

Press Release

## Telefónica España and the trade unions sign the Collective Bargaining Agreement that will run until 2026

- The agreement was unanimously approved by the company and the workers' representatives (UGT, CCOO and Sumados), with 24 votes in favour.
- The Third Collective Bargaining Agreement will run until 31 December 2026 and can be extended for a further year.
- In addition, it has been agreed the execution of Collective Redundancies up to a total of 3,421 employees.

**Madrid, 3 January 2024.** Telefónica España and the most representative trade unions have reached an agreement to sign the Third Collective Bargaining Agreement, which runs until 31 December 2026 and can be extended for a further year, with the aim of moving towards a more digital, flexible and prepared company for future challenges in a highly competitive context and massive transformation. The agreement was unanimously endorsed by the company and the workers' representatives (UGT, CCOO and Sumados), with 24 votes in favour, zero against and no abstentions.

This agreement will allow to continue focus on loyalty and attracting the best talent, invest in the development of differential workforce capabilities through reskilling, improve competitiveness and place Telefónica España at the forefront of new ways of working and work-life balance on the premises of autonomy, responsibility and contribution to results.

In addition, and in parallel, it has been agreed the execution of Collective Redundancies up to a total of 3,421 employees. Employees turning 56 years or older in 2024 and with a seniority of more than 15 years can adhere. However, targets have been established that may result in limits on joining in critical areas or additional redundancies based on business reasons.

The present value of the Plan's is estimated in a provision of around 1,300 million euros (before taxes), with no cash impact. Average annual savings from direct expenses are estimated around 285 million euros from year 2025. In any case, the impact on cash

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generation will be positive from 2024, as the capture of savings since the departure of employees is expected to take place during the first quarter of 2024.

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