



Key  
Indicators  
2023

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# Disclaimer

Updated: 03/04/2024

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*Information related to Alternative Performance Measures (APM) used in this presentation are included in Telefónica's consolidated financial statements and consolidated management report for the year 2023, submitted to the CNMV, in Note 2, page 11 of the .pdf filed. Recipients of this document are invited to read it. Neither this document nor any related conference call or webcast (including any related Q&A session) nor any of their contents constitute an offer to purchase, sale or exchange any security, a solicitation of any offer to purchase, sale or exchange any security, or a recommendation or advice regarding any security, or a solicitation for any vote or approval in any other jurisdiction.*

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# MAIN ESG TARGETS AND INDICATORS

TARGETS		INDICATORS	2021	2022	2023		
Environment Building a greener future	Climate change and energy	Net Zero Emissions by 2040 globally, including the value chain	% Scope 1+2 emissions reduction	-70.4%	-80%	-81%	
		• -90% Scopes 1+2 by 2030 (base year 2015)	% Scope 3 emissions reduction	-27.4%	-32%	-31%	
		• -56% Scope 3 by 2030 (base year 2016)	% offsetting (Scopes 1+2: main markets)	56%	61%	65%	
	Circular economy	Neutralise 100% of residual emissions (Scopes 1+2) by 2025 in main markets	% renewable electricity in own facilities	79%	82%	84%	
		Renewable electricity in own facilities: 100% by 2030	% recycled waste	98%	98%	97%	
		<b>Zero Waste Company by 2030</b>	% CPE reused or refurbished	84%	86%	88%	
			• >97% of waste recycled	Units of reused mobile phones	285,958	386,210	491,422
			• Refurbish 98% of customer premise equipment by 2024	100% of new home connectivity equipment designed by Telefónica with environmental criteria from 2025 onwards	First pilot exercise: LCA study on the new model of 5G router	Life Cycle Assessment (LCA) on a new 5G router model	33.3%
		• Reuse 500,000 mobile phones a year by 2030	% used mobile devices taken back over total new devices distributed to end customers	n.a	n.a	11.0%	
		• 100% of new home connectivity equipment designed by Telefónica with environmental criteria from 2025 onwards	% recycled and reused mobile phones of those taken back	n.a	n.a	99.8%	
<b>GSMA Sectoral Targets:</b>	% network equipment reused and recycled	n.a	n.a	99.7%			
• Take back at least 20% of the mobile phones distributed to end customers by 2030							
• Reuse, resell and recycle 100% of those collected mobile phones by 2030							
• Reuse, resell and recycle 100% of network equipment waste by 2025							

TARGETS		INDICATORS	2021	2022	2023	
Social Helping Society to thrive	Digital inclusion	Leadership position in the Digital Inclusion Benchmark	Position in the ranking	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>
		Connectivity	Spain: Percentage of rural mobile broadband coverage	91 %	94%	95%
		Objective to reach rural mobile broadband coverage of >90% by 2024 (in Spain, Brazil and Germany)	Germany: Percentage of mobile coverage in rural areas	94 %	99%	99%
		Exceed 100 million premises reached by fibre to the home (FTTH) by 2026 globally	Brazil: Percentage of mobile coverage in rural areas	77 %	80%	82%
		UK: Percentage of mobile coverage in rural areas	n.a	99%	99%	
	Human capital	Accessibility criteria evaluated within Responsibility by Design Programme: 100% of new Products and Services to be evaluated by 2025	Number of products and services evaluated according to responsibility by design programme	n.a	>40	>80
		Digital skills: To bring digital skills to over 1m people across the footprint each year.	Beneficiaries of digital skills programs	1,212,765 <sup>(1)</sup>	1,305,715	1,251,354 <sup>(2)</sup>
		Diversity & Inclusion	Included in Bloomberg Gender Equality Index	Yes	Yes	Yes
		Gender Equality:	Percentage women executives	29.5%	31.3%	32.80%
		• To be included in Bloomberg Gender Equality Index	Percentage adjusted gender pay gap	1.18%	0.74%	0.71%
• Eliminate gender pay gap by 2050:	Percentage gross gender pay gap	17.49% <sup>(3)</sup>	16.80%	16.14%		
• 37% Executive Women by 2027						
• +/- 1% adjusted pay gap by 2024						
• Parity <sup>(4)</sup> in main governing bodies by 2030						
Diversity & Inclusion: Disability	Number employees with disability	1,128	1,482	2,572		
Duplicate the number of employees with disabilities in the workforce by 2024 (year base 2022)						
Customer & Societal trust	Health, safety & well being at work	% Employees covered by a health, safety and well-being management system	98%	96%	97%	
	To provide safe & healthy working conditions to prevent injuries	Employees covered by standards ISO 45001 or OHSAS 18001	44%	40%	73% <sup>(5)</sup>	
	Professional development & New ways of working	Number of deaths resulting from an occupational injury	0	0	1	
	Satisfaction: eNPS above 70	Turnover rate <sup>(4)</sup>	37.6%	26.2% <sup>(5)</sup>	12.4%	
	Maintain a score of at least 70% in the employee motivation survey with regard to work-life balance.	Percentage employees in upskilling / reskilling programs	70%	78%	70% <sup>(7)</sup>	
Human rights	Customer & Societal trust	To build a customer relationship based on service quality and trust	NPS score	26	30	31
	Human rights	Evaluation of 100% of our operations every year	Percentage operations evaluated	100%	100%	100%

TARGETS		INDICATORS	2021	2022	2023	
Governance Leading by example	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
		To protect our customers' data with the highest privacy and security standards	N° cybersecurity incidents & breaches affecting customer data	1	2	0
	Business ethics	Zero Tolerance of corruption	Number of days devoted to data protection and cybersecurity by Internal Audit	5,822	5,836	6,077
		100% employees trained in Responsible Business (every 3 years)	% employees trained in Responsible Business / Human Rights (last 3 years) <sup>(6)</sup>	85%	89%	89%
	Supply chain	100% of high-risk suppliers* assessed for sustainability by 2024	Confirmed cases of corruption	0	0	0
		*Suppliers with potential sustainability risks	% high-risk suppliers evaluated	71%	72%	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	5%	27%	33.6%	
	Committed to best international practices in Corporate Governance Parity, (as defined as not more than 40% of each gender represented), in top governing bodies by 2030	% women on the Board of Directors	33%	33.3%	40%	
Corporate governance		% independent Directors	60%	60%	66.7%	

Notes:

- (1) A total of 1,251,354 people have been trained through the following projects: "Lanzaderas", "Conecta Empleo", "Piensa en Grande", "Competencias Digitales de Educadores" and "Escuela 42".
- (2) The decrease is linked to a significantly lower number of teacher training sessions being conducted due to a noticeable fall in demand from some of our partners, which had an indirect impact on the number of students who accessed training.
- (3) The calculation methodology was changed in 2021 and subsequent years to take into account the different socio-economic realities of the countries that make up the group.
- (4) The turnover rate is calculated as:  $\frac{\text{Total voluntary leavers} + \text{involuntary leavers} + \text{PSI (incentivised redundancies)} + \text{other (deaths \& retirements)}}{\text{average workforce of each category}}$  + end of contract for works and service of the category / average workforce of each category. It does not include transfers to other Group companies.
- (5) Employee turnover stood at 17% in 2022 and 12% in 2023 without Tempotel. Tempotel is the Telefónica Group's human resources management company specialising in hiring extras for audiovisual productions.
- (6) This percentage has risen significantly compared to 2022 due to the scaling up of certifications in Brazil.
- (7) This percentage dropped by eight points compared to the previous year, due to the large-scale implementation in 2022 of the Power of Connections programme for all the Company's employees.
- (8) 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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# Environment: Building a greener future

*Our environmental strategy seeks to minimise our impact on the planet and maximise the environmental benefits generated by our digital products and services. Our commitments: achieving zero net carbon emissions and zero waste to landfill, and helping to decarbonise the economy.*

