Verification Statement of AENOR for Telefónica on the Inventory of greenhouse gas emissions corresponding to the year 2023

DOSSIER: 2009/1133/GHG/01

Introduction

Telefónica (hereinafter the company) has commissioned AENOR Confía, S.A.U. (AENOR) to make a limited revision of the inventory of Greenhouse Gases (GHG) for the verification period of its activities included in the Greenhouse Gas Inventory Report 2023, which is part of this Declaration.

AENOR is accredited by Entidad Mexicana de Acreditación, with number OVVGEI 004/14, in accordance with Standard ISO 14065:2020, for the verification of greenhouse gas emissions in accordance with the requirements established in Standard ISO 14064-3:2019 for the energy and waste sectors.

Inventory of GHG emissions issued by the Organisation:

• Corporate: C/ Ronda de la Comunicación, Distrito Telefónica, Madrid (Spain).

Representatives of the Organisation: Maya Ormazábal Herrero/Camilo Andrés Guarín García, Climate Change and Energy Efficiency Office.

Telefónica was responsible for reporting its GHG emissions according to the GHG PROTOCOL standard.

Objective

The objective of the verification is to provide the interested parties with an independent and professional opinion on the information and data contained in Telefónica's GHG Inventory.

Scope of the Verification

The greenhouse gases and emission sources considered as well as the geographical scope of the activities included in the organisation's greenhouse gas inventory are described below.

The organisation's GHG emissions inventory includes the following GHGs CO2, CH4, N2O, HFCs and HCFCs.

For the verification process, a control approach is considered, under which Telefónica accounts for emissions attributable to the operations and facilities over which it exercises operational control.

Facilities are defined as base stations, technical buildings, vehicle fleets, office buildings, call centres and shops. Under this approach, the scope of the geographical verification is established for the following countries where the Telefónica Group operates:

Organizational and geographic boundaries		
Europe	**Latin America**	**Telxius Group**
Spain	Argentina (fixed and mobile networks)	**Telefónica Tech**
Fixed and mobile networks	Brazil (fixed and mobile networks)	
Corporate Buildingss	Chile (fixed and mobile networks)	
Distrito Telefónica	Colombia (fixed and mobile networks)	
Diagonal Building	Ecuador (mobile network)	
Gran Vía Building	México (mobile network)	
Boecillo Building	Perú (fixed and mobile networks)	
Germany (mobile network)	Uruguay (mobile network)	
	Venezuela (mobile network)	

Direct, indirect activities and exclusions from verification.

The activities subject to verification are set out in 3 scopes (following the GHG Protocol guidelines), which are:

- Scope 1- Direct GHG emissions
- Scope 2 – Energy indirect GHG emissions
- Scope 3- Other indirect emissions. It is included:
  - o Purchase of goods and services
  - o Capital goods
  - o Activities related to the consumption of energy and fuel (not included in scopes 1 and 2)
  - o Business travel
  - o Use of sold products
  - o Investments

General Exclusions:

There are no exclusions.

Base year
Telefónica has selected 2015 as the base year for Scope 1 and 2 and 2016 for Scope 3.

Materiality

For the verification it was agreed to consider as material discrepancies those omissions, distortions or errors that could be quantified and result in a difference of more than 5% with respect to the total of emissions declared.

Criteria

In general, the verification of the Greenhouse Gas Inventory Report has been performed taking into account the requirements set out in:

a) ISO 14064-3:2019: Specification with guidance for the validation and verification of greenhouse gas assertions.
b) GHG Protocol, Corporate Accounting and Reporting Standard (Revised Edition).
c) GHG Protocol, Corporate Value Chain (scope 3) Acounting and Reporting Standard.

Finally, the emissions report drawn up by the organisation, dated 2023, was subject to verification.

AENOR waives any responsability for decisions, regarding investment or of any other type, based on this declaration.

Conclusion

As a conclusion according to the limited level of assurance agreed, AENOR states:

Based on the above, and in accordance with the limited level of assurance, there is no evidence to suggest that the information on GHG emissions reported in Telefónica's Greenhouse Gas Inventory Report for the period 2023 is not a true and fair representation of the emissions from its activities.

In consequence with this Declaration below is a list of the emissions data that were finally verified.

