

TELEFONICA S A
Form 6-K
April 28, 2014
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

of the Securities Exchange Act of 1934

For the month of April, 2014

Commission File Number: 001-09531

Telefónica, S.A.

(Translation of registrant's name into English)

Districto Telefónica, Ronda de la Comunicación s/n,

28050 Madrid, Spain

3491-482 87 00

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(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

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ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS OF LISTED COMPANIES

DATA IDENTIFYING ISSUER

TELEFÓNICA, S.A.

ENDING DATE OF REFERENCE FINANCIAL YEAR

31/12/2013

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Registered name:

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Registered address:

Gran Vía número 28

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ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS OF LISTED
COMPANIES

A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

A.1. Explain the company's remuneration policy. This section will include information regarding:

General principles and foundations of the remuneration policy.

Most significant changes made to the remuneration policy from the policy applied during the prior financial year, as well as changes made during the financial year to the terms for exercising options already granted.

Standards used to establish the company's remuneration policy.

Relative significance of the variable items of remuneration as compared to fixed items and standards used to determine the various components of the director remuneration package (remunerative mix).

Explain the remuneration policy

A.1.1. General principles and foundations of the remuneration policy.

The guiding principle of the Telefónica Group's remuneration policy is to attract, retain and motivate the most outstanding professionals, in order to enable the Company to achieve its strategic objectives within the increasingly competitive and globalised context in which it operates, adopting the most appropriate measures and practices for such purpose. Such policy must be in line with the circumstances prevailing at any time, paying particular attention to changes in laws and regulations, best practices, recommendations and trends (both domestic and international) in connection with the remuneration of directors of listed companies and the conditions of the market; accordingly, the content of such policy is continuously reviewed and amendments are made as is deemed proper in light of the reviews carried out.

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As regards Executive Directors and the performance of executive duties thereby, the guiding principles and standards within the framework described above are:

To adequately remunerate each Director for his/her professional merit, experience, dedication and responsibilities.

Transparency: as a paramount principle guiding the Company's corporate governance system.

Competitiveness: in order to have the best professionals in the market, the remuneration package offered to the Executive Directors, both in terms of structure and of overall amount, must be competitive with that of comparable entities at the international level.

Link between remuneration and results: a significant portion of the total remuneration of the Executive Directors and Senior Executives is variable, and receipt thereof is tied to the achievement of pre-established, specific and quantifiable financial, business and value-creation objectives aligned with the Company's interests.

Creation of shareholder value in a manner that is sustainable over time.

A.1.2. Most significant changes made to the remuneration policy from the policy applied during the prior financial year, as well as changes made during the financial year to the terms for exercising options already granted.

The Board of Directors, at the proposal of the Nominating, Compensation and Corporate Governance Committee, will submit to the next General Shareholders' Meeting for approval a new long-term incentive plan whose main terms and conditions are described in section A.4 below.

The other components and features of the remuneration policy to be applied during financial year 2014 will be similar to those adopted in financial year 2013.

A.1.3. Standards used to establish the company's remuneration policy.

At the proposal of the Committee, the Board takes the following into account in establishing the remuneration policy:

The provisions of the By-Laws and the Regulations of the Board:

The remuneration system and policy applicable to the Board of Directors of Telefónica, as well as the process for preparation thereof, are established in its By-Laws (article 35) and in its Regulations of the Board of Directors (article 34). Pursuant to the provisions of such texts, the Board of Directors, at the proposal of the Nominating, Compensation and Corporate Governance Committee, determines the amount that Directors are to receive for discharging the duties of supervision and collective decision-making inherent in their capacity and position, within the maximum limit set by the shareholders at the Company's Ordinary General Shareholders' Meeting.

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The aforementioned remuneration, deriving from membership on the Board of Directors of Telefónica, is compatible with other remuneration received by Directors by reason of the executive duties they perform at the Company or by reason of any other advisory duties they may perform for the Company, other than those inherent in their capacity as Directors. Such remuneration is approved by the Board of Directors of the Company, at the proposal of the Nominating, Compensation and Corporate Governance Committee. Remuneration systems that are linked to the listing price of the shares or that entail the delivery of shares or of options thereon are submitted to the decision of the shareholders at the General Shareholders Meeting of the Company, as provided by applicable laws and regulations.

Applicable laws and regulations.

The objectives established in the Group, which allow, among other things, for the determination of the metrics to which annual and medium/long-term variable remuneration is tied.

Market data.

For more information on these standards, see section A.2.

A.1.4. Relative significance of the variable items of remuneration as compared to fixed items and standards used to determine the various components of the director remuneration package (remunerative mix).

The total remuneration of Executive Directors is made up of various components, primarily consisting of: (i) fixed remuneration, (ii) short-term variable remuneration, (iii) medium- and long-term variable remuneration, (iv) benefits, and (v) in-kind remuneration. Generally speaking, as regards the remunerative mix, it may be stated that approximately one-third of the total remuneration is fixed, with variable remuneration accounting for the remaining two-thirds.

As far as External Directors are concerned (i.e. Proprietary, Independent and Other External Directors), the aim of the remuneration policy within the framework described above is to adequately remunerate Directors for their professional merit and experience, as well as for the dedication provided and the responsibilities assumed by them, seeking to ensure that the remuneration paid does not compromise their independence. In addition, the remuneration must be aligned with the Company's business strategy and key objectives.

Along these lines, the remuneration of External Directors in their capacity as members of the Board of Directors, of the Executive Commission and/or of the Advisory or Control Committees consists of a fixed amount and of attendance fees for attending the meetings of such Advisory or Control Committees.

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A.2. Information regarding preparatory work and the decision-making process followed to determine the remuneration policy, and any role played by the remuneration committee and other control bodies in the configuration of the remuneration policy. This information shall include any mandate given to the remuneration committee, the composition thereof, and the identity of external advisers whose services have been used to determine the remuneration policy. There shall also be a statement of the nature of any directors who have participated in the determination of the remuneration policy.

Explain the process for determining the remuneration policy

A.2.1. Preparatory work and decision-making

During financial year 2013, the Nominating, Compensation and Corporate Governance Committee performed an analysis of the remuneration of the Executive Committee and of the Executive Chairman, as part of the process of periodic review of the remuneration policy applicable to the Board of Directors. In order to determine Telefónica's reference market, the Committee established a series of objective standards, which were used to identify companies comparable with Telefónica. Such standards are described below:

- 1.- A sufficient number of companies to obtain results that are representative and statistically reliable and sound.
- 2.- Data on size (billing, assets, market capitalisation and number of employees) such that Telefónica may be placed at the median of the comparison group.
- 3.- Geographic distribution: primarily included companies of which the parent company is located in Continental Europe and in the United Kingdom, as well as representative American entities in the telecommunications industry that are benchmarks for the Company.
- 4.- Scope of responsibility: companies listed both on the IBEX 35 and on the FTSE Eurotop 100, consisting of the top-ranking securities listed on the London Stock Exchange.
- 5.- Distribution by sector: multi-sector sample, with homogeneous distribution among areas of activity.

Based on the results of this analysis, the Committee has proposed to the Board that the fixed remuneration of Directors, both executive and non-executive, not be increased in financial year 2014.

Likewise, the Committee analysed the other items of remuneration (short- and long-term variable, and other items) and deferred to the Board for the respective decisions in connection therewith.

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In particular, the Committee worked on the design of a new long-term incentive plan to commence in 2014, for which purpose it analysed long-term incentives at reference companies within the telecommunications industry in Europe. Based on the conclusions from such work and on the reflection on the operation of previous incentive plans, the Committee submitted a proposed long-term incentive plan to the Board, whose main terms and conditions are described in section A.4. below, which the Board has resolved to submit to a decision of the shareholders at the next General Shareholders Meeting.

A.2.2. Remuneration Committee: Mandate

The Nominating, Compensation and Corporate Governance Committee, the duties of which are established in article 40 of the By-Laws and article 23 of the Regulations of the Board of Directors, plays a key role in the determination of the Telefónica Group's remuneration policy and in the development and implementation of its components. Its mandate in the area of remuneration consists of continuously reviewing and updating the remuneration system applicable to Directors and Senior Executives and of designing new remuneration plans that enable the Company to attract, retain and motivate the most outstanding professionals, bringing their interests into line with the strategic objectives of the Company.

A.2.3. Remuneration Committee: Composition

Pursuant to article 40 of the By-Laws, the Committee shall be composed of not less than three Directors appointed by the Board of Directors; they must be external Directors, and the majority of them must be independent Directors. It is also provided that the Chairman of this Committee shall be an independent Director in all cases.

In this regard, the Committee is chaired by Mr. Alfonso Ferrari Herrero (External Independent Director), being members Mr. Carlos Colomer Casellas (External Independent Director), Mr. Peter Erskine (External Independent Director), Mr. Gonzalo Hinojosa Fernández de Angulo (External Independent Director), and Mr. Pablo Isla Álvarez de Tejera (External Independent Director).

A.2.4. Remuneration Committee: External Advisers

For the better performance of its duties, the Committee may request the Board to engage legal, accounting or financial advisers or other experts at the Company's expense. In 2013, the following external advisers provided services to the Committee:

Towers Watson advised the Committee on the preparation of the remuneration benchmarking for the Executive Committee, including the Executive Chairman, and on the preparation of this report on remunerations and remuneration policy.

Garrigues and KPMG advised the Committee on matters related to benefit plans and contracts of the Executive Directors.

Kepler advised the Committee in connection with the Performance Share Plan, specifically as regards the determination of Total Shareholder Return, both at Telefónica and at the companies included in the FTSE Global Telecoms Index, for the 2011-2013 period.

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A.3. State the amount and nature of the fixed components, with a breakdown, if applicable, of remuneration for the performance by the executive directors of the duties of senior executives, of additional remuneration as chair or member of a committee of the board, of attendance fees for participation on the Board and the committees thereof or other fixed remuneration as director, and an estimate of the annual fixed remuneration to which they give rise. Identify other benefits that are not paid in cash and the basic parameters upon which such benefits are provided.

Explain the fixed components of remuneration

Directors receive remuneration for their activities as such, which is made up of the following items:

Fixed amount: fixed annual amount payable on a monthly basis, in line with market standards at comparable entities at the international level, in accordance with the positions held by any Director on the Board and the Committees thereof, broken down as follows:

Board of Directors:

Chairman: 240,000

Vice Chairman: 200,000

Non-executive Member: 120,000

Executive Commission:

Chairman: 80,000

Vice Chairman: 80,000

Non-executive Member: 80,000

Advisory or Control Committees:

Chairman: 22,400

Non-executive Member: 11,200

Attendance fees: Directors do not receive fees for attending the meetings of the Board of Directors or of the Executive Commission, and only receive fees for attending meetings of the Advisory or Control Committees. The amount received by each Director at each of the meetings attended by them comes to 1,000 euros.

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Other remuneration: External Directors receive the remuneration to which they are entitled as members of certain Management Decision-making Bodies of some Subsidiaries and affiliates of Telefónica, and as members of various Territorial Advisory Councils (Andalusia, Catalonia and Valencia) and Regional and Business Councils (Europe, Latam and Digital).

At present, for their status as such, Directors do not receive any remuneration as pension or life insurance, nor do they participate in remuneration plans tied to the listing price of Telefónica's shares, even though such form of remuneration is contemplated in the By-Laws of the Company.

In addition, as set forth above, Executive Directors receive a fixed annual remuneration amount, payable monthly, for the performance of executive duties at the Company. The amounts paid throughout 2013 were as follows:

Mr César Alierta Izuel: 2,230,800 euros.

Mr José María Álvarez-Pallete López: 1,923,100 euros.

Ms Eva Castillo Sanz: 1,264,000 euros.

Mr Santiago Fernández Valbuena: 1,287,446 euros.

Executive Directors also participate in:

the General Pension Plan for Executives of the Telefónica Group,

Benefit Plan for Executives, to which the Company makes contributions calculated as a percentage of the fixed remuneration of each Director, which varies according to the Director's professional level within the organisation of the Company.

