



# INDEX

As a company we have a clear purpose: to make our world more human, connecting people's lives. That's why we believe that it is people who give meaning to technology, not the other way around.

As a Company we are firmly convinced that we want to move towards a more respectful world, which is why we act on three fundamental pillars: Environment, Society and Government (ESG), to achieve our objectives in an ethical and sustainable way.

Disclaimer	<a href="#">Go to link</a>
Main ESG Targets & Indicators	<a href="#">Go to link</a>
ENVIRONMENT	
Energy and climate change	<a href="#">Environment</a>
Circular economy	<a href="#">Environment</a>
Digital solutions for the green transition	<a href="#">Environment</a>
SOCIAL	
Human capital	<a href="#">Social</a>
Digital inclusion and Human Rights	<a href="#">Social</a>
Sustainable Innovation	<a href="#">Social</a>
Contribution and impact	<a href="#">Social</a>
GOVERNANCE	
Privacy, security and clients	<a href="#">Governance</a>
Ethics and corporate governance	<a href="#">Governance</a>
Supply chain	<a href="#">Governance</a>
Principal Adverse Impacts	<a href="#">Governance</a>
Appendix - SASB compliance table	<a href="#">Governance</a>
Appendix - GSMA ESG Metrics for Mobile	<a href="#">Governance</a>



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Updated: 26/10/2023

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MAIN ESG TARGETS AND INDICATORS

TARGETS		INDICATORS	2020	2021	2022	
Environment Building a greener future	Climate change and energy	Net Zero Emissions by 2040 globally, including the value chain • -80% scopes 1+2 by 2030 • -56% scope 3 by 2030 • Neutralise 100% of residual emissions (scope 1+2) by 2025 in main markets	% Scope 1+2 emissions reduction	-62.7%	-70.4%	-80%
			% Scope 3 emissions reduction	-24.8%	-27.4%	-32%
			% offsetting (scopes1+2; main markets)	44%	56%	61%
		Renewable electricity in own facilities: 100% by 2030	% renewable electricity in own facilities	79%	79%	82%
		Energy consumption per traffic : -90% by 2025	MWh/PB	72	54	49
	Circular economy		% recycled waste	98%	98%	98%
			% CPE reused or refurbished	n.a	84%	86 %
			Number of reused customer mobiles phones	154,530 <sup>1</sup>	285,958	386,210
		Zero Waste Company by 2030 • >97% of waste recycled • Refurbish 90% of customer premise equipment (routers, decoders) by 2024 • Refurbish customer mobiles phones: 500,000 phones/year by 2030 • 100% B2B/ B2C equipment purchased with circular economy criteria by 2025 • 100% Ecodesign of branded equipment by 2025	% procurement processes of B2B/B2C equipment using circular criteria	n.a	First pilot exercise: B2B routers and switches acquisition. Telefónica Spain	B2B acquisition of routers and switches at Telefónica Spain
			% of new Telefónica-brand equipment with ecodesign criteria	n.a	First pilot exercise: LCA study on the new model of 5G router	Life Cycle Assessment (LCA) on a new 5G router model

TARGETS		INDICATORS	2020	2021	2022	
Social Helping Society to thrive	Digital inclusion	Leadership position in the Digital Inclusion Benchmark	Position in the ranking	2 <sup>nd</sup>	1 <sup>st</sup>	1 <sup>st</sup>
		Connectivity Commitment to reach rural mobile broadband coverage of 90% - 97% by 2024 (in Spain, Brazil and Germany)	Spain: Percentage of mobile coverage in rural areas	n.a	91% 4G rural coverage; 20% 5G rural coverage	94%
			Germany: Percentage of mobile coverage in rural areas	n.a	94% of population in rural areas with 50 Mbit/s	99%
			Brazil:Percentage of mobile coverage in rural areas	n.a	77% of population in rural areas with 4G/5G	80%
			UK: Percentage of mobile coverage in rural areas	n.a	Not available	>99%
		Accessibility and Responsibility by Design To evaluate 100% of new Products and Services by 2025	Number of new P&S with accessibility criteria	n.a	To be evaluated from 2022 onwards	> 40
	Digital skills To bring digital skills to over 1m people across the footprint each year.	Beneficiaries of digital skill programs	2,321,189	1,212,765 <sup>2</sup>	1,305,715 <sup>3</sup>	
	Human capital	Diversity & Inclusion				
		Gender Equality: <ul style="list-style-type: none"><li>To be included in Bloomberg Gender Equality Index</li></ul>	Included in Bloomberg Gender Equality Index	Yes	Yes	Yes
		Eliminate gender pay gap by 2050: <ul style="list-style-type: none"><li>33% Executive Women by 2024</li><li>+/- 1% adjusted pay gap by 2024</li><li>Parity* in main governing bodies</li></ul>	% women executives	27%	30%	31%
			% women in ExComm	17,6%	17,6%	17,6%
		*Parity defined on not more than 60% and not less than 40% of each gender	% adjusted pay gap / gender pay gap	2.5% / 19.9%	1.2% / 17.5%	0.74% / 16.8%
		Diversity & Inclusion: Disability Doubling the number of employees with disabilities in the workforce by 2024 (year base 2022)	Number employees with disability	1,118	1,128	1,482
		Health, safety & well being at work To provide safe & healthy working conditions to prevent injuries	Employees covered by health & safety / Employees covered by standards ISO 45001 or OHSAS 18001 <sup>4</sup>	98% / 49%	98% / 44%	96% / 40%
			Number of deaths resulting from an occupational injury (based on OIT)	1	0	0
		Professional development & New ways of working Satisfaction: eNPS above 60 Training and new skills: 50% of workforce in reskilling programs annually Flexible working: 100% of the workforce will be able to opt for hybrid working by 2024	eNPS score	65	67	69
			% employees in upskilling / reskilling programs	n.a	70.%	78%
			% employees with access to teleworking tools <sup>5</sup>	70,.%	100%	100%
		Human rights	Evaluation of 100% of our operations every year	% operations evaluated	100%	100%

TARGETS		INDICATORS	2020	2021	2022	
	Privacy & Security	Leading position in Digital Rights Ranking	Position in ranking	1 <sup>st</sup> Telco	1 <sup>st</sup> Telco	1 <sup>st</sup> Telco
			Nº cybersecurity incidents & breaches affecting customer data	0	1	2
		To protect our customers' data with the highest privacy and security standards	Number of days devoted to data protection and cybersecurity by Internal Audit		5.822	5.836

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Governance Leading by example	Business ethics	Zero Tolerance of corruption	% employees trained in Responsible Business / Human Rights (last 3 years) <sup>6</sup>	93%	85%	89%
		100% employees trained in Responsible Business (every 3 years)				
		Confirmed corruption internal cases	1	0	0	
	Customer & Societal trust	To build a customer relationship based on service quality and trust	NPS score	23	26	30
		To be the company best perceived by society	RepTrak score	63,2	67	67
	Supply chain	100% of high-risk suppliers* assessed for sustainability by 2024    *Suppliers with potential sustainability risks	% high-risk suppliers evaluated	68.%	71,%	72%
	Sustain. Finance	Target for financing linked to sustainability to represent between 30% and 35% over total financing by 2024	% of sustainability-linked financing over total financing	n.a	5,%	27%
	Corporate governance	Committed to best international practices in Corporate Governance	% women on the Board of Directors	29,%	33,3%	33,3%
			% independent Directors	53,%	60,%	60 %

Notes:

(1) The figure has been recalculated because we have removed UK.

(2) In 2020, TEF was in a position to share digital skills to a higher number of beneficiaries (>2m) as more people were at home due to the pandemic. In 2021, the numbers of beneficiaries normalized to over 1m p.a., similar to 2019."

(3) A total of 1,305,718 people have been trained within the projects: "Lanzaderas", "Conecta Empleo", "Piensa en Grande" and "Escuela42

(4) 2021 data compiled using different criteria, bringing it in line with other H&S KPI calculations, e.g., 2021 based on accumulated average headcount. Therefore, the 2021 results is not directly comparable to 2020 data.

(5) Our model is based on universality (it applies to all employees unless their role cannot be performed while working from home).

(6) Since its launch in 2018. Data takes into account the number of active employees at 31 December 2021 (update of the calculation methodology compared to 2020 to improve data quality).

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- [Shareholders & Investors - Telefónica \(telefonica.com\)](#)
- [Sustainability and Innovation - Telefónica \(telefonica.com\)](#)

# ENVIRONMENT: BUILDING A GREENER FUTURE

Our environmental strategy seeks to minimise our impact on the environment and maximise the environmental benefits generated by our digital products and services.  
Our commitment: to minimise our environmental impact, achieving zero net carbon emissions and zero waste to landfill.

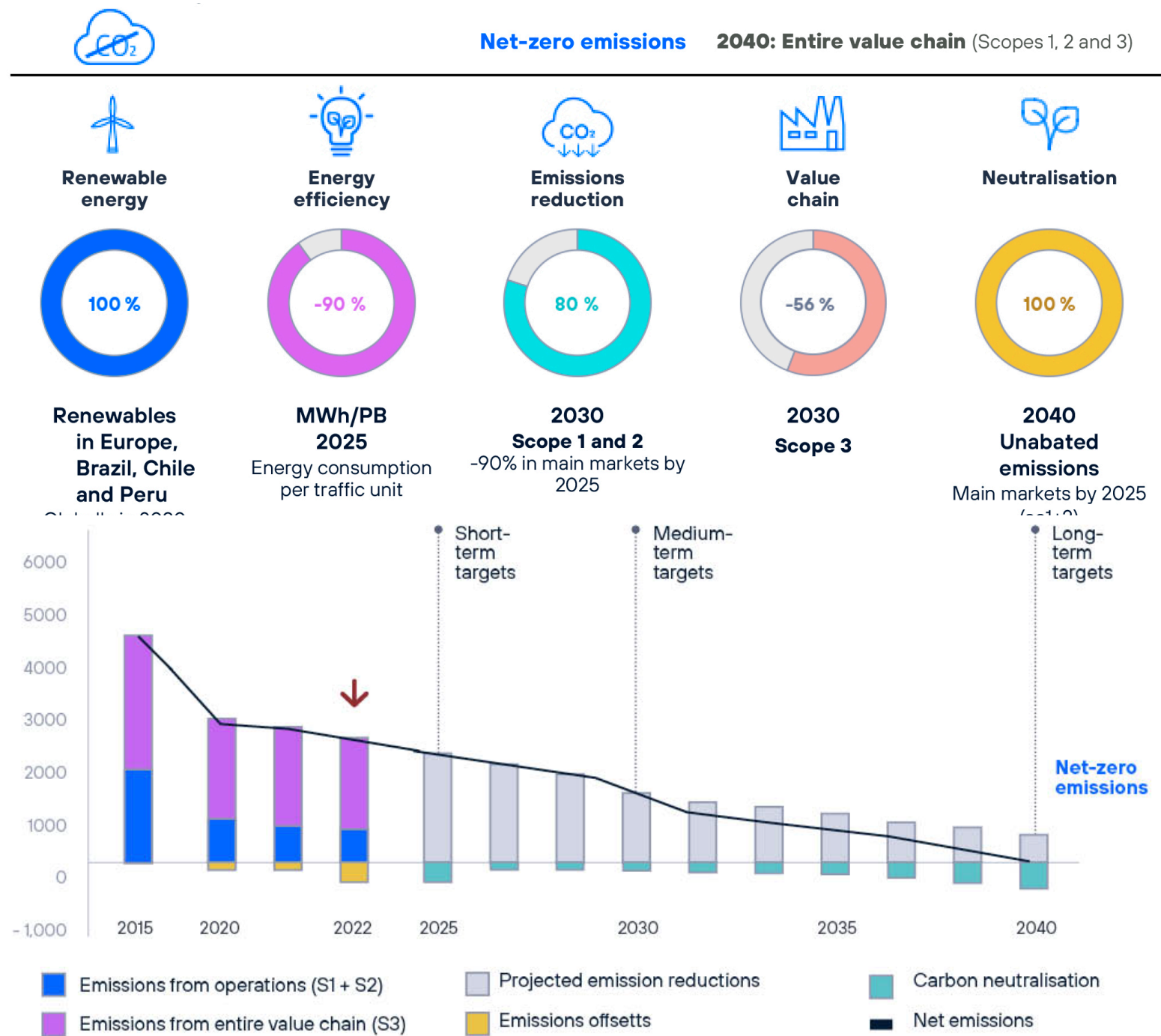
- Sheet 1: Energy and Climate Change
- Sheet 2: Circular Economy
- Sheet 3: Digital solutions for the green transition





