



ECI SUSTAINABILITY REPORT 2016

THE FUTURE
IS ELASTIC

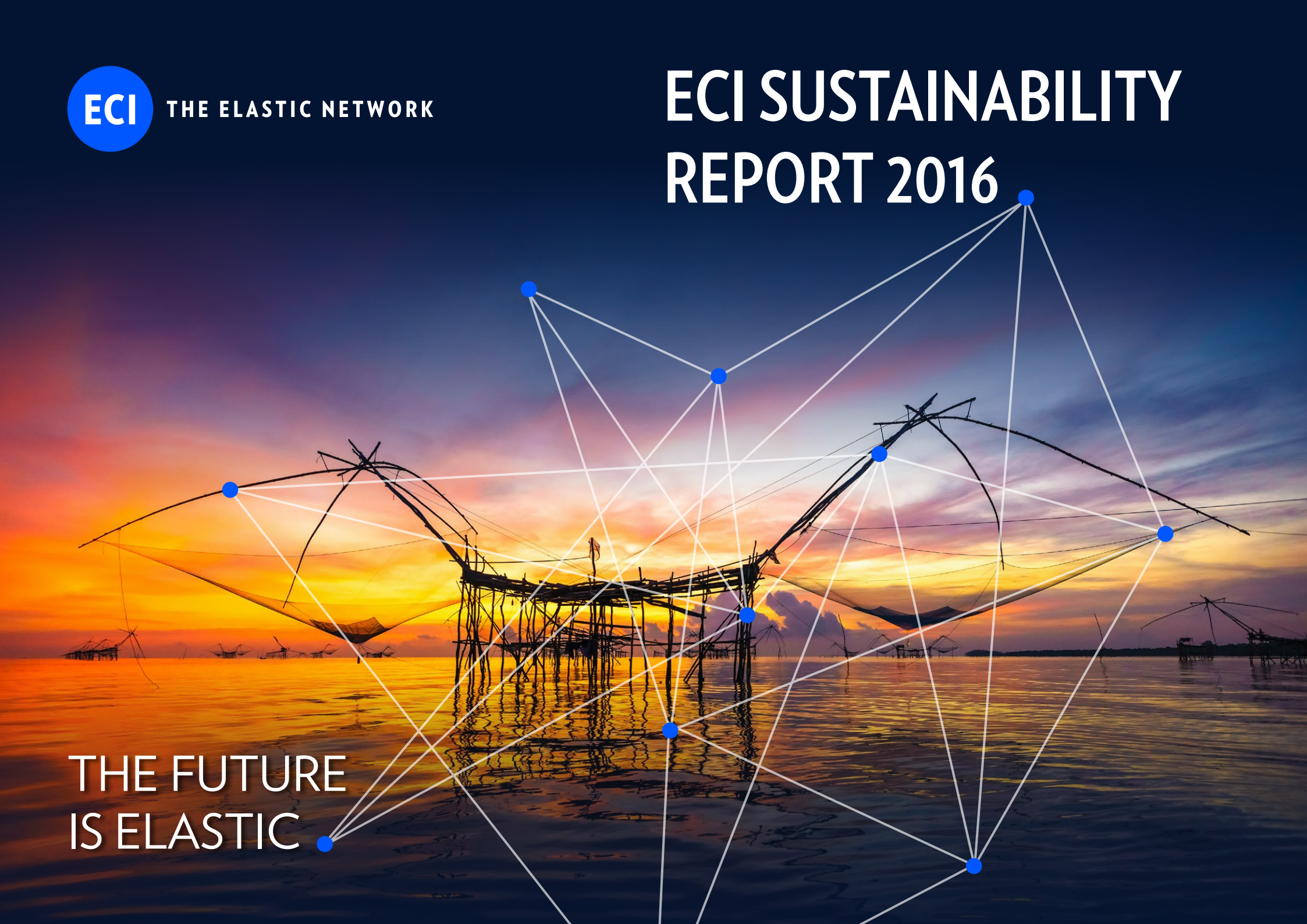


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This report has been prepared in accordance with GRI Standards, Core option.

CEO INTRODUCTION

I am pleased to introduce ECI's 2016 Sustainability Report. This is our sixth annual report, describing how we make a difference through the work that we do.

Our company remains rooted in the present with a focus firmly on the future, helping our customers deliver their objectives and enhance the connectivity, scale and scope of their services to users around the world. As a smaller operator in a market of giants, the ELASTIC approach we have adopted in past years enables us to stay one step ahead of the pack by delivering sustainable innovative solutions and outstanding service. We continue to add greater functionality and future-critical ELASTIC typologies on software platforms, such as Software Defined Networks (SDN) and Network Function Virtualization (NFV). In a world where connective technologies are the key to enhancing the range, access, reliability and efficiency of communications-based services, at ECI, we are making it easier than ever for our customers not only to keep pace, but to outpace their competition. ELASTICITY means simple, open, cost-effective and innovative solutions that can help people around the world better connect to each other. Our ELASTIC solutions are also more environmentally friendly than ever before, transporting and storing more data using fewer resources and enabling the long-life use of legacy equipment.

As always, we continue to operate with integrity and high standards of ethical conduct throughout our value

chain. Additionally, we have achieved operational and environmental efficiencies since 2010, including reducing energy use by 57%, carbon emissions by 50% and reducing waste by 62%. We continue to support our expanding workforce with the tools and enhanced skills they need and contribute to advancing our industry through partnerships, collaborations and technical open-source collaboration.

Our efforts are paying off. We are penetrating new markets throughout our three core verticals (networks, utilities and data-centers), bringing benefits to more customers and welcoming more end-users to an ELASTIC and smart future. As technology remains the key to unlocking much of the potential that exists to achieve global sustainability, we are passionate about playing our role. And, of course, we are enjoying the business growth and economic value creation that ensues.

I hope you will find this report interesting. As always, we welcome your feedback.

Darryl Edwards
President and CEO



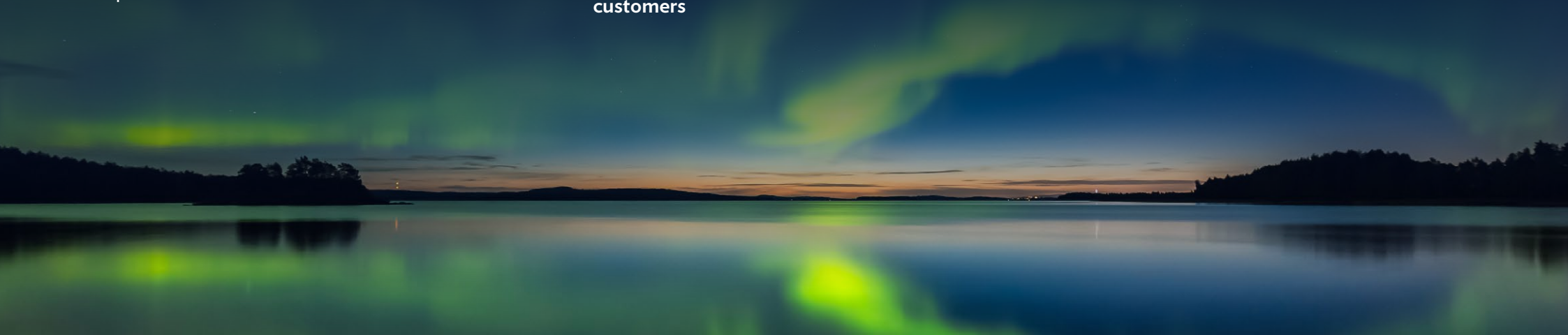
ABOUT ECI

- ECI is a provider of ELASTIC networks that scale and operate efficiently using open, secure and vendor agnostic technology. ECI's ELASTIC solutions ensure open, future-proof, and secure communications. With ECI, customers have the luxury of choosing a network that can be tailor-made to their needs today as well as seamlessly and cost effectively upgraded to future requirements.
- Founded in 1961, ECI Telecom Ltd. is a privately-owned company, wholly-owned by ECI Holding whose shares are held by the Swarth Group, a private equity company.
- We serve hundreds of customers, including communications service providers (CSPs), utilities and critical infrastructures, as well as data center operators and cloud service providers worldwide, through an international sales force and local agents in nearly 30 regional sales and service centers. We also maintain a network of partners and channels in over 70 countries.
- We are headquartered in Israel and we maintain R&D centers in China, India and Israel. ECI employs more than 1,700 team members in 30 countries.
- ECI's Board of Directors ensures that strategy, risk management and operational controls are appropriately addressed in our business. The Board is composed of two Directors, both non-executive and non-independent. The Board of Directors maintains a Remuneration Committee, composed of both members of the Board that govern the administration of executive compensation and management of the stock options program within the company.
- Sustainability performance is reported regularly to the Board of Directors and the Board provides guidance on strategy and material focus.

