



TELEFÓNICA, S.A. in compliance with the Securities Market legislation, hereby communicates the following:

OTHER RELEVANT INFORMATION

The Board of Directors of Telefónica, S.A., at its meeting held today, has resolved that in a meeting to be held on May 26, 2021, the appropriate corporate resolutions to carry out the execution of the capital increase with a charge to reserves related to the shareholder compensation through scrip dividend payment ("Telefónica's Flexible Dividend"), approved by the Annual General Shareholders' Meeting held today, April 23, 2021, under item VI.1 of its Agenda, will be submitted for approval of the Board of Directors of the Company or of its Executive Commission.

As such, it is expected that the five trading sessions prior to May 26, 2021 determine the market price that will apply to the formulae for determining the purchase price of the free allotment rights and the provisional number of shares to be issued.

In this regard, it is expected for the announcement of the capital increase to be published in the Official Companies Registry Gazette (*Boletín Oficial del Registro Mercantil*) on May 31, 2021, which would hence be the last trading date for the shares of Telefónica to have the right to participate in the scrip dividend. The period for trading the free allotment rights would begin on June 1, 2021 and the shares would trade ex-date as of such date.

Madrid, April 23, 2021

**SPANISH NATIONAL SECURITIES MARKET COMMISSION
- MADRID -**