

*ANNUAL REPORT OF THE
AUDIT AND CONTROL COMMITTEE
OF TELEFÓNICA, S.A. ON THE
INDEPENDENCE OF THE EXTERNAL AUDITOR*

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OF THE AUDIT AND CONTROL COMMITTEE
ON THE INDEPENDENCE OF THE EXTERNAL AUDITOR
(PricewaterhouseCoopers Auditores, S.L.)

Pursuant to the provisions of Section 529 *quaterdecies.4.e*) of the restated text of the Companies Act (*text refundido de la Ley de Sociedades de Capital*) (TRLSC) approved by Royal Legislative Decree 1/2010 of July 2 (as amended by the fourth final provision of Law 22/2015 of July 20 on Auditing of Accounts (*Ley de Auditoría de Cuentas*) (Statutory Audit Act)), the Audit and Control Committee of Telefónica, S.A. issues this report on the matters established in such legal provisions, all on the following terms:

- 1.- Considering the conclusion set out in the letter issued by PricewaterhouseCoopers Auditores, S.L., dated February 21, 2023, “(...) *in our professional opinion and in relation to such audit, no circumstances have been identified that individually or as a whole might entail a significant threat to our independence and that would therefore require the application of protective measures or that might be grounds for disqualification.* (...)”, and in compliance with the aforementioned provisions, the Audit and Control Committee of Telefónica, S.A. finds that PricewaterhouseCoopers Auditores, S.L., the Auditor of such Company, is independent with respect to the Company and the companies directly and indirectly connected thereto in accordance with applicable legal provisions governing the auditing of accounts in Spain.
- 2.- Furthermore, in compliance with the provisions of the internal Regulations of Telefónica, S.A, the Statutory Audit Act, Regulation (EU) no 537/2014 of April 16 and the Sarbanes-Oxley Act published in the United States and rules in implementation thereof, the engagement of all services provided by PricewaterhouseCoopers Auditores, S.L. and other firms of its international network to the Company and its directly and indirectly connected companies during the period covered by the Annual Accounts corresponding to fiscal year 2022 has been submitted for the approval of the Audit and Control Committee.

Specifically, in addition to audit services, the provision of non-audit services has been approved as described below:

Company	Service	Euros
Telefónica, S.A.	Comfort Letter in relation to the annual renewal of the EMTN Programme	26,300
Telefónica, S.A.	Comfort Letter in relation to a Bond issuance under the EMTN Programme	25,800
Telefónica, S.A.	Comfort Letter in relation to the issuance of a hybrid Bond	80,625
Telefónica Europe B.V.	Comfort Letter in relation to the issuance of a hybrid Bond	77,400
Telefónica, S.A.	Comfort Letter in relation to the issuance of a hybrid Bond under the 144 A Rule	203,132
Telefónica Europe B.V.	Comfort Letter in relation to the issuance of an hybrid Bond under Rule 144A	77,895
Telefónica, S.A.	Review of Statement of Non-Financial Information	359,492
Telefónica, S.A.	Review of the Green Bond Returns Report	60,585
T. Deutschland Holding A.G.	Review of Annual Non-Financial Information Report	144,789
Telefónica Brasil, S.A.	Review of Annual Non-Financial Information Report	21,841
Telefónica Brasil, S.A.	Review of the Standard of Diversity Milestones Report	10,226
Colombia Telecom. S.A.	Review of Annual Non-Financial Information Report	10,061
Telefónica de España, S.A.	Agreed-upon procedures for Recording of Costs	102,976
Telefónica de España, S.A.	Review of calculation of Net Cost of Universal Service	64,195
Telefónica de España, S.A.	Review of calculation of Net Cost of Universal Service – public telephones	7,029
Telefónica Seguros y Reaseguros Compañía Aseguradora, S.A.U.	Special Report for Review of the Financial and Solvency Situation under the Solvency II regulatory framework	39,680
Telefónica Deutschland Holding A.G.	Agreed-upon procedures SSRS 4400 for the client Medion	18,243
Telefónica de España, S.A.	Agreed-upon procedures relating to the LGA	11,076
Telefónica de Argentina, S.A.	Agreed-upon procedures relating to the special accounting information required by General Resolution No. 4483/19 of the Federal Public Revenue Administration	3,091
Telefónica Móviles Argentina, S.A.	Agreed-upon procedures relating to the special accounting information required by General Resolution No. 4483/19 of the Federal Public Revenue Administration	3,091
Telefónica, S.A.	Report of the auditor regarding the ICFR system of listed companies, according to the Guide published by the CNMV	8,609
Total of audit-related services		1,356,136

In addition, the Audit and Control Committee of Telefónica, S.A. has been informed by the auditor of the provision of non-audit services during the period covered by the financial statements to associated companies in which the Group has significant influence in the approximate amount of 207,000 euros.

In conclusion, this Audit and Control Committee finds that the independence of the Company's Auditor is not compromised by either the engagement or the fees received for such non-audit services and because it is not aware of additional circumstances that might threaten the objectivity or impartiality of such Auditor.

In witness whereof, for the legal effects established in the aforementioned provisions, this Report is issued in Madrid, on February 21, 2023.

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