

Verification Statement of AENOR for Telefónica on the Inventory of greenhouse gas emissions corresponding to the year 2021

DOSSIER: 2009/1123/GHG/01

Introducción

Telefónica (hereinafter the company) commissioned AENOR INTERNACIONAL, S.A.U. (AENOR) to make a limited revision of the inventory of greenhouse gases (GHG) of its activities included in the GHG report of 2021, which is part of this Declaration.

AENOR is accredited by Entidad Mexicana de Acreditación (OVVGEI 004/14) (issue date: 31/10/2014), update date 19/07/2021), according to ISO 14065:2013, to conduct GHG verifications according to ISO 14064-3:2006 in the Energy and Waste Sector.

Inventory of GHG emissions issued by the Organisation: Telefónica, C/ Ronda de la Comunicación, Distrito Telefónica, Madrid

Representatives of the Organisation: Maya Ormazábal Herrero/Camilo Andrés Guarín García, Climate Change and Energy Efficiency Office of Telefónica.

Telefónica was responsible for reporting its GHG emissions considered in accordance with the reference standard ISO 14064-1:2006.

Objective

The objective of the verification is to provide the interested parties with an independent and professional opinion on the information and data contained in the above mentioned GHG Report issued by Telefónica.

Scope of the Verification

The GHGs and emissions sources considered as well as the organizational boundaries from the activities of Telefónica included in the GHG inventory are described below.

The GHG inventory of the organization includes the following GHGs: CO₂, CH₄, N₂O, HFCs and HCFCs.

For the verification process, a control approach is considered, under which Telefónica accounts for emissions attributable to the operations and facilities over which it exercises operational control.

Facilities is understood as base stations, technical buildings, vehicle fleets, office buildings, call centers and stores. Under this approach, the scope of the geographic verification is established for the following countries where the Telefónica Group operates:

Organizational and geographic boundaries		
Europe	Latin America	Telxius Group
Spain	Argentina (fixed and mobile networks)	
Fixed and mobile networks	Brazil (fixed and mobile networks)	
Corporate Buildings	Chile (fixed and mobile networks)	
Distrito Telefónica	Colombia (fixed and mobile networks)	
Diagonal Building	Ecuador (mobile network)	
Gran Vía Building	Mexico (mobile network)	
Boecillo Building	Peru (fixed and mobile networks)	
Germany (fixed and mobile networks)	Uruguay (mobile network)	
	Venezuela (mobile network)	

Direct, indirect activities and exclusions from the verification.

- Scope 1- Direct GHG emissions
- Scope 2 – Energy indirect GHG emissions
- Scope 3- Other indirect emissions:
 - Purchased goods and services
 - Capital goods
 - Fuel- and energy-related activities (not included in scope 1 or scope 2)
 - Business travel
 - Use of sold products
 - Investments

Base Year

Telefónica has selected 2015 as the base year for Scope 1 and 2 and 2016 for Scope 3.

Due to a change in the organisational and geographical boundaries of the organisation, a recalculation of the base year and subsequent years for Scope 1 and 2 emissions and energy data has been carried out, so that the data are comparable.

On the other hand, due to an improvement in the Scope 3 emissions calculation methodology and a change in the organisational and geographical boundaries, a recalculation of the base year and subsequent years has been carried out, so that the data are comparable.

Materiality

For the verification it was agreed to consider as material discrepancies those omissions, distortions or errors that could be quantified and result in a difference of more than 5% with respect to the total of emissions declared.

Criteria

In general, the verification of the Greenhouse Gas Inventory Report has been carried out taking into account the requirements set out in the Greenhouse Gas Inventory Report:

- a) GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- b) ISO 14064-3:2006 Standard: Specification with guidance for the validation and verification of greenhouse gas assertions

AENOR expressly disclaims any responsibility for investment or other decisions based on this statement.

Conclusion

As a conclusion and according to the limited level of assurance agreed, AENOR states:

There is no evidence to suggest that Telefónica's information reported greenhouse gas emissions for the 2021 period is not a true and fair representation of the emissions from its activities.