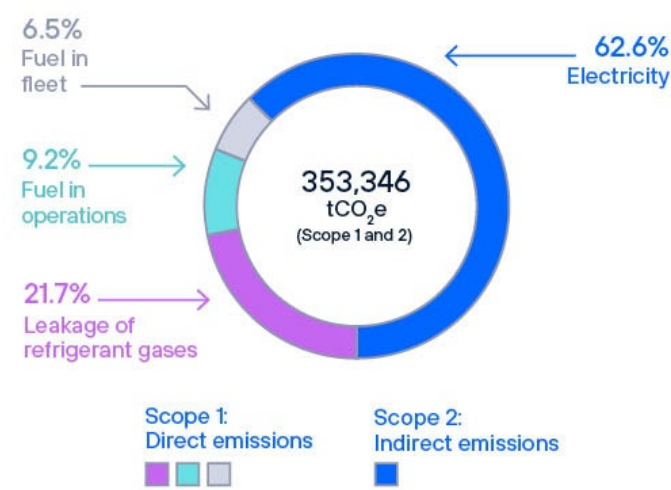
# ENERGY AND CLIMATE CHANGE

[More Info](#)

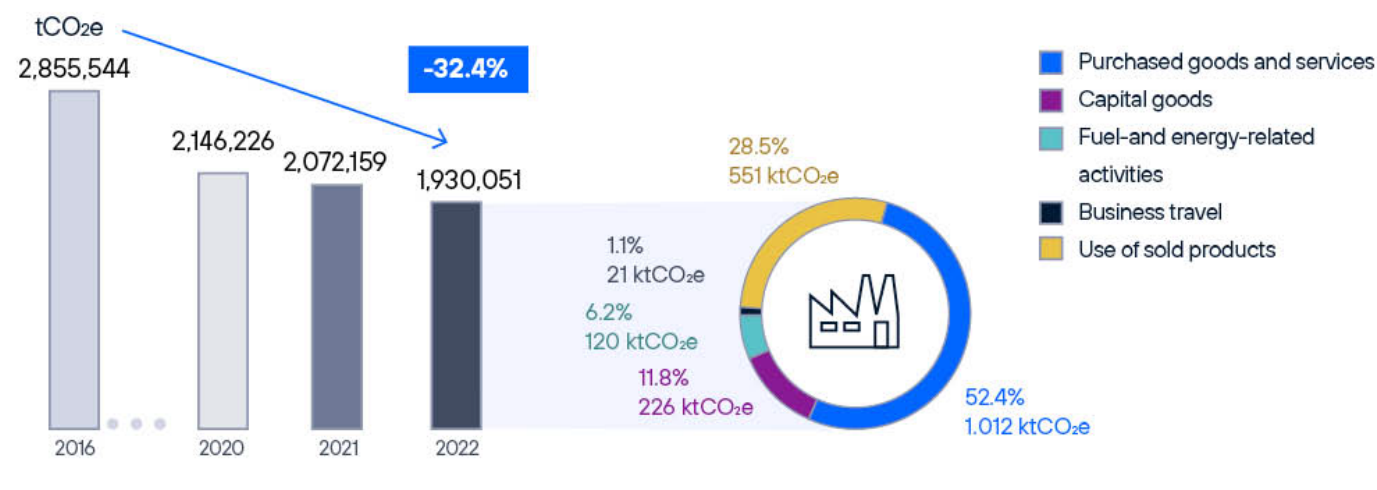


Emissions		2020	2021	2022
Scope 1	tCO <sub>2</sub> e	207.872	183.231	131.809
Scope 2 (market-based method)	tCO <sub>2</sub> e	467.587	353.506	221.537
Scope 1+2	tCO <sub>2</sub> e	675.459	536.737	353.346
Emissions offset	tCO <sub>2</sub> e	78.101	63.018	35.537
Scope 3	tCO <sub>2</sub> e	2.146.226	2.072.159	1.930.051
Biogenic emissions	tCO <sub>2</sub> e	9.695	9.020	13.873
Emissions avoided due to renewable energy consumption	tCO <sub>2</sub> e	782.868	902.019	845.456
Intensity of emissions (Scope 1+2 / Income)	tCO <sub>2</sub> e / M€	18,6	14,6	8,8

## Scope 1 and 2 emissions (2022)



## Scope 3 Emissions (2022)



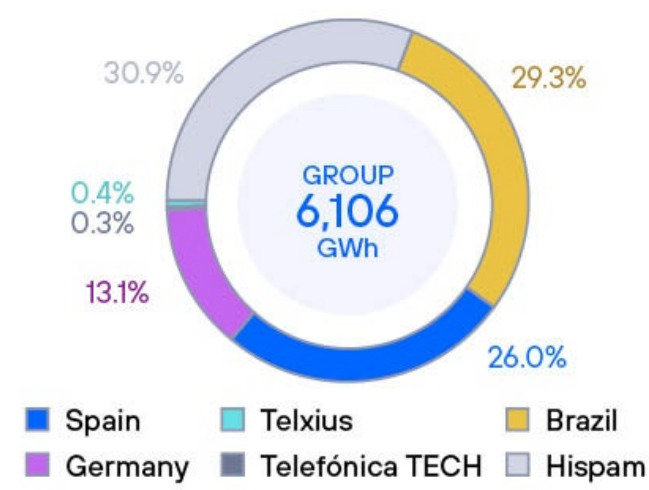
Global performance	Progress in 2022	Value base year*	2021	2022
Energy consumption per traffic - MWh/PB	-87, %	386	54	49
GHG Emissions (scopes 1+2) - tCO <sub>2</sub> e	-80,0 %	1.811.155	536.737	353.346
GHG Emissions (scope 3) - tCO <sub>2</sub> e	-32,0 %	2.855.544	2.072.159	1.930.051
% Renewable electricity consumption in own facilities	382,4 %	17, %	79 %	82 %

\* The base year for Scopes 1 and 2 GHG emissions is 2015 and the base year for Scope 3 GHG emissions is 2016.

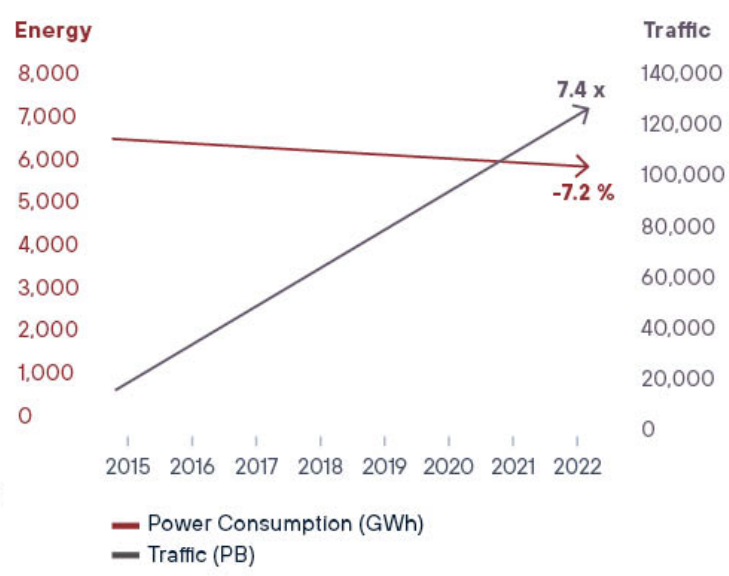
Energy		2020	2021	2022
Total energy consumption	MWh	6.269.962	6.106.625	6.106.255
Electricity consumption + self generation	MWh	5.966.242	5.815.665	5.824.828
Fuel and district heating	MWh	303.720	290.961	281.427
Electricity from renewable sources in own facilities	Percentage	79 %	79 %	82 %

Energy efficiency & management projects	Number	203	188	128
Energy consumption per unit traffic	MWh/PB	72	54	49
Total annual traffic managed	Petabytes	86.591	113.547	125.790

Total energy consumption  
2022



Progress in energy & traffic 2015-2022



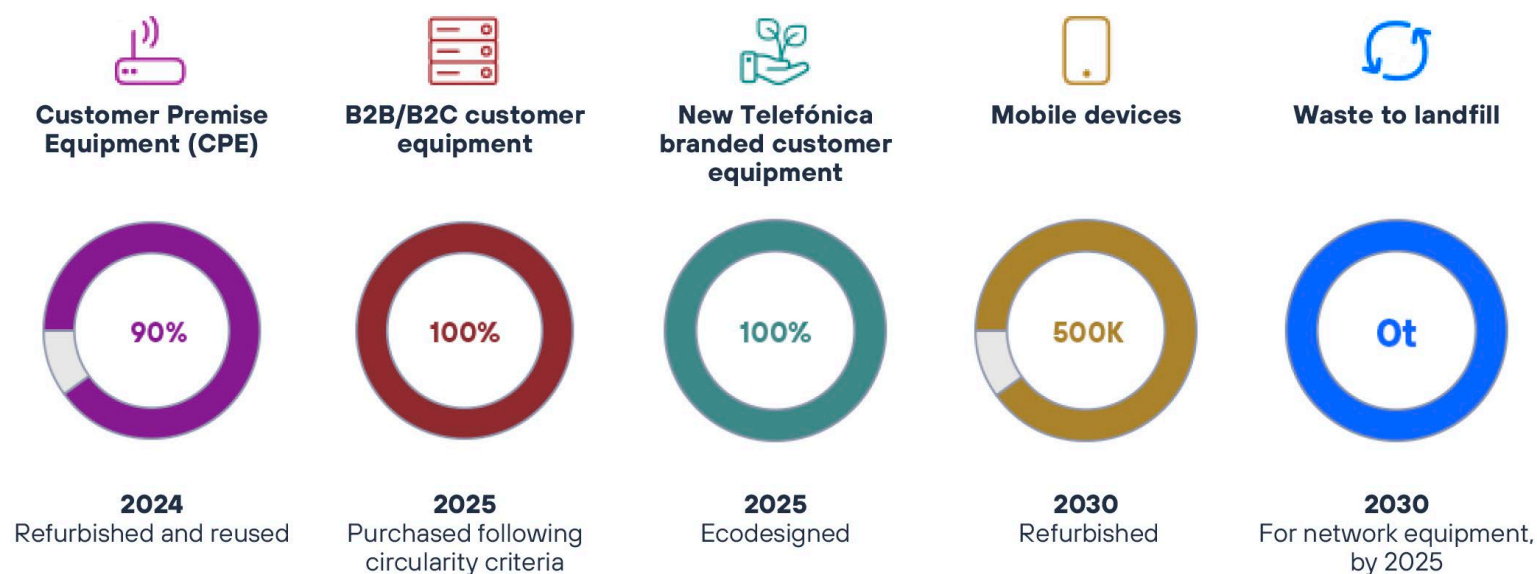


## CIRCULAR ECONOMY

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### Circular economy targets

Moving towards becoming a Zero Waste company



### Zero Waste by 2030 - Targets and indicators

		2021	2022
>97% recycled waste	% recycle waste	98%	98%
Refurbish and reuse 90% of Customer Premise Equipment collected from customers by 2024.	% Customer Premise Equipment reused or refurbished	84%	86%
Refurbish 500,000 mobiles a year by 2030 through various programmes.	Number of reused customer mobiles phones	285.958	386.210
B2B/B2C equipment purchased with circular economy criteria - 100% by 2025	% procurement processes of B2B/B2C equipment using circular criteria	First pilot exercise: B2B routers and switches acquisition. Telefónica Spain. <a href="#">Purchase of B2B routers and switches at Telefónica Spain</a>	
Ecodesign of branded equipment – 100% by 2025	% of new Telefónica-brand equipment which have been ecodesigned	First pilot exercise: Life cycle Assessment (LCA) study on the new model of 5G router <a href="#">Life Cycle Assessment (LCA) on a new 5G router model</a>	

### Waste<sup>1</sup>

		2020	2021	2022
Total waste generated	Tonnes	46.499	64.059	52.906
Non-hazardous waste	Tonnes	41.637	60.791	50.340
	Percentage	90%	95%	95 %
Hazardous waste	Tonnes	4.863	3.268	2.566
	Percentage	10%	5%	5%
Recycled waste	Tonnes	45.562	62.549	51.655

Notes:

(1) All data in this table exclude the United Kingdom from the reporting perimeter to facilitate comparability between periods.