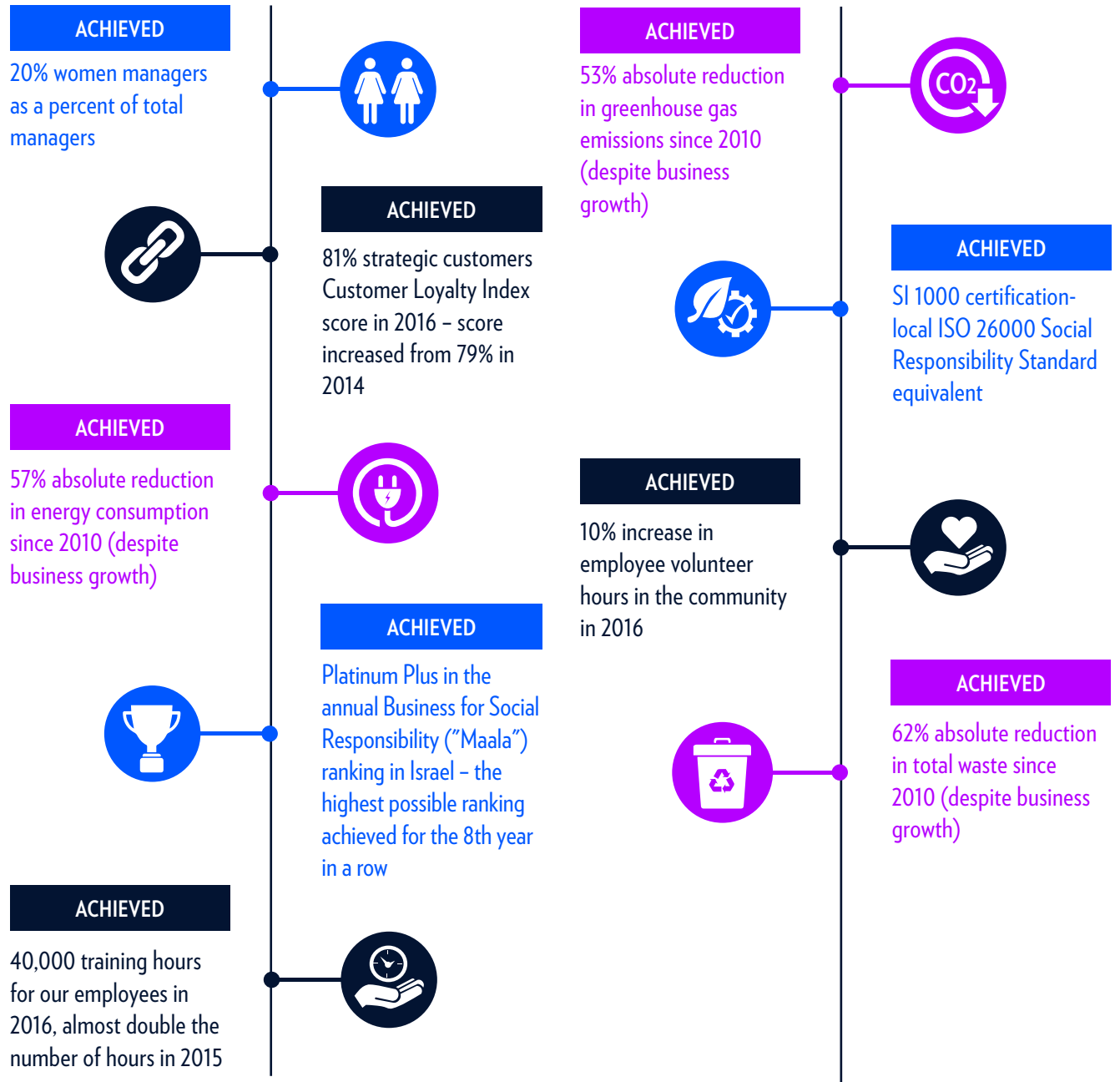
ECI has more than 55 years of experience in delivering connectivity solutions to our customers

OUR VALUES

- **Respect for the Individual:** We treat one another with respect and dignity, appreciating individual, cultural, and national differences.
- **Customer-centric:** We build lasting relationships with our customers by listening, understanding, and anticipating their needs.
- **Innovation:** We are open to ideas that challenge convention, seek diversity of views and drive innovation.
- **Integrity:** We are committed to conduct ourselves in a manner consistent with the highest standards of integrity.
- **Team Spirit:** We cooperate, collaborate, and empower one another in a global effort that translates into exceptional solutions and services.



2016 SUSTAINABILITY HIGHLIGHTS



RECOGNITION FROM THE INDUSTRY – A SELECTION FROM 2016

CALCALIST “SOCIAL BUSINESS” AWARDS 2016

ECI was awarded 2nd place for our positive human resources policies and personal growth opportunities for employees

LEADING LIGHTS 2016 AWARD

Most innovative security strategy

GLOTEL GLOBAL TELECOMS 2016 AWARDS

Shortlisted in three categories including Connecting the Unconnected in Poland

FIERCE INNOVATION AWARDS

Shortlisted for our innovative, industry leading product, the Apollo 9900 series

CIO REVIEW

Named as one of the Top 20 most promising Tech Vendors for Telecoms industry

LEADING LIGHTS

Hedy Lamarr Award for Female Tech Pioneer of the Year

Sigal Barda, ECI's Vice President R&D, Cyber & NFV, named as one of five finalists

LTE & 5G WORLD AWARDS 2016

Shortlisted in two categories: best core network product and best NFV/SDN solution

MEF EXCELLENCE 2016 AWARD

Third Network Proof of Concept Innovation

2016 SUSTAINABILITY DASHBOARD

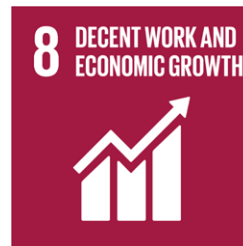
EMPLOYEES AND COMMUNITY	2011	2012	2013	2014	2015	2016
01 EMPLOYEES (WORLDWIDE)	2,671	2,062	1,730	1,644	1,669	1,706
02 WOMEN EMPLOYEES	23%	23%	23%	23%	23%	23%
03 WOMEN MANAGERS	16%	20%	17%	17%	22%	20%
04 LOST TIME INJURY RATE	0.061	0.192	0.236	0.064	0.159	0.161
05 LOST DAY RATE	0.052	0.032	0.067	0.016	0.009	0.052
06 AVERAGE VOLUNTEERED HOURS PER EMPLOYEE	5.78	8.01	6.68	7.71	5.10	7.34
ENVIRONMENT AND SUPPLY CHAIN	2011	2012	2013	2014	2015	2016
Energy consumption (versus prior year)	-13%	-20%	-31%	-3%	-9%	2%
Energy consumption (annual versus 2010)	-13%	-30%	-52%	-54%	-58%	-57%
CO ₂ e emissions Scope 1 & 2 (versus prior year)	-12%	-7%	-40%	3%	-6%	-1%
CO ₂ e emissions Scope 1 & 2 (annual versus 2010)	-12%	-18%	-51%	-49%	-52%	-53%
CO ₂ e emissions Scope 3 (versus prior year)	N/A	-45%	-21%	-10%	23%	-7%
CO ₂ e emissions Scope 3 (annual versus 2011)	N/A	-45%	-56%	-52%	-41%	-45%
Water consumption (versus prior year)	-2.2%	-3.4%	-2.1%	6.7%	4.3%	0.4%
Water consumption (annual versus 2010)	-2.2%	-5.5%	-7.5%	-1.3%	3.0%	3.4%
Waste generated (tons per year versus prior year)	-31%	-50%	11%	-1%	-5%	4%
Waste generated (annual tons per year versus 2010)	-31%	-65%	-61%	-62%	-64%	-62%
Waste to landfill (tons per year versus prior year)	-39%	-69%	130%	-9%	-8%	9%
Waste recycled (as % of total waste per year)	23%	31%	57%	12%	22%	17%
Supply chain audits of key suppliers (per year)	3	10	5	6	5	6
EcoVadis Score	N/A	N/A	N/A	SILVER	GOLD	GOLD

Notes:

- Environmental data covers Israel, India and China for 2015, 2016. Prior to 2015, Israel only.
- Safety data covers Israel, India and China for 2014-2016. Prior to 2014, Israel only.
- For environmental data calculations, see also Environmental Performance section.
- Employee and community data covers Israel, India and China, except for total employees worldwide.
- Average volunteered hours relates to employees who volunteered, not total employees.

SUSTAINABILITY PRIORITIES

Our material sustainability priorities align primarily with five of the UN's Sustainable Development Goals for 2030. These priorities were developed in 2013, and validated through internal review, monitoring of trends in our industry and ongoing engagement with stakeholders in our markets. In early 2016, we held an open round table discussion of external stakeholders representing our customers, suppliers, civil society and academia. Overall, we maintain our focus on 12 priority issues.