**Sheet 1:** Energy and Climate Change

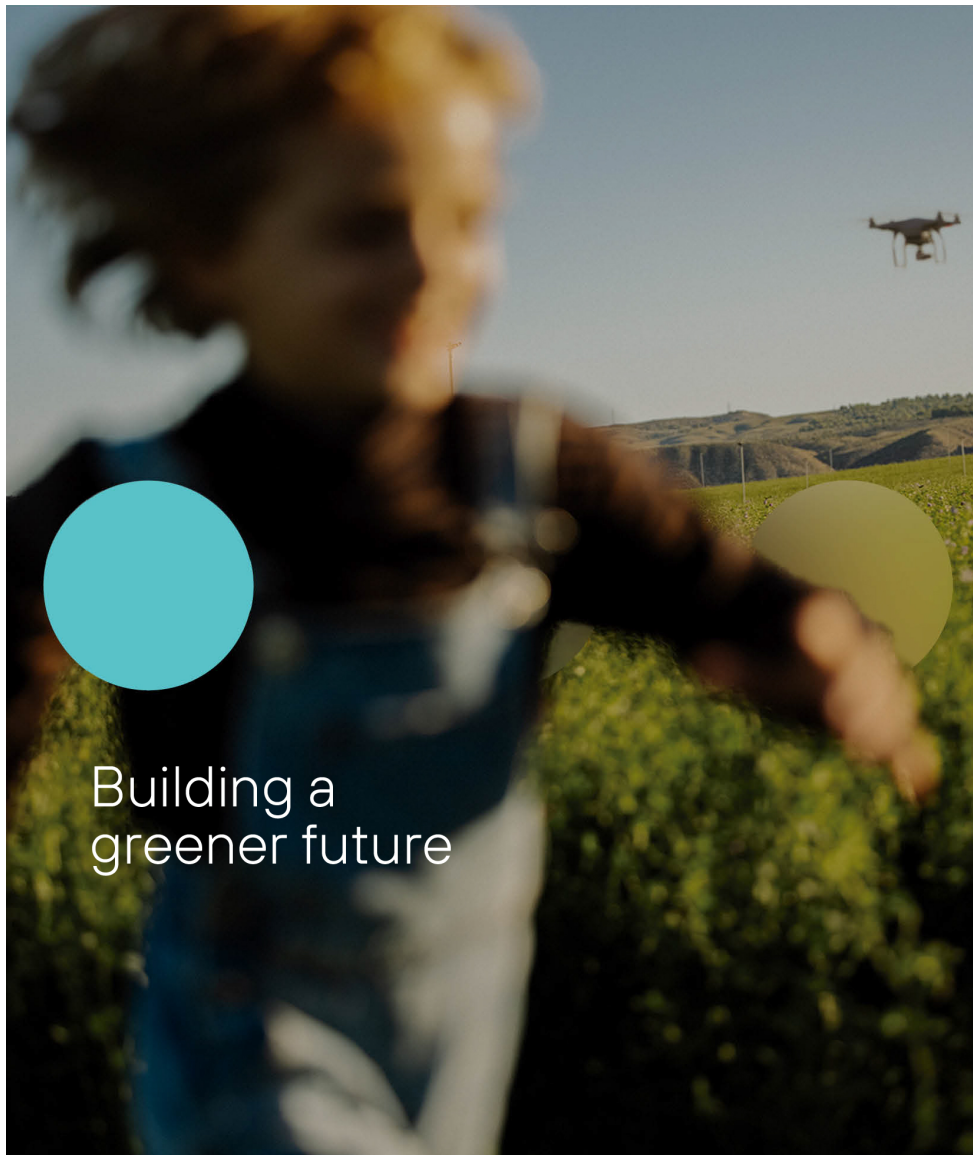
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**Sheet 2:** Circular Economy

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**Sheet 3:** Water & Biodiversity

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Building a  
greener future

# Energy and Climate Change

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## Energy consumption performance

Energy	Unit	2015	2021	2022	2023	2015/2023 Performance
Total energy consumption	MWh	6,577,766	6,106,625	6,106,255	6,011,861	-8.6%
Electricity consumption + self-generation	MWh	6,186,885	5,815,665	5,824,828	5,739,167	-7.2%
Renewable electricity consumption	MWh	967,076	4,227,978	4,529,993	4,849,439	401.5%
Self-generation	MWh	13,477	6,375	4,317	5,929	-56.0%
Non-renewable electricity consumption	MWh	5,206,331	1,581,311	1,290,518	883,800	-83.0%
Biofuels consumption	MWh	57,383	28,386	48,848	66,410	15.7%
Non-renewable fuel consumption	MWh	328,435	254,986	226,266	201,173	-38.7%
Electricity from renewable sources in own facilities	Percentage	17%	79%	82%	84%	3.9%
Total annual traffic managed	Petabyte	17,054	113,547	125,790	146,074	756.5%

## GHG emissions

	Unit	2015	2016	2021	2022	2023	Performance, base year/2023
Scope 1	tCO <sub>2</sub> e	286,201	281,517	183,231	131,809	122,460	-57%
Scope 2 (market-based method)	tCO <sub>2</sub> e	1,524,954	1,047,751	353,506	221,537	214,659	-86%
Scope 2 (location-based method)	tCO <sub>2</sub> e	1,869,500	1,712,202	1,212,173	1,002,189	1,036,537	-45%
Scope 1+2 (market-based)	tCO <sub>2</sub> e	1,811,155	1,329,268	536,737	353,346	337,119	-81%
Scope 1+2 (location-based)	tCO <sub>2</sub> e	2,155,701	1,993,719	1,395,404	1,133,998	1,158,997	-46%
Emissions offset	tCO <sub>2</sub> e			63,018	35,537	33,711	NA
Scope 3	tCO <sub>2</sub> e	2,855,544	2,855,544	2,072,159	1,930,051	1,970,583	-31%
Total GHG emissions (Scope 1+2+3; market-based method)	tCO <sub>2</sub> e	4,666,699	4,184,812	2,608,896	2,283,397	2,307,702	-51%
Total GHG emissions (Scope 1+2+3; location-based method)	tCO <sub>2</sub> e	5,011,245	4,849,263	3,467,563	3,064,049	3,129,580	-38%
Biogenic emissions	tCO <sub>2</sub> e			9,020	13,873	16,267	NA
Emissions avoided due to renewable energy consumption	tCO <sub>2</sub> e	392,489	752,264	902,019	845,456	837,520	113%
Emission intensity (Scope 1+2 [market]/revenues €M)	tCO <sub>2</sub> e / €M	33.0	29.4	14.6	8.8	8.3	-75%
Emission intensity (Scope 1+2+3 [market]/revenues €M)	tCO <sub>2</sub> e / €M	79.8	92.6	71.2	57.1	56.8	-39%
Emission intensity (Scope 1+2+3 [location]/revenues €M)	tCO <sub>2</sub> e / €M	86.0	101.0	89.6	73.3	74.0	-27%

## 2023 Performance - Global

KPI	Unit	Target	Base year value	2023 value	Performance
Energy consumption per unit of traffic	MWh per Pb	-90% (by 2030)	386	41	-89%
Scope 1+2 GHG emissions (market-based)	tCO <sub>2</sub> e	-90% (by 2030)	1,811,155	337,119	-81%
Scope 3 GHG emissions	tCO <sub>2</sub> e	-56% (by 2030)	2,855,544	1,970,583	-31%
Total GHG emissions (Scope 1+2+3)	tCO <sub>2</sub> e	-90% (by 2040)	4,666,699	2,307,702	-51%
Offsetting of residual Scope 1, 2 and 3 emissions	Percentage	100% (by 2040)	NA	10%	NA
Renewable electricity consumption in own facilities	Percentage	100% (by 2030)	17%	84%	NA

# Circular Economy

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## Telefónica's waste

	Non-hazardous waste			Hazardous waste			Total		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
<b>Total waste generated (t)</b>	<b>60,791</b>	<b>50,340</b>	<b>42,180</b>	<b>3,268</b>	<b>2,566</b>	<b>3,576</b>	<b>64,059</b>	<b>52,906</b>	<b>45,756</b>
Total waste generated (t) + reuse	62,998	55,897	49,211	3,268	2,566	3,576	64,100	58,463	52,787
Waste diverted from disposal (t) (includes recycling, reuse and other treatments).	62,468	55,348	48,597	3,200	2,333	3,483	65,669	57,682	52,080
Waste directed to disposal (t) (includes energy recovery, incineration and landfill).	571	548	614	67	233	92	638	781	707
<b>Treatments prioritised according to the waste hierarchy principle</b>									
Reused equipment (t)	2,207	5,557	7,031	n/a	n/a	n/a	2,207	5,557	7,031
Waste recycled (t)	60,030	49,491	41,044	2,520	2,164	3,293	62,549	51,655	44,338
Waste for energy recovery (t)	17	68	42	21	148	16	38	216	58
Other treatments (t)	191	300	522	681	169	190	871	470	711
Waste incinerated (t)	11	0.1	0.3	0.2	13	8	12	13	8.5
Waste sent to landfill (t)	543	480	572	576	72	68	588	552	640

