



Telefónica Deutschland Holding AG

Munich

WKN: A1J5RX
ISIN: DE000A1J5RX9

Convening of a virtual general meeting without physical presence of the shareholders and their proxies

We hereby invite our shareholders to

the **annual general meeting, which is held as virtual general meeting
without physical presence of the shareholders and their proxies,**

taking place on 20 May 2020, at 10:00 a.m. (Central European Summer Time - CEST)

In accordance with section 1 para. 2 of the Act on Measures in Corporate, Cooperative, Association, Foundation and Condominium Law to Combat the Effects of the COVID 19 Pandemic of 27 March 2020 (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie vom 27. März 2020*; "**Covid-19-AuswBekG**"), the annual general meeting is held as a virtual general meeting without the physical presence of the shareholders and their proxies (with the exception of the proxies nominated by the Company) at the offices of Telefónica Deutschland Holding AG, Georg-Brauchle-Ring 50, 80992 Munich, Germany (place of the general meeting within the meaning of the German Stock Corporation Act). For details of the rights of shareholders and their proxies, please refer to section "Further Information" printed after the agenda.

I. Agenda

1. Submission of the adopted annual financial statements of Telefónica Deutschland Holding AG and the approved consolidated financial statements including the combined management report, each as of 31 December 2019, the descriptive report of the management board pursuant to sections 289a para. 1, 315a para. 1 of the German Commercial Code (HGB) and the report of the supervisory board each for the financial year 2019

The above mentioned documents as well as the proposal by the management board for the distribution of net retained earnings can be found on the internet at www.telefonica.de/agm.

2. Resolution on appropriation of balance sheet profit

The management board and the supervisory board propose to resolve as follows:

“The net retained earnings for the year shown in the adopted annual financial statements of Telefónica Deutschland Holding AG as of 31 December 2019 in the amount of

	EUR	737,379,114.26
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will be distributed as follows:

Distribution of a dividend in the amount of EUR 0.17 for each share entitled to dividends, in total	EUR	505,674,348.81
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Profit carried forward	EUR	231,704,765.45
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The dividend is due for payment on 26 May 2020.”

3. Resolution on the discharge of the members of the management board

The management board and the supervisory board propose to resolve as follows:

“The members of the management board in the financial year 2019 are discharged for this period.”

4. Resolution on the discharge of the members of the supervisory board

The management board and the supervisory board propose to resolve as follows:

“The members of the supervisory board in the financial year 2019 are discharged for this period.”

5. Resolution on the appointment of the auditor and the group auditor for the financial year 2020, as well as the auditor for a potential review of the half-year financial report for the first six months of the financial year 2020 and any other potential interim financial information

The supervisory board proposes, at the recommendation of its audit committee, to pass the following resolutions:

- "a) PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft with its registered seat in Frankfurt am Main (Munich office), is appointed as auditor and group auditor for the financial year 2020, as auditor for a potential review of the condensed financial statements and interim management report contained in the half-year financial report as of 30 June 2020 and as auditor for a potential review of potential additional interim financial information pursuant to section 115 para. 7 German Securities Trading Act (WpHG) for the financial year 2020."

- "b) PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft with its registered seat in Frankfurt am Main (Munich office), is appointed as auditor for a potential review of potential additional interim financial information pursuant to section 115 para. 7 German Securities Trading Act (WpHG) for the financial year 2021, if such review is conducted before the next general meeting."

The audit committee has stated that its recommendation is free from improper influence by a third party and that no clause restricting the choice within the meaning of Article 16 para. 6 of the Auditor Regulation (Regulation (EU) No. 537/2014 of the European Parliament and the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC) has been imposed upon it.

6. Election to the supervisory board

Ms Laura Abasolo García de Baquedano, who had been elected as shareholder representative to the supervisory board by the general meeting on 9 May 2017, resigned from office with effect from the end of 31 March 2020. Ms Laura Abasolo García de Baquedano had been elected as shareholder representative to the supervisory board until the end of the general meeting resolving on the discharge for the financial year 2021. By order of the Local Court of Munich dated 25 February 2020, Mr Peter Löscher was appointed as shareholder representative to the supervisory board of the Company in place of the resigned Ms Laura Abasolo García de Baquedano with effect from 1 April 2020. Since 2 April 2020 Mr Löscher is chairman of the supervisory board of Telefónica Deutschland Holding AG.

Mr Peter Löscher is now to be elected as shareholder representative to the supervisory board of the Company by the annual general meeting.