ELASTICITY

- Meeting and anticipating customer needs
- Partnering to deliver the best solutions
- Providing outstanding customer service



EFFICIENCY

- Improving the resource efficiency of our products
- Reducing our energy consumption
- Reducing waste and increasing recycling



EMPLOYEES

- Engaging and developing employees
- Employee health, safety and wellbeing
- Engaging employees to support our communities



ETHICS

- Maintaining integrity and ethical conduct
- Upholding human rights
- Driving ethical standards throughout our supply chain

STAKEHOLDER CONSULTATION

We engage with stakeholder groups and individuals with whom ECI has a direct relationship that impacts their quality of life and business, and enables ECI's business continuity and growth. We did not engage in specific consultation to prepare this report.

	ENGAGEMENT TYPE	EXPECTATIONS
OWNERS	Board of Directors reviews	Sustainable profitable growth, expanding market presence and innovation
CUSTOMERS	Regular meetings and annual survey	Innovation, outstanding service, product performance and reliability
EMPLOYEES	Internal communications, meetings and annual performance reviews	Job security, fair reward and opportunities to develop
SUPPLIERS	Regular meetings and supplier audits	Fair dealing, involvement in innovation
GOVERNMENT	Participation in industry associations to advance public policy	Uphold the law and contribute to a sustainable economy
COMMUNITIES	Partnerships with local NGOs to advance community wellbeing	Investment and involvement in local communities

DELIVERING AN ELASTIC FUTURE

IN THIS SECTION:



MATERIAL PRIORITY

Meeting and anticipating customer needs

Partnering to deliver the best technology

Providing outstanding customer service



GRI STANDARD

GRI 203: Indirect economic impacts 2016

GRI 417: Marketing and labeling 2016



GRI DISCLOSURES

203-2: Significant indirect economic impacts

417-3: Incidents of non-compliance concerning marketing communications

OUR APPROACH

Information and Communications Technology (ICT) is at the heart of sustainable development. Connectivity enables inclusive growth by empowering businesses and individuals to realize their ambitions. ICT brings life-changing possibilities to people all over the world including access to essential services in healthcare, education and agriculture, growth opportunities through trade and commerce and culture, sports and social networks which enrich the quality of life in so many ways. At the same time, communications technologies are a significant enabler of resource efficiencies achieved through new ways of leveraging data, virtual transactions and communications and power-efficient data transport and storage.

Helping our customers prepare for the future has always been at the heart of ECI's approach. By anticipating technology developments and understanding the competitive challenges facing our customers, we develop ELASTIC solutions that are efficient, flexible and optimal for business growth. Increasingly, we engage with other organizations through research partnerships or open innovation platforms to deliver better solutions that advance the ICT field for the benefit of all our customers.

We assess our effectiveness through our expanding business reach and growth which contributes to sustainable development, increasing recognition from our customers for outstanding service and acknowledgement from our stakeholders in the form of awards and ethical rankings.

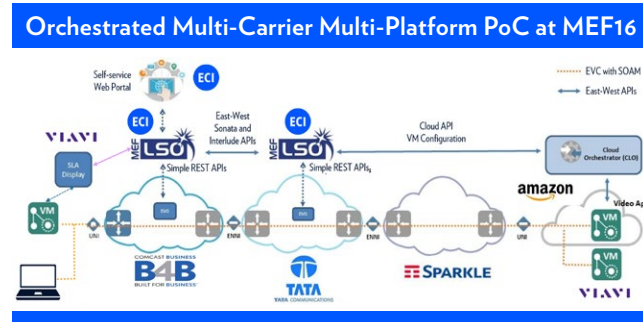
"ICT has the potential to enable a 20% reduction of global CO2e emissions by 2030, holding emissions at 2015 levels." #SMARTer2030, ICT Solutions for 21st Century Challenges, GeSI, 2015

ELASTIC-DRIVEN INNOVATION

Innovation is our core and we never stop. Technology moves at a rapid pace, and we aim to be ahead of the curve as a leader in innovation so that we can best serve our customers and markets. During the past year alone, we have led and partnered groundbreaking innovation in our field, embracing open-source collaboration and opening up the way for new possibilities and future-ready solutions. We launched new products to give our customers increased cyber-protection and improved network management and maintenance.

A FIRST-EVER PROOF OF CONCEPT: BANDWIDTH ON DEMAND

In 2016, we partnered with Comcast Business, Sparkle, Tata Communications and Viavi to deliver a first-ever Proof of Concept innovation that has the potential to transform the way customers can access bandwidth and applications on demand. Such a capability offers unprecedented levels of network control for new and evolving types of cloud-based applications, for network connectivity services within current network architectures as well as emerging SDN and NFV based technologies. Currently, bandwidth access is restricted within the limits of specific networks. The need for a flexible, accessible service that opens up more possibilities for users everywhere has been on the minds of developers for years. It took a global, interactive, future-thinking collaboration to show that this can be our new reality.



Our Proof of Concept was showcased at the industry-leading MEF 16 annual congress. MEF is a US-based industry membership association that supports the development of the “Third Network” - on-demand, orchestrated, and assured experience with user-directed control over network resources and cloud connectivity. Broadband on demand is an essential component of the Third Network. At MEF16, we showcased how a Carrier Ethernet service with a bandwidth on-demand requirement can be orchestrated across three different network service providers with flexible bandwidth deployed on demand. Comcast Business, Tata Communications and Sparkle provided the networks and cloud connections. Viavi technology verified the system met service requirements, ECI provided the functionality that held it all together – a platform to seamlessly connect all the domains and ensure the delivery of the ultimate broadband on demand service.

“We congratulate Comcast Business, Sparkle, Tata Communications, ECI, and Viavi on winning a coveted Proof of Concept Award for demonstrating the ability

to provision on-demand Carrier Ethernet services across multiple network operators and multiple technology platforms.” Nan Chen, President, MEF

“We are crafting solutions that can be tailored to the existing needs of service providers and which are flexible enough to take them into the new world. As such, we are empowering customers to retain their freedom to choose and re-choose vendors based solely on merit. The ELASTIC Network approach is what separates ECI from others. Using technology to help our customers has been at the core of ECI’s ongoing philosophy since its founding in 1961.” Hayim Porat, CTO and head of ECI’s Innovation Center.

ELASTIC TECHNOLOGY FOR SUPERIOR NETWORKS

2016 was a momentous year for ECI in Italy. In partnership with Telecom Italia Domestic, we secured a contract to deploy network technology for Lepida, a government-owned 60,000km network serving the Emilia-Romagna region. We are providing our Apollo 9914 technology in a \$7 million program that will take 3 years to complete. With increased data traffic requirements, the region needs new data transport capabilities that enables flexibility and scalability.

In the Emilia-Romagna region in Northern Italy (capital Bologna), more than 4 million inhabitants will enjoy superior telephony and internet access following seamless migration to ECI's Apollo technology over the next three years.

Lepida's network will be the first European service provider that deploys the Apollo 9914 platform. Migration of the network to the most advanced configurations possible is planned to avoid disruptions to users. At the same time, users will enjoy unparalleled bandwidth between 100Gbps and 400Gbps while service providers will benefit from energy savings with power consumption below 85W per 100G card.

CONNECTING THE UNCONNECTED

In 2016, we also engaged in a partnership to improve

access to millions of users in Poland. Our partner was systems integrator and operator Sprint S.A., and together we undertook to develop a greenfield network in Sosnowiec, Poland. The \$5.6 million project for the City Hall of Sosnowiec is part of a larger project co-financed by the European Regional Development Fund to improve access to information for businesses and residents in the municipality of Sosnowiec. Our work includes the construction of a fiber-optic network, an MPLS backbone, an access network and a network management center - all based on ECI's family of packet-optical transport systems and our LightSOFT network management system.

THE NETWORK IN SOSNOWIEC

- More than 200 sites
- Internet access
- IP telephony
- Video conferencing
- e-services
- Video monitoring

This project gained international recognition as a finalist in the Glotel Global Telecoms Awards 2016.

"We were honored that Sprint S.A. chose to partner with ECI to deliver a cost effective and dependable end-to-end solution in Poland. This initiative will positively impact the lives of millions. In line with ECI's ELASTIC Network vision, we know that as the need for capacity, speed and security continue to grow throughout the EU and we are ready to help our customers to adapt to future telecommunications requirements, seamlessly, flexibly and cost effectively." Christian Erbe, head of municipality, utility and government sector, ECI EMEA

ELASTIC INNOVATION:

LightCARE: In early 2017 we launched a proactive network maintenance app as an essential addition to our LightAPPS suite to enable customers to ensure network reliability and deliver a more reliable service to end users while reducing operating expenses. LightCARE is another example of our ongoing innovation for ELASTIC networks for sustainable, efficient, reliable network operations.