## Zero waste by 2030: targets and indicators

Target	Indicator	2023
Zero waste to landfill by 2030	% of waste reused and recycled	97%
100% of new home connectivity equipment designed by Telefónica with environmental criteria from 2025 onwards	% of new home connectivity equipment designed by Telefónica with environmental criteria incorporated	33%
90% refurbished customer premise equipment (routers, set-top boxes, etc.) by 2024	% refurbished customer premise equipment	88%
Reuse 500,000 mobiles a year by 2030 through different programs	Units of reused mobile phones	491,422
<b>GSMA sectoral targets</b>		
Take back at least 20% of the mobile phones distributed to end customers by 2030	% used mobile devices taken back over total new devices sold/distributed through own channels.	11%
Reuse, resell and recycle 100% of collected mobile phones by 2030	% recycled and reused mobile phones	99.8%
Reuse, resell and recycle 100% of network equipment waste by 2025	% network equipment reused and recycled	99.7%

# Water & Biodiversity

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## Water consumption from all areas (ML)

2020	2021	2022	2023
2,777	2,949	3,194	2,785

## Water consumption from areas with high water stress (ML)

2020	2021	2022	2023
750	765	765	717

Water consumption in countries with high levels of water stress according to the Aqeduct Baseline Water Stress Atlas, from the World Resources Institute (Spain, Chile and Mexico).

## Details of water consumption in 2023 (m<sup>3</sup>)

<b>Total consumption</b>	<b>2,784,642</b>
Consumption from the municipal network	99.3%
Withdrawal of surface water	0.2%
Withdrawal of groundwater	0.5%

## Facilities located in habitats with low or very low biodiversity value

2022	2023
98%	98%



# Social: Helping society thrive

*Telefónica is enabling an inclusive digital transition and contributes to the socio-economic development of the regions in which we operate. For this purpose, we want to attract and retain the best talent -diverse and committed-, and promote ESG offering and human rights.*

**Sheet 1:** Human Capital. Attraction, retention and talent development

**Sheet 2:** Human Capital. Safety, health and well-being at work

**Sheet 3:** Human Capital. Diversity and inclusion

**Sheet 4:** Sustainable Offering & Innovation

**Sheet 5:** Digital Inclusion

**Sheet 6:** Contribution and Impact on communities

**Sheet 7:** Human Rights

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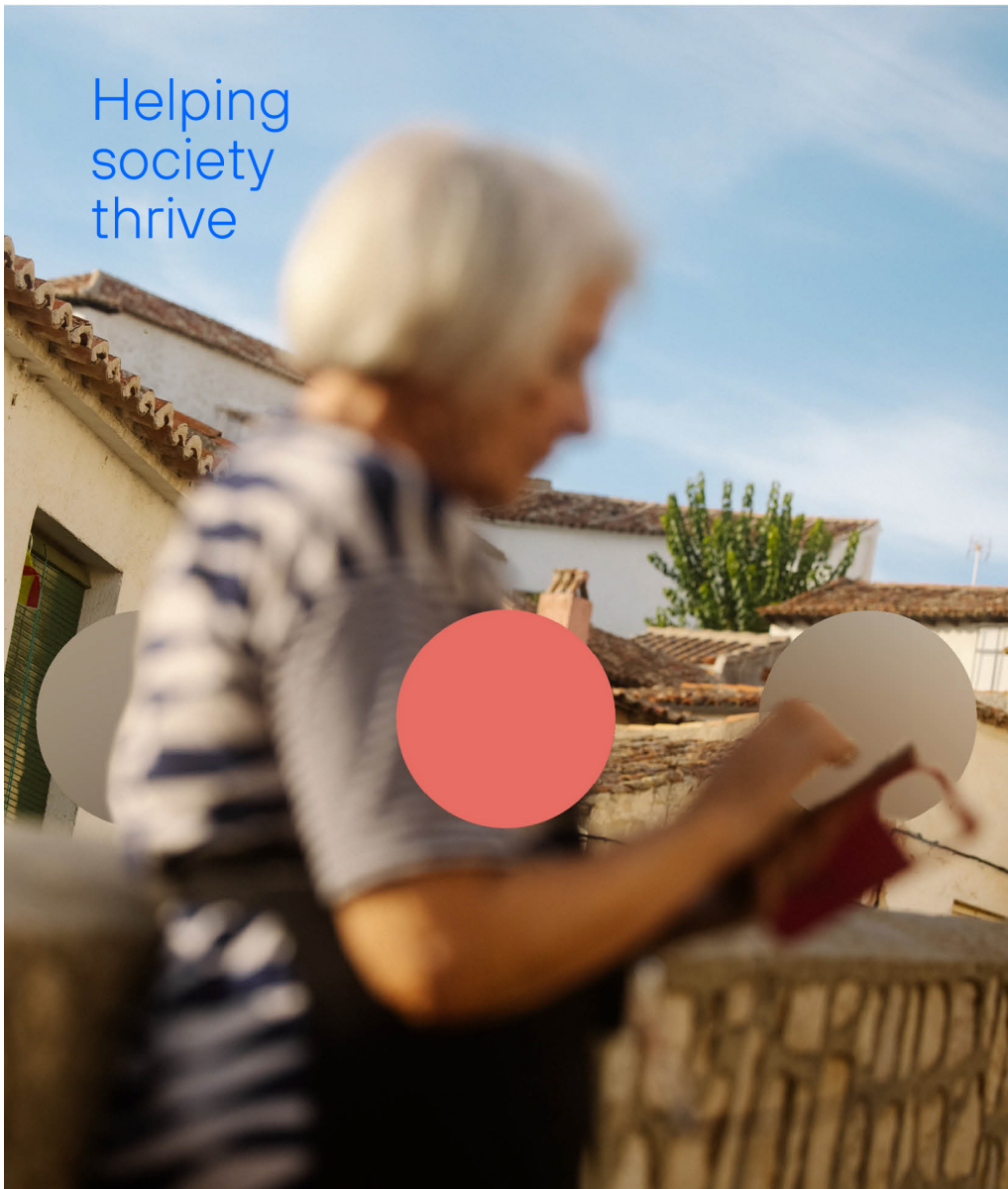
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# Human Capital. Attraction, retention and talent development

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## Total number of employees at year-end

	2022	2023
<b>Group Total</b>	<b>103,638</b>	<b>104,132</b>

The Group's average headcount in 2023 stood at 104,112 employees. The Group's equivalent (FTE) workforce in 2023 stood at 100,583 FTE. The VMED O2 UK workforce at 31 December stood at 15,923 employees (11,037 women, 4,793 men, 93 non-gender-identified employees).

## Attraction, retention and talent development

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### New employee hires by gender

	2022	2023
Men	14,118	7,361
	56%	56%
Women	11,242	5,691
	44%	44%
<b>Total</b>	<b>25,360</b>	<b>13,052</b>

16,126 hires without Tempotel in 2022. 12,818 hires without Tempotel in 2023. The reason for the drop in hiring is the changes to the scope of consolidation, that is, the deconsolidation of Tempotel, the Telefonica Group's human resources management company specialising in hiring extras for audiovisual productions.

### Total number and employee turnover rate by age range and gender

		2022		2023	
		Nº	%	Nº	%
Group Total*	Women	11,182	28.4%	5,538	13.8%
	Men	15,616	24.8%	7,410	11.6%
	< 35	13,228	45.5%	6,434	22.5%
	35-50	8,210	15.8%	4,904	9.4%
	> 50	5,360	24.9%	1,610	6.8%
<b>TOTAL</b>	<b>26,798</b>	<b>26.2%</b>	<b>12,948</b>	<b>12.4%</b>	

The turnover rate is calculated as: # total voluntary leavers + involuntary leavers + PSI (incentivised redundancies) + other (deaths & retirements) + end of contract for works and service of the category / average workforce of each category. It does not include transfers to other Group companies. The breakdown of the turnover by different groups (gender and age) takes into account the total number of leavers divided by the average workforce for the corresponding group.

In 2023 the tables have been restructured: (i) Total number and turnover rate by age range, gender and region. (ii) Involuntary leavers (dismissals).

(iii) Turnover by type of leave. In order to show comparability with the current year, the data for 2022 have been recalculated.

42.8% of the leavers in 2023 were women. In 2022 was 41.7%.

Employee turnover stood at 17% (17,392 employees) in 2022 without Tempotel.

Employee turnover stood at 12% (12,517 employees) in 2023 without Tempotel.