Life insurance, general health insurance and dental coverage.

In 2014, it is expected that the fixed remuneration described above will be similar to that of last year.

A.4 Explain the amount, nature and main features of the variable components of the remuneration systems.

In particular:

Identify each of the remuneration plans of which the directors are beneficiaries, the scope thereof, the date of approval thereof, the date of implementation thereof, the date of effectiveness

thereof, and the main features thereof. In the case of share option plans and other financial instruments, the general features of the plan shall include information on the conditions for the exercise of such options or financial instruments for each plan.

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State any remuneration received under profit-sharing or bonus schemes, and the reason for the accrual thereof;

Explain the fundamental parameters and rationale for any annual bonus plan.

The classes of directors (executive directors, external proprietary directors, external independent directors or other external directors) that are beneficiaries of remuneration systems or plans that include variable remuneration.

The rationale for such remuneration systems or plans, the chosen standards for evaluating performance, and the components and methods of evaluation to determine whether or not such evaluation standards have been met, and an estimate of the absolute amount of variable remuneration to which the current remuneration plan would give rise, based on the level of compliance with the assumption or goals used as the benchmark.

If applicable, information shall be provided regarding any payment deferral periods that have been established and/or the periods for retaining shares or other financial instruments.

Explain the variable components of the remuneration systems

As of the date of issuance of this Report, the remuneration policy contemplates the following variable components in the remuneration only for Executive Directors:

i) Short-term variable remuneration (bonus): At the proposal of the Committee, the Board revises this variable remuneration on an annual basis for implementation during each financial year. For purposes of the 2014 bonus, following a proposal of the Committee, the Board has selected those quantifiable and measurable metrics that best reflect the drivers of value creation within the Group. The relative weight of each metric in the accrual of the 2014 bonus is as follows:

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85% of the objectives are operational and financial:

40% of the objectives are tied to OIBDA (Operating Income Before Depreciation and Amortisation), which reflects both the Group s growth and changes in operating performance.

30% of the objectives are tied to operating revenue (Operating Revenue), which is used to measure the Group s growth.

15% of the objectives are tied to operating cash flow (Operating Cash Flow), the generation of which makes it possible to reduce the debt load.

The remaining 15% of the objectives are qualitative, and refer to the satisfaction level of the Group s customers, and they are measured by the Audit and Control Committee by using the standard criteria applicable to such indices.

The Executive Directors are also beneficiaries of a biennial bonus, tied to the revenues of the Digital Business. This incentive was introduced for a single two-year cycle (2013 and 2014) and will be paid in the first quarter of 2015 if the minimum performance thresholds are achieved.

The 2014 bonus to which the Executive Directors are entitled and which is payable in the first quarter of 2015 will be limited to a maximum amount of 225% of the fixed remuneration in the case of Mr César Alierta Izuel and of Mr José María Álvarez-Pallete López, and of 150% in the case of Mr Santiago Fernández Valbuena. Additionally, these percentages could be increased by 40% (in the case of Messrs Alierta and Álvarez-Pallete) and by 60% (in the case of Mr Fernández Valbuena) if the objectives set in connection with the additional biennial bonus related to the digital business are achieved.

The conditions of the annual variable remuneration system applicable to Executive Directors, including the structure, the maximum levels of remuneration, the objectives set and the weight of each of them are revised annually by the Nominating, Compensation and Corporate Governance Committee, based on the Company s strategy and the needs and status of the business, and are submitted to the Board of Directors for approval.

ii) Short- and long-term variable (multi-annual) remuneration:

It consists of the delivery of Telefónica shares, tied to the achievement of medium- and long-term objectives, and as of the date of issuance of this Report, it applies solely to Executive Directors.

This policy contemplates the delivery of a specified number of Telefónica shares following compliance with the requirements established therein, and it is approved by the shareholders at the General Shareholders Meeting of the Company, who sets the basic terms and conditions of the plans following a proposal submitted by the Nominating, Compensation and Corporate Governance Committee to the Board of Directors.

As stated above, a new share plan is expected to be submitted to a decision of the shareholders at the upcoming General Shareholders Meeting, as the previous plan, approved by the General Shareholders Meeting of June 21, 2006, has come to an end in 2013.

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Thus, it will be proposed for approval a long-term incentive Plan, consisting of delivery of Telefónica, S.A. shares, aimed at Telefónica Group s Executives, including Telefónica, S.A. Executive Directors (called Performance & Investment Plan).

The Plan consists of the delivery to the participants (as defined below), a certain number of Telefónica, S.A. shares as variable remuneration and depending on the fulfilment of the objectives set out for each of the cycles in which the Plan will be divided.

The Plan will have a total duration of five (5) years and will be divided into three (3) cycles of three (3) years each of them (i.e., with the delivery of shares that apply in each cycle three years after the start of each cycle), independent of each other.

It is also intended to submit to the next General Shareholders Meeting an incentive purchase Plan for Telefónica, S.A. shares, directed towards Telefónica Group employees, including Executives, as well as Telefónica s Executive Directors. The terms and conditions of this Plan are similar to that already adopted by the 2011 General Shareholders Meeting (see section C.1.v) of this report).

A.5. Explain the main features of the long-term savings systems, including retirement and any other survival benefit, either wholly or partially financed by the company, and whether funded internally or externally, with an estimate of the equivalent annual amount or cost thereof, stating the type of plan, whether it is a defined-contribution or -benefit plan, the conditions for the vesting of economic rights in favour of the directors, and the compatibility thereof with any kind of indemnity for advanced or early termination of the labour relationship between the company and the director.

Also state the contributions on the director s behalf to defined-contribution pension plans; or any increase in the director s vested rights, in the case of contributions to defined-benefit plans.

Explain the long-term savings systems

Executive Directors participate in the General Pension Plan for employees of the Telefónica Group (the General Pension Plan). Such Plan is a defined-contribution plan, with contributions being made by the Company in an amount equal to 4.51% of the base salary (in the case of two of the Executive Directors) and to 6.87% of the base salary (in the case of one of the Executive Directors), plus 2.21% as a mandatory contribution applicable to all Executive Directors. This Plan is managed by Fonditel Pensiones, E.G.F.P.

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In addition, Executive Directors participate in a Benefit Plan for Executives, approved in 2006 to supplement the current General Pension Plan. Under this Plan, Telefónica makes contributions based on a percentage of the fixed remuneration of each Director, which varies according to the Director's professional level within the organisation of the Company.

Moreover, Executive Directors have life insurance with death or disability coverage.

A breakdown of the contributions made for each Director is provided in section D.1.a) iii) of this Report, Long-term savings systems.

A.6. State any termination benefits agreed to or paid in case of termination of duties as a director.

Explain the termination benefits

No provision has been made for payment of termination benefits to Directors in the event of termination of their duties as such. Provision is made only for payment of termination benefits in the event of termination of the executive duties, if any, that Directors perform, as explained in section A.7. below.

A.7. State the terms and conditions that must be included in the contracts of executive directors performing senior management duties. Include information regarding, among other things, the term, limits on termination benefit amounts, continuance in office clauses, prior notice periods, and payment in lieu of prior notice, and any other clauses relating to hiring bonuses, as well as benefits or golden parachutes due to advanced or early termination of the contractual relationship between the company and the executive director. Include, among other things, any clauses or agreements on non-competition, exclusivity, continuance in office or loyalty, and post-contractual non-competition.

Explain the terms of the contracts of the executive directors

The contracts governing the performance of duties and the responsibilities of each Executive Director and of Telefónica include the clauses that are ordinarily contained in these types of contracts, taking into account customary market practices in this regard, and seek to attract and retain the most outstanding professionals and to safeguard the legitimate interests of the Company.

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The most significant terms and conditions of such contracts are described below.

a) Exclusivity, non-competition and termination benefits

The contracts executed with Executive Directors provide for an indefinite term and include a non-competition agreement. Such agreement provides that, upon termination of the respective contract and for the term of the agreement (one year following termination of the contract for any reason), the Executive Director may not render services, directly or indirectly, for his/her own account or on behalf of others, personally or through third parties, to Spanish or foreign companies whose business is the same as or similar to that of the Telefónica Group.

There is an exception in the event of dismissal that is wrongful or void and without reinstatement, so declared by a final court decision, arbitration award or administrative ruling without the possibility of appeal, in which case the Executive Director shall be released from the agreement not to compete.

The contracts with Executive Directors also prohibit, during the term thereof, the execution (whether personally or through intermediaries) of other employment, commercial or civil contracts with other companies or entities carrying out activities similar in nature to those of the Telefónica Group.

Finally, the contracts executed with Executive Directors provide that their employment relationship is compatible with the holding of other representative and management positions and with other professional situations in which the Director may be engaged at other entities within the Telefónica Group or at any other entities unrelated to the Group with the express knowledge of the Nominating, Compensation and Corporate Governance Committee and of the Board of Directors.

As regards the terms and conditions applicable to termination of contracts with Senior Executives and Directors as far as their executive duties are concerned, since 2006 the Company's policy provides, in line with customary practice practices, for payment of termination benefits in an amount equal to two times annual salary, calculated as the last fixed remuneration and the arithmetic mean of the sum of the last two annual variable remuneration amounts, in the event of termination of the relationship for reasons attributable to the Company or upon the occurrence of objective circumstances, such as a change of control. Conversely, if the relationship is terminated upon breach attributable to the Senior Executives or Executive Director, there is no right to any kind of termination benefit.

Therefore, the contracts executed since 2006 have followed the aforementioned standards regarding termination benefits.

In the case of contracts executed prior to 2006, the termination benefits that the Senior Executives or Executive Director is entitled to receive under his/her contract do not conform to this policy but rather depend on their personal and professional circumstances and on the time when such contracts were signed. In such cases, the financial compensation agreed due to termination of the relationship, where applicable, may come to a maximum of four times annual salary depending on length of service at the Company. Each annual salary amount includes the last fixed remuneration and the arithmetic mean of the sum of the last two annual variable remuneration amounts received under the contract.

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b) Prior notice

As regards prior notice in the event of termination of the contract of Executive Directors, the Executive Director has the duty to give prior notice in the event of such Director's unilateral decision to terminate the contract; it is provided that notice of such unilateral decision must be provided in writing and not less than three months in advance, except in the event of force majeure. If the Executive Director fails to comply with this duty, he/she must pay to the Company an amount equal to the fixed remuneration accrued during the period for which no prior notice was given.

Such contracts do not include clauses regarding continuance in office.

c) Confidentiality and return of documents

While the relationship remains in effect and also following termination thereof, the duty of confidentiality applies to all information, data and any reserved or confidential documents that they are aware of and to which they have had access as a consequence of holding office.

d) Duty to comply with the regulatory system

Also included is the duty to observe all rules and obligations established in Telefónica's regulatory system, which are set forth in Telefónica's Regulations of the Board of Directors and Internal Rules of Conduct in the Securities Markets, among other rules.

A.8. Explain any supplemental remuneration accrued by the directors in consideration for services provided other than those inherent in their position.

Explain the supplemental remuneration

As of the date of issuance of this Report, there is no supplemental remuneration accrued in favour of the Directors in consideration for services provided other than those inherent in their position.

A.9. State any remuneration in the form of advances, loans or guarantees provided, with an indication of the interest rate, main features, and amounts potentially returned, as well as the obligations assumed on their behalf as a guarantee.

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Explain the advances, loans and guarantees provided

As of the date of issuance of this Report, no advances, loans or guarantees have been provided to or on behalf of any Director.

A.10. Explain the main features of in-kind remuneration.

Explain the in-kind remuneration.

In line with current market practices, Executive Directors receive, as in-kind remuneration, in addition to the life insurance with death or disability coverage as explained in section A.5, a general health insurance and dental coverage.

A.11. State the remuneration accrued by the director by virtue of payments made by the listed company to a third party to which the director provides services, if such payments are intended to provide remuneration for the services thereof at the company.

Explain the remuneration accrued by the Director by virtue of the payments made by the listed company to a third party to which the Director provides services

As of the date of issuance of this Report, no such remuneration has accrued.

