



FiBrasil, joint venture between Grupo Telefónica and CDPQ, starts operations in Brazil

- *FiBrasil will provide wholesale fiber neutral network for clients with lower capital requirements and shorter time-to-market*
- *Vivo will serve as the first customer to the new entity, which will bring fiber infrastructure to 5.5 million homes and businesses over the next four years*

São Paulo, July 2nd, 2021 – FiBrasil (FiBrasil Infraestrutura e Fibra Ótica S. A), a neutral fiber network created by Telefônica Brasil, Telefónica Infra – the infrastructure arm of Telefónica Group – and CDPQ – a global investment group – announced the kick-off of operations in the country. FiBrasil is present in 34 cities (1.6 million households) at the launch of operations and by the end of 2021, it expects to cover 500,000 additional households.

Telefónica Group and CDPQ each own a 50% stake of FiBrasil, in a co-controlling governance model. The shareholding of Telefónica Group is equally divided between Telefônica Brasil (Vivo) and Telefónica Infra. The new company will have a fully independent team, led by a CEO and an executive body, counting more than 150 employees.

Starting with a coverage of 1.6 million households, FiBrasil is expected to bring fiber infrastructure to 5.5 million homes and businesses over the next four years and will provide access to a high-speed fiber neutral network in a wholesale model for companies that want to expand their coverage throughout Brazil. As part of its business model, FiBrasil allows its clients to reach their customers with lower capital requirements and shorter *time-to-market*, enabling them to replace the risk of a high initial investment for a less capital intensive model, speeding up fiber coverage in a country of continental dimensions. Neutral fiber networks represent a concrete opportunity to accelerate the population's access to ultra-high-speed internet to all locations in Brazil.

Vivo will be FiBrasil's first wholesale customer, with a 10-year contract, and will rely on the infrastructure of FiBrasil to increase its expansion plan for fiber network in the coming years. With FiBrasil, Vivo will reach 24 million Brazilian households by the end of 2024. FiBrasil, as a neutral wholesale operator, will have its network open to be also accessed by other telecom companies.

About Telefônica Vivo

Vivo is the trademark of Telefônica Brasil, the leading telecommunications company in the country, with 96 million accesses (1Q21). It operates providing wired and mobile telecommunications services throughout the country and counts on a complete and convergent product portfolio for B2C and B2B customers. The company is present in 4.6 thousand cities with 3G network, more than 3.8 thousand cities with 4G –segment in which it is market share leader– and more than 1.9 thousand cities with 4.5G network. In the mobile segment, Vivo has 79.6 million accesses and accounts for the largest market share of the segment (33.1%) in the country, according to quarterly results (1Q21).

Driven by the constant innovation and high-quality services, Vivo is at the heart of a digital transformation, which extends the autonomy, personalization and real-time choices of its clients, putting them in charge of their digital life, with safety and reliability. Telefônica Brasil is part of Grupo Telefônica, one of the largest communication conglomerates in the world, with 345.4 million accesses and 43 billion euros of revenues in 2020. Aware of its responsibility to give back to society the confidence received through the use of its services, the company runs Fundação Telefônica Vivo. Since 1999, this foundation has been working on educating the new generation, pointing out development ways for the country by applying innovation to education, entrepreneurship and citizenship, with different social projects in these areas.

About Telefônica Infra

Telefônica Infra, a fully owned unit of Telefônica Group, manages stakes in infrastructure vehicles alongside financial investors. Its objectives include crystallizing the value of Telefônica's infrastructure assets and know how through dedicated management and increased focus, partnering with leading financial investors to co-invest in growth opportunities involving flexible partnership structures and business models. Telefônica Infra's investment portfolio currently comprises a 50.01% stake in Telxius Telecom (Telxius.com) and a 40% stake in Unsere Grüne Glasfaser (ugg.tech). In addition, Telefônica Infra will hold a 20% stake in Nabiax (Nabiax.com) once the relevant authorizations are obtained for the transaction signed in May 2021.

About CDPQ

At Caisse de dépôt et placement du Québec (CDPQ), we invest constructively to generate sustainable returns over the long term. As a global investment group managing funds for public retirement and insurance plans, we work alongside our partners to build enterprises that drive performance and progress. We are active in the major financial markets, private equity, infrastructure, real estate and private debt. As at December 31, 2020, CDPQ's net assets total CAD 365.5 billion. For more information, visit cdpq.com, follow us on [Twitter](#) or consult our [Facebook](#) or [LinkedIn](#) pages.

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