

Information on shareholders' rights

pursuant to § 122 (2), § 126 (1), § 127, and § 131 (1) of the German Stock Corporation Act (AktG)

SHAREHOLDERS' MEETING OF DEUTSCHE TELEKOM AG ON THURSDAY, MARCH 26, 2020 AT 10:00 A.M.

The convocation of the shareholders' meeting contains information on shareholders' rights under §§ 122 (2), 126 (1), 127, and 131 (1) of the German Stock Corporation Act (Aktengesetz – AktG), in particular regarding the time frame during which these rights may be exercised. The following provides additional information on these shareholders' rights.

Requests for additional agenda items pursuant to § 122 (2) AktG

Under § 122 (2) AktG, shareholders collectively holding at least one twentieth of the capital stock or at least EUR 500,000 in total (the latter corresponding to 195,313 shares) may demand that additional items be added to the agenda and published. Each item of business to be newly added to the agenda must include the reasons therefor or a proposal for a resolution. The demand must be sent to the company's board of management in writing (as defined in § 122 (2) in conjunction with (1) sentence 1 AktG) and must reach the company at least 30 days before the day of the shareholders' meeting; this period does not include the day of the meeting itself or the day the demand was received by the company.

Thus, the latest possible deadline is 12 midnight (Central European Time) on Monday, February 24, 2020. The demand may in all cases be addressed as follows:

Deutsche Telekom AG, Vorstand, Postfach 19 29, 53009 Bonn, Germany.

Pursuant to § 122 (2) in conjunction with (1) sentence 3 AktG, applicants must provide evidence of having held the shares for at least 90 days prior to the date of receipt and of continuing to hold the shares up to the date on which the board of management takes a decision relating to the application. The date of receipt of the request is not included when calculating the shareholding period. Transferral from a Sunday, a Saturday, or a public holiday to a preceding or subsequent workday is not possible. §§ 187 through 193 of the German Civil Code shall not apply. Certain third-party shareholding periods shall be taken into account in accordance with § 70 AktG.

Any additions to the agenda that require publication and were not published with the notice of convocation will be published in the German Federal Gazette (Bundesanzeiger) as soon as they have been received by the Company and will be forwarded to the media services which can be expected to publish the information across the entire European Union.

Any requests for additional items to be added to the agenda which are received by the Company once notice of convocation of the shareholders' meeting has been issued will also be made available at the following address and communicated to the shareholders as soon as they have been received by the Company:

<https://www.telekom.com/en/investor-relations/share/shareholders-meeting->

The shareholders shall also be informed of said item in accordance with § 125 AktG.

The relevant provisions in the Stock Corporation Act underlying this right of shareholders are as follows:

§ 122 Convening the shareholders' meeting upon a corresponding demand being made by a minority (extract)

“(1) The shareholders' meeting is to be convened wherever shareholders, whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital, demand that it be so convened, doing so in writing and citing the purpose and the reasons therefor; the demand is to be addressed to the board of management. The articles of incorporation may tie the right to demand that the shareholders' meeting be convened to a different form and to possession of a lesser portion of the share capital. The petitioners are to submit proof that they have been holders of the shares of stock since at least ninety (90) days prior to the date on which their demand is received, and that they will continue to so hold the shares until the board of management takes a decision regarding their petition. § 121 (7) shall apply mutatis mutandis.



(2) In like manner, shareholders whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital, or to a stake of 500 000 euros, may demand that items of business be set out in the agenda and be published by notice. Each item of business to be newly added to the agenda must include the reasons therefor or a proposal for a resolution. The demand in the sense of the first sentence must be received by the company at the latest twenty-four (24) days prior to the shareholders' meeting, in the case of companies listed on the stock exchange at the latest thirty (30) days prior to the shareholders' meeting; the date of its receipt shall not be included in calculating the period. "

§ 121 General provisions (extract)

"(7) In the case of periods and deadlines that are counted back from the date of the shareholders' meeting, the date of the shareholders' meeting itself is not to be counted. Rescheduling the shareholders' meeting from a Sunday, a Saturday, or a holiday to a preceding or subsequent business day is not an available option. §§ 187 to 193 of the Civil Code (BGB) shall have no corresponding application. In the case of companies not listed on the stock exchange, the articles of incorporation may provide for a different calculation of the period.

§ 70 Calculation of the period of possession of the share of stock

"Where the exercise of rights attaching to the share of stock is contingent upon the shareholder having been holder of the share of stock for a specified period of time, a claim to transfer of title against a credit institution, a financial services provider, or an enterprise pursuing activities in accordance with § 53 (1), first sentence, or § 53b (1), first sentence, or subsection (7) of the Banking Act (KWG) shall be equivalent to ownership of the share of stock.

"The period of ownership of a predecessor in title shall be attributed to the shareholder if he has purchased the share of stock in any of the following manners: without monetary consideration, from his trustee, as a universal successor, in the course of a distribution of assets among a community, or as part of a portfolio transfer pursuant to § 13 of the Insurance Supervisory Act (VAG) or § 14 of the Act on Savings and Loan Associations (BauSparkG)."