A.12. Any item of remuneration other than those listed above, of whatever nature and provenance within the group, especially when it is deemed to be a related-party transaction or when the making thereof detracts from a true and fair view of the total remuneration accrued by the director.

Explain the other items of remuneration

As of the date of issuance of this Report, the Director remuneration system does not provide for any additional item of remuneration other than those explained in the preceding sections.

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A.13. Explain the actions taken by the company regarding the remuneration system in order to reduce exposure to excessive risk and align it with the long-term goals, values and interests of the company, including any reference to: measures provided to ensure that the remuneration policy takes into account the long-term results of the company, measures establishing an appropriate balance between the fixed and variable components of remuneration, measures adopted with respect to those categories of personnel whose professional activities have a significant impact on the entity's risk profile, recovery formulas or clauses to be able to demand the return of the variable components of remuneration based on results if such components have been paid based on data that is later clearly shown to be inaccurate, and measures provided to avoid any conflicts of interest.

Explain actions taken to reduce risks

A.13.1. Telefónica's remuneration policy has been designed by taking into account the Company's strategy and results over the long term:

The total remuneration of Executive Directors and Senior Executives is made up of various items, primarily consisting of: (i) fixed remuneration, (ii) short-term variable remuneration and (iii) medium- and long-term variable remuneration. In the case of Executive Directors, this long-term component accounts for 30% to 40% of the remuneration in a scenario of standard achievement of objectives (fixed + short-term variable + medium and long-term variable).

Medium- and long-term variable remuneration plans are designed as multi-annual in order to ensure that the evaluation process is based on long-term results and that the underlying economic cycle of the Company is taken into account. This remuneration is granted and paid in the form of shares based on the creation of value, such that the Executives' interests are aligned with those of the shareholders. In addition, they involve overlapping cycles that generally follow one another indefinitely over time, with a permanent focus on the long term in all decision-making.

A.13.2. Telefónica's remuneration policy establishes an appropriate balance between the fixed and variable components of remuneration:

The design of the remuneration scheme provides for a balanced and efficient relationship between fixed and variable components: in a scenario of standard achievement of the objectives tied to variable remuneration, the fixed remuneration of Executive Directors accounts for approximately 30% of the total remuneration (fixed + short-term variable + medium- and long-term variable). This proportion is deemed to be sufficiently high and not excessive, given that in certain cases of failure to achieve objectives, may lead to no amount being received as variable remuneration.

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Thus, the variable components of remuneration are flexible enough to allow for modulation thereof, to the extent that they may be eliminated altogether. In a scenario objectives tied to variable remuneration are not achieved, Executive Directors and Senior Executives would only receive fixed remuneration. In fact, under the fifth cycle of the Performance Share Plan (PSP), which ended in 2013, no shares were delivered, as the Company s Board of Directors, following the review carried out by the Nominating, Compensation and Corporate Governance Committee (based on the verification performed by the external adviser Kepler), verified that the Total Shareholder Return objective had not been attained.

There is no guaranteed variable remuneration. Such remuneration is exceptional in nature and only applies after the first year of employment of new personnel.

As regards measures adopted with respect to those categories of personnel whose professional activities have a significant impact on the entity s risk profile:

The Nominating, Compensation and Corporate Governance Committee is responsible for reviewing and analysing the remuneration policy and the implementation thereof. Approximately 1,400 Executives fall within the scope of the Committee s work. This group includes professionals whose activities may have a significant impact on the entity s risk profile.

Also, the Company s Audit and Control Committee participates in the process of decision-making in connection with the short-term variable remuneration (bonus) of Executive Directors, by verifying the economic/financial information that may be included as part of the objectives set for purposes of such remuneration, as this Committee must first verify the Company s results as a basis for calculation of the respective objectives.

The Nominating, Compensation and Corporate Governance Committee is made up of 5 members, 3 of whom are also members of the Audit and Control Committee. Specifically, both the Chairman of the Nominating, Compensation and Corporate Governance Committee and the Chairman of the Audit and Control Committee sit on both Committees. The interlocking presence of Directors in these two Committees ensures that the risks associated with remuneration are taken into account in the discussions at both Committees and in their proposals to the Board, both for determining and in the process of evaluating annual and multi-annual incentives.

A.13.3. With respect to claw-back formulas or clauses to be able to demand the return of the variable components of remuneration based on results if such components have been paid based on data that is later clearly shown to be inaccurate, and measures provided to avoid any conflicts of interest, one should take into account that:

The Nominating, Compensation and Corporate Governance Committee has the power to propose to the Board of Directors that payment of variable remuneration be cancelled in these circumstances.

Furthermore, the Nominating, Compensation and Corporate Governance Committee must evaluate whether exceptional circumstances of this kind may even lead to termination of the relationship with the

respective responsible party or parties, proposing to the Board of Directors the adoption of such measures as may be appropriate.

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B REMUNERATION POLICY FOR FUTURE FINANCIAL YEARS

B.1 Provide a general forecast of the remuneration policy for future financial years that describes such policy with respect to: fixed components and attendance fees and remuneration of a variable nature, relationship between remuneration and results, benefits systems, terms of the contracts of executive directors, and outlook for more significant changes in remuneration policy as compared to prior financial years.

General forecast of remuneration policy

As of the date of issuance of this Report, it is expected that the principles and standards governing the current remuneration policy as described in the preceding sections will be similar to those in effect at present. Accordingly, without prejudice to the new long-term incentive plan to be submitted for approval of the shareholders at the General Shareholders Meeting, and unless the competent corporate decision-making bodies resolve to make changes if regulatory, strategic, financial or other circumstances or events occur that so advise, it is expected that the remuneration level established in 2013 will be maintained.

B.2. Explain the decision-making process for configuring the remuneration policy for future financial years, and any role played by the remuneration committee.

Explain the decision-making process for configuring the remuneration policy

It is expected that the decision-making process for configuring the remuneration policy for future financial years, as well as any role played by the Nominating, Compensation and Corporate Governance Committee, will be similar to those described in sections A.1. and A.2, without any changes thereto being contemplated at the moment.

B.3. Explain the incentives created by the company in the remuneration system to reduce exposure to excessive risks and to align them with the long-term goals, values and interests of the company.

Explain the incentives created to reduce risks

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During the year, the Nominating, Compensation and Corporate Governance Committee monitors the objectives tied to annual and multi-annual incentives. The final evaluation, based on the results for the respective entire measurement period (which are provided by the Planning, Budget and Control area), also takes into account the quality of results over the long term and any associated risks. As explained above, the Audit and Control Committee first verifies the Group's results that are taken into consideration for calculation of the objectives set for receipt of short-term variable remuneration (bonus).

It should also be noted that as regards share plans (medium- and long-term remuneration), an external adviser, Kepler, advises the Nominating, Compensation and Corporate Governance Committee regarding the determination of Total Shareholder Return, both at Telefónica and at the companies included in the FTSE Global Telecoms Index.

The Nominating, Compensation and Corporate Governance Committee is made up of 5 members, 3 of whom are also members of the Audit and Control Committee. Specifically, both the Chairman of the Nominating, Compensation and Corporate Governance Committee and the Chairman of the Audit and Control Committee sit on both Committees.

The duties of the Audit and Control Committee include monitoring the efficiency of the Company's internal control and risk management systems. With respect thereto, it shall be responsible for proposing to the Board of Directors a risk control and management policy, which shall identify at least the following:

- a) the types of risk (operational, technological, financial, legal and reputational) facing the Company;
- b) the determination of the risk level the Company sees as acceptable;
- c) the measures to mitigate the impact of the identified risks, should they materialise; and
- d) the control and information systems to be used to control and manage the above-mentioned risks.

The interlocking presence of Directors in these two Committees ensures that the risks associated with remuneration are taken into account in the discussions at both Committees and in their proposals to the Board, both for purposes of the determination and in the process of evaluation of annual and multi-annual incentives.

C OVERALL SUMMARY OF THE APPLICATION OF THE REMUNERATION POLICY DURING THE FINANCIAL YEAR JUST ENDED

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C.1 Summarise the main features of the structure and items of remuneration from the remuneration policy applied during the financial year just ended, which give rise to the breakdown of individual remuneration accrued by each of the directors as reflected in section D of this report, and provide a summary of the decisions made by the board to apply such items.

Explain the structure and items of remuneration from the remuneration policy applied during the financial year

1.- **As regards Executive Directors**, the structure and items of remuneration from the remuneration policy applied during financial year 2013 are described below:

i) Fixed Remuneration

Pursuant to the contracts approved by the Board at the proposal of the Nominating, Compensation and Corporate Governance Committee, the fixed remuneration of Executive Directors for financial year 2013 came to the overall amount of 6,705,346 euros.

ii) Short-term Variable Remuneration (annual)

As regards the 2013 bonus, payable in 2014, throughout the year the Committee monitored the objectives set; the final evaluation is performed based on the audited results for 2013, which are first examined by the Audit and Control Committee, and on the level of achievement of the objectives. Following such examination, the Committee prepares a bonus proposal that is submitted to the Board of Directors for approval. The Committee also takes into account the quality of results over the long term and any associated risks in formulating the variable remuneration proposal. During the process of evaluation of financial year 2013, the Committee reviewed the objectives set (including, among others, OIBDA, operating revenues and cash flow) and the level of achievement thereof. (HR REVIEW)

The Executive Directors received during the first quarter of 2014, corresponding to the objectives set for 2013, the amounts that can be broken down as follows:

Mr César Alierta Izuel: 3,050,000 euros

Mr José María Álvarez-Pallete López: 2,900,000 euros

Ms Eva Castillo Sanz: 1,463,712 euros

Mr Santiago Fernández Valbuena: 1,441,424 euros

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It should also be noted that the amounts paid in 2013 as variable remuneration (bonus) for achievement of the objectives defined for 2012 were as follows, as set forth in Note 21. f) of the Annual Report for financial year 2013, attached to section E of this Report.

Mr César Alierta Izuel: 3,497,448 euros

Mr José María Álvarez-Pallete López: 1,626,713 (it is noted that he was appointed Chief Executive Officer C.O.O- on 17 September, 2012).

Ms Eva Castillo Sanz: 323,647 euros (it is noted that she was appointed Chair of Telefónica Europe on 17 September 2012, and thus commenced her executive duties within the Telefónica Group on that date).

Mr Santiago Fernández Valbuena: 1,360,418 euros.

iii) Medium- and Long-term Variable Remuneration (multi-annual):

In 2013, Telefónica's medium- and long-term variable remuneration policy was implemented through two plans: the Performance Share Plan (PSP) and the Performance & Investment Plan (PIP), described above.

a) As regards the Performance Share Plan (PSP), the fifth and last cycle thereof, with a duration of 3 years, began in 2010 and ended on 1 July 2013. In order to determine the specific number of shares to be delivered at the end of such cycle, Kepler provided to the Nominating, Compensation and Corporate Governance Committee the results of Telefónica's Total Shareholder Return (TSR) compared to this same metric at the companies included in the FTSE Global Telecoms Index during the same period. In order to determine the level of achievement attained, the following scale, established at the beginning of the plan, was used:

If the Telefónica TSR percentile is below the median, 0% of the allotted shares are vested.

If the Telefónica TSR percentile coincides with the median, 30% of the allotted shares are vested.

If the Telefónica TSR percentile falls within the upper quartile and above the median, 100% of the allotted shares are vested.

Intermediate figures are calculated by linear interpolation.

Kepler provided advice to the Nominating, Compensation and Corporate Governance Committee regarding the determination of the TSR, both at Telefónica and at the companies included in the FTSE Global Telecoms Index. As regards the fifth and last cycle of this Plan (which ended in 2013), Telefónica's TSR ended below the median according to the established scale of achievement. Therefore, the participants in the fifth cycle of the PSP, among

whom the Executive Directors are included, were not entitled to receive any of the shares allotted in 2010.

