NOTA DE PRENSA
PRESS RELEASE

TELEFÓNICA AND FAO WILL PROMOTE DIGITALIZATION INITIATIVES TO IMPROVE THE AGRICULTURAL SECTOR AND ACCESS TO INFORMATION IN RURAL COMMUNITIES

- The framework agreement reached between both organizations was signed today in Rome by José Graziano da Silva, General Director of the FAO, and Trinidad Jiménez, Global Director of Public Affairs Strategy of Telefónica.

- The alliance, valid on a first phase until 2021, revolves around three initial lines of action: IoT solutions applied to the agricultural sector; Big Data and data analysis to create early prevention systems; and Digital Education and specific training.

Madrid, February 12, 2018.- Telefónica and the FAO - the United Nations Food and Agriculture Organization - have signed an alliance to collaborate in the development and implementation of innovation, digitization and data analysis initiatives in the agricultural sector aimed at promoting the development of agriculture, food safety, and nutrition. This alliance places special emphasis on the need for providing specific support to rural/agricultural local communities in terms of access to information.

This agreement has an initial duration of three years and is in line with the private sector's key role to reach the UN's sustainable development goals. And more specifically, the role that companies such as Telefónica can play in the FAO's strategic activities by facilitating the digital transformation of productive sectors such as agriculture, fishing, and/or forestry, as well as the management of natural resources and climate change, among others.

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This collaboration is initially materialized in three specific lines of action which are already being implemented. In first place, both parties are collaborating in the application of **Internet of things (IoT) solutions in the agricultural sector**. The application of IoT solutions in this area makes it possible to optimize processes and times, and to establish systems of efficiency in the use of water resources.

Thus, through the IoT, Telefónica and the FAO have already started a water efficiency pilot project, applying artificial intelligence algorithms developed and tested by the Telefónica Chile Research and Development Centre, which will be replicated in previously defined areas of the so-called Central American Dry Corridor. Currently, the pilot project is being developed in specific communities identified in El Salvador and Colombia. The application of this technological solution uses specialized hardware, cloud storage, data processing, and self-generated recommendations that will be made available to local farmers, making it easier for them to make decisions related to watering, and with the objective of guaranteeing an efficient and optimal use of water.

The results stemming from this IoT initiative will be shared with the FAO so that they can be used in their dialogue with the local governments of countries in the region, and thus promote the use of more efficient and effective solutions in the use of natural resources.

In second place, an initiative using **Big Data and data analysis** is being developed with the goal of establishing early warning patterns. In this context, an analysis of how climate change affects population movements will be carried out. The initiative - whose pilot stage will be implemented in the areas of the Central American Dry Corridor and Columbian most affected by the El Niño and La Niña phenomena - includes the analysis of the crossed information between the FAO global meteorology data bank and the aggregated and anonymized mobility data registered by the Company.

Likewise, the agreement also includes an important and far-reaching **Digital Education and Skills Development** framework. Thus, the incorporation of the FAO educational contents to the open Telefónica training platforms is expected; these include Miríadax (www.miriadax.net) in the form of MOOCs (open, online, and mass courses) in Spanish, with the goal of sharing specialized knowledge in the subject and

promoting the development of agri-food, nutrition, and sustainable rural development. Likewise, joint work is already being carried out in the development of specific contents with the course "Capitalization of Experiences for Continuous Training".

In her opening remarks, Trinidad Jiménez emphasized "Telefónica's commitment to responsible business and the UN´s sustainable development goals, promoting projects in which data, experience, and technologies contribute to the development of our society and the value of digitalization, and in the organizations that make decisions based on data as a transformative element".

Vicente Muñoz, Chief IoT Officer at Telefónica, explained that "the Internet of Things is an enabler of digital transformation that is already starting to change the landscape of global agriculture. By taking advantage of this new technology's benefits, we are aiding in the development of societies and favouring less use of, and greater access to, resources such as water".

About Telefónica
Telefónica is one of the largest telecommunications companies in the world in terms of market capitalization and number of customers. It bases itself on a comprehensive offer and the quality of its connectivity, providing it with the best fixed, mobile and broadband networks. It is a growing company which offers a differential experience, based on the values of the company itself and a public position which defends the interests of the customer. With 345 million access points, Telefónica has a strong presence in Spain, Europe and Latin America, where it concentrates the greatest part of its growth strategy. Telefónica is a completely private company that has more than 1.5 million direct shareholders. More information at: www.telefonica.com

About FAO

The FAO is the United Nations agency that leads the international effort to end hunger. Its goal is to achieve food safety for all and, at the same time, guarantee regular access to enough good quality food in order to lead an active and healthy life. With more than 194 member states, the FAO works in more than 130 countries.

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