



**Telefónica Deutschland Holding AG  
Annual General Meeting on 17 May 2023**

**Explanations of the rights of shareholders pursuant to sections 122 para. 2, 126 para. 1, 127, 131 para. 1 German Stock Corporation Act (*Aktiengesetz, AktG*)**

The convocation of the Annual General Meeting contains information on the rights of shareholders pursuant to sections 122 para. 2, 126 para. 1, 127 and 131 para. 1 German Stock Corporation Act (AktG), in particular on the deadlines for exercising these rights. The following information serves to explain these shareholder rights in more detail.

**1. Motions for additions to the agenda in accordance with section 122 para. 2 German Stock Corporation Act (AktG)**

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 (this corresponds to 500,000 non-par value shares at Telefónica Deutschland Holding AG) may request that additional items are added to the agenda and published. Since the pro rata amount of EUR 500,000.00 at Telefónica Deutschland Holding AG is lower than 5% of the share capital, reaching the pro rata amount of EUR 500,000.00 is sufficient. 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). Furthermore, the provisions of section 121 para. 7 AktG shall apply mutatis mutandis to the calculation of the time limit, i.e. the day of receipt of the demand shall not be counted and a shift from a Sunday, Saturday or a public holiday to a preceding or following working day shall not be considered. Furthermore, sections 187 to 193 German Civil Code (BGB) are not to be applied accordingly.

Such requests must be made in written form (section 126 German Civil Code (BGB)) to the Management Board and must be received by the Company no later than 30 days prior to the General Meeting (not counting the day of the General Meeting and the day of receipt), this is by no later than 24:00 hours (CEST) on 16 April 2023. Please send such requests to the following address:

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

Requests for additions to the agenda that are to be announced will - insofar as they have not already been announced with the convening notice - be announced in the Federal Gazette without delay after their receipt by the Company and forwarded for publication to such media as can be expected to disseminate the information throughout the entire European Union.

They will also be published on the Company's website at [www.telefonica.de/agm](http://www.telefonica.de/agm) and communicated to the shareholders.

The relevant sections of the German Stock Corporation Act are as follows:

*Section 122 of the German Stock Corporation Act: Convening a meeting upon the request of a minority*

- (1) <sup>1</sup>A general meeting shall be convened if shareholders whose aggregate holding is not less than one-twentieth of the share capital require such meeting in writing, stating the purpose and grounds; such request shall be addressed to the management board. <sup>2</sup>The articles of association may provide that the right to request a general meeting is to depend on another form and on holding a lower proportion of the share capital. <sup>3</sup>The applicants have to prove that they have been shareholders for at least 90 days prior to the day of the receipt of the demand and that they will continue to hold the shares until the decision of the managing board regarding their request is made. <sup>4</sup>Section 121 para. 7 shall apply accordingly.
- (2) <sup>1</sup>In the same way shareholders, whose shares amount in aggregate to not less than one-twentieth of the share capital or represent a proportional amount of not less than 500,000 Euro, may request to have items placed on the agenda and published. <sup>2</sup>Every request for a new agenda item must be accompanied by an explanation of the reasons therefore or a proposed resolution. <sup>3</sup>The request in accordance with sentence 1 must be received by the company at least 24 days, in case of listed companies at least 30 days prior to the general meeting; whereby the day of the receipt is not counted.
- (3) <sup>1</sup>If any such request is not complied with, the court may authorize the shareholders who made the request to convene a general meeting or publish such items. <sup>2</sup>At the same time the court may appoint the chairman of the meeting. <sup>3</sup>The notice of the meeting or the publication shall refer to such authorization. <sup>4</sup>An appeal may be made against the decision of the court. <sup>5</sup>The applicants have to prove that they will continue to hold the shares until the decision of the court is made.
- (4) The company shall bear the costs of the general meeting and, in the case of paragraph 3, also the court costs if the court grants the application.

*Section 124 of the German Stock Corporation Act: Publication of requests for supplements; proposals for resolutions (Excerpt)*

- (1) <sup>1</sup>If the minority has requested pursuant to section 122 para. 2 that items shall be added to the agenda, these items shall be published either upon convening the meeting or immediately following receipt of the request. <sup>2</sup>Section 121 para. 4 shall apply analogously; moreover, section 121 para. 4a shall apply analogously to listed companies. <sup>3</sup>Publication and submission shall be made in the same way as applicable for convening the meeting.