ELASTIC SOLUTIONS FOR UTILITIES

In January 2014, a catastrophic ice storm hit Georgia, leaving more than 700,000 households without power for several days and creating havoc around the state. With such a major power outage, communications companies were also challenged to maintain services, compounding the scale of the disaster. This scenario was a trigger for Georgia Transmission, the state's largest rural utility provider, to consider vertical integration and establish an integrated communications infrastructure alongside existing power and grid management services. At the same time, Georgia Transmission saw an opportunity to upgrade legacy data transport technologies to a modern, more reliable and efficient architecture.

Georgia Transmission is part of the Oglethorpe family of power providers, an independent utilities provider. 39 retail energy providers in Georgia are member-owners of Georgia Transmission and together, co-own and operate a network of more than 17,000 miles of transmission lines, serving most of the state's population of 10 million people.

By January 2016, we had helped Georgia Transmission make that happen. We installed a fiber based control and command communications system for power distribution with a redundant ring from Atlanta right down to Jacksonville in Florida, enabling Georgia Transmission to retain control of its power grid and backhaul for critical infrastructure for almost all 39 member companies.

ECI was selected from a total of 12 competing vendors. We are honored to serve Georgia Transmission in this critical initiative, demonstrating our capabilities to provide ELASTIC, reliable, efficient and integrated solutions for utility companies, helping millions of people stay connected, even in challenging times.

"I think the difference with us at ECI was that we listened. We took the time to truly understand Georgia Transmission and provide all the details they required to make smart decisions. We adapted our offering to meet their specific needs and provided on-the-spot responses, without long delays for internal consultations. In short, we demonstrated flexibility, agility and decisiveness and this was the basis for a productive partnership." Kal Kalenda, ECI USA, Sales Director

LEADING CYBER PROTECTION SOLUTIONS

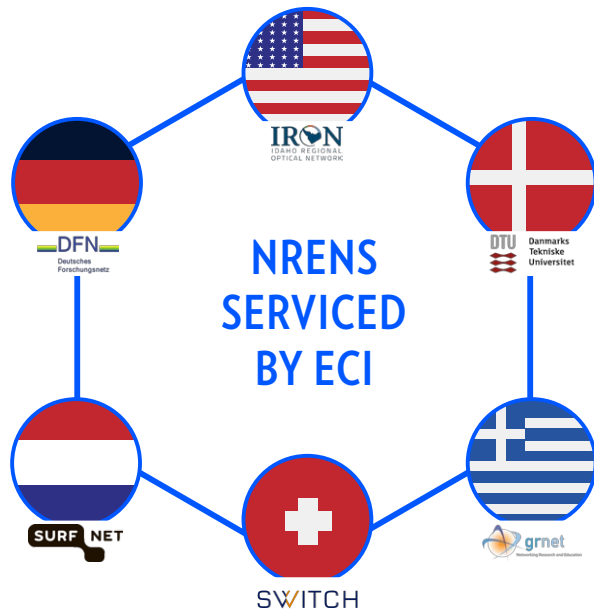
In response to the growing need of our customers for built-in network security and protection from cyber threats, LightSEC our Cyber Security Suite, launched in 2014, provides a comprehensive solution for network and operational security needs. Our cyber solutions are ELASTIC, offering a rich set of mature and innovative security functions including the highest levels of encryption, developed in line with the needs of today's industry. Our solutions operate both with ECI technology and on other platforms that our customers deploy, offering complete flexibility and scalability together with all-round protection for increasingly malicious threats.

"Cyber protection is critical for our customers. We have perfected solutions that integrate seamlessly in existing or new infrastructure. Customers can have maximum flexibility supported by maximum protection." Tali Rosenwaks, Executive Vice President of Strategy and Technology



LEADING CONNECTIVITY FOR ELASTIC RESEARCH NETWORKS

One of our greatest passions in powering ELASTIC networks is the advancement of National Research and Education Networks (NRENs) which enable knowledge sharing across multiple users and provide access to knowledge, research, educational tools and research platforms for hundreds of thousands of academics and students. We have been supporting the modernization and expansion of NREN capabilities in several countries for more than 5 years.



NRENs want the most sophisticated connectivity solutions due to the sheer volumes of data that need to be stored, transported and shared. At the heart of any NREN is the optical backbone, critical for

dynamic cloud networks, enabling control, flexibility, reliability and efficient infrastructure and running costs. The backbone must support a broad range of applications, from ultra-fast high-performance computing collaboration, to e-learning, to special links with virtually zero latency. Also, we provide additional technology such as cyber protection to make networks more secure, and network management systems to provide optimum control.

NREN OPTICAL BACKBONE REQUIREMENT



In 2016/early 2017 we were engaged by three more NRENs in the Netherlands, Germany and Denmark who entrusted ECI to make their networks future-ready. Our reputation in this field of expertise brings peace of mind to network leaders who place trust in our solutions and service support. Our experience enables us to tailor solutions for each new NREN that comes on board.

"We selected ECI as they offer an unrivaled combination of advanced capabilities and service along with the possibility to quickly, easily and cost effectively migrate to 400G, as future requirements may warrant. We are delighted to partner with ECI so that we may continue to provide the very best to the Dutch education and research community." Jac Kloots, Project Manager, SURFnet

"ECI's solution provided the strongest technical capabilities in an economical manner. Moreover, ECI's ELASTIC strategy ensures that our investment is assured and will enable us to further adapt our network to future needs." Prof. Dr.-Ing. Stefan Wesner, BelWü

Using our NREN expertise, in 2016, we were invited to showcase our technology with an Apollo 400G optical backbone demonstration at the SC16 conference in Utah, USA. SC16 is sponsored by the Association for Computing Machinery (ACM) and IEEE Computer Society and is the premier event for technical education program and exhibition showcasing the benefits of ICT for scientific discovery, research, education and commerce.

"ECI was delighted to receive an invitation to participate in this exciting demonstration for the high-performance computing sector. We are no stranger to this sector and we are pleased to continue to support advances in this field all around the world for the benefit of network owners and users." Tony Gomez, VP, Business Development, N. America

WORLD CLASS CUSTOMER SERVICE

We differentiate ourselves through world class customer service. Alongside our ELASTIC networks, we have invested unprecedented efforts over the past several years to improve our overall service, so that customers can deploy our solutions efficiently, serve their markets effectively and grow their business competitively. We are always clear about our offerings and performance claims to customers and have not been subject to any legal claims regarding non-compliance in this area. Our service focus has three priorities: efficiency, responsiveness and quality. In 2016, we made progress in all three areas.

SERVICE EFFICIENCY

In 2016, we implemented several organizational changes to ensure greater efficiencies in our delivery and service. This was a direct response to customer feedback, where supply chain reliability was one of the top two areas highlighted for improvement. The result has been a reduction of delivery lead-time for all forecast and non-forecast orders by half, alongside an increase in the number of complete shipments.

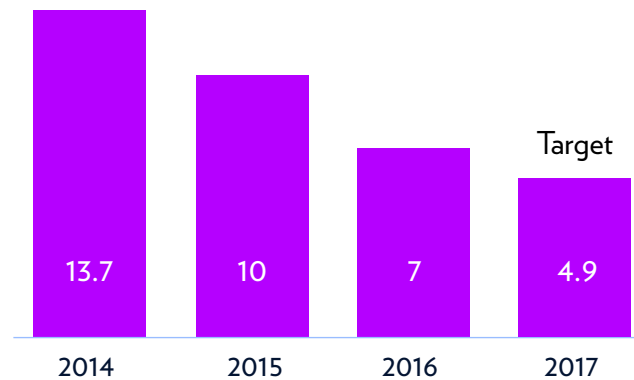
This was achieved with three key changes:

- **Technology:** We leveraged new technology for delivery planning, considering all existing orders, commitments, times, distances and other

customer requirements. We can now confirm to any customer the expected delivery time within 24 hours and, more importantly, meet our commitment.

- **Processes:** We eliminated non-critical processes from all customer planning and delivery decision trees.
- **Integration:** We integrated all planning and delivery decisions into one role, instead of having several decision-points in different parts of the organization.

Delivery time in weeks



In addition, as part of our ongoing efforts to anticipate and proactively address our customers' needs, we have improved service beyond contractual Service Level Agreements for critical network problems. Our results in 2016 represent an all-time service record.

ADDITIONAL CUSTOMER SERVICE RECORD ACHIEVEMENTS IN 2016

- 93% of critical network problems resolved within 2 hours
- 98% of critical network problems resolved within 4 hours
- 95% of critical service requests resolved within 2 weeks

SERVICE RESPONSIVENESS

In 2016, we again surveyed our customers to understand their views about our overall performance their satisfaction and overall needs from ECI. In total in 2016, we received 208 responses including 105 from strategic customers and some via personal interviews. Scores for 2016 showed the same or improved results across all performance and satisfaction measures versus 2014 across all categories.

