

B. Communications Ltd.

December 20, 2021

To
ISA
VIA MAGNA

To
Tel Aviv Stock Exchange Ltd.
VIA MAGNA

Dear Sir / Madame.,

Re: **B. Communications Ltd. (hereinafter: "the Company") - Summons a special general meeting of the Company's shareholders**

Pursuant to the Companies Law, 5769-1999 (hereinafter: "**the Companies Law**"), the Securities Regulations (Periodic and Immediate Reports), 5733-1970 (hereinafter: "**the Reporting Regulations**"), the Companies Regulations (Publication of Notice of General Meeting and Type Meeting in Public Company), 5760-2000 and the Companies Regulations (Proof of Ownership of Share for Voting at the General Meeting), 5760-2000, the Company is hereby honored to announce the convening of a special general meeting of the Company's shareholders (hereinafter: "**the Meeting**"), which will take place on January 24, 2022, at 11:00 at the Company's offices at 144 Menachem Begin Street, Tel Aviv, on the agenda of which are the following topics. If a legal quorum is not present after half an hour from the time set for the meeting, the meeting will be adjourned to January 31, 2022, and will be held at the same time and place.

In light of the spread of COVID, the Company reserves the right to change the way the Meeting convenes and conduct the gathering through a video conference call or conference call where all participants can hear each other, subject to immediate reporting and providing the required notices.

1. **The topics on the agenda**

1.1. **Topic No. 1 – First appointment of external director Mrs. Efrat Duvdevani for a first term of three (3) years as an external director on the Company's Board of Directors**

1.1.1. It is proposed to approve the first appointment of Mrs. Efrat Duvdevani ("**the Candidate**") as an external director of the Company's Board of Directors, for a term

of three (3) years from the date of approval of the meeting, i.e., from January 24, 2022 to January 23, 2025 (inclusive).

- 1.1.2. The terms of office and employment of the Candidate, subject to the approval of her appointment as an external director at the general meeting of the Company, will be as follows:
- 1.1.2.1. Annual remuneration and remuneration for participation in meetings in the amount of the 'maximum amount' for an external director as stipulated in the Companies Regulations (Rules regarding Remuneration and Expenses for an External Director), 2000 according to her rank in the Company, as it will be from time to time, and according to her expertise, including lawful reimbursement of travel expenses.
- 1.1.2.2. Granting a letter of indemnity in the latest version approved by the Company's Board of Directors and the general meeting of the Company's shareholders, and granting a letter of exemption from liability in the wording accepted by the Company, subject to the Meeting's approval of item 1.2 below. The wording of the indemnity letter is attached as Appendix A to this report.
- 1.1.2.3. Inclusion in an insurance policy for officers, all under the conditions applicable to the other directors of the Company.
- 1.1.3. The Candidate submitted to the Company a statement as required by the provisions of Articles 224B and 241 of the Companies Law, attached as **Appendix B** to the Meeting convening report, in which the Candidate stated that she meets the eligibility conditions for appointing an external director set forth in Article 240 (b) to (f) of the Companies Law, and accordingly, meets the conditions required for her classification as an external director.
- 1.1.4. The following are the details required in accordance with Regulation 36B (a) (10) and Regulation 26 (a) of the Reporting Regulations in relation to Mrs. Efrat Duvdevani, as provided by her:

Name of candidate	Efrat Duvdevani
ID	023824879
Date of birth	June 10, 1968
Address for service of court papers	48 Hanasi Ben Zvi St., Herzliya
Nationality	Israeli
Committees on which the Candidate will serve (subject to appointment)	The Committee for the Examination of Financial Statements, the Audit Committee and the Remuneration Committee.
Is she an independent director or an external director as defined in the Companies Law	Candidate for the position of external director
Was she classified as having accounting and financial expertise or professional competence	Yes
Is she an expert external director	Yes
Is she an employee of the	No

corporation, of a subsidiary, of a related company or of an interested party therein	
Beginning of office	As of January 24, 2022
Education	Bachelor's degree in International Relations and English, The Hebrew University Master's degree in Public Policy - Management and Finance, Tel Aviv University
Occupation for the past 5 years	Director of the Peres Center for Peace and Innovation
Serves as a director in the following companies	Future Initiatives, special Olympics
Family relation to another interested party in the Company	No
Is she a director whom the Company considers to have accounting and financial expertise for the purpose of meeting the minimum number determined by the Board of Directors under Article 92 (a) (12) of the Companies Law	Yes

1.1.5. The wording of the proposed resolution: **"Approve the first appointment of Mrs. Efrat Duvdevani as an external director on the Company's Board of Directors, for a term of three (3) years, from January 24, 2022 to January 23, 2025 (inclusive)".**

1.2. **Topic No. 2 - Approval of the issuance of a letter of indemnity and a letter of exemption from liability for the Candidate for office as an external director**

1.2.1. Subject to the approval of the appointment of the candidate for office as an external director of the company as specified in section 1.1 above, it is proposed to approve the issuance of a letter of indemnity and a letter of exemption from liability to the Candidate for the position of external director in the same wording as the letters of indemnity and letters of commitment to exemption from liability approved by the General Meeting for all officers on April 30, 2020.

1.2.2. For the wording of a letter of indemnity and an exemption letter accepted by the Company, see Appendix A to the report convening the General Meeting of the Company's shareholders, as published on March 25, 2020 (Reference No.: 2020-02-025585), the mentions of which constitute generalization by way of reference.

1.2.3. The wording of the proposed resolution: **"Subject to the approval of the proposed resolution in section 1.1 on the agenda, approve the issuance of a letter of indemnity and a letter of exemption from liability to the candidate for office as**

an external director in the same wording as the letters of commitment for indemnification and letters of commitment for exemption from liability approved by the General Meeting of all officers on April 30, 2020".

