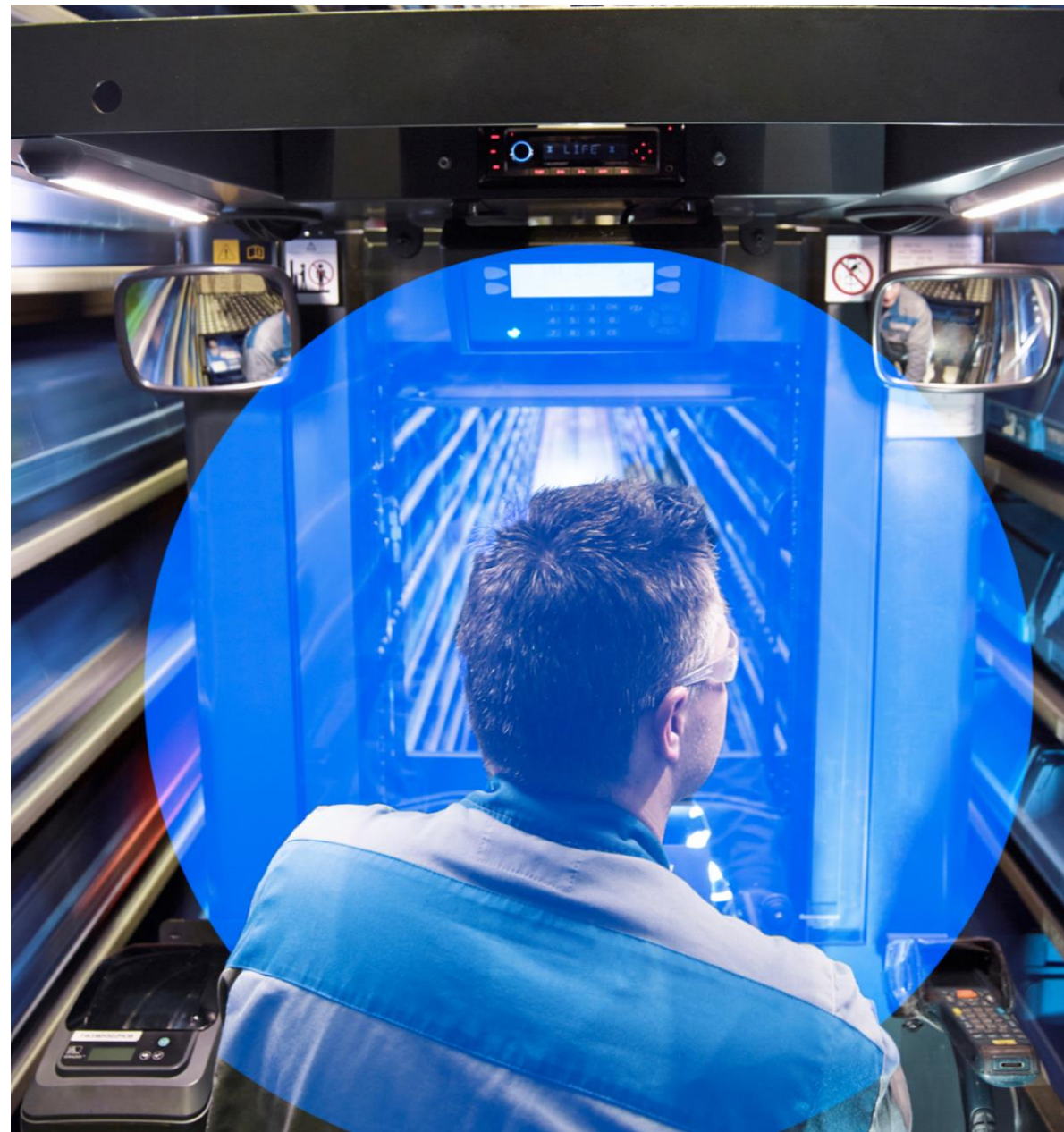


# T-TECH

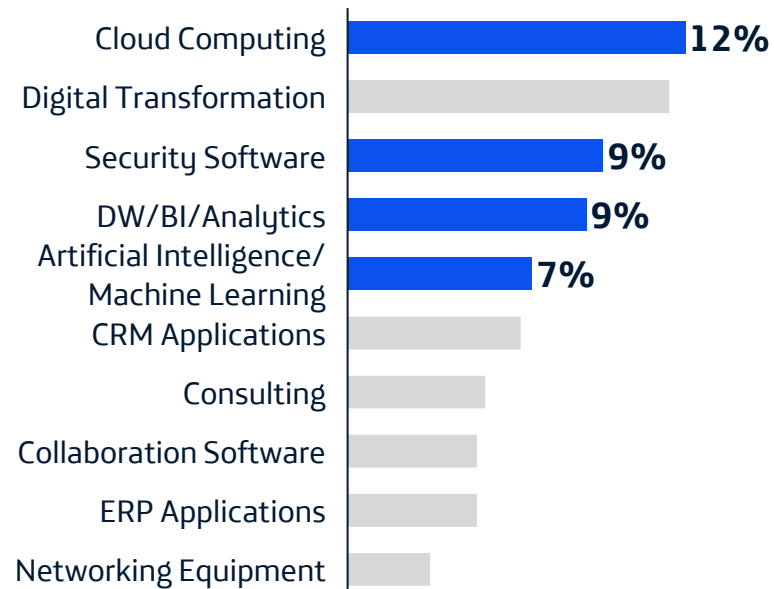
The partner to fully  
capture the B2B  
opportunity



# TECH services are KEY for enterprises and economies in the post-covid context

In large enterprises CIOs are prioritizing TECH services in their internal IT budget<sup>1</sup>

(% of CIO Responses, top 10 priorities)



... and Public Institutions are providing funds in order to accelerate enterprises' digital transformation

(1) Source: AlphaWise, July'21 Morgan Stanley, 2Q21 CIO Survey – Forward Indicators Suggest Building Strength.