Pursuant to section 11 para. 1 of the Articles of Association the supervisory board of Telefónica Deutschland Holding AG has 16 members, and is pursuant to sections 96 para. 1 and para. 2, 101 para. 1 German Stock Corporation Act (AktG) in conjunction with section 7 para. 1 German Co-Determination Act (MitbestG) of 4 May 1976 composed of eight members who are elected by the general meeting and eight members who are elected by the employees and at least of 30% women and 30% men. In principle, the minimum gender quota has to be fulfilled by the supervisory board as a whole. The shareholder representatives objected to the joint fulfilment of the quota pursuant to section 96 para. 2 sentence 3 German Stock Corporation Act (AktG). Therefore, the minimum quota for this election has to be fulfilled separately by the shareholder representatives and the employee representatives and corresponds to at least two women and at least two men for each side.

At the time of the announcement of the convening of this annual general meeting, three shareholder representatives are women and five shareholder representatives are men. On the basis of separate fulfilment, the minimum gender quota is thus fulfilled by the shareholder representatives and would continue to be fulfilled after the election of the proposed candidate.

If a supervisory board member elected by the general meeting resigns from the supervisory board before the end of his or her term of office, a successor shall be elected pursuant to section 11 para. 2 sentence 3 of the Articles of Association for the remainder of the term of office of the resigned supervisory board member, unless the general meeting resolves on a different term of office.

The supervisory board proposes to pass the following resolution:

"Mr Peter Löscher,
with residence in Munich, Germany,
chairman of the Board of Directors (non-executive) of Sulzer AG, Winterthur,
Switzerland,
is elected as shareholder representative to the supervisory board of Telefónica Deutschland Holding AG.

The election will take effect at the end of the general meeting on 20 May 2020 for the remaining term of office of the resigned member of the supervisory board Laura Abasolo García de Baquedano, i.e. until the end of the general meeting which passes the resolution on the discharge for the financial year 2021."

The above proposal for election is based on the recommendation of the supervisory board nomination committee. It takes into account the objectives set by the supervisory board with respect to its composition and the competence profile for the

entire supervisory board drawn up by the supervisory board; it is also in line with the diversity concept pursued by the Company.

It is planned to re-elect Mr Löscher as chairman of the supervisory board in the event of his election by the general meeting.

The Curriculum Vitae of Mr Löscher, which provides information in particular on relevant knowledge, skills and professional experience, is available to the shareholders from the day on which the general meeting is convened under www.telefonica.de/agm. In his assessment, Mr Löscher has sufficient time to perform his duties on the supervisory board of Telefónica Deutschland Holding AG.

Information pursuant to section 125 para. 1 sentence 5 German Stock Corporation Act (AktG)

Mr Peter Löscher is at the time of this notification of convention of this annual general meeting not a member of any legally required supervisory boards, but a member of the following comparable German or foreign supervisory bodies of business enterprises:

- chairman of the Board of Directors (non-executive) of Sulzer AG, Winterthur, Switzerland;
- independent non-executive member of the Board of Directors of Telefónica, S.A., Madrid, Spain;
- non-executive member of the Board of Directors of Thyssen-Bornemisza Group AG, Zurich, Switzerland;
- non-executive director of Doha Venture Capital LLC, Doha, Qatar.

Further, Mr Peter Löscher is to be elected member of the supervisory board of Koninklijke Philips N.V., Amsterdam, The Netherlands, (comparable foreign supervisory body of a business enterprise) at the annual general meeting of Koninklijke Philips N.V. this year.

Information pursuant to the recommendations of the German Corporate Governance Code

The information deemed relevant by the supervisory board for this election relating to the personal and business relationships of the proposed candidate to the Company, the corporate bodies of the Company and any shareholder holding a significant interest in the Company is disclosed as follows:

Mr Peter Löscher is an independent non-executive member of the Board of Directors as well as chairman of the Audit and Control Committee, a member of the Strategy and Innovation Committee and a member of the Nominating, Compensation and Corporate Governance Committee of Telefónica, S.A., Madrid, Spain, the indirect majority shareholder of Telefónica Deutschland Holding AG. Mr Löscher also holds shares in Telefónica, S.A., Madrid, Spain.