*Section 121 of the German Stock Corporation Act: General provisions (Excerpt)*

- (7) <sup>1</sup>In case of deadlines and dates which are calculated back from the date of the meeting, the day of the meeting itself shall not be included in the calculation. <sup>2</sup>Adjourning the meeting from a Sunday, Saturday or a holiday to a preceding or following working day shall not be an option. <sup>3</sup>Sections 187 to 193 of the German Civil Code (*Bürgerliches Gesetzbuch*) shall not be applied analogously. <sup>4</sup>In case of unlisted companies, the articles may provide for a different calculation of the deadline.

*Section 70 of the German Stock Corporation Act: Computation of the period of shareholding*

<sup>1</sup>If the exercise of rights arising from a share shall require the shareholder to have been the holder of the share for a certain period of time, the right to claim transfer from a credit institution, a financial services institution, a securities institute or an enterprise active according to section 53 para. 1 sentence 1 or section 53b para. 1 sentence 1 or para. 7 of the Banking Act (*Kreditwesengesetz*) shall be deemed equivalent to ownership. <sup>2</sup>The period during which the share was owned by a predecessor in title shall be attributed to the shareholder, if he acquired the share without consideration, from his fiduciary, as universal successor, upon severance of co-ownership, or as a result of a transfer of assets pursuant to section 13 of the Insurance Supervision Act (*Versicherungsaufsichtsgesetz*) or section 14 of the Building Savings Bank Act (*Gesetz über Bausparkassen*).

## **2. 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 may submit to the Company a countermotion to a proposal of the Management Board and/or Supervisory Board regarding a specific item on the agenda. Countermotions must be made available on the website in accordance with section 126 paras. 1 and 2 German Stock Corporation Act (AktG) if it is received by the Company at the address published below at least 14 days prior to the General Meeting (not including the day of the General Meeting and the day of receipt), this is by no later than 24:00 hours (CEST) on 2 May 2023.

Moreover, any shareholder may submit an election proposal for the election of the auditor and/or the election of Supervisory Board members in accordance with section 127 German Stock Corporation Act (AktG). Election proposals must be made available on the website in accordance with the more detailed provisions of sections 127, 126 paras. 1 and 2 German Stock Corporation Act (AktG) if it is received by the Company at the address published below no later than 14 days prior to the General Meeting (not counting the day of the General Meeting and the day of receipt), this is by no later than 24:00 hours (CEST) on 2 May 2023.

Countermotions or election proposals by 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](mailto:hauptversammlung@telefonica.com)

Countermotions or election proposals addressed otherwise will not 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 the Internet address [www.telefonica.de/agm](http://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, 127 German Stock Corporation Act (AktG) are met. Any comments by the Management on any countermotions and election proposals will also be published at the aforementioned internet address.

A countermotion and its grounds need not be made available if one of the grounds for exclusion pursuant to section 126 para. 2 German Stock Corporation Act (AktG) applies.

An election proposal needs not be made accessible if one of the grounds for exclusion pursuant to section 126 para. 2 German Stock Corporation Act (AktG) applies. In addition to the reasons stated in section 126 German Stock Corporation Act (AktG),

the Management Board also needs not make an election proposal accessible if the proposal for the election of Supervisory Board members or auditors does not state their names, occupation and place of residence (section 124 para. 3 sentence 4 German Stock Corporation Act (AktG) or if the proposal for the election of Supervisory Board members is not accompanied by information on their membership in other statutory supervisory boards (section 125 para. 1 sentence 5 German Stock Corporation Act (AktG)). Furthermore, the Management Board may combine the countermotions and the reasons given in accordance with section 126 para. 3 German Stock Corporation Act (AktG) if several shareholders submit countermotions on the same subject matter of the resolution.

Please note that even if countermotions and election proposals have already been submitted to the Company in advance, they will only be considered at the Annual General Meeting if they are (again) made or submitted verbally there. The right of shareholders to submit countermotions to items on the agenda or to make election proposals during the Annual General Meeting is not affected hereby.