# Enormous convergent markets with stellar growth prospects

€111 Bn

2019 Global  
Cybersecurity  
Market



€22.0 Bn

2024 TEF footprint  
Cybersecurity  
Market

€445 Bn

2019 Global  
Cloud  
Market

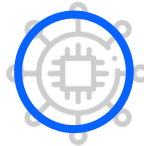


€85.4 Bn

2024 TEF footprint  
Cloud  
Market

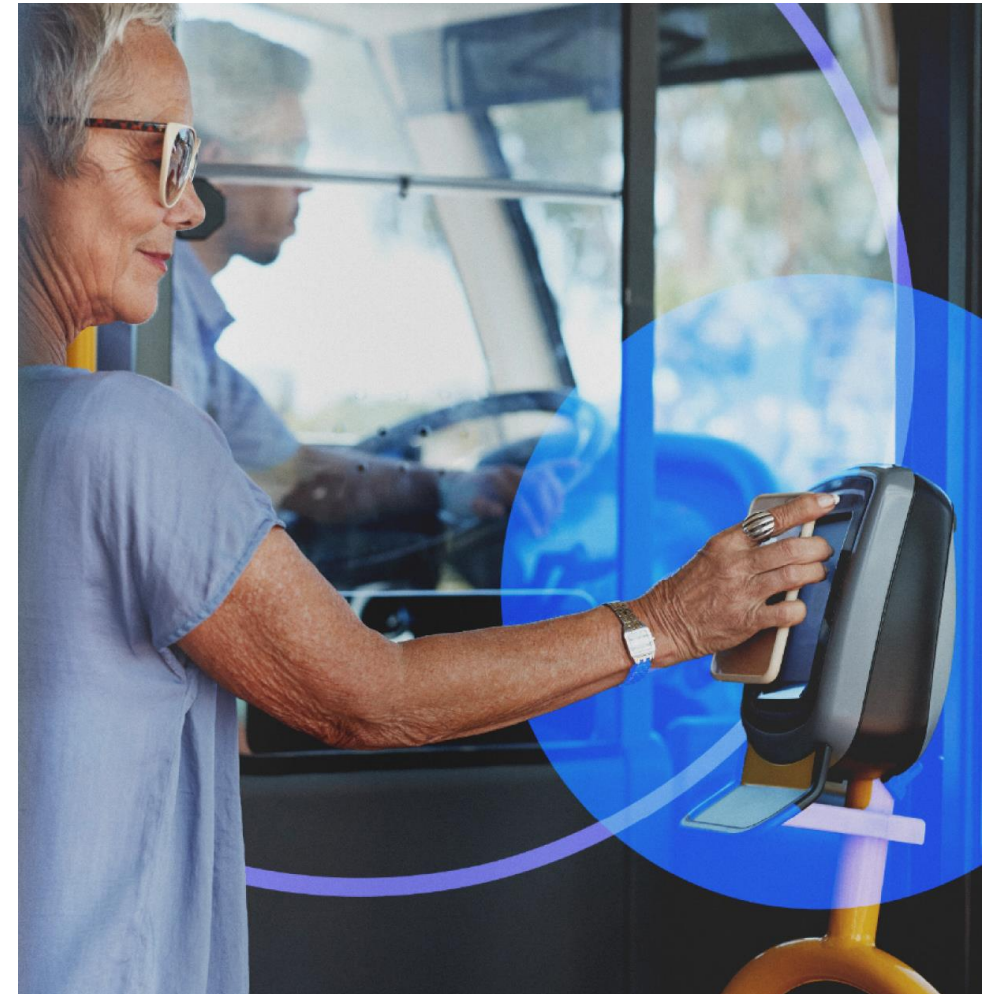
€120 Bn

2019 Global  
IoT/BD  
Market



€19.4 Bn

2024 TEF footprint  
IoT/BD  
Market



Source: Gartner market outlook July 2020

# Telefónica Tech at the center of the “New Telefónica” to capture this opportunity



## Grow faster

Both organically  
and inorganically



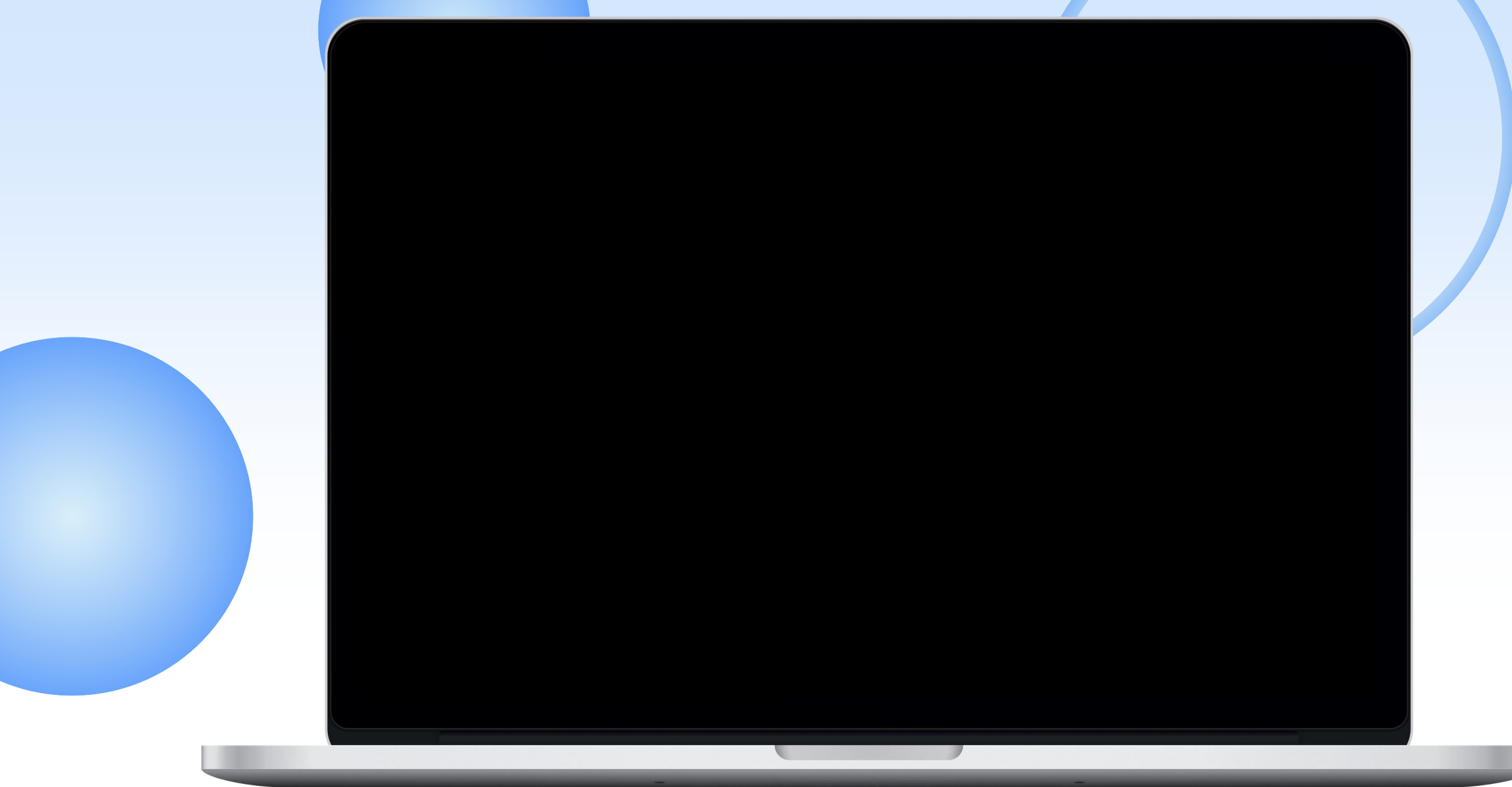
## Unlock value



## Incorporate Partners



## Attract & keep talent



T-TECH has the capabilities to maximize the B2B opportunity