7. Resolution on the amendment of the remuneration of the supervisory board and the corresponding revision of section 20 of the Articles of Association ("Supervisory Board Remuneration")

The current remuneration of the supervisory board is stipulated in section 20 of the Articles of Association of the Company. Since being established as a stock corporation, there has been no change to the remuneration of the supervisory board. Against the background of constantly increasing demands on the controlling and advising activities of the supervisory board and in view of the remuneration of the supervisory boards of comparable companies, the supervisory board shall receive from financial year 2020 onwards a remuneration with orientation towards what is customary in the market and is at the same time modest.

From financial year 2020 onwards, the members of the supervisory board shall receive a fixed remuneration in the amount of EUR 30,000.00 (currently: EUR 20,000.00) for each full financial year of their membership in the supervisory board.

The remuneration of the chairman of the supervisory board shall be EUR 100,000.00 p.a. (currently: EUR 80,000.00) considering the additional work load compared to ordinary members of the supervisory board. The deputy chairman shall receive EUR 50,000.00 p.a. (currently: EUR 40,000.00).

Furthermore, the remuneration of the supervisory board members for their service on the key committees which meet regularly (Audit Committee and Remuneration Committee) shall be adjusted to take into account in an appropriate manner the importance and the time commitment of committee work as also recommended by the German Corporate Governance Code. Therefore, from financial year 2020 onwards, the members of the supervisory board shall receive an additional EUR 10,000.00 p.a. for their service on the Audit Committee and an additional EUR 7,500.00 p.a. for their service on the Remuneration Committee; the chairman of the Remuneration Committee shall receive additionally to the fixed remuneration EUR 13,000.00 p.a.. The chairman of the Audit Committee shall receive additionally to the fixed remuneration EUR 45,000.00 p.a., i.e. in total EUR 75,000.00 p.a (currently: EUR 70,000.00).

The management board and the supervisory board propose to resolve as follows:

"Section 20 of the Articles of Association ("Supervisory Board Remuneration") is amended as follows:

"§ 20

Remuneration of the Supervisory Board

- (1) Beginning with the financial year 2020 each member of the Supervisory Board receives a fixed annual remuneration in the amount of EUR 30,000.00, the Chairman of the Supervisory Board receives EUR 100,000.00 and his deputy EUR 50,000.00.*

- (2) *For their activities in the committees of the Supervisory Board, the Supervisory Board members receive additionally per financial year:*
 - a) *the Chairman of the Audit Committee EUR 45,000.00 unless the Chairman of the Supervisory Board chairs the Audit Committee; each other member of the Audit Committee EUR 10,000.00;*
 - b) *the Chairman of the Remuneration Committee EUR 13,000.00, each other member of the Remuneration Committee EUR 7,500.00.*
- (3) *The remuneration pursuant to sub-clauses (1) and (2) shall be due for payment four weeks after the end of the financial year.*
- (4) *Supervisory Board members who belong to the Supervisory Board or any committee or who chair the Supervisory Board or any committee for only part of the financial year shall receive in each case the remuneration pro rata temporis.*
- (5) *Each member of the Supervisory Board shall be reimbursed for expenses incurred in the performance of his or her duties. In addition, the members of the Supervisory Board shall be reimbursed for any value added tax payable on the reimbursement of expenses or on the remuneration of the Supervisory Board to the extent that they are entitled to invoice the Company for value added tax separately and exercise this right.*
- (6) *The Company may conclude a pecuniary loss liability insurance policy (D&O insurance) for the benefit of the members of the Supervisory Board at normal and reasonable market conditions, which covers the statutory liability arising from the Supervisory Board activity. ^m*

8. Resolution on further amendments of the Articles of Association

Some sections of the Company's Articles of Association are to be adapted to current practice or for the sake of clarification (see resolution proposal below under a)); in addition, the Company is to be granted more flexibility in selecting the location of the general meeting (see resolution proposal below under b)). Further, as a result of the German Act Implementing the Second Shareholders' Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie - ARUG II*), which came into force on 1 January 2020, certain provisions in the Company's Articles of Association will become obsolete or be replaced by a statutory provision as of 3 September 2020 and are therefore to be deleted (see resolution proposal below under c)).

Regarding resolution proposal 8 a):

In section 8 para. 2 of the Articles of Association, the right of the supervisory board to issue rules of procedure for the management board shall be clarified.

With regard to the convening of meetings of the supervisory board, section 14 para. 2 of the Articles of Association shall no longer provide for the convening of meetings by telex, telegram or fax, as these are no longer customary in practice of the supervisory board of Telefónica Deutschland Holding AG. The same applies to the passing of resolutions of the supervisory board outside of meetings by fax pursuant to section 15 para. 3 of the Articles of Association. On the other hand, section 14 para. 5 of the Articles of Association shall clarify that supervisory board meetings may also be held in the form of a combination of a video and telephone conference. With regard to the determination of the majority for supervisory board resolutions, it should be clarified in section 15 para. 4 of the Articles of Association that abstentions and supervisory board members who are subject to a voting ban, i.e. who cannot cast a vote, are not counted.