### Involuntary leavers (dismissals)\*

GRI 401-1	2022	2023
<b>Group Total</b>	<b>5,370</b>	<b>5,028</b>

\*Dismissal means a Company decision to unilaterally terminate an employment contract. This concept does not include incentivised redundancies which are part of restructuring processes.

### Voluntary leavers (resignations) by age

	2022		2023	
Age Range	Nº	%	Nº	%
Under 35	3,465	11.9%	2,381	8.3%
From 35 to 50	2,173	4.2%	1,635	3.1%
More than 50	233	1.1%	229	1.0%
<b>Total</b>	<b>5,871</b>	<b>5.7%</b>	<b>4,245</b>	<b>4.1%</b>

The reduction in voluntary turnover was particularly significant in the segment of employees aged under 35 thanks to our efforts to retain critical profiles in businesses such as Brazil and T-Tech.

### Employee Net Promoter Score (eNPS)

	eNPS Total		eNPS Men		eNPS Women	
	2022	2023	2022	2023	2022	2023
<b>Group Total</b>	<b>69</b>	<b>76</b>	<b>67</b>	<b>75</b>	<b>72</b>	<b>79</b>

See definition at 2.6.2.Action plan and commitments (Consolidated annual report).

### Training hours per employee

	Training hours per employee	
	2022	2023
<b>Group Total</b>	<b>35</b>	<b>30</b>

In 2023 we recorded a reduction in hours of training compared to 2022, due to the impact of the Power of Connections program and the Responsible Business Principles course. Training hours by professional level: 17.58 training hours per employee for senior management, 25.16 training hours per employee for middle management and 31.40 training hours per employee for other professionals.

### Percentage of all employees covered by collective bargaining agreements

	2022	2023
<b>Group Total</b>	<b>66%</b>	<b>66%</b>

100% of Telefonica's employees were covered by a labour framework regulating their working conditions.

# Safety, health and well-being at work<sup>(1)</sup>

[More info](#)

## Main occupational health and safety at work indicators

	Group	
	2022	2023
Number of hours worked (TOTAL)	197,895,968	202,943,366
Number of hours of absenteeism TOTAL	196,720	115,736
Absenteeism rate TOTAL <sup>(2)</sup>	0.10	0.06
Lost day rate / severity TOTAL <sup>(3)</sup>	24.85	14.26
Lost day rate / severity TOTAL <sup>(4)</sup>	28.58	14.26
Accident frequency rate TOTAL <sup>(5)(6)</sup>	0.80	0.67
Total No. of Occupational Diseases (Based on ILO List of Occupational Diseases) <sup>(7)</sup>	11	2
Total No. of Occupational Diseases (Based on legislation, regulation and local standards)	293	2 <sup>(8)</sup>
Occupational disease rate TOTAL <sup>(9)</sup>	0.01	0.00
Occupational disease rate TOTAL <sup>(10)</sup>	0.30	0.00 <sup>(11)</sup>
Total number of occupational injuries with major consequences TOTAL <sup>(12)</sup>	4	8
Rate of occupational injuries with major consequences TOTAL <sup>(13)</sup>	0.00	0.01
Total number of recordable occupational injuries TOTAL	788	684
Rate of recordable occupational injuries (TOTAL) <sup>(14)</sup>	0.80	0.67
Number of deaths resulting from an occupational injury (TOTAL)	0	1 <sup>(15)</sup>
Rate of deaths resulting from an occupational injury TOTAL <sup>(16)</sup>	0.00	0.00
Number of deaths resulting from an occupational disease or illness (TOTAL)	0	0

### Notes

To improve the quality of the data, we have reported data related to occupational diseases based on two criteria:

- On the basis of a global definition based on the list of occupational diseases from the International Labour Organization (ILO).
- On the basis of local legislation, regulations and rules, as in previous years.

(1) The formula for calculating the absenteeism rate has been modified in order to limit it to the health and safety area and the 2022 figure has therefore been recalculated. The remaining changes are due to the implementation of improvements and unification of criteria in the information reporting processes. In addition, the total number of recordable occupational injuries is considered to be occupational injuries with at least one day of sick leave, so 2022 has been recalculated.

(2) Absenteeism rate = total number of days lost due to occupational diseases and accidents at work / total days worked per year. The decrease is due to the non-consideration of COVID-19 as an occupational disease as well as to the flexibility measures for remote working and the positive culture of safety, health and well-being centred on the person, which has led to a decrease in all geographies.

(3) Based on the list of occupational diseases from the International Labour Organization. Lost day rate (severity) = (total number of days lost due to accidents in the workplace with leave and occupational disease / total hours worked per year) x 200,000. The decrease, in all geographies, is due to the non-consideration of COVID-19 as an occupational disease.

(4) Based on the list of occupational diseases in local legislation, regulations and rules. Lost day rate (severity) = (total number of days lost due to accidents in the workplace with leave and occupational disease / total hours worked per year) x 200,000. The decrease, in all geographies, is due to the non-consideration of COVID-19 as an occupational disease.

(5) Accident frequency rate = (total number of accidents in the workplace with leave / total number of hours worked per year) x 200,000.

(6) We do not have information on the type of conditions resulting in sick leave or work-related injuries due to regulatory issues and the privacy of personal data.

(7) For privacy reasons under German law, Telefónica does not collect information on the incidence of occupational diseases in Germany, and it is considered zero for the purposes of calculating rates.

(8) In 2023, Covid-19 was no longer considered an occupational disease; which explains the decrease in both the number and rate of occupational diseases.

(9) Based on the list of occupational diseases from the International Labour Organization. -Occupational disease rate = (total number of occupational diseases / total number of hours worked per year) x 200,000.

(10) Based on the list of occupational diseases in local legislation, regulations and rules. -Occupational disease rate = (total number of occupational diseases / total number of hours worked per year) x 200,000.

(11) In 2023, Covid-19 was no longer considered an occupational disease; which explains the decrease in both the number and rate of occupational diseases.

(12) Not including deaths.

(13) Not including deaths. Rate of occupational injuries with major consequences = (number of occupational injuries with major consequences [excluding deaths] / Number of hours worked) x 200,000.

(14) Rate of injuries due to recordable occupational accidents = (number of injuries due to recordable occupational accidents / Number of hours worked) x 200,000.

(15) The only death resulting from an occupational injury in 2023 occurred in Brazil as a result of a road impact. The worker during working hours had an accident in which the vehicle in which he was travelling collided with a tree.

(16) Death rate as a result of occupational accidents = (Number of deaths resulting from injuries due to occupational accidents / Number of hours worked) x 200,000.

## Coverage of the occupational health and safety management system

	Group	
	2022	2023
% of employees covered by the Health and Safety Management System	96%	97%
% of employees covered by the Health and Safety Management System subject to internal audit	88%	80%
% of employees covered by the Health and Safety Management System subject to third party certification or auditing	53%	90% <sup>(1)</sup>
Employees covered by a certified system (based on ISO 45001 or OHSAS 18001 standards)	40%	73% <sup>(1)</sup>

(1) This percentage has increased significantly compared to 2022, due to the expansion of certification in Brazil.

## Human Capital. Diversity and inclusion

[More Info](#)

### GRI 405-1

#### Members of the Board of Directors by gender and age range in 2023

Age range	Men	%	Women	%	Total	%
Over 50	8	89	4	67	12	80
From 35 to 50	1	11	2	33	3	20
Under 35	—	—	—	—	—	—
<b>Total</b>	<b>9</b>	<b>60</b>	<b>6</b>	<b>40</b>	<b>15</b>	<b>100</b>

### GRI 405-1

#### Members of the Executive Team by gender and age range in 2023

Age range	Men	%	Women	%	Total	%
Over 50	13	93	3	100	16	94
From 35 to 50	1	7	—	—	1	6
Under 35	—	—	—	—	—	—
<b>Total</b>	<b>14</b>	<b>82</b>	<b>3</b>	<b>18</b>	<b>17</b>	<b>100</b>

The members of the Executive Team are all the members of the Executive Committee and, additionally, Lutz Schüller, CEO of VMO2. Considering only the members of the Executive Committee, the percentage of women stood at 19%.