The relevant sections of the German Stock Corporation Act upon which those shareholder rights are based and which also set forth under which preconditions countermotions and election proposals do not need to be made available are as follows:

*Section 126 of the German Stock Corporation Act: Propositions by shareholders (Excerpt)*

- (1) <sup>1</sup>Information on shareholders propositions, including the respective shareholder's name, as well as the underlying reasons for the proposition and statements, if any, by the Management need only be given to the beneficiaries pursuant to section 125 para. 1 through 3, if the shareholder submits to the company his countermotion stating the reasons for it to a proposal of the management board and the supervisory board concerning a specific agenda item at the latest 14 days prior to the general meeting at the address specified. <sup>2</sup>The day of the receipt is not counted. <sup>3</sup>Listed companies have to publish the propositions on their webpage. <sup>4</sup>Section 125 para. 3 applies accordingly.
- (2) <sup>1</sup>Information on a countermotion and the reasons therefore need not be given, if:
1. the management board would by reason of giving such information become criminally liable;
  2. the countermotion would result in a resolution of the general meeting which would be unlawful or in breach of the articles;
  3. the grounds contain statements which are manifestly false or misleading in material respects or which are defamatory;
  4. a countermotion of such shareholder based on the same facts has already been communicated to a general meeting of the company pursuant to section 125;
  5. the same countermotion of such shareholder on essentially identical grounds has already been communicated pursuant to section 125 to at least two general meetings of the company within the past five years and at such general meetings less than one-twentieth of the share capital represented voted in favour of such countermotion;
  6. the shareholder indicates that he will neither attend nor be represented at the general meeting; or
  7. within the past two years at two general meetings the shareholder failed to move or cause to be moved on his behalf a countermotion communicated by him.
- <sup>2</sup>The statement of grounds need not be communicated if it exceeds 5,000 characters.
- (3) If several shareholders make countermotions in respect of the same resolution, the management board may combine such countermotions and the reasons given.

*Section 127 of the German Stock Corporation Act: Nominations by shareholders*

<sup>1</sup>Section 126 shall apply analogously to a nomination by a shareholder for election of supervisory board members or auditors.

<sup>2</sup>Such nomination need not be supported by statement of grounds. <sup>3</sup>Nor need the management board give notice of such nomination if it fails to contain the particulars required by section 124 para. 3 sentence 4 and section 125 para. 1 sentence 5.

<sup>4</sup>The management board is to supplement the nomination by a shareholder of candidates for the supervisory board of listed companies, to which the German Co-Determination Act (*MitbestG*), the Act on the Co-Determination by Employees in the Supervisory Boards and Management Boards of Mining Enterprises and Enterprises in the Iron- and Steel-Producing Industry (*MontanMitbestG*), or the Amending Act on Employee Co-Determination in the Iron- and Steel-Producing Industry (*MontanMitbestGErgG*) applies, by the following substantive content:

1. Indication of the requirements stipulated by section 96 para. 2,
2. Whether an objection has been raised against the fulfilment of the ratio by the supervisory board as a whole pursuant to section 96 para. 2, third sentence, and
3. The number of seats on the supervisory board that must be filled, at a minimum, by women and men, respectively, in order to fulfil the requirement as to the minimum ratio pursuant to section 96 para. 2, first sentence.

*Section 124 of the German Stock Corporation Act: Publication of requests for supplements; proposals for resolutions (Excerpt)*

- (3) [...] <sup>4</sup>The nomination for the election of supervisory board members or auditors shall state their name, profession and domicile. [...]

*Section 125 of the German Stock Corporation Act: Communications to shareholders and Members of the Supervisory Board (Excerpt)*

- (1) [...] <sup>5</sup>In case of listed companies details on the membership in other supervisory boards to be established pursuant to statutory provisions must be added to any nomination for the election of supervisory board members; details on their membership in comparable domestic and foreign controlling bodies of enterprises shall be added.

