



# *Sustainable Financing*

Monitoring report

2023







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# Sustainable financing monitoring report



Colombia Telecomunicaciones SA ESP BIC (hereinafter Telefónica Movistar) presents in this Sustainable Financing Monitoring Report the extract of the indicators selected for the credits linked to sustainability performance presented in the Responsible Management Report 2023. The four indicators are the following:

- Percentage of women in leadership positions
- Energy consumption per traffic unit
- Consumption of Energy from renewable sources
- Percentage of Third Parties/Allies trained in Information Security



## Gender equality

### Indicator:

- Percentage of women in leadership positions

The Company is convinced that companies reflect the people who work there. For this reason, the management of Diversity, Equity and Inclusion (DEI) is a key lever to drive the digital transformation and the Company's Responsible Business Plan.

The Company has a Global Diversity Council and a Local Diversity Council, where all diversity actions, programs and initiatives are designed, implemented, and followed up.



**54% of the employees are men, while 46% are women. —**

Employees by gender and age

WOMEN			
less than 30	Between 30 and 50	More than 50	TOTAL
8%	35%	3%	46%

MEN			
less than 30	Between 30 and 50	More than 50	TOTAL
9%	39%	7%	54%

**GRAND TOTAL 100%**

The Board of Directors of the Telefónica Group reaffirms this commitment through a Global Diversity Policy applicable to all companies that are part of the group, which incorporates principles that guarantee equal opportunities; promoting a culture of diversity and inclusion; non-discriminatory, fair and impartial treatment in all aspects of the organization and position them categorically against any conduct or practice associated with prejudice based on, among others, nationality, ethnic origin, skin color, marital status, family responsibility, religion, age, disability, social condition, political opinion,

serological and health status, gender, sex, sexual orientation, gender identity and expression.

To leverage a culture of diversity, equity and inclusion, a strategy has been developed promote through actions, initiatives, communications, and safe workspaces the equal value of all the people who are part of Movistar, based on key elements such as Key Performance Indicators, Organizational Diagnosis, Inclusive Culture and Diverse Employer Brand.





## Gender equity management

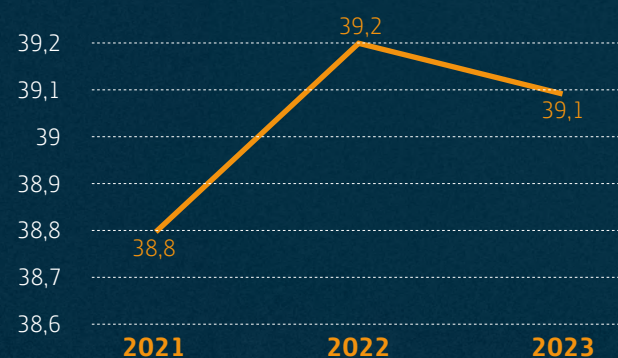
Initiatives focused on contributing to closing the gap and generating spaces with equality between men and women:

- Execution of a gender-focused **Recruitment and Selection process** with transparent and unbiased methods, giving equal opportunity to all employees. Among good practices and seeking to generate gender balance in leadership positions, at least one woman is guaranteed in the final shortlist and that the publication of vacancies is free of discriminatory criteria based on sex, age, marital status, appearance, height, weight, ethnicity, disability status, among others.

- Execution of a gender-focused Recruitment and Selection process with transparent and unbiased methods, giving equal opportunity to all employees. Among good practices and seeking to generate gender balance in leadership positions, at least one woman is guaranteed in the final shortlist and that the publication of vacancies is free of discriminatory criteria based on sex, age, marital status, appearance, height, weight, ethnicity, disability status, among others.

- Futura**, a women's leadership program, seeks to promote the women's leadership within the organization, developing different skills that will enable them to take on new challenges in positions of greater level and responsibility. Futura provides training in eight modules that allow participants to enhance their skills as leaders, obtain tools to "break glass ceilings" and prepare themselves to face the challenges that new positions within the organization entail. Workshops such as: Unconscious Biases, Personal Leadership, Negotiation, Communication and Networking, among others, are part of the program's training itinerary.

Percentage of Women in Leadership Positions



- Goals have been defined to leverage equity and the promotion of female leadership in higher-level positions. By the end of 2023, the Company achieved 41.6% of women in management positions and has **39.1% of women in leadership positions in its workforce.**

- Implementation of the measurement of spaces free of sexual harassment in the workplace for companies (ELSA). Definition and implementation of a structured work plan focused on eradicating situations associated with sexual harassment. This plan has been carried out with the support of Genderlab and the Inter-American Development Bank. This tool, leveraged on algorithms and artificial intelligence, has made it possible to recognize and act against sexual harassment in the workplace.

