

PRESS RELEASE

Telefónica introduces Telefónica Tech Ventures, its investment vehicle specialized in cybersecurity

- **Promoted by ElevenPaths, Telefónica Tech's cybersecurity company, and by Telefónica Innovation Ventures, Telefónica's Corporate Venture Capital, it starts with a portfolio of nine invested startups and investment plans for up to fifteen more over the next three years.**
- **Its purpose is to detect disruptive innovation in cybersecurity, particularly in the areas of threat intelligence, cloud security, data protection and artificial intelligence applied to cybersecurity.**
- **Telefónica Tech Ventures will be open to other investors that wish to co-invest with Telefónica and rely on its far-reaching experience in the dynamic cybersecurity sector.**

Madrid, 22 October 2020.- Telefónica has presented [Telefónica Tech Ventures](#), a new vehicle for investments in the cybersecurity field. It has been promoted by [ElevenPaths](#), its cybersecurity company part of Telefónica Tech, and [Telefónica Innovation Ventures](#) (TIV), the company's Corporate Venture Capital.

This new vehicle serves a dual purpose. Firstly, to develop Telefónica Tech's own investment capabilities in the highly dynamic cybersecurity sector, which, according to some market estimates, will attract more than 8 billion dollars in investment around the world this year. Secondly, it will detect the most disruptive innovation in this field, thanks to a dedicated team of professionals from ElevenPaths and TIV.

Telefónica Tech Ventures starts with a group of nine invested cybersecurity startups selected from the portfolio of TIV and Wayra, Telefónica's global open innovation hub. Over the next three years it also intends to invest in up to 15 startups, both early-stage and more mature ones, entering into series A, B and C and devoting the necessary resources to execute follow-ons in the best-performing startups.

The new investments will be geared towards startups with high disruptive potential in areas such as threat intelligence, cloud security, data protection and the application of automations and artificial intelligence in defence of any organisation, regardless of its size and the nature of the asset to be protected (e.g. its business, IT/OT processes, data, people, image or reputation). The focus of the investments will be on the strategic markets for Telefónica (Spain, Brazil, Germany and the United Kingdom) and other significant technological markets such as the United States and Israel, with an investment ticket of up to 6 million euros. Telefónica Tech Ventures will target startups that can complement the ElevenPaths product portfolio, integrate new capabilities into the company and even establish themselves as M&A opportunities.

“Since we created ElevenPaths eight years ago we've remained close to the entrepreneurial ecosystem and the hacking community and this new vehicle will enable us to get even closer”, declared Chema Alonso, chief digital consumer officer at Telefónica and current chairman of ElevenPaths. “It will be an opportunity for them not only to have Telefónica as an investor but also to turn us into a customer or even a business partner, thus providing them with the chance to develop their projects around the world”.

“The cybersecurity sector is a constantly changing world in which new and more sophisticated threats are appearing every day, requiring a great deal of innovation to combat them. This vehicle will enable us to detect new opportunities for cooperation with disruptive startups at an early stage and add their capabilities to ElevenPaths' innovative skills, allowing us to continue to offer our customers ground-breaking products and services”, stated Pedro Pablo Pérez, CEO of ElevenPaths.

“This new vehicle is not only a new opportunity for the startups to develop their business with Telefónica, it's also a chance for other investors seeking to rely on the expertise and leadership of ElevenPaths in cybersecurity and Telefónica Innovation Ventures in the field of venture capital and co-invest with us in a sector that's attracting a high degree of investment interest”, underlined Guenia Gawendo, director of Telefónica Innovation Ventures.

By means of the creation of this new investment vehicle Telefónica Tech is furthering its strategy to develop its cybersecurity business, which currently employs more than 1,500 professionals around the world. It recently acquired [Govertis](#), the security consultancy firm, and [iHackLabs](#), the company specialising in the education and training of cybersecurity professionals that was previously partly-owned by Wayra and is now integrated into ElevenPaths. Continuity will also be given to the path initiated by investments in startups that are leaders in their cybersecurity niches, including [Nozomi](#) and 4iQ.