*Section 96 of the German Stock Corporation Act: Composition of the supervisory board (Excerpt)*

- (1) The supervisory board shall be composed as follows:

In case of companies to which the German Co-Determination Act (*MitbestG*) applies: of members of the supervisory board representing the shareholders and the employees;

In case of companies to which the Act on the Co-Determination by Employees in the Supervisory Boards and Management Boards of Mining Enterprises and Enterprises in the Iron- and Steel-Producing Industry (*MontanMitbestG*) applies: of members of the supervisory board representing the shareholders and the employees and of further members;

In case of companies to which sections 5 to 13 of the Amending Act on Employee Co-Determination in the Iron- and Steel-Producing Industry (*MontanMitbestGErgG*) apply: of members of the supervisory board representing the shareholders and the employees and of one further member;

In case of companies to which the Act on One-Third Employee Representation in the Supervisory Board (*DrittelbG*) applies: of members of the supervisory board representing the shareholders and the employees;

In case of companies to which the Act on Employee Co-Determination in the case of a Cross-Border Merger (*MgVG*) of 21 December 2006 (Federal Law Gazette (*Bundesgesetzblatt*) I p. 3332), as amended, applies, of members of the supervisory board representing the shareholders and the employees; in case of companies to which the Act on Employee Co-Determination in the case of a Cross-Border Transformation of Legal Form and Cross-Border Demerger (*MgFSG*) of 4 January 2023 (Federal Law Gazette (*Bundesgesetzblatt*) 2023 I No. 10), as amended, applies, of members of the supervisory board representing the shareholders and the employees;

In case of any other companies: solely of members of the supervisory board representing the shareholders.

- (2) <sup>1</sup>In case of listed companies, to which the German Co-Determination Act (*MitbestG*), the Act on the Co-Determination by Employees in the Supervisory Boards and Management Boards of Mining Enterprises and Enterprises in the Iron- and Steel-Producing Industry (*MontanMitbestG*) or the Amending Act on Employee Co-Determination in the Iron- and Steel-Producing Industry (*MontanMitbestGErgG*) applies, the supervisory board shall be composed of women at a minimum ratio of 30 percent and of men at a minimum ratio of 30 percent. <sup>2</sup>The minimum ratio is to be fulfilled by the supervisory board as a whole. <sup>3</sup>Where, prior to the election, the side of the shareholder representatives or the side of the employee representatives raises an objection with the chairman of the supervisory board, based on a resolution adopted by a majority, against the fulfilment of the ratio by the supervisory board as a whole, the minimum ratio for that election is to be fulfilled separately by the side of the shareholder representatives and by the side of the employee representatives. <sup>4</sup>In all cases, the ratio is to be mathematically rounded up or down in order to achieve full numbers of persons. <sup>5</sup>If, in the case of the ratio being fulfilled by the supervisory board as a whole, the higher ratio of women of one side is reduced subsequently and that side then objects to the fulfilment of the ratio by the supervisory board as a whole, this shall not cause the composition of the respective other side to be invalid. <sup>6</sup>Where an election of members of the supervisory board by the general meeting and their delegation to the supervisory board violates the requirement as to the minimum ratio, this election shall be null and void. <sup>7</sup>Where an election is declared to be null and void for other reasons, the elections performed in the meantime do not violate the requirement as to the minimum ratio in this regard. <sup>8</sup>The acts governing co-determination set out in the first sentence are to be applied to the election of members of the supervisory board representing the employees.

#### **4. Shareholder's right to request information according to section 131 para. 1 German Stock Corporation Act (AktG)**

Pursuant to section 131 para. 1 German Stock Corporation Act (AktG), the Management Board must, upon request, provide each shareholder with information at the General Meeting on the Company's affairs, on the Company's legal and business relations with affiliated companies, and on the situation of the Group and the companies included in the consolidated financial statements, to the extent that such information is necessary to for the proper assessment of an item on the agenda.

In principle, the Management Board may refuse to provide information in each case for the reasons set out in section 131 para. 3 German Stock Corporation Act (AktG).

In addition, under the Company's Articles of Association, the chairman of the meeting is entitled to take various management and regulatory measures at the General Meeting, including restricting the right to speak and ask questions. Pursuant to section 24 para 3 of the Company's Articles of Association, the chairman of the meeting may impose reasonable time limits on the right of shareholders and shareholder representatives attending the General Meeting to speak and ask questions and, in particular, at the beginning of the General Meeting or during its course, set a reasonable time limit for the entire course of the General Meeting, for individual items on the agenda or for individual speeches or questions.