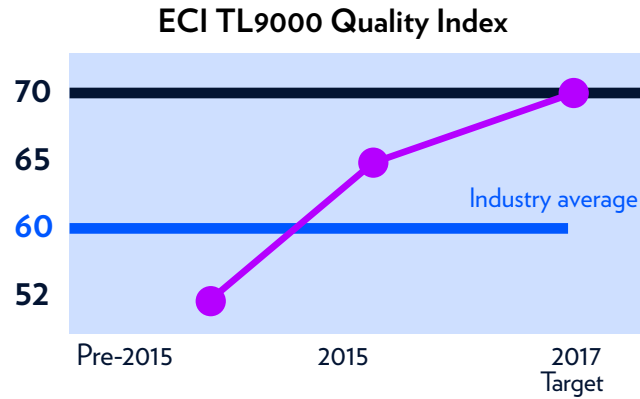
This has resulted ECI maintaining our Customer Loyalty Index (CLI) at the high level of 79%, well above the industry average of 74%.

Customer Feedback by category	2014	2016
Performance	66%	68%
Quality products	66%	68%
Quality service	60%	68%
Value for money	49%	49%
Overall satisfaction	72%	75%
2016 relationship with main contact at ECI	83%	83%

(Data represents the % of customers rating ECI good or excellent.)




SERVICE AND SOLUTIONS QUALITY

In 2016, we continued to invest in improving our procedures to accelerate the time required for products to reach maturity as measured by the TL9000 Quality Management Standard. Our rolling action plan of quality improvements regularly includes more than 20 distinct actions per quarter – these all add up to big leaps in noticeable quality improvements for our customers every year. We remain on track to meet our 2017 target of 70% on the TL9000 Index.



FUTURE FITTING OUR OPERATIONS

IN THIS SECTION:

 <p>MATERIAL PRIORITY</p>	 <p>GRI STANDARD</p>	 <p>GRI DISCLOSURES</p>
<ul style="list-style-type: none"> Engaging and developing employees 	<ul style="list-style-type: none"> GRI 401: Employment GRI 404: Training and Education 	<ul style="list-style-type: none"> 401-1: New employee hires and turnover 404-1: Average hours of training per employee 404-3: Employees receiving performance reviews
<ul style="list-style-type: none"> Employee health, safety and wellbeing 	<ul style="list-style-type: none"> GRI 403: Occupational Health and Safety 	<ul style="list-style-type: none"> 403-2: Types of injury and rates of injury, occupational diseases, lost days, absenteeism, and fatalities
<ul style="list-style-type: none"> Engaging employees to support our communities 	<ul style="list-style-type: none"> GRI 413: Local Communities 	<ul style="list-style-type: none"> 413-1: Operations with local community engagement, impact assessments, and development programs
<ul style="list-style-type: none"> Improving the resource efficiency of our products 	<ul style="list-style-type: none"> GRI 302: Energy 	<ul style="list-style-type: none"> 302-5: Reductions in energy requirements of products and services
<ul style="list-style-type: none"> Reducing our energy consumption 	<ul style="list-style-type: none"> GRI 302: Energy 	<ul style="list-style-type: none"> 302-1: Energy consumption within the organization 302-3: Energy intensity 302-4: Reduction of energy consumption
<ul style="list-style-type: none"> Reducing waste and increasing recycling 	<ul style="list-style-type: none"> GRI 306: Effluents and Waste 	<ul style="list-style-type: none"> 306-2: Waste by type and disposal method
<ul style="list-style-type: none"> Maintaining integrity and ethical conduct 	<ul style="list-style-type: none"> GRI 205: Anti-Corruption 	<ul style="list-style-type: none"> 205-3: Confirmed incidents of corruption and actions taken
<ul style="list-style-type: none"> Upholding human rights 	<ul style="list-style-type: none"> GRI 407: Freedom of Association 	<ul style="list-style-type: none"> 407-1: Operations and suppliers in which the right to freedom of association may be at risk
<ul style="list-style-type: none"> Driving ethical standards throughout our supply chain 	<ul style="list-style-type: none"> GRI 414: Supplier Social Assessment 	<ul style="list-style-type: none"> 414-1: New suppliers that were screened using social criteria

EMPLOYEES – OUR APPROACH

We aim to create a nurturing and supportive, diverse and flexible workplace where each employee is empowered to contribute. We invest in training and development to provide our people with the right skills to do the job. We recognize that supporting social causes is a strong motivator and we encourage our employees to volunteer to support local communities. We believe that a positive workplace drives creativity and innovation and our customers expect no less.

“We are working in three main strategic areas in Human Resources at ECI: training and talent development, employee engagement and developing a culture of innovation. We believe our core values and integrity are a significant factor in our improving employee retention and satisfaction”. Adi Bildner, VP Human Resources.

ENGAGING AND DEVELOPING EMPLOYEES

We maintain a range of development programs for employees at different levels and in different roles. In 2016, we invested an average of 36.8 hours training per participating ECI employee – with a total of 40,000

hours training – a record year for investment in employee development.



In recent years, our training approach has migrated increasingly to self-directed training and independent online study. We have found that this delivery format works well for employees around the world, in different locations and time-zones, enabling them to meet their training and development needs flexibly and effectively. We encourage employees to be proactive and sign up for online learning certifications which help them perform better in their current roles and improve their readiness for new career opportunities that arise.

At the same time, we have developed a new initiative to assist employees in their own career management, enhancing the skills of our managers so that they can support career mapping processes for their

team members and provide meaningful career development guidance. Today, employees have opportunities to learn online, both in-house and with external certification courses and are encouraged to take the long view in developing their own professional growth. Technology is dynamic and we encourage our employees to prepare themselves for changes to come, improving their employability both within ECI and potentially, in the technology market as a whole.

TECHNOLOGY TRAINING PROGRAMS IN 2016

- > 30 different technology courses
- Face-to-face courses and on-line courses in more than 16 technology specialties including: Python, Perl, Java, Spring, Cyber, Data Science, Linux, C++ and more
- Introduction to Information Security course

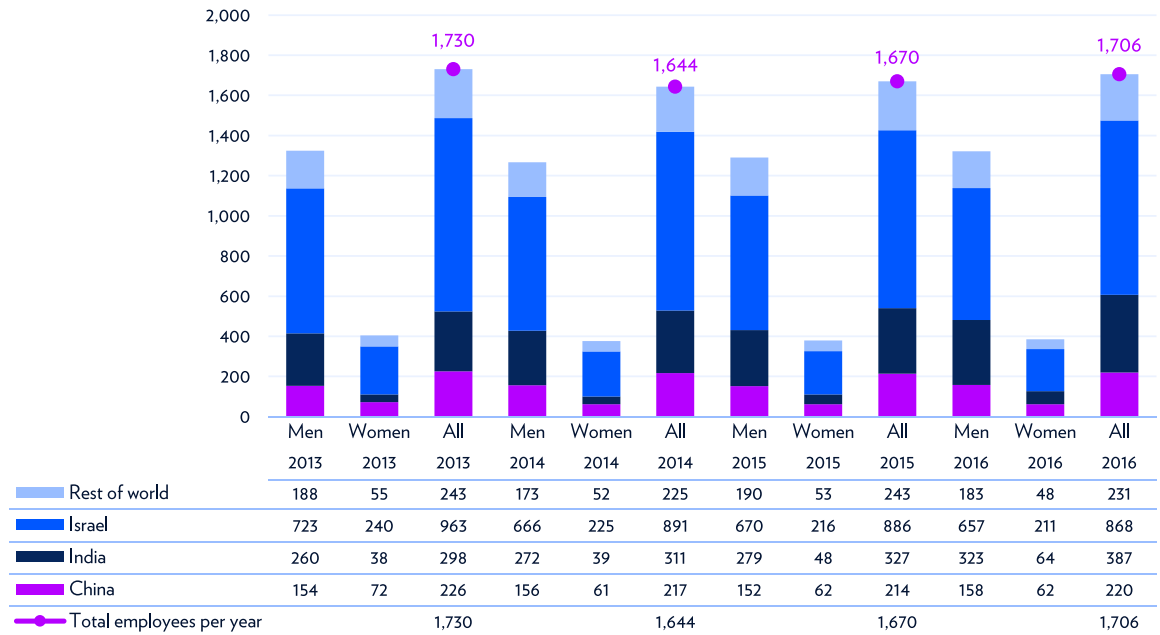
Similarly, we encourage employees to actively seek new positions within ECI and our internal mobility rate is around 30%. Our “i-develop” platform, launched in 2016, provides employees with easy access to all details of their current roles, and all relevant open positions and job requirements.