1.3. Summary of the reasons given by the Remuneration Committee and the Board of Directors to the topics on the agenda

- 1.3.1. Upon termination of Mr. Michael Clare's office, two independent directors (including one deputy director and one director classified as independent) out of six directors, will serve on the Company's Board of Directors.
- 1.3.2. The Remuneration Committee and the Board of Directors have identified that the significant experience required in addition to the Board of Directors is in regulation, and in particular in light of the fact that all members of the Board of Directors currently have significant business and financial experience.
- 1.3.3. The Remuneration Committee and the Board of Directors were of the opinion that priority should be given to the Candidate, in light of the fact that the Company's Board of Directors currently has one female director, out of a desire to strengthen aspects of corporate governance and diversity on the Board of Directors.
- 1.3.4. In examining the candidates for the position, the Company was assisted by a corporate governance report prepared for the Company by Entropy Corporate Governance Consulting Ltd. and in an in-depth examination of the existing mix.
- 1.3.5. The issuance of a letter of exemption from liability and the issuance of a letter of indemnity are in accordance with the Companies Law, the Company's Articles of Association and the Company's Remuneration Policy.
- 1.3.6. The issuance of a letter of exemption from liability and the issuance of a letter of indemnity are acceptable protections among public companies in Israel and are essential in order to allow the company's directors to act freely in its favor, while reducing their personal exposure, all subject to legal restrictions.
- 1.3.7. The scope of the indemnification obligation is in respect of events, which the Company's Board of Directors has confirmed can be anticipated in light of the Company's actual activity, and the maximum indemnification according to the letter of indemnity is reasonable in the circumstances.
- 1.3.8. By granting an exemption from liability and an obligation to indemnify, the Company may save on the financial costs involved in paying an insurance company for extending the limit of liability for officers.

2. The required majority

- 2.1. The majority required for the resolution set forth in section 1.2 on the agenda of the Meeting is a simple majority of the votes of the shareholders present at the Meeting who may vote and have voted in it, without taking into account abstained votes.
- 2.2. The majority required for the resolution specified in section 1.1 on the agenda of the meeting in accordance with Articles 245 (a1) (2) and 239 (b) of the Companies Law, is a simple majority of all shareholders present at the meeting and entitled to vote, provided one of the following is met:

- 2.2.1. The count of the majority votes at the general meeting will include a majority of the votes of the shareholders who are not controlling shareholders in the Company or have a personal interest in approving the aforesaid issue, participating in the vote (the count of all votes of the said shareholders will not take into account abstained votes);
- 2.2.2. The total number of opposing votes from among the shareholders referred to in the sub-paragraph 2.1.1 above, will not exceed the rate of two percent of all the voting rights in the Company.

Note that the Company's Board of Directors may approve the matters on the agenda even if the General Meeting objects to such approval, insofar as the Remuneration Committee and subsequently the Company's Board of Directors decide, on detailed grounds and after reconsideration of the said matters, that their approval despite the General Meeting's objection is in the Company's best interests.

3. **The legal quorum for holding the Meeting**

A legal quorum will be formed when at least two shareholders, who together hold at least 33.33% of all voting rights in the Company. If a legal quorum is not present after half an hour from the time set for the Meeting, the Meeting will be adjourned to the same day next week, at the same time and place. If at the adjourned meeting a legal quorum is not present half an hour after the time set for the meeting, any number of shareholders present will constitute a valid quorum.

4. **The effective date for participation and voting**

The effective date for determining a shareholder's eligibility to vote at the general meeting, as stated in Article 182 of the Companies Law and Regulation 3 of the Companies Regulations (Voting Ballots and Position Notices), 5766-2005, is at the end of the day December 26, 2021 (Hereinafter: "**the Effective Date**").

5. **Voting at the meeting and position notices**

- 5.1. A shareholder will be entitled to attend the meeting and to vote in person, by proxy, by means of a ballot paper (within the meaning thereof under Article 87 of the Companies Law) in the form attached to this immediate report (hereinafter: "**the Ballot Paper**") or through the electronic voting system.
- 5.2. In accordance with the Companies Regulations (Proof of Ownership of Share for Voting at General Meeting), 5769-2000, a shareholder to whose right a share is registered with a Stock Exchange member and that share is included in the Company's shares registered in the shareholders' register to the name of a registration company, and he is interested in voting at the general meeting, will issue to the Company a certificate from the Stock Exchange member with whom his right to the share is registered, regarding his ownership of the share, on the Effective Date, in accordance

with Form 1 in the Appendix to Proof of Ownership Regulations. Also, an unregistered shareholder may instruct the Stock Exchange member that his certificate of ownership be transferred to the Company through the electronic voting system.

- 5.3. The address of the Securities Authority's distribution website (hereinafter: "**the Distribution Website**") and the Tel Aviv Stock Exchange's Ltd. website, where one can find the wording of the Ballot Paper and the position notices within the meaning thereof under Article 88 of the Companies Law, are: www.magna.isa.gov.il and www.maya.tase.co.il, respectively. Voting according to the Ballot Paper will be done on the second part of the Ballot Paper as published on the Distribution Website. A shareholder may contact the Company directly and receive from it the wording of the Ballot Paper and the position notices (if any). The Stock Exchange member will send by e-mail, without consideration, a link to the wording of the Ballot Paper and the position notices on the Distribution Website to any shareholder who is not registered in the shareholders' register and whose shares are registered with the same Stock Exchange member. If the shareholder has notified that he is interested in it, provided that the notice has been given in respect of a particular securities account and on a date prior to the determining date. A shareholder whose shares are registered with a Stock Exchange member is entitled to receive the certificate of ownership from the Stock Exchange member through which he holds his shares, at the Stock Exchange member's branch or by mail to his address, in exchange for delivery fees only, if he so requests. A request for this matter will be given in advance for a particular securities account. In addition, a shareholder to whose credit a share is registered with a member of a Stock Exchange and that share is included among the shares registered in the register of shareholders in the name of a listing company, may vote through a Ballot Paper that will be sent to the Company in the electronic voting system.
- 5.4. The Ballot Paper must be submitted to the Company's offices, according to the address above, in such a way that the Ballot Paper arrives at the Company's offices no later than four (4) hours before the time of convening of the Meeting. Voting using the electronic voting system will be possible up to six (6) hours before the time of convening of the Meeting.
- 5.5. A shareholder who wishes to attend and vote at the Meeting without attending the meeting can place a power of attorney with the Company to participate and vote at the meeting at least 48 hours before the time of convening of the Meeting, at the Company's offices at 144 Menachem Begin St., Tel Aviv.