Is a relevant **TECH services player**

With the “**right to play**” and industry **recognition**

Sustained **GROWTH** above market rates

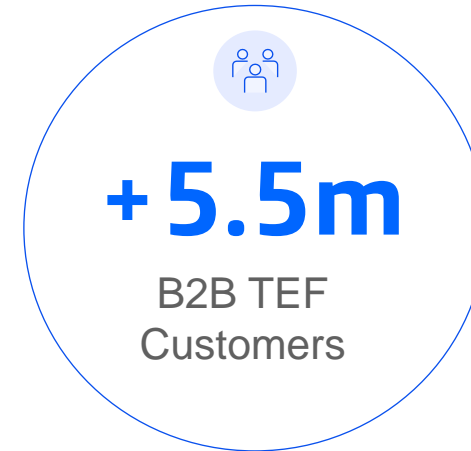
**Relevance** and wide footprint leveraging TEF OBs

Leveraging a complete **partner ecosystem**

**Building Up** a Pan-European leader

Best in class **value proposition**

# Telefonica TECH in a nutshell



# Telefónica Tech keeps **GROWING differentially** and notably above Market performance

Over the last quarters in 2021, **outperformance continued**. We are a relevant technology service player with the capabilities to maximize the B2B opportunity in TEF footprint & keep growing



YoY Growth in  
TECH Services  
H1 2021



## T-TECH GROWTH vs MARKET



- T-TECH H121 YoY Growth
- Market Growth (Gartner forecast in TEF footprint 2021 vs 2020)

## COMPETITORS' RESULTS

<p><b>Capgemini</b></p> <p>+1.7% YoY Digital revenues in FY'20</p>	<p><b>accenture</b></p> <p>+2% YoY growth in Q1'21</p>
<p><b>vodafone</b></p> <p>+10% YoY in Digital and Managed Services in 3Q20</p>	<p><b>orange™</b></p> <p>+6.4% YoY in IT and integration +16% YoY in Cyber and +5% YoY in Cloud in Q1'21</p>



...with the right to play and Industry Analysts' recognition...



7 times as a **Leader** in **Managed IoT Connectivity Services**



**Very Strong** in the **Managed Security Services** Competitive Landscape Assessment



Telefónica Big Data and AI business **Leader** among **Specialized Insights Service**