Year: 2023	Unit	TOTAL
Scope 1: Direct GHG emissions	**tCO2e**	**122,459.7**
• **Operations**	**tCO2e**	29,470.2
• **Fleet**	**tCO2e**	21,675.6
• **Refrigerant gases and fire extinguishing gases**	**tCO2e**	71,313.9
Scope 2: Indirect GHG emissions (market-based)	**tCO2e**	**214,659.2**
• **District heating**	**tCO2e**	242.1
• **Electricity (market-based)**	**tCO2e**	214,417.2
Scope 2: Indirect GHG emissions (location-based)	**tCO2e**	**1,036,536.9**
• **District heating**	**tCO2e**	242.1
• **Electricity (location-based)**	**tCO2e**	1,036,294.8
Scope 3: Other indirect GHG emissions (total)	**tCO2e**	**2,005,643.1**
• **Purchased goods and services**	**tCO2e**	1,026,696.2
• **Capital goods**	**tCO2e**	225,403.3
• **Activities related to energy and fuel consumption (not included in Scope 1 and 2)**	**tCO2e**	105,224.7
• **Business travel**	**tCO2e**	34,284.0
• **Use of sold products**	**tCO2e**	578,974.8
• **Investments**	**tCO2e**	35,060.2
Scope 1 + $2_{market\text{-}based}$ emissions	**tCO2e**	**337,118.9**
Total GHG emissions Scope 1 + $2_{market\text{-}based}$ +3	**tCO2e**	**2,342,762.0**
Total GHG emissions Scope 1 + $2_{location\text{-}based}$ +3	**tCO2e**	**3,164,639.7**
Biogenic emissions	**tCO2e**	**16,267.1**
Emissions offsets	**tCO2e**	**33,711.0**
Directed actions	**tCO2e**	**45,288.9**

Year: 2023	Unit	TOTAL
Total energy consumption	**MWh**	**6,011,860.8**
• **- Total electricity consumption + Self-generation of renewable energy**	**MWh**	**5,739,167.2**
○ **Consumption at base stations**	**MWh**	2,764,813.3
○ **Consumption in Central Stations (Fixed Switch Sites)**	**MWh**	2,004,008.9
○ **Consumption in Mobile Telephone Switching Offices (MTSOS)**	**MWh**	310,858.7
○ **Consumption in Data Centers**	**MWh**	373,362.8
○ **Consumption in Others (Offices, Call Centers, Shops, Landing Stations, Pops and Waves)**	**MWh**	279,962.0
○ **Self-generation of renewable energy**	**MWh**	5,928.8
○ **Consumption in electric vehicles**	**MWh**	232.8
• **- Fuel consumption + District heating**	**MWh**	**272,693.6**
○ **Operations fuel consumption**	**MWh**	120,305.3
○ **Fleet fuel consumption**	**MWh**	147,278.1
○ **District heating consumption**	**MWh**	5,110.1
Electricity consumption from renewable sources including self-generation	**MWh**	**4,855,367.5**
% of renewable electricity consumption in own facilities	**%**	**83.9**
Directed actions	**MWh**	**281,446.5**

Directed actions:

Energy Efficiency Plan 2023: In order to optimise the energy consumption of Telefónica's communications network, various actions have been implemented, including the following:

- Network transformation
- Cooling
- Modernization of power equipment
- Lighting
- Power Saving Features
- Self-consumption

Derived from the implementation of the Energy Efficiency Plan 2023, a saving of **45,288.88 tCO2e** has been achieved (equivalent to a saving of **281,446.53 MWh** in electricity consumption).