- 5.6. One or more shareholders who hold shares at a rate that constitutes five percent or more of the total voting rights in the company (i.e., 5,815,828 shares), as well as a person who holds such a rate out of the total voting rights that are not held by the controlling shareholder in the Company (i.e., 1,653,681 shares), is entitled to view the Ballot Papers as specified in Regulation 10 of the Companies Regulations (Voting Ballots and Position Notices), 5766-2005.
- 5.7. The deadline for submitting position notices to the Company is ten (10) Days before the time of convening of the Meeting, i.e.: January 14, 2022, and the last date for submitting the Board's response to the position notices is five days before the time of convening of the Meeting, i.e.: January 19, 2022.
- 5.8. A shareholder's request to include a topic on the agenda of the meeting in accordance with Article 66 (b) of the Companies Law and in accordance with Regulation 5A of the Notice and Announcement Regulations will be submitted to the Company up to seven days after the time of publication of this report. To the extent that requests are made to the Company to include a topic on the agenda of the Meeting, there is a possibility that topics will be added to the agenda as a result. It will be possible to review the updated agenda and the position notices that have been published (if any) on the Distribution Website of the Securities Authority and of the Stock Exchange (whose addresses are detailed in the section 5.3 above). The last date on which the Company will submit an amended Ballot Paper, if it is requested to add a topic to the agenda, is on the day of publication of the notice with the updated agenda by the Company. The publication of such an updated agenda, insofar as it is published, does not change the Effective Date for the Meeting.

6. **Perusal of documents**

The wording of the proposed resolutions, position notices (if submitted to the Company) and the periodic report can be viewed on the Distribution Website of the Securities Authority and on the website of the Tel Aviv Stock Exchange Ltd. (whose addresses are detailed in section 5.3 above), as well as at the Company's offices at the address indicated above, during normal working hours and after prior coordination with Mrs. Idit Cohen Badani (Tel.: 03-6796100, Email: idit@bcomm.co.il).

B. Communications Ltd.¹

¹ Signed by Tomer Raved, CEO, and Itzik Tadmor, Company CFO.

Appendix A'

EXHIBIT A

Date: _____, 2019

To: _____

Letter of Indemnification and Exemption

1. Undertaking of Indemnification & Exemption General

- 1.1 Please be advised that the board of directors (the “**Board**”) of B Communications Ltd. (the “**Company**”) in a Board resolution dated _____ and the shareholders of the Company (the “**Shareholders**”) in a Shareholders resolution dated _____ have resolved to indemnify its directors and officers, to the fullest extent permitted by law, and grant them an exemption, as set forth herein.
- 1.2 Terms not defined in this Letter of Indemnification shall have the meanings assigned to them in the Companies Law, 5759-1999 (hereinafter: the “**Companies Law**”).
- 1.3 This Letter of Indemnification and Exemption and the undertakings of the Company hereunder are subject to the provisions of the Companies Law regarding the indemnification and exemption of Office Holders (as defined in the Companies Law).

2. Exemption

In your capacity as an Office Holder, the Company hereby grants you an exemption of liability, to the fullest extent permitted by law, for damages suffered as a result of a breach of your duty of care to the Company, provided that this exemption shall not apply to a liability arising from any of the following:

- 2.1 A breach of the duty of loyalty towards the Company;
- 2.2 A breach of the duty of care committed intentionally or recklessly (“*pizut*”), unless committed only in negligence;
- 2.3 Any action taken with the intention to unlawfully gain a personal profit;
- 2.4 Any fine, monetary sanction (“*Itzum Caspi*”) or administrative pecuniary punishment (“*kofer*”) imposed on you;
- 2.5 A breach of the duty of care in connection with a “distribution” (as defined in the Companies Law); and
- 2.6 A counterclaim made by the Company or in its name, in connection with a claim against the Company filed by you.

3. Indemnification

- 3.1 The Company shall indemnify you with respect to a liability or expense of the kind described in this Section 3.1 below, imposed upon or incurred by you as a result of an action and/or an omission performed by you in your capacity as an Office Holder of the Company, irrespective of whether you remain an Office Holder, arising from one or more of the events specified in Section 5 below:
 - (a) A monetary liability imposed on you pursuant to a judgment in favor of another person, including a judgment imposed on you in a settlement or in an arbitrator’s award approved by a competent court;
 - (b) Reasonable litigation expenses, including attorney’s fees, which you incurred as a result of an investigation or proceeding conducted against you by a competent authority, which concluded without an indictment against you and without any monetary obligation imposed on you in lieu of a criminal proceeding, or which concluded without an indictment against you and a monetary obligation was imposed on you in lieu of a criminal proceeding for an offense that does not require proof of criminal intent.

The terms “*which concluded without an indictment against you*” in a matter in which a criminal investigation was commenced and “*monetary obligation imposed on you in lieu of a criminal proceeding*” shall have the meanings specified in Section 260(a)(1A) of the Companies Law;

- (c) Reasonable litigation expenses, including attorneys’ fees, expended by you or imposed upon you by a court — (i) in a proceeding instituted against you by the Company or on its behalf or by another person, or in a criminal charge from which you are acquitted, or in a criminal charge for which you are convicted of an offense that does not require proof of criminal intent, or (ii) in connection with a monetary sanction (“*Itzum Caspi*”);
- (d) Expenses, including reasonable litigation expenses and legal fees, incurred by you as a result of a proceeding instituted against you pursuant to — (a) Chapter H3 of the Israeli Securities Law, 1968 (the “**Securities Law**”), “Imposition of Monetary Sanctions by the Securities Authority”; (b) Chapter H4 of the Securities Law, “Imposition of Administrative Enforcement Sanctions by the Enforcement Committee”; (c) Chapter I1 of the Securities Law, “Arrangement for the Avoidance of Proceedings or Termination of Proceedings, which is Subject to Conditions”; or (d) Chapter I4(d) of the Companies Law; and
- (e) Payments to an injured party imposed on you pursuant to Section 52ND(a)(1)(a) of the Securities Law.

The above indemnification will also apply to any action taken by you in your capacity as an Office Holder of any other company controlled, directly or indirectly, by the Company (“**Subsidiary**”).

