



**“Bezeq” - The Israel Telecommunication Corp Ltd**  
**(“The Company”)**

November 1, 2021

Attn.

Israel Securities Authority  
The Tel-Aviv Stock Exchange Ltd

Dear Sir / Madam,

**Supplementary Immediate Report**

**Notice of Termination of Industrial Action in the Subsidiaries Pelephone and Bezeq International (Including All Sanctions) and Commencement of Intensive Collective Negotiations with the Histadrut and Employee Representatives**

Further to the Company's Immediate Reports dated August 3, 2021, regarding industrial action taken at the subsidiaries Pelephone Communications Ltd and Bezeq International Ltd (“Pelephone”, “Bezeq International”, and jointly “the Subsidiaries”), of August 30, 2021 concerning notice of a general strike at the Subsidiaries, and of October 19, 2021 concerning notice of a lockout at the Subsidiaries, a supplementary immediate report is hereby provided.

As part of mediation proceedings, the Subsidiaries reached agreements in principle with the Histadrut Labor Federation (“Histadrut”) and employee representatives, subject to the signing of collective agreements, to immediately halt the industrial action at the Subsidiaries (including all sanctions) and will start intensive negotiations to sign collective agreements to reorganize employees’ rights as part of implementation of the planned structural change at Bezeq International and the subsidiary DBS Satellite Services (1998) Ltd (“yes”).

Below are the central points of the plan that has been formulated:

- A collective agreement will be signed between a new ICT company that will be set up and the Histadrut.
- The activities of Bezeq International that will not be transferred to the new ICT company will be merged into yes and the employees will be absorbed as employees of yes under a collective agreement for three years that will be signed with the Histadrut. The Histadrut and the chairperson of the Bezeq International union will continue to represent the employees who transfer to yes and to the ICT company for the agreement period, including for the purpose of signing collective agreements. The subject of the negotiating unit remains in dispute and will be discussed during the negotiations.



- Permanent employees of Bezeq International who will not wish to transfer to yes will leave with severance terms as agreed between the Histadrut and the management of Bezeq International.
- Agreement has been reached with the employee representatives of Pelephone to retain the cellular network owned by Pelephone for the agreement period.
- Employees of the Subsidiaries will be entitled to a special bonus that will be paid to them at the beginning of 2022 in an overall amount that is not material at the Group level. This clause is not subject to signing the collective agreements. In parallel with this accord, the Histadrut and the employee representatives of the Subsidiaries waive their general demands as part of the labor dispute declared in connection with the sale of the controlling shares of the Company to a new owner.

The collective agreements that will be reached following the accords in principle will be brought for approval to the Boards of Directors of the Subsidiaries. The Company is unable at this stage to assess if at the end of negotiations collective agreements will be signed as expected or the overall cost that will be involved.

Yours sincerely,

“Bezeq” The Israel Telecommunication Corp Limited

*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.*

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