



Telefónica, S.A.

Independent reasonable assurance report of the own *Net Promoter Score* (NPS) indicator of the companies Telefónica de España, S.A.U., Telefónica Móviles España, S.A.U., Telefónica Germany GmbH & Co. OHG. and Telefônica Brasil, S.A. corresponding to the year ended December 31, 2024



This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent reasonable assurance report of the own *Net Promoter Score* (NPS) indicator of the companies Telefónica de España, S.A.U., Telefónica Móviles España, S.A.U., Telefónica Germany GmbH & Co. OHG. and Telefônica Brasil, S.A.

To the management of Telefónica, S.A.:

We have carried out a reasonable assurance engagement for Telefónica, S.A.'s own indicator called *Net Promoter Score* (NPS) contained in the table "Value of the NPS indicator 2024" of the document "Strengthening the control of sustainability information towards reasonable assurance: Net Promoter Score" (hereinafter the "Telefónica Document") related to the Telefónica group companies Telefónica de España, S.A.U., Telefónica Móviles España, S.A.U., Telefónica Germany GmbH & Co. OHG. and Telefônica Brasil, S.A., which operate in the markets of Spain, Germany and Brazil, respectively, linked to their core business, which is mainly associated with the deployment of telecommunications networks and the management and marketing of services around them (hereinafter, "NPS Indicator"), corresponding to the year ended December 31, 2024, prepared in accordance with the criteria defined by Telefónica, S.A., contained in the appendix "Indicator preparation and reporting" (hereinafter the "Telefónica Criteria") of the aforementioned Telefónica's Document.

Responsibility of the management of Telefónica, S.A.

The management of Telefónica, S.A. is responsible for the preparation of the NPS Indicator in accordance with Telefónica's Criteria contained in the appendix to Telefónica's Document. This responsibility includes the design, implementation, and maintenance of the internal control that the management of Telefónica, S.A. determines necessary to ensure that the NPS Indicator is prepared in accordance with Telefónica's Criteria and is free of material misstatement, whether due to fraud or error.

The management of Telefónica, S.A. is also responsible for defining, implementing, adapting, and maintaining the management systems from which the necessary information is obtained, as well as making assumptions and estimates that are reasonable under the circumstances for the preparation of the NPS Indicator.

Our independence and quality management

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code") which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behaviour.

Our firm applies the International Standard on Quality Control 1 (ISQC 1) and maintains, consequently, a quality control system that includes policies and procedures related to compliance with ethical requirements, professional standards, and applicable legal and regulatory provisions.

Our responsibility

Our responsibility is to plan and execute the verification work necessary to obtain reasonable assurance that the NPS Indicator, on which our report is issued, is free from material misstatement, whether due to fraud or error, and to issue a verification report that includes our opinion. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they can reasonably be expected to influence the decisions of users made on the basis of the NPS Indicator.

We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, "Assurance Engagements Other than Audits and Reviews of Historical Financial Information" (ISAE 3000 Revised), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

As part of a reasonable assurance engagement, in accordance with NIEA 3000 (Revised), we apply our professional judgement and maintain an attitude of professional scepticism throughout the engagement. In addition:

- We determine the appropriateness of Telefónica, S.A.'s use of the Telefónica Criteria as the basis for preparing the NPS Indicator, given the circumstances.
- We perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatement, due to fraud or error, without expressing an opinion on the effectiveness of Telefónica, S.A.'s internal controls.
- We design and implement procedures that address the assessed risks of material misstatement for the NPS Indicator. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

In light of the circumstances of the reasonable assurance engagement, the main procedures performed are described hereafter:

- Meetings and interviews with the managers and personnel of Telefónica, S.A., as well as with the various units of the aforementioned group operators involved in the preparation of Telefónica's Document, including those responsible for obtaining, validating and compiling the information contained therein.
- Understanding of the processes and information management systems for collecting and validating the data presented in Telefónica's Document.
- Analysis of the application of the NPS Indicator in relation to Telefónica's Criteria, as well as ensuring the consistent application of these criteria.
- Obtaining original supporting documentation, quantitative or qualitative, from the information management systems of Telefónica de España, S.A.U., Telefónica Móviles España, S.A.U., Telefónica Germany GmbH & Co. OHG. and Telefónica Brasil, S.A., as well as from external sources, used in the preparation of the NPS Indicator.
- Conducting tests to evaluate the design and determine the effectiveness of the internal controls established in the process of collecting and validating the information included in the NPS Indicator.

