling offer across all market segments



The best B2B and B2C technological partner to foster digitalización



#1

Leading FTTH connected homes in Europe

➤ >29.3 m premises passed

#1

ARPU 2022 (convergent clients)

➤ €91.2 +1% y-o-y

#1

Leading in mobile network speed and quality

➤ 87% of population covered with 5G

#1

Movistar, the most valued brand*

➤ NPS record: 51%

* Kantar BrandZ

Higher value customers

Uptake of fibre customers connected to own network
30 % | +0.2 p.p. y-o-y

Churn at historically low levels:
0.9 %

Mobile contract
15.2 m | (+1.3 %)



Telefónica Brazil

Differential assets & leadership in value



Results 2023*

Revenue
€9,650 m
+8.4 %

OIBDA
€4,128 m
+10.2 %

OIBDA-CapEx
+24.7 %

* y-o-y changes in organic terms



Accesses

113 m +0.6 %

Record on mobile accesses

#1 El mayor despliegue de fibra en LATAM

26.2 m
Fiber PP

#1 Fibre market leader, with 6.2 m accesses

Mobile network

Coverage and capacity

#1 Strengthening of leadership in the mobile contract segment (43.4% of market share)

99 m mobile accesses +1.1 %
5G in 173 cities

ESG Recognitions





Resultas 2023*

Revenue
€8,614 m
+4.7 %

OIBDA
€2,640 m
+3 %

OIBDA-CapEx
+11.1 %

* y-o-y changes in organic terms

Customer focus

O2: attractive brand and award-winning service

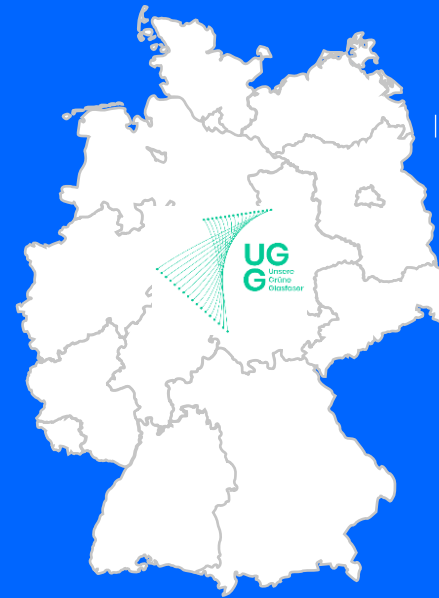
Total Accesses: 45 m



5G

~ 95%

Coverage FY23
Target: 100%
population in 2025



Zero emissions
in 2025

Including scopes 1 + 2

"Responsible
Business Plan 2025"
on track



ESG Recognition:
Contributing to a
sustainable digital future



Strategic Plan "Accelerated growth & efficiency" 2024-2026:
continued profitable growth and resilient business model



Virgin Media O2 UK

Improving in the UK, reinventing connectivity



Results 2023*

Revenue
€12,547 m
+5.2 %

OIBDA
€859 m* **
+5.6 %

OIBDA-CapEx
+15.7 %

*Changes in organic terms in line with Telefónica criteria.
** Includes impairment.

#1 Gigabit Speed
Largest UK ultra broadband network

57.6 m accesses

ESG Better Connections Plan
-45% emissions vs 2020 scope 1 + 2

Red Gigabit 17 m PPs
Mayor largest contributor to Government Gigabit

5G outdoors coverage: 51 %
Target achieved: 50% population in 2023

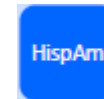
Fiber footprint: 4 m
Including Nexfibre

Net ZERO EMISSIONS
2025 -65% (ambition) Scope 1 & 2
2040 scope 1 & 2

Sinergies
2/3 of annualised run-rate: £540m, earlier in time and above expectations