TELEFÓNICA GROUP BREAKDOWN

Year: 2023	Unit	TEF ALEMANIA	TEF BRAZIL	TEF ESPAÑA	TEF HISPAM*	GRUPO TELXIUS	Others**	TOTAL
Scope 1: Direct GHG emissions	**tCO2e**	**5,955.4**	**25,524.3**	**18,947.2**	**61,249.9**	**9,074.8**	**1,708.0**	**122,459.7**
• **Operations**	**tCO2e**	681.2	3,132.1	6,622.3	17,916.3	221.0	897.3	29,470.2
• **Fleet**	**tCO2e**	4,811.7	610.1	2,602.0	12,928.2	46.5	677.1	21,675.6
• **Refrigerant gases and fire extinguishing gases**	**tCO2e**	462.5	21,782.1	9,722.9	30,405.4	8,807.4	133.6	71,313.9
Scope 2: Indirect GHG emissions (market-based)	**tCO2e**	**234.3**	-	**-**	**209,406.7**	**62.5**	**4,955.8**	**214,659.2**
• **District heating**	**tCO2e**	234.3	-	-	-	-	7.8	242.1
• **Electricity (market-based)**	**tCO2e**	-	-	-	209,406.7	62.5	4,948.0	214,417.2
Scope 2: Indirect GHG emissions (location-based)	**tCO2e**	**337,458.6**	**63,428.9**	**234,975.9**	**385,634.6**	**5,656.4**	**9,382.5**	**1,036,536.9**
• **District heating**	**tCO2e**	234.3	-	-	-	-	7.8	242.1
• **Electricity (location-based)**	**tCO2e**	337,224.3	63,428.9	234,975.9	385,634.6	5,656.4	9,374.7	1,036,294.8
Scope 3: Other indirect GHG emissions (total)	**tCO2e**	**391,939.8**	**302,357.6**	**529,978.9**	**676,236.7**	**8,996.1**	**96,134.1**	**2,005,643.1**
• **Purchased goods and services**	**tCO2e**	194,264.9	186,712.3	303,514.1	298,869.5	1,070.6	42,264.9	1,026,696.2
• **Capital goods**	**tCO2e**	57,825.5	55,482.3	44,707.4	56,209.9	5,459.6	5,718.5	225,403.3
• **Activities related to energy and fuel consumption (not included in Scope 1 and 2)**	**tCO2e**	1,426.3	6,818.9	2,063.0	93,328.3	88.0	1,500.2	105,224.7
• **Business travel**	**tCO2e**	2,913.3	3,142.5	5,245.6	9,014.3	2,378.0	11,590.3	34,284.0
• **Use of sold products**	**tCO2e**	135,509.8	50,201.6	174,448.7	218,814.7	-	-	578,974.8
• **Investments**	**tCO2e**						35,060.2	35,060.2
								-
Scope 1 + $2_{market\text{-}based}$ emissions	**tCO2e**	**6,189.7**	**25,524.3**	**18,947.2**	**270,656.6**	**9,137.4**	**6,663.8**	**337,118.9**
Total GHG emissions Scope 1 + $2_{market\text{-}based}$ +3	**tCO2e**	**398,129.4**	**327,881.9**	**548,926.1**	**946,893.3**	**18,133.5**	**102,797.9**	**2,342,762.0**
Total GHG emissions Scope 1 + $2_{location\text{-}based}$ +3	**tCO2e**	**735,353.7**	**391,310.8**	**783,902.0**	**1,123,121.2**	**23,727.4**	**107,224.6**	**3,164,639.7**
Biogenic emissions	**tCO2e**	**-**	**15,326.5**	**-**	**933.4**	**7.3**	**-**	**16,267.1**
Offset emissions	**tCO2e**	**3,714.0**	**25,525.0**	**3,472.0**	**-**	**-**	**1,000.0**	**33,711.0**
Targeted actions	**tCO2e**	**13,353.3**	**3,768.2**	**17,454.2**	**10,440.0**	**-**	**273.3**	**45,288.9**

*** Disaggregated data by country are included in the table below. The following countries are included: Argentina, Chile, Colombia, Ecuador, Mexico, Peru, Uruguay and Venezuela.**

**** Others: ACENS, Telefónica Tech UK, Telefónica GIES.**

	Unidad	TEF ALEMANIA	TEF BRAZIL	TEF ESPAÑA	TEF HISPAM*	GRUPO TELXIUS	Others**	TOTAL
Total energy consumption	**MWh**	**802,605.7**	**1,802,930.9**	**1,480,146.7**	**1,832,727.4**	**27,346.9**	**66,103.1**	**6,011,860.8**
• **- Total electricity consumption + Renewable energy self-generation**	**MWh**	**777,126.1**	**1,726,897.2**	**1,443,258.2**	**1,708,811.5**	**26,311.9**	**56,762.5**	**5,739,167.2**
○ **Consumption at base stations**	**MWh**	659,312.7	732,063.1	583,656.6	789,780.9	-	-	2,764,813.3
○ **Consumption in Central Stations (Fixed Switch Sites)**	**MWh**	25,409.2	713,022.8	684,869.3	580,707.6	-	-	2,004,008.9
○ **Consumption in Mobile Telephone Switching Offices (MTSOS)**	**MWh**	45,576.5	134,306.8	-	130,975.3	-	-	310,858.7
○ **Consumption in Data Centers**	**MWh**	29,958.4	68,740.3	133,072.0	125,104.4	-	16,487.7	373,362.8
○ **Consumption in Others (Offices, Call Centers, Shops, Landing Stations, Pops and Waves)**	**MWh**	16,549.0	78,763.5	39,970.4	78,423.4	25,980.9	40,274.8	279,962.0
○ **Self-generation of renewable energy**	**MWh**	111.6	-	1,688.3	3,798.0	331.0	-	5,928.8
○ **Consumption in electric vehicles**	**MWh**	208.6	0.7	1.6	21.8	-	-	232.8
• **- Fuel consumption + District heating**	**MWh**	**25,479.6**	**76,033.8**	**36,888.6**	**123,916.0**	**1,035.0**	**9,340.6**	**272,693.6**
○ **Operations fuel consumption**	**MWh**	3,604.4	13,658.6	26,465.7	70,822.5	851.7	4,902.4	120,305.3
○ **Fleet fuel consumption**	**MWh**	18,486.0	62,375.2	10,422.9	53,093.5	183.3	2,717.4	147,278.1
○ **District heating**	**MWh**	3,389.3	-	-	-	-	1,720.9	5,110.1
Electricity consumption from renewable sources including self-generation	**MWh**	**777,126.1**	**1,726,897.2**	**1,443,258.2**	**842,531.6**	**25,979.1**	**39,575.3**	**4,855,367.5**
% consumption of renewable electricity in own installations	**%**	**100.0**	**100.0**	**100.0**	**52.3**	**99.4**	**69.2**	**83.9**
Targeted actions	**MWh**	**30,767.9**	**102,590.6**	**107,080.8**	**39,330.7**	**-**	**1,676.5**	**281,446.5**