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b) With regard to the Performance & Investment Plan (PIP), in October 2013 the Board of Directors resolved to allot the shares for the third and last cycle thereof (2013-2016). A breakdown of the shares allotted under this Plan can be found in section D.1.a) ii) of this Report, Share-based remuneration systems.

iv) Benefits

Additionally, Executive Directors received the following benefits:

General health insurance and dental coverage.

Life insurance with death or disability coverage.

Pension/Retirement Plan: Executive Directors participate in the General Pension Plan applicable to employees of the Telefónica Group.

Furthermore, the Executive Directors participate in a Benefit Plan for Executives, to which the Company made contributions, in order to supplement the current General Pension Plan. Such contributions were calculated as a percentage of the fixed remuneration of each Director.

v) Other Payments

Under the Global Employee Share Plan (GESP nd cycle, 2012-2014), Telefónica s employees, including Executive Directors, may acquire Telefónica shares for an annual maximum amount of 1,200 euros and a minimum of 300 euros over a twelve-month period (purchase period). The Company will deliver, free of charge, a number of shares equal to the number of acquired shares subject to the condition of continued employment during one year following the purchase period (vesting period). Continued employment for one year following the purchase period is required in order to receive at no charge the same number of shares as those acquired.

2.- In addition, as regards Directors in their capacity as such, the structure and remuneration items from the remuneration policy applied during financial year 2013 are described below:

Fixed amount for membership on the Board, the Executive Commission and Advisory or Control Committees: 3,294,668 euros.

Attendance fees for attending the meetings of the Advisory or Control Committees: 222,000 euros.

Finally, the remuneration paid for membership in certain Boards of some Subsidiaries and affiliates of Telefónica and for membership in the Territorial Advisory Councils (Andalusia, Catalonia and Valencia) and Regional and Business Councils (Europe, Latam and Digital) came to the sum of 1,684,962 euros.

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NAME	Typology	Financial Year 2013
PABLO ISLA ÁLVAREZ DE TEJERA	Independent	From 2013/01/01 to 2013/12/31
ANTONIO MASSANELL LAVILLA	Proprietary	From 2013/01/01 to 2013/12/31
CHANG XIAOBING	Proprietary	From 2013/01/01 to 2013/12/31
IGNACIO MORENO MARTÍNEZ	Proprietary	From 2013/01/01 to 2013/12/31
EVA CASTILLO SANZ	Executive	From 2013/01/01 to 2013/12/31
CESAR ALIERTA IZÚEL	Executive	From 2013/01/01 to 2013/12/31
JOSÉ MARÍA ABRIL PÉREZ	Proprietary	From 2013/01/01 to 2013/12/31
ISIDRO FAINÉ CASAS	Proprietary	From 2013/01/01 to 2013/12/31
JULIO LINARES LÓPEZ	Other External	From 2013/01/01 to 2013/12/31
JOSÉ MARÍA ÁLVAREZ-PALLETE LÓPEZ	Executive	From 2013/01/01 to 2013/12/31
CARLOS COLOMER CASELLAS	Independent	From 2013/01/01 to 2013/12/31
JOSÉ FERNANDO DE ALMANSA MORENO-BARREDA	Independent	From 2013/01/01 to 2013/12/31
FRANCISCO JAVIER DE PAZ MANCHO	Independent	From 2013/01/01 to 2013/12/31
PETER ERSKINE	Independent	From 2013/01/01 to 2013/12/31
SANTIAGO FERNÁNDEZ VALBUENA	Executive	From 2013/01/01 to 2013/12/31
ALFONSO FERRARI HERRERO	Independent	From 2013/01/01 to 2013/12/31
GONZALO HINOJOSA FERNÁNDEZ DE ANGULO	Independent	From 2013/01/01 to 2013/12/31
LUIZ FERNANDO FURLÁN	Independent	From 2013/01/01 to 2013/12/31

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- D.1. Complete the following tables regarding the individualised remuneration of each of the directors (including remuneration for the performance of executive duties) accrued during the financial year.**
- a) Accrued remuneration at the company covered by this report:**

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i) Cash remuneration (in thousands of)

Name	Remuneration for belonging Short-term to Long-term to								Total year 2011	Total year 2012
	Fixed salary	Attendance remuneration	Variable remuneration	Variable remuneration	Variable remuneration	Board benefits	Other benefits	Other		
D. CÉSAR ALIERTA IZUEL	2,231	240	0	3,050	0	80	0	205	5,806	6,350
D. ISIDRO FAINÉ CASAS	0	200	0	0	0	80	0	8	288	327
D. JOSÉ MARÍA ABRIL PÉREZ	0	200	8	0	0	96	0	0	304	353
D. JULIO LINARES LÓPEZ	0	200	7	0	0	20	0	0	227	32,815
D. JOSÉ MARÍA ÁLVAREZ-PALLETE LÓPEZ	1,923	0	0	2,900	0	0	0	128	4,951	2,610
D. FERNANDO DE ALMANSA MORENO-BARREDA	0	120	17	0	0	38	0	8	183	214
D ^a . EVA CASTILLO SANZ	1,264	0	0	1,464	0	0	0	50	2,778	518
D. CARLOS COLOMER CASELLAS	0	120	25	0	0	140	0	8	293	321
D. PETER ERSKINE	0	120	29	0	0	125	0	0	274	312
D. SANTIAGO FERNÁNDEZ VALBUENA	0	0	0	0	0	0	0	0	0	0
D. ALFONSO FERRARI HERRERO	0	120	44	0	0	163	0	8	335	398
D. LUIZ FERNANDO FURLÁN	0	120	0	0	0	5	0	0	125	149
D. GONZALO HINOJOSA FERNÁNDEZ DE ANGULO	0	120	44	0	0	159	0	8	331	381
D. PABLO ISLA ÁLVAREZ DE TEJERA	0	120	9	0	0	35	0	0	164	212
D. ANTONIO MASSANELL LAVILLA	0	120	17	0	0	56	0	8	201	235
D. IGNACIO MORENO MARTÍNEZ	0	120	9	0	0	20	0	0	149	135
D. JAVIER DE PAZ MANCHO	0	120	13	0	0	118	0	0	251	298
D. CHANG XIAOBING	0	120	0	0	0	0	0	0	120	135

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ii) Share-based remuneration systems
CESAR ALIERTA IZUEL

Performance Share Plan (PSP)

Date of Implementation	Ownership of options at beginning of 2013				Options allocated during 2013			
	N° Options	Shares affected	Exercise price	Exercise period	N° Options	Shares affected	Exercise price	Exercise period
21/06/2006	0	170,897	15.66	3 years	0	0	0.00	0

Conditions: Continued employment at the Company and maximum achievement of the TSR objective set for each cycle.

Shares delivered during 2013	Options exercised in year 2013				Options expired and no exercised		Options at end of year 2013					
	N° Shares	Price	Amount	Exercise price ()	N° Options affected	Shares	Gross profit (m)	N° Options	N° Options	Shares affected	Exercise price ()	Exercise period
0	0.00	0	0.00	0	0	0	0	0	0	0	0,00	0

Other requirements for exercise: 0

CESAR ALIERTA IZUEL

Global Employee Share Plan (GESP)

Date of Implementation	Ownership of options at beginning of 2013				Options allocated during 2013			
	N° Options	Shares affected	Exercise price ()	Exercise period	N° Options	Shares affected	Exercise price ()	Exercise period
18/05/2011	0	10	11.00	1 year (after end of purchase period)	0	100	11.00	1 year (after end of purchase period)

Conditions: Continued employment at the Company and retaining the shares for an additional year following the purchase period (vesting period); right to receive one free-of-charge share for each shares acquired and retained.

Shares delivered during 2013	Options exercised in year 2013				Options expired and no exercised		Options at end of year 2013					
	N° Shares	Price	Amount	Exercise price ()	N° Options affected	Shares	Gross profit (m)	N° Options	N° Options	Shares affected	Exercise price ()	Exercise period
0	0.00	0	0.00	0	0	0	0	0	0	0	0.00	0

Other requirements for exercise: 0

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Table of Contents**CESAR ALIERTA IZUEL****2011 Performance & Investment Plan (PIP)**

Date of Implementation	Ownership of options at beginning of 2013				Options allocated during 2013			
	N° Options	Shares affected	Exercise price	Exercise period	N° Options	Shares affected	Exercise price	Exercise period
18/05/2011	0	390,496	17.85	3 years	0	0	0.00	0

Conditions: Continued employment at the Company, compliance with the co-investment requirement established in such Plan and maximum achievement of the TSR objective set for each cycle.

Shares delivered during 2013	Options exercised in year expired and 2013				Options no exercised				Options at end of year 2013			
	Exercise price	N° Options	Shares affected	Gross profit (m)	Exercise price	N° Options	Shares affected	Gross profit (m)	Exercise price	N° Options	Shares affected	Gross profit (m)
0	0.00	0	0	0	0.00	0	0	0	0.00	0	0	0

Other requirements for exercise: 0

CESAR ALIERTA IZUEL**2012 Performance & Investment Plan (PIP)**

Date of Implementation	Ownership of options at beginning of 2013				Options allocated during 2013			
	N° Options	Shares affected	Exercise price	Exercise period	N° Options	Shares affected	Exercise price	Exercise period
18/05/2011	0	506,901	9.65	3 years	0	0	0.00	0

Conditions: Continued employment at the Company, compliance with the co-investment requirement established in such Plan and maximum achievement of the TSR objective set for each cycle.

Shares delivered during 2013	Options exercised in year expired and 2013				Options no exercised				Options at end of year 2013			
	Exercise price	N° Options	Shares affected	Gross profit (m)	Exercise price	N° Options	Shares affected	Gross profit (m)	Exercise price	N° Options	Shares affected	Gross profit (m)
0	0.00	0	0	0	0.00	0	0	0	0.00	0	0	0

Other requirements for exercise: 0

Table of Contents**CESAR ALIERTA IZUEL****2013 Performance & Investment Plan (PIP)**

Date of Implementation	Ownership of options at beginning of 2013				Options allocated during 2013			
	N° Options	Shares affected	Exercise price	Exercise period	N° Options	Shares affected	Exercise price	Exercise period
18/05/2011	0	0	0.00	0	0	506,250	10.39	3 years

Conditions: Continued employment at the Company, compliance with the co-investment requirement established in such Plan and maximum achievement of the TSR objective set for each cycle.

Shares delivered during 2013	Options exercised in year 2013				Options expired and no exercised		Options at end of year 2013			
	Exercise price	N° Options	Shares affected	Gross profit (m)	N° Options	N° Options	Exercise price	Exercise period		
0	0.00	0	0.00	0	0	0	0	0.00	0	

Other requirements for exercise: 0

JOSÉ MARÍA ÁLVAREZ-PALLETE LÓPEZ**Performance Share Plan (PSP)**

Date of Implementation	Ownership of options at beginning of 2013				Options allocated during 2013			
	N° Options	Shares affected	Exercise price	Exercise period	N° Options	Shares affected	Exercise price	Exercise period
21/06/2006	0	77,680	15.66	3 years	0	0	0.00	0

Conditions: Continued employment at the Company and maximum achievement of the TSR objective set for each cycle.

Shares delivered during 2013	Options exercised in year 2013				Options expired and no exercised		Options at end of year 2013			
	Exercise price	N° Options	Shares affected	Gross profit (m)	N° Options	N° Options	Exercise price	Exercise period		
0	0.00	0	0.00	0	0	0	0.00	0		

Other requirements for exercise: 0

Table of Contents**JOSÉ MARÍA ÁLVAREZ-PALLETE LÓPEZ****Global Employee Share Plan (GESP)**

Date of	Ownership of options at beginning of 2013			Options allocated during 2013				
Implementation	N° Options	Shares affected	Exercise price (€)	Exercise period	N° Options	Shares affected	Exercise price (€)	Exercise period
18/05/2011	0	10	11.00	1 year (after end of purchase period)	0	100	11.00	1 year (after end of purchase period)

Conditions: Continued employment at the Company and retaining the shares for an additional year following the purchase period (vesting period); right to receive one free-of-charge share for each shares acquired and retained.