3.2 Notwithstanding the aforesaid, you will not be indemnified with respect to:

- (a) a breach of the duty of loyalty towards the Company, except where you have acted in good faith and with reasonable grounds to assume that your actions would not adversely affect the Company;
- (b) a breach of the duty of care committed intentionally or recklessly (“*pzizut*”), unless committed only in negligence;
- (c) an action taken with the intention to unlawfully gain a personal profit; and
- (d) any fine, monetary sanction (“*Itzum Caspi*”) or administrative pecuniary punishment (“*kofer*”) imposed on you; and
- (e) A counterclaim made by the Company or in its name, in connection with a claim against the Company filed by you.

4. **Amount of Indemnification; No Duplicate Recovery**

- 4.1 The amount of indemnification that the Company undertakes towards all Office Holders whom it has been resolved to indemnify pursuant to the above resolutions for the matters and in the circumstances described herein, jointly and in the aggregate, shall be up to a total amount equal to the higher of 25% of the Company’s equity (on a consolidated basis) in accordance with the Company’s last financial statements published before the actual payment of the indemnity amount or NIS 30,000,000.
- 4.2 The indemnification amount actually paid shall be limited to those amounts not covered by the Company’s directors and officers insurance policy (the “**D&O Policy**”), such that you will not be entitled to payment from the Company for amounts which you have actually obtained under the D&O Policy. In addition to the above, the Company shall not be liable hereunder to make any payment to you to the extent that you have otherwise actually received payment from a third party of the amounts otherwise indemnifiable hereunder, without any obligation to repay any such payment.
- 4.3 Subject to the foregoing, the indemnification will be provided in each individual case for all amounts incurred by you with respect to events to which the indemnification applies.

- 4.4 If the Company has fully complied with its obligations to you hereunder, then, with respect to any payment of costs and expenses that the Company has actually paid pursuant hereto, the Company will be entitled to the amount, if any, actually collected from a third party for such costs and expenses, to the extent that your receipt of such amount would give you a double recovery for such costs and expenses.

5. Categories of Events to which the Indemnification Applies

The indemnification undertaking under Section 3.1(a) above shall be limited to liabilities or expenses arising from one or more of the following events:

- 5.1 Actions relating to an offer or issuance of securities of the Company and/or by a shareholder to the public by prospectus or privately by private placement, in Israel or abroad, including the details that shall be set forth in the documents or other proceedings in connection with execution thereof.
- 5.2 Violations of securities laws of any jurisdiction, including, without limitation, failure to comply with disclosure requirements of the Securities and Exchange Commission and/or Israeli Securities Authority and/or any stock exchange or other rules relating to relationships with securities holders.
- 5.3 Occurrences resulting from the Company's status as a public company whose shares are offered to the public and/or traded on a stock exchange in Israel and/or abroad and/or as required under law.
- 5.4 Resolutions and/or actions relating to the operations and management of the Company and/or of any Subsidiaries and/or affiliated companies.
- 5.5 Resolutions and/or actions relating to patents, trademarks, copyrights and other intellectual property of the Company or its Subsidiaries and/or affiliated companies, including without limitation their protection, including by registration or assertion of rights to intellectual property and the defense of claims relating thereof.
- 5.6 Occurrences, resolutions and/or actions relating to investments in the Company and/or Subsidiaries and/or the purchase or sale of assets, including the purchase or sale of companies and/or businesses, and/or investments in corporate or other entities and/or investments in traded securities and/or any other form of investment.
- 5.7 Resolutions and/or actions relating to employment matters of the Company, Subsidiaries and/or affiliated companies and labor relations, including in connection with pension arrangements, insurance and saving funds, options and other employment related benefits.
- 5.8 Resolutions and/or actions relating to transactions of the Company, Subsidiaries and/or affiliated companies with others, including inter-company transactions, and clients, contractors, suppliers etc.
- 5.9 Resolutions and/or actions relating to the distribution of dividends and/or repurchase of shares or returns of capital or loans of the Company.
- 5.10 Resolutions and/or actions relating to tender offers, including actions relating to delivery of opinions in relation thereto, of the Company.
- 5.11 Resolutions and/or actions relating to a merger or restructuring of the Company, a Subsidiary and/or affiliated companies.
- 5.12 Resolutions and/or actions relating to environmental matters.
- 5.13 Resolutions and/or actions in connection with any restrictive trade practice or monopolies of the Company, a Subsidiary and/or affiliated companies.
- 5.14 Resolutions and/or actions in connection with an affiliated company or a Subsidiary.
- 5.15 Resolutions and/or actions relating to the approval of transactions with directors and officers of the Company; and also with holders of controlling interests in the Company.

- 5.16 Resolutions and/or actions in connection with the approval of financial statements of the Company, Subsidiaries and/or affiliated companies.
- 5.17 Actions taken pursuant to or in accordance with the policies and procedures of the Company, Subsidiaries and/or affiliated companies, whether such policies and procedures are published or not.
- 5.18 Representations and warranties made in good faith in connection with the business of the Company, Subsidiaries and/or affiliated companies.

Miscellaneous

6. In the event that an investigation and/or a legal proceeding is commenced against you, or there exists a threat or concern that such a proceeding shall be commenced, the Company will make available to you, in advance and on account, such amounts as shall be estimated by the Company to cover those reasonable legal expenses, including attorneys' fees, to which you are entitled to be indemnified, unless the Company shall take upon itself to manage the proceedings as provided herein below.

Additionally, the Company shall make available to you any securities and/or guarantees which you will be required to provide in the framework of any action or proceeding and/or according to any interim decision, including arbitration proceedings, and including with respect to the exchange of any attachments imposed on your assets, prior to the commencement and/or termination of any such action or proceeding, provided however, that the total of such amounts, securities and guarantees shall not exceed the maximum amount of indemnification hereunder, as provided in Section 4.1 above.

In the event that the Company provides you with advance funds and it transpires that you are not entitled to indemnification, you shall cause the discharge of the same, and if any such securities or guarantees have been realized, you shall, upon first demand by the Company, refund the Company and repay all amounts previously paid by the Company linked to the representative rate of exchange of the U.S. dollar.