The provisions of the German Stock Corporation Act on which these shareholder rights are based, which also specify the grounds on which the Management Board may refuse to provide information, are as follows:

*Section 131 of the German Stock Corporation Act: Shareholder's right to request information (Excerpt)*

- (1) <sup>1</sup>The management board must inform each shareholder at the general meeting, upon a corresponding request being made, concerning matters pertaining to the company insofar as this is required in order to appropriately adjudge the item on the agenda. <sup>2</sup>The obligation to provide information also extends to include the legal and business relations of the company with an affiliated enterprise. <sup>3</sup>Where a company avails itself of the eased requirements pursuant to section 266 para. 1 sentence 3, section 276 or section 288 of the Commercial Code (*Handelsgesetzbuch*), each shareholder may request that, at the general meeting deliberating on the annual financial statements, the annual financial statements be made available to them in the form that they would be in without these eased requirements. <sup>4</sup>The obligation of the management board of a parent undertaking to provide information (section 290 para 1 and para 2 of the Commercial Code (*Handelsgesetzbuch*)) at the general meeting to which the consolidated financial statements and the consolidated management report are submitted also extends to cover the situation of the group and the enterprises included in the consolidated financial statements.

[...]

- (2) <sup>1</sup>The information provided has to comply with the principles of conscientious and faithful accounting. <sup>2</sup>The articles of association or the rules of procedure pursuant to section 129 may authorize the chairman of the general meeting to impose reasonable time limits on the shareholder's right to ask questions and to speak, and to determine further details in this regard.

- (3) <sup>1</sup>The management board may refuse to provide information:
1. insofar as the provision of the information is likely, according to reasonable commercial judgement, to cause a not inconsiderable disadvantage to the company or an affiliated company;
  2. insofar as it relates to tax evaluations or the amount of individual taxes;
  3. about the difference between the value at which items have been shown in the annual balance sheet and a higher value of these items, unless the general meeting adopts the annual financial statements;
  4. on the accounting and valuation methods, insofar as the disclosure of these methods in the notes suffices to give a true and fair view of the assets, financial position and profit or loss of the company within the meaning of section 264, para. 2 of the Commercial Code (*Handelsgesetzbuch*); this shall not apply if the annual general meeting adopts the annual financial statements;
  5. insofar as the management board would render itself liable to prosecution by providing the information;
  6. insofar as, in the case of a credit institution, a financial services provider or a securities institution, information need not be provided regarding the accounting and valuation methods applied and offsets made in the annual financial statements, management report, consolidated financial statements or group management report;
  7. insofar as such information is continuously accessible on the company's website for at least seven days prior to the beginning and during the general meeting.

<sup>2</sup>Information may not be refused for other reasons.

- (4) <sup>1</sup>If information has been given to a shareholder outside the general meeting because of his capacity as a shareholder,

it shall be given to any other shareholder upon his request in the general meeting, even if it is not necessary for the proper assessment of the item on the agenda. [...] <sup>3</sup>The management board may not refuse to provide the information pursuant to paragraph 3 sentence 1 no. 1 to 4. <sup>4</sup>Sentences 1 to 3 do not apply if a subsidiary (section 290 para. 1, 2 of the Commercial Code (*Handelsgesetzbuch*)), a joint venture (section 310 para. 1 of the Commercial Code (*Handelsgesetzbuch*)) or an associated enterprise (section 311 para. 1 of the Commercial Code (*Handelsgesetzbuch*)) provides the information to a parent company (section 290 para. 1, 2 of the Commercial Code (*Handelsgesetzbuch*)) for the purpose of including the company in the consolidated financial statements of the parent company and the information is required for this purpose.

- (5) <sup>1</sup>Where a shareholder's request for information is refused, the shareholder may demand that his question and the grounds for refusing to provide the information be included in the minutes of the meeting.

[...]

*Section 24 of the Articles of Association: Chairing the General Meeting (Excerpt)*

- (3) The Chairman shall be entitled to place a reasonable time limit on the right of shareholders and proxies participating in the General Meeting to speak and ask questions. He shall in particular be entitled at the start of the General Meeting or during the course thereof set a reasonable time frame for the entire General Meeting proceedings, for individual items on the agenda or individual contributions or questions.