



yes.  Telephone 5G  INTERNATIONAL
TECH

Executive Summary ESG 2024

BEZEQ GROUP



Bezeq Group – In a Nutshell

Bezeq, Israel's leading telecommunications group, provides a wide range of telecommunication services, including internet, fixed-line, cellular, and multichannel television. The Group includes Bezeq Fixed-Line, providing infrastructure and high-speed internet and telephony services; and its key subsidiaries: Pelephone Communications, operating an advanced cellular network; yes, delivering satellite and digital television services; and Bezeq International TECH, offering internet solutions and international and business telecommunications services.

As of 2024, Bezeq Group employed 8,800 individuals nationwide, from the northern city of Kiryat Shmona to Eilat in the south. ESG principles are embedded in Bezeq Group's core activity and are an integral part of its relationship with all stakeholders, based on the belief that advanced telecommunication services are the foundation for modern life, national resilience, and economic growth. The Group's values are based on transparency, accountability, and ongoing dialogue with the public and the Group companies. Bezeq's vision of connecting Israel to a better future is realized through three central pillars of corporate responsibility: environment, society, and governance. These elements are embedded in the Group's business strategy and drive its daily activities.

The Group's sustainability strategy includes measurable targets such as achieving net-zero carbon emissions by 2050, ensuring that 50% of women are in management positions, 40% of women on the board of directors, and 20% of employees from diverse populations – targets that reflect a commitment to responsible, fair, and sustainable growth.

In 2024, the Group continued to advance its sustainability vision – **Connecting Israel to a Better Future** – while navigating social and security challenges, adapting to a changing reality, and expanding its social activity in response to evolving needs.

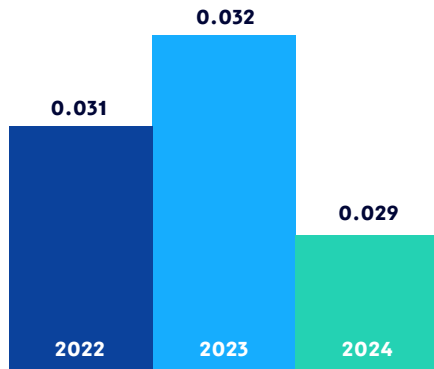
Addressing the climate crisis and environmental quality

Bezeq Group works to minimize its environmental impact, with an emphasis on energy efficiency, reducing greenhouse gas emissions, and responsible resource management. In 2024, the Group continued to advance its environmental sustainability policy, adapting to evolving challenges and complex scenarios.

Improving electricity consumption management

The Group continued to enhance electricity consumption management by implementing operational efficiency measures and transitioning to sustainable procurement from private suppliers offering cleaner energy sources. In 2024, reduction in electricity intensity (electricity consumption relative to revenues) decreased by 10% compared with 2023.

Electricity consumption intensity at Bezeq Group (kWh/revenues, kWh per NIS)



