TELEFÓNICA EMISIONES, S.A.U.

EUR 40,000,000,000

PROGRAMME FOR THE ISSUANCE OF DEBT INSTRUMENTS
UNCONDITIONALLY AND IRREVOCABLY GUARANTEED BY

TELEFÓNICA, S.A.

DEED OF COVENANT

6 April 2022
THIS DEED OF COVENANT is made on 6 April 2022

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BY:

TELEFÓNICA EMISIONES, S.A.U. (the "Issuer")

IN FAVOUR OF

(1) THE ACCOUNT HOLDERS from time to time (the "Account Holders") of Euroclear Bank SA/NV and Clearstream Banking, S.A. and of any other clearing system to which Instruments or any interest therein may from time to time be credited (together, the "Clearing Systems" and each a "Clearing System"); and

(2) THE PERSONS for the time being and from time to time registered as holders of the Registered Instruments referred to below.

WHEREAS:

(A) The Issuer and Telefónica, S.A. (the "Guarantor") have established a Programme (the "Programme") for the issuance of debt instruments ("Instruments") and in connection therewith have entered into an amended and restated issue and paying agency agreement (the "Issue and Paying Agency Agreement") dated 6 April 2022 and made between the Issuer, the Guarantor, The Bank of New York Mellon, London Branch as issue and paying agent (the "Issue and Paying Agent", which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such) and as principal registrar and the other parties named therein. Such Instruments may be represented initially by a temporary global instrument (the "Temporary Global Instrument") exchangeable in accordance with its terms for a permanent global instrument (the "Permanent Global Instrument") or, as the case may be, definitive instruments ("Definitive Instruments") and/or (in the case of a series of Instruments comprising Instruments in bearer and registered form) registered instruments ("Registered Instruments"). Permanent Global Instruments are, in accordance with their respective terms, exchangeable for Definitive Instruments and/or (in the case of a series of Instruments comprising Instruments in bearer and registered form) Registered Instruments. References herein to a "Global Instrument" shall, as the context may require, be to a Permanent Global Instrument or, as the case may be, a Temporary Global Instrument. A Global Instrument will be delivered to a depositary or a common depositary or to a Common Safekeeper, in relation to Instruments in New Global Note Form for any one or more of the Clearing Systems for credit to such securities clearance (or any other) account or accounts with any Clearing System as may be determined by the terms and conditions and operating procedures or management regulations (the "Operating Regulations") of the relevant Clearing System with its respective participants. The Guarantor has in a deed of guarantee dated 6 April 2022 agreed to guarantee the obligations of the Issuer under this Deed of Covenant.

(B) Instruments will be issued on a listed basis.

(C) An Account Holder, whose securities clearance (or any other) account with a Clearing System is credited with rights in respect of a Global Instrument, may be entitled, under
and in accordance with the Operating Regulations of the relevant Clearing System, to 
instruct the relevant Clearing System to debit its securities clearance (or any other) 
account with rights in respect of Instruments represented by the Global Instrument and 
credit the same to the securities clearance (or any other) account or accounts of other 
Account Holders with the same or another Clearing System.

(D) In certain circumstances, indicated in the relevant Global Instrument, such Global 
Instrument will become void. The time at which a Global Instrument becomes void is 
hereinafter referred to as the "Relevant Time". In such circumstances, subject to and 
in accordance with the terms of this Deed, each Relevant Account Holder (as defined 
below) will acquire against the Issuer all those rights which such Relevant Account 
Holder would have had if, immediately prior to such Global Instrument becoming void, 
such Relevant Account Holder were the holder of Definitive Instruments and/or (if the 
same had been requested by the bearer of the Global Instrument on behalf of such 
Relevant Account Holder in exchange for its interest in such Global Instrument) 
Registered Instruments issued by the Issuer in exchange for its interest in the relevant 
Global Instrument in an aggregate principal amount equal to the principal amount of 
rights in respect of Instruments represented by such Global Instrument credited to its 
securities clearance (or any other) account, including, without limitation, rights to 
receive principal, interest or any other amount due at any time in respect of such 
Definitive Instruments and/or, as the case may be, Registered Instruments (the "Direct 
Rights"). For these purposes, any reference to the "Relevant Account Holders" is to 
those Account Holders (other than the Clearing Systems to the extent to which they are 
account holders with each other for the purposes of operating the "bridge" between 
them) to whose securities clearance (or any other) accounts rights in respect of 
Instruments represented by the Global Instrument are, at the time at which the Global 
Instrument becomes void, credited and any reference to a "Relevant Account Holder" 
is to any one of them.