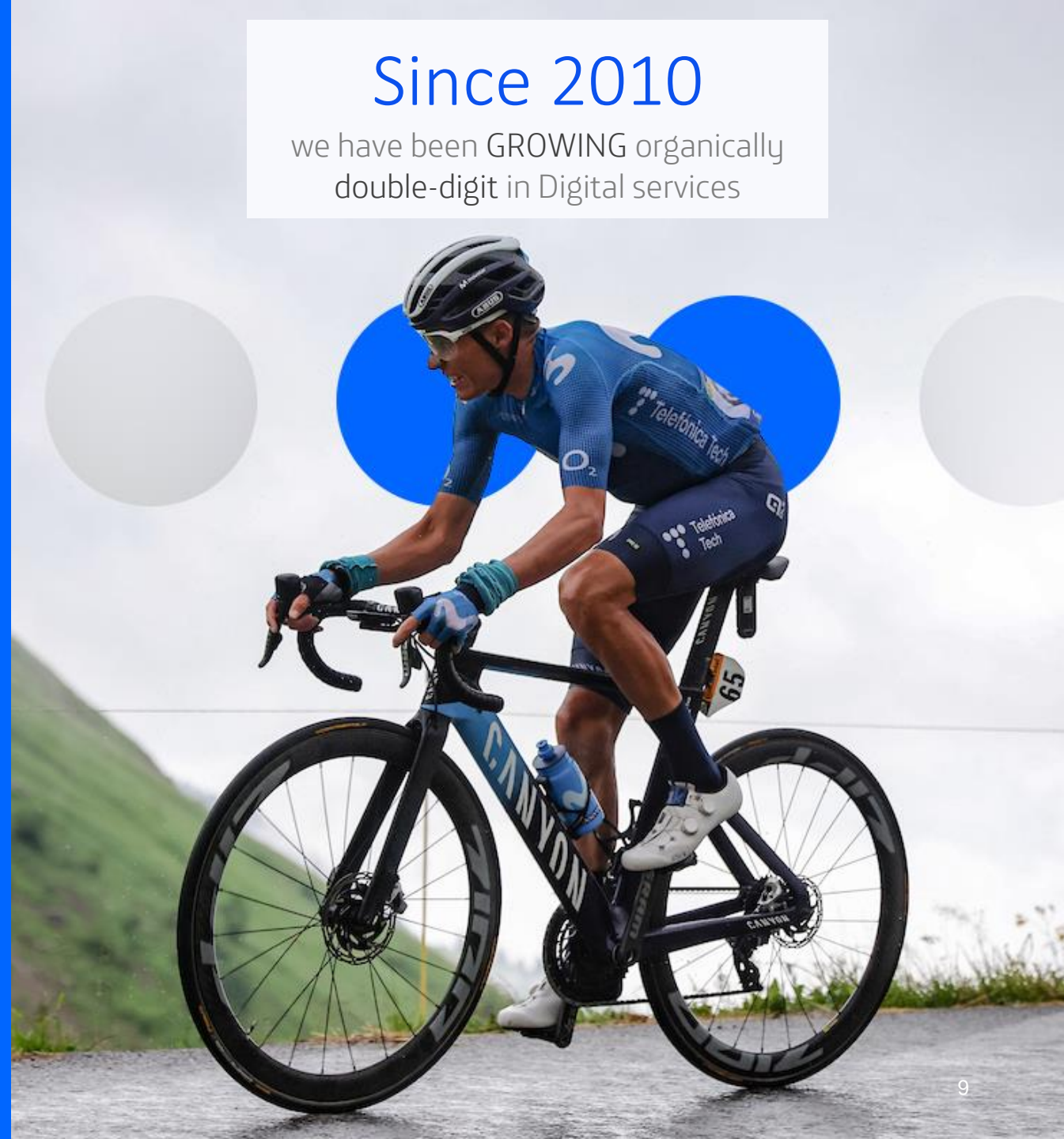
**TOP Player**, positioned as a "Notable Vendor" in **Managed Security Services**



