

Annual Report of the Audit and Control Committee of Telefónica, S.A. on the independence of the External Auditor

Telefónica, S.A.

Year 2024

**ANNUAL REPORT 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 (*texto 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 25, 2025, “(...) *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 2024 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 Program	27,615
Telefónica, S.A.	Comfort Letter in relation to a Bond issuance under the EMTN Program	27,090
Telefónica, S.A.	Comfort Letter in relation to the issuance of a hybrid Bond	59,062
Telefónica Europe B.V.	Comfort Letter in relation to the issuance of a hybrid Bond	54,000
Telefónica, S.A.	External and independent revision of the report on the allocation and impact of two hybrid instruments	72,265
Colombia Telecomunicaciones S.A.	Limited assurance of information included in the sustainable financing monitoring report	12,016
Telefónica, S.A.	Verification of Statement of Non-Financial Information and Sustainability Report	959,914
Telefónica, S.A.	Reasonable assurance report on non-financial indicators	17,000
T. Deutschland Holding A.G.	Limited assurance report in relation to the Sustainability Report	279,495
Telefónica Brasil, S.A.	Assurance report in relation to the Integrated Sustainability Report	26,081
Telefónica de España, S.A.	Agreed-upon Procedures Report regarding Recording of Costs	111,367
Telefónica Seguros y Reaseguros Compañía Aseguradora, S.A.U.	Special Report for Review of the Financial and Solvency Situation on the terms of circular 1/2018, dated April 17, and circular 1/2017, dated February 22	40,654
E-Plus Service GmbH	Reasonable Assurance ISAE 3000R	24,964
Telefónica, S.A.	Report of the auditor regarding the ICFR system of listed companies, according to the Guide published by the CNMV	9,310
Telefónica de España, S.A.	Agreed-upon procedures report relating to the General Audiovisual Act	6,020
Telefónica Móviles Argentina, S.A.	Agreed-upon procedures reports on the balance sheet for tax purposes	5,176
T. Deutschland Holding A.G.	Attendance at technical seminars open to the general public	4,050
Total, non-audit services		1,736,079

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, with the following details:

Company	Service	Euros
Tesco Mobile Limited	Advisory service for risk management training and support in the integration of risk management into the business	59,063
Tesco Mobile Limited	Service related to the assessment of maturity of the company's internal control environment and implementation of recommendations identified in the assessment	124,032
FiBrasil Infraestrutura e Fibra Ótica, S. A	Comfort Letter in relation to a debt issuance	99,895
Utiq SA	Service related to the valuation of the Utiq SA business	100,000
Nexfibre Networks Limited	Transfer pricing service	7,678
Unsere Grüne Glasfaser GmbH & Co. KG	Subscription for access to an online platform containing accounting- and sustainability-related regulatory information	1,063
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V.	Transfer pricing service	18,914
Grupo de Telecomunicaciones de Alta Capacidad, S.A.P.I. de C.V.	Service involving preparation of a benchmark analysis to determine the value of potential consideration	9,279
VMED O2 UK Limited	Subscription for access to an online platform containing accounting- and sustainability-related regulatory information	1,595
Adquira España, S.A.	Transfer pricing service relating to fiscal year 2023	7,500
Adquira España, S.A.	Transfer pricing service relating to fiscal year 2024	7,500
Total, services provided to entities related by significant influence		436,519

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 25, 2025.

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