Section 17 para. 2 of the Articles of Association is to be deleted, as the provisions contained therein regarding a catalogue of measures requiring approval are essentially already contained in section 10 para. 2 of the Articles of Association. A subsequent editorial amendment is provided for in section 18 para. 4 of the Articles of Association. In addition, it is to be clarified in section 23 para. 3 of the Articles of Association that the issue of admission tickets is not a mandatory requirement.

Regarding resolution proposal 8 b):

In view of the limited availability of premises for general meetings on certain dates in Munich, section 21 of the Articles of Association is intended to give the Company more flexibility with regard to the choice of the location of the general meeting and to allow the general meeting to be held within a radius of 50 km around the town where the Company's registered office is located if necessary.

Regarding resolution proposal 8 c):

As a result of ARUG II, the option to restrict the transmission of the notifications pursuant to section 125 para. 2 sentence 1 German Stock Corporation Act (AktG) in the Articles of Association to electronic communication as provided for in section 125 para. 2 sentence 2 German Stock Corporation Act (AktG) will be deleted with effect from 3 September 2020; as a result section 3 para. 2 sentences 2 and 3 of the Articles of Association will become obsolete and should be deleted. The notification of an electronic address for the share register entry provided for in section 5 para. 3 sentence 3 of the Articles of Association will be part of the legal requirements as of 3 September 2020, so that a provision in the Articles of Association can be deleted. The provision contained in section 5 para. 4 of the Articles of Association regarding the significance of the share register entry is amended by ARUG II with effect from 3 September 2020 and can be found in the German Stock Corporation Act, so that a corresponding provision in the Articles of Association is not necessary.

The management board and the supervisory board propose to resolve as follows:

- "a) The Articles of Association of the Company shall be amended as follows:

- aa) Section 8 para. 2 of the Articles of Association is revised as follows:
- "(2) The Management Board may adopt By-laws for itself by unanimous resolution with the approval of the Supervisory Board to the extent the Supervisory Board has not exercised its right to issue such By-laws."*
- bb) Section 14 para. 2 sentence 2 of the Articles of Association is revised as follows:
- "The Meeting may be convened in writing, by telephone, e-mail or by other electronic communication means."*
- cc) Section 14 para. 5 sentence 1 of the Articles of Association is revised as follows:
- "Meetings of the Supervisory Board may be held in the form of telephone or video conferences or combinations thereof at the direction of the Chairman; there shall be no right to object pursuant to § 108 (4) Stock Corporation Act."*
- dd) In section 15 para. 3 sentence 1 of the Articles of Association the word "fax" is deleted.
- ee) In section 15 para. 4 of the Articles of Association the following new sentence 2 shall be added:
- "Abstentions and members of the Supervisory Board who are subject to voting bans are not counted when calculating the majority."*
- The current sentences 2 to 6 become sentences 3 to 7.
- ff) Section 17 para. 2 of the Articles of Association is deleted without replacement. The current section 17 para. 3 of the Articles of Association becomes section 17 para. 2.
- gg) Section 18 para. 4 of the Articles of Association is revised as follows:
- "(4) For the inner working of the committees, § 15, § 16 and § 17 sub-clause (1) shall apply accordingly."*
- hh) Section 23 para. 3 of the Articles of Association is amended as follows:
- "(3) The further details concerning the notice of attendance and, if applicable, the issue of entrance tickets for the General Meeting shall be stated in the notice of the General Meeting"."*
- "b) Section 21 of the Articles of Association ("Venue of the General Meeting") shall be revised as follows:

"The General Meeting of the Company shall be held in the town where the Company's registered office is located, in a town in Germany with more than 100,000 inhabitants or in another town within a radius of 50 km around the town where the Company's registered office is located."

- "c) With respect to ARUG II the Articles of Association shall be further amended as follows:
- aa) Section 3 para. 2 sentences 2 and 3 of the Articles of Association are deleted without replacement.
 - bb) Section 5 para. 3 sentence 3 of the Articles of Association is deleted without replacement.
 - cc) Section 5 para. 4 of the Articles of Association is deleted without replacement. Section 5 para 5 of the Articles of Association becomes section 5 para. 4 of the Articles of Association.

