

Frequently Asked Questions (FAQ) about the annual general meeting – Convenience Translation

Frequently Asked Questions (FAQ) about registration and participation

Who has the right to participate?

Against the background of the ongoing Covid-19-pandemic the management board has decided, with the approval of the supervisory board, to hold the annual general meeting of the Company on 20 May 2021 as a virtual general meeting in accordance with section 1 para. 1, 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, as last amended by the Act on the Further Shortening of the Residual Debt Exemption Procedure and the Adjustment of Pandemic-Related Provisions in the Law on Companies, Cooperatives, Associations and Foundations, and in the Law on Tenancy and Leases of 22 December 2020 (hereinafter the "COVID-19 Act") without the physical presence of the shareholders and their proxies. The validity of the COVID-19 Act was extended to 31 December 2021 by the Ordinance on the Extension of Measures in the Law of Companies, Cooperatives, Associations, Foundations and Condominiums to Combat the Effects of the COVID-19 Pandemic of 20 October 2020.

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 2021 from 10:00 hours (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 electronic vote (absentee voting) 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 absentee voting, 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. The detailed requirements for participation and the conditions for exercising voting rights can be found in the invitation to the annual general meeting.

How can I register as a shareholder for the annual general meeting?

Only those shareholders who have registered in due time and for whom shares are registered in the shareholders' register on the date of the registration deadline, i.e. 13 May 2021, 24:00 hours (CEST), are entitled to exercise their rights as shareholders.

The registration must be received by Telefónica Deutschland Holding AG at the following address no later than on 13 May 2021, 24:00 hours (CEST):

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 who are registered in the Company's share register no later than on 29 April 2021, 0:00 hours (CEST), 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. To shareholders who are registered in the Company's share register no later than 29 April 2021, 0:00 hours (CEST), their individual access data (access code and access password) will be sent 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 above mentioned postal address or email address) until the registration deadline on 13 May 2021, 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.

With how many votes does a shareholder participate in the general meeting?

In principle, each share grants one vote. 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 2021, 0:00 hours (CEST), up to and including 20 May 2021, 24:00 hours (CEST), no deletions and entries will be made in the share register. 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 2021, 24:00 hours (CEST).

Are voting rights transferable?

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 in the invitation to the annual general meeting 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.

Will shares be blocked if the shareholder registers for the annual general meeting?

No, the shares are not blocked. Registration is based on the cut-off date principle, i.e. it is based on whether the shareholder is registered in the share register on the day of the registration deadline, i.e. on 13 May 2021, 24:00 hours (CEST), and has registered in time. A sale after this deadline is possible, but has no effect on the entitlement to participate in the annual general meeting.

Can I participate in the virtual annual general meeting if I have already sold my shares?

The relevant cut-off date for participation is the end of the registration period for the annual general meeting, i.e. 13 May 2021 at 24:00 hours (CEST). A sale of shares after this date does not affect the right to participate.

Until which day can a shareholder register?

The shareholder may register until the last registration day, i.e. until 13 May 2021, 24:00 hours (CEST) - received - directly at the registration address stated in the convening notice or electronically via our internet service at the internet address www.telefonica.de/agm, providing his access data.

By what means and until when can a registered shareholder exercise his voting right?

a) Authorisations to the proxies of 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 section "Conditions for attending the virtual annual general meeting without physical presence and for exercising voting rights" of the invitation to the annual general meeting 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 mentioned above address or e-mail address by **no later than 19 May 2021, 24:00 hours (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 2021.

b) Voting by electronic absentee voting

Shareholders may also cast their votes by electronic absentee voting by means of electronic communication, even without attending the virtual annual general meeting, using the password protected **internet service for the annual general meeting** on the Company's website at www.telefonica.de/agm in accordance with the procedures provided for this purpose. This option of electronic absentee voting is available until the start of voting at the virtual annual general meeting on 20 May 2021. The same applies to any revocation or amendment of the voting by electronic absentee vote. In order to exercise voting rights, timely registration for the virtual annual general meeting is required in accordance with the provisions set out in the section "Conditions for attending the virtual annual general meeting without physical presence and for exercising voting rights" in the invitation to the annual general meeting.

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

Where can the relevant documents for the annual general meeting be viewed?

All documents, in particular the invitation, are available on the Company's website at www.telefonica.de/agm.

Where can I request confirmation of my votes?

Pursuant to section 129 para. 5 sentence 1 German Stock Corporation Act (AktG), within one month after the day of the annual general meeting shareholders and their proxies who cast votes may request confirmation by the Company as to whether and how their vote was counted. A request to this effect may be sent by e-mail to telefonica@better-orange.de.

Why am I not receiving a printed copy of the convening notice this year?

As part of the implementation of the Second Shareholders' Rights Directive ("SRD II" or in German "ARUG II"), the legislator has also provided for a change regarding the form of convening the annual general meetings in section 125 of

the German Stock Corporation Act (AktG). The Company implements the new requirements of the legislator with the chosen form of convening.

