

TELEFÓNICA, S.A.

Ordinary General Shareholders' Meeting

By resolution of the Board of Directors of TELEFÓNICA, S.A., the shareholders are hereby called to the Ordinary General Shareholders' Meeting, to be held in Madrid, at the offices of Telefónica, S.A. located in Distrito Telefónica, Ronda de la Comunicación s/n, Main Building Auditorium, **at 11:00 a.m. on June 12, 2020** on second call, in the event that the legally required quorum is not reached and therefore the Meeting cannot be held on the first call that is hereby scheduled for June 11, 2020 at the same place and time. This corporate event may also be attended remotely, upon the terms set forth in this announcement.

The matters to be discussed and voted upon at this Ordinary General Shareholders' Meeting are those contained in the following

AGENDA

- I. Individual and consolidated Annual Accounts, consolidated non-financial information and management of the Board of Directors of Telefónica, S.A. during fiscal year 2019.
 - I.1. Approval of the Annual Accounts and of the Management Report of both Telefónica, S.A. and its Consolidated Group of Companies for fiscal year 2019.
 - I.2. Approval of the Statement of Non-Financial Information of the Consolidated Group of Companies led by Telefónica, S.A. for fiscal year 2019 included in the Consolidated Management Report of Telefónica, S.A. and of its Group of Companies for such fiscal year.
 - I.3. Approval of the management of the Board of Directors of Telefónica, S.A. during fiscal year 2019.
- II. Approval of the Proposed Allocation of the Profits/Losses of Telefónica, S.A. for fiscal year 2019.
- III. Re-election of the Statutory Auditor for fiscal year 2020.
- IV. Re-election, ratification and appointment of Directors, if applicable.
 - IV.1 Re-election of Mr. Isidro Fainé Casas as proprietary Director.
 - IV.2 Re-election of Mr. Juan Ignacio Cirac Sasturain as independent Director.
 - IV.3 Re-election of Mr. José Javier Echenique Landiribar as independent Director.

- IV.4 Re-election of Mr. Peter Erskine as other external Director.
- IV.5 Re-election of Ms. Sabina Fluxà Thienemann as independent Director.
- IV.6 Re-election of Mr. Peter Löscher as independent Director.
- IV.7 Ratification and appointment of Ms. Verónica María Pascual Boé as independent Director.
- IV.8 Ratification and appointment of Ms. Claudia Sender Ramírez as independent Director.
- V. Shareholder compensation by means of scrip dividends.
 - V.1 First scrip dividend resolution. Approval of an increase in share capital with a charge to reserves by such amount as may be determined pursuant to the terms and conditions of the resolution, through the issuance of new ordinary shares having a par value of one euro each, and with a provision for incomplete allocation. Offer to the shareholders to purchase their free allotment rights at a guaranteed price.
 - V.2 Second scrip dividend resolution. Approval of an increase in share capital with a charge to reserves by such amount as may be determined pursuant to the terms and conditions of the resolution, through the issuance of new ordinary shares having a par value of one euro each, and with a provision for incomplete allocation. Offer to the shareholders to purchase their free allotment rights at a guaranteed price.
- VI. Delegation to the Board of Directors, with express powers of substitution, for a term of five years, of the power to increase share capital pursuant to the provisions of section 297.1.b) of the Companies Act (*Ley de Sociedades de Capital*), with delegation of the power to exclude the pre-emptive rights of the shareholders pursuant to the provisions of section 506 of the Companies Act.
- VII. Delegation to the Board of Directors of the power to issue debentures, bonds, notes and other fixed-income securities and hybrid instruments, including preferred stock, in all cases be they simple, exchangeable and/or convertible and/or granting the holders thereof a share in the earnings of the company, as well as warrants, with the power to exclude the pre-emptive rights of shareholders. Authorization to guarantee issuances by companies of the Group.
- VIII. Delegation of powers to formalize, interpret, rectify and carry out the resolutions adopted by the shareholders at the General Shareholders' Meeting.
- IX. Consultative vote on the 2019 Annual Report on Director Remuneration.

Pursuant to section 528 of the Companies Act, after the presentation of the items included on the Agenda, there will also be a report on the amendments to the Regulations of the Board of Directors of the Company approved since the last General Shareholders' Meeting.