The management board is instructed to apply for registration of the above amendments of the Articles of Association under letter c) in the commercial register only after 3 September 2020."

As a service to our shareholders a mark up version of the Articles of Association is available on the internet at www.telefonica.de/agm.

II. Further Information

Total number of share and voting rights

The share capital of Telefónica Deutschland Holding AG amounts to EUR 2,974,554,993.00 and is divided into 2,974,554,993 non-par value shares. The total number of shares and voting rights amounts to 2,974,554,993. The Company does not hold any own shares. These figures relate to the date of publication of this invitation in the Federal Gazette (*Bundesanzeiger*).

Notes on the conduct of the virtual annual general meeting

The management board has decided, with the approval of the supervisory board, to hold the annual general meeting of the Company on 20 May 2020 as a virtual general meeting in accordance with section 1 para. 2 of the Covid-19-AuswBekG without the physical presence of the shareholders and their proxies.

The shareholders and their proxies (with the exception of the proxies nominated by the Company) may therefore not physically attend the annual general meeting. The entire annual general meeting will be transmitted for registered shareholders of

Telefónica Deutschland Holding AG or their proxies in accordance with the following provisions on 20 May 2020 from 10.00 a.m. (CEST) live on the internet in the password protected **internet service for the annual general meeting** on the Company's website at

www.telefonica.de/agm

in picture and sound. The voting rights of shareholders or their proxies are exercised exclusively by way of postal vote (*Briefwahl*) or by granting power of attorney to the proxies nominated by the Company.

Via the password protected **internet service for the annual general meeting**, shareholders (and their proxies, if applicable) can in accordance with the following provisions, among other things, register for the annual general meeting, exercise their voting rights by electronic postal vote, grant powers of attorney to third parties and issue powers of attorney and instructions to the proxies nominated by the Company, submit questions or declare objections to be recorded in the minutes. To use the password protected **internet service for the annual general meeting** an access authorization is required. Details can be found below in the section "Conditions for attending the virtual annual general meeting and for exercising voting rights".

Conditions for attending the virtual annual general meeting and for exercising voting rights

Only those shareholders who have registered for attendance in due time and who are registered in the shareholders' register for the registered shares on the date of the registration deadline, i.e. 24:00 (midnight) CEST on 13 May 2020 are entitled to attend the virtual annual general meeting and exercise their voting rights.

The registration must be received by Telefónica Deutschland Holding AG at the following address no later than 24:00 (midnight) CEST on 13 May 2020:

Telefónica Deutschland Holding AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany

or e-mail: telefonica@better-orange.de

or electronically by using the password protected **internet service for the annual general meeting** at **www.telefonica.de/agm**

To facilitate the registration, a registration form will be sent to the shareholders together with the invitation to the virtual annual general meeting. This registration form is also available for download at www.telefonica.de/agm.

For using the password protected **internet service for the annual general meeting** at www.telefonica.de/agm an access authorization is required. Shareholders who are entered in the Company's share register no later than 8 May 2020, 0:00 hours (CEST), will be sent their individual access data (shareholder number and access password) together with the invitation to the virtual annual general meeting. However, for shareholders registered in the share register after this date, the options otherwise available for registration for the virtual annual general meeting (to abovementioned postal address or email address) until the registration deadline on 13 May 2020, 24:00 hours (CEST), will be available. The individual access data for the password protected internet service for the annual general meeting will be sent to these shareholders after receipt of the registration by the Company.

In relation to the Company, only those persons are considered shareholders who are entered as such in the share register. Accordingly, the right to participate in the virtual annual general meeting and the number of voting rights to which a shareholder is entitled in the virtual annual general meeting is determined by the status of the share register on the day of the virtual annual general meeting. For technical reasons, however, on the day of the virtual annual general meeting and in the last six days prior to the day of the virtual annual general meeting, i.e. from 14 May 2020, 0:00 hours (CEST), up to and including 20 May 2020, 24:00 hours (CEST), no deletions and entries will be made in the share register (so-called re-registration stop). Therefore, the registration status of the share register on the day of the virtual annual general meeting corresponds to the status at the end of the registration deadline day, 13 May 2020, 24:00 hours (CEST). Trading in shares is not limited, the shares are not blocked due to the re-registration stop.

