

TELEFÓNICA, S.A. (“Telefónica” or the “Company”) in compliance with the Securities Market legislation, hereby communicates the following:

## **INSIDE INFORMATION**

Telefónica, during its *Capital Markets Day* to be held today in Madrid under a hybrid format, will communicate its strategic guidelines up to 2028 (mid-term) and 2030 (long-term) and the expected consolidated performance based on the following key financial indicators of the Transform & Grow framework:

- Revenue expected to grow at CAGR (*Compounded Annual Growth Rate*) of 1.5-2.5% over 2025-2028, accelerating to 2.5-3.5% CAGR between 2028-2030.
- Adjusted EBITDA CAGR of 1.5-2.5% for 2025-2028 and accelerating to 2.5-3.5% for 2028-2030.
- CapEx/Sales will decrease to around 12% in 2026-2028 period, declining from the first year of the plan. Further decline to around 11% by 2030.
- Adjusted OpCFaL (EBITDAaL minus CapEx) CAGR of 1.5-2.5% for 2025-2028 and accelerating to 2.5-3.5% for 2028-2030.
- Free cash flow (FCF) base for guidance expected in the range of €2.9-3.0bn in 2026, with a CAGR of 3-5% for 2025-2028.
- Leverage reduction to around 2.5x Net debt/EBITDAaL by 2028, supporting a solid investment grade balance sheet.
- 2025 dividend of 0.30 euro per share to be paid in two tranches in December 2025 and June 2026 (0.15 euro per share each). In 2026, dividend of 0.15 euro per share in cash to be paid in June 2027. The target remuneration for 2027 and 2028 will be based on a 40-60% payout of FCF base for dividend, to be paid in June of the following year. For dividends to be paid from June 2026, the adoption of the corresponding corporate resolutions will be proposed in due course.

*Note: CAGR in revenue, adjusted EBITDA and adjusted OpCFaL and CapEx/Sales assume constant perimeter and constant FX 2025.*

*FCF base for guidance includes FCF from continuing operations and excludes employee commitments, dividends from VMO2 and spectrum payments.*

*FCF base for dividend is the FCF base for guidance including employee commitments and dividends from VMO2.*

Madrid, November 4, 2025.

**SPANISH NATIONAL SECURITIES MARKET COMMISSION**

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*This document may contain forward-looking statements (including forward-looking statements within the meaning of the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995). These forward-looking statements may include financial and other forecasts and estimates, as well as statements regarding plans, objectives and expectations of the Telefónica Group. Other forward-looking statements can be identified in the context in which such statements are made or by the forward-looking nature of discussions of strategy, plans, objectives or intentions. These forward-looking statements include statements regarding our intent, belief or current expectations with respect to, among other things, the effect on our results of operations of competition in telecommunications markets; trends affecting our business, financial condition, results of operations or cash flows; ongoing or future acquisitions, investments or divestments; our capital expenditures plan; our estimated availability of funds; our ability to repay debt with estimated future cash flows; our shareholder remuneration policies; supervision and regulation of the telecommunications sectors where we have significant operations; our environmental, social and governance commitments and targets; our existing or future strategic partnerships or joint ventures; and the potential for growth and competition in current and anticipated areas of our business.*

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