THIS DEED WITNESSES as follows:

1. INTERPRETATION

1.1 Any reference in this Deed to a Clause is, unless otherwise stated, to a clause hereof.

1.2 All references in this Deed to an agreement, instrument or other document shall be 
construed as a reference to that agreement, instrument or other document as the same 
may be amended, supplemented, replaced or novated from time to time.

1.3 Headings are for ease of reference only and shall not affect the construction of this Deed.

1.4 Any reference in this Deed to any legislation (whether primary legislation or regulations 
or other subsidiary legislation made pursuant to primary legislation) shall be construed 
as a reference to such legislation as the same may have been, or may from time to time 
be, amended or re-enacted.

1.5 Any Instruments issued under the Programme on or after the date of this Deed shall 
have the benefit of this Deed but shall not have the benefit of any subsequent deed of 
covenant relating to the Programme (unless expressly so provided in any such 
subsequent deed).
2. **ACQUISITION OF DIRECT RIGHTS**

If a Global Instrument becomes void in accordance with its terms, then each Relevant Account Holder shall acquire against the Issuer the Direct Rights. The Issuer agrees that such Direct Rights shall, by virtue of this Deed, be so acquired by such Relevant Account Holder immediately upon the relevant Global Instrument becoming void, without any need for any further action by any person.

3. **EVIDENCE**

The records of the relevant Clearing System shall, in the absence of manifest error, be conclusive as to the identity of each Relevant Account Holder and the principal amount of rights in respect of the Instruments represented by any Global Instrument credited to the securities clearance (or any other) account of each such Relevant Account Holder at any time. Any statement issued by a Clearing System as to its records shall, in the absence of manifest error, be conclusive evidence of the records of the relevant Clearing System for the purposes of this Clause 3 (Evidence) (but without prejudice to any other means of producing such records in evidence). In the event of a dispute, the determination of the Relevant Time by the Clearing System(s) shall be final and conclusive.

4. **TAXATION**

The Issuer covenants in favour of each Relevant Account Holder that it will duly perform and comply with the obligations expressed to be assumed by it in condition 8 (Taxation) of the Terms and Conditions of the Instruments (the "Conditions").

5. **DEPOSIT OF DEED AND PRODUCTION OF COPIES**

A duly executed original of this Deed shall be deposited with and held by the Issue and Paying Agent to the exclusion of the Issuer until the date on which complete performance by the Issuer of the obligations contained in this Deed and in all Instruments then outstanding from time to time occurs and no further Instruments can be issued under the Programme. The Issuer hereby acknowledges the right of every Relevant Account Holder to production of this Deed. A certified copy of this Deed may be obtained by any Relevant Account Holder from the Issue and Paying Agent, during normal business hours, at its specified office at the expense of such Relevant Account Holder.

6. **ENFORCEMENT OF RIGHTS**

Any Relevant Account Holder may protect and enforce his Direct Rights (in the court specified in Clause 14 (Law and Jurisdiction) below) without the necessity of using the name of or obtaining any authority from any predecessor in title upon the basis of a statement by a Clearing System as provided in Clause 3 (Evidence) above and a certified copy of this Deed as provided in Clause 5 (Deposit of Deed and Production of Copies) above without the need for the production of the actual records of the Clearing System or of this Deed. Any such statement and certificate shall be binding, except in the case of manifest error, upon the Issuer and all Relevant Account Holders. Accordingly, any Relevant Account Holder is entitled to the performance of his Direct Rights (including, without limitation, the right to receive principal, interest and any
other amounts due) to the exclusion of any other person, and the unconditional and irrevocable performance in full by the Issuer to such Relevant Account Holder shall discharge the Issuer from any obligations in respect of such Direct Rights. This Clause shall not limit any right of any Relevant Account Holder upon payment of a reasonable charge to the production of originals of the records held by any Clearing System or this Deed.

7. **CONTRACTUAL CURRENCY**

The currency in which the Direct Rights are denominated or, if different, payable or, in the case of Instruments, the selected currency as defined in the Conditions applicable thereto (the "**Contractual Currency**") is the sole currency of account and payment for all sums payable by the Issuer in respect of such Direct Rights, including, where applicable, damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Relevant Account Holder in respect of any sum expressed to be due to it from the Issuer hereunder shall only constitute a discharge to the Issuer to the extent of the amount in the Contractual Currency which such Relevant Account Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so) (provided that the Issuer shall not be liable to indemnify the Relevant Account Holder for any loss sustained by it due to any unreasonable delay by the Relevant Account Holder in making such purchase). If that amount is less than the amount in the Contractual Currency expressed to be due to any Relevant Account Holder in respect of the Direct Rights, the Issuer shall indemnify such Relevant Account Holder against any loss sustained by such Relevant Account Holder as a result. In any event, the Issuer shall indemnify each such Relevant Account Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute a separate and independent obligation from the Issuer's other obligations hereunder, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Relevant Account Holder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Instruments or any judgment or order. Any such loss aforesaid shall be deemed to constitute a loss suffered by the Relevant Account Holder and no proof or evidence of any actual loss will be required by the Issuer.