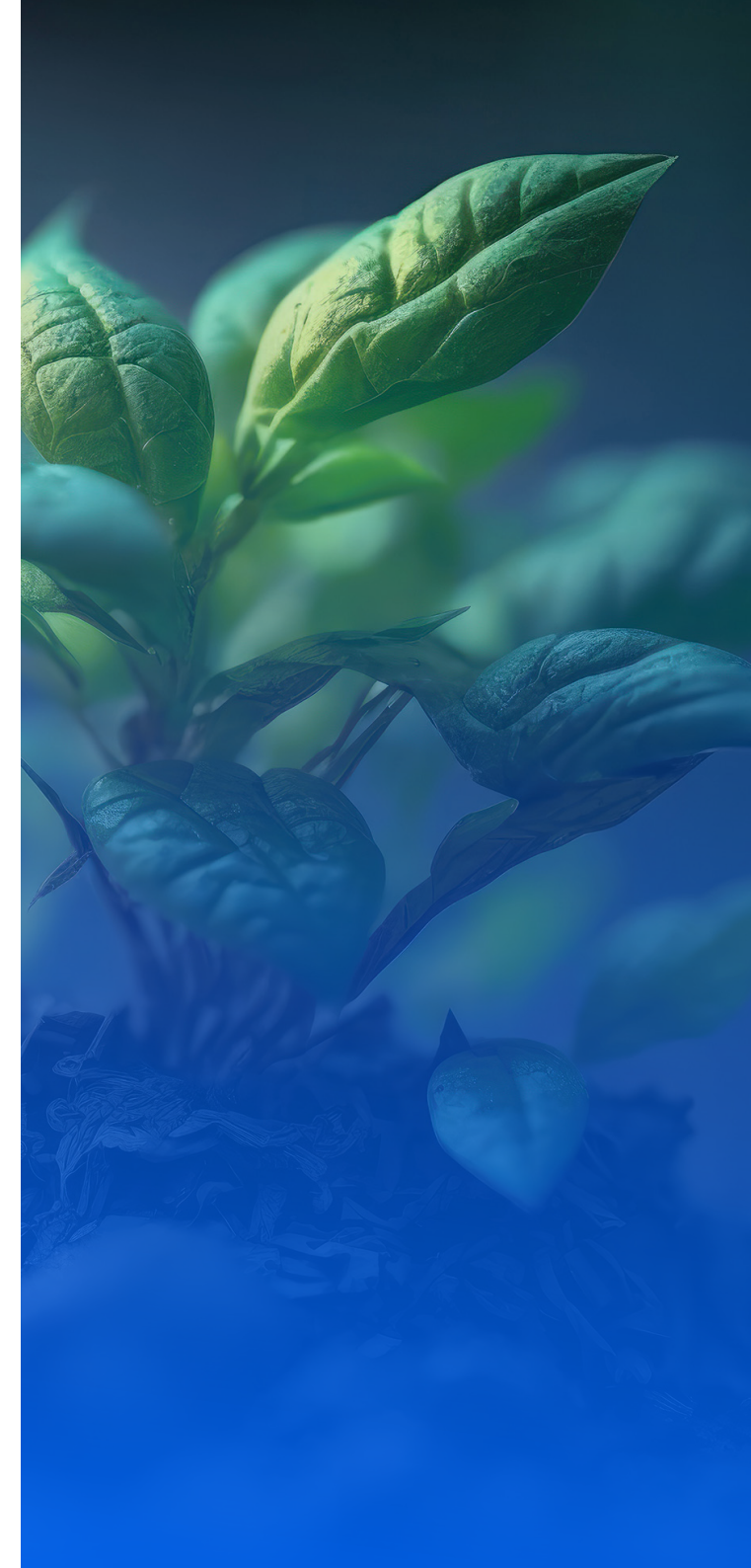
Net zero carbon emissions by 2050

GHG emissions at Bezeq Group

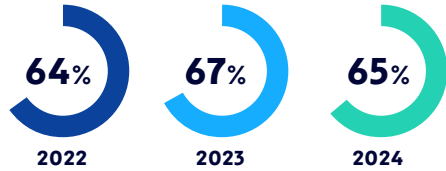
The Group operates in accordance with its commitment to achieving net-zero carbon emissions by 2050 and addressing the climate crisis as an integral part of its sustainability strategy. In 2024, the Group continued to manage, measure, and report its greenhouse gas emissions, while advancing energy efficiency initiatives, electrifying its vehicle fleet, improving waste management, and preparing for climate change.

Bezeq Group's greenhouse gas emissions by components (tCO₂e)

	2024	2023	2022
Scope 1	26,484	24,796	24,190
Scope 2	100,256	109,564	103,369
General	126,740	134,360	127,559



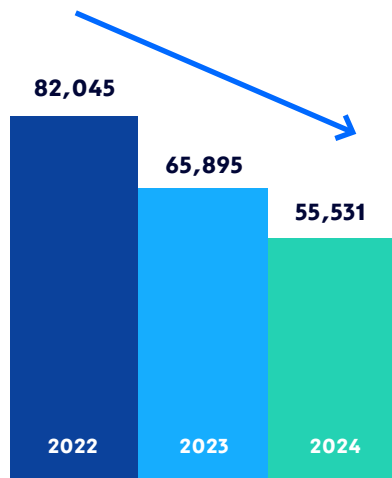
Rate of electric and hybrid cars in the Group



Water consumption efficiency

Based on aggregated Group data, and following reduced consumption at Bezeq International TECH, water consumption declined for the second consecutive year. This is a **significant 32% reduction** in water consumption compared with the 2022 baseline year.

Total water consumption at Bezeq Group (cube)



Communication products made from recycled plastic

Bezeq Group strives to develop products that incorporate recycled materials, particularly plastic, to reduce the use of virgin raw materials and minimize the environmental impact of the Group's activities. In 2024, yes launched a range extender for the yes+ Mesh system and an innovative router, both made from 100% recycled plastic.

