



Bezeq – The Israel Telecommunication Corp. Ltd.
("Company" or "Bezeq")

August 2, 2020

The Israel Securities Authority

The Tel Aviv Stock Exchange Ltd.

**Immediate Report on the Convening of an Extraordinary General Meeting of the
Company's Shareholders**

In accordance with the Securities Regulations (Periodic and Immediate Reports), 1970 ("**Periodic and Immediate Reports Regulations**"), the Companies Law, 1999 ("**Companies Law**") and the Companies Regulations (Notice and Announcement of a General Meeting and a Class Meeting in a Public Company and Addition of an Item to the Agenda), 2000 ("**Notice and Announcement Regulations**"), notice is hereby given of the convening of an extraordinary general meeting of the Company's shareholders, to be held on **Sunday, September 26, 2020, at 11:00 a.m.**, at the Company's offices in Tel Aviv, 2 Azrieli Center (Triangular Building), 27th floor ("**Company's Offices**").

1. Items on the agenda of the general meeting

1.1 Election by the general meeting of Mr. Gil Sharon as an ordinary director on the Company's Board of Directors, up to the next annual meeting of the Company's shareholders

Following are the details of Mr. Gil Sharon, as required by Regulations 26 and 36B(10) of the Periodic and Immediate Reports Regulations, to the best of the Company's knowledge, as provided to it by Mr. Sharon:

Candidate's name	Gil Sharon
ID (Passport) No.	058381351
Date of birth	September 12, 1963
Address for service of process	37 Drezner St., Tel Aviv
Nationality	Israel
Committees on which the candidate is to serve (subject to his appointment)	Subject to receipt of the required security clearance, he will serve as chairman of the Security Committee
Date of commencement of term of office	From the date on which Mr. Sharon will give notice, during August 2020, of his assumption of the position of Company director.
Position he is to hold	Director and Chairman of the Board
Will serve as an independent director	No
Will serve as an outside director	No
Employee of the Company or of a subsidiary, related company or interested party of the Company, and the position held by him	No



Education	<ul style="list-style-type: none"> a. BA in economics and business administration, Hebrew University of Jerusalem b. MBA, Tel Aviv University
Employment in the last five years	<ul style="list-style-type: none"> a. From April 2017: Chairman and CEO of Golan Telecom Ltd. b. 2005-2015: CEO of Pelephone Communications Ltd.
Director in the following companies:	<ul style="list-style-type: none"> a. As of the publication date of the report on the convening of the meeting, he serves as Chairman of the Board of Golan Telecom Ltd. b. He will assume the position of Company director and Chairman of the Board, as well as in the Company's subsidiaries – Pelephone Communications Ltd., Bezeq International Ltd., DBS Satellite Services (1998) Ltd., Walla! Communications Ltd. and Bezeq Online Ltd., as of the date on which he gives notice, during August 2020, of the assumption of the position of Company director. c. Chairman of Elco Media. d. Director at Telit PLC.
Relative of another interested party in the Company	No
Has accounting and financial expertise or professional qualifications	Yes

Text of the proposed resolution:

Election by the general meeting of Mr. Gil Sharon as an ordinary director on the Company's Board of Directors, up to the next annual meeting of the Company's shareholders.

For further information on the approval of the appointment by the Board of Directors on August 2, 2020, see the immediate report from today.

Mr. Gil Sharon submitted to the Company a statement in accordance with Section 224B of the Companies Law, a copy of which is attached to this immediate report.

1.2 **Approval of reappointment of Mr. Zeev Vurembrand as an external director**

Text of the proposed resolution:

To approve the reappointment of Mr. Zeev Vurembrand as an external director of the Company, for an additional (second) term of three years from September 6, 2020 to September 2, 2023.