8. **REGISTERED INSTRUMENTS**

The Issuer hereby constitutes the Registered Instruments and covenants in favour of each holder of Registered Instruments that it will duly perform and comply with the obligations expressed to be undertaken by it in each Registered Instrument and in the Conditions applicable thereto (and for this purpose any reference in such Conditions to any obligation or payment under or in respect of the Registered Instruments shall be construed to include a reference to any obligation or payment under or pursuant to this provision).
9. **MODIFICATION, AMENDMENT AND COMPROMISE**

This Deed may be modified, amended or replaced by the Issuer or the rights of the Relevant Account Holders hereunder may be modified, abrogated, varied or compromised with the agreement of the Issuer or an arrangement entered into with respect thereto, in respect of the Direct Rights attributable to the Instruments of any Series with the sanction of an Extraordinary Resolution (as defined in the Issue and Paying Agency Agreement) by the Holders of the Instruments of such Series.

10. **WAIVER AND REMEDIES**

No failure to exercise, and no delay in exercising, on the part of any Relevant Account Holder, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

11. **STAMP DUTIES**

The Issuer shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable in the Kingdom of Spain, the Republic of Ireland, the United Kingdom, Belgium and/or Luxembourg upon or in connection with the execution and delivery of this Deed, and shall, to the extent permitted by law, indemnify each Relevant Account Holder and each holder of Registered Instruments against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees and any applicable irrecoverable value added tax, if any) which it incurs as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

12. **PARTIAL INVALIDITY**

If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provisions under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

13. **NOTICES**

13.1 All notices and other communications to the Issuer hereunder shall be made in writing (by letter or fax) and shall be sent to the Issuer at:

**Address:** Distrito Telefónica  
Edificio Central  
c/ Ronda de la Comunicación, s/n  
28050 Madrid  
Spain

**Fax:** + 34 91 727 1425  
**Attention:** Carlos David Maroto Sobrado
or to such other address or fax number or for the attention of such other person or department as the Issuer has notified to the Account Holders in the manner prescribed for the giving of notices in connection with the Instruments.

13.2 Every communication sent in accordance with Clause 13.1 shall be effective upon receipt by the Issuer; and provided, however, that any such notice or communication which would otherwise take effect after 4.00 p.m. on any particular day shall not take effect until 10.00 a.m. on the immediately succeeding business day in the place of the Issuer.

14. **LAW AND JURISDICTION**

14.1 This Deed and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

14.2 The courts of England have exclusive jurisdiction to settle any dispute (a "Dispute"), arising from or connected with this Deed (including a dispute relating to non-contractual obligations arising from or in connection with this Deed, or a dispute regarding the existence, validity or termination of this Deed) or the consequences of its nullity.

14.3 The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

14.4 Notwithstanding Clause 14.2, Relevant Account Holders may take proceedings relating to a Dispute ("Proceedings") in any other courts with jurisdiction. To the extent allowed by law, Relevant Account Holders may take concurrent Proceedings in any number of jurisdictions.

14.5 The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Telefónica Digital Ltd, Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH, United Kingdom, or, if different, its registered office for the time being or at any address of the Issuer in England at which process may be served on it. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of any Relevant Account Holder addressed and delivered to the Issuer appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Relevant Account Holder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer. Nothing in this paragraph shall affect the right of any Relevant Account Holder to serve process in any other manner permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.

15. **BENEFIT OF DEED OF COVENANT**

Any Instruments issued under the Programme on or after the date of this Deed shall have the benefit of this Deed but shall not have the benefit of any subsequent deed of covenant relating to the Programme (unless expressly so provided in any such subsequent deed).
IN WITNESS WHEREOF this Deed has been executed as a deed by the Issuer and is intended to be and is hereby delivered on the day and year first before written.

EXECUTED as a deed

by TELEFÓNICA EMISSIONES, S.A.U.

acting by:

[Signature]

Signature Page – Deed of Covenant 70-41032678