ECI employees also receive formal performance reviews with their managers on a regular basis. In 2016, 83% of employees received performance reviews.

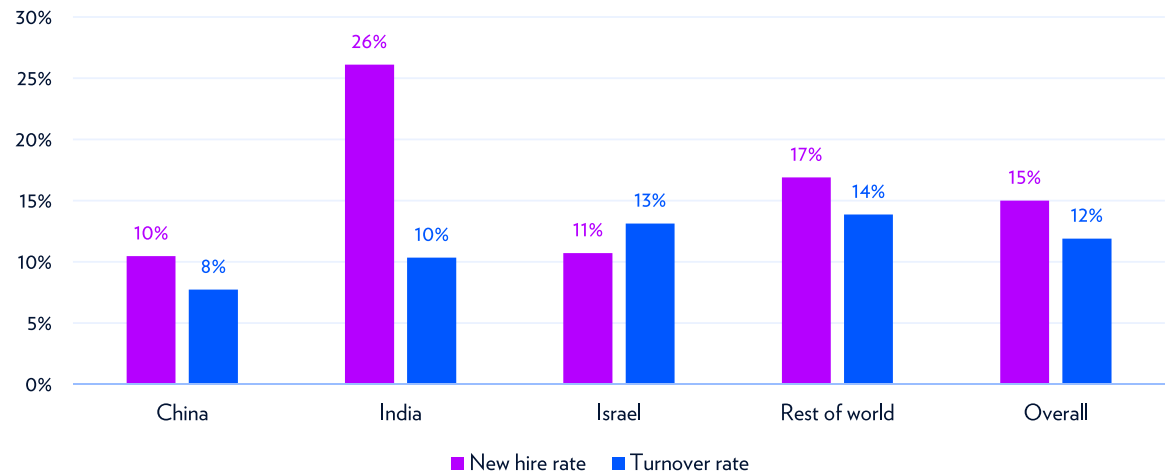


WORKFORCE PROFILE

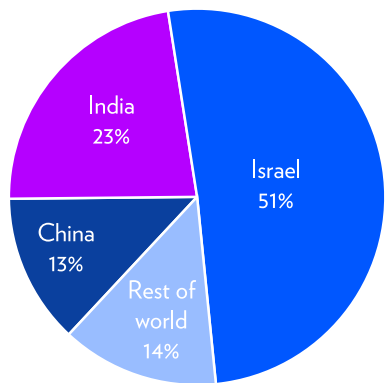
EMPLOYEES BY REGION AND GENDER



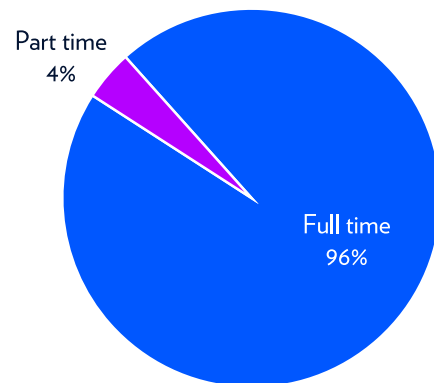
NEW HIRE AND TURNOVER RATES 2016



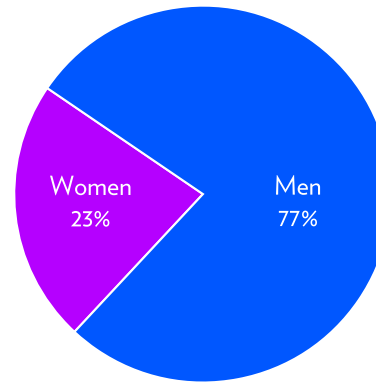
EMPLOYEES BY REGION 2016



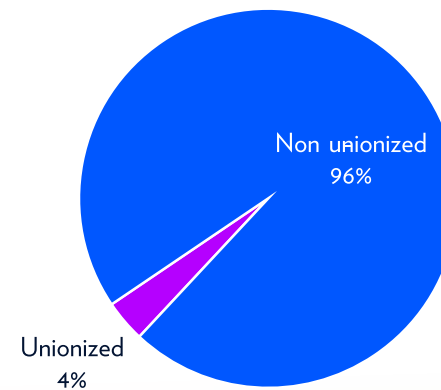
EMPLOYEES BY CONTRACT 2016



EMPLOYEES BY GENDER 2016



UNIONIZED EMPLOYEES 2016



NEW HIRES AND TURNOVER RATE BY REGION, AGE AND GENDER

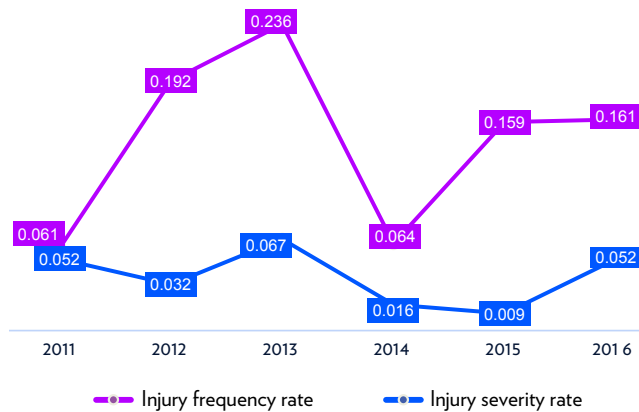
		2015						2016					
		Men <30	Men 30-50	Men >50	Women <30	Women 30-50	Women >50	Men <30	Men 30-50	Men >50	Women <30	Women 30-50	Women >50
CHINA	New hires	14	5	2	2	0	0	19	2	0	2	0	0
	Leavers	7	2	13	4	0	0	10	1	3	3	0	0
	New hire rate	7%	2%	1%	1%	0%	0%	9%	1%	0%	1%	0%	0%
	Turnover	3%	1%	6%	2%	0%	0%	5%	0%	1%	1%	0%	0%
INDIA	New hires	56	9	1	15	0	0	60	21	0	17	3	0
	Leavers	26	27	0	4	1	0	14	20	2	4	0	0
	New hire rate	17%	3%	0%	5%	0%	0%	16%	5%	0%	4%	1%	0%
	Turnover	8%	8%	0%	1%	0%	0%	4%	5%	1%	1%	0%	0%
ISRAEL	New hires	34	39	13	8	16	1	21	38	9	17	7	1
	Leavers	11	51	20	5	27	2	14	47	22	3	27	1
	New hire rate	4%	4%	1%	1%	2%	0%	2%	4%	1%	2%	1%	0%
	Turnover	1%	6%	2%	1%	3%	0%	2%	5%	3%	0%	3%	0%
REST OF WORLD	New hires	1	33	9	0	7	0	3	19	7	4	5	1
	Leavers	0	20	5	3	1	2	0	20	5	1	5	1
	New hire rate	0%	14%	4%	0%	3%	0%	1%	8%	3%	2%	2%	0%
	Turnover	0%	8%	2%	1%	0%	1%	0%	9%	2%	0%	2%	0%
GLOBAL	New hires	105	86	25	25	23	1	103	80	16	40	15	2
	Leavers	44	100	38	16	29	4	38	88	32	11	32	2
	New hire rate	6%	5%	1%	1%	1%	0%	6%	5%	1%	2%	1%	0%
	Turnover	3%	6%	2%	1%	2%	0%	2%	5%	2%	1%	2%	0%

Notes:

- Almost all employees at ECI are hired onto permanent contracts i.e. 99% in 2016.
- ECI employs very few supervised workers – 3% in 2016, mainly in Israel.
- Unionized employees represent the workforce in Israel only.
- There are no significant seasonal variations in the workforce.

EMPLOYEE HEALTH, SAFETY AND WELLBEING

We maintain a safe workplace, comply with applicable safety regulations covering our operations and assess for safety risks and hazards regularly. Our aim is to instill a culture of safe working throughout our organization. Typically, injuries resulting from accidents are minor – slips and falls, falling objects, or outdoor sporting activities - and are in single figures each year. In 2016, we recorded 5 injuries resulting in 73 lost workdays.



Injury rates are recorded per 100 employees in Israel. Road accidents are not included. Operations in India and China recorded zero injuries in 2016. We record zero fatalities for 2016, as in previous years. We are not able to record injury rates by gender.

ABSENTEEISM RATES (ISRAEL ONLY)

	2014	2015	2016
Men	0.030	0.021	0.026
Women	0.048	0.036	0.043
Total	0.035	0.025	0.030

ENGAGING EMPLOYEES TO SUPPORT OUR COMMUNITIES

We believe that supporting our communities is both a privilege and a duty in our role as a responsible business. It also motivates employees and provides them with opportunities to learn new skills.

