



Your Partner for Growth

## ECI Telecom's Social Investment Policy

As a leading global provider of telecom solutions, with thousands of employees in Israel and worldwide, ECI Telecom is an active citizen in the business and social communities in which it operates and conducts itself in accordance with the principles of social responsibility.

Under the guidance of ECI management, the company has developed a policy for social responsibility based on widely accepted professional standards. This policy, which has the full support of ECI's board of directors, is part of the Company's current work plan and is regarded as a long-term undertaking.

### The Policy

The following are the underlying principles of ECI's corporate social investment policy:

1. **The issue on which we have chosen to focus our efforts is the empowerment of communities. This involves:**
  - The ability to inspire individuals or groups of people to use their potential to impact their environment in a positive way.
  - Helping disadvantaged groups understand and exercise their social rights.
  
2. **The channels we have chosen for community empowerment are:**
  - ***Citizens' rights centers in the community:*** Assisting citizens with inquiries involving labor law, housing and mortgage laws, and more. ECI's primary center is located in Petach Tikvah, Israel.
  - ***Community programs for empowerment:*** Helping the community at large with tasks such as managing a family budget, re-entering the labor market, etc.
  - ***Youth education and development:*** Supporting equal opportunity in education, self-realization and self-actualization by:
    - Developing personalized programs for the academic, emotional and social advancement of all participants. These programs nurture skills related to responsibility, self-confidence, leadership and entrepreneurship.
    - Holding enrichment workshops and focusing on issues dealing with the 'three circles': 1) myself, 2) family and friends, and 3) the community.

### **3. The resources allocated to the activities and the policy for defining them include:**

- Once a year, ECI earmarks funds to be used specifically for investment in the community.
- In the last quarter of the year, ECI's Director for Social Responsibility meets with community partners and allocates a budget for the various activities.
- The budget breakdown is presented to a Company-wide steering committee for approval.
- In addition to monetary support, ECI also encourages employee participation in the Company's community empowerment activities. For information on the employee volunteering policy, see section 7.
- The allocated resources, both financial and human, are invested only in the selected channels (specified in section 2), and only in activities that are held in conjunction with selected community partners (see section 5).

### **4. The link between community activity and the Company's business policy:**

ECI is committed to its ownership, its employees and the community and, accordingly, there exists a link between community activity and the Company's business policy. The following principles have been established to ensure the integrity of this link:

- *Manifestation of leadership role, unique identity:* ECI strives to contribute to the community as part of its role as a leader in its industry and has chosen the issue of community empowerment with which to be uniquely identified.
- *True expression of human capital:* Designated channels of activity offer a diverse range of opportunities for corporate giving and volunteering, enabling participation by as many ECI employees as possible.
- *Global presence, local ties:* Reinforcing ECI's position as a truly global company, the community empowerment initiative can be put into action at any local site, with only minor adjustments.
- *Empowerment of corporate culture:* Community activities are applicable across all units and divisions of the Company, reflecting ECI's culture of 'one company, one team.'

### **5. Our partners in implementation**

To ensure alignment with best practices for social responsibility, ECI formulated its social investment program in collaboration with Matan, a non-profit organization specializing in the creation of corporate social responsibility and community investment strategies and programs.

ECI also works closely with social organizations in the community. These partnerships are based upon knowledge, experience and shared goals in implementing community involvement programs in the best way possible.

**6. The principles of the program:**

- The activities utilize a combination of resources of the Company and its employees, including financial, time (volunteering), talent and other assets.
- Activities are held near ECI locations to strengthen local ties between the Company and the community; in many cases, employees are members of these communities.
- The program offers ECI employees a host of opportunities for corporate giving, contributing and volunteering, some on an individual basis, and some in group settings, so that every employee can find a level of participation that suits their interests and capabilities.

**7. The policy on volunteering:**

Human capital is ECI's most important resource. Recognizing the great potential of its employees to contribute to the community, ECI allocates volunteer hours on company time, as follows:

- Ongoing activities (volunteering on a permanent basis over a long period): Up to three hours of volunteering a month at the Company's expense.
- Intensive activities (concentrated, one-time activities): Up to half a workday at the Company's expense.

All volunteer work is managed via feedback, follow-up and precise recording of the number of volunteers and hours volunteered. Every year, ECI holds an event to honor its employee volunteers.

**8. Objectives and measures:**

As a corporation that operates according to work plans, objectives and performance measures, ECI applies the same methodology in its social responsibility activities to achieve optimal results and ensure continuing improvement. The Company strives to:

- Foster an atmosphere of social awareness and encourage a volunteer-oriented spirit throughout the organization
- Create new community activities in alignment with its 'one company, one team' vision (formation of bonds and acquaintances across all levels and units/divisions)
- Strengthen the identification of employees with the Company
- Develop employee competencies

- Encourage managers to lead and participate in activities
- Ensure effective investment in the community

## Current Projects

ECI is currently involved in the following social investment projects:

- **Yedid (The Association for Community Empowerment):** Operates a citizen rights center in Petach Tikvah that responds to over 150 inquiries a month and initiates numerous community projects to empower citizens, including seminars on managing a family budget and returning to the workforce
- **Shiur Acher:** Builds bridges between private organizations, offices and local schools, providing input and support to teachers and students
- **Young Entrepreneurs Israel:** Mentors groups of students on issues related to business and entrepreneurship
- **Petach Tikva Bikur Sadir (Truancy) Department:** Provides after-school youth care facilities
- **Ben Yakir Youth Village:** Provides various activities for youth at risk, including after-school bicycling programs
- **Maslul Matan:** Provides mentoring to CEOs of non-governmental organizations (NGOs) on a wide range of managerial aspects
- **Mentor for Life:** Provides mentoring to recently released single soldiers, with the goal of helping them adapt to civilian life

## Maala Rating

As part of its commitment to promote corporate social responsibility in Israel, ECI has been a member of [Maala](#) (Business for Social Responsibility) for the past four years and has been featured in Maala's ratings since 2004.

The [Maala CSR \(corporate social responsibility\) Index](#) ranks companies according to their commitment to CSR principles. Companies are evaluated based on their performance in six areas: environment, business ethics, human rights and work environment, community involvement, corporate governance, and social and environmental reporting. The Index is prepared in partnership with McKinsey & Company, Ernst & Young, S&P Maalot, the Tel Aviv Stock Exchange and Greeneye.

ECI received the Platinum rating for 2011.