### GRI 2-7, 405-1

#### Total number and distribution of employees by gender and age range

GROUP TOTAL		Over 50		From 35 to 50		Under 35		Total	
		2022	2023	2022	2023	2022	2023	2022	2023
		Total	Men	18,482	17,687	29,060	30,717	16,099	15,388
	%	29%	28%	46%	48%	25%	24%	61%	61%
	Women	6,827	6,621	20,069	21,191	13,101	12,528	39,997	40,340
	%	17%	16%	50%	53%	33%	31%	39%	39%
	<b>Total</b>	<b>25,309</b>	<b>24,308</b>	<b>49,129</b>	<b>51,908</b>	<b>29,200</b>	<b>27,916</b>	<b>103,638</b>	<b>104,132</b>
	%	<b>24%</b>	<b>23%</b>	<b>47%</b>	<b>50%</b>	<b>28%</b>	<b>27%</b>	<b>100%</b>	<b>100%</b>

13,608 employees under 30 years of age, of whom 6,275 are women and 7,333 are men. 63,363 employees between 30 and 50 years of age, of whom 26,340 are women and 37,023 are men.

The percentages in the table are calculated on the total, by gender, of each age range.

The employees of a Central American company are not included in the workforce information. They represent 0.009% of the total workforce of the Group.

### GRI 405-1

#### Gender diversity

Indicators	2022	2023
Women in the workforce	38.6%	38.7%
Women on the Board of Directors	33.3%	40.0%
Women in all management positions	32.7%	33.0%
Women in executive positions	31.3%	32.8%
Women in senior management positions	33.3%	34.1%
Women in middle management positions	32.4%	32.5%
Women in other positions (non-management)	39.5%	39.6%
Women hired under 35 years of age	45.0%	45.0%
Women on the Executive Committee	17.6%	17.6%

All management positions refers senior management (executive and upper management positions) and middle management positions.

#### Employees with disabilities

Indicator	2022	2023
People on the staff with disabilities	1,482	2,572

#### Young employees

Indicator	2022	2023
Under 35	28%	27%

Although the number of new hires (63% of the hires were under 35) exceeds the number of leaves (50%), the figure is slightly lower in 2023 because a significant number of employees reached the age of 35 over the course of the year.

#### Total Average Remuneration Ratio relative to the Executive Chairman (CEO) in 2023

Executive Chairman (CEO)	Total average remuneration ratio
6,808,941	96:1

Average remuneration is estimated considering employees based in Spain. The reported salary of these employees considers the remuneration actually paid during 2023 (cash basis), not those that may have been accrued but are paid in subsequent years. For this reason, and in order to compare homogeneous concepts, we show the remuneration actually paid during the year 2023 of the highest paid person.

If we had applied the same methodology last year (2022), the result would have been 106:1 (instead of 103:1, reported data).

#### Gross and adjusted pay gap

Country	Employees		Gross Gap		Adjusted Gap	
	2022	2023	2022	2023	2022	2023
<b>Group Total</b>	<b>101,227</b>	<b>101,627</b>	<b>16.80%</b>	<b>16.14%</b>	<b>0.74%</b>	<b>0.71%</b>

In order to calculate the gender pay gap in each of the countries, we have taken into account the total average remuneration from men minus total average remuneration from women divided by total average remuneration from men. The total average remuneration includes all salaries received by the employee for one year. These concepts are:

-Total annual base salary.

-Short-term variable remuneration: bonuses, commissions, sales incentives and other variable remuneration items paid.

-Benefits in kind, including social benefits, accumulated in one year.

-Long-term variable remuneration: incentives paid (shares).

In the case of the global gross pay gap, a weighted average of the gross pay gaps of each country according to the total number of employees in each country has been applied.

The adjusted gender pay gap is calculated using a mathematical regression model that relates total average employee pay to other factors in addition to gender, such as country, professional category, functional area in which the employee is working, length of service, legal entity and the working hour format (fulltime or part-time).

Information for all Telefonica Group countries except Venezuela, due to its hyperinflation economic situation.

# Sustainable Offering & Innovation

[More Info](#)

## Main ESG offering indicators

		2022	2023
Eco Smart services in portfolio	% Eco Smart services	54% T.Tech, Brazil, Chile, Germany & Spain	52% T.Tech, Spain, Germany, T.Tech UK&I, Brazil, Chile, Colombia, Mexico, Peru & Telefónica Global Solutions (TGS)
Avoided customer emissions from our services and connectivity <sup>(1)</sup>	MtCO <sub>2</sub> eq	81.7	86.1
Eco Rating implementation	Countries	All countries where Telefónica operates <sup>(1)</sup>	All countries where Telefónica operates <sup>(2)</sup>
Responsibility by Design	Services evaluated (cumulative)	>45	>80

Notes:

(1) Of the total, 84.9 million tonnes correspond to services where Telefónica merely provides broadband and mobile connectivity for the B2C segment and 1.2 million tonnes to IoT, cloud, big data and health services where Telefónica provides the connectivity, IoT devices, platforms, services and/or software. These data include emissions generated by connectivity and the network infrastructure that forms part of these services.

(2) With the exception of Venezuela, as Telefónica does not sell mobile handsets there.

## Main innovation indicators

	2022	2023
R&D+i investment (million euros)	3,721	3,203
Percentage of R&D&I investment/revenue	9%	8%
R&D investment (million euros)	714	785
Patent portfolio	344	374

These figures have been calculated using the guidelines established in the OECD manual.

## Main open innovation indicators

Main indicators	2022	2023
Open innovation portfolio and active startups	550	538
Direct investment in startups annually (million euros)	13,3	7,8
Startups invested in by Telefónica Ventures through other funds	205	218
Investment in startups through third parties (million euros)	2,500	3,500

# Digital Inclusion

[More Info](#)

## Digital inclusion KPIs

		2022	2023
Digital Inclusion Benchmark (WBA)	Ranking Position	1°	1°
Connectivity	<b>Group</b>		
	Own and third-party premises reached by UBB	168,057,417	173,071,315
	LTE/4G coverage	90%	92%
	<b>Spain</b>		
	Percentage of mobile coverage in rural areas	94%	95%
	Percentage 4G coverage	98%	98%
	Percentage 5G coverage	85%	87%
	<b>Germany</b>		
	Percentage of mobile coverage in rural areas	99%	99%
	Percentage 4G coverage	100%	100%
	Percentage 5G coverage	80%	95%
	<b>Brazil</b>		
	Percentage of mobile coverage in rural areas	80%	82%
	Percentage 4G coverage	96%	96%
	Percentage 5G coverage	NA	48%
<b>UK</b>			
Percentage of mobile coverage in rural areas	99%	99%	
Percentage 4G coverage	99%	99%	
Percentage 5G coverage	43%	51%	
Accessibility of products and services	Number of products and services evaluated according to accessibility criteria <sup>(1)</sup>	28	26
Affordability - Universal Service	Millions of euros	212	139 <sup>(2)</sup>
Digital skills training	Beneficiaries of digital skills development programs	1,305,715	1,251,354 <sup>(3)</sup>
	Beneficiaries of basic digital skills development programs	1,779	333 <sup>(4)</sup>
	Beneficiaries of intermediate digital skills development programs	1,299,086	1,243,743
	Beneficiaries of advanced digital skills development programs	4,850	7,278

### Notes

- (1) The number of products and services assessed against accessibility criteria in 2022 has changed from the number given in the previous Sustainability Report due to a reporting error. The relevant corrections have been made.
- (2) The 2023 Universal Service figure is pending approval of a new cost methodology to calculate the cost of the service in accordance with the new requirements set out in the Ministerial Order designating Telefónica de España for the 2023 and 2024 financial years.
- (3) The decrease is linked to a significantly lower number of teacher training sessions being conducted due to a noticeable fall in demand from some of our partners, which had an indirect impact on the number of students who accessed training.
- (4) The Lanzaderas Conecta Empleo project ended in June 2023, while in 2022 it was available year-round.