In Israel, we partner with non-profit organizations to support our local communities with activities that focus on youth education and the development of technology skills. In 2016, 679 employees volunteered 4,981 hours in community activities in the following programs:

- **Coaching school children** in our annual program of adopting local primary school pupils who visit our offices weekly. ECI volunteers help pupils with reading, English and Hebrew studies.
- **Inspiring youth** by providing lessons in technology subjects at a local youth village in partnership with the Different Lesson Association, which matches managers in

companies with the educational needs of youth, to provide inspiration and practical help.

- **Breaking the glass ceiling:** This program is designed to assist young girls from disadvantaged backgrounds and support them up to high school matriculation. The young girls meet with ECI volunteers who help them prepare for mathematics exams.
- **Promoting cyber and computer education** through donations and involvement in activities for students via a non-profit organization called Magshimim.
- **Encouraging students in STEM** by supporting “5x2”, an initiative led by the Ministry of Education aimed at doubling the number of students who complete matriculation in Math, Science and Engineering.
- **Mentoring non-profit organizations:** Since 2010, ECI managers, including 8 senior managers, serve as volunteer mentors for CEOs of non-profit organizations.
- **Helping reduce food waste** by volunteering with Israel’s National Foodbank, Leket Israel, harvesting tons of nutritious food in agricultural fields for those in need. In addition, we distribute food parcels twice a year for 300 families.

10% INCREASE IN EMPLOYEE VOLUNTEER HOURS IN THE COMMUNITY IN 2016



"These are real quotes from seventh-grade pupils at schools in Israel where ECI volunteers regularly visit. For the past 8 years, ECI employees have been delivering lectures in schools and serving as role models for students. This inspires students and fills them with new dreams as well as enriching their knowledge. The pupils look forward to their visits to ECI offices, visiting the laboratories and receiving a warm and generous welcome.

We are thrilled that ECI supports our national program where employee volunteers take on a commitment to work with a teacher to enrich lessons for two hours per week for an entire school year.

ECI volunteers demonstrate a willingness to contribute to Israeli society. We are confident that the pupils gain experiences that stay with them for life."

Dafna Dor, General Manager, "A Different Lesson", non-profit association
www.shiuracher.org/english

IN 2016, WE DONATED OUR CHRISTMAS FUNDS TO COMPUTER AID IN THE NAME OF OUR CUSTOMERS.



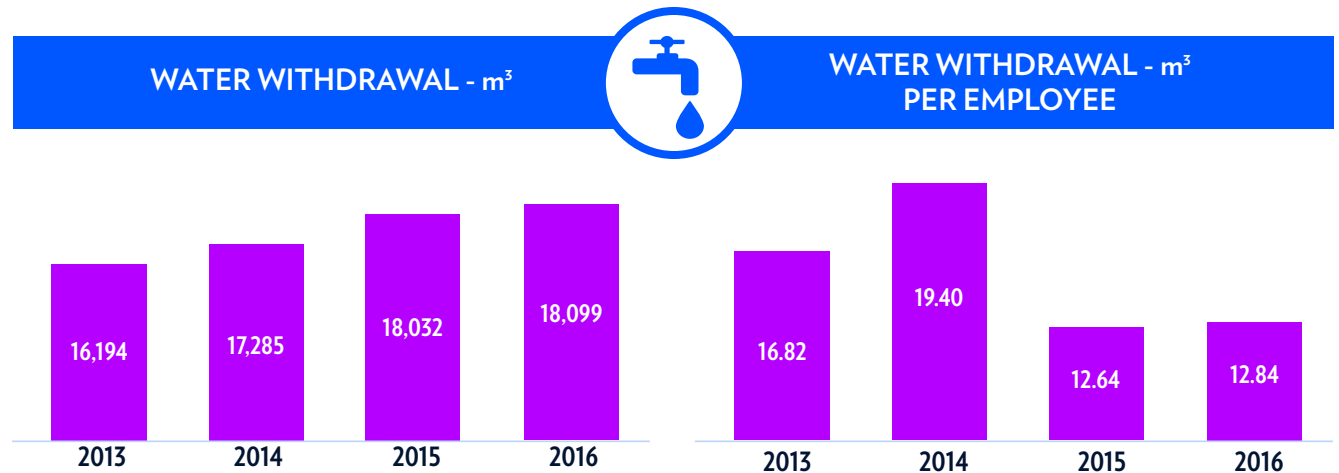
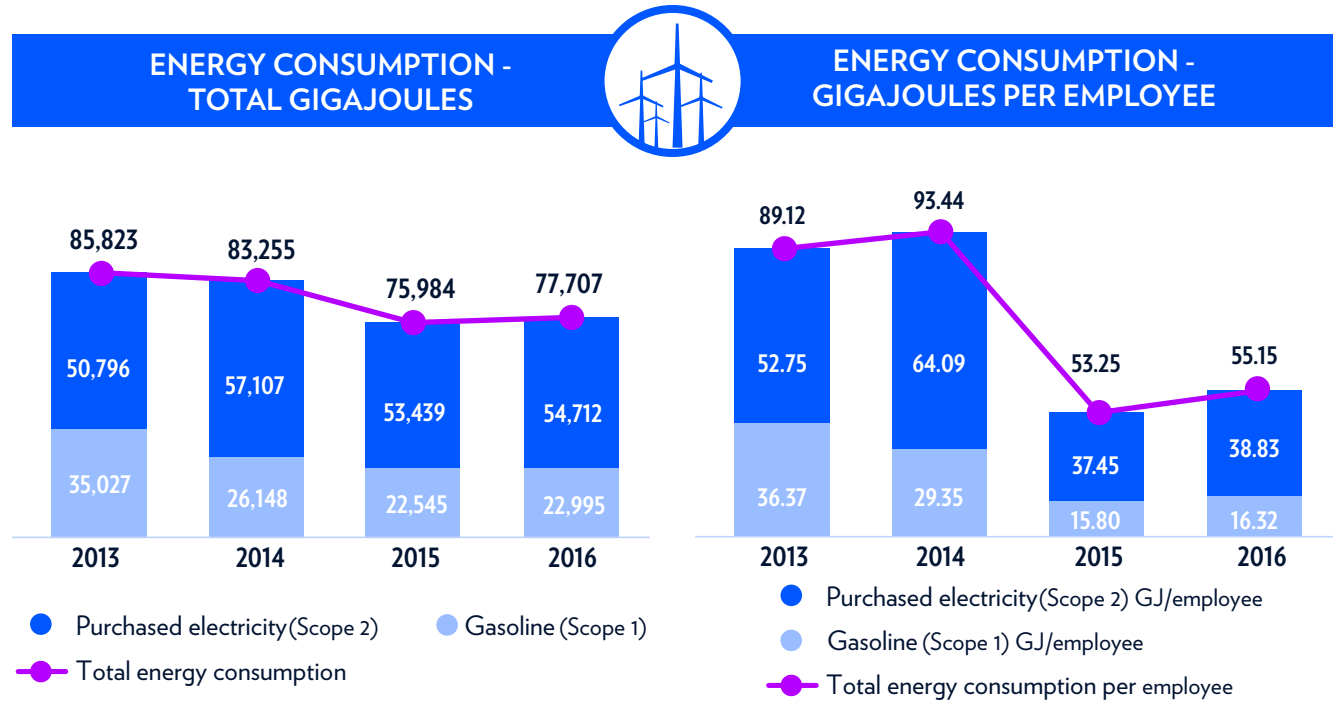
As part of our ongoing theme of enabling a sustainable tomorrow, ECI donated its Christmas funds to support the important work at Computer Aid International. Hundreds of customers received a token of appreciation for the contribution ECI made on their behalf. **THANK YOU!**