7. Your right to indemnification hereunder shall be subject to the following conditions:
 - 7.1 You shall notify the Company of any legal proceeding initiated against you and of any possibility or threat that such an action will be initiated, immediately after you shall gain knowledge or become aware of the same and in any case within fourteen (14) days from the day that you are first aware thereof and you shall promptly transfer to the Company or its designee, any document transferred to you and any information you shall obtain relating to such action.

In addition, you shall notify the Company on a regular basis of any events that may result in the initiation of a legal action against you.
 - 7.2 Other than with respect to proceedings that have been initiated against you by the Company or in its name, and except when there is a conflict of interest between you and the Company, the Company shall have the right to assume the defense on your behalf and/or to retain any attorney (subject to the provisions of Section 6 above), except for an attorney who shall not be acceptable to you based on reasonable grounds, in which event the Company shall retain an alternative attorney.

The Company and/or the attorney retained by the Company shall be entitled to act in their sole discretion and to conclude the action in any manner, including by way of a settlement, provided, however, that the Company and its attorney shall keep you notified on a regular basis of all events in the action.

You shall execute any document requested by the Company, empowering the Company and/or its attorney to defend and/or represent you in such action.

For the avoidance of doubt, in the case of criminal or administrative proceedings the Company and/or the attorney retained by the Company will not have the right to plead guilty in your name or to agree to a plea-bargain in your name without your consent. Furthermore, in a civil proceeding (whether before a court or as a part of a settlement arrangement), the Company and/or its attorneys will not have the right to admit to any occurrences that are not indemnifiable pursuant to this Letter of Indemnification and/or pursuant to law, without your consent. However, the foregoing will not prevent the Company and/or its

attorneys, with the approval of the Company, to come to a financial arrangement with a plaintiff in a civil proceeding without your consent so long as such arrangement will not be an admittance of an occurrence not indemnifiable pursuant to this Letter of Indemnification and/or pursuant to law.

- 7.3 You shall fully cooperate with the Company and/or the attorney retained in any action in any reasonable manner required from you relating to the legal action, provided that the Company covers all of your expenses arising from such cooperation.
- 7.4 Notwithstanding the foregoing, you will be entitled to appoint an attorney of your own that shall accompany you in such procedure. Your attorney shall be fully updated on the defense procedure, and the Company and the attorney conducting the legal defense on behalf of the Company shall fully cooperate with your attorney, including regularly consulting with your attorney on the measures taken in the course of the defense.

If, in accordance to paragraph 7.2, the Company has taken upon itself the conduct of your defense, the Company will have no liability or obligation pursuant to this Letter of Indemnification to indemnify you for any legal fees or expenses that you may expend in connection with your defense.

- 7.5 The Company shall not be required to indemnify you for any amount paid by you in accordance with any settlement in any legal action, demand or other proceeding, unless it had given its prior written consent to such settlement.
 - 7.6 You shall not admit and/or assume any responsibility for any action for which you are entitled to indemnification pursuant to this Letter of Indemnification, before having received the Company's written consent thereto.
8. For the avoidance of doubt, it is hereby clarified that nothing contained in this Letter of Indemnification and Exemption or in the resolutions referenced in Section 1.1 above derogate from the Company's right to indemnify you post factum for any amounts which you may be obligated to pay, to the maximum extent permitted by the Companies Law.
 9. This Letter of Indemnification and Exemption shall not limit the Company or prevent it from increasing the maximum amount of indemnification with respect to indemnifiable events, due to a reduction in the insured amount of the directors and officers insurance policy or due to the fact that the Company is unable to acquire insurance covering the indemnifiable events under reasonable terms and due to any other cause whatsoever and provided such resolution regarding the same shall be adopted according to the manner prescribed under the Companies Law.
 10. The undertakings of the Company pursuant to this Letter of Indemnification and Exemption shall be widely construed and in a manner designed to give them effect to the fullest extent permissible by law. In the event of any contradiction between the provisions of this Letter of Indemnification and Exemption and any provision of law which is not dispositive or which cannot be amended, the provision of law shall prevail, but the same shall not impair or derogate from the validity of the other provisions hereunder.
 11. Subject to applicable law, the undertaking for indemnification shall apply to proceedings initiated against you during your office as well as to proceedings that will be initiated against you after you are no longer in office, provided however, such proceedings relate to actions performed by you in your capacity as an Office Holder of the Company while you were in office.
 12. This document shall constitute a binding undertaking by the Company enforceable in accordance with its terms. Any amendment, addition or omission will be valid only upon execution of a written agreement signed by the parties hereto. No waiver of any of the provisions of this Letter of Indemnification shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver. Any waiver shall be in writing.
 13. The Company shall perform any action and execute any document, resolution and enter any proceeding required to allow it to effectuate and perform its obligations hereunder.

14. Your rights hereunder may not be assigned or transferred in any manner. Notwithstanding the above, this Letter of Indemnification is granted to and shall be actionable by your estate, your respective successors, or legal representatives.
15. This Letter of Indemnification shall be governed by the laws of the State of Israel. The competent courts of the State of Israel shall have exclusive jurisdiction, and no forum outside of Tel Aviv, Israel, shall have any jurisdiction, over any matter in connection with this Letter of Indemnification, including its validity, construction, extent or cancellation.

Kindly sign and return the enclosed copy of this Letter of Indemnification to acknowledge your agreement to the contents hereof.

Sincerely,

B Communications Ltd.

Accepted and agreed to as of the date

First above written: _____

Appendix B'

STATEMENT OF A CANDIDATE TO SERVE AS AN EXTERNAL DIRECTOR

Pursuant to the Companies Law, 1999 (the "Law")

I, Efrat Duvdevani, Israeli I.D No. 23824873, having agreed to be appointed and to serve as an External Director on the Board of Directors of B communications Ltd. (the "**Company**") hereby declare as follows:

1. I have the ability to dedicate the required time for the performance of my duties as a director of the Company, given, among other things, the Company's size and its specific needs.
2. I possess the necessary skills to serve as director of the Company.
3. For my classification as a director who possesses Accounting and Financial Expertise for the purpose of the Companies Regulations (Conditions and Criteria for a Director Who Possesses Accounting Expertise and a Director Who Possesses Professional Competence), 2005 (the "**Expertise and Competence Regulations**"), I hereby declare the following:
 - (a) Information (including supporting documents) regarding my education, skills and experience (including companies in which I serve as a director) is attached hereto as **Exhibit A**.
 - (b) Based on my education, skills and experience, I am highly proficient in and have an understanding of business and accounting matters and financial statements, which enables me to thoroughly understand the financial statements of the Company and to initiate discussion in connection with the manner of presentation of financial information.
4. I am not restricted from serving as a director of the Company under any items set forth in Sections 226¹, 226A² and 227³ of the Law.