SUPPLEMENT TO THE CALL TO THE GENERAL SHAREHOLDERS' MEETING

Shareholders representing at least three percent of the share capital may request the publication of a supplement to this call to the General Shareholders' Meeting, including one or more items on the Agenda, provided the request is accompanied by the rationale therefor or, if appropriate, by a well-founded proposed resolution. This right must be exercised by means of verifiable notice (which will include the corresponding documents evidencing shareholder status) that must be received at the Company's registered office (Gran Vía, número 28, Madrid, código postal 28013, to the attention of the Secretary of the Board of Directors) within five days of the publication of this announcement of call to meeting. In addition, and as provided in section 519 of the Companies Act, shareholders representing at least three percent of the share capital may, within five days following the publication of this announcement of call to meeting, submit well-founded proposed resolutions on matters that have already been included or that must be included in the Agenda.

RIGHT TO RECEIVE INFORMATION

In connection with Items I, II, IV, V, VI, VII and IX of the Agenda, and pursuant to applicable laws and regulations, it is stated for the record that shareholders have the right to examine and obtain at the Company's registered office, or to request the Company to send them, immediately and free of charge, a copy of the following documents:

- Individual and consolidated Annual Accounts of Telefónica, S.A. and the proposed allocation of profits/losses, all for fiscal year 2019.
- Individual and consolidated Management Reports of Telefónica, S.A. for fiscal year 2019.
- Statement of Non-Financial Information of the Consolidated Group of Companies led by Telefónica, S.A. for fiscal year 2019, which forms a part of the Consolidated Management Report of Telefónica, S.A. and of its Group of Companies for such fiscal year.
- Audit Reports on the individual and consolidated Annual Accounts of Telefónica, S.A. for fiscal year 2019.
- Report of the Board of Directors regarding the proposals for re-election and for ratification and appointment of Directors referred to in item IV of the Agenda, which includes the full text of the proposals, the curricula of the candidates for re-election or ratification and appointment, the classification thereof, and the Report of the Nominating, Compensation and Corporate Governance Committee in relation to such proposals.
- Report of the Board of Directors regarding the proposals shareholder compensation by means of scrip dividends referred to in item V of the Agenda, which includes the full text of the proposals.
- Report of the Board of Directors regarding the proposed authorization to such body

to increase share capital and exclude pre-emptive rights referred to in item VI of the Agenda, which includes the full text of the proposal.

- Report of the Board of Directors regarding the proposed delegation to the Board of Directors of the power to issue securities as set forth in item VII of the Agenda, which includes the full text of the proposal.
- Annual Report on the Remuneration of Directors of Telefónica, S.A., which is submitted to a consultative vote under item IX of the Agenda.

Based on the limitations at any time in effect due to the situation caused by COVID-19, shareholders who wish to obtain a copy of any or all of the documents mentioned above are advised to send their request by e-mail to the address accionistas@telefonica.com, given that such limitations, for so long as they last, may make it impossible to attend to the shareholders or allow their access to the registered office of the Company.

In view of the situation generated by COVID-19, the Company has agreed to extend the term for exercising the right to information prior to the General Meeting, so that, until 23:59 p.m. on the day prior to the date on which the General Shareholders' Meeting is scheduled to be held and by completing the form posted on the Company's corporate website (www.telefonica.com) for such purpose, by postal correspondence sent to the Company's registered office (Gran Vía, número 28, Madrid, código postal 28013, to the attention of the Shareholder Office (*Oficina del Accionista*)), or by sending an e-mail to the address accionistas@telefonica.com, request such information or clarifications as they deem necessary, or ask such questions as they deem appropriate, regarding the matters included on the Agenda or about the information available to the public that has been provided by Telefónica, S.A. to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) since June 7, 2019, i.e., the date on which the last General Shareholders' Meeting was held, or regarding the Statutory Auditor's reports mentioned above.