Shares delivered during 2013		Options exercised in year 2013			Options expired and no exercised		Options at end of year 2013			
N° Shares	Price	Amount	Exercise price (€)	N° Options	Shares affected	N° Options	N° Options	Shares affected	Exercise price (€)	Exercise period
0	0.00	0	0.00	0	0	0	0	0	0.00	0

Other requirements for exercise: 0

JOSÉ MARÍA ÁLVAREZ-PALLETE LÓPEZ**2011 Performance & Investment Plan (PIP)**

Date of	Ownership of options at beginning of 2013				Options allocated during 2013			
Implementation	N° Options	Shares affected	Exercise price (€)	Exercise period	N° Options	Shares affected	Exercise price (€)	Exercise period
18/05/2011	0	124,249	17.85	3 years	0	0	0.00	0

Conditions: Continued employment at the Company, compliance with the co-investment requirement established in such Plan and maximum achievement of the TSR objective set for each cycle.

Shares delivered during 2013	Options exercised in year 2013	Options expired and no	Options at end of year 2013
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N° Shares	Price	Amount	Exercise price	N° Options	Shares affected	exercised		N° Options	Shares affected	Exercise price ()	Exercise period
						Gross profit					
0	0.00	0	0.00	0	0	0	0	0	0	0.00	0

Other requirements for exercise: 0

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JOSÉ MARÍA ÁLVAREZ-PALLETE LÓPEZ

2012 Performance & Investment Plan (PIP)

Date of

Implementation

**Options
allocated
during
2013**

Ownership of options at beginning of 2013

N° Options affected This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (b) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the notes under Section 275 except: (i) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA; (ii) where no consideration is given for the transfer; or (iii) by operation of law.

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Other Relationships

At any given time, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve our securities and/or instruments of our company or our affiliates. Certain of the underwriters or their affiliates that have a lending relationship with us routinely hedge and others may hedge their credit exposure to us consistent with their customary risk management policies. Typically, the underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such short positions could adversely affect current or future trading prices of the notes offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

To the extent that the underwriters or their affiliates own any of the notes subject to the Tender Offer, they may tender such notes pursuant to the terms of the Tender Offer. All or a portion of the net proceeds we receive from this offering will be used to fund the Tender Offer.

Affiliates of certain of the underwriters are parties to our revolving credit facility. In addition, the underwriters or their affiliates have provided in the past, or are currently providing, other investment and commercial banking and financial advisory services to us and our affiliates. The underwriters or their affiliates may in the future provide various investment and commercial banking and other services to us and our affiliates, for which they would receive customary compensation.

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INCORPORATION BY REFERENCE

The SEC allows us to incorporate information into this prospectus supplement by reference, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement, except for any information superseded by information contained directly in this prospectus supplement. These documents contain important information about Mondelēz International and our financial condition, business and results.

We are incorporating by reference the filings of Mondelēz International listed below and any additional documents that we may file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of the filing of this prospectus supplement and prior to the termination of the offering; provided, however, that we are not incorporating by reference any information furnished (but not filed) under Item 2.02 or Item 7.01 of any Current Report on Form 8-K:

- our Annual Report on Form 10-K for the year ended December 31, 2014 (including the portions of our proxy statement for our 2015 annual meeting of shareholders incorporated by reference therein); and

- our Current Reports on Form 8-K filed with the SEC on January 26, 2015, February 5, 2015, February 23, 2015 and February 24, 2015.

You may obtain any of these documents from the SEC at the SEC's Internet website at <http://www.sec.gov>. You may also obtain a free copy of any of these filings from us by telephoning or writing to us at the following address and telephone number:

Mondelēz International, Inc.

Three Parkway North

Deerfield, IL 60015

Attention: Office of the Corporate Secretary

Telephone: (847) 943-4000

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS SUPPLEMENT, OR TO WHICH WE HAVE REFERRED YOU, IN MAKING YOUR DECISIONS WHETHER TO INVEST IN THE NOTES.

WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION THAT DIFFERS FROM THAT CONTAINED IN THIS PROSPECTUS SUPPLEMENT. YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS SUPPLEMENT OR THE ACCOMPANYING PROSPECTUS OR ANY DOCUMENT INCORPORATED BY REFERENCE IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE ON THE FRONT COVER OF THOSE DOCUMENTS, UNLESS WE OTHERWISE NOTE IN THIS PROSPECTUS SUPPLEMENT.

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EXPERTS

Mondelēz International's financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in the Report of Management on Internal Control over Financial Reporting) and the financial statement schedule, both incorporated in this prospectus supplement by reference to the Annual Report on Form 10-K for the year ended December 31, 2014, have been so incorporated in reliance on the reports (which contain an adverse opinion on the effectiveness of internal control over financial reporting) of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

VALIDITY OF THE NOTES

The validity of the notes offered hereby will be passed upon for us by Gibson, Dunn & Crutcher LLP. Certain legal matters will be passed upon for the underwriters by Simpson Thacher & Bartlett LLP. Certain matters involving the laws of Virginia will be passed upon for us by Hunton & Williams LLP, our Virginia counsel.

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PROSPECTUS

Mondelēz International, Inc.

Debt Securities

Common Stock

Preferred Stock

Warrants

Depository Shares

Purchase Contracts

Guarantees

Units

We or selling securityholders may, from time to time, offer to sell debt securities, Class A common stock, which we refer to as common stock, preferred stock, warrants, depository shares, purchase contracts, guarantees or units. Each time we or a selling securityholder sells securities pursuant to this prospectus, we will provide a supplement to this prospectus that contains specific information about the offering and the specific terms of the securities offered. You should read this prospectus and the applicable prospectus supplement carefully before you invest in our securities.

Our principal executive offices are located at Mondelēz International, Inc., Three Parkway North, Deerfield, Illinois 60015 and our telephone number is (847) 943-4000.

Our common stock is listed on The NASDAQ Global Select Market under the symbol MDLZ.

Investing in our securities involves a high degree of risk. See the Risk Factors section of our filings with the Securities and Exchange Commission and the applicable prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is March 5, 2014

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You should rely only on the information contained or incorporated by reference in this prospectus and in any accompanying prospectus supplement or in any related free writing prospectus. We have not authorized any other person to provide you with different information with respect to this offering. This document may only be used where it is legal to sell these securities. You should only assume that the information in this prospectus or in any accompanying prospectus supplement is accurate as of the date on the front of those documents. Our business, financial condition, results of operations and prospects may have changed since that date. We are not making an offer of these securities in any state where the offer is not permitted.

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ABOUT THIS PROSPECTUS

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission (the "SEC"), as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended (the "Securities Act"). By using an automatic shelf registration statement, we may, at any time and from time to time, sell securities under this prospectus in one or more offerings in an unlimited amount. As allowed by the SEC rules, this prospectus does not contain all of the information included in the registration statement. For further information, we refer you to the registration statement, including its exhibits. Statements contained in this prospectus about the provisions or contents of any agreement or other document are not necessarily complete. If the SEC's rules and regulations require that an agreement or document be filed as an exhibit to the registration statement, please see that agreement or document for a complete description of these matters.

This prospectus provides you with a general description of the securities we may offer. Each time we use this prospectus to offer securities, we will provide you with a prospectus supplement that will describe the specific amounts, prices and terms of the securities being offered. The prospectus supplement may also add, update or change information contained in this prospectus. Therefore, if there is any inconsistency between the information in this prospectus and the prospectus supplement, you should rely on the information in the prospectus supplement.

To understand the terms of our securities, you should carefully read this document and the applicable prospectus supplement. Together they give the specific terms of the securities we are offering. You should also read the documents we have referred you to under "Where You Can Find More Information" below for information about us and our financial statements. You can read the registration statement and exhibits on the SEC's website or at the SEC as described under "Where You Can Find More Information." Unless otherwise indicated or the context otherwise requires, references in this prospectus to *Mondelēz International*, the Company, we, us and our refer to Mondelēz International, Inc. and its subsidiaries. Trademarks and servicemarks in this prospectus appear in italic type and are the property of or licensed by us.

References herein to \$, U.S. dollars and dollars are to the lawful currency of the United States.

ABOUT THE COMPANY

We are one of the world's largest snack companies with global net revenues of \$35.3 billion and earnings from continuing operations of \$2.3 billion in 2013. On October 1, 2012, following the spin-off of our North American grocery operations to our shareholders (the "Spin-Off"), we changed our name from Kraft Foods Inc. to Mondelēz International, Inc. to reflect our new standalone global snack food and beverage business and our vision to create a more delicious world in which to live.

We manufacture and market delicious food and beverage products for consumers in approximately 165 countries around the world. Our portfolio includes nine billion dollar brands *Oreo*, *Nabisco* and *LU* biscuits; *Milka*, *Cadbury Dairy Milk* and *Cadbury* chocolates; *Trident* gum; *Jacobs* coffee and *Tang* powdered beverage. Our portfolio of snack foods and refreshments also includes 53 brands that each generated annual revenues of \$100 million or more in 2013.

We are a Virginia corporation with principal executive offices at Three Parkway North, Deerfield, IL 60015. Our telephone number is (847) 943-4000 and our Internet address is www.mondelezinternational.com.

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Except for the documents incorporated by reference in this prospectus as described under the Incorporation by Reference heading, the information and other content contained on our website are not incorporated by reference in this prospectus, and you should not consider them to be a part of this prospectus.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any of this information filed with the SEC at the SEC's public reference room:

Public Reference Room

100 F Street NE

Washington, D.C. 20549

For information regarding the operation of the Public Reference Room, you may call the SEC at 1-800-SEC-0330. Our filings are also available to the public through the website maintained by the SEC at www.sec.gov or from commercial document retrieval services. Our filings are also available on our website at www.mondelezinternational.com.

You are encouraged to read the materials that we file with the SEC, which disclose important information about us. This information includes any filing we have made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act).

INCORPORATION BY REFERENCE

The SEC allows us to incorporate information into this prospectus by reference, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, except for any information superseded by information contained directly in this prospectus. These documents contain important information about us and our financial condition, business and results.

We are incorporating by reference our filings listed below and any additional documents that we may file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of the filing of this prospectus and prior to the termination of any offering; provided, however, that we are not incorporating by reference any information furnished (but not filed) under Item 2.02 or Item 7.01 of any Current Report on Form 8-K, unless specifically noted below or in a prospectus supplement:

our Annual Report on Form 10-K for the year ended December 31, 2013 (including the portions of our proxy statement for our 2014 annual meeting of shareholders incorporated by reference therein);

our Current Reports on Form 8-K filed with the SEC on January 9, 2014, January 10, 2014, January 16, 2014, January 21, 2014 and January 24, 2014; and

the description of our common stock contained in our Registration Statement on Form 8-A filed with the SEC on June 25, 2012, including any amendment or report filed with the SEC for the purpose of updating such description.

We will provide, without charge, to each person to whom a copy of this prospectus has been delivered, including any beneficial owner, a copy of any and all of the documents referred to herein that are summarized in this prospectus, if such person makes a written or oral request

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directed to:

Mondelēz International, Inc.