- The Company is a signatory to the UN Women's Empowerment Principles (WEPs) and the Global Compact, and strongly expresses its commitment to the promotion of gender equality and the empowerment of women, both in the workplace and in the community at large. This signature represents a key step towards creating a work environment and a presence in the labor market that recognizes and strengthens the invaluable contribution of women.





# Energy and Climate Change

## Indicators:

- Energy consumption per unit of traffic
- Consumption of Energy from renewable sources

The Company has implemented the Environmental Management System based on the ISO 14001:2015 standard, ensuring compliance with applicable environmental requirements, control of significant environmental risks and aspects, management of the footprint generated by the telecommunications networks deployment processes, etc., all under a rigorous standard with clearly defined objectives and goals that have been monitored throughout these 15 years, thus achieving continuous improvement of the Company's environmental management.

Telefónica Movistar's Environmental Management System has 5 Environmental Objectives, designed under two approaches, the first associated with the mitigation of environmental impacts and the second one to the prevention of fines and sanctions. The axes are: Resource Management, Energy and Climate Change, Circular Economy, compliance with legal requirements and continuous environmental improvement.

The Company adapts to global trends and is a leader in the sector in waste management,

aligned to the circular economy strategy not only nationally but worldwide, on the other hand, promotes in its Allies and contractors the responsible management of the environment in order to reduce their impact.

Each year, an environmental impact assessment is performed by analyzing the life cycle of the business and the interaction with the Company's administrative, technical and commercial processes or activities at the national level. At the end of 2023, we have identified impacts associated with: consumption of resources such as water, energy and paper, emissions to the environment from fixed and mobile sources, and waste and noise generation.

Different control and follow-up measures have been established, such as working groups with critical allies for the environmental management system, on significant environmental aspects and indicators of circular economy and climate change, and on environmental legal compliance and timely reporting to environmental authorities at the national level. In addition to this, the implementation of different environmental and energy efficiency projects.



Telefónica has a corporate environmental policy that establishes the environmental guidelines and commitments for all the group's operators. **This Policy is based on different commitments such as:**

- Risk management and legal compliance in environmental matters.
- Setting ambitious environmental objectives for continuous improvement.
- Improvement of internal eco-efficiency.
- Promoting digital solutions to help customers address the major environmental challenges affecting society.
- Involving suppliers and partners in the Company's environmental commitments.

The environmental policy is available to all stakeholders in digital and physical media nationwide in the experience centers and the web portal.

Similarly, the Company has an Energy Management Policy, defined within the framework of the Telefónica Group's Environmental Policy, and develops the principles of environmental management in energy matters. This Policy aims to provide a common frame of reference for the establishment of objectives and the undertaking of actions based on Telefónica's commitment to consume energy efficiently and reduce its greenhouse gas emissions, in order to move towards a company with zero net carbon emissions.

In addition, the Supply Chain Sustainability Policy establishes obligations to comply with best environmental practices.



# Energy Indicators

Movistar has a global corporate strategy for energy and climate change, with quantitative objectives that are not only compatible with the expansion of the network and the quality of service but will also help to be more competitive. Responsible energy consumption is where the Company has the greatest opportunities to generate savings and efficiencies, through the implementation of energy efficiency projects, self-generation and consumption of alternative and cleaner energies.

**In 2023, total energy consumption was 306,478 MWh. 1% less than in 2022. —**

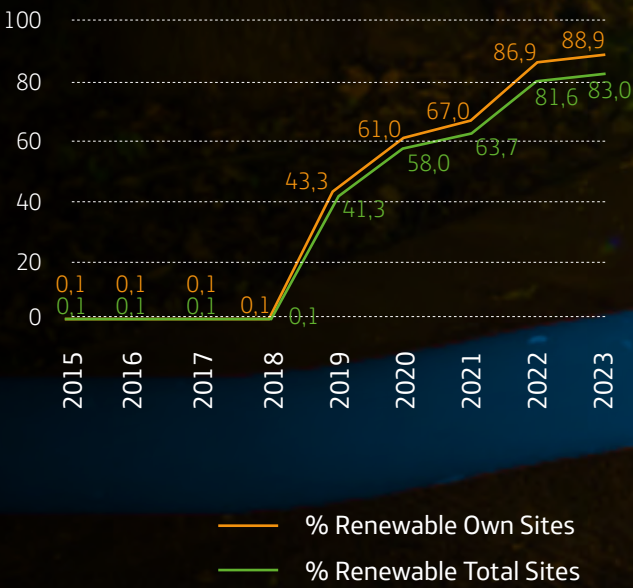
This comprises the Company's direct consumption of two types of energy: electricity (including self-generation) and fuels:

	2022	2023
Total Fuel Consumption (MWh)	14.229	13.869
Total Electricity Consumption (MWh) + Self-generation	294.735	292.609
<b>Total Energy Consumption (MWh)</b>	<b>308.964</b>	<b>306.478</b>



**In 2023, electricity consumption was 292,609 MWh** for the functioning of the entire operation. Of this total, thanks to the commitment and promotion of efficiency and responsible consumption initiatives, the total consumption of energy from renewable sources was 242.9 thousand MWh, that is, **83% of the total electricity consumption of the entire operation, including third-party sites. The Company's own facilities consumed 273.2 MWh, of which 88.9% came from renewable sources.** The Company also continues with the development of self-generation projects, which in 2023 generated 1,467 MWh from photovoltaic (solar) systems implemented in the second phase of the PPA On Site Project.