Regardless of the right to receive information referred to above, following the date of publication of the announcement of the call to meeting, the following documents and information, among others, will be available on the Company's corporate website (www.telefonica.com):

- This announcement of the call to meeting.
- The total number of shares and voting rights on the date of the call to meeting.
- The Individual Annual Accounts, the Management Report and the Statutory Auditor's Report for fiscal year 2019, as well as the Consolidated Annual Accounts, the Management Report of the Group (which includes the Statement of Non-Financial Information of the Group) and the Statutory Auditor's Report for such fiscal year.
- The full text of the resolutions proposed regarding each of the items on the

Agenda, as well as the corresponding Reports of the Board of Directors in relation to items IV, V, VI and VII, and the Report of the Nominating, Compensation and Corporate Governance Committee in relation to item IV.

- The form of proxy-granting or distance voting card.
- The Annual Report on the Remuneration of Directors of Telefónica, S.A.
- The Annual Corporate Governance Report for fiscal year 2019.
- The current text of the By-Laws.
- The current text of the Regulations for the General Shareholders' Meeting.
- The current text of the Regulations of the Board of Directors.
- The Auditor independence Report.
- The Reports on the operation of the Audit and Control Committee and of the Nominating, Compensation and Corporate Governance Committee.
- The Audit and Control Committee Report on related-party transactions.

RIGHT TO ATTEND THE MEETING IN PERSON OR BY PROXY

The right to attend the General Shareholders' Meeting hereby called accrues to shareholders that hold at least 300 shares registered in their name in the corresponding book-entry registry five days in advance of the date on which the Meeting is to be held and who provide evidence thereof by means of the appropriate attendance card or by producing a certificate issued by the Company or by any of the depositaries participating in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR), or by any other means allowed under applicable law.

Any shareholder having the right to attend the General Shareholders' Meeting may be represented thereat by another person, who need not be a shareholder. A proxy may be granted by using the proxy-granting form printed on the attendance card or by any other means allowed by law. The documents containing proxies for the General Shareholders' Meeting must set forth the instructions regarding the direction of the vote. Unless expressly stated otherwise by the shareholder granting the proxy, it shall be understood that the proxy-holder is specifically instructed to vote in favor of the proposed resolutions submitted by the Board of Directors regarding the matters on the Agenda, and against the resolution in question in relation to any matters that are not included in the Agenda and are thus unknown on the date that the proxy is granted but which may be submitted to a vote at the General Shareholders' Meeting.

If the proxy-granting document does not set forth a specific person to whom the shareholder grants the proxy, such proxy shall be deemed granted in favor of the Chairman of the Board of Directors of the Company or of such other person as may replace him as Chair of the General Shareholders' Meeting. In the event that the appointed representative is involved in a conflict of interest upon voting on any of the proposals, whether or not included in the Agenda, that are submitted to the shareholders at the General Shareholders' Meeting, and the shareholder has not given specific voting instructions, the proxy shall be deemed granted to the Secretary for the General Shareholders' Meeting.

Shareholders who do not hold the minimum number of shares required to attend may grant a written proxy in respect thereof in favor of another shareholder having the right to attend, or come together with other shareholders that are in the same situation, such that they reach the required number of shares, and grant a written proxy to one of such shareholders.

The Company will enable appropriate means to facilitate the access to the venue of the General Meeting to attendees with reduced mobility. There will also be a sign language interpreter and a magnetic loop system to facilitate the monitoring of the development of the General Meeting by persons with hearing impairment.

PROXY-GRANTING AND VOTING BY MEANS OF LONG-DISTANCE COMMUNICATION PRIOR TO THE MEETING

Pursuant to articles 20 and 25 of the By-Laws and 13 and 22 of the Regulations for the General Shareholders' Meeting and to the resolution adopted by the Board of Directors as permitted by the aforementioned provisions, the exercise of proxy representation and voting rights by means of long-distance communication shall be governed by the following provisions:

1.- Proxy-granting or voting prior to the General Shareholders' Meeting by electronic means.

Shareholders wishing to grant a proxy or to cast their vote by electronic means prior to the holding of the General Shareholders' Meeting must access the "2020 General Shareholders' Meeting/Proxy-granting and Voting by Electronic Means" section available on the Company's corporate website (www.telefonica.com) (the "Website") and follow the instructions to grant a proxy or to exercise their right to vote prior to the General Shareholders' Meeting that are specified therein.