Three Parkway North

Deerfield, IL 60015

Attention: Office of the Corporate Secretary

Telephone: (847) 943-4000

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YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS AND ANY ACCOMPANYING PROSPECTUS SUPPLEMENT, OR TO WHICH WE HAVE REFERRED YOU, IN MAKING YOUR DECISIONS WHETHER TO INVEST IN THE SECURITIES. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION THAT DIFFERS FROM THAT CONTAINED IN THIS PROSPECTUS AND ANY ACCOMPANYING PROSPECTUS SUPPLEMENT. THIS PROSPECTUS IS DATED MARCH 5, 2014. YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS IS ACCURATE AS OF ANY DATE OTHER THAN THAT DATE, UNLESS WE OTHERWISE NOTE IN THIS PROSPECTUS OR ANY ACCOMPANYING PROSPECTUS SUPPLEMENT.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents we have incorporated by reference herein contain a number of forward-looking statements. Words, and variations of words, such as may, will, expect, intend, plan, believe, anticipate, estimate, should, likely, outlook and similar expressions are intended to identify our forward-looking statements, including but not limited to, statements about: our Strategy, in particular, our goal to deliver top-tier financial performance; our market-leading positions; our expansion plans; sales and earnings growth and performance of our Power Brands and key markets; snack food consumption trends; growth in our categories and emerging markets; economic growth; volatility in global markets; commodity prices and supply; currency changes; Spin-Off Costs; price volatility; the cost environment and measures to address increased costs; productivity gains; changes in laws and regulations and regulatory compliance; environmental compliance and remediation actions; relationships with employees and representatives; legal matters; Restructuring Program costs; deferred tax assets; our accounting estimates; the estimated value of goodwill and intangible assets; employee benefit plan expenses, obligations and assumptions; pension expenses, contributions and assumptions; planned efforts and outcome of remediation efforts related to income tax controls; our liquidity and funding sources; capital expenditures and funding; share repurchases; compliance with financial and long-term debt covenants; debt repayment and funding; guarantees; our aggregate contractual obligations; dividends; our financial outlook, in particular, our 2014 Organic Net Revenue growth, Adjusted Operating Income growth, Adjusted Operating Income margin and Adjusted EPS; and our risk management program, including the use of financial instruments for hedging activities.

These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, and the cautionary statements contained in the Risk Factors found in our Annual Report on Form 10-K and subsequent reports on Forms 10-Q and 8-K identify important factors that could cause our actual results to differ materially from those in our forward-looking statements. Such factors include, but are not limited to, risks from operating globally and in emerging markets, continued consumer weakness, continued weakness in economic conditions, continued volatility of commodity and other input costs, pricing actions, increased competition, protection of our reputation and brand image, consolidation of retail customers, changes in our supplier or customer base, our ability to innovate and differentiate our products, increased costs of sales, regulatory or legal changes, claims or actions, perceived or actual product quality issues or product recalls, unanticipated disruptions to our business, a shift in our product mix to lower margin offerings, private label brands, strategic transactions, currency exchange rate fluctuations, use of information technology, volatility of capital or other markets, pension costs, our workforce, our ability to protect our intellectual property and intangible assets, a shift in our pre-tax income between the U.S. and/or other jurisdictions and tax law changes. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this prospectus, except as required by applicable law or regulation.

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USE OF PROCEEDS

Unless we otherwise state in the applicable prospectus supplement, we will use the net proceeds from the sale of the offered securities for general corporate purposes. General corporate purposes may include repayment of debt, additions to working capital, capital expenditures, investments in our subsidiaries, possible acquisitions and the repurchase, redemption or retirement of securities, including our common stock. The net proceeds may be temporarily invested or applied to repay short-term or revolving debt prior to use.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth our historical ratios of earnings to fixed charges for the periods indicated. This information should be read in conjunction with the consolidated financial statements and the accompanying notes incorporated by reference in this prospectus.

	Years Ended December 31,				
	2013	2012	2011	2010	2009
Ratios of earnings to fixed charges	3.1	1.7	1.9	1.3	1.7

Earnings available for fixed charges represent earnings from continuing operations before income taxes, distributed income from equity investees and fixed charges excluding capitalized interest, net of amortization. Fixed charges represent interest expense, including amortization of debt discount and debt issue expenses, capitalized interest and the portion of rental expense deemed to be the equivalent of interest. Interest expense excludes interest related to uncertain tax positions which has been included in the provision for income taxes.

We had no preferred stock outstanding for any period presented and accordingly, the ratio of earnings to combined fixed charges and first preferred stock dividends is the same as the ratio of earnings to fixed charges.

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DESCRIPTION OF DEBT SECURITIES

The debt securities covered by this prospectus will be our direct unsecured obligations. The debt securities will be issued in one or more series under an indenture between us and Deutsche Bank Trust Company Americas, as trustee.

This prospectus briefly describes the material indenture provisions. Those descriptions are qualified in all respects by reference to the actual text of the indenture. For your reference, in the summary that follows, we have included references to section numbers of the indenture so that you can more easily locate these provisions.

The material financial, legal and other terms particular to debt securities of each series will be described in the prospectus supplement relating to the debt securities of that series. The prospectus supplement relating to the debt securities of the series will be attached to the front of this prospectus. The prospectus supplement will also state whether any of the terms summarized below do not apply to the series of debt securities being offered. You should read the more detailed provisions of the indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of a series of debt securities, which will be described in more detail in the applicable prospectus supplement.

Prospective purchasers of debt securities should be aware that special United States federal income tax, accounting and other considerations not addressed in this prospectus may be applicable to instruments such as the debt securities. The prospectus supplement relating to an issue of debt securities will describe these considerations, if they apply.

Capitalized terms used below are defined under **Defined Terms**.

General

The debt securities will rank equally with all of our other unsecured debt. The indenture does not limit the amount of debt we may issue and provides that additional debt securities may be issued up to the aggregate principal amount authorized by a board resolution. We may issue the debt securities from time to time in one or more series with the same or various maturities, at par, at a discount or at a premium. The prospectus supplement relating to any debt securities being offered will include specific terms relating to the offering, including the particular amount, price and other terms of those debt securities. These terms will include some or all of the following:

the title of the debt securities;

any limit upon the aggregate principal amount of the debt securities;

the date or dates on which the principal of the debt securities will be payable or their manner of determination;

if the securities will bear interest:

the interest rate or rates;

the date or dates from which any interest will accrue;

the interest payment dates for the debt securities; and

the regular record date for any interest payable on any interest payment date;

or, in each case, their method of determination;

the place or places where the principal of, and any premium and interest on, the debt securities will be payable;

currency or units of two or more currencies in which the debt securities will be denominated and payable, if other than U.S. dollars, and the holders' rights, if any, to elect payment in a foreign currency or a foreign currency unit other than that in which the debt securities are payable;

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whether the amounts of payments of principal of, and any premium and interest on, the debt securities are to be determined with reference to an index, formula or other method, and if so, the manner in which such amounts will be determined;

whether the debt securities will be issued in whole or in part in the form of global securities and, if so, the depositary and the global exchange agent for the global securities, whether permanent or temporary;

whether the debt securities will be issued as registered securities, bearer securities or both, and any restrictions on the exchange of one form of debt securities for another and on the offer, sale and delivery of the debt securities in either form;

if the debt securities are issuable in definitive form upon the satisfaction of certain conditions, the form and terms of such conditions;

if denominations other than \$1,000 or any integral multiple of \$1,000, the denominations in which the debt securities will be issued;

the period or periods within which, the price or prices at which and the terms on which any of the debt securities may be redeemed, in whole or in part at our option, and any remarketing arrangements;

the terms on which we would be required to redeem, repay or purchase debt securities required by any sinking fund, mandatory redemption or similar provision; and the period or periods within which, the price or prices at which and the terms and conditions on which the debt securities will be so redeemed, repaid and purchased in whole or in part;

the portion of the principal amount of the debt securities that is payable on the declaration of acceleration of the maturity, if other than their principal amount; these debt securities could include original issue discount, or OID, debt securities or indexed debt securities, which are each described below;

any special tax implications of the debt securities, including whether and under what circumstances, if any, we will pay additional amounts under any debt securities held by a person who is not a United States person for tax payments, assessments or other governmental charges and whether we have the option to redeem the debt securities which are affected by the additional amounts instead of paying the additional amounts;

any addition to or modification or deletion of any provisions for the satisfaction and discharge of our obligations under the indenture and specific series of debt securities;

whether and to what extent the debt securities are subject to defeasance on terms different from those described under the heading **Defeasance**;

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any trustees, paying agents, transfer agents, registrars, depositaries or similar agents with respect to the debt securities;

if the debt securities bear no interest, any dates on which lists of holders of these debt securities must be provided to the trustee;

whether the debt securities will be convertible or exchangeable into other securities, and if so, the terms and conditions upon which the debt securities will be convertible or exchangeable;

any addition to, or modification or deletion of, any event of default or any covenant specified in the indenture;

whether the debt securities shall be issued with guarantees and, if so, the terms of any guarantee of the payment of principal and interest with respect to the debt securities and any corresponding changes to the indenture; or

any other specific terms of the debt securities.
(Section 301)

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We may issue debt securities as original issue discount, or OID, debt securities. OID debt securities bear no interest or bear interest at below-market rates and are sold at a discount below their stated principal amount. If we issue OID debt securities, the prospectus supplement will contain the issue price of the securities and the rate at which and the date from which discount will accrete.

We may also issue indexed debt securities. Payments of principal of, and any premium and interest on, indexed debt securities are determined with reference to the rate of exchange between the currency or currency unit in which the debt security is denominated and any other currency or currency unit specified by us, to the relationship between two or more currencies or currency units, to the price of one or more specified securities or commodities, to one or more securities or commodities exchange indices or other indices or by other similar methods or formulas, all as specified in the prospectus supplement.

Consolidation, Merger or Sale

We have agreed not to consolidate with or merge into any other corporation or convey or transfer our properties and assets substantially as an entirety to any person, unless:

any successor is a corporation organized under the laws of the United States, any state of the United States or the District of Columbia;

the successor corporation expressly assumes by a supplemental indenture the due and punctual payment of the principal of, and any premium and interest on, all the debt securities and the performance of every covenant in the indenture that we would otherwise have to perform or observe;

immediately after the effective date of the transaction, no event of default has occurred and is continuing under the indenture; and

we deliver to the trustee an officers' certificate and an opinion of counsel, each stating that the consolidation, merger, conveyance or transfer and the supplemental indenture comply with these provisions.

The successor corporation will assume all our obligations under the indenture as if it were an original party to the indenture. After assuming such obligations, the successor corporation will have all our rights and powers under the indenture.

(Section 801)

Waivers Under the Indenture

Under the indenture, the holders of a majority in aggregate principal amount of the outstanding debt securities of any series, may on behalf of all holders of that series:

waive our compliance with certain covenants of the indenture; and
(Section 1009)

waive any past default under the indenture, except:

a default in the payment of the principal of, or any premium or interest on, any debt securities of the series; and

a default under any provision of the indenture which itself cannot be modified without the consent of the holders of each affected debt security of the series.

(Section 513)

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Events of Default

When we use the term "Event of Default" in the indenture with respect to a particular series of debt securities, we mean any of the following:

we fail to pay interest on any debt security of that series for 30 days after payment was due;

we fail to make payment of the principal of, or any premium on, any debt security of that series when due;

we fail to make any sinking fund payment when due with respect to debt securities of that series;

we fail to perform any other covenant or warranty in the indenture and this failure continues for 90 days after we receive written notice of it from the trustee or holders of 25% in principal amount of the outstanding debt securities of that series (with a copy to the trustee);

we or a court take certain actions relating to bankruptcy, insolvency or reorganization of our company; or

any other event of default that may be specified for the debt securities of the series or in the board resolution with respect to the debt securities of that series.
(Section 501)

The supplemental indenture or the form of security for a particular series of debt securities may include additional Events of Default or changes to the Events of Default described above. The Events of Default applicable to a particular series of debt securities will be discussed in the prospectus supplement relating to such series.

A default with respect to a single series of debt securities under the indenture will not necessarily constitute a default with respect to any other series of debt securities issued under the indenture. A default under our other indebtedness will not be a default under the indenture. The trustee may withhold notice to the holders of debt securities of any default and shall be fully protected in so withholding, except for defaults that involve our failure to pay principal or interest, if it determines in good faith that the withholding of notice is in the interest of the holders. (Section 602)

If an Event of Default for any series of debt securities occurs and continues (other than an Event of Default involving our bankruptcy, insolvency or reorganization), either the trustee or the holders of at least 25% in aggregate principal amount of the outstanding debt securities of the affected series may require us upon notice in writing to us, to immediately repay the entire principal (or, in the case of (a) OID debt securities, a lesser amount as provided in those OID debt securities or (b) indexed debt securities, an amount determined by the terms of those indexed debt securities), of all the debt securities of such series together with accrued interest on the debt securities.