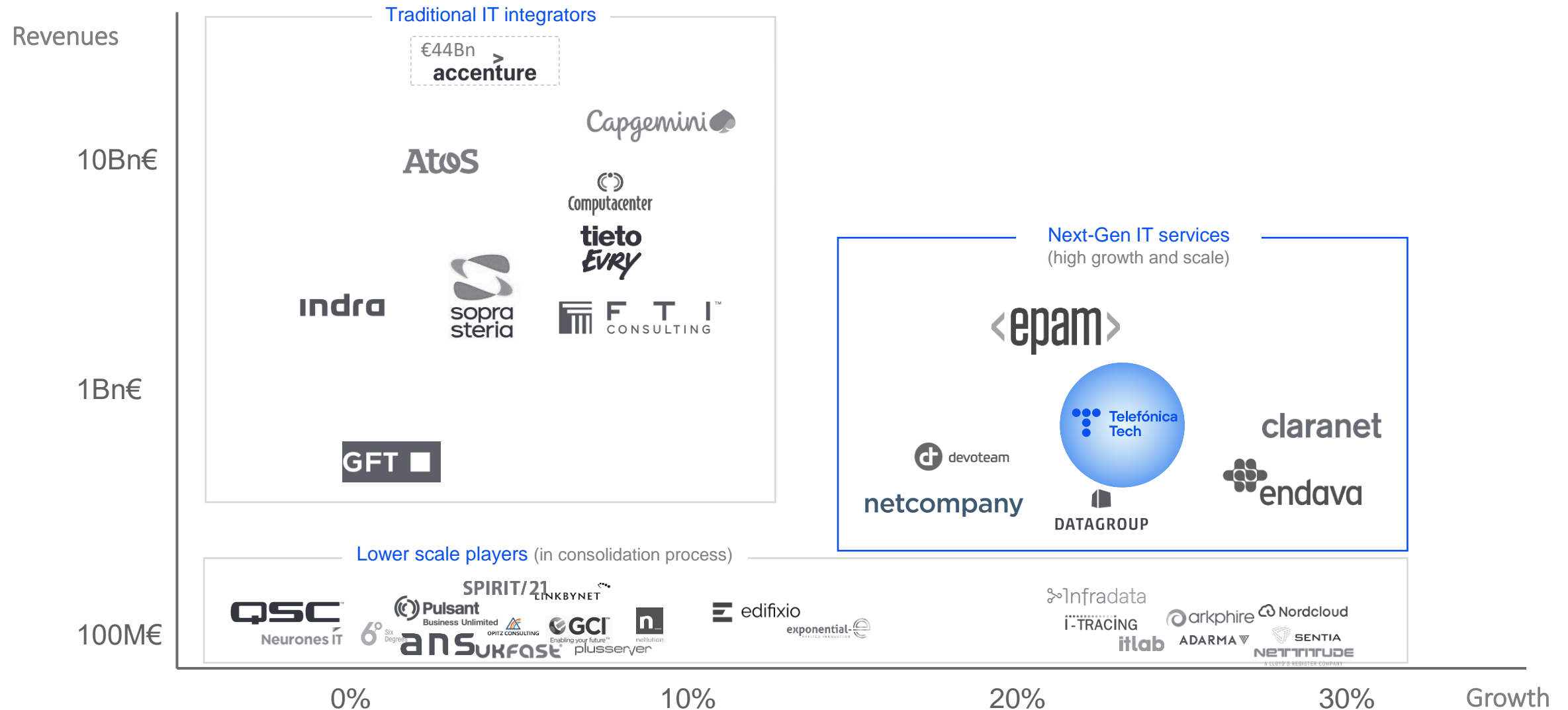
For the first time Telefónica has been recognized as a **Very Strong** Player in **UCC**

Since 2010

we have been GROWING organically double-digit in Digital services



T-TECH is positioned as a **relevant player** and with one of the **top GROWTH** rate performances in the EMEA region...



T-Tech is also accelerating **inorganic growth** as a key lever of our ambitious growth plan...



Based on this strategy, six important acquisitions have been made to reinforce our capabilities

**GO)ERTIS**  
Advisory Services

iHackLabs  
Beyond Training

**Altostratus**  
CLOUD CONSULTING

**WANAU**

**acens**

**CANCOM**  
Communications & Collaboration

- Fits with our security **consulting** plan needs
- Addresses the important **talent** deficit in the market
- Provides specialized **professional services** in Google cloud
- Colombian **integrator** focused on information security
- Integrated in Tech to reinforce **cloud** value proposition **for SMEs**
- **Strengthens** our **Cloud and Cybersecurity** capabilities in the **UK and Ireland**

... we recently acquired **Cancom UK&I**, to build up a leader in cloud and digital services in Europe



The transaction, which includes 100% of the share capital of Cancom UK&I, was completed for **€398 million**. Managed and professional Services revenues (with growth rates of 20% and 26% CAGR18-21, respectively), account for more than >50% of total revenues.



With **600 professionals**, joining the Telefónica Tech team.



**Broad** and strong digital services **portfolio** including **professional services** and **managed services** in advanced IT, **cybersecurity** and **multi-cloud solutions**.