Percentage of Renewable Energy consumption 2015-2023



	Percentage of total energy consumption in own facilities coming from renewable energy sources	Percentage of total energy consumption in own and third-party facilities coming from renewable sources
2021	67,0	63,7
2022	86,9	81,6
2023	88,9	83,0

Diesel fuel is another source of energy used and serves as a backup when the electric power supply is interrupted or not provided. In 2023, consumption was **1.1 million liters of Diesel, a reduction of 2% compared to 2022**, equivalent to more than **25 thousand liters**. This was provided thanks to the implementation of equipment with greater efficiency and to the Diesel/Diesel consumption controls of partners and suppliers in the supply to the network nationwide.



Total Diesel Fuel Consumption  
(Liters)

2022	1.224.502
2023	1.198.616

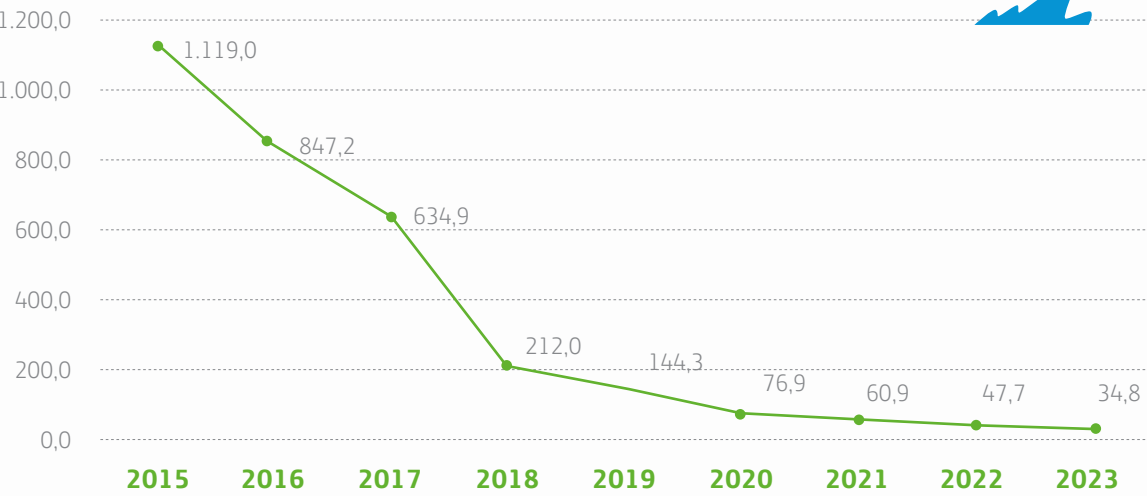
The Company has also made great efforts to **reduce fuel consumption in the vehicle fleet**, increasingly using fuel-efficient vehicles and improving fleet management through the use of M2M solutions. **Consumption in 2023 was 5% lower compared to 2022.**

Fuel consumption in vehicles  
(Liters)

2020	133.052
2021	165.258
2022	209.700
2023	199.833

Energy intensity

Total Energy Consumption per unit traffic 2015-2023  
MWh/Pb



In 2023, the energy intensity per unit of traffic was **34.8 MWh/Pb**, reflecting the Company's commitment to reducing energy consumption by ensuring nationwide network deployment.



Information Security



**Indicator:**

- Percentage of third parties /allied suppliers trained in Information Security

The Company, as a service provider, firmly believes that the proper access and processing of this significant amount of data represents a great opportunity to enrich the lives of citizens and contribute to the development of societies.

Telefónica Movistar respects the fundamental rights and freedoms of individuals, including the fundamental right to the protection of personal data. The Responsible Business Principles contemplate the need to preserve this fundamental right and, in this area, establish common behavioral guidelines for all companies that are part of it. The Company develops the general principles and guidelines of the Global Security Policy, which covers not only physical and operational security (of people and goods) but also digital security, business continuity, fraud prevention, supply chain security, as well as any other relevant area or function aimed at protecting the Company against potential damages, whatever they may be, or possible losses. In turn, the concept of digital security includes aspects related to information security and cybersecurity. These aspects are applied to the hardware, systems, technologies and elements that make up the network, and the services that support them, based on the following principles: legality, efficiency, co-responsibility, cooperation and coordination.

