

PRESS RELEASE

Google Cloud and Telefónica partner to accelerate digital transformation for Spanish businesses

- The agreement signals a firm commitment by both companies to boost the digitalization of companies, support Spain's public administration and aid the economic recovery of the country post-Covid-19.
- Google Cloud announces plans to launch a cloud region in Spain that will leverage Telefonica's Madrid region infrastructure with the highest international security and data protection standards.
- Telefonica and Google will jointly develop a portfolio of solutions for 5G using Google Cloud's Mobile Edge Computing platform.
- The alliance widens the scope of collaboration between the two companies and reinforces Telefónica Tech's multi-cloud strategy for the B2B market.
- Telefonica will also advance its own digital transformation using Google Cloud.

Madrid, Spain, and Sunnyvale, CA, June 11, 2020 - To meet the growing technology needs of Spanish businesses, <u>Google Cloud</u> and <u>Telefónica</u> are announcing a new partnership to foster the country's digital transformation and advance 5G mobile edge computing. As part of this agreement Google Cloud today announces its plans to open a new cloud region in Spain that will leverage Telefonica's Madrid region infrastructure.

The acceleration of Spain's digital transformation and the proliferation of 5G technologies for consumers and businesses alike are key growth engines for the economy. Spain needs enterprises and public organizations of all sizes to be ready to embrace present and future digital challenges and to do so, these businesses need an agile, scalable, secure and resilient telecommunications infrastructure. This strong technology backbone will allow easy access to new innovations that will accelerate business development, complete with investments in technological solutions.

<u>Telefónica Tech</u>'s cloud business will reinforce its multi-cloud strategy worldwide with joint marketing plans in order to offer its customers a comprehensive solution, which, together with security and communications, will allow companies to enjoy a unique and comprehensive experience.

The partnership also marks the significance and relevance of cloud computing for the future of the telecommunications industry. Telefónica's strong infrastructure combined with Google Cloud's mobile edge platform will deliver reliable and value-added 5G services to Spanish businesses and consumers.

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Telefónica will also use Google Cloud services to boost its own digital capabilities—in areas such as machine learning, artificial intelligence (AI), data analytics, and application development—to continue to provide new services and tools to its global customer base.

"The unusual situation that we have had to live in, marked by the confinement of the world's population and the exponential increase in remote work and online education and entertainment, has highlighted the key role that connectivity and digitalization play in society to create a more inclusive and sustainable future," says José María Álvarez-Pallete, Chairman & CEO Telefónica. "Through our alliance with Google Cloud, we want to fulfil our social commitment and foster the recovery of the economy by helping companies, the public administration and all types of organizations not only to recover the ground lost by the crisis as well as accelerate their digital transformation and strengthen themselves for the future".

"Helping businesses adapt to our changing world has been a big focus for Google, before and during the COVID-19 crisis," said Sundar Pichai, CEO of Google and Alphabet. "We're excited to be partnering with Telefónica to launch a new cloud region in Spain and help Spanish businesses big and small find new ways to innovate and contribute to the country's economic recovery."

The right alliance to help Spanish businesses rebuild and thrive

Following home confinement mandates around the world due to the pandemic, the use of cloud solutions to facilitate remote work has grown exponentially. Also, technology adoption will only accelerate and become more sophisticated in the coming years as cloud services increase in demand, allowing companies to be more competitive through analytics, artificial intelligence capabilities, the Internet of Things (IoT) and edge computing.

With the future opening of this new Google Cloud region in Spain, customers will benefit from the integration with Telefonica's communications and cloud services, and will have the opportunity to use Google Cloud products with low latency and high performance while also having the option to store their applications in local public cloud servers.

Designed for high availability, the region will have three zones to protect against service disruptions, and will launch with the standard set of Google Cloud Platform products, including: Compute Engine, App Engine, Google Kubernetes Engine, Bigtable, Cloud Storage, Spanner, and BigQuery. This investment will facilitate enterprises and public administrations to fully unleash the potential of cloud computing based on Google Cloud's AI technologies, while maintaining the highest cybersecurity, data residency and compliance standards, in particular those with specific data storage requirements.

With this alliance, the two companies strengthen their collaboration announced in 2019 to include Google Cloud solutions in Telefónica's global B2B Portfolio. And in April this year, both companies engaged in a cybersecurity agreement between <u>ElevenPaths and Chronicle</u> to bring more powerful and flexible managed security analytics services to enterprises in Europe and Latin America.





About Google Cloud

Google Cloud provides organizations with leading infrastructure, platform capabilities and industry solutions. We deliver enterprise-grade cloud solutions that leverage Google's cutting-edge technology to help companies operate more efficiently and adapt to changing needs, giving customers a foundation for the future. Customers in more than 150 countries turn to Google Cloud as their trusted partner to solve their most critical business problems.

About Telefónica

Telefónica is one 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 342 million customers, Telefónica 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.

For more information about Telefónica: <u>www.telefonica.com</u>