Cancom UK&I is a certified **Microsoft Gold Partner** (in 10 competencies) and **AWS Partner**, having other relevant partnerships with leading technology vendors



**Strengthen Cloud and Cybersecurity capabilities in the UK and Ireland**

**Consolidate Telefónica Tech position as the leading company in digital transformation**



# T-TECH

Cyber & Cloud  
solutions to take  
customers to next  
digitalization level



Telefonica Tech helps companies navigate through the complex multi-cloud ecosystem, protecting and securing their businesses through a comprehensive Cybersecurity portfolio

## Professional services

**NextDefense**

- Detection & Response
- Threat Intelligence
- Vulnerability Risk Management

CROWDSTRIKE BITSIGHT

**paloalto** NETWORKS

**Protect Infra & Data**

- Cloud Security
- Identity & Access Protection
- IoT & OT Security
- Endpoint Security
- Network Security
- Data Protection

FORTINET proofpoint

Microsoft CISCO Check Point SOFTWARE TECHNOLOGIES LTD

## Consulting

	Cloud Comms	SaaS
Productivity & Unified Comms	 Cloud Comms CISCO Cisco Webex	 Microsoft 365 Google Workspace
Biz Apps	 Contact Center GENESYS wayra	 acens the cloud services company W wayra

**Cloud Infrastructure**

NetApp Hewlett Packard Enterprise DELL EMC

**IaaS**

Hyperscaler Local

AWS Microsoft Azure Google Cloud VDC (VMWARE)

**Housing & Hosting**

Edge

VDC – EDGE COMPUTING

**Cloud Networking**

SD WAN SD BRANCH SDLAN/ Cloud WIFI

FORTINET CISCO aruba

**SASE**

## Managed services

**PaaS**

Platforms Business process

SAP ORACLE bmchelix

**CaaS**

cloudgarden

Openshift + IBM Packs

**Bundles for SMEs**

Tu Empresa Segura

Tu Empresa Digital

FORTINET McAfee Microsoft

**Bundles for B2C**

Premium Parental Control

Premium Security

Basic Security

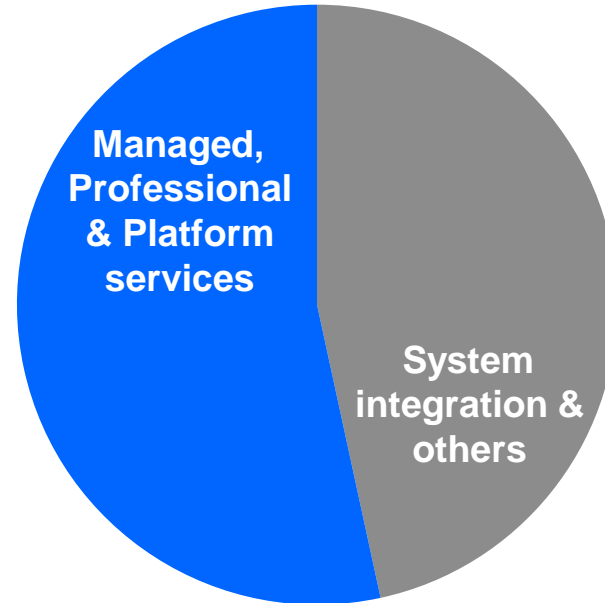
Quotodio McAfee

In Cyber & Cloud, we are focused on high-value services

## REVENUE MIX H1 CYBERSECURITY & CLOUD

> 50%

High-value services, including  
“Managed, Professional and  
Platform services”



### Managed services, professional services and platform services:

- **Recurrent services** to manage and support infrastructure transformation or migration for end customers through a combination of a highly qualified and **certified personnel** and **technological platforms**
- Services with **high revenue** and EBITDA multiples



### System integration:

- **Resale** and **integration** of HW and SW services
- Entry point as “presale” to increase recurrence and longer-term contracts of managed services, professional services and platform services

The **high-value services**, including “Managed, Professional and Platform services” keep delivering **double-digit growth**

Developing the traditional operations towards an intelligent **Digital Operation Center** providing an E2E view to the Customer