Comprehensive security is supported by the following regulatory framework:

- Global security policy:** this constitutes the Telefónica Group's statement of principles and commitment to security, based on international standards and best practices in digital security.
- General security regulations:** develop the general security principles and guidelines.
- Global security regulations:** where more guidelines are described that establish controls and measures necessary to ensure security in: information classification, security incidents, business continuity, change management, security risks, supply chain, access control, IT infrastructure, people, physical, networks and communications, assets, development lifecycle, cybersecurity, fraud management and infrastructure security governance.
- Local regulations:** aligned with global guidelines, best practices and Colombian regulations.



In 2023, the Company achieved a significant milestone in **digital security management by obtaining ISO 27001 information security quality certification for the billing area**. This achievement was the result of an external audit that satisfactorily evaluated the digital security processes.

The security culture has been strengthened through employee participation in awareness and training programs. In 2023, more than **87%** of direct employees participated in at least one of the security courses available in Success Factors -SSFF and attended digital security talks.

The deployment and use of Office 365 components for information protection has been a key factor in improving security in the workplace. More than **80%** of employees have demonstrated their commitment to information security by correctly labeling and classifying their information according to its criticality.

In addition, a risk analysis was performed on **70 critical processes** identified by the business continuity area and **35 critical applications** of the company. The Company works to ensure development controls, close security defects in the code and identify in a timely manner the projects and applications that require security review before going into production.

Work was done to improve the operational improvement and efficiency of digital security processes through the development and implementation of digital tools such as the SHIMO application and the ITGCS matrix, which keeps SOX security controls up to date.

Likewise, more than **95%** of the agile train initiatives were followed up, ensuring compliance

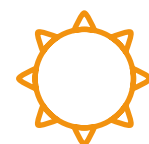
with security controls in architecture, integration, and access. Adjustments were made to **90%** of the access controls to improve the protection of the Active Directory, thus reducing the risk of attacks, information leaks and unauthorized access. This has generated security alerts and identified bad practices, **benefiting more than 33.000 users and collaborators**.

In addition, all the information corresponding to contracts and managers was updated, with a focus on more than **13.000** third-party users, in the authoritative source tool T-Tecnicos. This has reduced exposure to unauthorized access and ensured quality in the recertification process.

Vulnerability analysis and intrusion tests were performed on **98%** of the Company's critical applications and **100%** of the exposed assets. Thus, more than **4,700** assets of the internal technological and network infrastructure were integrated into the continuous monitoring of vulnerabilities and more than **15,000** assets were integrated into the security event monitoring procedure.

Finally, 100% of the incidents presented were managed in a timely manner, supporting the investigation, mitigation, implementation of controls and recovery of the affected assets. This was done without affecting or impacting the personal data of customers, suppliers or employees. Additionally, new sources of intelligence were integrated, allowing the Company to anticipate threats that may trigger potential security incidents.

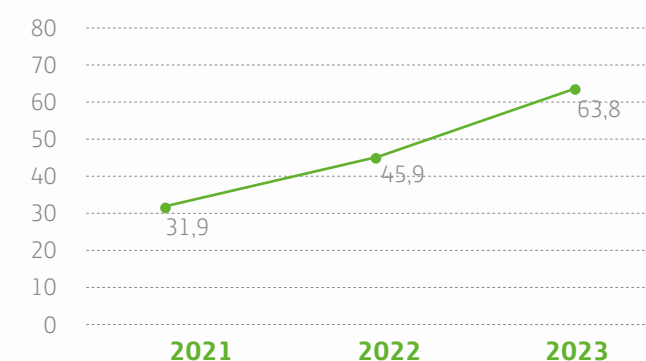
In 2023, the Company did not identify any complaints from users or authorities for violations of customer privacy or loss of their personal data.



## Allies trained in Cybersecurity

Information security and cybersecurity actions in 2023 focused on continuing to strengthen the security culture in the Company, achieving at the end of 2023 that 63.8% of employees of allies and third parties were trained in security, equivalent to **16,814** people trained.

Percentage of Allies Trained in Cybersecurity



This result is thanks to the joint work with the training area and channel leaders to adequately promote the course with allies and third parties, sending communications and guaranteeing spaces for people to take the course without affecting their operations.

The activities carried out that led to these results were as follows:

- Definition of user baseline.
- Definition of course deployment planning with call center channels, loop, agents and Experience Centers.
- Launching of the course by training.
- Downloading and sending of weekly course progress report.
- Consolidation of monthly indicator reports.
- Mobilization of the course with contract managers and channel managers.
- Monthly report to sustainability area for approval.



Within the framework of the Information Security System, it was possible to provide availability, confidentiality and integrity of data always, supporting the business in capturing value and avoiding the materialization of information security and cybersecurity risks.