# Contribution and Impact on communities

[More Info](#)

<b>Total contribution</b>	<b>2021</b>	<b>2022</b>
	>98€ billion	>100€ billion

<b>Total contribution 2022</b>	<b>&gt;100€ billion</b>
Economic contribution	>48€ billion
Social contribution Human capital	>17€ billion
Social contribution Digital inclusion	>32€ billion
Contribution to the environment	>2,5€ billion

## Impact on GDP (main operations) in 2023

	Millions of euros	% of total impact
Total impact	49,145	100%
Direct impact	18,676	38%
Indirect impact	23,211	47%
Induced impact	7,258	15%

Definitions  
 Total impact: total impacts generated by corporate activity and the expenses we incur and investments we make in the countries in which we operate.  
 Direct impact: impact generated directly by our operations.  
 Indirect impact: impact generated by the expenses and investments of our supply chain.  
 Induced impact: impact generated by an increase in consumption resulting from the rise in labour income generated by direct and indirect employment.  
 Countries included in the analysis: Argentina, Brazil, Chile, Colombia, Germany, Mexico, Peru and Spain

## Impact on employment in main countries in 2023

	Number of people	% of total impact
Total impact	1,312,829	100%
Direct impact	99,485	8%
Indirect impact	837,679	64%
Induced impact	375,665	29%

Definitions  
 Total impact: total impacts generated by corporate activity and the expenses we incur and investments we make in the countries in which we operate.  
 Direct impact: impact generated directly by our operations.  
 Indirect impact: jobs generated in companies and sectors that receive our expenditure and investments and by their respective suppliers.  
 Induced impact: jobs created in all economic sectors thanks to the economic activity generated in an induced way in the market as a whole.  
 Countries included in the analysis: Argentina, Brazil, Chile, Colombia, Germany, Mexico, Peru and Spain

# Human Rights

[More Info](#)

## Summary of key indicators

	2022	2023
No. of employees trained in human rights through our Responsible Business Principles course from its launch in 2022	91,347	92,401
% of operators subjected to a human rights impact assessment	100%	100%
No. of on-site human rights audits of suppliers (labour issues, child/forced labour, health and safety, privacy and security)	9,964	9,028



# 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:** Corporate Governance

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**Sheet 2:** Ethics

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**Sheet 3:** Fiscal Transparency

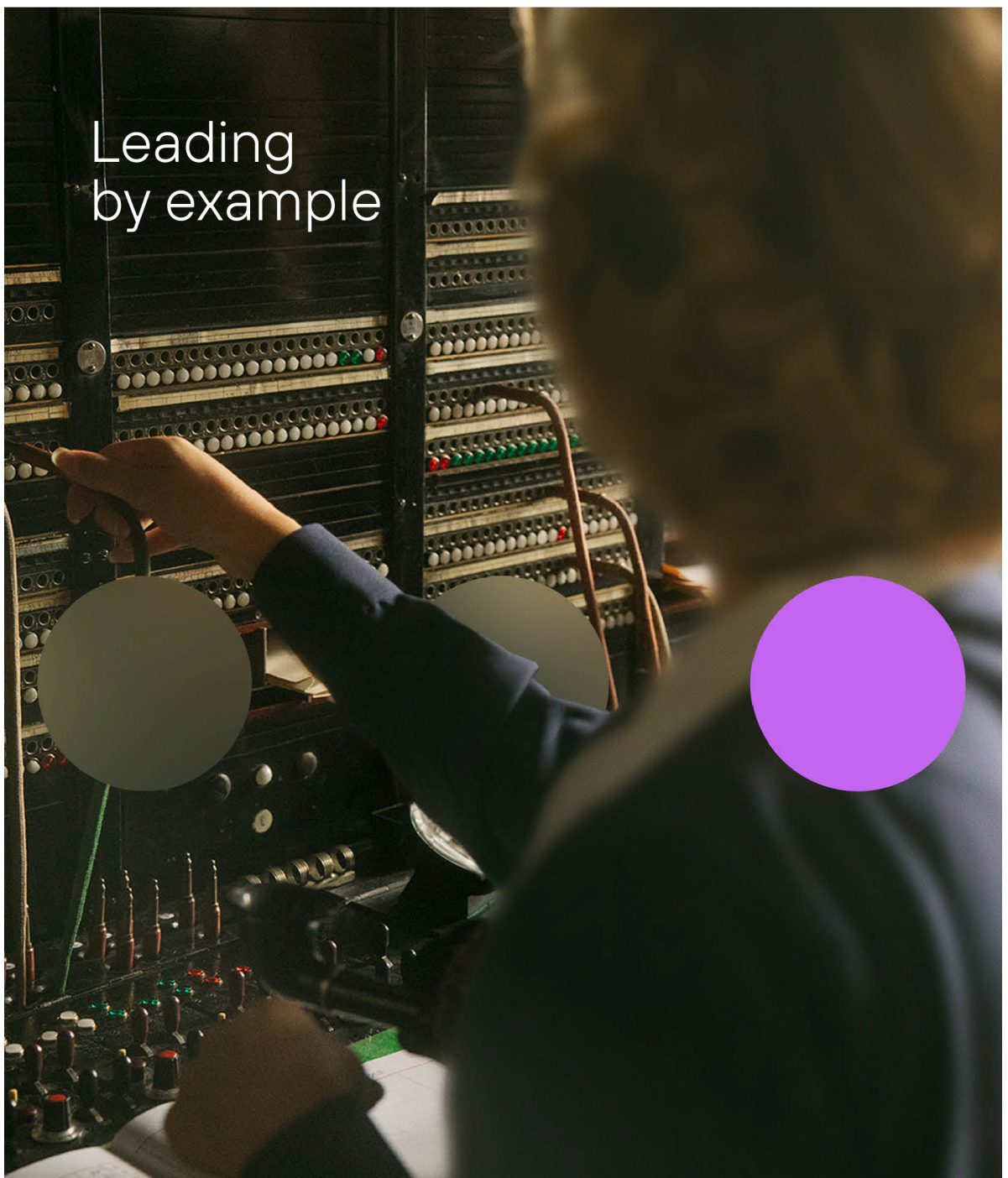
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**Sheet 4:** Privacy and Security

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**Sheet 5:** Supply chain

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# Corporate Governance

[More info](#)

Key Indicators		2021	2022	2023
Board of Directors size	Number	15	15	15
Women on the Board of Directors	Percentage	33%	33.3%	40%
Independent Directors	Percentage	60%	60%	66.67%
Executive Directors	Number	2	2	2

# Ethics

[More info](#)

Key Indicators		2021	2022	2023
Employees trained in anti-corruption	Number (total employees) <sup>(1)</sup>	89,296	94,840	94,990
	% of employees trained during the year of the annual report	34%	93%	31%
Employees trained in Responsible Business and Human Rights through the Principles Course	Number of trained employees (accumulated)	88,815	91347 <sup>(2)</sup>	92,401
	% of employees trained	85% <sup>(3)</sup>	89%	89%
Total number of complaints received through the Whistleblower Channel	Number	955	808	912
Total number of substantiated complaints	Number	389	374	328
Termination of employment measures taken as a result of well-founded complaints received	Number	152	118	109
Confirmed cases of corruption	Number	0	0	0
Disciplinary measures or contract terminations taken in relation to confirmed cases of corruption	Number	0	0	0
Detected cases of discrimination	Number	0	0	0
Disciplinary measures or terminations of contract taken in relation to confirmed discrimination cases	Number	0	0	0
Number of queries received in the Responsible Business Channel	Number	207	711	622
Contribution to sectoral bodies and organisations or persons engaged in representative activity	Euros	5,367,432	6,095,148	7,057,282

Notes:

(1) Number of employees trained in anticorruption matters since the launch of the last edition of the course.

(2) This data is an accumulative number. The 2022 indicator figures a new edition of the course.

(3) 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

[More Info](#)

## Country by country report 2022

Tax jurisdiction	Unrelated parties income	Related parties income	Total Income	Profit or loss before income tax	Income tax paid	Income Tax Accrued	No. of employees	Tangible assets
Germany	8,894	113	9,007	752	103	-174	7,716	3,518
Argentina	2,449	129	2,578	-166	61	34	11,725	1,489
Brazil	9,734	75	9,809	921	250	143	34,666	6,250
Chile	1,957	144	2,101	64	9	-6	4,118	1,165
Colombia	1,687	130	1,817	136	69	134	6,145	734
Ecuador	477	9	485	23	-2	9	940	231
Spain	15,354	1,839	17,193	798	383	77	27,357	8,466
Mexico	1,212	71	1,283	-228	10	9	1,894	134
Peru	1,936	27	1,963	-100	112	259	4,554	1,198
Uruguay	272	143	415	152	15	18	591	339
Venezuela	275	86	361	95	10	50	1,644	50
Other	799	-1,039	-241	236	-8	18	1,134	139
<b>Total</b>	<b>45,046</b>	<b>1,726</b>	<b>46,771</b>	<b>2,682</b>	<b>1,010</b>	<b>571</b>	<b>102,483</b>	<b>23,714</b>

## Tax contribution in each country

Million euros	Contribution by country to consolidated Group profit before tax 2023 <sup>(1)</sup>	Contribution by country to consolidated Group profit before tax 2022	Taxes borne 2023	Taxes collected 2023	Total 2023
Germany	624	697	343	905	1,248
Argentina	(167)	(166)	169	241	410
Brazil	1,063	919	679	1,526	2,205
Chile	(122)	64	6	78	84
Colombia	(100)	118	140	123	263
Ecuador	(20)	23	51	18	70
Spain	(1,264)	795	950	1,938	2,887
Mexico	(19)	(228)	21	59	81
Peru	(157)	(103)	30	126	156
Uruguay	148	152	24	35	59
Venezuela	101	95	16	18	34
Other	(1,899)	316	34	48	83
<b>Total</b>	<b>(1,812)</b>	<b>2,682</b>	<b>2,464</b>	<b>5,116</b>	<b>7,580</b>

(1) Profit or loss before tax and income tax, adjusted for the allocation to the year of the coupons corresponding to the subordinated perpetual debentures. The consolidated financial statements of the Telefónica Group are prepared in accordance with International Financial Reporting standards (IFRS) as adopted by the European Union. The local accounting standards applicable in each of the countries in which the Group operates may differ from IFRS.