### Circularity in electronic equipment

To reduce its impact and waste generation, we extend the life of electronic equipment by reusing it wherever possible and recycling the rest:

Reused equipment



Routers and set-top boxes



Mobile phones



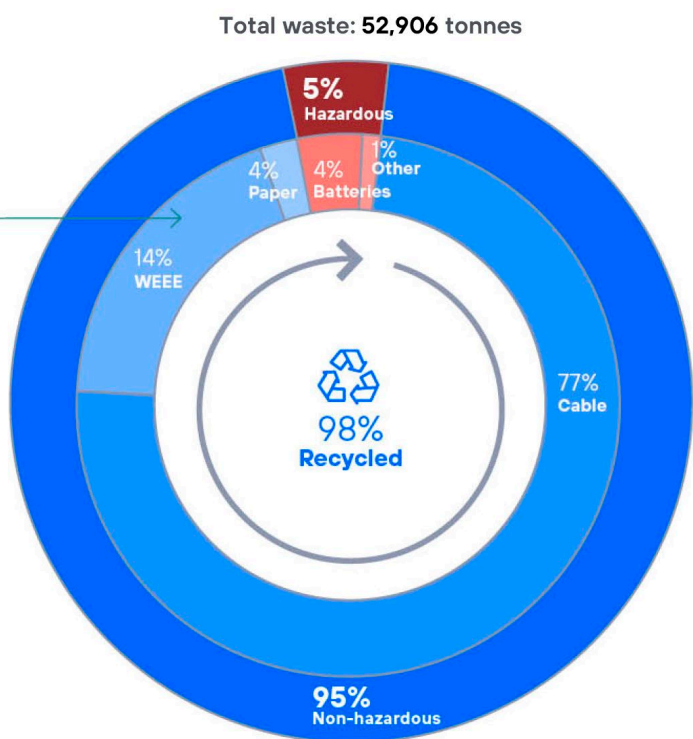
Donated equipment



Office equipment



Network equipment



### Waste by type and disposal method<sup>1</sup>

		2020	2021	2022
Non-hazardous waste				
Waste recycled	Tonnes	40.813	60.030	49.491
Waste to energy recovery	Tonnes	1	17	68
Waste with other treatments <sup>2</sup>	Tonnes	502	191	300
Waste sent to incineration <sup>3</sup>	Tonnes	6	11	0,1

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Waste sent to landfill <sup>3</sup>	Tonnes	314	543	480
Total non-hazardous waste	Tonnes	41.637	60.791	50.340
Hazardous waste				
Waste recycled	Tonnes	4.749	2.520	2.164
Waste to energy recovery	Tonnes	17	21	148
Waste with other treatments <sup>2</sup>	Tonnes	53	681	169
Waste sent to incineration <sup>3</sup>	Tonnes	1	0,2	13
Waste sent to landfill <sup>3</sup>	Tonnes	44	576	72
Total hazardous waste	Tonnes	4.863	3.268	2.566

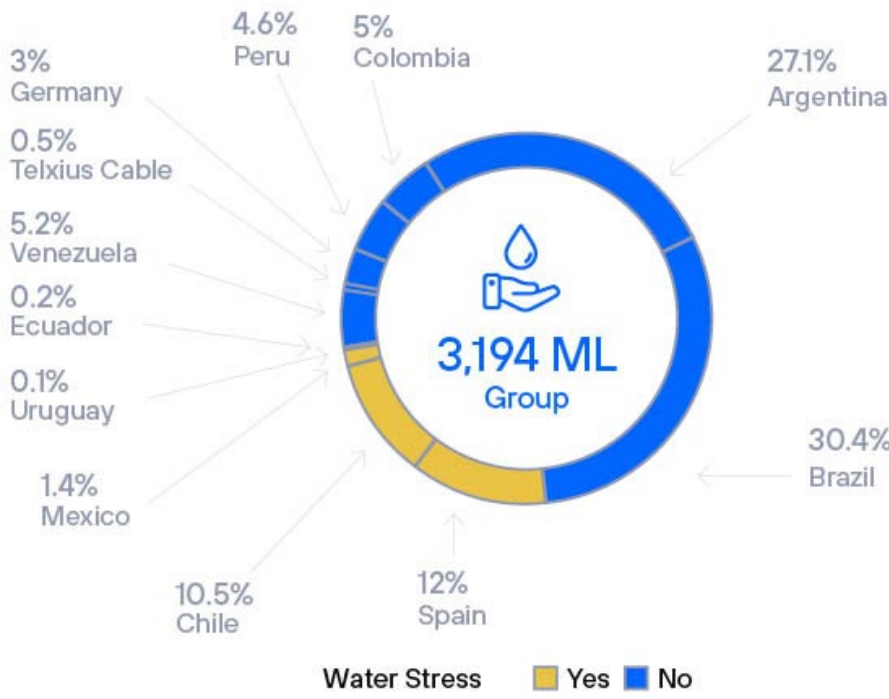
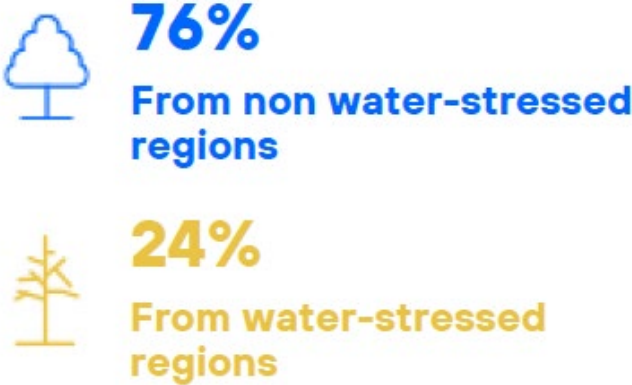
Notes:  
(1) All data in this table exclude the United Kingdom from the reporting perimeter to facilitate comparability between periods.  
(2) Other treatments: includes physical treatments, biological treatments, secure cells and intermediate treatments prior to recycling.  
(3) 2020 and 2021 data recalculated according to the improvement applied as of fiscal year 2022: separate reporting of waste for landfill and incineration.

Water consumption <sup>1</sup>		2020	2021	2022
Water consumption from all areas <sup>2</sup>	Megalitres	2.777	2.949	3.194
Water consumption from areas with high water stress	Megalitres	750	765	765

Notes:  
(1) All data in this table exclude the United Kingdom from the reporting perimeter to facilitate comparability between periods.  
(2) The 2021 figure has been recalculated due to better data quality obtained from our German and Venezuelan operations.

Total water consumption by Telefónica 2022

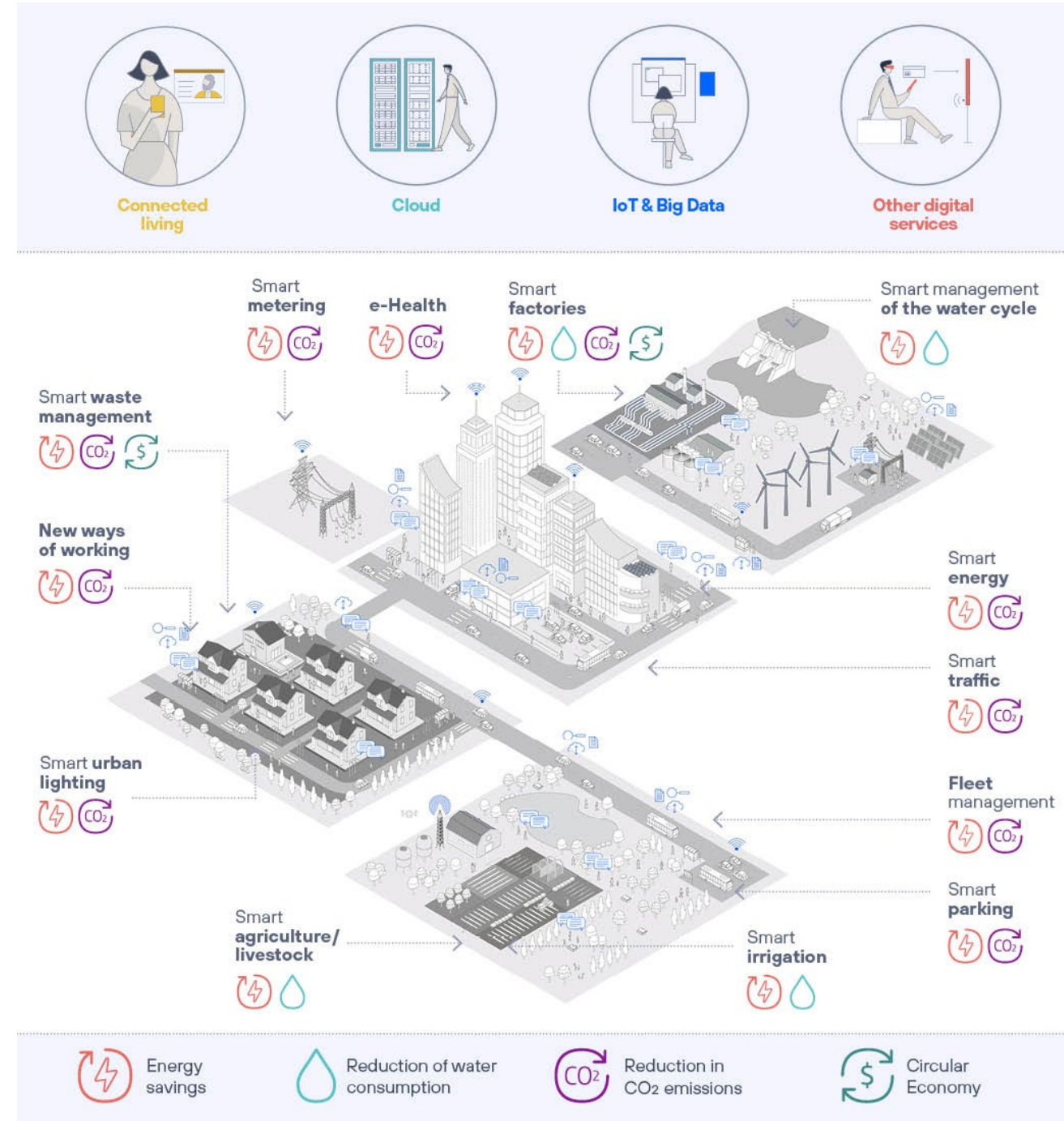
We adopt specific measures to achieve efficient consumption, especially in regions with high water stress.



# DIGITAL SOLUTIONS FOR THE GREEN TRANSITION

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## Digital solutions for environmental challenges



Digital solutions for the green transition		2020	2021	2022
Eco Smart services in portfolio	% Eco Smart services	50% Spain	52% Spain	54% T.Tech, Brazil, Chile, Germany & Spain
Avoided customer emissions from our services <sup>1</sup>	MtCO <sub>2</sub> eq	9,5	8,7	81,7
Eco Rating implementation	Countries	Spain UK, Spain, Brazil and Germany	All countries where Telefónica operates <sup>2</sup>	

Notes:  
(1) The increase in this indicator between 2021 and 2022, is due to the fact that in 2022 the scope of the indicator has been extended to include additional services.  
(2) With the exception of Venezuela, as Telefónica does not sell mobile handsets there.