To such end, shareholders must provide evidence of their identity in the software program provided for such purpose on the above-mentioned Website by means of: (i) the Electronic National Identity Document, (ii) a recognized, valid and current electronic user certificate, as provided in Electronic Signature Law 59/2003, of December 19, issued by the Spanish Public Certification Body (CERES), a division of the *Fábrica Nacional de Moneda y Timbre* (Spanish Royal Mint), or (iii) filling out the authentication form available on the Website, which form requires identification with their National Identity Document, Alien Registration Card (*Tarjeta de Identidad de Extranjero*) or passport and a statement of the number of shares owned (including co-owned shares). In this latter case, provided that there are no technical obstacles, the Company will perform a real-time verification of the data provided by the shareholder, comparing it to the information available thereto. The Company reserves the right to request such additional means of identification from shareholders as it deems necessary to verify their status as shareholders and to guarantee the authenticity of the proxy-granting and the vote.

Furthermore, on an extraordinary basis, shareholders who are natural persons may also grant their proxy or cast their vote prior to the holding of the General Shareholders' Meeting by calling the telephone number of the Shareholder Office 900 111 004.

Shareholders who are natural persons and who choose to grant their proxy or cast their vote by telephone must identify themselves by stating the number of their National Identity Document, Alien Registration Card or passport and the number of shares they own (including co-owned shares), which the Company will verify in real time if there are no technical obstacles, comparing the information provided by the shareholders to the information available thereto.

For these purposes, including with respect to the rules of priority among proxies, distance voting and personal attendance, and the deadlines to grant a proxy or cast a vote, proxies granted and votes cast by telephone shall be deemed proxies and distance votes sent by electronic means.

If deemed appropriate to mitigate the risk of identity theft, the Company may send a written notice by postal correspondence to the address appearing in the records of IBERCLEAR or of the Company advising of the remote participation of those shareholders granting their proxy or casting a distance vote using any of the alternatives described above.

2.- Proxy-granting or voting prior to the General Shareholders' Meeting by postal or electronic correspondence.

Shareholders wishing to grant a proxy or to cast their vote by postal correspondence may complete and sign the proxy-granting or distance voting card prepared by the Company and send it to the attention of the Shareholder Office (Distrito Telefónica, Ronda de la Comunicación s/n, Edificio Central, planta 2, 28050 Madrid). The proxy-granting or distance voting card may also be sent to the Company by e-mail to accionistas@telefonica.com.

A shareholder may also grant a proxy or vote through cards issued by depositaries. In this case, the shareholder must complete the sections relating to proxy-granting or distance voting, if any, on the card issued by the depositary, and send it by postal correspondence to the Company, to the attention of the Shareholder Office (Distrito Telefónica, Ronda de la Comunicación s/n, Edificio Central, planta 2, 28050 Madrid). The proxy-granting or distance voting card may also be sent to the Company by e-mail to accionistas@telefonica.com.

Shareholders that are legal entities must send to the Company a photocopy of a power of attorney with sufficient powers, evidencing the authority of the individual signing the proxy-granting or distance voting card in the name of the legal entity.

If a proxy is granted to a person other than one of the members of the Board of Directors, a copy of the proxy-granting card must be sent to the proxy-holder for delivery at the entry doors to the premises on the day of the General Shareholders' Meeting.

Should they wish to revoke the proxy granted, shareholders must contact the Company, at the Shareholder Office (phone no.: 900 111 004) before midnight on June 10, 2020.

Shareholders may obtain the Company's proxy-granting or distance voting

card by downloading and printing it from the Website, by retrieving it from the registered office of the Company, or by requesting the Shareholder Office (phone no.: 900 111 004 / e-mail: accionistas@telefonica.com) to send it without charge. Based on the limitations at any time in effect due to the situation caused by COVID-19, shareholders who wish to obtain the proxy-granting or distance voting card are advised to use means other than retrieving it at the registered office of the Company, given that such limitations, for so long as they last, may make it impossible to attend to the shareholders or allow their access to the registered office of the Company.

3.- Provisions common to the exercise of proxy-granting or voting rights by means of long-distance communication.

a) Deadline for receipt by the Company and verification of shareholder status.