¹ Section 226 of the Law provides that a candidate shall not be appointed as a director of a public company if he/she has been convicted in one of the manners specified below, unless five years (or a shorter period if so determined by the court) have elapsed from the date the conviction was granted or if the court has ruled, at the time of the conviction or thereafter, that he/she is not prevented from serving as a director of a public company:

- (1) conviction relating to offenses under Sections 290-297 (bribery), 392 (theft by an officer), 415 (obtaining a benefit by fraud), 418-420 (forgery), 422-428 (fraudulent solicitation, false registration in the records of a legal entity, manager and employee offenses in respect of a legal entity, concealment of information and misleading publication by a senior officer of a legal entity, fraud and breach of trust in a legal entity, fraudulent concealment, blackmail using force, blackmail using threats) of the Israel Penal Law-1997; and offenses under sections 52C, 52D (use of inside information), 53(a) (offering shares to the public other than by way of a prospectus, publication of a misleading detail in the prospectus or in the legal opinion attached thereto, failure to comply with the duty to submit immediate and periodic reports) and 54 (fraud in securities) of the Israel Securities Law-1968 (the "**Securities Law**");
- (2) conviction by a court outside of the State of Israel relating to an offense of bribery, fraud, offenses of directors/managers in a corporate body or exploiting inside information; or
- (3) conviction by verdict of court of first instance for any offense not specified in sections (1) or (2) above, if the court has ruled that due to its nature, severity or its circumstances the candidate is not fit to serve

5. I am not a "Relative" (as defined below) of a party that controls the Company. At the time of this Statement and during the two years prior to this Statement, neither myself nor any of my Relatives, partners, employers, a person to whom I am directly or indirectly subordinated or an entity in which I am a controlling equity holder, has or had any "Affiliation" (as defined below), with a party that controls the Company, or with a Relative of such a controlling party or with an entity controlled by such controlling party excluding the Company or any entity controlled by the Company.

"**Affiliate**" means an employment relationship, business or professional relationship in general or control, and service as an officer.

"**Relative**" means a spouse, sibling, parent, grandparent, child or child, sibling or parent of a spouse or the spouse of any of the above.

6. My other positions and activities do not and could not (i) result in the creation of a conflict of interest with my position as a director of the Company or (ii) adversely affect my ability to serve as a director of the Company.
7. I do not serve as a director of any other company, any of whose external directors serve as a director of the Company.
8. I am not an employee of Israel Securities Authority or of a stock exchange in Israel.
9. Without derogating from section 5 to this Statement, neither myself nor any of my Relatives, partners, employers, a person to whom I am directly or indirectly subordinated or a corporate body in which I am a controlling member, has or had business or professional relations with a person of whom it is prohibited to have Affiliation in accordance with section 6 above, even if the relations are not in general, but excluding negligible relations with respect to which I did not receive remuneration contrary to section 244(b)⁴ of the Companies Law.
10. I am aware that pursuant to Section 224B of the Law this Statement shall be published as part of the Company's immediate report regarding my appointment, shall be kept in the Company's registered office and shall be available for review by any person.

as a director of a public company, for the period determined by the court, which will not exceed five (5) years.

Under the Law, a candidate shall disclose whether he was convicted of one of the offences specified in sections (1)-(3) above and the period for the prohibition from serving as a director has not elapsed.

² Section 226A of the Law provides that a candidate shall not be appointed as a director of a particular public company if an administrative enforcement committee under the Securities Law has determined that he/she will be prohibited from serving as a director of that particular public company.

Under the Law, a candidate shall disclose whether an administrative enforcement committee has determined that he/she will be prohibited from serving as a director in any public company.

³ Section 227 of the Law provides that a candidate shall not be appointed as a director of a company if he/she is a minor, legally incompetent or was declared bankrupt and the bankruptcy was not discharged.

⁴ An external director may not receive, other than the remuneration and reimbursement of expenses he is entitled from the Company, any compensation, directly or indirectly, for his services as a director in the Company; for this matter exempt, commitment for indemnification, indemnification or insurance shall not be regarded as "reward".

11. I hereby undertake to immediately notify the Company upon the occurrence of any change in the above statements during the term of my service as director of the Company.
12. Prior to my consent to serve as an External Director of the Company, I have been advised by the Company as to the amounts of the annual and per-meeting remuneration that I will receive for my future service as an External Director of the Company.
13. I am aware that the proposal of my nomination as director by the Company's Board of Directors, my classification as an External Director and as a director having Accounting and Financial Expertise relies, among other things, on this Statement.
14. I, the undersigned, hereby declare that this is my name and signature and that all of the above is true.

December 20, 2021

Date

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Signature

Efrat Duvdevani



Efrat Duvdevani currently serves as Director General of the Peres Center for Peace and Innovation. Efrat worked alongside the late President Shimon Peres for over 22 years in various capacities and has served as Director General of several governmental bodies. Efrat currently serves on several boards and forums dedicated to advancing the status of women, disadvantaged communities and enhancing entrepreneurship. During her decades of public service, Efrat has worked alongside numerous heads of state and public figures developing influential networks across the public and private sectors. Efrat has directed teams through times of strategic change responding proactively to both advancements and challenges.

Experience:

2014 – Present: Director General of the Peres Center for Peace and Innovation

Bringing her strategic connections with the Israeli innovation and entrepreneurial ecosystem to the table, Efrat oversaw the establishment of the Israeli Innovation Center, as envisioned by Shimon Peres, as a one-of-a-kind center for innovation education and community development showcasing Israeli innovation and connecting diverse global audiences to the Israeli hi-tech and entrepreneurial ecosystems both in-person in Israel and, more recently in response to the COVID-19 pandemic, by harnessing the potential of digital communications networks. Under Efrat's leadership, the Israeli Innovation Center is infusing innovation, entrepreneurship, and international cooperation and communication into the flagship peacebuilding initiatives of the Peres Center – building new pathways to progress, prosperity and peace through bottom-up, people-to-people connections and joint projects between Arabs and Jews.