# SOCIAL: HELPING SOCIETY TO THRIVE

Ensure that our business contributes to the socio-economic development of the regions in which we operate by ensuring that we leave no one behind.

- Sheet 1: Human capital
- Sheet 2: Digital Inclusion and Human Rights
- Sheet 3: Sustainable innovation
- Sheet 4: Contribution and Impact on communities



Helping society thrive

9  
INDUSTRY, INNOVATION  
AND INFRASTRUCTURE

8  
DECENT WORK AND  
ECONOMIC GROWTH

4  
QUALITY  
EDUCATION

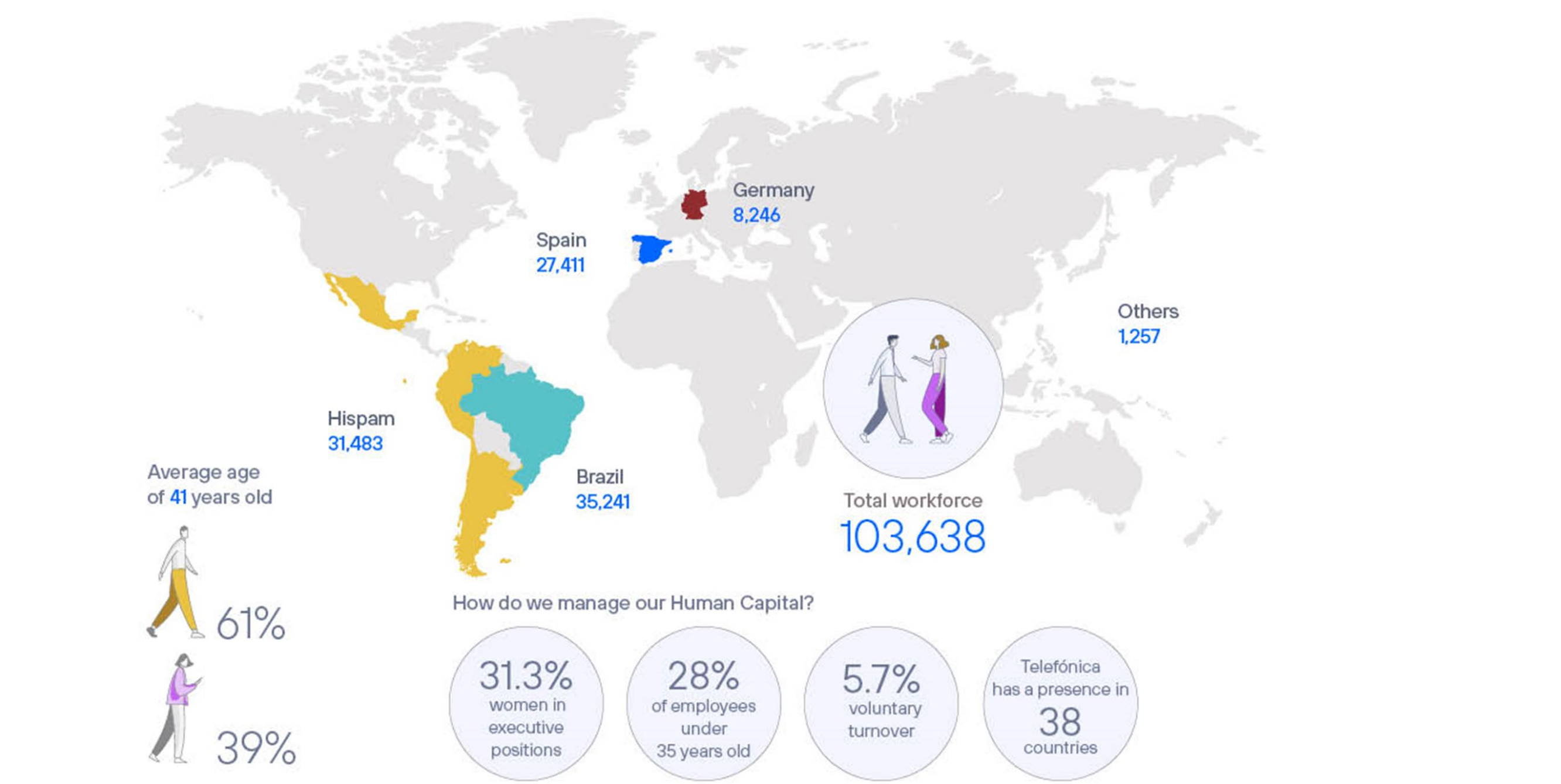
## HUMAN CAPITAL

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### Our targets

Professional Development		50%	Employees participating in annual new skills or reskilling programmes
		60% eNPS	Employee Net Promoter Score equal or greater than 60%
Diversity & Inclusion		33%	Women executives by 2024
		+/- 1%	Adjusted gender pay gap of +/-1 by 2024
		0%	Eliminate the gender pay gap by 2050
		Parity	Gender parity in the Company's highest governing bodies
		Promote Inclusion	Double the number of employees with disabilities within the workforce by 2024.
New Ways of Working		Flexible Working	100% of the workforce able to opt for hybrid working by 2024
Safety, Health, and Wellbeing		Safe & Healthy Working	To provide safe & healthy working conditions to prevent injuries

Key indicators		2020	2021	2022
Total employees	Number	112.349	103.934	103.638
Men	Number	69.638	64.380	63.641
Women	Number	42.711	39.554	39.997
Countries		2020	2021	2022
Hispania	Number	34.687	32.091	31.483
Spain	Number	28.560	28.949	27.411
Germany	Number	7.926	7.238	8.246
Brazil	Number	34.432	34.746	35.241



Contracts		2020	2021	2022
Permanent contracts	Number of employees	109.929	101.999	101.958



Permanent contracts men	Number of employees	68.244	63.200	62.586
Permanent contracts women	Number of employees	41.685	38.799	39.372
Temporary contract	Number of employees	2.420	1.935	1.680
Temporary contract men	Number of employees	1.394	1.180	1.055
Temporary contract women	Number of employees	1.026	755	625
Percentage of women new hires, of the total number of new hires	Number of employees	43%	44%	44%

#### Voluntary & Involuntary Leavers

		2020	2021	2022
Total involuntary <sup>1</sup> leavers	Number of employees	5.995	9.272	8,793
% involuntary leavers	Percentage	30%	23%	32%
Percentage of women employees that left the company, of the total employees				42%
Total voluntary <sup>2</sup> leavers	Number of employees	4.084	5.954	5.870
% voluntary leavers	Percentage	20%	15 %	21%

Notes:

(1) Dismissals.

(2) Resignations: several voluntary redundancy schemes came to an end in Spain over the course of 2022.

#### Turnover<sup>1</sup>

		2020	2021	2022
Average turnover over the average workforce (total)	Percentage	18%	38 %	27% <sup>2</sup>
Percentage total turnover (Voluntary + involuntary leavers)	Percentage			14% <sup>3</sup>

\*Notes:

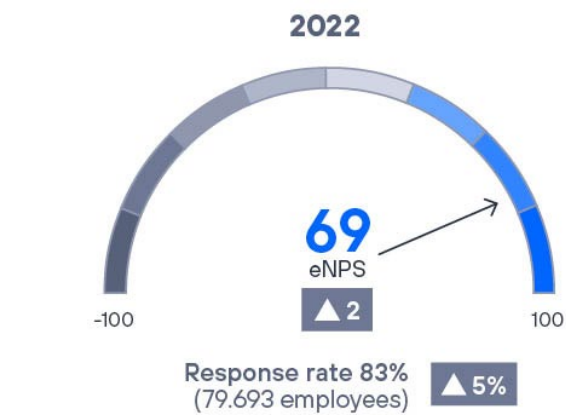
(1) The turnover percentage is calculated by dividing the number of leavers by the average workforce

(2) The total turnover percentage when excluding Tempotel (temporary employment agency) would fall to 17.87%. Tempotel is a human resources management company of the Telefónica Group specialised in hiring extras for audiovisual productions. These employees are contracted for ad hoc events (such the participation in audiovisual productions) and for this reason their laour relationship frequently lasts for less than 1 month.

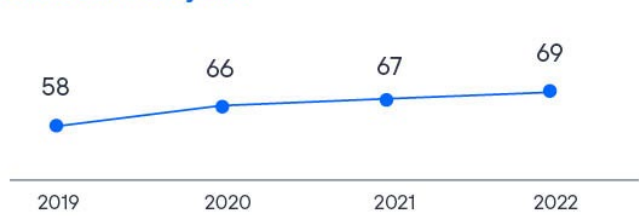
(3) The total percentage turnover taking into account only voluntary and involuntary leavers over average workforce. Please see chapter 2.6 of the Consolidated Management Report 2022 for further details."

#### Employees

		2020	2021	2022
eNPS	Number	65	67	69
eNPS response rate	Percentage	78%	78%	83%
Percentage of employees with union agreements	Percentage	69%	69,3%	66,3%
Total training hours	Hours	3.549.124	4.178.665	3.602.967
Gross pay gap	Percentage	19,9%	17,49%	16,8%
Adjusted wage gap	Percentage	2,50%	1,18%	0,74%



eNPS over the years



#### Diversity

		2020	2021	2022
% Women as a % of total employees	Percentage	38%	38%	39%
% Women executives <sup>1</sup>	Percentage	27%	30%	31%
% Women in all management positions	Percentage	n.a	30%	33%
% Women on the Board of Directors	Percentage	29%	33%	33%
% Women on the Executive Committee	Percentage	18%	18%	18%
% Women hired under 35 years of age	Percentage	45%	46%	45%
Nationalities	Number	117	99	107
Percentage of women working on Engineering	Percentage			15,4%
Percentage of the various committees of the board of directors chaired/co-chaired	Percentage			6,2%
People with disabilities of total employees	Number	1.118	1.128 <sup>2</sup>	1.482

\*Notes:

(1) The percentage of women among executives in Telefónica is the metric used to measure the KPI against the total amount executive positions in the workforce.

Executives in the Telefonica Group are defined as the collective subject to specific governance in the Group. They represent a percentage of 0.7% of the total workforce. The appointment of Executives is decided by the globally established Remuneration Commission and the Transparency Commission. Executives have specific contractual conditions, benefits, and management systems linked to audit and compliance.

(2) Correction is applied due to an error in the data report in the Consolidated Annual Report 2021."