In order to be valid, both the proxies granted and the votes cast prior to the General Shareholders' Meeting by means of long-distance communication (whether by electronic means or by postal correspondence) must be received by the Company before midnight on June 10, 2020.

The proxy or distance vote shall only be deemed to be valid if the status as shareholder is confirmed, through verification of the fact that the ownership information and the number of shares provided by each person granting a proxy or voting by means of long-distance communication are the same as the data provided by IBERCLEAR. In the event of a discrepancy between the number of shares reported by the shareholder and the number set forth in the IBERCLEAR file, the number of shares provided by IBERCLEAR shall prevail for purposes of quorum and voting.

In the event of co-ownership of shares, the person granting the proxy or casting the vote from a distance shall be deemed to have been appointed to exercise the shareholder rights, if such person is one of the co-owners.

b) Rules of priority between proxy-granting and voting by means of long-distance communication and attendance at the General Shareholders' Meeting.

Attendance at the General Shareholders' Meeting by a shareholder who has previously granted a proxy or voted by means of long-distance communication (whether by electronic means or by postal correspondence) shall render null and void the proxy granted or the vote cast.

In the event that a shareholder grants several proxies and/or casts several votes (whether by electronic means or by postal correspondence), the action (proxy-granting or voting) taken last shall prevail. If the time when the shareholder granted any of the proxies or cast any of the votes is uncertain, the vote (regardless of the means used to cast it) shall prevail over the proxy-granting. If the shareholder cast several votes in different directions, by electronic or postal means, the vote cast last shall prevail.

c) Other matters.

Both proxies granted and votes cast by means of long-distance

communication shall be rendered void by the disposal of the shares that the Company becomes aware of.

REMOTE ATTENDANCE AT THE GENERAL MEETING

Furthermore, pursuant to articles 21 of the By-Laws and 18 of the Regulations for the General Shareholders' Meeting, the Board of Directors has resolved that the Meeting can also be attended using electronic means that allow for a real-time connection with the venue where the Meeting is being held ("Remote Attendance").

The mechanisms for remotely attending the Meeting will be enabled on the "2020 Shareholders' Meeting/Remote Attendance" website, available on the Company's corporate website (www.telefonica.com), where there will also be instructions for remotely attending the General Shareholders' Meeting. Remote attendance will be available from any device with access to the internet (including mobile phones and tablets).

Shareholders (or their proxy-holders) must first register for this purpose in order to be able to access the remote attendance platform on the day of the meeting. To such end, between 0:00 hours on June 6, 2020 and midnight (24:00 hours) on June 10, 2020, they must provide evidence of their identity in the software program provided for such purpose on the above-mentioned Website by means of: (i) the Electronic National Identity Document, (ii) a recognized, valid and current electronic user certificate, as provided in Electronic Signature Law 59/2003, of December 19, issued by the Spanish Public Certification Body (CERES), a division of the *Fábrica Nacional de Moneda y Timbre* (Spanish Royal Mint), or (iii) filling out the authentication form available on the Website, wherein they must identify themselves with their National Identity Document, Alien Registration Card (*Tarjeta de Identidad de Extranjero*) or passport and, if appropriate, the number of shares they own (including co-owned shares). In this latter case, provided that there are no technical obstacles, the Company will perform a real-time verification of the data provided by the shareholder, comparing it to the information available thereto. The Company reserves the right to request such additional means of identification from shareholders as it deems necessary to verify their status as shareholders and to guarantee the authenticity of the remote attendance at the General Shareholders' Meeting.

Shareholders (or their proxy-holders) who wish to attend remotely must access the remote attendance platform, identifying themselves with their identification document number and the password chosen during the prior registration process, between 8:00 a.m. on June 11, 2020 (if the General Meeting is held on first call) or, if applicable, between 8:00 a.m. on the next day, June 12, 2020 (if the General Meeting is held on second call) and 9:00 a.m. on the corresponding day.

For those persons remotely attending the Meeting, the remote attendance mechanism will be shut down at the end of the General Meeting or, if applicable, upon verification of the lack of a sufficient quorum to hold the meeting.