2007 – 2014: Director General of the Office of the 9th President of Israel

Efrat led the team of the Ninth President of Israel Shimon Peres, managing the President's national and international relations with both governmental officials and civil society. She oversaw the constitutional responsibilities of the Presidency and its symbolic role as a unifying figure above politics, leveraging the unique moral authority of President Shimon Peres both domestically and globally. Efrat was also responsible for coordinating an interagency process that utilized the visits of President Peres to other countries in order to promote the Israeli economy.

2004– 2007: Director General of the Ministry the Negev and Galilee

Efrat oversaw the establishment of the ministry from its conception, supporting hundreds of projects that empowered the Israeli geographic periphery to maximize its contribution to the Israeli economy and society and to promote the livelihood of its residents.

2001 – 2002: Chief of Staff of the Minister of Foreign Affairs

Efrat led the Foreign Minister's Office and its interface with the Prime Minister's Office, other Ministries, the Knesset, the media, the foreign ministry's divisions, in addition to overseeing the Ministers' visits abroad and his connections with world leaders.

1999 – 2001: Chief of Staff of the Minister of Regional Development

Efrat led Minister Shimon Peres' office and its interface with the Prime Minister's Office, other Ministries, the Knesset, the media, and other relevant international governments and multilateral organizations.

1992 – 1996: Head of public events and visits of the Prime Minister of Israel

Efrat oversaw the planning and execution of Prime Minister Yitzhak Rabin's encounters with the public and, following his assassination, joined the inner team of Prime Minister Shimon Peres.

Military Service:

- Served in the Israel Defense Force's elite 8200 intelligence unit.

Public Service:

- **Mentor in "W2W"**, an organization that helps graduates of the Israel Defense Force's 8200 intelligence unit become future leaders in the Israeli the public and private sectors.
- **Board Member for "Yozmot Atid"**, an organization which empowers women from the Israeli geographic and social peripheries by providing them with tools to maximize their potential and transform their lives.
- **Board Member for the Israeli Special Olympics**, an organization dedicated to finding solutions that will empower children with disabilities and their families through sport.

Education:

- BA (Honors) in English and International Relations from the Hebrew University of Jerusalem.
- MA (Honors) in Public Policy from Tel Aviv University.
- Directors Course certificate from Tel Aviv University.
- Graduated from the digital leader's program, which established a network of leaders from Government, Municipal, private and third sectors in order to leverage digital tools to bridge social, economic, educational and communicational gaps (which included an executive course at Harvard Business School).

B. Communications Ltd. (the "Company")

Ballot Letter in accordance with the Companies Regulations (Voting Ballots and Position Notices), 5766 - 2005 ("the Regulations")

Part One

1. **Company Name:** B. Communications Ltd.
2. **Type of general meeting, time and place of convening:** An annual and special general meeting to be held on January 24, 2022, at 11:00, at the Company's offices at 144 Menachem Begin Street, Tel Aviv. If a legal quorum is not present after half an hour from the time set for the meeting, the meeting will be adjourned to the same day next week, at the same time and place.
3. **List of the topics on the agenda for which it is possible to vote by ballot:**
 - 3.1. **Topic No. 1 – First appointment of external director Mrs. Efrat Duvdevani for a first term of three (3) years as an external director of the Company's Board of Directors**
 - 3.1.1. It is proposed to approve the first appointment of Mrs. Efrat Duvdevani ("**the Candidate**") as an external director of the Company's Board of Directors, for a term of three (3) years from the date of approval of the meeting, i.e., from January 24, 2022 to January 23, 2025 (inclusive).
 - 3.1.2. The terms of office and employment of the Candidate, subject to the approval of her appointment as an external director at the general meeting of the Company, will be as follows:
 - 3.1.2.1. Annual remuneration and remuneration for participation in meetings in the amount of the 'maximum amount' for an external director as stipulated in the Companies Regulations (Rules regarding Remuneration and Expenses for an External Director), 2000 according to her rank in the Company, as it will be from time to time, and according to her expertise, including lawful reimbursement of travel expenses.
 - 3.1.2.2. Granting a letter of indemnity in the latest version approved by the Company's Board of Directors and the general meeting of the Company's shareholders, and granting a letter of exemption from liability in the wording accepted by the Company, subject to the Meeting's approval of item 1.2 below.
 - 3.1.2.3. Inclusion in an insurance policy for officers, all under the conditions applicable to the other directors of the Company.
 - 3.1.3. The Candidate submitted to the Company a statement as required by the provisions of Articles 224B and 241 of the Companies Law, attached as **Appendix B** to the Meeting convening report, in which the Candidate stated that she meets the eligibility conditions for appointing an external director set forth in Article 240 (b) to (f) of the Companies Law, and accordingly, meets the conditions required for her classification as an external director

3.1.4. The wording of the proposed resolution: **"Approve the first appointment of Mrs. Efrat Duvdevani as an external director of the Company's Board of Directors, for a term of three (3) years, from January 24, 2022 to January 23, 2025 (inclusive)".**

3.2. Topic No. 2 - Approval of the issuance of a letter of indemnity and a letter of exemption from liability for the Candidate for office as an external director

3.2.1. Subject to the approval of the appointment of the candidate for office as an external director of the company as specified in section 1.1 above, it is proposed to approve the issuance of a letter of indemnity and a letter of exemption from liability to the Candidate for the position of external director in the same wording as the letters of indemnity and letters of commitment to exemption from liability approved by the General Meeting for all officers on April 30, 2020.

3.2.2. For the wording of a letter of indemnity and an exemption letter accepted by the Company, see Appendix A to the report convening the General Meeting of the Company's shareholders, as published on March 25, 2020 (Reference No.: 2020-02-025585), the mentions of which constitute generalization by way of reference.