Pelephone's PeleCash initiative

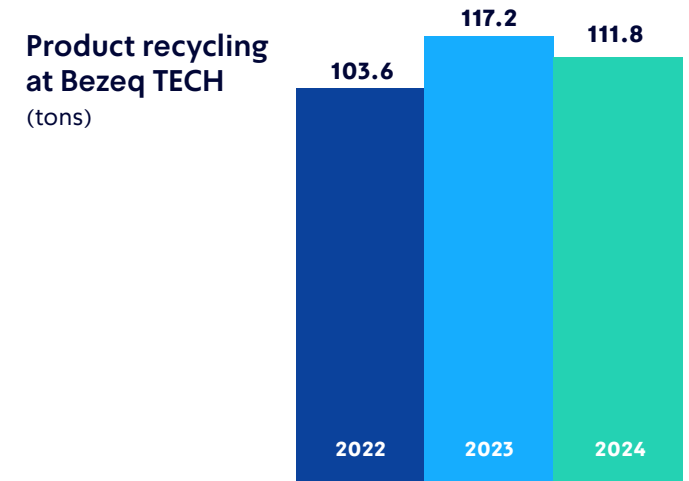
At the beginning of 2025, Pelephone launched the PeleCash project – recycling of old mobile devices in exchange for cash. Developed over the past two years, the project aims to promote a circular economy and environmental sustainability, with the understanding that there are approximately 7.8 million unused mobile devices in Israel. In 2024, thousands of functional devices were refurbished, while damaged devices were sent for electronic recycling, thereby reducing the use of natural resources and preventing pollution from hazardous materials.

Green offices at yes and Pelephone

As part of the Group's goals to reduce carbon emissions, in 2024, yes and Pelephone implemented a comprehensive waste separation plan in their offices. The initiative includes replacing single-use bins with designated reusable containers and increasing use of reusable utensils. This program represents a significant step toward reducing the environmental footprint and contributes to substantial savings in operational expenses. In addition, both companies conduct employee training to raise awareness and foster a green, sustainable organizational culture.

Product recycling at Bezeq TECH

The Bezeq-Tech plant recycled and renewed more than 90% of the devices received in 2024 – routers, modems, and more – thereby contributing to the reduction of electronic waste.



Internal compliance plan

Bezeq implements an internal environmental compliance program that includes identifying significant impacts, ensuring regulatory compliance, conducting ongoing monitoring, raising employee awareness, and maintaining communication with stakeholders.

Commitment to responsible and fair employment

Enhancing the employee experience

Bezeq Group places employee well-being at the heart of its organizational culture, and strives to cultivate a professional, supportive, and inclusive work experience. The Group invests in professional and managerial development, promotes workforce diversity, improves operational interfaces and onboarding processes, and provides personalized support to strengthen the employees' sense of belonging.

In 2024, the Group recorded a positive trend in employees connectedness, satisfaction, and willingness to recommend Bezeq as a workplace.



91% of the Group's employees have signed a collective agreement that protects their rights

Bezeq Campus – an innovative organizational learning environment

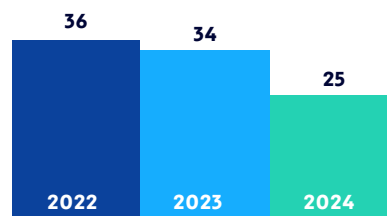
Throughout the year, Bezeq Group companies conducted internal training programs, developed programs for manager development, and expanded support and consultation mechanisms, even during times of emergency. As part of its ongoing commitment to employee development, in 2024, Bezeq launched the **Bezeq Campus** – an innovative organizational learning environment offering hundreds of digital, in-person, and hybrid courses on topics such as artificial intelligence, cybersecurity, interpersonal communication, and public speaking. Pelephone has a bonus-based development program for headquarters employees, which includes workshops and lectures designed to enrich employees, and a management development track. yes has management development programs alongside an organizational mentoring initiative.

However, due to logistical, security, and managerial challenges in 2024, there was a decrease in the average number of organizational training hours in the Group:

91% of the Group employees underwent performance evaluation and feedback processes in 2024



Average annual training hours per employee in Bezeq Group

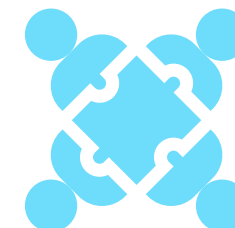


Organizational climate survey

In 2024, **86%** of the Group's employees participated in organizational climate surveys – with the aim of strengthening the sense of belonging, identifying long-term trends, and establishing a positive organizational culture. Bezeq recorded a slight increase in the average score for employees' sense of connectedness and satisfaction – from 8.41 to **8.48**. Additionally, 76% of employees stated that they would recommend the Company as a workplace to their friends.

796 yes employees participated in the survey, which was based on the organizational connectedness model and analyzed five key dimensions: positioning, team, management, “me as an employee,” and daily work experience. Results were compared with previous surveys to identify trends and areas for retention and improvement.

1,358 Pelephone employees participated in the survey, which focused on their feelings toward the management, the work environment, and opportunities for personal development, as part of the ongoing effort to cultivate a supportive and empowering workplace.