Remote attendance at the Meeting shall be subject to the following basic rules, and to the extent not expressly provided for, to the provisions set forth on the Company's corporate website, to the Act, to the By-Laws and to the Regulations for the General Meeting:

a) Connection, registration and attendance

Pursuant to the provisions of the Regulations for the General Meeting, and in order to allow for appropriate management of the remote attendance systems, shareholders (or their proxy-holders) who wish to attend the Meeting and vote using remote means of communication must access the remote attendance platform using the relevant connection between 8:00 a.m. and 9:00 a.m. on the day of the meeting. The registration of attendees shall not be allowed outside of this time period.

If applicable, on June 11, 2020, after verifying the lack of a sufficient quorum to hold the General Meeting, the Company will publish this circumstance on the Website, confirming that the Meeting will ultimately be held on second call. In this case, attendees who have registered on first call must once again complete the registration process in order to be able to attend the meeting.

If the person attending remotely has been granted proxies, and provided that they were received by the Company within the permitted periods, the software program will present them to him for acceptance. In this regard, as indicated in the preceding sections, shareholders who wish to be represented at the General Shareholders' Meeting by another person who will attend remotely, must have previously informed the Company of such representation by electronic means (through the Website or by telephone) or by postal or electronic correspondence (sending it to the attention of the Shareholder Office (Distrito Telefónica, Ronda de la Comunicación s/n, Edificio Central, planta 2, 28050 Madrid). or to the Company by e-mail to accionistas@telefonica.com).

The presiding committee of the General Shareholders' Meeting, and the Notary, if any, shall have direct access to the connection systems allowing attendance at the General Shareholders' Meeting, such that they are immediately aware of communications made by shareholders attending remotely and the statements they make.

Shareholders (or their proxy-holders) who have registered to attend remotely and who wish to leave the General Shareholders' Meeting by stating it for the record before the Notary or assistants thereto (or in the absence thereof, before the Secretary for the General Shareholders' Meeting) may do so using the form provided for this purpose in the software application. Once they have notified of their express desire to leave the meeting, all of their subsequent actions will be deemed to have not occurred.

b) Presentations

In the exercise of their rights, shareholders (or their proxy-holders) who intend to make presentations at the Meeting or, if applicable, request information or clarifications regarding the items on the Agenda, request clarifications regarding information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the last General Shareholders' Meeting or regarding the statutory auditor's report, or to make proposals in the cases permitted by Law, shall state their intention to do so at the time they register. After said statement and until the Chair declares the valid formation of the Meeting, remote attendees may submit and send their presentation, question or proposal in writing exclusively through the presentation form made available for this purpose. A remote

attendee who wants their presentation to appear in the minutes of the Meeting must so expressly state in the text of such presentation.

If the General Meeting is held on second call, remote attendees who have connected to the meeting on first call and who have submitted presentations and proposed resolutions or requests for information or clarifications must send them again, as stated above, on the day that the meeting is held; otherwise they shall be deemed to have not been submitted.

Pursuant to section 182 of the Companies Act, requests for information or clarification made by remote attendees may be answered verbally during the General Shareholders' Meeting and will be answered in writing within seven days of the holding thereof.

c) Voting

Votes on the proposals regarding the items included on the Agenda may be cast as from the time that the Chair declares the valid formation of the Meeting, provided that the attendee has registered in accordance with the procedure set forth in section a) above.

As to proposed resolutions on those matters that by law are not required to appear on the Agenda, remote attendees may cast their votes as from the time stated by the Chair, once the proposal has been submitted and read aloud.

In any event, the process of remote voting regarding all of the proposals submitted at the Meeting shall end upon the commencement of voting on the proposed resolutions at the venue where the meeting is held, after summaries of the proposed resolutions have been read aloud by the Secretary for the Meeting.

The procedure set forth in the By-Laws and in the Regulations for the General Shareholders' Meeting shall apply to voting on proposed resolutions.

d) Other matters

Legal entities and non-residents of Spain must ask the Shareholder Office to adjust, with appropriate guarantees, the mechanisms for attending the Meeting through remote means of real-time communication.

In cases of co-owners of a deposit of securities, the first of them to register (whether physically or remotely) shall be deemed an attendee, and therefore any subsequent access by the other co-owners shall be rejected. In this regard, and for purposes of section 126 of the Companies Act, it is presumed that the co-owner who first registers (physically or remotely) has been designated by the other co-owners to exercise the shareholder rights.