Counter-motions and nominations pursuant to § 126 (1) and § 127 AktG

At the shareholders' meeting, shareholders may make applications and, as applicable, nominations relating to particular agenda items and the rules of procedure without any notice, publication, or other action related to the application or nomination being required prior to the shareholders' meeting. Counter-motions and nominations for election by shareholders may be put to the vote only if they are put forward during the shareholders' meeting; this also applies if the relevant counter-motion or nomination for election has been published in advance of the shareholders' meeting in accordance with § 126 and 127 AktG.

Counter-motions within the meaning of § 126 AktG and nominations within the meaning of § 127 AktG, together with the shareholder's name, a corresponding reason

(which is, at least, not required in the case of nominations), and any response by the Company's administrative bodies, as well as, in the case of nominations by a shareholder for the election of Supervisory Board members, the details pursuant to § 127 sentence 4 AktG, shall be published on the following website:

www.telekom.com/gegenantraege

providing they reach the company at least 14 days before the shareholders' meeting, not including the day of receipt or the day of the shareholders' meeting, and therefore by 12 midnight (Central European Time) on Wednesday, March 11, to

Gegenanträge zur Hauptversammlung DTAG
Postfach 19 29
53009 Bonn, Germany

or by sending a fax to +49 (0)228 181-88259, or an email tgegenantraege@telekom.de and providing all other conditions triggering the Company's obligation to publish such information under § 126 and/or § 127 AktG have been met. The shareholders' right corresponding to this obligation is that their counter-motions and nominations for election must be published. Pursuant to the wording of § 126 of the German Stock Corporation Act (AktG), the obligation to publish counter-motions not only requires such motions to be submitted to the company in good time and to the aforementioned address, they must also be justified. If the remaining requirements for publication are met, the company will also publish a counter-motion even if the justification is missing. According to the wording of the law, a justification is not essential for nominations for election within the meaning of § 127 of the German Stock Corporation Act (AktG). No obligation exists to make counter-motions and nominations for election and/or potential justifications public, even if the conditions mentioned previously have been fulfilled, if the facts described in § 126 (2) German Stock Corporation Act (AktG) apply and, additionally in the case of nominations for election, if § 127 sentence 3 German Stock Corporation Act (AktG) applies.

The provisions in the Stock Corporation Act underlying this right of shareholders, which also determine the conditions under which counter-motions and nominations for election do not have to be made public are as follows:

§ 126 Motions by shareholders

"(1) Motions by shareholders are to be made accessible to the beneficiaries set out in § 125 subsections (1) to (3), subject to the pre-requisites listed therein, including the name of the shareholder, the reasons for which the motions are being made, and a statement, if any has been made, by the management regarding its position, provided that the shareholder has sent, at the latest fourteen (14) days prior to the date of the shareholders' meeting, a counter-motion opposing a proposal or guidance by the board of management and the supervisory board regarding a certain item of business set out in the agenda, specifying the reasons therefor, to the address set out for this purpose in the invitation convening the shareholders' meeting. The date on which the counter-motion is received shall not be included in calculating the period. In the case of companies listed on the stock exchange, the counter-motion shall be made accessible via the company's website. § 125 (3) shall apply mutatis mutandis.

(2) A counter-motion and the reasons for which it is being made need not be made accessible:

1. In as much as the board of management would be liable to punishment under law, were it to make such proposal accessible;
2. If the counter-motion were to result in the shareholders' meeting adopting a resolution that is in violation of the law or of the articles of incorporation;
3. If the reasons make manifestly false or misleading statements regarding essential aspects, or if they are insulting;
4. If a counter-motion made by the shareholder based on the same facts and circumstances has already been made accessible pursuant to § 125 for a shareholders' meeting of the company;
5. If the same counter-motion of the shareholder, citing essentially the same reasons, has been made accessible pursuant to § 125 in the past five (5) years to at least two (2) shareholders' meetings of the company, and if less than one twentieth of the share capital represented voted for this counter-motion at the shareholders' meeting;
6. If the shareholder indicates that he will not attend the shareholders' meeting and will not have a proxy represent him; or
7. If, in the past two (2) years at two (2) shareholders' meetings, the shareholder has failed to propose or to have proposed a counter-motion regarding which he has informed the company.

The reasons need not be made accessible if they amount to more than 5,000 characters in total. (

(3) Where several shareholders propose counter-motions regarding one and the same business to be resolved upon, the board of management may combine the counter-motions and the reasons specified for them.

§ 127 Nominations by shareholders

§ 126 shall apply mutatis mutandis to nominations by shareholders of candidates for the supervisory board or for auditors of the annual financial statements. No reasons need be specified for the nomination. The board of management need not make accessible the nomination also in those cases in which the nomination does not include the information pursuant to § 124 (3), fourth sentence, and § 125 (1), fifth sentence.

The board of management is to supplement the nomination by a shareholder of candidates for the supervisory board of companies listed on the stock exchange, to which the Employee 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 § 96 (2),
2. Whether an objection has been raised against the fulfilment of the ratio by the supervisory board as a whole pursuant to § 96 (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 § 96 (2), first sentence.