Promoting diversity and inclusion

In line with Bezeq Group’s vision, diversity and inclusion are core values that drive growth, innovation, and improved service. The Group is committed to reflecting the social mosaic of Israeli society and works to foster an open, equitable, and inclusive work environment, by promoting equal opportunities and removing barriers for diverse populations.

In 2024, **employees from diverse population groups made up 17% of Bezeq Group’s workforce** – more than double their representation in 2022.

As part of this commitment, and in recognition of the importance of representing a broad spectrum of voices, cultures, and perspectives, the Group has set an employment target of 20% employees from diverse populations by 2030.

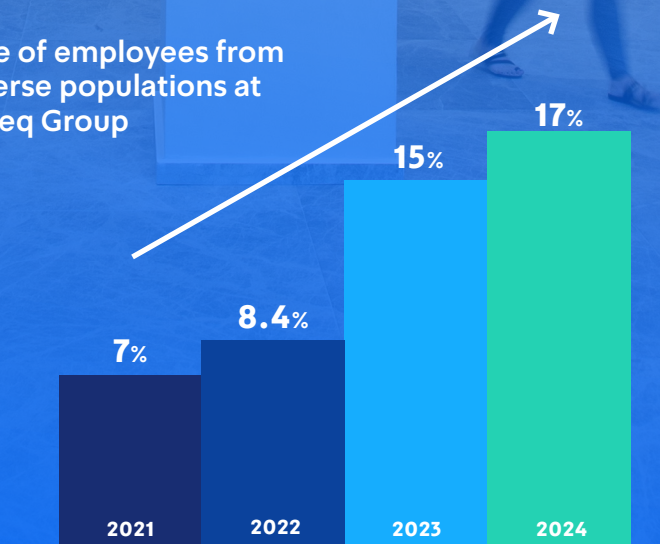
To achieve this goal, dedicated working groups led by Human Resources were established in all Group companies. Managers received training on managing multicultural teams, and internal

organizational adjustments were made. Additionally, there is fruitful collaboration with the Israeli Forum for Employment Diversity, an initiative of Zionism 2000.



- **7%** employees from the Arab sector
- **4.4%** employees from the ultra-Orthodox sector
- **4%** employees with disabilities
- **1.6%** employees from the Ethiopian community

Rate of employees from diverse populations at Bezeq Group



Safety, health, and national mission

Safe work environment

Bezeq regards employee safety and health as a top priority. In 2024, amid the challenges of war, the Group was required to implement heightened security and safety procedures while maintaining strict standards adapted to the changing reality. In this period, Bezeq employees demonstrated exceptional dedication and a strong sense of national mission, carrying out telecommunication infrastructure repairs under complex conditions to ensure the continued operation of essential telecommunication services – critical to the functioning of Israel's economy and society.

Bezeq integrates advanced digital tools, targeted training, monitoring mechanisms, and dedicated emergency procedures to minimize risks, ensure a safe work environment, and protect the health and wellbeing of all employees. At the same time, the Company invests

significant resources in instilling a culture of responsibility and safety, based on diligence, continuous learning, and process improvement.

All actions comply with legal and regulatory requirements, including the guidelines of the International Labor Organization (ILO), with the aim of reducing risks, preventing accidents, and safeguarding the health and safety of all employees – including contract workers.

