



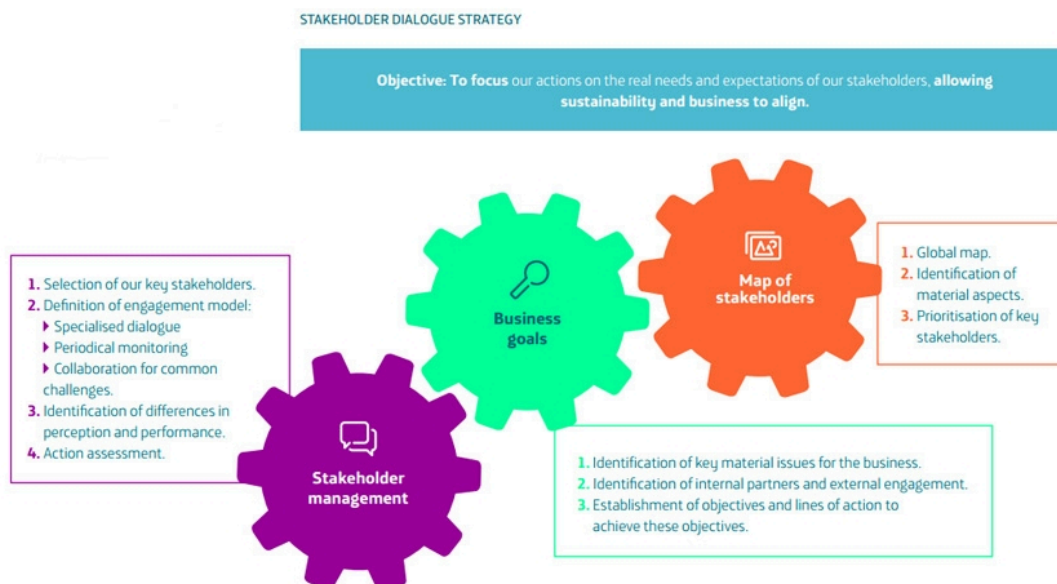
Stakeholder Engagement

Telefónica's stakeholder engagement strategy is based on increasing transparency and effective dialogue to build relationships of trust.

This relationship allows us to identify which aspects our stakeholders consider most relevant and identify new sustainability trends . In this way, we establish our objectives, define our responsible business plan and, in addition, evaluate our capacity to respond to society's expectations.

Our stakeholder management is based on:

- Collaboration: We encourage collaboration with our stakeholders to contribute our purpose and values and achieve the Sustainable Development Goals.
- Dialogue: We maintain continuous conversations with them, with active listening, promoting two-way and effective communication, and direct, fluid, constructive, diverse, inclusive and intercultural dialogue that allows us to know their expectations, identify their priorities and build a relationship of trust.
- Consultation: We encourage participation and involvement of our stakeholders by promoting voluntary consultation processes, e.g. through surveys, on current issues and their opinion of the Company.
- Transparency: Ensuring transparency in relationships, and in financial and non-financial communication, by sharing truthful, relevant, complete, clear and useful information.
- Continuous improvement: Pursue continuous improvement, periodically reviewing the mechanisms for stakeholder relations to ensure that they respond as efficiently as possible to the needs of the moment.



We regularly identify and review our stakeholders in a process that involves several areas. Once identified, they are ranked and prioritised according to our own business model.

Based on this prioritisation, we develop the relationship strategy and the tools for dialogue with each stakeholder group.

We also have a Stakeholder Panel whose objectives are:

- Report on the most critical social, environmental and governance issues for the Company.
- To provide Telefónica with information on sustainability trends in the world, identifying the best practices in this area that may be of interest to the Company.
- To provide Telefónica with information on its sustainability performance from the perspective of each Panel member's individual experience.
- Advise on improvements to Telefónica's sustainability strategy, the issues covered by its policies and the initiatives carried out, among others.
- Validate Telefónica's process and materiality matrix.

Dialogue, commitment and interaction between Telefónica and its stakeholders

Customers: In a people-focused company like ours, most of the dialogue with customers takes place at the local level. We reinforce transparency and broaden accessibility in our channels, fulfilling our purpose of social inclusion.

We also have profiles on the different social networks - Facebook, YouTube, Twitter, Instagram, TikTok and WhatsApp - channels and artificial intelligence to meet their requirements in a more interactive way.

Employees: Through the global Workplace network, we maintain a fluid dialogue with our employees, regardless of geography and language. This channel complements the many local dialogue initiatives.

Society: In our dialogue with the communities in which we operate, we pay particular attention to social concerns about antennas and health.

In addition, we are a member of the Global Compact, where we report on the Sustainable Development Goals compliance monitoring..

Suppliers: At local level we regularly hold forums to share experiences and challenges.

At global level, the annual Global Energy and Climate Change Workshop (now in its tenth edition in Seville, Spain) is a key event to engage with suppliers.

We promote continuous communication as a key lever to foster their motivation through different channels, such as our quarterly Partner Newsletter, the Partner Portal or the Supplier Portal.

Shareholders and analysts: In addition to regular and timely presentations reported on our website, we participate in key events and promote meetings with ESG investors.

Governmental bodies, regulators: In addition to the different initiatives at local level, at European level we actively participate in events and forums organised in the European Union, through our Brussels office. We are also members of global sectoral organisations.

Industry associations and international organisations: We collaborate and maintain an ongoing dialogue with associations and other organisations that directly impact our industry and stakeholders.

Opinion leaders, media and communication services: we live in a society in which the power of the media and communication services is undeniable. We are transparent and maintain an ongoing dialogue with them.