Telefónica HispAm

Progressive improvement of financial indicators



Results 2023*

Revenue	€8,381 m	-0.1%
OIBDA	€1,510 m	-4.8%
OIBDA Margin	18.7%	

*Variaciones interanuales en términos orgánicos

- Argentina
- Chile
- Colombia
- México
- Ecuador
- Perú
- Uruguay
- Venezuela



Positive evolution of the Region in the use of green energies



Commercial drive, value customers

Total Accesses	112.5 m
	97.9 m mobile accesses
	+1.4% contract customers

FTTH and Cable
20.3 m premises passed

Crystallising value from operations

InfraCos



Internet para todos connects 3 million people and receives industry recognition

Telefónica Tech

Outperforming the market for 3rd consecutive year



Next-generation IT solutions provider with above-market revenue growth

~€1,900 m

+26.7%
y-o-y

- ✓ Doubling in scale over the past 2 years
- ✓ Good revenue mix by geographies and services with a focus on consulting, professional and managed services, and own platforms
- ✓ Strong commercial performance with Bookings and qualified commercial Funnel growing by double digit

Diverse & highly qualified team

- ✓ 6,3k professionals from +60 nationalities
- ✓ ~80% of our workforce working in Europe
- ✓ 4.0k certifications in third party technologies

Wide operative capacities

- ✓ 2 DOC (Digital Operations Center)
- ✓ SOCs Network (Security Operations Centres) en multiple geographies
- ✓ Kite platform (IoT Managed connectivity)
- ✓ The ThinX (IoT Open Lab)

Sustainable portfolio

- ✓ Supporting our customers in their digital transformation
- ✓ Wide partners ecosystem



- ✓ 58% of portfolio ECOSMART

Industry Analysts recognition

Gartner
Magic Quadrant
10x leader in IoT connectivity

GlobalData
" #1 global Telco in Digital Capacities

IDC
"Major Player" Global Provider on Communications, Infrastructure and Digital Services

GlobalData
"Very Strong" in Hybrid Cloud and Managed Security Services

IDC
European leader in Managed Security Services

Telefónica Infra

Strengthening Telefónica's infrastructure to support growth and efficiency

Accelerating FTTH deployment (+60% vs 2022)



- 4.8 m PPs
- Promoting digitalisation



- 0.8 m PPs
- Upp Acquisition (VMO2)



- 3.6 m PPs Colombia
- Entel acquisition agreement in Chile



- 0.6 m PPs on track (0.2 m PPs already deployed)
- MoUs signed to deploy 1.2 m PPs



- 4.4 m PPs
- Presence in 22 states



- 3.2 m PPs

Leveraging wholesale to increase reach

The best combination of profitability and growth

TELXIUS

SUBSEA CABLE

7 last generation subsea cable systems:

Marea, Dunant, Brusa, Tannat, Junior, Mistral y Tikal

Solid profitability
OIBDA Margin
51.4 %

>100,000 km
> 110,000 in 2026


*UUI: Unidades Inmobiliarias

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***This document is classified as PUBLIC by TELEFÓNICA.

New technologies, new collaborative solutions

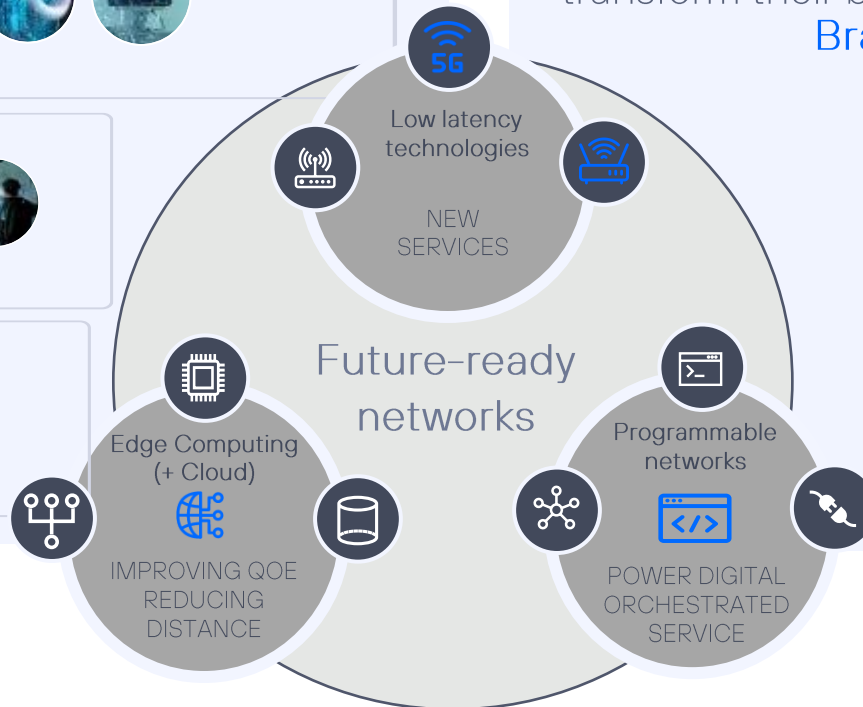
IoT, EC, AI, Metaverse, Web3...