- Verifying, through detailed tests based on a selected sample of the quantitative information of the NPS Indicator from Telefónica de España, S.A.U., Telefónica Móviles España, S.A.U., Telefónica Germany GmbH & Co. OHG. and Telefônica Brasil, S.A.
- Obtaining a representation letter from the management of Telefónica, S.A.

We consider that the evidence we have obtained provides a sufficient and adequate basis for our opinion.

Reasonable Assurance Opinion

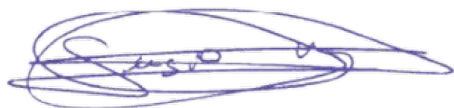
In our opinion, Telefónica, S.A.'s own indicator, known as the Net *Promoter Score* (NPS), related to the Telefónica group companies - Telefónica de España, S.A.U., Telefónica Móviles España, S.A.U., Telefónica Germany GmbH & Co. OHG. and Telefônica Brasil, S.A. – for the year ended December 31, 2024, as presented in the table "Value of the NPS indicator 2024" in the document "Strengthening the control of sustainability information towards reasonable assurance: Net Promoter Score", has been prepared, in all its material aspects, in accordance with the criteria outlined in "Indicator preparation and reporting" established by Telefónica, S.A., and which is included in the appendix of the aforementioned document.

Use and distribution

Our report is issued solely to the management of Telefónica, S.A., in accordance with the terms of our engagement letter. We accept no responsibility to parties other than the management of Telefónica, S.A.

This work does not constitute an account audit and is not subject to the current audit regulations Spain and, accordingly, we do not express an audit opinion in accordance with those regulations.

PricewaterhouseCoopers Auditores, S.L.

A handwritten signature in blue ink, appearing to read 'Sergio Mateos Orcajo'.

Sergio Mateos Orcajo

April 10, 2025



Strengthening the control of sustainability
information towards reasonable assurance:
Net Promoter Score

Strengthening the control of sustainability information towards reasonable assurance: Net Promoter Score

At Telefónica, we recognise the increasing importance of sustainability information for our stakeholders. It is not only a constantly increasing demand from our customers and society as a whole, but also among investors and regulators. Specifically, in Spain, the Corporate Governance Code for Listed Companies, revised in June 2020, reinforced the functions of the Audit Committee. It also recommended, among other things, the attribution of functions for the supervision and evaluation of the preparation process, as well as the integrity of sustainability information, sustainability risk management and control systems, in line with the guidelines established in 2017 with the CNMV Technical Guide 3/2017, which was updated in 2023 to align with the European Sustainability Reporting Directive (CSRD).

Furthermore, the CSRD's European Sustainability Reporting Standard (ESRS 2) includes a section on Governance, which aims to establish disclosure requirements that allow for the understanding of governance processes, controls, and procedures set up to manage, oversee, and monitor sustainability matters. Specifically, through the GOV-5 Disclosure requirement, it urges companies to explain the main features of their risk management system and internal controls related to the sustainability reporting process.

Additionally, in February 2025, the Spanish Institute of Internal Auditors (IAI), in collaboration with the CNMV and other companies such as Telefónica, published the Guide on the Internal Control System for Sustainability Information, providing further guidelines on the implementation of control and validation systems for such information.

For this reason, Telefónica is working on the design of the Internal Control System for Sustainability Information. This project encompasses risk management, control activities, information and disclosure processes, as well as oversight activities for the entire sustainability reporting process. The aim is to provide a control framework for sustainability information.

The Company has therefore strived to integrate internal control into daily operations, ensuring that all areas, within their respective scopes (management areas), are responsible for overseeing the information they manage and disclose, while considering the necessary assurance

measures. Moreover, Telefónica's Board of Directors serves as the Company's highest supervisory body, with the Audit and Control Committee providing oversight support.