#### Health & Safety: Accidents

		2020	2021	2022
Total number of on the job accidents with sick leave	Number	492	509	788
Rate of accident frequency	Total number of on-the-job accidents with sick leave / Total number of annual working hours x 200,000	0,46	0,51	0,80



Total number of occupational diseases	Number	811	2.111	293
Rate of occupational diseases (based on ILO definition)	Total number of occupational diseases / Total no. of annual working hours x 200.000	0,37	2,13	0,30
Number of occupational injuries with major consequences (excluding fatalities)	Number	2	8	4
Rate of occupational injuries with major consequences	Number of occupational injuries with major consequences (not including fatalities) / Number of hours worked) x 200.000	0,00	0,01	0,00
Total number of injuries per recordable occupational accident	Number	421	578	554
Rate of recordable occupational injury	Number of recordable occupational injuries / Number of hours worked x 200.000	0,39	0,58	0,56
Total number of deaths resulting from an occupational injury	Number	1	0	0

Health & Safety: Absenteeism		2020	2021	2022
Number of annual working hours	Number of hours	213.846.294	198.095.494	197.895.968
Number of total absence hours	Number of hours	4.828.152	7.856.914	7.175.226
Total absenteeism rate	Total number of days lost due to any cause / Total number of working days per year	0,02	0,04	0,04
Lost day rate / severity (Based on ILO definition)	Total number of days lost due to occupational accidents at work with sick leave and occupational disease/ Total number of working hours	18,2	28,8	24,9

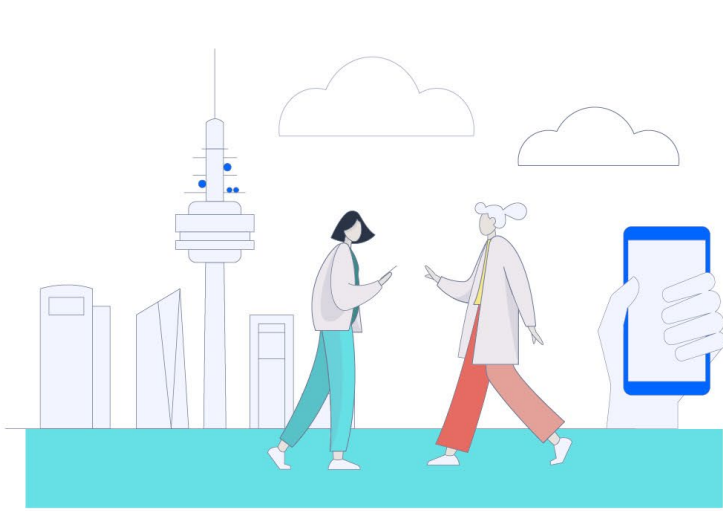
Health and Safety: Management systems		2020	2021	2022
% of employees covered by Health and Safety management system implemented and certified under ISO 45001 standard <sup>1 2</sup>	Percentage	0%	44%	40%
% of employees covered by the Health and Safety Management System subject to internal or third party auditing	Percentage	0%	86%	88%
% of Health and Safety Management Systems implemented	Percentage	66%	95%	96, %

*\*Notes:  
(1) 2021 data compiled using different criteria, bringing it in line with other H&S KPI calculations, e.g., 2021 based on accumulated average headcount. Therefore, the 2021 results is not directly comparable to 2020 data.  
(2) The indicator has decreased slightly due to the changes in perimeter experienced in the year. The departure of United Kingdom from the scope of calculation is especially significant. "*

Maternity leave by country:	
Germany	14 weeks
Spain	16 weeks
Brasil	16 weeks
Paternity leave by country:	
Spain	16 weeks
Brasil	5 days

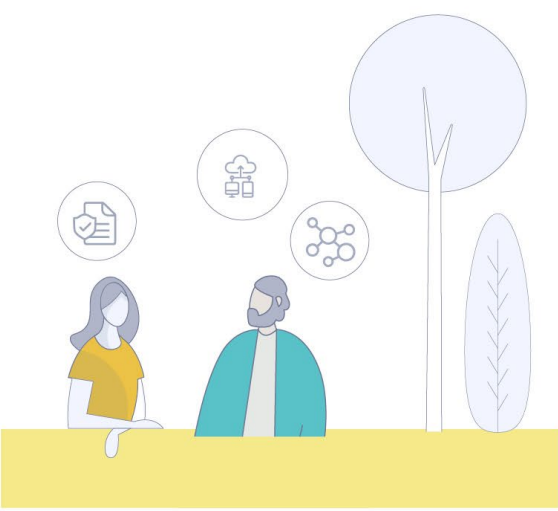
DIGITAL INCLUSION & HUMAN RIGHTS

[More Info](#)



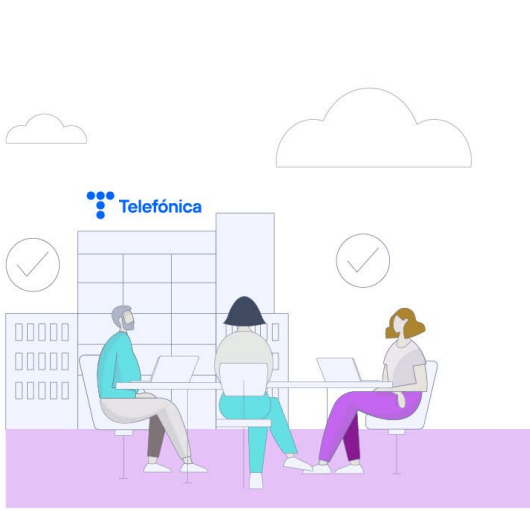
Connectivity roll-out

- **90-97% rural mobile broadband coverage** in Spain, Germany and Brazil by 2024
- **100% fibre optic coverage** by 2024
- **50% of the population** with **5G** by 2022 and boost fibre roll out rural areas.
- **Fibre to 5.5 million** homes and businesses in the next 4 years.



Digital Accessibility

- **To evaluate 100%** of new Products and Services under Responsibility by Design framework by 2025

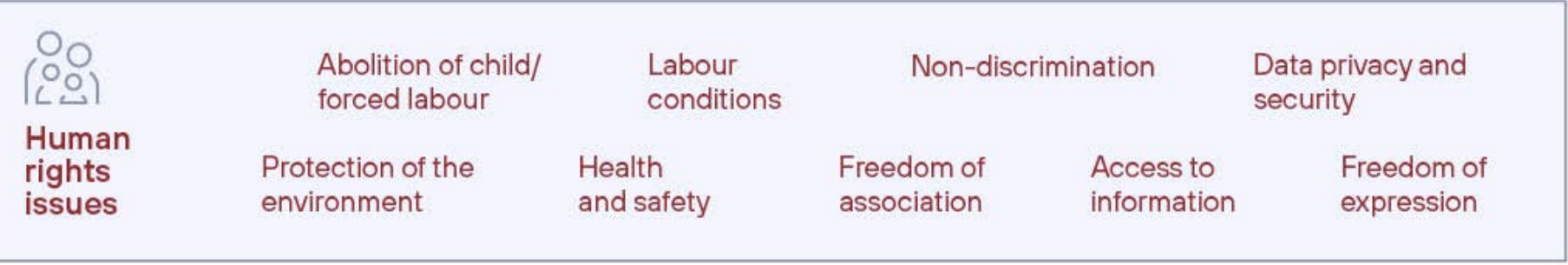


Digital Skills

- **To train 100.000 people** a year in new digital skills in our new innovation Hub.

Digital Inclusion		2020	2021	2022
Ranking position in Digital Inclusion Benchmark (WBA)	Position in ranking	2 <sup>nd</sup>	1 <sup>st</sup>	1 <sup>st</sup>
Connectivity	Premises reached by UBB (own and third parties)	n.a	159.841.086	168.057.417
	% of mobile coverage in rural areas	n.a	77% - 94%	80% - 99%
	% LTE / 4G coverage	83%	87%	90%
	Spain			
	% Spain: rural coverage	n.a	91% 4G rural coverage; 20% 5G rural coverage	94%
	% coverage 4G	98%	98%	98%
	% coverage 5G <sup>1</sup>	n.a	n.a	85%
	Germany			
	% Germany: rural coverage	n.a	94% rural population with 50 Mbit/s	99%
	% coverage 4G	100%	100%	100%
% coverage 5G <sup>2</sup>	n.a	n.a	80%	
Brazil				
% Brazil: rural coverage	n.a	77% rural population with 4G/5G	80%	
Percentage rural coverage 4G	91%	94%	96%	
UK				
% of mobile coverage in rural areas	n.a	n.a	>99%	
% coverage 4G	99%	99%	99%	
% coverage 5G	n.a	n.a	43%	
Accessibility of products and services	% products with accessibility criteria	n.a	n.a Implementation in 2022	40
Affordability - Universal Service	Millions of euros	174	169	212
Digital skills training	Beneficiaries of digital skills development programmes <sup>3</sup>		1.212.765	1.305.715
	Beneficiaries of basic digital skills development programmes	n.a	n.a	1.779
	Beneficiaries of intermediate digital skills development programmes	n.a	n.a	1.299.086
	Beneficiaries of advanced digital skills development programmes	n.a	n.a	4.850

Notes:  
(1) Spain technical criteria 61%.  
(2) Germany technical criteria 69,1 %.  
(3) A total of 1,305,716 people have been trained within the projects: "Lanzaderas", "Conecta Empleo", "Piensa en Grande" and "Escuela 42".



# HUMAN RIGHTS

[More Info](#)

Main indicators		2020	2021	2022	
Principles Responsible Business training	Number of employees trained	103.934	88.815	91.347	
	% of operators subjected to a human rights impact assessment	100%	100%	100%	
Number of operators subjected to a human rights impact assessment	Number of on-site human rights audits of suppliers	10.090	10.721	9.964	
% of significant investment agreements signed by Telefonica, S.A. with HR clauses	Percentage	There were no significant investment agreements		100%	100%



SUSTAINABLE INNOVATION<sup>1</sup>

More Info

Main indicators <sup>1</sup>		2020	2021	2022
Innovation: R&D Investment	Millions of euros	959	835	714
Innovation: Investment in R&D&I	Millions of euros	4.626	4.426	3.721
Programmes to foster STEM careers	Programmes	27	52	102
Patent portfolio	Number	355	336	344
Responsibility by Design	Number of P&S evaluated under Responsibility by Design framework	n.a	n.a Implementation in 2022	> 40

Note:  
(1) These figures have been calculated using the guidelines established in the OECD manual.

Open Innovation:	2022
Open Innovation portfolio/active start-ups	550
Start-ups working with Telefónica	189
Countries in which it is present	10
Wayra Hubs	8
Open Future spaces	30
Start-ups invested in by Wayra	865
Start-ups invested in directly by Telefónica Ventures	35
Direct investment in start-ups in 2022 (million euros)	13,3
Start-ups invested in by Telefónica Ventures through other funds	205
Investment through third parties in startups (million euros)	2.500
Total cumulative investment (Wayra + Telefónica Ventures, direct and indirect) (million euros)	221

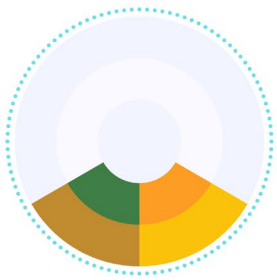
## CONTRIBUTION AND IMPACT ON COMMUNITIES

[More Info](#)



*Helping*  
society to thrive

Total impact  
**+€91 bn**



*Building*  
a greener future

Total impact  
**+€1.8 bn**



*Leading*  
by example

Total impact  
**+€5 bn**

GDP contribution <sup>1</sup>		2020	2021	2022
Total impact	Millions of euros	44.692	48.904	45.978
Direct Impact	Millions of euros	19.803	14.774	18.382
Indirect Impact	Millions of euros	19.497	22.084	21.349
Induced impact	Millions of euros	5.392	12.047	6.247

Note:  
(1) 2022 does not include UK.

### Impact on GDP

	Million of euros	Percentage of local GDP
Germany	7.363	0,20%
Argentina	2.369	0,70%
Brazil	13.481	0,90%
Chile	2.222	0,80%
Colombia	2.196	0,80%
Spain	15.582	1,30%
Mexico	786	0,10%
Peru	2.079	1,10%

Employment contribution <sup>1</sup>		2020	2021	2022
Total impact	Number of people	957.314	1.212.163	1.074.440
Direct Impact	Number of people	108.551	106.034	99.174
Indirect Impact	Number of people	637.990	656.662	675.947
Induced impact	Number of people	210.773	449.467	299.319

Note:  
(1) 2022 does not include UK.

SDG 9 - Build inclusive and sustainable connectivity		2021	2022
R&D+I investment	Million euros	4.378	3.721
R&D investment	Million euros	835	714
Universal Services	Million euros	169	212
% 4G/ LTE mobile coverage	Percentage	87%	90%

SDG 8 - Drive digitalisation for a more sustainable society and economy		2021	2022
Total tax contribution	Million euros	9.134	7.669
% purchases from local suppliers	Percentage	81%	83%
Number of employees	Number of people	103.934	103.638
Employees with disabilities	Number of people	1.128	1.482
Suppliers audits	Number of suppliers audits	17.960	18.578

SDG 7 - Develop the most efficient telecommunications network, powered by renewable energies		2021	2022
% of electricity from renewable sources in own facilities	Percentage	79%	82%
Emissions avoided due to renewable energy consumption	tCO <sub>2e</sub>	902.019	845.456

SDG 11 - Develop solutions to optimise consumption, reduce emissions and improve mobility and safety for people and communities		2021	2022
Emissions avoided thanks to our services <sup>1</sup>	Million tCO <sub>2e</sub>	8,7	81,7

Note:  
(1) The increase in this indicator is due to the fact that in 2022 the scope of the indicator has been extended to include additional services. More information can be found in chapter "2.4. Digital solutions for the green transition".