*** Disaggregated data by country are included in the table below. The following countries are included: Argentina, Chile, Colombia, Ecuador, Mexico, Peru, Uruguay and Venezuela.**

**** Others: ACENS, Telefónica Tech UK, Telefónica GIES.**

TELEFÓNICA HISPAM BREAKDOWN

Year: 2023	Unit	TEF Argentina	TEF Chile	TEF Colombia	TEF Ecuador	TEF México	TEF Perú	TEF Uruguay	TEF Venezuela	TEF HISPAM
Scope 1: Direct GHG emissions	**tCO2e**	**23,076.3**	**9,405.0**	**10,141.4**	**1,035.8**	**4,304.4**	**3,564.1**	**483.0**	**9,239.9**	**61,249.9**
• **Operations**	**tCO2e**	4,103.8	2,614.3	2,905.6	501.4	332.5	1,580.5	73.6	5,804.7	17,916.3
• **Fleet**	**tCO2e**	7,245.9	3,407.4	444.2	152.7	449.4	597.1	286.2	345.3	12,928.2
• **Refrigerant gases and fire extinguishing gases**	**tCO2e**	11,726.6	3,383.3	6,791.5	381.7	3,522.6	1,386.5	123.3	3,089.9	30,405.4
Scope 2: Indirect GHG emissions (market-based)	**tCO2e**	**121,321.6**	**-**	**5,557.8**	**5,351.6**	**35,240.4**	**-**	**1,458.4**	**40,476.9**	**209,406.7**
• **District heating**	**tCO2e**	-	-	-	-	-	-	-	-	-
• **Electricity (market-based)**	**tCO2e**	121,321.6	-	5,557.8	5,351.6	35,240.4	-	1,458.4	40,476.9	209,406.7
Scope 2: Indirect GHG emissions (location-based)	**tCO2e**	**131,691.4**	**78,723.4**	**32,607.9**	**8,774.5**	**37,345.3**	**54,556.8**	**1,458.4**	**40,476.9**	**385,634.6**
• **District heating**	**tCO2e**	-	-	-	-	-	-	-	-	-
• **Electricity (location-based)**	**tCO2e**	131,691.4	78,723.4	32,607.9	8,774.5	37,345.3	54,556.8	1,458.4	40,476.9	385,634.6
Scope 3: Other indirect GHG emissions (total)	**tCO2e**	**171,830.5**	**149,679.2**	**83,301.5**	**16,290.1**	**98,043.7**	**111,235.4**	**10,308.0**	**35,548.3**	**676,236.7**
• **Purchased goods and services**	**tCO2e**	58,968.1	65,367.5	39,015.7	6,747.3	68,570.5	53,465.0	5,294.1	1,441.2	298,869.5
• **Capital goods**	**tCO2e**	7,689.4	13,282.1	11,704.2	4,967.8	1,257.6	10,925.5	1,682.3	4,700.9	56,209.9
• **Activities related to energy and fuel consumption (not included in Scope 1 and 2)**	**tCO2e**	44,492.6	1,397.1	3,464.8	2,895.9	9,600.7	527.9	1,755.4	29,193.9	93,328.3
• **Business travel**	**tCO2e**	3,190.3	1,442.5	1,209.9	568.6	946.2	1,169.0	275.7	212.3	9,014.3
• **Use of sold products**	**tCO2e**	57,490.2	68,189.9	27,906.9	1,110.5	17,668.7	45,148.0	1,300.5	-	218,814.7
• **Investments**	**tCO2e**	-	-	-	-	-	-	-	-	-
Scope 1 + $2_{market\text{-}based}$ emissions		**144,397.9**	**9,405.0**	**15,699.2**	**6,387.3**	**39,544.8**	**3,564.1**	**1,941.4**	**49,716.8**	**270,656.6**
Total GHG emissions Scope 1 + $2_{market\text{-}based}$ +3		**316,228.4**	**159,084.2**	**99,000.7**	**22,677.4**	**137,588.5**	**114,799.5**	**12,249.4**	**85,265.1**	**946,893.3**
Total GHG emissions Scope 1 + $2_{location\text{-}based}$ +3		**326,598.2**	**237,807.6**	**126,050.8**	**26,100.3**	**139,693.4**	**169,356.3**	**12,249.4**	**85,265.1**	**1,123,121.2**
Biogenic emissions	**tCO2e**	**618.6**	**-**	**220.3**	**-**	**-**	**79.3**	**15.2**	**-**	**933.4**
Offset emissions	**tCO2e**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Targeted actions	**tCO2e**	**5,498.1**	**762.2**	**520.0**	**163.1**	**1,986.3**	**1,388.9**	**61.5**	**59.9**	**10,440.0**