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If an Event of Default occurs which involves our bankruptcy, insolvency or reorganization, then all unpaid principal amounts (or, if the debt securities are (a) OID debt securities, then the portion of the principal amount that is specified in those OID debt securities or (b) indexed debt securities, then the portion of the principal amount that is determined by the terms of those indexed debt securities) and accrued interest on all debt securities of each series will immediately become due and payable, without any action by the trustee or any holder of debt securities. (Section 502)

Subject to certain conditions, the holders of a majority in principal amount of the outstanding debt securities of a series may rescind a declaration of acceleration if all Events of Default, besides the failure to pay principal or interest due solely because of the declaration of acceleration, have been cured or waived. (Section 502)

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Other than its duties in case of a default, the trustee is not obligated to exercise any of its rights or powers under the indenture at the request, order or direction of any holders, unless the holders offer the trustee indemnity or security reasonably satisfactory to it. The holders of a majority in principal amount outstanding of any series of debt securities may, subject to certain limitations, direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any power conferred upon the trustee, for any series of debt securities.

The indenture requires us to file each year with the trustee, an officer's certificate that states that:

the signing officer has supervised a review of the activities and performance under the indenture; and

to the best of his or her knowledge, based on the review, we comply with all conditions and covenants of the indenture.

The indenture requires us to file with the trustee, an officer's certificate within 30 days of any officer becoming aware of any default specifying such default or Event of Default and what action we are taking or propose to take with respect thereto.

(Section 1005)

A judgment for money damages by courts in the United States, including a money judgment based on an obligation expressed in a foreign currency, will ordinarily be rendered only in U.S. dollars. New York statutory law provides that a court shall render a judgment or decree in the foreign currency of the underlying obligation and that the judgment or decree shall be converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment or decree. If a court requires a conversion to be made on a date other than a judgment date, the indenture requires us to pay additional amounts necessary to ensure that the amount paid in U.S. dollars to a holder is equal to the amount due in such foreign currency. (Section 516)

Payment

We will pay the principal of, and any premium and interest on, fully registered securities at the place or places that we will designate for such purposes. We will make payment to the persons in whose names the debt securities are registered on the close of business on the day or days that we will specify in accordance with the indenture. We will pay the principal of, and any premium on, registered debt securities only against surrender of those debt securities. Any other payments, including payment on any securities issued in bearer form, will be made as set forth in the applicable prospectus supplement. (Section 307)

Restrictive Covenants

The indenture includes the following restrictive covenants:

Limitations on Liens

The indenture limits the amount of liens that we or our Subsidiaries may incur or otherwise create in order to secure indebtedness for borrowed money, upon any Principal Facility or any shares of capital stock that any of our Subsidiaries owning any Principal Facility has issued to us or any of our Subsidiaries. If we or any of our Subsidiaries incur such liens, then we will secure the debt securities to the same extent and in the same proportion as the debt that is

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secured by such liens. This covenant does not apply, however, to any of the following:

in the case of a Principal Facility, liens incurred in connection with the issuance by a state or its political subdivision of any securities the interest on which is exempt from United States federal income taxes by virtue of Section 103 of the Internal Revenue Code or any other laws and regulations in effect at the time of such issuance;

liens existing on the date of the indenture;

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liens on property or shares of capital stock existing at the time we or any of our Subsidiaries acquire such property or shares of capital stock, including through a merger, share exchange or consolidation, or securing the payment of all or part of the purchase price, construction or improvement of such property incurred prior to, during, or within 180 days after the later of the acquisition, completion of construction or improvement or commencement of full operation of such property or within 180 days after the acquisition of such shares for the purpose of financing all or a portion of such purchase of the property or construction or improvement on it; or

liens for the sole purpose of extending, renewing or replacing all or a part of the indebtedness secured by any lien referred to in the previous bullet points or in this bullet point if the extension, removal and replacement is limited to all or a part of the property secured by the original lien.

Notwithstanding the foregoing, we and/or any of our Subsidiaries may incur liens that would otherwise be subject to the restriction described above, without securing debt securities issued under the indenture equally and ratably, if the aggregate value of all outstanding indebtedness secured by the liens and the value of Sale and Leaseback Transactions does not at the time exceed the greater of:

10% of our Consolidated Net Tangible Assets; or

10% of our Consolidated Capitalization.
(Section 1007)

Sale and Leaseback Transactions

A Sale and Leaseback Transaction of any Principal Facility is prohibited, unless within 180 days of the effective date of the arrangement, an amount equal to the greater of the proceeds of the sale or the fair value of the property (value) is applied to the retirement of long-term non-subordinated indebtedness for money borrowed with more than one year stated maturity, including our debt securities, except that such sales and leasebacks are permitted to the extent that the value thereof plus the other secured debt referred to in the previous paragraph does not exceed the amount stated in the previous paragraph. (Section 1008)

There are no other restrictive covenants in the indenture. The indenture does not require us to maintain any financial ratios, minimum levels of net worth or liquidity or restrict the payment of dividends, the making of other distributions on our capital stock or the redemption or purchase of our capital stock. Moreover, the indenture does not contain any provision requiring us to repurchase or redeem any debt securities or debt warrants or modify the terms thereof or afford the holders thereof any other protection in the event of our change of control, any highly leveraged transaction or any other event involving us that may materially adversely affect our creditworthiness or the value of the debt securities or debt warrants.

Defined Terms

We define Subsidiaries as any corporation of which at least a majority of all outstanding stock having ordinary voting power in the election of directors of such corporation is at the time, directly or indirectly, owned by us or by one or more Subsidiaries or by us and one or more Subsidiaries. (Section 101)

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We define Principal Facility as all real property owned and operated by us or any Subsidiary located within the United States and constituting part of any manufacturing plant or distribution facility, including all attached plumbing, electrical, ventilating, heating, cooling, lighting and other utility systems, ducts and pipes but excluding trade fixtures (unless their removal would cause substantial damage to the manufacturing plant or distribution facility), business machinery, equipment, motorized vehicles, tools, supplies and materials, security systems, cameras, inventory and other personal property and materials. However, no manufacturing plant or distribution facility will be a Principal Facility unless its net book value exceeds 0.25% of Consolidated Capitalization. (Section 1007)

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We define a **Sale and Leaseback Transaction** as the sale or transfer of a Principal Facility with the intention of taking back a lease of the property, except a lease for a temporary period of less than 3 years, including renewals, with the intent that the use by us or any Subsidiary will be discontinued on or before the expiration of such period. (Section 1008)

We define **Consolidated Net Tangible Assets** as the excess of all assets over current liabilities appearing on our most recent quarterly or annual consolidated balance sheet, less goodwill and other intangible assets and the minority interests of others in Subsidiaries. (Section 101)

We define **Consolidated Capitalization** as the total of all of the assets appearing on our most recent quarterly or annual consolidated balance sheet, less:

current liabilities, including liabilities for indebtedness maturing more than 12 months from the date of the original creation thereof, but maturing within 12 months from the date of our most recent quarterly or annual consolidated balance sheet; and

deferred income tax liabilities reflected in such consolidated balance sheet.
(Section 101)

Global Securities

We may issue the securities in whole or in part in the form of one or more global securities that will be deposited with, or on behalf of, a depository identified in the applicable prospectus supplement.

We may issue the global securities in either registered or bearer form and in either temporary or permanent form. We will describe the specific terms of the depository arrangement with respect to a series of securities in the applicable prospectus supplement. We anticipate that the following provisions will apply to all depository arrangements.

Once a global security is issued, the depository will credit on its book-entry system the respective principal amounts of the individual securities represented by that global security to the accounts of institutions that have accounts with the depository. These institutions are known as participants.

The underwriters for the securities will designate the accounts to be credited. However, if we have offered or sold the securities either directly or through agents, we or the agents will designate the appropriate accounts to be credited.

Ownership of beneficial interests in a global security will be limited to participants or persons that may hold beneficial interests through participants. Ownership of beneficial interests in a global security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the depository's participants or persons that may hold through participants. The laws of some states require that certain purchasers of securities take physical delivery of securities. Those laws may limit the market for beneficial interests in a global security.

So long as the depository for a global security, or its nominee, is the registered owner of a global security, the depository or nominee will be considered the sole owner or holder of the securities represented by the global security for all purposes under the indenture. Except as provided in the applicable prospectus supplement, owners of beneficial interests in a global security:

will not be entitled to have securities represented by global securities registered in their names;

will not receive or be entitled to receive physical delivery of securities in definitive form; and

will not be considered owners or holders of these securities under the indenture.

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Payments of principal of, and any premium and interest on, the individual securities registered in the name of the depositary or its nominee will be made to the depositary or its nominee as the registered owner of that global security.

Neither we nor the trustee will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests of a global security, or for maintaining, supervising or reviewing any records relating to beneficial ownership interests and each of us and the trustee may act or refrain from acting without liability on any information provided by the depositary.

We expect that the depositary, after receiving any payment of principal of, and any premium and interest on, a global security, will immediately credit the accounts of the participants with payments in amounts proportionate to their respective holdings in principal amount of beneficial interest in a global security as shown on the records of the depositary. We also expect that payments by participants to owners of beneficial interests in a global security will be governed by standing customer instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of such participants.

Debt securities represented by a global security will be exchangeable for debt securities in definitive form of like tenor in authorized denominations only if:

the depositary notifies us that it is unwilling or unable to continue as the depositary and a successor depositary is not appointed by us within 90 days;

we deliver to the trustee for securities of such series in registered form a company order stating that the securities of such series shall be exchangeable; or

an Event of Default has occurred and is continuing with respect to securities of such series.

Unless and until a global security is exchanged in whole or in part for debt securities in definitive certificated form, it may not be transferred or exchanged except as a whole by the depositary.

Registration of Transfer

You may transfer or exchange certificated securities at any office that we maintain for this purpose in accordance with the terms of the indenture. We will not charge a service fee for any transfer or exchange of certificated securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge that we are required to pay in connection with a transfer or exchange. (Section 305)

You may effect the transfer of certificated securities and the right to receive the principal of, and any premium and interest on, certificated securities only by surrendering the certificate representing those certificated securities and either reissuance by us or the trustee of the certificate to the new holder or the issuance by us or the trustee of a new certificate to the new holder.

We are not required to:

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issue, register, transfer or exchange securities of any series during a period beginning at the opening of business 15 days before the day we transmit a notice of redemption of the securities of the series selected for redemption and ending at the close of business on the day of the transmission;

register, transfer or exchange any security so selected for redemption in whole or in part, except the unredeemed portion of any security being redeemed in part; or

exchange any bearer securities selected for redemption except if a bearer security is exchanged for a registered security of the same tenor that is simultaneously surrendered for redemption.

(Section 305)

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Exchange

At your option, you may exchange your registered debt securities of any series, except a global security, for an equal principal amount of other registered debt securities of the same series having authorized denominations upon surrender to our designated agent.

We may at any time exchange debt securities issued as one or more global securities for an equal principal amount of debt securities of the same series in definitive registered form. In this case, we will deliver to the holders new debt securities in definitive registered form in the same aggregate principal amount as the global securities being exchanged.

The depository of the global securities may also decide at any time to surrender one or more global securities in exchange for debt securities of the same series in definitive registered form, in which case we will deliver the new debt securities in definitive form to the persons specified by the depository, in an aggregate principal amount equal to, and in exchange for, each person's beneficial interest in the global securities.

Notwithstanding the above, we will not be required to exchange any debt securities if, as a result of the exchange, we would suffer adverse consequences under any United States law or regulation. (Section 305)

Defeasance

Unless otherwise specified in the prospectus supplement, we can terminate all of our obligations under the indenture with respect to the debt securities, other than the obligation to pay the principal of, and any premium and interest on, the debt securities and certain other obligations, at any time by:

depositing money or United States government obligations with the trustee in an amount sufficient to pay the principal of, and any premium and interest on, the debt securities to their maturity; and

complying with certain other conditions, including delivery to the trustee of an opinion of counsel to the effect that holders of debt securities will not recognize income, gain or loss for United States federal income tax purposes as a result of our defeasance. In addition, unless otherwise specified in the prospectus supplement, we can terminate all of our obligations, with minor exceptions, under the indenture with respect to the debt securities, including the obligation to pay the principal of, and any premium and interest on, the debt securities, at any time by:

depositing money or United States government obligations with the trustee in an amount sufficient to pay the principal of, and the interest and any premium on, the debt securities to their maturity; and

complying with certain other conditions, including delivery to the trustee of an opinion of counsel stating that there has been a ruling by the Internal Revenue Service, or a change in the United States federal tax law since the date of the indenture, to the effect that holders of debt securities will not recognize income, gain or loss for United States federal income tax purposes as a result of our defeasance.