SDG 12 - Promote the circular economy in the use of electronic equipment, through ecodesign, reuse and recycling		2021	2022
Energy consumption	MWh	6.106.625	6.106.255
Waste generation	Tonnes	64.059	52.906
% recycling of waste	Percentage	98%	98%
Responsibility by Design process	Number of evaluations	n.a	> 40

SDG 13 - Combat climate change and improve resource efficiency and utilisation		2021	2022
Direct emissions (Scope 1)	tCO <sub>2eq</sub>	183.231	131.809
Indirect emissions (market-based method) (Scope 2)	tCO <sub>2eq</sub>	353.506	221.537
Other direct emissions (Scope 3)	tCO <sub>2eq</sub>	2.072.159	1.930.051

SDG 4 - Address inequalities by investing in digital skills		2021	2022
Beneficiaries of the digital skills training programs	Number of beneficiaries	1,212,7653 <sup>1</sup>	1305715 <sup>2</sup>

Notes:  
(1) Data updated to 31 December 2021.  
(2) The number of people trained is 1,305,718 within the projects: "Lanzaderas", "Conecta Empleo", "Piensa en Grande" and "Escuela 42".

SDG 5 - Promote gender equality and reduce salary gaps		2021	2022
% Women executives <sup>1</sup>	Percentage	29,5%	31,3%
% women as a % of total employees	Percentage	38,1	38,6
Programmes to promote STEM careers	Number of programs	52	102

Note:  
(1) In 2022, minor adjustments have been implemented in the formula for calculating the percentage of women executives. Maintaining the 2021 criteria, the figure would be 31.2%.

SDG 16 - Improving trust through the ethical and responsible use of technology		2021	2022
% of employees who have taken the responsible business course	Percentage	85%	89%
Corporate volunteering people	Numer of people	59.054	58.502

SDG 17 - Develop strong global alliances for sustainable development		2021	2022
Number of fixed broadband subscribers	Thousands	25.833	26.304
% LTE Service penetration in customer base	Percentage	90%	91%



# GOVERNANCE: LEADING BY EXAMPLE

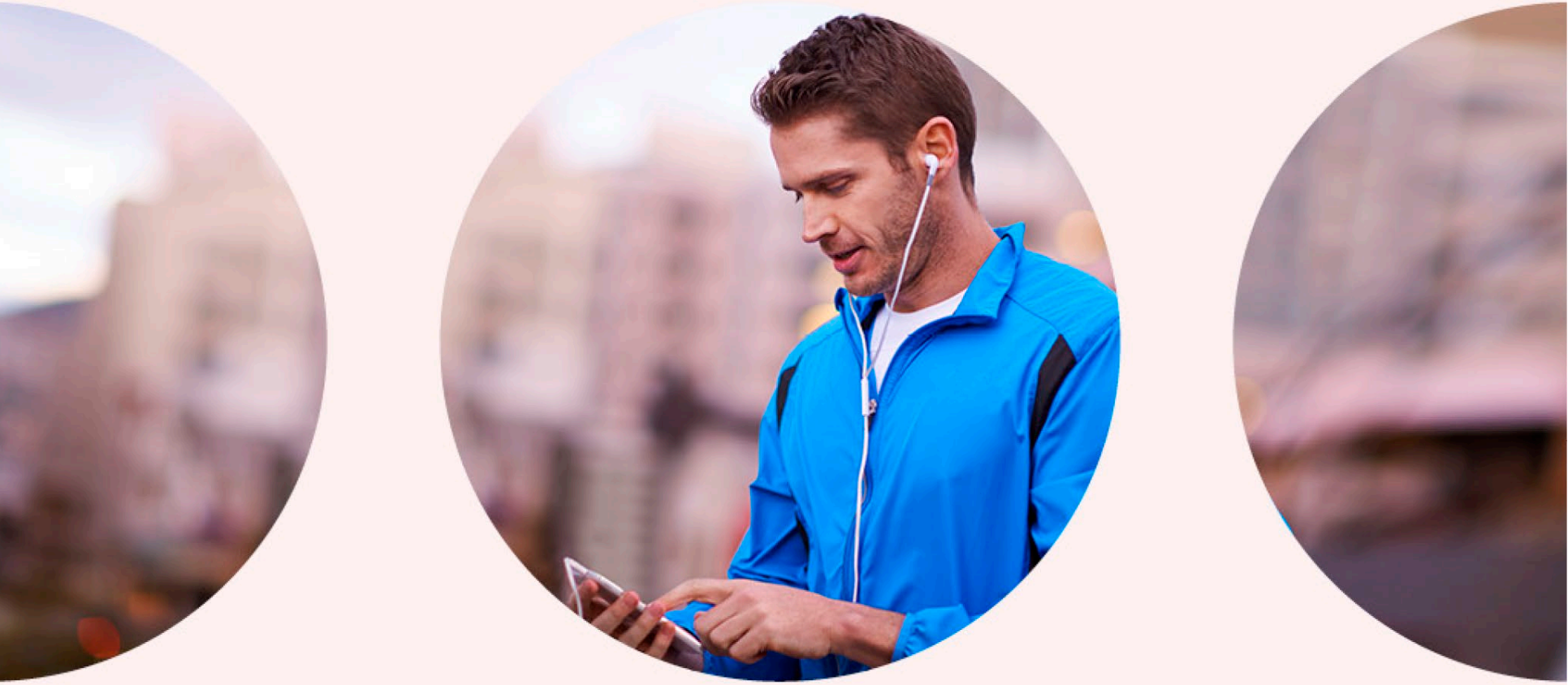
We work on sustainability as a robust part of our organisational culture, through several lines of action: corporate governance, training and awareness-raising to make our commitments and values known, promoting privacy and security, and aligning our sustainability strategy with the supply chain.

Sheet 1: Privacy, Security and Client & Society

Sheet 2: Ethics and Corporate Governance

Sheet 3: Supply Chain


Sheet 4: Principal Adverse Impacts



Leading by example


9

INDUSTRY, INNOVATION AND INFRASTRUCTURE




8

DECENT WORK AND ECONOMIC GROWTH




5

GENDER EQUALITY




16

PEACE, JUSTICE AND STRONG INSTITUTIONS



17

PARTNERSHIPS FOR THE GOALS



## PRIVACY AND SECURITY

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### Key Indicators - Training

		2020	2021	2022
Number of attendees to training courses on Data Protection and Cybersecurity	Number	80.222	67.880	126.948
Number of hours of training in Data Protection and Cybersecurity	Number	105.700	81.460	119.639

### Key Indicators

		2020	2021	2022
Requests for information by competent authorities	Number	4.193.120	5.263.552	3.761.918
	% requests handled	99%	99%	99%
Proceedings opened on Data Protection issues	Number	61	68	49
Data Protection fines	Number	15	24	18
	Euros	328.594	436.714	318.059
Number of confirmed fines for data protection issues as a result of a security breach or incident (physical or cybersecurity) affecting personal data of customers, employees or others.	Number	0	0	0
Number of days devoted to data protection and cybersecurity by Internal Audit	Number	0	5.822	5.836
External Product and Service Safety Audits (Telefonica Tech)	Number	10	24	13
Total number of relevant Information Security / Cybersecurity incidents classified as serious	Number	1	3	2
High impact information security or cybersecurity incidents/breaches affecting personal customer data	Number	0	1	2
Numer of customers affected by data breaches	Number	0	157.217	1.407.257

## CUSTOMERS AND SOCIETY

[More info](#)

### Key Indicators

		2020	2021	2022
NPS -Net Promoter Score	Value	23	26	30
RepTrak - Reputation	RepTrak score	63,2	67	67

[More info](#)

## ETHICS AND CORPORATE GOVERNANCE

### Key Indicators

		2020	2021	2022
Employees trained in anti-corruption	Number (total employees)	104.522	89.296	94.840
	% of employees trained during the year of the annual report	10. %	34 %	93
Employees trained in Responsible Business and Human Rights through the Principles Course	Number of trained employees	103.934	88.815	91.347
	% of employees trained	93%	85% <sup>(1)</sup>	89%
	Training hours	207.868	168.914	163.125
Total number of complaints received through the Whistleblower Channel	Number	882	955	808
Total number of substantiated complaints	Number	385	389	374
Termination of employment measures taken as a result of well-founded complaints received	Number	126	152	118
Confirmed cases of corruption	Number	1	0	0
Disciplinary measures or contract terminations taken in relation to confirmed cases of corruption	Number	3	0	0
Detected cases of discrimination	Number	3	0	0
Disciplinary measures or terminations of contract taken in relation to confirmed discrimination cases	Number	2	0	0
Number of queries received in the Responsible Business Channel	Number	229	207	711
Contribution to sectoral bodies and organisations or persons engaged in representative activity	Euros	3.934.471	5.367.432	6.095.148

Notes:  
(1) Since its launch in 2018. Data takes into account the number of active employees at 31 December 2021 (update of the calculation methodology compared to 2020 to improve data quality).

### Fiscal Transparency

		2020	2021	2022
Total tax contribution	Millions of euros	8.160	9.134	7.669
Total taxes paid	Millions of euros	2.301	3.206	2.438
Total taxes collected	Millions of euros	5.859	5.927	5.231

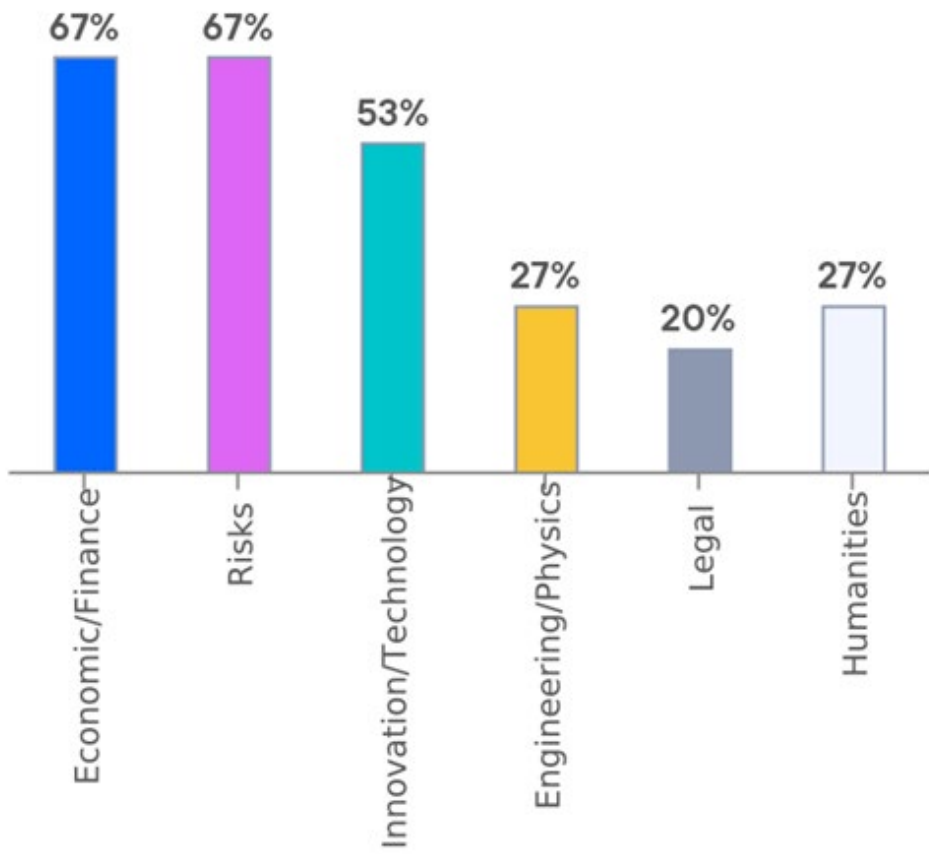
## CORPORATE GOVERNANCE

[More info](#)