Intermediaries, shareholders' associations and voting right advisors, as well as persons treated as such pursuant to section 135 para. 8 German Stock Corporation Act (AktG), may only exercise the voting rights for shares as the holders of which they are entered in the share register but which do not belong to them, on the basis of an authorization. Further details are regulated by section 135 German Stock Corporation Act (AktG).

Since shareholders and their proxies (with the exception of the proxies nominated by the Company) cannot physically attend the annual general meeting, there is no need to issue and send admission tickets.

Procedure for casting votes by proxy

Shareholders are entitled to vote by proxy, e.g. by an intermediary, a shareholders' association, or by any other person of their choice. Even in the case of a proxy, the shareholder or proxy must ensure registration in due time by the shareholder or proxy in accordance with the provisions set out above in the section "Conditions for attending the virtual annual general meeting and for exercising voting rights".

The grant and revocation of the proxy authorization as well as the evidence of proxy authorization to the Company must be provided in text form (section 126b German

Civil Code (BGB)), if neither an intermediary nor a shareholders' association, a voting rights advisor or any other person treated as such in accordance with section 135 para. 8 German Stock Corporation Act (AktG) are authorized to act as proxies.

The proxy can be declared to the person to be authorized or to the Company. A form that can be used to grant proxy will be sent to the shareholders together with the invitation to the virtual annual general meeting. Corresponding forms are also available for download at www.telefonica.de/agm.

The granting of a proxy by declaration to the Company or its revocation and the evidence of proxy authorization to the Company can be sent to the following postal address or email address:

Telefónica Deutschland Holding AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany

or e-mail: telefonica@better-orange.de

In addition, granting, revocation and evidence of proxy can also be made by using the password protected **internet service for the annual general meeting** at www.telefonica.de/agm. With regard to the individual access data (shareholder number and access password) required to use the password protected internet service for the annual general meeting, please refer to the section above "Conditions for participating in the virtual annual general meeting and for exercising voting rights".

Intermediaries, shareholders' associations, voting right advisors and other persons treated as such in accordance with section 135 para. 8 German Stock Corporation Act (AktG) may provide for different regulations regarding their own authorization. Section 135 of the German Stock Corporation Act (AktG) provides, among other things, that the proxy shall be granted to a specific proxy and shall be verifiably recorded by that proxy. The proxy statement must also be complete and may only contain declarations associated with the exercise of voting rights. Shareholders who wish to authorize an intermediary, a shareholders' association, a voting right advisor or any other person treated as such in accordance with section 135 para. 8 German Stock Corporation Act (AktG) are therefore asked to consult with the person to be authorized regarding the procedure for granting the proxy and the possibly required form of the proxy in good time.

Also authorized third parties cannot physically attend at the annual general meeting. However, they may exercise their voting rights by postal vote or by (sub)authorizing the proxies nominated by the Company.

We offer our shareholders or their proxies the opportunity to authorize a proxy nominated by the Company who is bound to voting instructions to exercise their voting rights. In this case, too, timely registration in accordance with the above

section "Conditions for attending the virtual annual general meeting and for exercising voting rights" is required. A form that can be used for granting a proxy authorization and issuing instructions to the proxies nominated by the Company will be sent to the shareholders together with the invitation to the virtual general meeting. It is also available for download on the Company's website at www.telefonica.de/agm.

Authorizations and instructions to the proxies nominated by the Company may be sent by post or e-mail to the following address or e-mail address by no later than 19 May 2020, 24:00 CEST (time of receipt):

Telefónica Deutschland Holding AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany

or e-mail: telefonica@better-orange.de

In addition proxy authorizations and instructions to the proxies nominated by the Company can be issued electronically by using the password protected **internet service for the annual general meeting** at www.telefonica.de/agm. This possibility is available until the beginning of the voting procedure in the virtual annual general meeting on 20 May 2020. With regard to the individual access data (shareholder number and access password) required to use the password protected internet service for the annual general meeting, please refer to the section above headed "Conditions for participating in the virtual annual general meeting and for exercising voting rights".

For the revocation of the proxy authorization granted to proxies nominated by the Company or the amendment of instructions, the aforementioned information on the possibilities for transmission and the deadlines shall apply mutatis mutandis.

If the proxies nominated by the Company are authorized, they must in any case be given instructions for exercising the voting right. The proxies are obliged to vote in accordance with the instructions given to them. The proxies nominated by the Company will not accept any authorizations to file objections to resolutions of the annual general meeting, to exercise the right to ask questions or to make motions.

If an individual vote is taken on an agenda item without this having been communicated in advance of the virtual annual general meeting, an instruction on this agenda item as a whole shall also be deemed to be a corresponding instruction for each item of the individual vote.