IoT & Edge Computing 

Applied IA & ML 

Metaverse & XR 

Trust arch, ID Digital & Web3 



Open Gateway

GSMA™

CAMARA
THE TELCO GLOBAL API ALLIANCE

tmforum

A GSMA-led multi-telco initiative to open up our network capabilities through global, standardised APIs. Developers can create applications compatible with all telco networks and enterprises have new opportunities to accelerate and transform their business. Now commercially available in **Brazil, Spain** and **Germany**.

[Teléfono Open Gateway Partner Program](#) to boost business with our APIs.

[Teléfono Open Gateway Developer Hub](#) a lab to test our APIs.

In collaboration with:



DIGITALVIRGO



Microsoft Azure



An Open Innovation Model

Based on excellent network connectivity, it combines in-house and third parties' innovation capabilities

€785 m
R+D* Investment

497
Technological
Industrial Property
Rights assets *

Top 50
EU Companies
In R+D** investment

Open Innovation

Telefónica's
Corporate Venture
Capital and its open
innovation platform

Internal Innovation



+1,100 Invested Startups	€233 m Invested	+530 Active Startups	190 Startups working with Telefónica
+172 Exits	14 Funds Invested as Limited Partner	7 Wayra Hubs	+140 Partners



Core innovation

Identifies opportunities to reinvent ourselves in the medium and long term



Network and Systems Innovación

Creates capabilities to develop and integrate technological components in our networks and systems, to offer a unique experience in a competitive, secure and sustainable way



Innovation in new products and commercial offerings

Expands the company's portfolio with solutions that address market demands and social challenges

* Data FY23

** Industrial R&D Investment Scoreboard 2023



Fundación Telefónica

[Institutional video](#)



Employability

Guiding, advising and training in digital competences

Programming Campus in Madrid / Urduliz / Barcelona / Málaga / São Paulo

42

Orientation: Employment map and virtual orientator
Online & face to face training



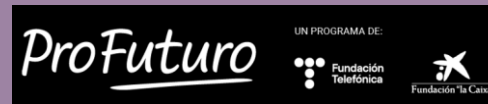
Reskilling for Employment

PROGRAMA DE FORMACIÓN DIGITAL
CONECTA EMPLEO

Education

Reducing the social and digital divide in vulnerable environments through quality education

- ✓ Teachers/Educational centers
- ✓ Families/ Youth/ Children



Social & Digital Vulnerability

Helping to reduce vulnerabilities through digital empowerment

- ✓ Digital literacy for vulnerable groups
- ✓ Responsible use of technology
- ✓ Digital training for seniors



Innovation & Talent HUB

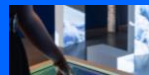
Knowledge and Culture

We reflect on and disseminate the trends arising as a result of digitalisation, from a humanist perspective.

ESPACIO



- ✓ Events and conferences
- ✓ Publications
- ✓ Exhibitions and workshops



Strategic Alliances

Collaborating with others to multiply our impact

320 alliances

Presence in 43 countries

Volunteering

Channelling the solidarity of Telefónica employees

+59k volunteers

DI.VT

- ✓ Raising awareness
- ✓ Basic needs coverage
- ✓ Disasters & emergency relief



Telefónica