The Company takes special care regarding the processing of personal data of its users and identifies this responsibility as a potential source of negative impacts. *In its role as data controller, the Company has implemented several actions to mitigate as much as possible the occurrence of any negative impact related to the right of users to their personal data, as explained below.*

Regarding Personal Data Protection, the Company recognizes the importance of assuming a commitment within the Company that guarantees due compliance and effective development of the Principle of Proactive Responsibility or Demonstrated Responsibility as it is called in Colombian legislation.

To this effect, the Company has implemented concrete actions that allow increasing its standards in terms of *Personal Data Protection and Information Security, with the purpose of guaranteeing its users a suitable treatment of their personal information and the certain and efficient compliance with the regulations in force regarding personal data protection. In accordance with the above, policies and programs have been developed that establish the internal guidelines for the adequate compliance and implementation of those provisions contained in the Personal Data Protection Law, its regulatory decrees and/or other provisions of the Data Protection Authority and international standards, among which are the following:*

- PQR and data deletion processes, among others.
- An Integral Personal Data Management Program.
- Continuous training courses and programs at the country level and for all Telefónica Group companies worldwide.
- A Data Protection and Habeas Data Committee.
- An Information Security Incident Committee.
- Activation of security protocols and information recovery.
- A Data Protection Officer.
- A Data Protection Officer at Corporate level in charge of all the DPO (Data Protection Officer) of the Telefónica Group companies.
- A specific area of attention to PQR related to data protection.
- A Personal Data Protection Center of Excellence at HISPAM level that reviews on a weekly basis the issue of Personal Data Protection in all Telefónica's operations in HISPAM.
- Guidelines, directives and instructions through Internal Directives.

- Personal Data Protection Policies at local and corporate level.
- Information Security Policies at both local and corporate levels.
- Online Registration of Databases before the Authority.
- Audits by the Internal Audit area and Corporate Audit.
- Audits to third party Data Processors.
- Audits by external companies expert in Data Protection.
- A technological tool that allows providing the necessary security levels and/or measures to databases and files containing personal data, such as the CETI tool.
- A technological tool that allows the efficient administration of files and/or databases containing personal data, such as the PRIVATECA tool.
- Contracts for the Transfer and Transmission of Personal Data; DPA (Data Processing Agreement); Data Processing Files between group companies; Binding Corporate Rules (in process and approval by the personal data authorities of Spain and Germany).





## Colombia Telecomunicaciones S. A. E. S. P. BIC

Independent Auditor's Limited Assurance Report on the information included in its Sustainable Financing Monitoring Report for the period ended December 31, 2023





## Independent External Auditor's Report

To Bancolombia S. A., Banco Bilbao Vizcaya Argentaria Colombia S.A. and Scotiabank Colpatría S.A.

We have undertaken to provide an independent limited assurance report on Colombia Telecomunicaciones S.A. E.S.P. BIC's ("the Company") compliance with the obligations detailed in its Sustainable Financing Monitoring Report and in accordance with the sustainability indicators included in the loan agreements signed between the company and Bancolombia S.A., Banco Bilbao Vizcaya Argentaria Colombia S.A. and Scotiabank Colpatría S.A. ("the Loan Agreements"), for the period ended December 31, 2023.

### Evaluation Criteria

The evaluation criteria defined are presented in Appendix I (Limited assurance criteria on the compliance by Colombia Telecomunicaciones S.A. E.S.P. BIC with the obligations established in the Loan Agreements and included in its Sustainable Financing Monitoring Report and the results obtained), included in this report.

### The company's responsibility on the Assurance Subject-Matter

Colombia Telecomunicaciones S. A. E.S.P. BIC's management is responsible for the preparation of the sustainable information included in its Sustainable Financing Monitoring Report, in accordance with the reporting criteria defined in our service proposal dated March 19, 2024, which are presented in the Appendix I included in this report. This responsibility includes designing, implementing and maintaining the internal control relevant to the preparation of information that is free from material misstatement due to fraud or error.

### Our Independence and Quality Control

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

The Firm applies the International Standard on Quality Management No. 1 (ISQM 1), which requires the Firm to design, implement, and operate a quality management system that includes policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

PwC Contadores y Auditores S.A.S., Calle 100 No. 11A-35, Bogotá, Colombia, Phone Number: (60-1) 7431111, [www.pwc.com/co](http://www.pwc.com/co)

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### Colombia Telecomunicaciones S. A. E.S.P. BIC

Independent Auditor's Limited Assurance Report on the information included in its Sustainable Financing Monitoring Report for the period ended December 31, 2023

### PwC's Responsibility

Our responsibility is to express a limited assurance conclusion on the company's compliance with the obligations established in the Loan Agreements and included in its Sustainable Financing Monitoring Report, in accordance with the evaluation criteria, based on the procedures we have performed and the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements, (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB). This Standard requires that we comply with ethical requirements and that we plan and perform our work to obtain limited assurance whether the company's compliance, of the subject matter, in accordance with the evaluation criteria, is free of material misstatements.