Voting by postal vote

Shareholders may also cast their votes by postal vote in writing or by means of electronic communication. This also requires timely registration for the virtual annual

general meeting in accordance with the provisions set out above in the section "Conditions for participating in the virtual annual general meeting and for exercising voting rights". A form that can be used for postal voting will be sent to shareholders together with the invitation to the virtual annual general meeting. It is also available for download at www.telefonica.de/agm.

Votes by postal vote may be cast by post or e-mail by no later than 19 May 2020, 24.00 (CEST) (time of receipt) to the following address or e-mail address:

Telefónica Germany Holding AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany
or e-mail: telefonica@better-orange.de

Voting by postal vote can also be done electronically using the password protected **internet service for the annual general meeting** on the Company's website at www.telefonica.de/agm. This option for postal voting will be available until the start of voting at the virtual annual general meeting on 20 May 2020. With regard to the individual access details (shareholder number and access password) required to use the password protected internet service for the annual general meeting, please refer to the section "Conditions for attending the virtual annual general meeting and for exercising voting rights".

In the event of a revocation or a change in voting by postal vote, the above information on the options for transmission and the deadlines apply accordingly.

If an individual vote is taken on an agenda item without this having been communicated in advance of the virtual annual general meeting, a postal vote cast on this agenda item shall also be deemed to be a postal vote for each item of the individual vote.

Authorized intermediaries, shareholders' associations, voting right advisors or other persons treated as such pursuant to section 135 para. 8 German Stock Corporation Act (AktG) may also use postal voting.

Video and audio transmission of the annual general meeting on the internet

Shareholders of Telefónica Deutschland Holding AG, who are registered for attendance, and their proxies can watch the entire annual general meeting on 20 May 2020 from 10:00 a.m. (CEST) live on the internet in sound and picture in the password protected **internet service for the annual general meeting** on the Company's website at

www.telefonica.de/agm

To activate the internet transmission via the password protected internet service for the annual general meeting, timely registration for the virtual annual general meeting

in accordance with the provisions set out above in the section "Conditions for attending the virtual annual general meeting and for exercising voting rights" is required. With regard to the individual access details (shareholder number and access password) required to use the password protected internet service for the annual general meeting, see above section "Conditions for attending the virtual annual general meeting and for exercising voting rights".

Objection against a resolution of the general meeting

Shareholders or their proxies who have exercised their voting rights by way of postal vote or by granting a proxy have the opportunity, during the virtual annual general meeting on 20 May 2020 until its closing by the chairman of the general meeting, to declare an objection against a resolution of the annual general meeting to be recorded by the notary public in accordance with section 1 para. 2 sentence 1 no. 4 Covid-19-AuswBekG in conjunction with section 245 no. 1 German Stock Corporation Act (AktG) via the password protected **internet service for the annual general meeting** at the internet address www.telefonica.de/agm. With regard to the individual access details (shareholder number and access password) required to use the password protected internet service for the annual general meeting, please refer to the section above "Conditions for attending the virtual annual general meeting and for exercising voting rights".

Information on the rights of shareholders pursuant to sections 122 para. 2, 126 para. 1, 127, 131 para. 1 German Stock Corporation Act (AktG) in conjunction with section 1 Covid-19-AuswBekG

Motions for additions to the agenda in accordance with section 122 para. 2 German Stock Corporation Act (AktG) in conjunction with section 1 para. 3 sentence 4 Covid-19-AuswBekG

Pursuant to section 122 para. 2 German Stock Corporation Act (AktG), shareholders whose combined shares amount to at least one twentieth of the share capital or a nominal value of EUR 500,000.00 may request that additional items are added to the agenda and published. An explanation or a proposed resolution has to be enclosed with each additional agenda item. Pursuant to section 122 para. 2 German Stock Corporation Act (AktG) in conjunction with section 122 para. 1 sentence 3 German Stock Corporation Act (AktG) the petitioners must prove that they have been owners of the shares at least 90 days before submitting the request and that they will remain the owners of the shares until the management board has made a decision about the motion. When calculating this 90-day period there are certain set-off options to which reference is specifically made pursuant to section 70 German Stock Corporation Act (AktG). In calculating this period the provisions of section 121 para. 7 German Stock Corporation Act (AktG) have to be observed.