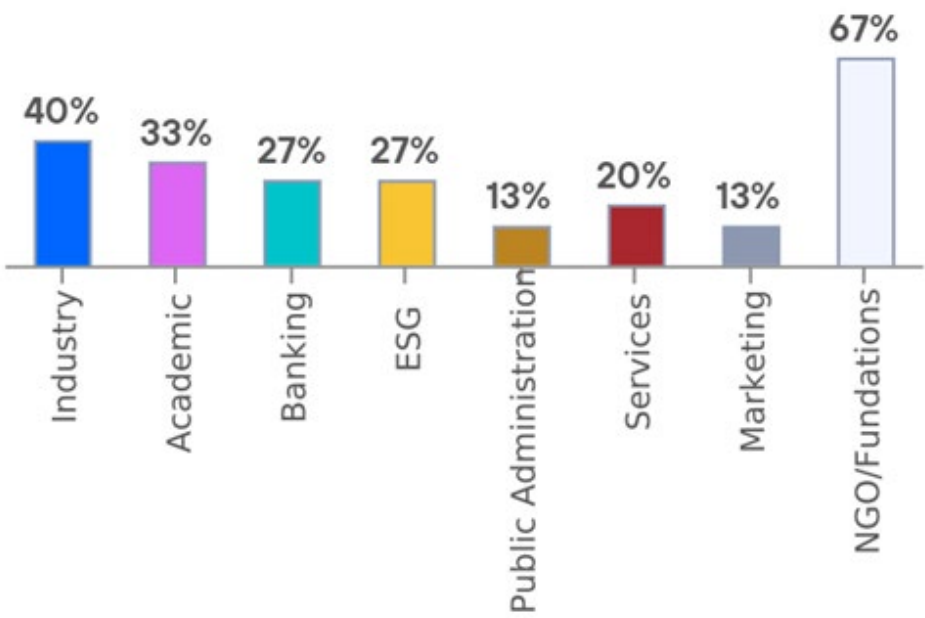
### Key Indicators

		2020	2021	2022
Board of Directors size	Number	17	15	15
Women on the Board of Directors	Percentage	30%	33%	33.3%
Independent Directors	Percentage	53%	60%	60%
Executive Directors	Number	2	2	2

% Directors with the following Knowledge and Skills



% Directors with Professional Experience in the following sectors





## SUPPLY CHAIN

[More info](#)

Key Indicators		2020	2021	2022
Volume of purchases awarded	Millions of euros	24.268	23.737	21.863
Awarded suppliers	Number	9.038	9.368	8.526
% Purchases awarded locally	Percentage	77%	81%	83%
Sustainability risk suppliers identified in our global analysis* In 2021 we implemented an adjustment to the supplier risk analysis methodology to focus on suppliers with a significant impact on the business and the Company's strategy.	Number	1.700	810	768
% High-risk suppliers assessed on sustainability aspects through EcoVadis or IntegrityNext.	Percentage	68%	71%	72%
% Suppliers evaluated Dow Jones Risk & Compliance	Percentage	100%	100%	100%
Suppliers blocked on grounds of non-compliance with ethical or sustainability aspects	Number	9	9	6
Total audits of suppliers	Number	16.105	17.960	18.578
High-risk suppliers with improvement plans	Number	560	610	879

			Audited risk aspects								
Type of supplier	Region/ country	Ongoing audits and improvement plans	Ethics	Labour	Health and Safety	Supply chain management	Human rights(child /forced labour)	Conflict minerals	Environmental	Security, privacy and PbD	
ALLIES PROGRAMME Labour-intensive collaborator companies.	Spain and six countries in Latin America <sup>2</sup>	LOCAL • 8,479 administrative audits. • 9,090 on-site audits. • 268 suppliers with improvement plans.		✓	✓		✓				
	Germany, Spain and six countries in Latin America <sup>3</sup>	CORPORATE • 68 on-site audits. • 66 suppliers with improvement plans.	✓	✓	✓	✓	✓		✓	✓	
JAC INITIATIVE Manufacturing centres in the ICT sector.	54% in China and the rest in 12 countries <sup>4</sup>	• 59 on-site audits: 62% on TIER 2 or 3 suppliers. • 24 suppliers with improvement plans.	✓	✓	✓	✓	✓	✓	✓		
OTHER LOCAL AUDITS Due to risks associated with the product or service.	Brazil, Colombia, Mexico and Peru	• 135 administrative audits. • 124 suppliers with improvement plans.							✓		
	Brazil and Colombia	• 8 on-site audits. • 1 supplier with improvement plans.									
	Brazil, Chile, Ecuador and Germany	• 271 on-site audits. • 106 suppliers with improvement plans.			✓						
	Brazil, Colombia, Ecuador and Germany	• 450 on-site audits. • 283 suppliers with improvement plans.								✓	
	Chile and Peru	• 18 on-site audits. • 7 suppliers with improvement plans.		✓							
										Social	Environment
Total audits per aspect										17,985	270
Suppliers with improvement plans										471	215

The decision on how to conduct on-site audits has always been subject to compliance with local mobility restrictions for COVID-19 and to ensuring at all times the health of the people involved in the process.

## APPENDIX - PRINCIPAL ADVERSE IMPACTS

Adverse Sustainability Indicator		Metric	Unit	2022
Mandatory climate and other environment-related indicators				
Green-house gas emissions	1. GHG Emissions	Scope 1 GHG Emissions		131.809 tCO2e
		Scope 2 GHG Emissions (market-based)		221.537 tCO2e
		Scope 3 GHG Emissions		1.930.051 tCO2e
		Total GHG Emissions		2.283.397 tCO2e
	2. Carbon Footprint	Carbon footprint		2.283.397 tCO2e
	3. GHG intensity	GHG Intensity (scope 1 + 2+3) (per revenues)	tCO2e / M€	0,00005 tCO2e / M€
4. Exposure to companies active in the fossil fuel sector		Investment in companies active in the fossil fuel sector		N/A
Green-house gas emissions				
Green-house gas emissions	5. Share of non-renewable energy consumption and production	Proportion of consumption and production of non-renewable energy in comparison with renewable energy sources (proportion with respect to the total number of Energy sources)	%	18 %
	6. Energy consumption intensity per high impact climate sector	Energy consumption in MWh per million EUR of revenue	MWh	0,00015 MWh/M€
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	Headquarters or operations sites located in or near sensitive areas in terms of biodiversity		2 %
Water	8. Emissions to water	Tons of emissions to water generated		N/A. Water use is mostly sanitary and to a lesser extent, losses associated with air conditioning. Therefore, there are no pollutant emissions into the water beyond the sanitary discharges associated with the staff.
Waste	9. Hazardous waste and radioactive waste ratio	Tons of hazardous waste generated	Hazardous waste: Non-hazardous waste	0,05
Mandatory social and employee, respect for human rights, anti-corruption and anti-bribery matters indicators				
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Violations of the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises	N/A	Our Global Human Rights Policy is guided by the UNGP for business and human rights, the OECD for MNE and many other international human rights agreements. This policy establishes our due diligence against forced labour, slavery and child labour.
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	UNGC and OECD compliance policy	N/A	Our Global Human Rights Policy is guided by the UNGP for business and human rights, the OECD for MNE and many other international human rights agreements. This policy establishes our due diligence against forced labour, slavery and child labour.
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap	%	16,8 %
	13. Board gender diversity	Ratio between the number of women on the Board of Directors and the total number of members	%	33,3%
Social and employee matters	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Ratio of investments in companies related to the manufacture or sale of controversial weapons		N/A
	Additional climate and other environment-related indicators			
Emissions	1. Emissions of inorganic pollutants	Equivalent tons of inorganic pollutants		N/A. Telefónica's activities do not produce significant polluting emissions (NOX, SOX, particles).
	2. Emissions of air pollutants	Equivalent tons of air pollutants		N/A. Telefónica's activities do not produce significant polluting emissions (NOX, SOX, particles).
	3. Emissions of ozone-depleting substances	Ozone-depleting substances		20,84 t
	4. Investments in companies without carbon emission reduction initiatives	Carbon emission reduction initiatives	Policies	N/A
Energy performance	5. Breakdown of energy consumption by type of non-renewable sources of energy	Breakdown of energy consumption by type of non-renewable sources of energy	N/A	Telefónica reports this information in CDP questionnaire, section C8.2a.
Water, waste, and material emissions	6. Water usage and recycling	Average amount of water consumed	Usage ML	3.194 ML
	7. Investments in companies without water management policies	Water management policies	Policy	Telefónica has a Global Environmental Policy that includes a commitment to water, and applies to all the companies in the Telefónica Group, regardless of location or business activity.
	8. Exposure to areas of high water stress	Operation sites located in areas of high water stress without a water management policy	ML	Telefónica has a Global Environmental Policy that includes a commitment to water, and applies to all the companies in the Telefónica Group, regardless of location or business activity.
	9. Investments in companies producing chemicals	Companies whose activities fall within Division 20.2 of Annex I to Regulation (EC) No 1893/2006		N/A
	10. Land degradation, desertification, soil sealing	Companies whose activities may cause soil degradation, desertification or soil sealing		N/A
	11. Investments in companies without sustainable land/agriculture practices	Companies without sustainable agricultural or land use practices or policies		N/A
	12. Investments in companies without sustainable oceans/seas practices	Companies without sustainable ocean/sea practices		N/A
	13. Non-recycled waste ratio	Tons of non-recycled waste generated	Recycled : Non-Recycled Ratio	2 %
	14. Natural species and protected areas	Companies whose operations affect threatened species		N/A
15. Deforestation	Companies without policies to address deforestation		N/A	

<b>Green securities</b>	16. Share of securities not issued under Union legislation on environmentally sustainable bonds	Proportion of securities not issued under Union law on environmentally sustainable bonds		N/A
<b>Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters</b>				
<b>Social and employee matters</b>	1. Investments in companies without workplace accident prevention policies	Companies without accident prevention policies in place	Policy	Please see our Occupational Health, Safety and Well-Being Policy
	2. Rate of accidents	Rate of accidents	Data can be found in the 2021 AR page 339	Please see chapter 2.9.6. Main occupational health and safety indicators (Safety, health and well-being at work).
	3. Number of days lost to injuries, accidents, fatalities or illness	Number of days lost to injuries, accidents, fatalities or illness	Data can be found in the 2021 AR page 340	Please see chapter 2.9.6. Main occupational health and safety indicators (Safety, health and well-being at work).
	4. Lack of a supplier code of conduct	Companies without a supplier code of conduct (versus unsafe working conditions, work precarious, child labour and forced labour)	Policy	Supplier conduct is integrated throughout our policies.
	5. Lack of grievance/complaints handling mechanism related to employee matters	Companies without a grievance/complaints managing mechanism related to employee matters	Policy	Our whistleblower channel allows all employees and stakeholders to report, anonymously or personally.
	6. Insufficient whistleblower protection	Investments in entities without whistleblower protection policies	Policy	Our whistleblower channel complies with the European Directive on the protection of persons reporting breaches of EU law, as well the Good Governance Code for listed companies.
	7. Incidents of discrimination	1. Number of incidents of discrimination reported in companies  2. Number of incidents of discrimination that gave rise to sanctions in companies	#	0
	8. Excessive CEO pay ratio	Average ratio between the total annual remuneration of the person with the highest salary and the average annual remuneration of the group of workers (excluding the person with the highest remuneration)		103:1
<b>Human Rights</b>	9. Lack of a human rights policy	Entities without human rights policy	Policy	We have a Global Human Rights Policy in place that was adopted by our Board of Directors and is applicable to all companies of the Telefónica Group.
	10. Lack of due diligence	Entities without a due diligence process to identify, avoid, mitigate and address adverse human rights incidents	Policy	We have a longstanding human rights due diligence process in place, which is elaborated on in greater detail in our Global Human Rights Policy.  Please see chapter 2.15.6. Action plan and commitments (Human Rights).
	11. Lack of processes and measures for preventing trafficking in human beings	Companies invested without proper processes and measures for preventing trafficking in human beings	Policy	As part of our Global Human Rights Policy, we prohibit any form of human trafficking within our operations as well as supply chain and conduct risk-based due diligence to minimise any possible risks in our supply chains.
	12. Operations and suppliers at significant risk of incidents of child labour	Operations and suppliers at significant risk of incidents of child labour in terms of geographic areas or types of operation	N/A	No significant risk identified.  Please see chapter 2.20.5. Action plan and commitments (Responsible supply chain management).
	13. Operations and suppliers at significant risk of incidents of forced or compulsory labour	Operations and suppliers at significant risk of incidents of forced or compulsory labour in terms of geographic areas or types of operation	N/A	No significant risk identified.  Please see chapter 2.20.5 Action plan and commitments (Responsible supply chain management).
	14. Number of identified cases of severe human rights issues and incidents	Number of identified cases of severe human rights issues and incidents	#	See answer to "Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises". No cases of severe human rights issues and incidents. Having said that, we report the number of consultations/complaints on human rights in our Responsible Business Channel.  Please see chapter 2.15. Human rights.
<b>Anti-corruption &amp; anti-bribery</b>	15. Lack of anti-corruption and anti-bribery policies	Entities without anti-corruption and anti-bribery policies consistent with the United Nations Convention against Corruption	Policy	Please see our Anti-corruption Policy
	16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	Cases	Please see chapter 2.17.5. Action Plan and Commitments (Ethics and compliance).
	17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	Cases	Please see Note 29 b) in Consolidated Annual Accounts.

