

Press release
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Telefónica and K will boost innovation with Leadwind, a fund of up to 250 million euros focused on deep tech scaleups

- This vehicle, pending registration in the administrative register of the National Securities Market Commission (CNMV), will target public and private investors to support post-pandemic growth and has as its investment focus southern Europe and Latin America.
- Telefónica intends to invest up to 70 million euros and it is teaming up with K, a venture capital company with extensive experience in the sector. In addition to investment, K will help scaleups with different growth platforms, from talent to business development.
- The new fund will work closely with Wayra, Telefónica Ventures and other open innovation initiatives of the Telefónica Group to support scaleups in their expansion.

Madrid, 16 September 2021 - Telefónica and private venture capital company K announce the launch of Leadwind, a new independent venture capital fund, pending the necessary regulatory authorisations, open to public and private investors. Leadwind will invest in fast-growing startups with a disruptive and transformative technology base (deep tech scaleups), in southern Europe and Latin America, with a focus on enabling technology platforms of new business models at the intersection of Artificial Intelligence, 5G connectivity, Edge Computing, IoT, Blockchain and data analytics.

Leadwind will accompany Wayra, Telefónica's open innovation hub, as well as Telefónica Ventures and other company's investment vehicles and seed funds in Southern Europe and Latin America in subsequent phases. Thus, the new fund will work with the founders of the scaleups, as they accelerate their growth to become global champions.

The target size of the fund will be a minimum of 150 million euros and a maximum of up to 250 million euros, where Telefónica intends to take a relevant participation, acting as a platform for other corporations and public and private institutions, so they can invest and work with scaleups, generating employment and value in local economies.

The new fund will lead investment rounds of up to 15 million euros and co-invest with leading national and international investors. In addition, it will take advantage of the technology and market knowledge of Telefónica and the other potential corporate investors, together with its global network and ecosystem relationships, in order to

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support scaleups in Europe and Latin America, focused on sectors such as cybersecurity, industry 4.0, future of work, energy, e-health, fintech, future of the home and mobility.

K, which has a dedicated investment team with extensive executive and operational experience in technology scaleups in relevant areas such as Leadership and Talent, Business Development, and Product and Data, will manage the fund. "The close relationship with the entrepreneurs in the hardest moments, based on trust and the affinity that arises from shared experiences, will be a differentiating factor in this project", says Iñaki Arrola, co-founding partner of K.

This investment project is part of the Telefónica Group's initiatives to strengthen its areas of innovation and connection with the entrepreneurial ecosystem. "Leadwind will be a key part of Telefónica's innovation strategy to have the best relationship interface with technology scaleups," said Chema Alonso, Chief Digital Officer and head of global innovation at Telefónica. "After our accumulated experience in Wayra and with the Amérigo and Telefónica Ventures funds, with Leadwind we seek to drive innovation through investments in scaleups, support the transformation of the country and create global champions," he adds.

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