



Bezeq - The Israel Telecommunications Corp. Ltd.

(the "Company")

October 3, 2022

Attn.
Israel Securities Authority
The Tel Aviv Stock Exchange Ltd.

Dear Madam/Sir,

Supplementary Immediate Report – Voluntary Retirement Plan at Bezeq International Ltd.

Further to the Company's immediate report of August 10, 2022 regarding the declaration of a labor dispute, among other things, at Bezeq International Ltd. (hereinafter: "**Bezeq International**"), the description in section 4.8 of the Company's Periodic Report for 2021 and the updates to this section in the Company's quarterly report for the period ended June 30, 2022, a supplementary report is hereby issued as follows.

On October 3, 2022, the board of directors of Bezeq International approved the implementation of the agreements reached with the New General Labor Federation and the employee representatives of Bezeq International (in the negotiations to regulate the rights of employees) regarding the voluntary retirement plan for the employees of Bezeq International in 2022-2024 (hereinafter: the "**Voluntary Retirement Plan**").

It is estimated that the cost of the Voluntary Retirement Plan will amount to NIS 70 million, assuming full implementation of the Voluntary Retirement Plan. The Company is assessing the accounting treatment and implications of the Voluntary Retirement Plan.

It is expected that implementation of the Voluntary Retirement Plan will allow Bezeq International to adapt its organizational structure, headcount, and costs to the changes in the market following amendments to regulations for Internet services (elimination of the separation between an infrastructure provider and an ISP, which allows Bezeq



Fixed-Line to provide a unified Internet service) which contributes to the reduction of the ISP consumer activity at Bezeq International. Such changes are in accordance with the alternative outline described in the Company's immediate report of March 17, 2022 regarding an alternative outline for structural change in the subsidiaries Bezeq International and DBS Satellite Services (1998) Ltd.

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.

Bezeq - The Israel Telecommunications Corp. Ltd.
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