A limited assurance engagement performed in accordance with ISAE 3000 (Revised) involves assessing the appropriateness, in the circumstances, of Colombia Telecomunicaciones S. A. E.S.P. BIC's use of describing the evaluation criteria set forth in Appendix I (Limited assurance criteria on the compliance by Colombia Telecomunicaciones S.A. E.S.P. BIC with the obligations established in the Loan Agreements and included in its Sustainable Financing Monitoring Report and the results obtained), included in this report, as a basis for preparing the information, assessing the risks of material misstatement of the subject matter whether due to fraud or error, responding to the assessed risks depending on whether necessary in the circumstances, and evaluating the overall presentation of the subject matter. The scope of limited assurance engagement is substantially less than that of reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, as well as procedures performed in response to assessed risks.

The procedures we performed were based on our professional judgment and included interviews, observation of processes performed, inspection of documents, analytical procedures, evaluation of the appropriateness of arithmetic calculations and reporting policies, and agreeing or reconciliation with underlying records.

Given the circumstances of the engagement, when performing the procedures listed above:

- Understanding of the tools used to generate, aggregate and report the information through inquiries of those responsible for the processes listed, conducted virtually.
- Limited substantive testing, on a random sample of the information, to determine the criteria subject to limited assurance and verify that data has been properly measured, recorded, collated, and reported through:
  - a) Inspection of policies and procedures established by the Company.
  - b) Inspection of internal and external supporting documentation.





#### Colombia Telecomunicaciones S. A. E.S.P. BIC

Independent Auditor's Limited Assurance Report on the information included in its Sustainable Financing Monitoring Report for the period ended December 31, 2023

- c) Arithmetic calculations in accordance with formulas previously defined in the criteria included in the Appendix I included in this report.
- d) Comparison of the contents presented by Company's Management in its Sustainable Financing Monitoring Report with the defined criteria included in the Appendix I included in this report.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less in scope than for a reasonable assurance engagement. Accordingly, the level of assurance obtained in a limited assurance engagement is substantially less than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion on the company's compliance with the obligations established in the Loan Agreements has been prepared, in all material respects, in accordance with the assurance criteria described in included in the Appendix I included in this report.

#### Inherent Limitations

Non-financial data may be subject to more inherent limitations than financial information due to both its nature and the methods used to determine, calculate and estimate such information. Qualitative interpretations of relevance, materiality and accuracy of data are subject to individual assumptions and judgments.

#### Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the obligations established in the Loan Agreements and included in the Sustainable Financing Monitoring Report prepared by Colombia Telecomunicaciones S.A. E.S.P. BIC for the year ended December 31, 2023, is not prepared, in all material respects, in accordance with the assurance criteria described in the Appendix I included in this report.

#### Restrictions on Use and Distribution

Our report has been prepared solely for Bancolombia S.A., Banco Bilbao Vizcaya Argentaria Colombia S.A. and Scotiabank Colpatria S.A. for presentation by Colombia Telecomunicaciones S. A. E.S.P. BIC and is not to be used for any other purposes. We permit disclosure of this report in the 2023 the Sustainable Financing Monitoring Report to enable Colombia Telecomunicaciones S. A. E.S.P. BIC to demonstrate that they have fulfilled their governance responsibilities by engaging an independent limited assurance report in connections with the 2023 the Sustainable Financing Monitoring Report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our work or this report, except where the terms are expressly agreed and with our prior written consent.



#### Colombia Telecomunicaciones S. A. E.S.P. BIC

Independent Auditor's Limited Assurance Report on the information included in its Sustainable Financing Monitoring Report for the period ended December 31, 2023

#### Other matters

The scope of our assignment did not include the review of comparative information or previous periods, for which reason we do not express or make reference to the fulfillment of the commitments made by the company in previous periods or for criteria that no longer present a contractual obligation for part of the company for the year ended December 31, 2023

Judith Chica  
Certified Public Accountant  
Colombian CPA Registration No. 47884 -T  
PwC Contadores y Auditores S. A. S.  
April 29, 2024

Note: The maintenance and integrity of the Colombia Telecomunicaciones S.A. E.S.P. BIC website ([www.telefonica.co](http://www.telefonica.co)) repository of the Sustainable Financing Monitoring Report 2023, is the responsibility of the Company's Administration. The work carried out by PwC does not involve the consideration of these matters and, accordingly, PwC accepts no responsibility for any differences between the information presented on the website and in the Sustainable Financing Monitoring Report 2023 issued by the Company on which said assurance was made and the conclusion was issued.