3.2.3. The wording of the proposed resolution: **"Subject to the approval of the proposed resolution in section 1.1 on the agenda, approve the issuance of a letter of indemnity and a letter of exemption from liability to the candidate for office as an external director in the same wording as the letters of commitment for indemnification and letters of commitment for exemption from liability approved by the General Meeting of all officers on April 30, 2020".**

4. Place and times for viewing the full text of the proposed resolutions:

The wording of the proposed resolutions, position notices (if submitted to the Company) and the periodic report can be viewed on the Distribution Website of the Securities Authority and on the website of the Tel Aviv Stock Exchange Ltd. (whose addresses are detailed in section 11 below), as well as at the Company's offices at the address indicated above, during normal working hours and after prior coordination with Mrs. Idit Cohen Badani (Tel.: 03-6796100, Email: idit@bcomm.co.il).

5. The majority required to adopt a resolution at the General Meeting on any of the topics on the agenda:

5.1. The majority required for the resolution set forth in section 1.2 on the agenda of the Meeting is a simple majority of the votes of the shareholders present at the meeting who may vote and have voted in it, without taking into account abstentions.

5.2. The majority required for the resolution specified in section 1.1 on the agenda of the meeting in accordance with Articles 245 (a1) (2) and 239 (b) of the Companies Law, is a simple majority of all shareholders present at the meeting and entitled to vote, provided one of the following is met:

5.2.1. The count of the majority votes at the general meeting will include a majority of the votes of the shareholders who are not controlling shareholders in the Company or have a personal interest in approving the aforesaid issue, participating in the vote (the count of all votes of the said shareholders will not take into account abstentions);

- 5.2.2. The total number of opposing votes from among the shareholders referred to in the sub-paragraph 5.1.1 above, will not exceed the rate of two percent of all the voting rights in the Company.
6. A ballot paper will be valid for an unregistered shareholder only if a certificate of ownership is attached to it or if a certificate of ownership is sent to the Company through the electronic voting system.
 7. A ballot paper will be valid for a shareholder under Article 177 (2) of the Companies Law only if a photocopy of an identity card, passport or certificate of incorporation is attached to it.
 8. Voting using a ballot paper will only be possible if the ballot paper was submitted to the Company's offices at the above address, together with the documents listed in the sections 5.1 and 7 above, no later than four (4) hours before the date of the meeting.
 9. An unregistered shareholder may vote using the electronic voting system. Voting using the electronic voting system will be possible up to six (6) hours before the time of the meeting (the closing time of the system).
 10. **Address for the delivery of ballot papers and position notices:** The Company's offices at 144 Menachem Begin St., Tel Aviv.
 11. **Deadline for issuing position notices:** The deadline for submitting position notices to the Company is ten days before the time of the meeting, i.e.: day January 14, 2022, and the deadline for submitting the Board of Directors' response to the position notices is five days before the time of the meeting, i.e.: January 19, 2022.
 12. **The addresses of the distribution website and the website of the Stock Exchange, which contain the ballot papers and position notices:** www.magna.isa.gov.il and www.maya.tase.co.il (hereinafter: "the Distribution Website").
 13. A shareholder is entitled to receive the certificate of ownership at the branch of the Stock Exchange member with which his shares are registered or by mail, if he so requests. A request for this matter will be given in advance, for a particular securities account. Also, an unregistered shareholder may direct that his certificate of ownership be transferred to the Company through the electronic voting system.
 14. An unregistered shareholder is entitled to receive by e-mail, without consideration, a link to the wording of the ballot paper and the position notices on the Distribution Website from the Stock Exchange member through which he holds his shares, unless he notifies the Stock Exchange member that he does not wish to receive such link or postal ballots. His notice regarding the ballot papers will also apply regarding the receipt of the position notices.
 15. One or more shareholders who hold shares at a rate that constitutes five percent or more of all voting rights in the company (i.e., 5,815,828 shares), and whoever holds such share out of the total voting rights not held by the controlling shareholder in the company, as defined in section 286 of the Companies Law (i.e., 2,316,126 shares), is entitled to view the ballot papers as specified in Regulation 10 of the Regulations.

- 16.** It should be noted that after the publication of this ballot paper, there may be changes in the agenda, including adding a topic to the agenda, and that position notices may be published. It will be possible to view the current agenda and position notices published in the Company's reports on the Distribution Website. If an item is requested to be added to the agenda and the Company publishes an amended notice of the convening of a general meeting, the last date on which the Company will submit an amended ballot paper will be on the day the amended notice is published.

Ballot paper - Part TwoCompany Name: B. Communications Ltd.Company address (for delivery and dispatch of ballot papers): 144 Menachem Begin St., Tel Aviv.Company No.: 512832742Date of the meeting: Monday, January 24, 2022.Type of meeting: Special.Effective date: December 26, 2021.**Shareholder details**Shareholder name: _____ID No.: _____

If the shareholder does not have an Israeli identity card -

Passport number: _____The country in which it was issued: _____Valid until: _____

If the shareholder is a corporation - Corporation No.: _____

State of incorporation: _____**Voting Method**

Number of the topic on the agenda, as detailed in section 3 above	Voting method ¹			Are you a controlling shareholder or have a personal interest in the resolution?	
	For	Against	Abstain	Yes*	No
3.1 – First appointment of external director Mrs. Efrat Duvdevani for a first term of three (3) years as an external director on the Company's Board of Directors					
3.2- Approval of the issuance of a letter of indemnity and a letter of exemption from liability for the candidate for office as an external director					

Are you an interested party, senior executive or institutional investor (including a fund manager)? (Mark the relevant alternative)*

Yes ____ - Stakeholder / Senior Officer / Institutional Investor

No ____

Please detail additional relationships, if any, between you and the Company, its controlling shareholders or senior executives and the nature of the relationships:

* If the vote is according to a power of attorney, such details will be given to both the grantor of the power of attorney and the beneficiary of the power of attorney.

(1) Non-marking will be considered as abstention from voting on the same subject.

(2) A shareholder who does not complete this column or who marks "yes" and does not specify, his vote will not be counted. There is no need to specify personal interest in approving the appointment that is not the result of a relationship with the controlling shareholder.

Signature

Date

For shareholders who hold shares through a Stock Exchange member (according to Article 177 (1)) of the Companies Law - this ballot paper is valid only with a confirmation of ownership, except in cases where the voting is through the system.

For shareholders registered in the Company's register of shareholders - the ballot paper is valid with a photocopy of an identity card / passport / incorporation certificate.