It is the sole responsibility of the shareholder (or their proxy-holder) to maintain custody of the necessary means of identification for accessing and using the remote attendance service. A legal entity must give notice of any change in or revocation

of the powers held by its representative, and the Company therefore declines any responsibility until such notice occurs.

Suspension of electronic systems / Interconnection failures

As regards both the grant of proxies and the casting of votes through remote means of communication and remote attendance at the Meeting, the Company reserves the right to modify, suspend, cancel or limit the mechanisms for electronic voting or proxy-granting and/or remote attendance whenever technical or security reasons make it advisable or so require. If any of such instances occurs, it will be announced on the Company's corporate website. All of the foregoing is without prejudice to the validity of the proxies already granted, the votes already cast or to shareholders' attendance and proxy rights.

The Company shall not be liable for any damage that may be sustained by shareholders as a result of failures, overloads, downtime, failed connections or any other contingency of the same or like nature beyond the Company's control that prevents the use of the mechanisms for electronic proxy-granting or voting and/or remote attendance. Accordingly, such circumstances shall not constitute an unlawful deprivation of shareholders' rights, without prejudice to the adoption of the measures that each situation requires, including the eventual temporary suspension or extension of the Shareholders' Meeting if this were necessary to guarantee full exercise of their rights by the shareholders or their representatives.

ELECTRONIC SHAREHOLDERS' FORUM

Pursuant to the provisions of section 539.2 of the Companies Act, on the occasion of the call to meeting and until the General Shareholders' Meeting is held, Telefónica, S.A. has enabled an Electronic Shareholders' Forum on the Company's corporate website (www.telefonica.com), which shall be accessible, with appropriate safeguards, by both individual shareholders and any shareholder associations they may create.

Proposed resolutions sought to be submitted as a supplement to the agenda announced in the call to the General Shareholders' Meeting may be published in the Forum, together with requests for adherence to such proposals, initiatives to reach the percentage sufficient to exercise a minority right provided by law, and proxy offers or solicitations.

The Forum is not a mechanism for online electronic conversation between the shareholders of Telefónica, S.A. and the voluntary associations they may create or a forum for electronic debate. The Forum is also not a channel for communication between Telefónica, S.A. and its shareholders and the associations they may create. The Forum is provided for the sole purpose of facilitating communications between Telefónica, S.A. shareholders and the voluntary associations they may create, on the occasion of the call to meeting and until the day the General Shareholders' Meeting is held.

Instructions for access to and use of the Forum may be found in the "2020 General Shareholders' Meeting/Electronic Shareholders' Forum" section.

PARTICIPATION OF A NOTARY AT THE MEETING

The Board of Directors has resolved to request the presence of a Notary Public to draw up the minutes of the General Shareholders' Meeting, pursuant to section 203 of the Companies Act, read together with sections 101 and 103 of the Regulations of the Commercial Registry.

PERSONAL DATA PROTECTION

Data controller: Telefónica, S.A. (with Tax ID Number A28015865 and contact address for this purpose at Distrito Telefónica, Ronda de la Comunicación s/n, Edificio Central, planta 2 - Oficina del Accionista, 28050 Madrid, or at accionistas@telefonica.com) is the data controller for the processing of personal data (among other, identification data, contact data, electronic signature, access credentials, shareholder and representative status, and, where appropriate, image and/or voice) collected or generated as a result of the General Shareholders' Meeting in accordance with this notice, either directly from shareholders and representatives, or from depositary entities.

Purposes and legal basis: the aforementioned personal data will be processed in accordance with the General Data Protection Regulation and other applicable regulation, and for the following purposes: (i) to manage the exercise and control of the shareholder's rights (which includes, verifying the identity and status of the shareholder or representative, managing the registration and access the remote assistance platform, and recording the call in the case of right to vote is exercised by telephone), (ii) to send the information related to the shareholder's investment, (iii) to manage the call and holding of the General Shareholders' Meeting, (iv) and to allow the transparency and public dissemination of the General Shareholders' Meeting on the Telefónica, S.A. website, on the main social networks and/or other Internet platforms used for this purpose by Telefónica, S.A., as well as by accredited media. The processing of the personal data is necessary to comply with the aforementioned purposes and is carried out on the basis of the execution of the relationship between the shareholder and Telefónica, S.A. and the compliance with the legal obligations applicable to Telefónica, S.A. as a capital company, as well as on the basis of the legitimate interest that Telefónica, S.A. has in recording and disseminating the development of the General Shareholders' Meeting, in accordance with the applicable rules and principles of transparency. In this regard, Telefónica, S.A. informs that it will provide a space at the General Shareholders' Meeting that will be safe from any recording or capturing of images, where individuals who request not to be recorded or photographed will be located.