Mr. Vurembrand submitted to the Company a statement in accordance with Sections 224B and 240 of the Companies Law, a copy of which is attached to this immediate report.¹

¹ For the sake of good order, it is noted that a subsidiary of a private company in which Mr. Vurembrand serves as chairman of the board of directors ("**Related Party**") has a consumer contract for the purchase of products and services in the normal course of business from Bezeq International Ltd. (a wholly owned and controlled subsidiary of the Company ("**Bezeq International**") according to Bezeq International's pricelists or marketing campaigns, in an amount that is



For further information about Mr. Zeev Vurembrand in accordance with Regulations 26 and 36B(10) of the Periodic and Immediate Reports Regulations, see Regulation 26 in Chapter D of the Company's Periodic Report for 2019, as published on March 19, 2020, included herein by reference.²

The terms of reference of the director Mr. Zeev Vurembrand will remain unchanged.³

1.3 **Approval of grant of letter of indemnification and exemption to an ordinary director**

Text of the proposed resolution:

To approve the grant of a letter of indemnification and exemption to Mr. Tomer Raved, in the same wording as the letters of indemnification and exemption that were approved for the Company's other directors in its general meetings on February 6, 2020 and May 14, 2020, as of May 14, 2020 (the date of the start of his tenure as director).

For details of the reasons of the Remuneration Committee and the Board of Directors, see section 2 below.

For further information on the terms of reference of the director Mr. Tomer Raved, see immediate report dated May 21, 2020, included herein by reference.

negligible for the parties (NIS 5,500 per year). It is the Company's position, as approved by the Audit Committee, that this contract does not constitute a business relationship within the definition of the term "relationship." Furthermore, it is noted that Mr. Vurembrand has instructed the Related Party that he will not be involved in or informed about any purchase of telecommunications services from the Bezeq Group for the Related Party.

² As reported to the Company, as of the date of this report, Mr. Vurembrand no longer serves as a director at Yalon (Extension 1983) Ltd. (a subsidiary of Meuhedet) ("Yalon"), contrary to what is stated in Chapter D. Apart from this update, as of the date of the Periodic Report there are no changes in the required details as stated above.

³ a. Annual fee and attendance fee (for meetings of the Company and meetings of its subsidiaries to which he was appointed by the Company as a director) in the "maximum amount" for an expert outside director as prescribed in the Companies Regulations (Rules on Remuneration and Expenses of an Outside Director), 2000, according to the Company's ranking from time to time, including reimbursement of travel expenses subject to the provisions of the law;
b. Grant of an indemnification undertaking in the latest wording approved by the Company's Board of Directors and the general meeting of the Company's shareholders;
c. Grant of a letter of exemption from liability in the Company's customary wording.
d. Inclusion in directors and officers liability insurance policy at the Company's customary terms.



Part A – Information in Connection with the Items on the Agenda

2. Considerations and reasons that guided the Remuneration Committee and the Board of Directors with respect to item 1.3 on the agenda of the meeting

- 2.1 The grant of a letter of exemption from liability and an indemnification undertaking is in accordance with the Companies Law, the Company's articles and the Company's remuneration policy.
- 2.2 The grant of a letter of exemption from liability and an indemnification undertaking is a generally accepted protection accorded by public companies in Israel and is essential for enabling the Company's directors to act freely for its benefit, while reducing their personal exposure, subject to the limitations of the law.
- 2.3 The indemnification undertaking is for events which in the opinion of the Remuneration Committee can be expected in light of the Company's actual activity, and the maximum amount of indemnification under the indemnification undertaking is reasonable in the circumstances of the case.
- 2.4 The letter of exemption from liability and the indemnification undertaking are granted to all the Company's officers at identical terms.
- 2.5 The grant of an exemption from liability and an indemnification undertaking may enable the Company to save on the monetary costs involved in paying an insurance company for an increase in the limit of liability for officers.
- 2.6 The grant of an exemption from liability does not involve preferential terms in comparison with the terms of reference and employment of other persons who previously served as a director, such as Mr. Ami Barlev and Mr. Doron Turgeman.

3. Names of directors with a personal interest in the approval of the items on the agenda of the meeting, and the nature of such interest

Mr. Tomer Raved has a personal interest in item 1.3 on the agenda, since the letter of indemnification and exemption is to be granted to him.

4. Names of the directors who attended the meetings of the Remuneration Committee and the Board of Directors in connection with the items on the agenda of the meeting

Regarding item 1.1 on the agenda of the meeting

- 4.1 The meeting of the Board of Directors on August 2, 2020 was attended by Board members: Mr. David Granot – acting Chairman of the Board, Mr. Darren Glatt, Mr. Ran Forer and Mr. Tomer Raved (ordinary directors), Mr. Joseph Abergel (employee director), Mr. Amnon Dick, Mr. Zeev Vurembrand and Ms. Edith Lusky (external directors).