The table above groups all the Group companies according to the country of their tax residence. This grouping does not coincide with the Telefónica Group's segment breakdown. The results by country include, where applicable, the effect of the allocation of the purchase price to the assets acquired and liabilities assumed. Likewise, results by country exclude dividend income from Group subsidiaries, as well as the change in the provision for depreciation of investments in Group companies, which are eliminated in the consolidation process. The differences between the result of the Country-by-Country Report and the contribution per country to the Group's profit before tax correspond to the companies reporting under the equity method.

# Privacy and security

[More Info](#)

## Summary of key privacy and security indicators

	2022	2023
Number of attendees on data protection and cybersecurity training courses	67,880	94,642
Number of hours of data protection and cybersecurity training	81,460	75,821
Number of procedures opened due to data protection issues	49	83
Number of fines for data protection issues	18	18
Sum of fines (euros) due to data protection issues	318,059	300,366
Number of confirmed fines due to data protection issues as a result of a security breach or incident (physical or cybersecurity) affecting the personal data of customers, employees or others.	0	0
Number of queries/complaints about data protection/privacy issues submitted through the Responsible Business Channel	32	10
Number of queries/complaints about freedom of expression issues submitted through the Responsible Business Channel	0	2
Number of days devoted to data protection and cybersecurity by Internal Audit	5,836	6,077
Cyber security incidents categorised as high severity (Num.)	2	0
Cyber security incidents categorised as high severity with impact on customers' personal data (Num.)	2	0
Number of customers affected by data breaches	23,958,088	0
Percentage of customers whose information is used for secondary purposes	69%	72%

# Supply chain

[More Info](#)

## Summary of key indicators

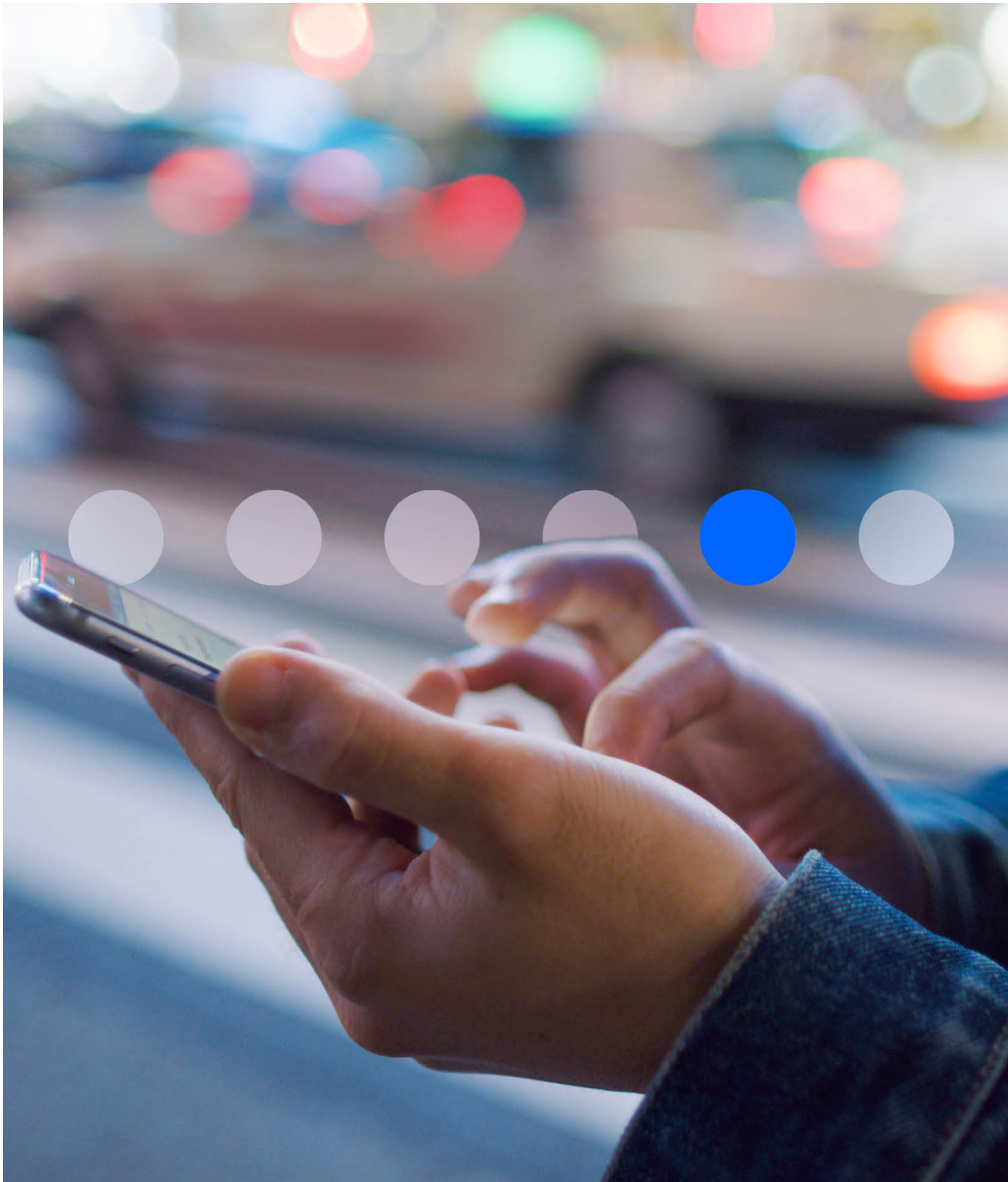
### GRI 204-1

	Indicators	2022	2023
Activity	Volume of purchases awarded in euros	21,863M	23,370M
	Suppliers selected	8,526	8,462
	% purchases awarded locally	83%	83%
Ethics and Compliance	Potential high-risk suppliers identified in internal risk analysis	768	687
	% of potential high-risk suppliers assessed on sustainability aspects through external assessment platform	72%	72%
	% Suppliers assessed through Dow Jones Risk & Compliance.	100%	100%
	Suppliers blocked due to integrity or sustainability sanctions, risks or non-compliance	6	5
	Total audits of suppliers	18,578	18,324
	Suppliers with improvement plans in place following audits	879	853

# Appendix

- Sheet 1:** Principal Adverse Impacts
- Sheet 2:** SASB Compliance table
- Sheet 3:** GSMA ESG Metrics for Mobile

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# APPENDIX - Principal Adverse Impacts

[More Info](#)