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(Sections 402-404)

Payments of Unclaimed Moneys

Moneys deposited with the trustee or any paying agent for the payment of principal of, or any premium and interest on, any debt securities that remain unclaimed for two years will be repaid to us at our written request, unless the law requires otherwise. If this happens and you want to claim these moneys, you must look to us and not to the trustee or paying agent.

(Section 409)

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Supplemental Indentures Not Requiring Consent of Holders

Without the consent of any holders of debt securities, we and the trustee may supplement the indenture, among other things, to:

pledge property to the trustee as security for the debt securities;

reflect that another entity has succeeded us and assumed the covenants and obligations of us under the debt securities and the indenture;

cure any ambiguity or inconsistency in the indenture or in the debt securities or make any other provisions with respect to matters or questions arising under the indenture, as long as the interests of the holders of the debt securities are not adversely affected in any material respect;

issue and establish the form and terms of any series of debt securities as provided in the indenture;

add to our covenants further covenants for the benefit of the holders of debt securities, and if the covenants are for the benefit of less than all series of debt securities, stating which series are entitled to benefit;

add any additional event of default and if the new event of default applies to fewer than all series of debt securities, stating to which series it applies;

change the trustee or provide for an additional trustee;

provide additional provisions for bearer debt securities so long as the action does not adversely affect the interests of holders of any debt securities in any material respect;

add guarantees with respect to the securities of such series or confirm and evidence the release, termination or discharge of any such guarantee when such release is permitted by the indenture; or

modify the indenture as may be necessary or desirable in accordance with amendments to the Trustee Indenture Act of 1939.

(Section 901)

Supplemental Indentures Requiring Consent of Holders

With the consent of the holders of a majority in principal amount of each series of the debt securities that would be affected by a modification of the indenture, the indenture permits us

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and the trustee to supplement the indenture or modify in any way the terms of the indenture or the rights of the holders of the debt securities of such series. However, without the consent of each holder of all of the debt securities affected by that modification, we and the trustee may not:

modify the maturity date of, or reduce the principal of, or premium on, or change the stated final maturity of, any debt security;

reduce the rate of or change the time for payment of interest on any debt security or, in the case of OID debt securities, reduce the rate of accretion of the OID;

change any of our obligations to pay additional amounts under the indenture;

reduce or alter the method of computation of any amount payable upon redemption, repayment or purchase of any debt security by us, or the time when the redemption, repayment or purchase may be made;

make the principal or interest on any debt security payable in a currency other than that stated in the debt security or change the place of payment;

reduce the amount of principal due on an OID debt security upon acceleration of maturity or provable in bankruptcy or reduce the amount payable under the terms of an indexed debt security upon acceleration of maturity or provable in bankruptcy;

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impair any right of repayment or purchase at the option of any holder of debt securities;

reduce the right of any holder of debt securities to receive or sue for payment of the principal or interest on a debt security that would be due and payable at the maturity thereof or upon redemption or adversely affect any applicable right to convert or exchange any debt securities into other securities; or

reduce the percentage in principal amount of the outstanding debt securities of any series required to supplement the indenture or to waive any of its provisions.
(Section 902)

A supplemental indenture that modifies or eliminates a provision intended to benefit the holders of one series of debt securities will not affect the rights under the indenture of holders of other series of debt securities.

Redemption

The specific terms of any redemption of a series of debt securities will be contained in the prospectus supplement for that series. Generally, we must send notice of redemption to the holders at least 30 days but not more than 60 days prior to the redemption date. The notice will specify:

the principal amount being redeemed;

the redemption date;

the redemption price;

the place or places of payment;

the CUSIP number of the debt securities being redeemed;

whether the redemption is pursuant to a sinking fund;

that on the redemption date, interest, or, in the case of OID debt securities, original issue discount, will cease to accrue; and

if bearer debt securities are being redeemed, that those bearer debt securities must be accompanied by all coupons maturing after the redemption date or the amount of the missing coupons will be deducted from the redemption price, or indemnity must be furnished, and whether those bearer debt securities may be exchanged for registered

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debt securities not being redeemed.
(Section 1104)

On or before any redemption date, we will deposit an amount of money with the trustee or with a paying agent sufficient to pay the redemption price. (Section 1105)

If less than all the debt securities are being redeemed, the trustee shall select the debt securities to be redeemed using a method it considers fair and appropriate, by lot or pro rata, in each case subject to the applicable procedures of the depository. (Section 1103) After the redemption date, holders of debt securities which were redeemed will have no rights with respect to the debt securities except the right to receive the redemption price and any unpaid interest to the redemption date. (Section 1106)

Concerning the Trustee

Deutsche Bank Trust Company Americas is the trustee under the indenture. Deutsche Bank Trust Company Americas has performed and will perform other services for us and certain of our subsidiaries in the normal course of its business.

Governing Law

The laws of the State of New York govern the indenture and will govern the debt securities.
(Section 112)

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DESCRIPTION OF COMMON STOCK

We are authorized to issue 5,000,000,000 shares of Class A common stock, without par value, which we refer to as common stock, and 500,000,000 shares of preferred stock, without par value. As of January 31, 2014, there were 1,700,976,286 shares of common stock outstanding and held of record by 66,233 shareholders, and no shares of preferred stock outstanding. As of December 31, 2013, there were 91,343,713 shares of common stock reserved for outstanding stock options and other stock awards.

The principal stock exchange on which our common stock is listed is The NASDAQ Global Select Market under the symbol MDLZ. All outstanding shares of common stock are validly issued, fully paid and nonassessable.

The following description of the terms of our common stock is not complete and is qualified in its entirety by reference to our amended and restated articles of incorporation and our amended and restated by-laws. To find out where copies of these documents can be obtained, please see the section of this prospectus entitled Where You Can Find More Information.

Voting Rights

The holders of our common stock are entitled to one vote on all matters submitted for action by our shareholders. There is no provision for cumulative voting with regard to the election of directors.

Dividend and Liquidation Rights

Subject to the preferences applicable to any shares of preferred stock outstanding at any time, holders of our common stock are entitled to receive dividends when and as declared by our board of directors from funds legally available therefore and are entitled, in the event of a liquidation, to share ratably in all assets remaining paid after payment of liquidation.

Other Rights

The holders of our common stock have no preemptive rights and no rights to convert their common stock into any other securities, and our common stock is not subject to any redemption or sinking fund provisions.

Anti-Takeover Provisions of our Articles of Incorporation, our By-Laws and Virginia Law

Various provisions contained in our amended and restated articles of incorporation, our amended and restated by-laws and Virginia law could delay or discourage some transactions involving an actual or potential change in control of Mondelez International or our management and may limit the ability of our shareholders to remove current management or approve transactions that our shareholders may deem to be in their best interests. Provisions in our amended and restated articles of incorporation and our amended and restated by-laws:

authorize our board of directors to establish one or more series or classes of undesignated preferred stock, the terms of which can be determined by the board of directors at the time of issuance;

do not authorize cumulative voting;

provide that only a majority of the board of directors or the chairman of the board of directors may call a special meeting of the shareholders, except that the board of directors must call a special meeting upon the request from at least 20% of the combined voting power of the outstanding shares of all classes of our capital stock;

provide an advanced written notice procedure with respect to shareholder proposals and shareholder nomination of candidates for election as directors; and

provide that our directors may fill any vacancies on our board of directors, including vacancies resulting from a board of directors resolution to increase the number of directors.

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In addition, Virginia law contains provisions governing material acquisition transactions (affiliated transactions) between us and any holder of more than 10% of any class of its outstanding voting shares (an interested shareholder). In general, these provisions prohibit a Virginia corporation from engaging in an affiliated transaction with an interested shareholder for a period of three years following the date such person became an interested shareholder, unless (1) a majority of the disinterested directors and the holders of at least two-thirds of the remaining voting shares approved the affiliated transaction or (2) before the date that the person became an interested shareholder, a majority of the disinterested directors approved the transaction that resulted in the person becoming an interested shareholder. After three years, any such transaction must be at a fair price, as statutorily defined, or must be approved by the holders of at least two-thirds of the voting shares, other than those beneficially owned by the interested shareholder or by a majority of the disinterested directors. Affiliated transactions subject to this approval requirement include mergers, share exchanges, material dispositions of corporate assets not in the ordinary course of business, the sale of shares of the corporation or any of its subsidiaries to an interested shareholder having an aggregate fair market value of greater than 5% of the aggregate fair market value of the corporation s outstanding shares, any dissolution of Mondelēz International proposed by or on behalf of an interested shareholder or any reclassification, including reverse stock splits, recapitalization or merger of Mondelēz International with its subsidiaries, that increases the percentage of voting shares beneficially owned by an interested shareholder by more than 5%.

The shareholders of a Virginia corporation may adopt an amendment to the corporation s articles of incorporation or by-laws opting out of the provisions of Virginia law governing affiliated transactions. Neither our amended and restated articles of incorporation nor our amended and restated by-laws contain a provision opting out of the provisions of Virginia law governing affiliated transactions.

Virginia law also contains provisions relating to control share acquisitions, which are transactions causing the voting strength of any person acquiring beneficial ownership of shares of a Virginia public corporation to meet or exceed certain threshold percentages (20%, 33 1/3% or 50%) of the total votes entitled to be cast for the election of directors. Shares acquired in a control share acquisition have no voting rights unless (1) the voting rights are granted by a majority vote of all outstanding shares other than those held by the acquiring person or any officer or employee director of the corporation or (2) the articles of incorporation or by-laws of the corporation provide that these Virginia law provisions do not apply to acquisitions of its shares. The acquiring person may require that a special meeting of the shareholders be held to consider the grant of voting rights to the shares acquired in the control share acquisition.

As permitted by Virginia law, our amended and restated articles of incorporation contain a provision opting out of the Virginia anti-takeover law regulating control share acquisitions.

Transfer Agent

The transfer agent and registrar for our common stock is Wells Fargo Bank, N.A.

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DESCRIPTION OF OTHER SECURITIES

We will set forth in the applicable prospectus supplement a description of any preferred stock, warrants, depository shares, purchase contracts, guarantees or units issued by us that may be offered pursuant to this prospectus.

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PLAN OF DISTRIBUTION

We may sell the securities offered pursuant to this prospectus in any of the following ways:

directly to one or more purchasers;

through agents;

through underwriters, brokers or dealers; or

through a combination of any of these methods of sale.

We will identify the specific plan of distribution, including any underwriters, brokers, dealers, agents or direct purchasers and their compensation in a prospectus supplement.

In addition, to the extent this prospectus is used by any selling security holder to resell any common stock or debt securities, information with respect to the selling security holder and the plan of distribution will be contained in a supplement to this prospectus, in a post-effective amendment or in filings we make with the SEC under the Exchange Act that are incorporated by reference.

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EXPERTS

Our financial statements, financial statement schedule and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2013 have been so incorporated in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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VALIDITY OF THE SECURITIES

Gibson, Dunn & Crutcher LLP, New York, New York, will pass upon the validity of the debt securities, and Hunton & Williams LLP, Richmond, Virginia, will pass upon the validity of the shares of common stock.

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% Notes due 2022

% Notes due 2027

% Notes due 2035

Mondelēz International, Inc.

Joint Book-Running Managers

**Credit Suisse Deutsche Bank The Royal Société Générale
Bank of
Scotland Corporate & Investment Banking**

Barclays

BNP PARIBAS

HSBC