Regarding item 1.2 on the agenda of the meeting

- 4.2 The meeting of the Board of Directors on July 22, 2020 was attended by Board members: Mr. David Granot – acting Chairman of the Board, Mr. Darren Glatt, Mr. Ran Forer and Mr. Tomer Raved (ordinary directors), Mr. Joseph Abergel (employee director), Mr. Amnon Dick and Ms. Edith Lusky (external directors).

Regarding item 1.3 on the agenda of the meeting

- 4.3 The meeting of the Remuneration Committee on May 17, 2020 was attended by all the members of the committee: Mr. Amnon Dick – committee chairman, Mr. Zeev Vurembrand and Ms. Edith Lusky (outside directors) and Mr. David Granot (independent director)
- 4.4 The meeting of the Board of Directors on May 20, 2020 was attended by Board members: Mr. Shlomo Rodav – (former) Chairman of the Board, Mr. Darren Glatt (ordinary director), Mr. Joseph Abergel (employee director), Mr. David Granot (independent director), Mr. Amnon Dick, Mr. Zeev Vurembrand and Ms. Edith Lusky (external directors).



Part B – Additional Information on the Convening of the General Meeting

5. Additional information

5.1 Majority required for passing resolutions

5.1.1 The majority required for passing each of resolutions 1.1 and 1.3 above is a simple majority of all the votes of shareholders present and voting at the meeting, without taking abstentions into account.

5.1.2 The majority required for passing resolution 1.2 above is a simple majority of all the votes of shareholders present and voting at the meeting, provided one of the following is satisfied:

5.1.2.1 The count of the majority votes at the general meeting includes a majority of all the votes of shareholders who are not controlling shareholders of the Company or have no personal interest in approving the appointment, other than a personal interest that is not a result of a relationship with the controlling shareholder, taking part in the vote. Abstentions will not be taken into account. A person having a personal interest will be subject to the provisions of Section 276 of the Companies Law, *mutatis mutandis*.

5.1.2.2 The total number of dissenting votes from among the shareholders referred to in subsection 5.1.2.1 does not exceed two percent of all the voting rights in the Company.

5.2 Place and time of the meeting; quorum and adjourned meeting

The general meeting will convene on **Sunday, September 6, 2020, at 11:00 a.m.**, at the Company's Offices. Under the Company's articles, the general meeting may not proceed to business unless a quorum is present when the meeting is called to order. A quorum is at least two shareholders holding at least twenty five percent (25%) of the voting rights in the Company, present (including through a proxy or a voting slip) within half an hour from the time set for the meeting.

If after half an hour from the time set for the meeting a quorum is not present, the meeting will be adjourned by a week, to the same day, time and place, or to a later date if so specified in the notice regarding the adjourned meeting.

5.3 Date of record, eligibility to attend the meeting and voting

The date of record for eligibility to attend and vote at the general meeting, under Section 182(c) of the Companies Law and Regulation 3 of the Companies Regulation (Vote in Writing and Position Statements), 2005, is **Sunday, August 9, 2020 ("Date of Record")**.

Under the Companies Regulations (Proof of Title to a Share for Voting at a General Meeting), 2000 ("**Proof of Title to Share Regulations**"), a shareholder on whose behalf a share is registered with a stock exchange member, and that share is included among the shares registered in the shareholders register in the name of a nominee company ("**unregistered shareholder**"), may prove ownership of shares of the Company at the Date of Record, for the purpose of voting at the



general meeting, by providing the Company with a certificate from the stock exchange member with whom his title to the share is registered, no later than 24 hours before the time of convening of the meeting.

An unregistered shareholder may, if he so requested, receive the certificate of title from the stock exchange member through whom he holds his shares, at the branch of such stock exchange member or by post to his address, solely against postage fees. Such a request will be given in advance for a particular securities account.

A shareholder of the Company at the Date of Record may attend and vote at the meeting in person or by proxy, after depositing an instrument of appointment at the Company's offices at least 48 hours before the time of convening of the meeting ("**instrument of appointment**"). The instrument of appointment must be in writing under the hand of the appointor or his representative authorized in writing for that purpose, and where the appointor is a corporation – it must be executed under the seal of the corporation (if there is any), and in the absence of a seal – by the person authorized to do so together with the stamp of the corporation.