# Anexx 1.

## Limited assurance criteria on the compliance by Colombia Telecomunicaciones S.A. E.S.P. BIC with the obligations established in the Loan Agreements and included in its Sustainable Financing Monitoring Report and the results obtained

In accordance with the obligations established in the Loan Agreements and included in its Sustainable Financing Monitoring Report, the following assurance criteria were defined to validate compliance with the obligations acquired by the Administration, which are detailed below:

Indicators subject to limited assurance	Assurance Criteria
Energy consumption per traffic unit	<p>The Company's Management includes in its Sustainable Financing Monitoring Report 2023 the result of its own indicator 'Total energy consumption per traffic unit', for the period from 1 January to 31 December 2023, in accordance with the procedures established by the Company's Management.</p> <p>The criteria of the indicator correspond to the information on energy intensity, understood as Telefónica Colombia's total energy consumption divided by the volume of data (total fixed and mobile traffic) in petabytes for the year of management. This indicator takes into account and adds up all the activities that consume energy in the Company's offices and technical centres, as well as fuel consumption expressed in energy units.</p> <p>The formula used to calculate the indicator is as follows:</p> <p><i>Total Energy Consumption per Traffic Unit (MWh / PB) = Total Energy Consumption (MWh) / Network Traffic (PB)</i></p> <p>The following sources are included in the <b>total energy consumption</b>:</p> <ul style="list-style-type: none"><li>• <b>Fuel in operation:</b> Refers to diesel consumption at Base Stations, Fixed Switch Sites (Stations), Mobile Telephone Switching Offices (MTSOs), shops and Data Centres.</li><li>• <b>Fuel in vehicles:</b> Refers to the consumption of petrol or diesel for vehicles operated by the Company.</li><li>• <b>Electrical energy:</b> Refers to the consumption of electrical energy in facilities where the Company operates.</li></ul> <p>This information is consolidated in the document "1. <i>Tabla Maestra Energía - Energy Master Table_20240402144209</i>".</p>

In addition, the Sygris platform manages the following emission and conversion factors related to this indicator, taken from the GHG Protocol and obtained from the 'Emission Factors from Cross-Sector Tools' section of its website ([https://ghgprotocol.org/calculation-tools-and-guidance#cross\\_sector\\_tools\\_id](https://ghgprotocol.org/calculation-tools-and-guidance#cross_sector_tools_id)), as a basis for conversion. The calculation is made by the company from Corporate, in Spain, which enters the data in Sygris. These factors are audited in Spain by AENOR and are only adjusted when updates are submitted by GHG Protocol and pass the audit process. The conversion factors are presented below:

Fuel	Value	Unit
Biodiesel	9.53	kWh/litre
Etanol	5.91	
Diesel oil	10.03	
Gasolina	9.11	
GLP	7.10	
Gas natural	10.23	kWh/Nm³

Network traffic is determined by consulting the following data:

- **Total network traffic:** Includes the total upstream and downstream traffic of the following links on the Across PM platform:
  - o NAP
  - o Enlaces
  - o Netflix
  - o Google
  - o Akamai
  - o Facebook
- **Total mobile network traffic:** Includes total upstream and downstream traffic from the following networks on the PTM platform:
  - o 2G
  - o 3G
  - o 4G

This information is used to calculate the upstream and downstream fixed network traffic (Fixed Network Traffic = Total Traffic – Mobile Traffic) in order to upload the information to Sygris.

The scope of the assurance work is limited to agreeing the information reported in the ISFS 23 with the sources of information mentioned in the criteria, provided by the Sustainability Coordinator, who has consolidated this information from the records and reports of the other Company areas entered in the Sygris platform; validating, on a sample basis, the existence and accuracy of the source data for the calculation; and to recalculating the final values based on the formulas established in the criteria and based on the information included in such sources; and does not include the evaluation of the reasonableness or appropriateness of the sources of information used for the calculation in the year under review, their completeness, or the evaluation of the occurrence of the events that gave rise to the report.