	Unit	TEF Argentina	TEF Chile	TEF Colombia	TEF Ecuador	TEF México	TEF Perú	TEF Uruguay	TEF Venezuela	TEF HISPAM
Total energy consumption	**MWh**	**478,948.7**	**284,676.0**	**306,478.1**	**65,495.0**	**88,648.1**	**281,992.8**	**29,238.7**	**297,250.1**	**1,832,727.4**
• **- Total electricity consumption + Renewable energy self-generation**	**MWh**	**429,888.8**	**261,936.6**	**292,608.9**	**63,035.2**	**85,851.2**	**273,508.5**	**27,740.6**	**274,241.6**	**1,708,811.5**
○ **Consumption at base stations**	**MWh**	135,085.1	107,274.9	121,002.2	49,229.5	22,670.5	121,722.0	20,262.1	212,534.6	789,780.9
○ **Consumption in Central Stations (Fixed Switch Sites)**	**MWh**	43,388.9	122,155.4	110,903.6	-	-	104,259.7	-	-	580,707.6
○ **Consumption in Mobile Telephone Switching Offices (MTSOS)**	**MWh**	4,726.0	3,699.8	24,180.1	6,333.3	24,527.0	17,188.7	6,094.3	44,226.2	130,975.3
○ **Consumption in Data Centers**	**MWh**	40,603.8	17,564.1	19,765.4	5,933.4	24,615.5	16,622.2	-	-	125,104.4
○ **Consumption in Others (Offices, Call Centers, Shops, Landing Stations, Pops and Waves)**	**MWh**	5,998.5	11,184.7	15,291.1	1,539.0	14,038.2	12,270.3	628.5	17,473.2	78,423.4
○ **Self-generation of renewable energy**	**MWh**	86.5	57.8	1,466.6	-	-	1,445.5	733.9	7.7	3,798.0
○ **Consumption in electric vehicles**	**MWh**	-	-	-	-	-	-	21.8	-	21.8
• **- Fuel consumption + District heating**	**MWh**	**49,059.9**	**22,739.5**	**13,869.1**	**2,459.8**	**2,796.9**	**8,484.3**	**1,498.2**	**23,008.4**	**123,916.0**
○ **Operations fuel consumption**	**MWh**	17,813.2	9,947.1	12,026.1	1,868.4	1,189.2	6,072.8	274.1	21,631.7	70,822.5
○ **Fleet fuel consumption**	**MWh**	31,246.7	12,792.4	1,843.1	591.4	1,607.7	2,411.5	1,224.1	1,376.7	53,093.5
○ **District heating**	**MWh**	-	-	-	-	-	-	-	-	-
Electricity consumption from renewable sources including self-generation	**MWh**	**33,930.5**	**261,936.6**	**242,985.6**	**24,590.0**	**4,838.9**	**273,508.5**	**733.9**	**7.7**	**842,531.6**
% consumption of renewable electricity in own installations	**%**	**10.2**	**100.0**	**88.9**	**40.9**	**7.8**	**100.0**	**2.7**	**0.0**	**52.3**
Targeted actions	**MWh**	**17,944.3**	**2,535.5**	**4,642.7**	**1,171.6**	**4,566.3**	**6,926.3**	**1,138.4**	**405.6**	**39,330.7**

In Madrid, date 2024-02-16

Rafael García Meiro
Consejero Delegado / CEO