

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

OTHER RELEVANT INFORMATION

Further the communication published on November 24, 2021 (with registry number 12877), Telefónica, S.A. informs that on December 15, 2021 the free-of charge allotment rights trading period for the second capital increase with charge to reserves related to the shareholder compensation by means of a scrip dividend ("Telefónica's Flexible Dividend"), ended.

The shareholders of 34.98% of the free-of-charge allotment rights have accepted the purchase commitment assumed by Telefónica, S.A. The gross amount to be paid by Telefónica, S.A. for these rights amounts to 291,885,026.94 euros. Telefónica, S.A. has waived the rights thus acquired, that have been amortized.

On the other hand, the shareholders of 65.02% of the free-of-charge allotment rights have opted to receive new shares of Telefónica S.A. Therefore, the final number of ordinary shares with a nominal value of 1 euro issued in the capital increase is 140,994,513, corresponding to 2.50% of the share capital, being the amount of the capital increase 140,994,513 euros. As a result, the amount of the share capital of Telefónica, S.A. after the capital increase has been set at 5,779,048,020 euros, divided into 5,779,048,020 shares.

Also, it is expected that the new shares will be admitted to listing on the four Spanish Stock Exchanges and will be traded on the Spanish Automated Quotation System (*Sistema de Interconexión Bursátil Español*) next, December 23, 2021 so that the ordinary trading of the new shares in Spain will begin on, December 27, 2021. The admission to listing of the new shares on the different foreign Stock Exchanges where Telefónica, S.A. is listed will also be requested.

Madrid, December 17, 2021

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