5.4 **Voting slip, position statements and addition of items to the agenda**

Votes on the items on the agenda may also be cast by means of the voting slip attached to this immediate report. A vote in writing will be entered in the second part of the voting slip as published on the distribution site.

Addresses of the distribution site of the Israel Securities Authority, the website of the Tel Aviv Stock Exchange Ltd. and the Company's website, containing the text of the voting slips and the position statements: distribution site of the Israel Securities Authority – www.magna.isa.gov.il; website of the Tel Aviv Stock Exchange Ltd. – maya.tase.co.il; Company's website – www.bezeq.co.il.

A stock exchange member must send by email, free of charge, a link to the text of the voting slip and the position statements on the distribution site of the Israel Securities Authority, to any unregistered shareholder whose shares are registered with that stock exchange member, unless the shareholder notified the stock exchange member that he does not wish to receive such a link, provided the notification has been given for a particular securities account, prior to the Date of Record.

The deadline for the submission of shareholders' position statements to the Company is up to ten (10) days before the date of convening of the general meeting, that is, up to August 27, 2020. The deadline for the submission of the Board of Directors' responses to position statements is up to five (5) days before the date of convening of the general meeting, that is, up to September 1, 2020.

An unregistered shareholder who wishes to vote by a voting slip must enter his vote in the second part of the voting slip and deliver the slip to the Company or send it by registered post together with a certificate of title, such that the voting slip reaches the Company's registered office no later than four (4) hours before the time of convening of the general meeting.



Deadline for submitting a voting slip (including the documents that must be attached to it, including the certificate of title, as set out above and in the voting slip):

A shareholder registered in the Company's shareholders register, who wishes to vote by means of a voting slip, must enter his vote in the second part of the voting slip and deliver the slip to the Company or send it by registered post, attaching a photocopy of his ID card or passport or a photocopy of the certificate of incorporation, such that the voting slip reaches the Company's registered office no later than four (4) hours before the time of convening of the general meeting.

Under Section 66(b) of the Companies Law, one shareholder or more holding at least one percent (1%) of the voting rights in the general meeting may request the Board of Directors to include an item on the agenda of the general meeting, provided such item is suitable for consideration in the general meeting. Under Regulation 5A(a) of the Notice and Announcement Regulations, a notice pursuant to Section 66(b) of the Companies Law must be submitted to the Company up to seven (7) days after the general meeting was called. Where such a request has been submitted, there is a possibility that items will be added to the agenda of the meeting, and their details will appear on the distribution site of the Israel Securities Authority.

Vote via the Electronic Voting System:

In addition to the foregoing, an unregistered shareholder may also vote on the items set out above by means of a voting slip to be delivered to the Company via the Electronic Voting System (as defined in the Vote in Writing Regulations ("**Electronic Voting System**"). A vote by means of an electronic voting slip may be cast starting from the time of receipt from the Electronic Voting System of confirmation of receipt in good order of the list of those entitled to vote via the Electronic Voting System and up to six (6) hours before the time of convening of the general meeting ("**System Closing Time**"), that is, up to **September 6, 2020, at 5:00 a.m.**, when the Electronic Voting System will be closed. A vote via the Electronic Voting System may be changed or canceled up to the System Closing Time. It should be noted that under Section 83(d) of the Companies Law, if a shareholder has voted in more than one way, his later vote will be counted, and in this regard, the vote of a shareholder in person or by proxy will be deemed later than a vote via the Electronic Voting System.

5.5 Company's representative dealing with the report on convening of the meeting

The Company's representative dealing with this report is Adv. Shelly Bainhoren, Group Secretary and Internal Compliance Officer.

5.6 Inspection of documents

The Company's shareholders may, at their request, inspect this notice and the documents (if any) attached to it, at the Company's offices in Tel Aviv, "Bezeq House," 2 Azrieli Center (Triangular Building), 27th floor, between 10:00 a.m. and 3:00 p.m., by prior arrangement through telephone 03-626-2200.



Sincerely,

Bezeq – The Israel Telecommunication Corp. Ltd.

Signed by: Adv. Shelly Bainhoren, Group Secretary and Internal Compliance Officer

The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law, and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.