

Press release

Microsoft and Telefónica Tech will offer specific confidential hybrid cloud solutions for Public Administrations

- The joint solutions of the two companies will enable Spanish public administrations and companies in regulated sectors to respond to the needs of digital sovereignty.
- Telefonica Tech and Microsoft meet the most stringent legal and technical requirements for cloud trust principles, securing them with Microsoft's Confidential Computing technology and Telefonica Tech's cyber threat monitoring and management capabilities.
- Telefónica Tech will provide professional and managed advisory, implementation and operational services to deploy and operate the cloud services, which will be marketed through Telefónica Empresas.

Madrid, 30 December 2021. Microsoft and <u>Telefónica Tech</u> strengthen their strategic alliance to offer specific confidential hybrid cloud solutions to public administrations and companies in regulated sectors, with a focus on offering monitoring and encryption services to guarantee the security and privacy of their data in Microsoft Azure, Microsoft 365 and Microsoft Dynamics 365.

Microsoft and Telefónica Tech will offer public sector organisations, including Defence, and companies in regulated environments the possibility to benefit from best-of-breed cloud computing and infrastructure services to advance their digital transformation plans, while complying with data protection provisions and recommendations defined by the European Data Protection Board (EDPB).

Microsoft provides the strongest privacy safeguards and addresses the needs of digital sovereignty through a unique set of technologies and certifications. The company has high-level National Security Scheme certification for Azure, Microsoft 365 and Dynamics 365 and has made a contractual commitment to legally oppose access to its enterprise and public sector customers' data by any government. Microsoft has also announced the EU Data Boundary initiative to allow the company's customers to store and process their personal data within the EU. This commitment applies to Microsoft Azure, Microsoft 365 and Dynamics 365 cloud services.

For its part, Telefónica Tech will provide consultancy, implementation and operation services that will enable the deployment of maximum security cloud services within the scope of public administrations and companies in regulated environments, guaranteeing



compliance with information privacy, quality of service and regulatory compliance requirements at all times.

Telefónica Tech will complement the joint offer of both with value-added services, such as the intelligent management of communications and infrastructures or the monitoring and management of cyber threats from its Cybersecurity Operations Centre, with the aim of guaranteeing a rapid and secure adoption of cloud services by the different organisations and institutions. It will also offer specialised consulting services for the design, deployment and operation of Big Data platforms on Microsoft Azure Cloud capabilities, accompanying public administrations and companies in regulated environments in the definition and implementation of their data and artificial intelligence strategy, and contributing to the development of specific use cases.

In addition, specific solutions will be offered for the Defence sector that combine the 5G connectivity solutions offered by Telefónica with Microsoft cloud services, enabling innovation in environments with high security and compliance requirements.

A boost in the collaboration between Microsoft and Telefónica Tech

All these services will be implemented in Microsoft's current cloud environments and will be complemented by the upcoming availability of the new Cloud Region that Microsoft will open in Spain and that will take advantage of Telefónica's current infrastructure, as already announced in February 2020. In this way, they strengthen and expand the relationship between the two companies to help accelerate the digital transformation of public and private entities of all sizes, helping them to innovate, grow and migrate their businesses to the cloud securely.

José Cerdán, CEO of Telefónica Tech, said: "We believe that the alliance between Microsoft and Telefónica is a giant step forward in enabling the digital transformation of the public sector and, in general, of the country. The combination of Microsoft's technology with Telefónica's service, management and control capabilities guarantees both sovereignty and privacy as well as scalability and the evolution of infrastructures and citizen services, all with the highest level of quality".

Alberto Granados, president of Microsoft Spain, remarked: "At Microsoft we have long demonstrated our commitment to meeting and exceeding the data protection requirements of the European Union. This joint value proposition with Telefónica to provide confidential hybrid cloud solutions responds to the needs of digital sovereignty and demonstrates that we continue to make progress on this commitment.

Microsoft was the first hyperscale cloud provider to be certified as compliant with the high level of the National Security Scheme in 2016, demonstrating the company's commitment to delivering cloud products with the highest security standards. This certification is available for all three Microsoft public clouds: Microsoft Azure, Microsoft 365 and Dynamics 365. It has also been the first to provide Confidential Computing



services working with Intel and AMD. These Microsoft cloud services add to existing protections for data in transit and at rest, protection in use, which ensures maximum privacy. In addition, the company offers advanced encryption services that complement the base encryption measures, allowing the implementation of encryption systems using keys provided and managed by the customer or a third party, in this case Telefónica, and managed and dedicated hardware security module (HSM) services.

Telefónica Tech, through its capabilities and experience, accelerates the implementation of technology through its Cybersecurity, Cloud, IoT, Big Data, Artificial Intelligence and Blockchain services. It has 11 specialised Digital Operations Centres (DOC) with 24x7 services from which it manages more than 30,000 servers and monitors more than 100 million cybersecurity events per year. It also has more than 3,000 expert professionals with the highest certifications in cloud services and cybersecurity who provide service to the Telefónica Group's 5.5 million B2B customers in 175 countries.

About Telefónica Tech

Telefónica Tech is the leading company in digital transformation. The company offers a wide range of services and integrated technological solutions in Cybersecurity, Cloud, IoT, Big Data and Blockchain. For more information, please visit: https://telefonicatech.com/