

STATEMENT OF THE TELEFONICA GROUP REGARDING THE RIGHT OF EMPLOYEES TO DIGITAL DISCONNECTION IN THE LABOR FIELD

The irruption of the Digital Revolution and the processes of Globalization in Labor Relations

In the 21st century, the digital revolution and the processes of automation and globalization have led to a phenomenon of permanent connectivity that is affecting all areas of human activity, introducing significant changes in the world of labor relations.

Digitalization has displayed new facets of relationships and working conditions and has led to new organizational models that have an impact on the way of working, on managing talent and the productive models. The workplace and work time are diluted in favor of a more dynamic reality that directly affects the personal and family environment of workers.

The rise of new technologies has made it possible to achieve a degree of flexibility and autonomy that is so high for workers that allows work to be done at any time, regardless of where they are, provided there is connectivity, blurring the contours existing between the times dedicated to work and those destined to rest. In this sense, digitalization gives us a great opportunity to design new ways of working adapted to the needs of each person, thus improving the balance between personal and work life. However, as is logical, this dynamic also entails a series of risks that need to be addressed when defining and measuring the effective working day.

At Telefónica, we understand that technology should improve the lives of people. Therefore, we believe it is essential that our workers can disconnect when necessary and create healthy habits in this regard. We are committed to deliver all the necessary tools to develop their own sense of digital well-being.

Without an adequate delimitation between work time and rest time, the phenomenon of flexibility in the provision of work can lead to confusion in the professional and personal life, with important consequences for the quality of life of workers because of technological overexposure.

This makes us always open to the study of new formulas that allow us to evolve towards the conciliation of personal and professional life. For this reason, we consider that advances in digital technology should not hinder such conciliation, turning the respect of rest time, permits and vacations into a right of workers and a strategic objective for the Company.

A responsible and committed company to people

For Telefónica, employees are the most important asset. Their enthusiasm and commitment are key for us to achieve our mission. That is why we care as much for their safety and their occupational health as for their well-being as people. As it could not be otherwise, we are concerned about problems arising from the abusive use of mobile phones, the Internet and other technologies, and we are determined to do everything possible to avoid them.

This commitment to our employees and, therefore, their families, is also extended to the whole society.

Additionally, in Telefónica we have a successful collective bargaining model. All the changes that have been operating in their labor relations have always been inspired by the agreement with the most representative unions, and this road has a new expression today in our shared commitment to digital disconnection.

In this way, we value the empowerment of awareness actions, at all levels of the organization, on the proper use of technologies, promoting an intelligent management of them, at the service of competitiveness and the proper functioning of the company. Therefore, to lead the regulation on this matter is a big opportunity in accordance with a trend that is increasingly present in the global business reality.

Telefónica is committed to promote measures to enhance respect for workers' rest time once the working day has ended, recognizing the right to digital disconnection as a fundamental element to achieve a better working time arrangement in order to respect the privacy, family life and, ultimately, the quality of life and health of workers.

The commitment to digital disconnection will be extended to all countries, operations and legal entities where Telefónica carries out its activity, and will soon be incorporated, as an annex, into the International Framework Agreement that the Company has in force.

At the same time, we are going to intensify our efforts to make the most of new technologies in order to incorporate different working modes, more flexibility and diversity. In the same way, we will rely on the most current tools to enhance the training, communication and freedom expression of employees and to solve basic or tedious tasks in an agile and efficient manner.

The aim of all this is to promote a motivating and inclusive work environment, in which progress is never a brake, but an aid for professionals to take advantage of their talent to meet the company's objectives and build the future together.

Sensitization in terms of digital disconnection

Telefónica will promote sensitization / training actions in its different territories aimed at managers and employees in order to inform about risks, challenges and good practices related to the use of digital tools.

These measures will be reviewed regularly to adapt to new needs that may arise in the future derived from local legislation.

We are convinced that it is our responsibility to set an example to our clients and to society in general about the correct use of technology and its humanization in order to act as agents of change. We are aware that this is a task that we can not tackle alone. That is why we advocate for a commitment from companies, employee representatives, governments and civil society to reflect debate and promote healthy habits in both professional and personal life.