Adverse Sustainability Indicator		Metric	Unit	2022	2023	
<b>Mandatory climate and other environment-related indicators</b>						
<b>Greenhouse gas emissions</b>	1. GHG Emissions	Scope 1 GHG Emissions		131,809 tCO2e	122,460 tCO2e	
		Scope 2 GHG Emissions (market-based)		221,537 tCO2e	214,659 tCO2e	
		Scope 3 GHG Emissions		1,930,051 tCO2e	1,970,583 tCO2e	
		Total GHG Emissions		2,283,397 tCO2e	2,105,105 tCO2e	
	2. Carbon Footprint	Carbon footprint		2,283,397 tCO2e	2,105,105 tCO2e	
	3. GHG intensity	GHG Intensity (scope 1 + 2+3) (per revenues)	tCO2e / M€	57.1 tCO2e / M€	56.8 tCO2e / M€	
4. Exposure to companies active in the fossil fuel sector	Investment in companies active in the fossil fuel sector			N/A	N/A	
		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%	16%
		6. Energy consumption intensity per high impact climate sector	Energy consumption in MWh per million EUR of revenue	MWh	0.00015 MWh/M€	147.89
<b>Biodiversity</b>	7. Activities negatively affecting biodiversity-sensitive areas	Headquarters or operations sites located in or near sensitive areas in terms of biodiversity		2%	2%	
<b>Water</b>	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.	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.	
<b>Waste</b>	9. Hazardous waste and radioactive waste ratio	Tons of hazardous waste generated	Hazardous waste/ Non-hazardous waste	0.05	8%	
<b>Mandatory social and employee, respect for human rights, anti-corruption and anti-bribery matters indicators</b>						
<b>Social and employee matters</b>	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.	The 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 outlines our due diligence, including those relating to forced labour, slavery and child labour, among other.	
	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.	The 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 outlines our due diligence, including those relating to forced labour, slavery and child labour, among other.	
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap	%	16.8%	16.1%	
	13. Board gender diversity	Ratio between the number of women on the Board of Directors and the total number of members	%	33.3%	40%	
	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	N/A	
<b>Additional climate and other environment-related indicators</b>						
<b>Emissions</b>	1. Emissions of inorganic pollutants	Equivalent tons of inorganic pollutants		N/A. Telefónica's activities do not produce significant polluting emissions (NOX, SOX, particles).	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).	Telefónica's activities do not produce significant polluting emissions (NOX, SOX, particles).	
	3. Emissions of ozone-depleting substances	Ozone-depleting substances		20.84 t	15 t leaked gas	
	4. Investments in companies without carbon emission reduction initiatives	Carbon emission reduction initiatives	Policies	N/A	N/A	
<b>Energy performance</b>	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.	Telefónica reports this information in CDP questionnaire, section C8.2a.	
<b>Water, waste, and material emissions</b>	6. Water usage and recycling	Average amount of water consumed	Usage ML	3,194 ML	2,785 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.	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.	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	N/A	
	10. Land degradation, desertification, soil sealing	Companies whose activities may cause soil degradation, desertification or soil sealing		N/A	N/A	
	11. Investments in companies without sustainable land/agriculture practices	Companies without sustainable agricultural or land use practices or policies		N/A	N/A	
	12. Investments in companies without sustainable oceans/seas practices	Companies without sustainable ocean/sea practices		N/A	N/A	
	13. Non-recycled waste ratio	Tons of non-recycled waste generated	Recycled : Non-Recycled Ratio	2%	3%	
	14. Natural species and protected areas	Companies whose operations affect threatened species		N/A	N/A	
	15. Deforestation	Companies without policies to address deforestation		N/A	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	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	See 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).	See 2.9.7. 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).	See 2.9.7. 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.	Our Supply Chain Sustainability Policy includes the code of conduct for all our suppliers. In it, we set out the minimum criteria for responsible business that any company wishing to become a supplier of the Telefónica Group must comply with.
	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.	See 2.16.5.3. Complaint and remedy mechanisms: Whistleblowing and Queries Channel.
	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.	See 2.16.5.3. Complaint and remedy mechanisms: Whistleblowing and Queries Channel.
	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	See 2.16.5.3. Complaint and remedy mechanisms: Whistleblowing and Queries Channel.
	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	96:1
<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.	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).	See Telefónica's Human Rights and Environmental Due Diligence Process. See chapter 2.14.6. 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.	As part of the 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).	No significant risk identified. See 2.19.5 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).	No significant risk identified. See 2.19.5 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.	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. See 2.14. 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	See 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.	No litigation of this nature has occurred. See Note 29 in Consolidated Annual Accounts.

# APPENDIX - SASB COMPLIANCE TABLE

[More Info](#)

## SASB compliance table

Table 1. Sustainability disclosure and accounting metrics

Subject	SASB Code	Metrics	Telefónica's response/comments
Environmental footprint of operations <sup>(1)</sup>	TC-TL-130a.1	Total energy consumed (GJ) (electricity + fuels).	21,642,699
		Percentage of grid electricity in total energy consumption.	95%
		Percentage of renewable energy in total energy consumption.	82%
Data privacy	TC-TL-220a.1	Description of policies and practices related to behavioural advertising and customer privacy.	See 2.18.2. Privacy
	TC-TL-220a.2	Number of customers whose information is used for secondary purposes.	72%
	TC-TL-220a.3	Total amount of monetary losses due to legal proceedings in customer privacy matters (€).	300,366 €
	TC-TL-220a.4	Number of requests for customer information from law enforcement agencies.	4,711,614
		Number of customers whose information was requested.	4,784,392
	Percentage resulting in disclosure.	95%	
Data security	TC-TL-230a.1	Number of data breaches.	0
		Percentage involving personally identifiable information <sup>(2)</sup> .	0%
		Number of customers affected <sup>(2)</sup> .	0
	TC-TL-230a.2	Description of the approach to identifying and addressing data security risks, including the use of third-party cybersecurity standards.	See 2.18.3. Security
Product end-of-life management	TC-TL-440a.1	Materials recovered through collection programmes, percentage of materials recovered that were: • Total recovered (tonnes)	15,255
		•Re-used (%)	46%
		•Recycled (%)	54%
		•Deposited in landfills (%)	0.06%
Competitive behaviour and the open Internet	TC-TL-520a.1	Total amount of monetary losses due to legal proceedings related to anti-competitive behaviour regulations.	0
	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.	FTTH 600: 618,101 Mbps FTTH 1000: 911,331 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 own and commercially-associated content.	4G: 50,09 Mbps 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: 618,101 Mbps FTTH 1000: 911,331 Mbps There is no differential assessment between associated and non-associated content
	TC-TL-520a.3	MOBILE NETWORK: Actual average sustained download speed in Megabits per second (Mbps) of non-associated content.	4G: 50,09 Mbps 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.	
Management of systemic risks arising from technological outages	TC-TL-550a.1 <sup>(2)</sup>	FIXED NETWORK: Average system outage frequency.	1.6
		MOBILE NETWORK: Average system outage frequency.	27.8
		FIXED NETWORK: Average duration of outage for customer.	3.54
		MOBILE NETWORK: Average duration of outage for customer.	0.05
	TC-TL-550a.2	Discussion of systems to provide unimpeded service during outages.	See 2.10.5.1. Quality and reliability of our network and services

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).	298.6
	TC-TL-000.B	Total number of fixed accesses (millions).	26.3
	TC-TL-000.C	Number of fixed broadband connections (millions).	26.8
	TC-TL-000.D	Network traffic in petabytes <sup>(1)</sup> .	146,074

Note:

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

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



[More Info](#)

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)	337,119
				Absolute Scope 1 and 2 emissions (tonnes CO2e) per 1PB data	2.3
				Percentage change in absolute Scope 1 and 2 emissions since last reporting period	Telefónica reports its evolution relative to the base year 2015: -81%
				Absolute Scope 3 emissions (tonnes CO2e)	1,970,583
				Absolute Scope 3 emissions (tonnes CO2e) per 1PB data	13
	Energy	Energy Consumption	GSMA-ENV-03	Percentage change in absolute Scope 3 emissions since last reporting period	Telefónica reports its evolution relative to the base year 2016: -31%
				Total energy consumed (MWh)	6,011,861
				Total energy consumed (MWh) per 1PB of data.	41
				Total Network energy consumed (MWh)	5,733,006
				Total Network energy consumed (MWh) per 1PB of data	39
				Percentage grid renewable	82%
Percentage grid non renewable	18%				
Percentage off grid renewable	It is not representative for Telefónica's activity.				
Percentage off grid non renewable	It is not representative for Telefónica'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: 43%
				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: 59%
				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): 52,787	
			Network waste (tonnes) per 1PB of data	Telefónica reports Network waste in tons (GRI 306): 11,967	
			Handsets and other Customer premises equipment (CPE) waste (tonnes) per 1PB of data	Telefónica reports Handsets and CPE in tons (GRI 306): 3,278	
			All other waste (tonnes) per 1PB of data	Telefónica reports All other waste in tons (GRI 306): 37,541	
Environment	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: 57%
				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: 41%
				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: 96%
				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: 92%
	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.
	Digital Skills	Digital Skills Programmes	GSMA-INC-03	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 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: 0
				Percentage of data breaches involving personally identifiable information (PII)	0%
				Number of customers affected, per million subscribers	0
	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
Online Safety	Online Safety Measures	GSMA-INT-03	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	Sustainable Supply Chain	Sustainable Procurement Policy	GSMA-SUP-01	Do you have controls or programmes in place to improve online safety for children and other vulnerable groups? (yes/no)	Yes
				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	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%	