<b>Energy consumption from renewable sources</b>	<p>The Company's Management includes in its Sustainable Financing Monitoring Report 2023 the result of its own indicator 'Consumption of Electricity from Renewable Sources', for the period from 1 January to 31 December 2023, in accordance with the procedures established by the Company's Management.</p> <p>The criteria for the indicator correspond to the information on the consumption of electricity from renewable sources, expressed as a percentage of the consumption of electricity from renewable sources in relation to Telefónica's total electricity consumption (in its own facilities and those of third parties where the Company operates). The consumption of renewable energy is understood to be that related to the following three lines of action, within the framework of the market and the regulations in force in the country, as defined in Telefónica's Renewable Energy Plan:</p> <ul style="list-style-type: none"><li>• Procurement of renewable energy with certificates of origin</li><li>• Long-term Renewable Power Purchase Agreements (PPAs)</li><li>• On-site self-generation</li></ul> <p>The formulas used to calculate the indicator are as follows:</p> <p><i>% Consumption of electricity from renewable sources in total operations (%) = (Consumption of electricity from renewable sources in own and third-party facilities (MWh) / Total electricity consumption in own and third party facilities (MWh)) * 100</i></p> <p><i>% Consumption of electricity from renewable sources in own facilities (%) = (Consumption of electricity from renewable sources in own facilities (MWh) / Total electricity consumption in own facilities (MWh)) * 100</i></p> <p>This information is consolidated in the document "1. Tabla Maestra Energía - Energy Master Table_20240402144209.xlsx".</p> <p>The scope of the assurance work is limited to agreeing the information reported in the ISFS 23 with the sources of information mentioned in the criteria, provided by the Sustainability Coordinator, who has consolidated this information from the records and reports of the other Company areas entered in the Sygris platform; validating, on a sample basis, the existence and accuracy of the source data for the calculation; and to recalculating the final values based on the formulas established in the criteria and based on the information included in such sources; and does not include the evaluation of the reasonableness or appropriateness of the sources of information used for the calculation in the year under review, their completeness, or the evaluation of the occurrence of the events that gave rise to the report.</p>
<b>Percentage of women in leadership positions</b>	<p>The Company's Management includes in its Sustainable Financing Monitoring Report 2023 the result of its own indicator "Percentage of Women in Leadership Positions" for the period from 1 January to 31 December 2023, in accordance with the procedures established by the Company's Management.</p> <p>The criteria for the indicator correspond to gender equality information expressed as the percentage of women in leadership positions. A leadership position is defined as a position corresponding to the following staffing levels:</p> <ul style="list-style-type: none"><li>• Managerial: 'Valora' employees recognised within the management structure approved by the Telefónica Group's Nomination, Remuneration and Corporate Governance Committee (CNR, per its Spanish initials).</li><li>• Pre-Managerial: Employees with the highest pay grade within a "y" company reporting to a 'Valora' manager, not necessarily with dependents.</li></ul> <p>The formula used to calculate the indicator is as follows:</p> <p><i>Percentage of women in leadership positions (%) = (Female managers + Female pre-managers) / (Female and Male managers + female and male pre-managers)* 100</i></p> <p>The indicator considers direct employees as recorded in the Company's official headcount and registered in the SuccessFactors application.</p> <p>The scope of the assurance work is limited to agreeing the information reported in the ISFS 23 with the sources of information mentioned in the criteria, provided by the Sustainability Coordinator, who has consolidated this information from the records and reports of the other Company areas entered in the SuccessFactors platform; to validating, on a sample basis, the existence and accuracy of source data for the calculation; and to recalculating the final values based on the formulas established in the criteria and based on the information included in such sources; and does not include the assessment of the reasonableness or appropriateness of the sources of information used for the calculation in the year under review, their completeness, or the assessment of the occurrence of the events that gave rise to the report.</p>

<b>Percentage of third parties /allied suppliers trained in information security</b>	<p>The Company's Management includes in its Sustainable Financing Monitoring Report 2023 the result of its own indicator "Percentage of allies and third parties trained in Information Security" for the period from 1 January to 31 December 2023, in accordance with the procedures established by the Company's Management.</p> <p>The criteria for the indicator correspond to information security training information, expressed as the percentage of allies/third parties that have undergone and completed any type of digital security training (without groupings) during the reporting year. In the period under evaluation, the percentage of ally/third party employees that have received and completed any type of digital security training during the contract period with Telefónica is taken into account, even if the service contract with Telefónica had already ended at the time of the audit.</p> <p>Digital security training takes into account employees of allies/third parties such as: call centres, commercial agents, experience centres, customer service channels, among others, who have access to the Company's information system, databases, and digital information and who must have a service contract established with the ally/third party.</p> <p>The formula used to calculate the indicator is as follows:</p> <p><i>Percentage of allies and third parties trained in information security (%) = (Total number of people who have received and completed some form of digital security training / Total number of allies/third parties registered in T-Técnicos) * 100</i></p> <p>The information is obtained from the T-Técnicos platform, where external users are created, for third parties and allies, and from which users are downloaded by means of a report. The latter is validated against Telefónica's Directorio Activo platform to verify the final number of active users. For training, the Elige Aprender platform is used, where users can access and run the Seguridad Digital o Seguridad de la Información 2023 (Digital Security or Information Security 2023) course. With this information, the indicator is presented by consolidating the users trained from 1 January to 31 December 2023.</p> <p>The scope of the assurance work is limited to agreeing the information reported in the ISFS 23 with the sources of information mentioned in the criteria, provided by the Sustainability Coordinator, who has consolidated this information from the records and reports of the other Company areas based on the reports of the different platforms involved (T-Técnicos, Directorio Activo and Elige Aprender); to validating, on a sample basis, the existence and accuracy of source data for the calculation; and to recalculating the final values based on the formulas established in the criteria and based on the information included in such sources; and does not include the assessment of the reasonableness or appropriateness of the sources of information used for the calculation in the year under review, their completeness, or the assessment of the occurrence of the events that gave rise to the report.</p>
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