



Immediate Report - Collective Agreement at Bezeq International

July 11, 2019

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Collective Agreement at Bezeq International

Tel Aviv, Israel – July 11, 2019 – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), announced today that further to the description in section 4.8 of the Chapter on the Description of the Company's Business in the Company's 2018 Periodic Report, the Company's subsidiary, Bezeq International Ltd ("Bezeq International") signed a collective agreement with the Histadrut General Federation of Workers and the employees' representatives, including streamlining and synergy processes for a period from July 11, 2019 until December 31, 2021 ("the Agreement").

Pursuant to the Agreement, Bezeq International may, *inter alia*, reduce the employment of up to 325 employees (of which 150 permanent employees, some as part of voluntary early retirement), in addition to the possibility not to recruit employees in place of the employees who are terminating their employment. Similarly, the Agreement includes the grant of a one-time bonus to employees not included in the severance program.

The estimated cost of the Agreement is NIS 60 million assuming full exercise of Bezeq International's rights to streamlining as stated above and the existence of the conditions to provide additional economic benefits to the employees.

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.