Such requests must be made in written form (section 126 of the German Civil Code (BGB)) to the management board and must be received by the Company no later than 14 days prior to the virtual annual general meeting (not counting the day of the annual general meeting and the day of receipt), this is by no later than 24:00 (midnight) CEST on 5 May 2020. Please send such requests to the following address:

Telefónica Deutschland Holding AG
- Management Board -
Georg-Brauchle-Ring 50
80992 Munich
Germany

Countermotions and election proposals by shareholders in accordance with sections 126 para. 1, 127 German Stock Corporation Act (AktG)

Pursuant to section 126 para. 1 German Stock Corporation Act (AktG), any shareholder of the Company may submit a countermotion to a proposal made by the management board and/or the supervisory board relating to a specific item on the agenda. Countermotions must be made available on the website subject to the provisions of section 126 paras. 1 and 2 German Stock Corporation Act (AktG), provided they have been received by the Company at the address provided below no later than 14 days prior to the virtual annual general meeting (not counting the day of the annual general meeting and the day of receipt), this is by no later than 24:00 (midnight) CEST on 5 May 2020.

Moreover, any shareholder may submit an election proposal for the election of the auditor or the election of members of the Supervisory Board subject to the provisions of section 127 German Stock Corporation Act (AktG). Election proposals must be made available on the website subject to the provisions of sections 127 and 126 para. 1 and para. 2 German Stock Corporation Act (AktG), provided they have been received by the Company at the address provided below no later than 14 days prior to the virtual annual general meeting (not counting the day of the annual general meeting and the day of receipt), this is by no later than 24:00 (midnight) CEST on 5 May 2020.

Countermotions or election proposals from shareholders must be sent to the following address:

Telefónica Deutschland Holding AG
Investor Relations
Georg-Brauchle-Ring 50
80992 Munich
Germany
or e-mail: hauptversammlung@telefonica.com

No counter-proposals or election proposals otherwise addressed will be considered.

Motions and election proposals from shareholders that are required to be made available will be made available on the Company's website at www.telefonica.de/agm, including the name of the shareholder and any reasons given, provided that the other requirements for an obligation to publish in accordance with sections 126 and 127 German Stock Corporation Act (AktG) are met. Any comments by the management board on any countermotion and election proposals will also be published at the aforementioned internet address.

Possibility for shareholders to ask questions in accordance with section 1 para. 2 sentence 1 no. 3, sentence 2 Covid-19-AuswBekG

In accordance with section 1 para. 2 sentence 1 no. 3, sentence 2 Covid-19-AuswBekG, shareholders are given the possibility to ask questions by way of electronic communication. The possibility to ask questions is only available to shareholders who have registered for the virtual annual general meeting in accordance with the provisions set out above under section "Conditions for attending the virtual annual general meeting and for exercising voting rights" in due time.

The right to reply is not associated with the question option. Contrary to section 131 German Stock Corporation Act the management board decides which questions to answer and how to answer them at its due and free discretion. The management board does not have to answer all questions; in particular, it may also summarize questions and select questions that may be of interest for the other shareholders. It may give preference to shareholder associations and institutional investors with significant voting interests. Questions in foreign languages will not be considered. The management board reserves the right to answer questions in advance on the Company's website at www.telefonica.de/agm.

Questions must be submitted by **no later than 18 May 2020, 24:00 hours (CEST)** (time of receipt) by using the password protected **internet service for the annual general meeting** on the Company's website at www.telefonica.de/agm

With regard to the individual access details (shareholder number and access password) required to use the password protected internet service for the annual general meeting, please refer to the section above "Conditions for attending the virtual annual general meeting and for exercising voting rights".

No questions can be asked during the virtual annual general meeting.

Further explanations and information on the Company's website

All information required to be published pursuant to section 124a German Stock Corporation Act (AktG) as well as further explanations of the rights of shareholders pursuant to sections 122 para. 2, 126 para. 1, 127, 131 para. 1 German Stock Corporation Act (AktG) in conjunction with section 1 Covid-19-AuswBekG is available

at the Company's website at www.telefonica.de/agm. After the end of the virtual annual general meeting, the voting results will also be published there.

Information on data protection for shareholders

Your personal data will be processed for the purposes of keeping the share register as prescribed by the German Stock Corporation Act, for communication with you as a shareholder and for holding our virtual general meeting. In addition, your data will be used for related purposes and to fulfil other legal obligations (e.g. obligations to provide evidence or to keep records). Further information on data protection is available at

www.telefonica.de/agm

Munich, April 2020**Telefónica Deutschland Holding AG****The Management Board**