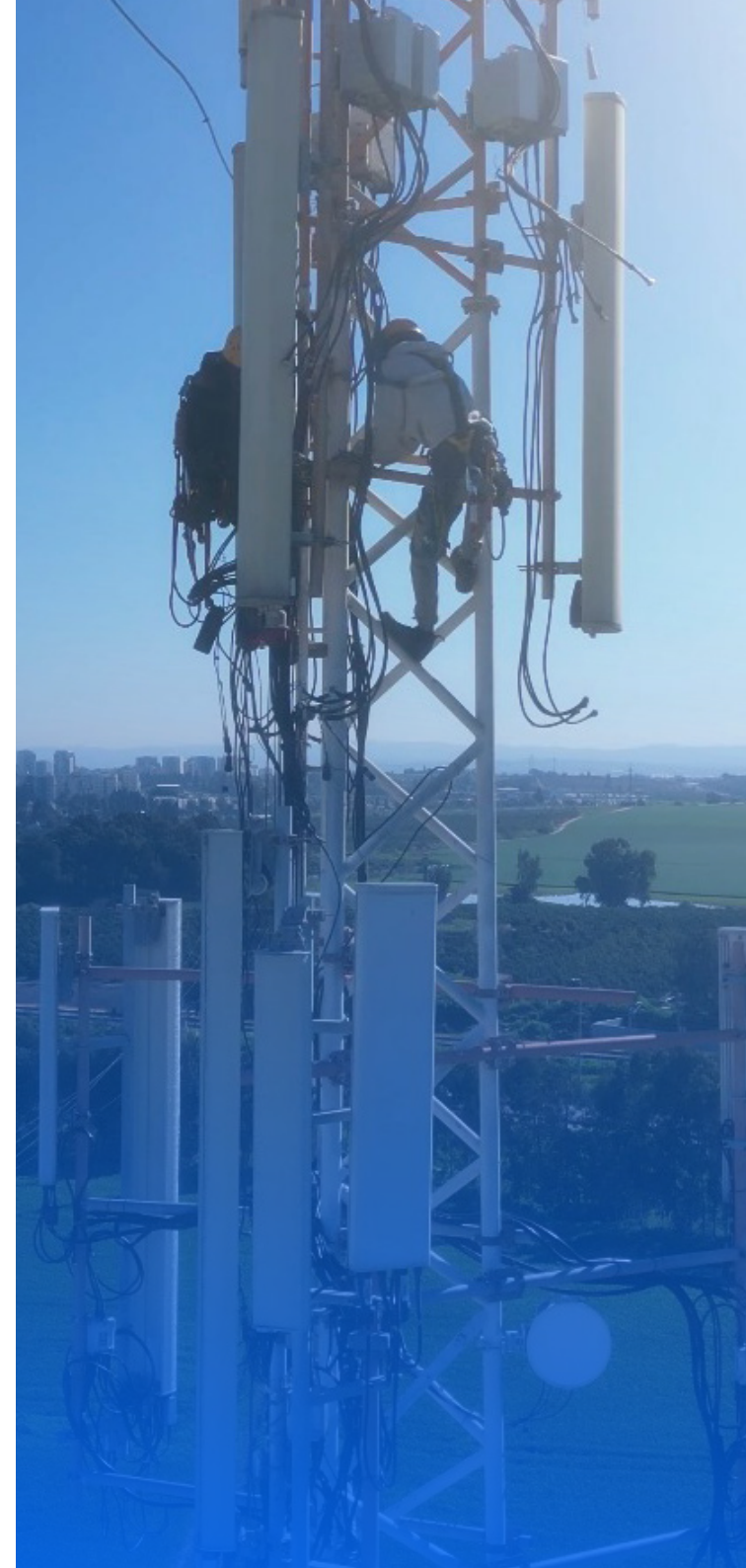
Safety management is based on a Group-wide safety and hygiene policy enforced in all companies. As part of its continuous improvement efforts, Bezeq developed a dedicated occupational safety enforcement plan aimed at ensuring compliance with legal provisions while implementing effective preventive measures. **These efforts have produced positive results, leading to a reduction in the number of accidents in the Group.**

Average no. of work accidents in the Group

Per 100,000 work hours



No. of work accidents at Bezeq Group



Bezeq Group's social impact

Bezeq Group's community projects

In 2024, Bezeq launched the Connected Fund to support injured IDF soldiers and reservists. This long-term initiative encompasses diverse projects, such as:

- ✓ Preparing food packages in collaboration with Latet NGO
- ✓ Adopting the 188th Armored Brigade of the IDF
- ✓ Partnering with Sheba Medical Center – Tel Hashomer to establish a rehabilitation farm
- ✓ Launching innovative technological initiatives in collaboration with the Etgarim nonprofit organization

Bezeq Group increased its contributions through financial donations, products, services, and the value of volunteer work, to over NIS 15 million in 2024

(compared with NIS 10 million in 2023 and NIS 5 million in 2022)

The Group's employees contributed over 15,000 volunteer hours to the community over the year.



yes. Pelephone 5G

Community projects of yes and Pelephone

In 2024, yes and Pelephone established a dedicated donations committee that operates according to structured criteria and a formal process for evaluating requests and fostering collaborations with social organizations. Throughout the year, the companies led a series of large-scale social and community initiatives, including:

- ✓ Donating 700 streamers and subscriptions, as well as hundreds of tablets, mobile phones, and communication lines
- ✓ Forming a strategic partnership with the Givati Brigade Association, which includes scholarships for soldiers, donations of technological equipment and TV subscriptions, organizing events, and active participation in joint social events.
- ✓ Holding Corporate Responsibility Week, for the third consecutive year, with the participation of 600 employees from both companies, who contributed 1,800 volunteer hours to various activities such as supporting soldiers, assisting evacuees, and empowering vulnerable populations



Community projects of Bezeq International TECH

Bezeq International TECH operates with a deep commitment to society and community, viewing social involvement an integral part of its organizational culture. In 2024, approximately 250 employees, representing 40%

Docu Young flagship program of yes

yes marks the third year of Docu Young – its flagship social project in collaboration with Docaviv and the Ministry of Education, aimed at nurturing the next generation of documentary creators. As part of the project, teens from homes for at-risk youth produce short documentaries, which are screened at the Docaviv festival and on the VOD platform of yes.

