



RAMIRO SÁNCHEZ DE LERÍN GARCÍA-OVIES
*General Secretary and
Secretary to the Board of Directors*
TELEFÓNICA, S.A.

TELEFÓNICA, S.A. (hereinafter “Telefónica”), as provided in article 228 of the Spanish Stock Market Act (*Ley del Mercado de Valores*), hereby reports the following

SIGNIFICANT EVENT

Telefonica’s Board of Directors, at its meeting held today, has resolved to adopt the following resolutions in connection with the composition of the Board of Directors of Telefónica, S.A. and its Committees:

- To take formal note and record the voluntary resignation presented to their respective positions as members of the Board of Directors of Telefónica, S.A. by Mr. Carlos Colomer Casellas, Mr. Alfonso Ferrari Herrero, Mr. José Fernando de Almansa Moreno-Barreda and Mr. Santiago Fernández Valbuena acknowledging many years of work and collaboration with the Telefónica Group and, in particular, for the services rendered during their tenures.
- Likewise and in other to cover the abovementioned vacant positions, to appoint by co-optation, Ms. Sabina Fluxà Thienenmann, Mr. José Javier Echenique Landiribar, Mr. Peter Löscher and Mr. Juan Ignacio Cirac as Independent Directors, upon the proposal of the Nominating, Compensation and Corporate Governance Committee. Moreover, their ratification and appointment has been proposed, as Independent Directors of Telefónica, S.A to the next General Shareholders Meeting.
- With the abstention of the Executive Chairman and on a proposal of the Nominating, Compensation and Corporate Governance Committee, to appoint as Coordinating Independent Director (“Lead Director”), Mr. Francisco Javier de Paz Mancho.
- Moreover, it has agreed to appoint: (i) member of the Executive Commission the Independent Director Mr. José Javier Echenique Landiribar; (ii) Chairman of the Audit and Control Committee, Independent Director Mr. José Javier Echenique Landiribar; (iii) member and Chairman of the Nominating, Compensation and Corporate Governance Committee, Independent Director Mr. Francisco Javier de Paz Mancho.

Madrid, April 8, 2016.

COMISIÓN NACIONAL DEL MERCADO DE VALORES
- MADRID -