## APPENDIX - SASB COMPLIANCE TABLE

### SASB compliance table

Table 1. Sustainability disclosure and accounting metrics

Subject	SASB Code	Metrics	Telefónica's response/comments
Environmental footprint of operations(1)	TC-TL-130a.1	Total energy consumed (GJ) (electricity + fuels).	21.982.519
		Percentage of grid electricity in total energy consumption.	95,32%
		Percentage of renewable energy in total energy consumption.	75,18%
Data privacy	TC-TL-220a.1	Description of policies and practices related to behavioural advertising and customer privacy.	See chapter 2.15.2. Privacy (2.15.2.1. Governance, 2.15.2.2. Policies, 2.15.2.3. Risks and opportunities, 2.15.2.4. Strategy and commitments).
	TC-TL-220a.2	Number of customers whose information is used for secondary purposes.	69%
	TC-TL-220a.3	Total amount of monetary losses due to legal proceedings in customer privacy matters (€).	318.059
	TC-TL-220a.4	Number of requests for customer information from law enforcement agencies.	3.761.918
		Number of customers whose information was requested.	4.003.851
		Percentage resulting in disclosure.	94 %
	Data security	TC-TL-230a.1	Number of data breaches.
Percentage involving personally identifiable information(2).			3,5%
Number of customers affected(2).			1.407.257
TC-TL-230a.2		Description of the approach to identifying and addressing data security risks, including the use of third-party cybersecurity standards.	See chapter 2.15.3. Security (2.15.3.1. Governance, 2.15.2.2. Policies, 2.15.2.3. Risks and opportunities, 2.15.2.4. Strategy and commitments).
Product end-of-life management		TC-TL-440a.1	Materials recovered through collection programmes, percentage of materials recovered that were: • Total recovered (tonnes)
	*Re-used (%)		44%
	*Recycled (%)		56%
	*Deposited in landfills (%)		0,2%
	TC-TL-520a.1	Total amount of monetary losses due to legal proceedings related to anti-competitive behaviour regulations.	67.000.000
Competitive behaviour and the open Internet	TC-TL-520a.2 <sup>(2)</sup>	FIXED NETWORK: Actual average sustained download speed in Megabits per second (Mbps) of own and commercially-associated content.	-FTTH600: 615,925Mbps -FTTH1000: 911,302Mbps -There is no differential assessment between associated and non-associated content
		MOBILE NETWORK: Actual average sustained download speed in Megabits per second (Mbps) of own and commercially-associated content.	-4G: 45,93Mbps -There is no differential assessment between associated and non-associated content
		FIXED NETWORK: Actual average sustained download speed in Megabits per second (Mbps) of non-associated content.	- FTTH 600: 615,925 Mbps - FTTH 1000: 911,302 Mbps -There is no differential assessment between associated and non-associated content
		MOBILE NETWORK: Actual average sustained download speed in Megabits per second (Mbps) of non-associated content.	-4G: 45,93Mbps -There is no differential assessment between associated and non-associated content
	TC-TL-520a.3	Description of the risks and opportunities associated with net neutrality, paid peering, zero rating and related practices.	Telefónica has defined its policy in the Digital Pact ( <a href="https://www.telefonica.com/en/web/public-policy/telefonica-digital-deal">https://www.telefonica.com/en/web/public-policy/telefonica-digital-deal</a> ).
		FIXED NETWORK: Average system outage frequency.	2

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Management of systemic risks arising from technological outages	TC-TL-550a.1 <sup>(2)</sup>	MOBILE NETWORK: Average system outage frequency.	25
		FIXED NETWORK: Average duration of outage for customer.	3
		MOBILE NETWORK: Average duration of outage for customer.	0
	TC-TL-550a.2	Discussion of systems to provide unimpeded service during outages.	See chapter 2.12.3. Network quality and availability

Notes:  
<sup>(1)</sup> Environmental footprint indicators do not include the operator Telefónica UK (O2).  
<sup>(2)</sup> Data for Telefónica Spain.

Table 2. Activity metrics

SASB Code	Metrics	Telefónica's response/comments
TC-TL-000.A	Total number of mobile accesses (millions).	292
TC-TL-000.B	Total number of fixed accesses (millions).	28
TC-TL-000.C	Number of fixed broadband connections (millions).	26
TC-TL-000.D	Network traffic in petabytes <sup>1</sup> .	125.790

Note:  
<sup>(1)</sup> Excluding the operator Telefónica UK (O2).

## GSMA ESG Metrics For Mobile (Industry Reporting Framework) compliance table



Topic	Sub-Topic	KPI Name	GSMA Code	GSMA Code	Telefónica's response/comments
Environment	Emissions	Science-based targets	GSMA-ENV-01	Disclose whether you have set, or committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement to limit global warming to well below 2 C above pre industrial levels and pursue efforts to limit warming to 1.5 C and to achieve net zero emissions before 2050. (yes/no)	Yes
		Scope 1, 2 and 3 Emissions	GSMA-ENV-02	Absolute Scope 1 and 2 emissions (tonnes CO2e)	353.346
				Absolute Scope 1 and 2 emissions (tonnes CO2e) per 1PB data	3
				Percentage change in absolute Scope 1 and 2 emissions since last reporting period	Telefónica reports its evolution relative to the base year 2015: - 80%
				Absolute Scope 3 emissions (tonnes CO2e)	15
				Absolute Scope 3 emissions (tonnes CO2e) per 1PB data	0
				Percentage change in absolute Scope 3 emissions since last reporting period	Telefónica reports its evolution relative to the base year 2016:: - 7%
	Energy	Energy Consumption	GSMA-ENV-03	Total energy consumed (MWh)	6.106.255
				Total energy consumed (MWh) per 1PB of data.	49
				Total Network energy consumed (MWh)	5.824.828
				Total Network energy consumed (MWh) per 1PB of data	46
				Percentage grid renewable	75 %
				Percentage grid non renewable	25 %
				Percentage off grid renewable	It is not representative for Telefonica's activity.
				Percentage off grid non renewable	It is not representative for Telefonica's activity.
Environment	Waste Reduction	Materials Repaired or Reused	GSMA-ENV-04	Percentage of Network equipment repaired or reused, by units.	Percentage of reused network equipment in tons (GRI 306). Telefónica uses as denominator the total of network equipment managed as waste and not the total deployed equipment: 39%
				Percentage of Network equipment repaired or reused, by purchase price.	Telefónica does not report waste indicators calculated by purchase price, as this variable may be influenced by various factors (inflation, asset depreciation, etc.).
				Percentage of Handset and CPE repaired or reused, by units.	Percentage of reused Handsets and CPE in tons (GRI 306). Telefónica use as denominator the total of devices managed as waste and not the total deployed devices: 56%
				Percentage of Handset and CPE repaired or reused, by purchase price.	Telefónica does not report waste indicators calculated by purchase price, as this variable may be influenced by various factors (inflation, asset depreciation, etc.).
		Waste Generated	GSMA-ENV-05	Total waste generated (tonnes) per 1PB of data	Telefónica reports the total waste generated in tons (GRI 306): 58,463
				Network waste (tonnes) per 1PB of data	Telefónica reports Network waste in tons (GRI 306): 9,234
				Handsets and other Customer premises equipment (CPE) waste (tonnes) per 1PB of data	Telefónica reports Handsets and CPE in tons (GRI 306): 3,498
				All other waste (tonnes) per 1PB of data	Telefónica reports All other waste in tons (GRI 306): 45,732
	Waste Reduction	Materials Recycled	GSMA-ENV-06	Percentage of Network waste (from 1.5b) recycled (units)	Percentage of recycled network equipment in tons (GRI 306). Telefónica uses as denominator the total of network equipment managed as waste and not the total deployed equipment: 61%
				Percentage of purchase price of recycled Network waste	Telefónica does not report waste indicators calculated by purchase price, as this variable may be influenced by various factors (inflation, asset depreciation, etc.).
				Percentage of Handsets and CPE waste (from 1.5c) recycled (units)	Percentage of Handsets and CPE recycled in tons (GRI 306). Telefónica uses as denominator the total of devices managed as waste and not the total deployed devices: 44%
				Percentage of purchase price of recycled Handsets and CPE waste	Telefónica does not report waste indicators calculated by purchase price, as this variable may be influenced by various factors (inflation, asset depreciation, etc.).
				Percentage of all other waste (from 1.5d) recycled (units)	Telefónica reports Percentage of all other waste in tons: 97%
				Percentage of purchase price of all other recycled waste	Telefónica does not report waste indicators calculated by purchase price, as this variable may be influenced by various factors (inflation, asset depreciation, etc.).

Digital Inclusion	Network Coverage	Population Covered by Mobile Network	GSMA-INC-01	Percentage of population covered by operator's mobile network.Breakdown by: 3G, 4G, 5G	4G: 90.2%
	Affordability	Device and Subscription Affordability	GSMA-INC-02	Cost of the most affordable data-enabled phone, as percentage of monthly GDP per capita	It is not possible to report this indicator due to services with convergent tariffs.
				Average cost of 1GB of data, as percentage of monthly GDP per capita	It is not possible to report this indicator due to services with convergent tariffs.
	Digital Skills	Digital Skills Programmes	GSMA-INC-03	Number of people (excluding employees) that have completed a digital skills training programme, divided by total subscribers	1.305.715
Digital Integrity	Data Protection	Customer Data Incidents	GSMA-INT-01	Number of data breaches, per million subscribers	Total number of digital security breaches or incidents classified as serious: 2
				Percentage of data breaches involving personally identifiable information (PII)	100 %
				Number of customers affected, per million subscribers	3.673
	Digital Rights	Digital Rights Policy	GSMA-INT-02	Number of regulatory actions for data protection violations (e.g. marketing related complaints, data breaches, etc), per million subscribers	0
				Is there a policy specifically covering Digital rights protection and transparency, Privacy, Freedom of expression, Government mandates to shut down or restrict access, and/or Government requests for data? (yes/no)	Yes
Supply Chain	Online Safety	Online Safety Measures	GSMA-INT-03	Do you have controls or programmes in place to improve online safety for children and other vulnerable groups? (yes/no)	Yes
	Sustainable Supply Chain	Sustainable Procurement Policy	GSMA-SUP-01	Do you have a Sustainable Procurement Policy in place? (yes/no)	Yes
				If yes, how many of the following elements does it cover?	
				Organizational governance: decision making processes and structures	Yes
				Human rights	Yes
				Labour practices	Yes
				Environment	Yes
				Fair operating practices	Yes
				Consumer issues	Yes
				Community involvement and development	Yes
	Supplier Assessments		GSMA-SUP-02	Percentage of suppliers screened against the Sustainable Procurement Policy using company defined and documented assessment procedure, within the previous two years	100
				Percentage of suppliers assessed against the Policy through site visits, within the previous 2 years	72