§ 124 Notice by publication of demands for amendment; guidance regarding resolutions (extract)

“(3) ... The nominations of candidates for the supervisory board or for auditors shall state their names, profession exercised, and places of residence. ”

§ 125 Notifications for the shareholders and to members of the supervisory board (extract)

“(1) ... In the case of companies listed on the stock exchange, information on the candidates' membership in other supervisory boards mandated by the law is to be attached to any nomination of candidates for the supervisory board; information on their membership in comparable supervisory committees of business enterprises within Germany and abroad should be attached.

Shareholder's right to request information pursuant to § 131 (1) AktG

Under § 131 (1) AktG, the board of management must provide any shareholder making a corresponding demand at the shareholders' meeting with information relating to the company's affairs, including its legal and business relations to an affiliate, the financial position of the group and any other companies included in the consolidated financial statements, provided such information is necessary in order to make an informed judgment in respect of an agenda item and the board of management does not have the right to refuse such information. The rights of non-disclosure are listed in § 131 (3) AktG.

The provisions in the Stock Corporation Act underlying this right of shareholders, which also determine the conditions under which information may be withheld, are as follows:

§ 131 Shareholder's right to request information

“(1) The board of management is to inform each shareholder at the shareholders' 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 of business set out in the agenda. The obligation to provide information shall also extend to include the legal and business relations of the company with an affiliated enterprise. Where a company avails itself of the eased requirements pursuant to § 266 (1), third sentence, § 276, or § 288 of the Commercial Code (HGB), then each shareholder may request that, at the shareholders' meeting deliberating on the annual financial statements, the annual financial statements be made available to him in the form that they would have without these eased requirements. The obligation of the board of management of a parent company to provide information (§ 290 subsections (1) and (2) of the Commercial Code (HGB)) at the shareholders' meeting to which the consolidated financial statements and the consolidated management report are submitted shall also extend to cover the situation of the group and the enterprises included in the consolidated financial statements.

(2) The information provided is to correspond to the principles of conscientious and faithful accounting. The articles of incorporation or the rules of procedure pursuant to § 129 may grant authority to the person chairing the meeting to impose reasonable time limits on the shareholder's right to ask questions and to speak and may also allow him to make further determinations concerning the details in this regard.

(3) The board of management may refuse a request for information

1. Inasmuch as the provision of the information, when adjudged applying prudent business judgment, is suited to cause a greater than insignificant disadvantage to the company or an affiliated enterprise;
2. Inasmuch as it refers to carrying values for tax purposes or the amount of individual taxes;
3. Regarding the difference between the value at which objects were stated in the annual balance sheet and a higher value of such objects, unless the shareholders' meeting approves and establishes the annual financial statements;
4. Regarding the accounting and valuation methods insofar as it suffices to cite these methods in the notes in order to accurately represent the company's assets, financial position, and revenue situation in keeping with its actual circumstances in the sense of § 264 (2) of the Commercial Code (HGB); this shall not apply if the shareholders' meeting approves and establishes the annual financial statements;
5. Inasmuch as the board of management would be liable to punishment under law were it to provide the information;
6. Inasmuch as, in the case of a credit institution or financial services provider, no information need be provided regarding the accounting and valuation methods applied, nor regarding the netting performed in the annual financial statements, management report, consolidated financial statements, or consolidated management report;
7. Inasmuch as such information is continuously accessible on the company's website for at least seven (7) days prior to commencement of the shareholders' meeting, and also in its course.

Any refusal to provide information for other than the grounds set out above is not permissible.

(4) Where information has been provided to a shareholder because of his capacity as such, and this was done outside of the shareholders' meeting, it is to be provided to every other shareholder making a corresponding request at the shareholders' meeting, even if such information is not required in order to appropriately adjudge the item of business set out in the agenda. The board of management may not refuse to provide the information in accordance with subsection (3), first sentence, nos. 1 to 4. The first and second sentences shall not apply if a subsidiary company (§ 290 subsections (1) and (2) of the Commercial Code (HGB)), a joint venture (§ 310 (1) of the Commercial Code (HGB)) or an associated enterprise (§ 311 (1) of the Commercial Code (HGB)) issues the information to a parent company (§ 290 subsections (1) and (2) of the Commercial Code (HGB)) for purposes of including the company in the consolidated financial statements of the parent company and the information is required for this purpose.

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

In addition, the chairperson of the shareholders' meeting is entitled to undertake various measures to direct and ensure order at the meeting. This also includes the right to restrict the amount of time for shareholders to ask questions and speak. The underlying provision in § 17 (2) of the Articles of Incorporation of the Company which is making use of the authorization contained in the previously quoted § 131 (2) AktG, is as follows:

“(2) The chairperson shall conduct the meeting. He shall determine the order of discussion of agenda items as well as the manner and order of voting. He/she may set an appropriate time limit for the shareholders' right to speak and ask questions; he/she can, in particular, appropriately determine the length of the shareholders' meeting and the time allotted for discussing items on the agenda or for any individual questions or comments.”