Recipients of the personal data: the aforementioned personal data will be transferred to the Notary Public, exclusively in connection with the drawing up of the notarial act of the General Shareholders' Meeting. Personal data may also be transferred to third parties who are duly legitimated in the exercise of the right to information provided for in the applicable regulations and accessible to the general public to the extent that the individual intervenes during the course of the General Shareholders' Meeting.

Security of processing and retention period: the aforementioned personal data will be processed by adopting the most demanding and robust security measures and technical means to prevent its loss, misuse or unauthorised access, and shall be retained for the duration of the relationship between the shareholder and Telefónica, S.A. and, after this period, for a further six years or, as the case may be, for a longer period corresponding to the prescription period of any applicable legal or contractual actions.

Exercise of data protection rights: rights of access, to rectification, to object, to erasure, to portability, to restrict processing and any other rights that may apply in accordance with applicable data protection regulations may be exercised by the data subject, proving his or her identity and by means of a letter or e-mail addressed to the aforementioned contact address. In addition, we inform you that Telefónica, S.A. has appointed a Data Protection Officer, whom the data subject may contact by e-mail at DPO_telefonicasa@telefonica.com to lodge any claim or request related to the protection of his/her personal data with regard to the General Shareholders' Meeting. Finally, the data subject is informed of their right to lodge a complaint with the Competent Supervisory Authority ("Agencia Española de Protección de Datos" - www.aepd.es) if he/she considers that his/her data protection rights have been violated.

Other aspects: the shareholder will be solely responsible for the completion of the forms required with false, inaccurate, incomplete or outdated data. In the event that the documentation submitted by the shareholder includes personal data referring to other individuals and in the event that a third party attends the General Shareholders' Meeting as a representative of the shareholder, the shareholder must inform them of the points contained in the preceding paragraphs and comply with any other requirements that may be applicable for the correct transfer of the personal data to Telefónica, S.A.

SPECIAL MEASURES ARISING FROM COVID-19

As a result of the public health crisis arising from COVID-19, the Company recommends that shareholders participate in the General Meeting remotely (granting their proxy or casting their vote prior to the holding of the Meeting, or attending it remotely), without attending physically the venue at which the meeting will be held.

If it is likely that on the date expected for the General Meeting to take place, the current measures under the state of alarm continue on similar terms or the ability to travel and to meet is restricted, the General Meeting shall be held without the physical or in-person attendance of shareholders, proxy-holders or guests, and in this case attendance at the meeting by shareholders (or their proxy-holders) will only be possible through remote attendance mechanisms.

As soon as reasonable possible, and in any case within the legal deadlines, the company will report through its website (www.telefonica.com) and through the National Securities Market Commission, and through the additional media it deems required, on possible changes or measures taken in relation to the

holding of the General Shareholders' Meeting. In any case, in the days prior to the holding of the meeting, the shareholders are asked to check for potential instructions of the Company on the corporate website (www.telefonica.com) or to call the number 900 111 004, which will provide the latest available information at any particular time; all so that the shareholders so deciding can fully exercise their rights without having to physically attend the meeting.

FOR ANY ADDITIONAL INFORMATION, SHAREHOLDERS MAY CONTACT TELEFÓNICA'S SHAREHOLDER OFFICE BY CALLING TOLL-FREE AT 900 111 004, FROM 9:00 A.M. TO 7:00 P.M., MONDAY THROUGH FRIDAY OR BY SENDING AN EMAIL TO accionistas@telefonica.com.

Madrid, May 6, 2020
Secretary of the Board of Directors



2020 Shareholders' Meeting
of Telefónica, S.A.