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PRESS RELEASE

Bezeq Group publishes its ESG report focused on advanced technology, narrowing digital divides, occupational diversity, promoting women to management levels, and environmental quality

For the first time, Pelephone, yes, and Bezeq International are included in the Group's report

Link to the full report: <https://ir.bezeq.co.il/esg-reports>

The Bezeq Group presented its ESG report for 2021 with a series of achievements, challenges, and goals in several areas relevant to the activities of the Group companies

Bezeq Chairman, Gil Sharon: “In many respects Bezeq is the essence of Israeliness and a good reason for Bezeq to be regarded as a national company. We consider it a privilege to be an integral part of the Israeli experience. At the same time, we also have an obligation to the Israeli public, which is reflected, among other things, in our ESG outlook. Over the past year, we continued to implement ESG guidelines in the Group, and the subsidiaries also launched significant work in the field, leading to the publication of highly ambitious goals for the coming years. We are committed to continue working to develop and implement communication technologies in a way that benefits all and connects Israel to a better future.”

Connecting Israel to a better future

At the beginning of 2021, Bezeq made a strategic decision: to **expand high-speed Internet and fiber optics** to cover all of Israel, and at record speed. An ambitious goal was set to reach one million customers by the end of that year, which was quickly reached in November of 2021. This achievement positioned Bezeq as the company to complete the quickest deployment in the world, at a rate of one million households in just under one year. Since then, the Company has continued to accelerate its deployment and by the end of 2022, it will have connected 1.5 million households to fiber optics, including planning of deployment in neighborhoods with detached houses and in outlying rural areas. Our goal is to deploy infrastructure for 2.5 million customers by 2025. For the Israeli market, this means narrowing the digital divide and reducing energy consumption in network operation in the medium-long term.

Promoting women and occupational diversity

In 2021, 33% of Bezeq's management positions were filled by **women**, who represent 34% of all Company employees. In terms of the subsidiaries, women represent 43% of the department managers and 20% of senior management members. The Company is taking further steps to increase the proportion of women in senior management positions and has set a goal of reaching a level of 50% by 2030. Bezeq and its subsidiaries employ diverse populations in a wide range of positions, including in call centers for ultra-Orthodox women in Kiryat Sefer, and



in Ashdod and Rahat. In 2021, almost 8% of Bezeq employees were from the non-Jewish population.

Additionally, Bezeq and the subsidiaries set up a number of significant collaborations for training and hiring employees from diverse populations. These included training for a range of positions in the Company's technical service centers.

Reducing emissions

In 2021, the **energy efficiency** forum, headed by the VPs of the network technologies and operations divisions, started to operate. The forum includes all the officers responsible for reducing emissions in the Company: properties, transportation, engineering, and electricity. The activity of the forum contributed to the reduction of Bezeq's electricity consumption by 3% in 2021 compared with 2020, and 7% compared with 2019.

At the end of 2021, the proportion of hybrid vehicles in Bezeq totaled 46.5% of the company car fleet. The Company encourages employees to purchase electric vehicles while EV charging stations were installed. Concurrently, employee transportation was expanded.

GHG emissions from the Company's activities decreased 5% from 2020. More than 530 tons of electronic waste and more than 1,600 batteries weighing a total of 1.5 tons were sent for treatment and recycling.

At the Bezeq-Tech factory, which upcycles electronic devices for reuse, over 270,000 units weighing a total of 89 tons were treated and reused instead of becoming electronic waste. Tens of thousands of devices are also sent to Pelephone laboratories every year, with the aim of returning them to customers in good condition and ready for use.

Bezeq has undertaken to reduce its net carbon footprint down to zero by 2050.

Service

Notwithstanding Covid-19 and work from home, service improved. In July 2021, the Ministry of Communications published its annual public inquiries report, according to which Pelephone continued to lead and do better, providing the best service in Israel's cellular market. Pelephone was the only cellular company that showed an improvement compared to the previous year, despite the outbreak of Covid-19 in 2020 and the fact that 80% of the Group's service and sales teams worked from home. Pelephone also led the indices with the lowest number of complaints among all the companies, and presented a further leap by being the only company that demonstrated significant improvement and received a score of "very good" for justified complaints. Pelephone's response time stands now at 02:53 minutes, the shortest response time of any cellular company.



About "Bezeq" The Israel Telecommunication Corp.

Bezeq, Israel's leading telecommunications service provider, was established in 1984. The Company has led Israel into the new era of communications by focusing on the most advanced technologies and services. Bezeq and its subsidiaries offer the full range of telecommunications services including domestic, international and cellular phone services, broadband Internet, and other data communications, cloud and digital services, satellite and Internet based multi-channel TV, and corporate networks. For more information about Bezeq please visit the corporate website at www.ir.bezeq.co.il.

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