Other social activities at Pelephone

- Donation of tablets to the SOS Children's Villages organization
- Setting up a music room for children with special needs
- Allocation of office space to the Alon & Ella NPO, alongside ongoing volunteering of employees
- As part of Pelephone's main sponsorship of Maccabi Tel Aviv, employees and club players volunteered throughout the year to distribute food baskets and assist people with disabilities

of the company's workforce, participated in a wide range of volunteer activities led by the company, supporting vulnerable populations, families in need, children with special needs, evacuees, and families of victims of the October 7 attacks, in collaboration with nonprofit organizations dedicated to community welfare.

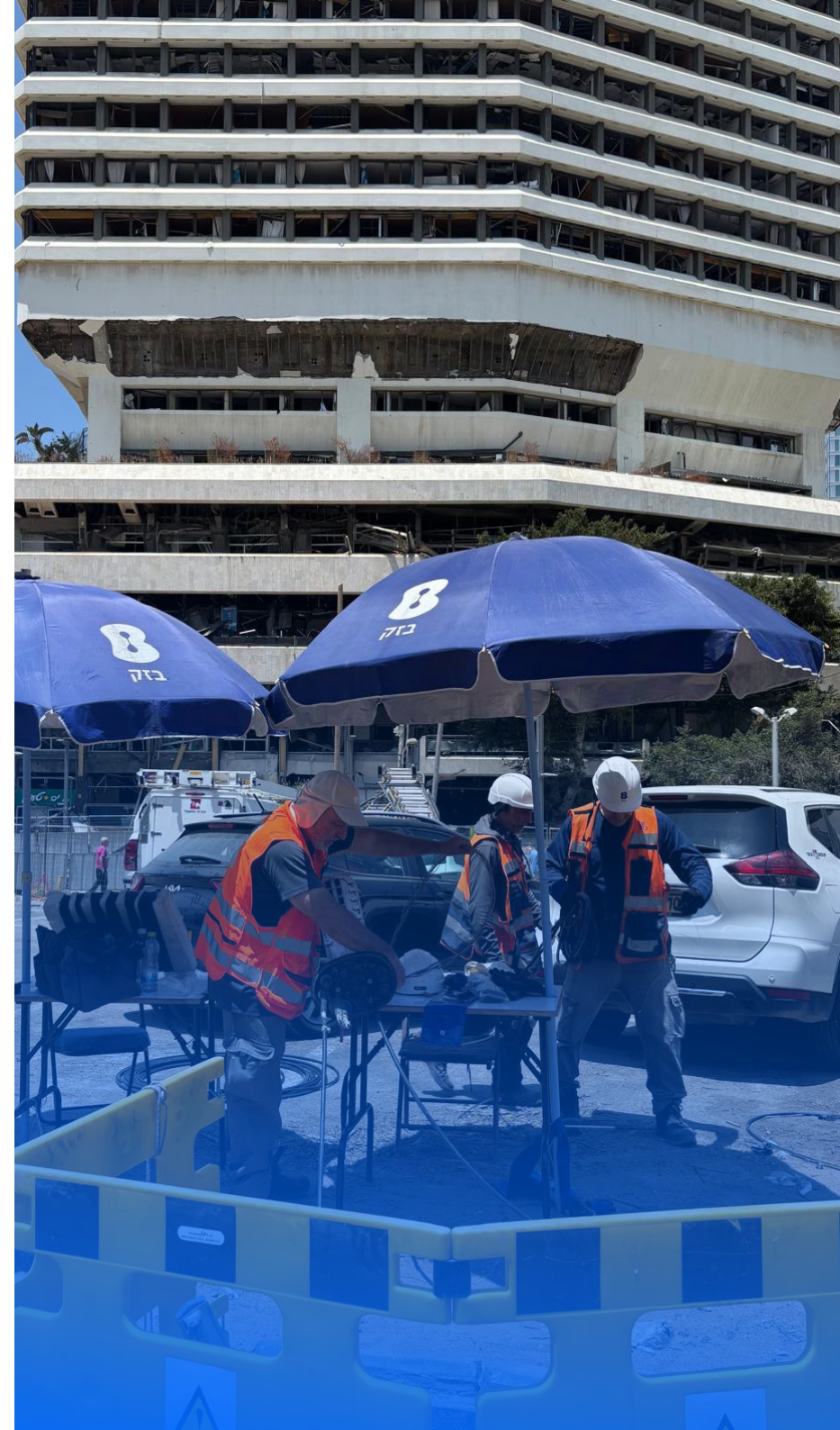
Additionally, the company donated a cloud-based call center system to Sahar, a life-saving nonprofit organization that offers immediate, accessible, and anonymous mental health support online for individuals in distress and at risk of suicide. The company's initiatives reflect its core values – giving, partnership, and social responsibility – and help strengthen the employees' sense of belonging and purpose, while fostering a deep connection with the community.