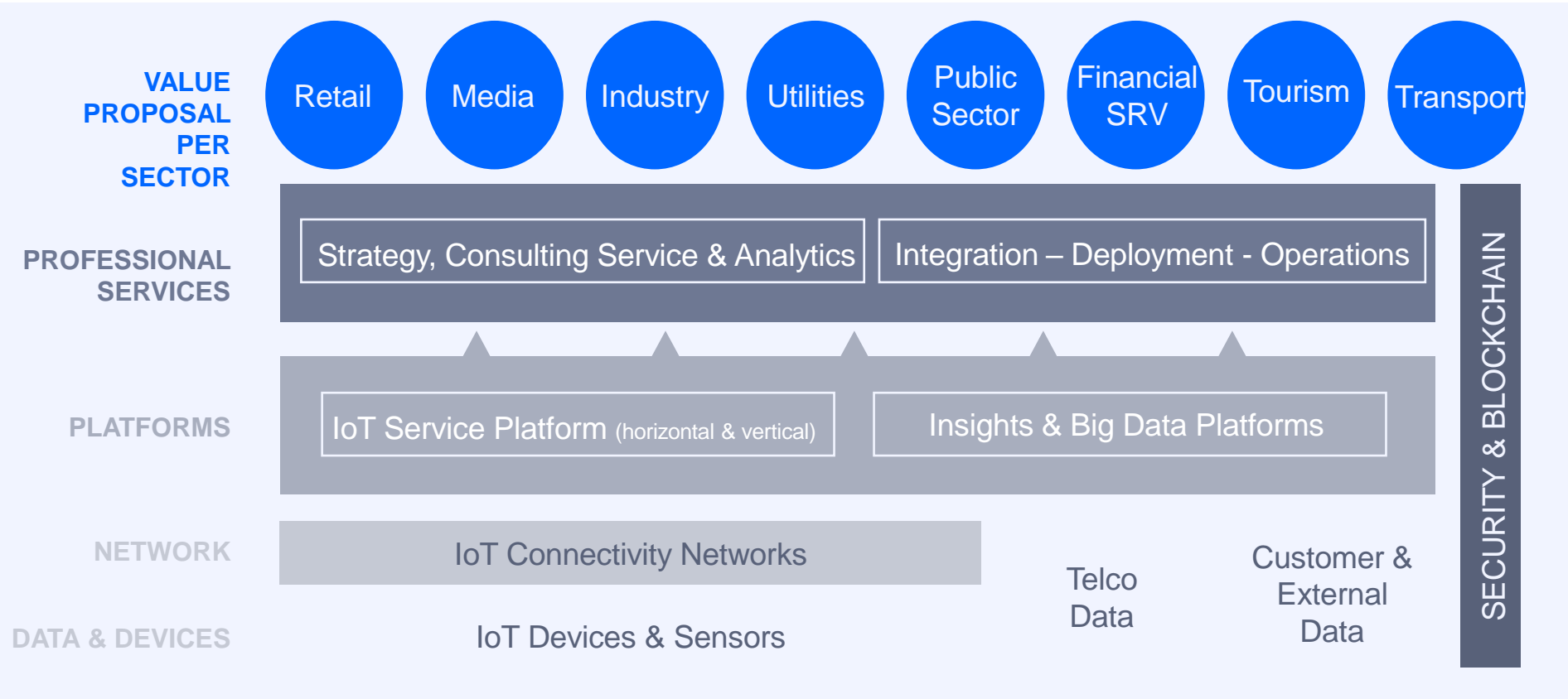


# T-TECH

IoT & BD enables  
customers to take  
advantage of a  
hyperconnected  
world



# T-TECH has extensive and unified IoT & BD capabilities to transform Data into value for our B2B customers



# We are leading the market

To help our customers drive their digital transformation



+10 years of industry experience in cyber security and cloud

Pioneers in proprietary security developments

+5.5M TEF B2B customers





# Why to bid on Telefonica Tech?



## Huge TECH services opportunity is GROWING

- Expected continuous **double digit GROWTH** rates in the coming years
- **Telcos** are positioning themselves **to capture this GROWTH** wave

## T-TECH is ready to serve in the pan-European markets

- Has already the assets and skills in order to **maximize B2B opportunity** in **Europe**
- **Ensures resources** to be a leading TECH Services provider, freeing up OpCos to concentrate on their core business

## T-TECH delivers best in class solutions with a successful track record

- Has **strong credentials** as a partner to successfully **guide Customers** through their **Digital Transformation** Journey
- Contributes with a **complete TECH services Value Proposition**, complemented with **strong commercial and operational capabilities**
- Enables GROWTH through its **global scale and 1st class partner ecosystem**





# Global Tech



Cloud services



Cybersecurity



IoT and Big Data

Our formula for market leadership is enduring: We continually transform our business and embrace change to **create more value** for our clients with incredibly **talented people**