Telefónica Group's sustainability information system is governed by various internal regulations, which are available on the Company's intranet, including the:

- **Group Internal Control Policy**, which defines the criteria of the Telefónica Internal Control Model. This corporate policy applies to all Telefónica Group companies.
- **Corporate Policy on the Recording, Communication and Control of Financial and Sustainability Information of the Telefónica Group**, which establishes the general principles of the Internal Control over Sustainability Reporting (ICSR) System and the Group's Financial/Accounting Information (ICFR) System.
- **Sustainability reporting instructions**, which establish the procedures and timetable to be followed by Telefónica Group companies in the reporting of sustainability information and external verification to comply with the Group's legal and reporting obligations.

As a result, following the strengthening of internal control, a reasonable assurance report is obtained from the external auditor PwC, for the following indicator:

- *Net Promoter Score (NPS) (%)*.

The reasonable assurance procedures conducted by the external verifier covered the companies Telefónica Spain, Telefónica Germany and Telefónica Brazil for the fiscal year ended December 31, **2024**.

The Company will continue implementing this project to further strengthen the Internal Control over Sustainability Reporting System.

Value of the NPS indicator 2024

Indicator	Value
NPS	36

Indicator of Telefónica's main operators in Spain, Germany, and Brazil.

Appendix 1: Indicator preparation and reporting

Net Promoter Score (NPS) (%)	<p>NPS is defined as the willingness of a Telefónica customer to recommend products/services under the Movistar, O2 and Vivo brands.</p> <p>The calculation refers to the % of customers classified as promoters (score of 9 and 10) minus the % of customers classified as detractors (score from 1 to 6, inclusive).</p> <p>To obtain the % of customers in each category (promoters and detractors), a survey is conducted on a representative sample of customers* and then weighted to represent the reality for Telefónica's customers in each country/segment/sub-segment.</p> <p>The weighting applied to the NPS results is based on the following variables:</p> <ul style="list-style-type: none"> • Global NPS: representativeness of each country's net revenue budget in the current year. • Total country NPS: representativeness of each segment's net revenue budget in the current year. The segments differ depending on the country presenting the information. The main segments include: mass market, corporate, SME, large accounts, Blau, O2, B2P, fixed line residential, prepaid mobile, postpaid mobile. • Segment NPS: according to the needs of each country and to guarantee better sample representativeness, the study quotas are sub-segmented according to the variables of total revenue in the previous year and accesses. <p>The reported NPS refers to the mobile average from the final quarter of the year, except for segments from the countries listed below:</p> <ul style="list-style-type: none"> • Spain: the "large accounts" segment refers to the annual mobile average. • Brazil: the B2B segment refers to the six-month mobile average. <p>In certain specific cases where the required samples for a given segment are not obtained, half-yearly averages are used to ensure sample representativeness.</p> <p>-----</p> <p>*Sample size calculation:</p> <p>To calculate the sample size needed for the NPS study on each of the segments, the following formula should be used:</p> $n = \frac{k^2 * VAR_{NPS}}{I.C.^2}$ <p>Where:</p> <ul style="list-style-type: none"> • n: sample size. • $K=1.96$ (Reliability Factor associated with a confidence level of 95%). • VAR_{NPS}: NPS variance. • $C.I.$: Desired confidence interval. <p>The NPS variance is calculated as:</p> $VAR(NPS) = (1 - NPS)^2 * \%P + (0 - NPS)^2 * \%N + (-1 - NPS)^2 * \%D$ <p>Where:</p> <ul style="list-style-type: none"> • $\%P$: the percentage of Promoters; $\%N$: the percentage of Neutrals; and $\%D$: the percentage of Detractors. • $NPS = \%P - \%D$. • N: total number of customers in the sample <p>The segment level formula to be applied for calculating the NPS standard error is as follows:</p> $EE = \frac{s}{\sqrt{n}}$ <p>Where:</p> <ul style="list-style-type: none"> • SE: Standard error. • s: sample standard deviation. This is also the square root of the variance. • n: Sample size. <p>The standard error for the weighted country total is calculated from the standard error of each segment and the respective segment weights:</p> $EE_{(total\ país)} = \sqrt{\sum (W_{segmento} * EE_{segmento})^2}$ <p>Where:</p> <ul style="list-style-type: none"> • W: Weight of the segment in the country total. • SE: Standard error.
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