



Bezeq - The Israel Telecommunication Corp. Ltd.

("the Company")

July 19, 2022

To:
Israel Securities Authority
Tel Aviv Stock Exchange Ltd.

Dear Sir/Madam,

Re: Supplementary immediate report – setting maximum rate for access service to passive infrastructure (access to conduit) and dark fiber service in incentive areas – resolution

Further to the Company's immediate report dated February 22, 2022 and to the description in section 2.16.1.8 in chapter "Description of Corporate Affairs" in the Company's 2021 annual report with regard to setting the maximum rate for access service to passive infrastructure (access to conduit) and dark fiber service, we hereby provide an additional immediate report, whereby on July 19, 2022 the Company received the resolution by the Minister of Communications, including signed regulations and recommendation by the Economics Department of the Ministry of Communications with regard to setting a reduced rate for use of the Company's passive infrastructure in incentive areas and infrastructure in transition areas to incentive areas¹.

Pursuant to the resolution, the Minister specified in the regulations the maximum payment for incentive areas and for transition areas to incentive areas, as follows:

- For access service to passive infrastructure – NIS 105 per km per month (compared to a rate of NIS 409)
- For dark fiber service – NIS 193 per km per month (compared to a rate of NIS 501)

With regard to payments for services in transition areas to incentive areas, such payments would become effective after specifying the regulation regarding identification of usage in such areas.

As noted in the resolution, in conjunction with a new pricing process for all wholesale rates, planned for 2022, the aforementioned supervised rates would also be reviewed.

¹ The term "transition area to incentive area" replaces the term "usage area" in the hearing.



The Company believes that the direct financial impact due to setting these reduced rates should not be material. The Company continues to study the resolution and associated documents and the implications thereof.

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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