Bezeq Group activities and the Swords of Iron war

During the Swords of Iron war, Bezeq Group acted out of a deep sense of national responsibility, working to provide stable telecommunications infrastructure, support its employees, and assist the community. The Group invested significant resources in maintaining operational continuity, deploying professional field teams – often under fire – to restore damaged infrastructure and resume essential services. At the same time, the Group's cyber units prepared for rapid response, procedures were updated, security measures were reinforced, and suspicious addresses were blocked.

On the social level, Bezeq established the **Connected Fund**, supporting IDF soldiers injured during their service and helping to strengthen their personal resilience and reintegration into civilian life. Additionally, the Group provided advanced telecommunication services to evacuated families and shelters, and donated hundreds of computers, monitors, and tablets to nonprofit organizations, schools, and vulnerable populations. yes adapted its broadcasts to the situation, airing uplifting and supportive content for the families of soldiers and civilians. Pelephone offered free data packages to all customers who were abroad. In addition, yes and Pelephone operated a joint emergency operations center, through which Pelephone's

mobile repair unit assisted evacuees housed in hotels. The Group established a comprehensive employee support system, including emotional and social support, tailored responses to security-related challenges, and a special grant totaling NIS 4 million, awarded to 800 reservists. Bezeq also conducted a dedicated rescue training course for its employees to strengthen its emergency preparedness. The Group's efforts during this period earned it the Superbrands Award, in recognition of its civic and national contribution. The Group's employees demonstrated impressive involvement and civic initiative during the war, actively participating in a wide range of volunteer activities throughout the country. Among other efforts, they packed food packages and hygiene supplies for evacuated families, prepared and delivered hot meals to hospitalized patients and their families, assisted in renovating shelters, and took part in recreational activities for children at community centers. Volunteering was both through organized group initiatives and individual efforts, and included collaboration with various nonprofit and aid organizations. The Group's management encouraged the spirit of volunteering and provided flexible work arrangements for employees volunteering in the community.



Corporate governance at Bezeq Group

Bezeq Group views corporate governance as a central pillar of its responsibility towards shareholders, employees, customers, and the general public. The Group operates in accordance with principles of transparency, strict regulatory and ethical compliance, and long-term responsible management.

In 2024, the Group reinforced its oversight and control processes, continued to implement advanced tools for risk management, compliance, and information security, and consistently improved its decision-making procedures. This reflects the Group's commitment to upholding international standards and protecting individual rights. As part of this effort, compliance mechanisms were reinforced through dedicated forums across all divisions, regular reporting to the audit committee and the board of directors, and three external surveys related to compliance with Israel Securities Authority regulations, safety, and radiation. To further strengthen corporate governance, the Group introduced a rotation policy for its external auditors, to ensure professional independence, audit effectiveness, and stakeholder trust.

Bezeq's board of directors

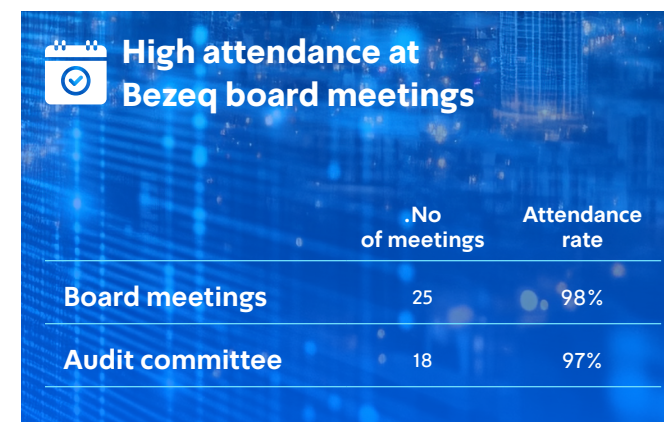
Bezeq's board of directors consists of nine directors, including four independent directors (three external directors and one independent director who is not an external director). All board members are subject to the provisions of the law, including the Companies Law, regarding their appointment, qualifications, independence requirements, the majority required for their election, and the validity of their term of office. As part of the appointment process, board members hold preliminary discussions on the mix of skills, taking into consideration

diversity and gender representation, and review the professional background of each candidate to ensure that there are no conflicts of interest and to assess their suitability for the board of directors and its committees. Following this assessment, the board of directors recommendation for the appointment of a director and an external director is presented for approval at the general meeting of the Company's shareholders.