Furthermore, the topic of sustainability is of particular importance to Telefónica Deutschland. This includes taking responsibility and keeping an eye on the impact on the environment in all business activities. By saving on printouts, the Company is making a contribution to the implementation of the sustainability targets. Similarly, the Company has not produced printed copies of its annual report for several years.

Frequently Asked Questions (FAQ) about the procedure

When and where will the annual general meeting 2021 take place?

Against the background of the ongoing Covid-19-pandemic the management board has decided, with the approval of the supervisory board, to hold the annual general meeting of the Company on 20 May 2021 as a virtual general meeting in accordance with section 1 para. 1, 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, as last amended by the Act on the Further Shortening of the Residual Debt Exemption Procedure and the Adjustment of Pandemic-Related Provisions in the Law on Companies, Cooperatives, Associations and Foundations, and in the Law on Tenancy and Leases of 22 December 2020 (hereinafter the "COVID-19 Act") without the physical presence of the shareholders and their proxies. The validity of the COVID-19 Act was extended to 31 December 2021 by the Ordinance on the Extension of Measures in the Law of Companies, Cooperatives, Associations, Foundations and Condominiums to Combat the Effects of the COVID-19 Pandemic of 20 October 2020.

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 2021 from 10:00 hours (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. The **voting rights of shareholders or their proxies** are exercised exclusively by way of electronic vote (absentee voting) or by granting power of attorney to the proxies nominated by the Company.

The detailed requirements for participation and the conditions for exercising voting rights can be found in the invitation to the annual general meeting.

How long does the annual general meeting last?

The duration cannot be predicted and depends, among other things, on the number of questions received. The annual general meeting will start at 10:00 hours (CEST).

Important dates

- Last day for receipt of registration: 13 May 2021, 24:00 hours (CEST).
- Annual general meeting: 20 May 2021, starting at 10:00 hours (CEST).

Frequently Asked Questions (FAQ) about the agenda

Will Telefónica Deutschland Holding AG pay a dividend in 2021?

The management board and supervisory board of Telefónica Deutschland Holding AG propose a dividend of EUR 0.18 per share for the financial year 2020 to the annual general meeting on 20 May 2021.

When will the dividend be paid in 2021 and who is entitled to the payment?

Subject to the approval of the annual general meeting on 20 May 2021, the dividend of EUR 0.18 per share is due for payment on the third business day following the annual general meeting, i.e. on 26 May 2021, in accordance with the legal requirements of section 58 para. 4 sentence 2 of the German Stock Corporation Act (AktG). The dividend payment will be made irrespective of whether a shareholder has attended the annual general meeting. Relevant for the dividend entitlement is the "ex-dividend" day (21 May 2021). A shareholder who purchases a share on the day before acquires

this "cum dividend", i.e. with dividend entitlement. Accordingly, a seller on this day also loses his dividend entitlement when he sells the share. This changes on the ex-dividend day (21 May 2021). From this day on, the share will be traded "ex-dividend", i.e. without dividend entitlement. Accordingly, a seller who sells only on the day after the annual general meeting retains his dividend entitlement, the buyer receives no dividend payment on the payment day.

Does the remuneration system for supervisory board members provide for a deductible for the supervisory board members' liability insurance, the so-called D&O insurance?

The D&O insurance for the supervisory board no longer includes a deductible for the supervisory board - following the deletion of the corresponding recommendation of the German Corporate Governance Code of 20 March 2020 and discussion in the governing bodies. It can be observed that D&O insurance without a deductible for supervisory board members will become the new market standard in Germany after the corresponding recommendation of the German Corporate Governance Code has been deleted ("market standard" in the sense of section 20 para. 6 of the Articles of Association). Furthermore, the concept of a deductible for the non-executive supervisory board was and is unusual compared to other European countries. This is of particular relevance for an internationally composed supervisory board such as that of Telefónica Deutschland.

Furthermore, the deductible of the supervisory board could be covered by a relatively inexpensive individual insurance policy, an option that a relevant number of supervisory board members also took advantage of in the past. For this reason, too, the Company does not consider such a deductible to be a suitable means of increasing the supervisory board members' sense of responsibility and motivation.

When was the last annual general meeting held?

The last annual general meeting was held on 20 May 2020 in the form of a virtual annual general meeting.

What was the dividend entitlement in 2020?

The dividend in 2020 was EUR 0.17 per share.

Where will any supplementary motions and countermotions received be published?

If admissible motions for additions to the agenda, countermotions or election proposals are received by the company, they will be published on our website at www.telefonica.de/agm, along with potential comments by the administration.

In addition, admissible requests for additions to the agenda are published in the Federal Gazette and distributed throughout Europe and communicated to the shareholders together with the convening of the annual general meeting in accordance with section 125 para. 1 sentence 3 of the German Stock Corporation Act (AktG).

In which language can I declare objections to resolutions of the annual general meeting, ask questions or file motions?

In German only.

Are there complete minutes or a complete video or audio recording of the annual general meeting?

No, there is not. Neither a verbatim record nor a complete video or audio recording will be made of the proceedings of the annual general meeting.