Consistent with this Declaration, the emissions and energy consumption data finally verified are listed below:

Recalculated data:

Emissions data:

Emisiones t CO2e (Scope 1 y 2)	2015	2016	2017	2018	2019	2020
Scope 1: Direct GHG emissions	286.200,8	281.517,4	287.514,5	245.281,5	229.296,0	207.872,1
Scope 2: Energy indirect GHG emissions (Location-Based Method)	1.869.500,0	1.712.201,6	1.581.452,0	1.688.691,4	1.511.089,1	1.261.306,2
Scope 2: Energy indirect GHG emissions (Market-Based Method)	1.524.954,5	1.047.750,9	973.791,6	879.765,5	657.023,5	467.586,5

Emisiones t CO2e (Alcance 3)	2016	2019	2020
Scope 3: Other indirect GHG emissions (total)	2.855.543,5	2.699.717,5	2.146.226,1
○ Purchased goods and services	1.373.189,0	1.471.988,3	1.087.348,6
○ Capital goods	448.341,6	287.968,40	180.470,8
○ Fuel- and energy-related activities (not included in scope 1 or scope 2)	244.512,4	153.152,9	143.989,3

Emisiones t CO2e (Alcance 3)	2016	2019	2020
○ Business travel	93.639,7	66.359,9	10.153,2
○ Use of sold products	695.860,8	720.247,9	724.264,1

Energy consumption data:

Consumption	Unidad	2015	2016	2017	2018	2019	2020
Total energy consumption (MWh)	MWh	6.577.766,3	6.366.567,2	6.380.440,5	6.454.594,7	6.399.655,1	6.269.962,1
Total electricity consumption (MWh) + Self-generation of renewable energy (MWh)	MWh	6.186.884,7	5.916.881,0	5.955.858,9	6.021.856,0	6.028.893,4	5.966.241,7
Fuel and District heating (MWh)	MWh	390.881,6	449.686,3	424.581,6	432.738,7	370.761,7	303.720,4
Consumption of electricity from renewable sources including self-generation (MWh)	MWh	980.553,4	2.326.746,4	2.408.210,3	2.974.667,9	4.236.125,2	4.518.038,4
% Consumption of renewable electricity in own facilities	Porcentaje	17,2%	44,1%	42,7%	50,4%	73,8%	78,7%

Data Year 2021:

Year: 2021	t CO₂e
Scope 1: Direct GHG emissions	183.231,2
Scope 2: Energy indirect GHG emissions (Location-Based Method)	1.212.173,5
Scope 2: Energy indirect GHG emissions (Market-Based Method)	353.505,6
Scope 3: Other indirect GHG emissions (total)	2.105.112,6
○ Purchased goods and services	1.153.314,5
○ Capital goods	174.729,0
○ Fuel- and energy-related activities (not included in scope 1 or scope 2)	138.675,5
○ Business travel	5.394,6
○ Use of sold products	600.045,8
○ Investments	32.953,1
Biogenic emissions	9.020,3
Emissions offsets	63.018,4
Net Emissions [Scope 1 + Scope 2(market) - Emissions offsets]	473.718,3
Directed actions	68.832,9

Energy consumption data:

Year: 2021	
Total energy consumption (MWh)	6.106.625,4
Total electricity consumption (MWh) + Self-generation of renewable energy (MWh)	5.815.664,8
Fuel and District heating (MWh)	290.960,7
Consumption of electricity from renewable sources including self-generation (MWh)	4.680.973,8
% Consumption of renewable electricity in own facilities	79,4%
Directed actions (MWh)	301.711,6

Directed actions:

2021 Energy Efficiency Plan: In order to optimise the energy consumption of Telefónica's communications network, different actions have been implemented, among which the following stand out:

- Network transformation
- Cooling
- Modernization of power equipment
- Lighting
- Power Saving Features
- Self-consumption

Derived from the implementation of the 2020 Energy Efficiency Plan, a saving of **68.832,8 tCO₂e** was achieved (equivalent to a saving of **301.711,6 MWh** in electricity consumption).

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