Internal compliance plans

Bezeq Group attributes utmost importance to maintaining high standards of legal compliance, ethics, and business fairness, as part of its commitment to responsible corporate governance. This commitment is reflected in the implementation of an internal compliance plan covering a range of issues, including the Israel Securities Law, the Antitrust Law, the Communications Law, information security, and safety.

These plans are designed to ensure that all Group activities comply with legal provisions, regulatory guidelines, and accepted international standards. The compliance plans include appointment of a dedicated compliance officer, risk mapping and implementation of work processes that reduce exposure to sensitive competitive information, ongoing training for employees and managers, reporting and control mechanisms for early detection and correction of irregularities, periodic audits, internal



compliance reviews, and reporting to management and the board of directors.

Officer compensation policy

Bezeq Group's officer compensation policy is designed to ensure optimal incentives for the Group's senior executives, while safeguarding the long-term interests of shareholders and upholding principles of transparency, accountability, and balanced risk management. The policy combines fixed and variable components based on quantitative parameters, maintaining proportionality between base salary and performance-based compensation, a direct link between compensation and measurable performance, clawback mechanisms in cases of material errors in

financial reporting or breaches of fiduciary duty, and strict adherence to equality and transparency in the presentation of compensation terms. The policy is approved in accordance with the provisions of all laws and accepted corporate governance practice, including the approval of the compensation committee, the board of directors and the general meeting of shareholders. The compensation policy is published on the Maya website and includes the compensation provisions, including compensation ratios between employees and senior officers in the Group.

Risk management system

Risk management is a central pillar of corporate governance and sound business practice. This system is updated regularly and carried out in accordance with international standards and legal requirements in Israel. The Company implements control, oversight, and reporting mechanisms to identify, assess, and manage risks with the potential to significantly impact its activities, including regulatory, financial, operational, technological, environmental, and social risks. To ensure effective implementation, designated officers are assigned responsibility for each risk area, and they report regularly to senior management and the board of directors. Additionally, the Group's divisions submit quarterly reports, dedicated forums are held every two years, relevant committees receive updates, and a comprehensive risk report is presented to the board of directors.

The board of directors and management receive periodic reports and hold regular discussions on key risk issues, including risks related to service delivery, supply chain operations, and relationships with suppliers and business partners.

Environmental risks, including preparedness for stress scenarios resulting from climate change, are assessed and integrated into the Group's overall risk management framework.

Responsible procurement

Bezeq Group promotes responsible procurement practices among its suppliers, advancing adherence to high standards of ethics, labor rights, and environmental responsibility. In 2024, the Group launched a pilot program inviting material suppliers to sign the Group's Code of Ethics, and 234 out of 680 suppliers signed. The pilot included sample audits of supplier employees to identify potential violations. Additionally, the Group attached the Code of Ethics appendix to supplier orders placed through its procurement portal (covering half of all orders), and embedded the commitment to the Code of Ethics in the new format of the agreements, making it an integral part of the agreement rather than a separate appendix. However, implementation remains limited, as most engagements are still based on existing agreements. The Group continues to strengthen its relationship with suppliers and expand oversight mechanisms to ensure its corporate responsibility expectations are clearly communicated and accessible.

Fines for bribery and corruption in 2024

Human rights policy

In accordance with international ESG standards, Bezeq Group views its human rights policy as a core element of its business operations and its relationships with employees, suppliers, customers, and the community. Bezeq is committed to upholding human dignity, providing equal and fair treatment to all employees, and ensuring a safe, diverse, and inclusive work environment. As part of this policy, Bezeq acts to prevent discrimination and harassment, maintains internal oversight and compliance mechanisms, and provides employees with



One third of the key suppliers of Bezeq Group signed the Code of Ethics

* As part of a pilot conducted by the Group in 2024

discreet channels for reporting and resolving complaints. Additionally, Bezeq attributes great importance to protecting employee rights and complying with local and international standards throughout its supply chain. This policy forms a central pillar of the Company's corporate governance, and reinforces stakeholder, investor, and public trust in its responsible and sustainable conduct.

Information security

In 2024, a data protection officer (DPO) was appointed in each of the Group companies. The DPO's responsibilities include overseeing the implementation of procedures, ensuring regulatory compliance, and conducting internal audits in each company. This appointment reflects the Group's commitment to upholding the highest standards of information security and privacy protection, and reinforces the Group's ability to manage information risks in a unified and systematic manner, ensuring optimal safeguarding of customer and employee privacy.