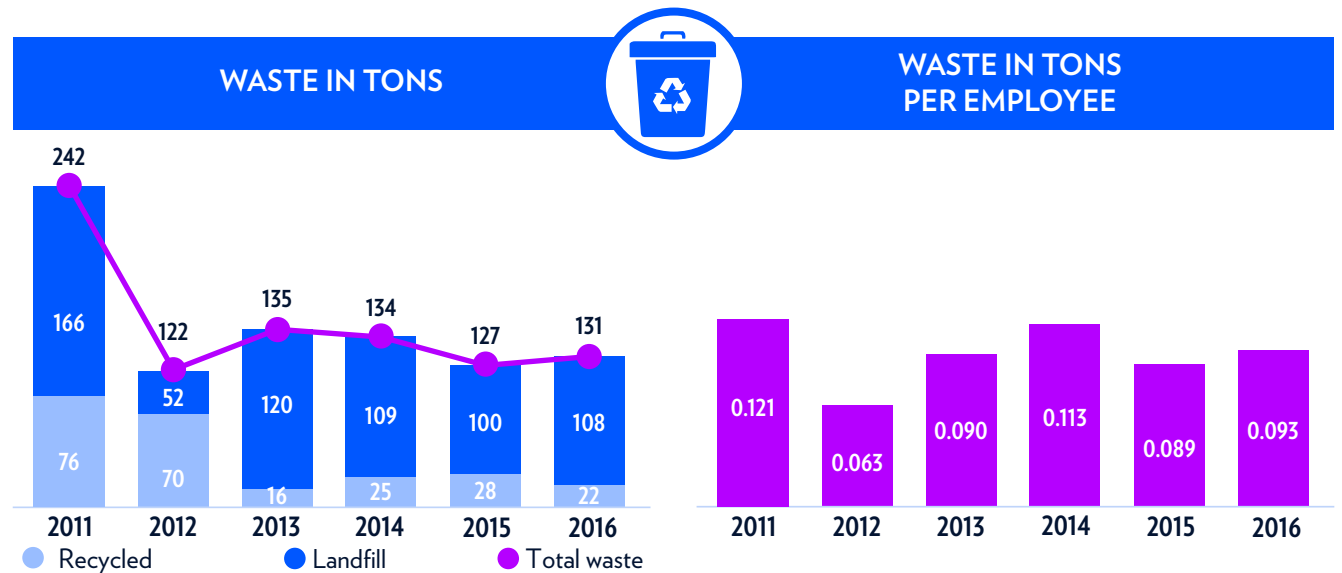
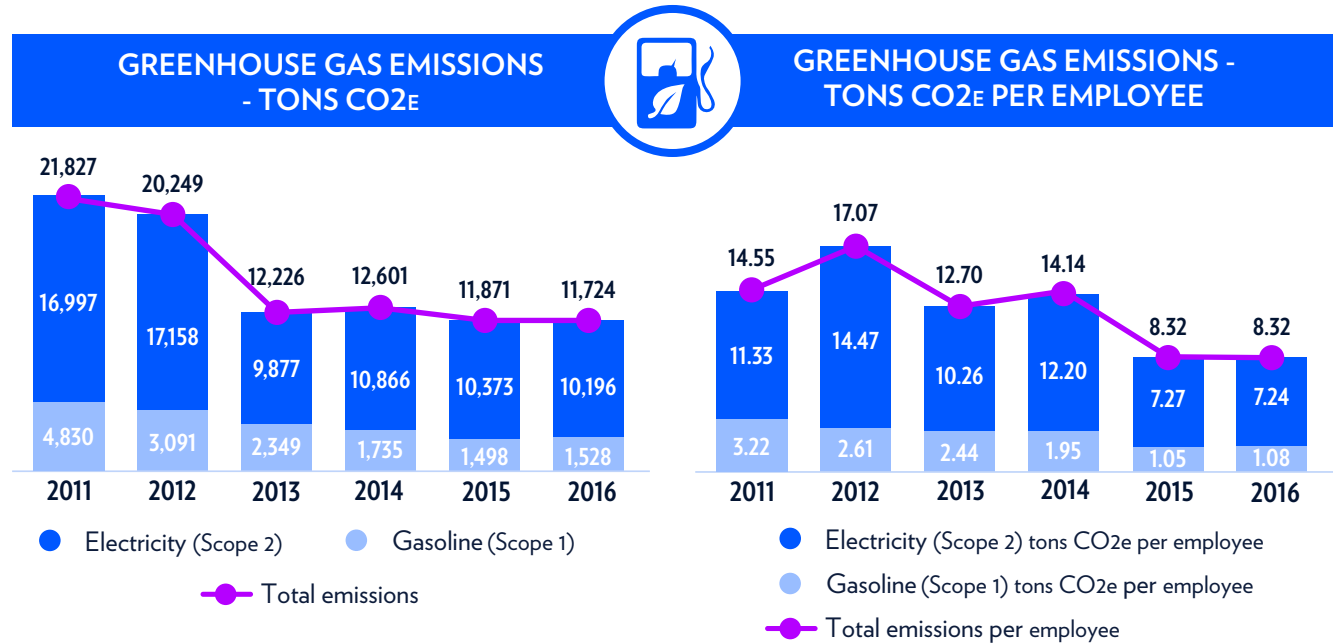
ENVIRONMENTAL EFFICIENCY - OUR APPROACH

We take a proactive approach to risk management relating to climate change and other environmental impacts and perform regular reviews of risks in our operations and supply chain. We continue to drive environmental efficiencies throughout our organization, and in the design of our products for our customers to help them achieve lower carbon footprints. This is important as a significant contribution we can make to global efforts to combat climate change, and to reduce the costs of energy and waste in our business. Over the past several years, we have consistently improved our performance.

ENVIRONMENTAL PERFORMANCE 2013-2016



ENVIRONMENTAL PERFORMANCE 2011-2016

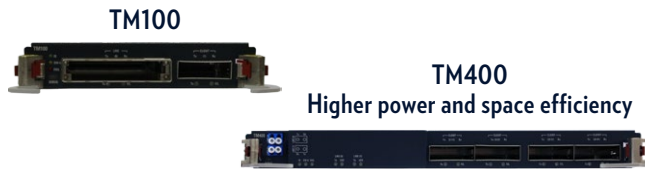


Notes:

- CO₂e emissions for electricity use annual Israel Electric Company conversion factors in Israel and IEA factors in China and India. CO₂e emissions for gasoline use DEFRA conversion factors 2015
- All data prior to 2015 covers Israel only. Data for 2015 – 2016 includes India and China.
- Flights are assumed long-haul and use a factor of 0.000075 ton CO₂e/km (Scope 3, see next section)

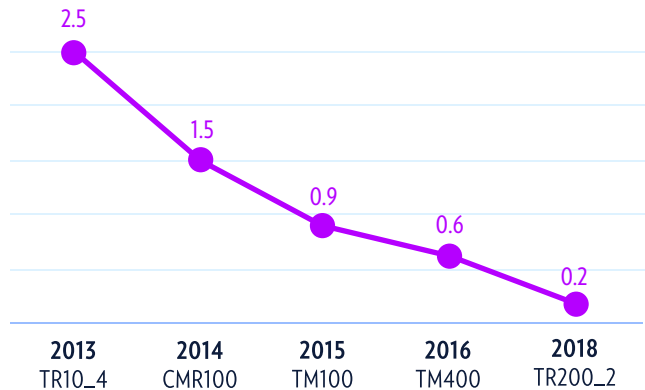
IMPROVING THE RESOURCE EFFICIENCY OF OUR PRODUCTS

Over the years, we have continually exploited every possible technology advancement, adding our own expert design skills, to drive down the resource requirements at our customer locations in the use-phase of our products. Our TM400 Apollo data transport card is 4 times more energy efficient than similar cards were in 2012, and 10 times more space efficient. In 2018, we expect to improve efficiency levels even further with the launch of our new TR200-2 card.



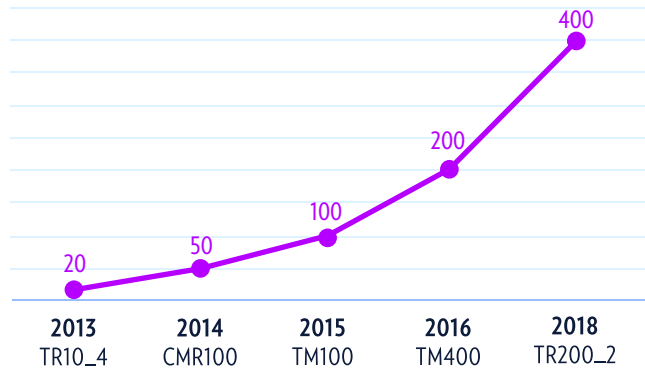
WATTS PER GIGABIT TRANSPORTED

energy efficiency of Apollo optical transport cards



GIGABIT / SECOND PER SLOT

space efficiency of Apollo optical transport cards

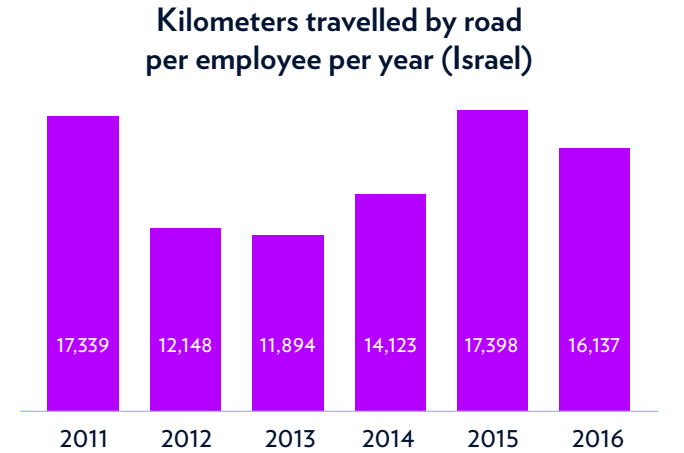


REDUCING OUR ENERGY CONSUMPTION

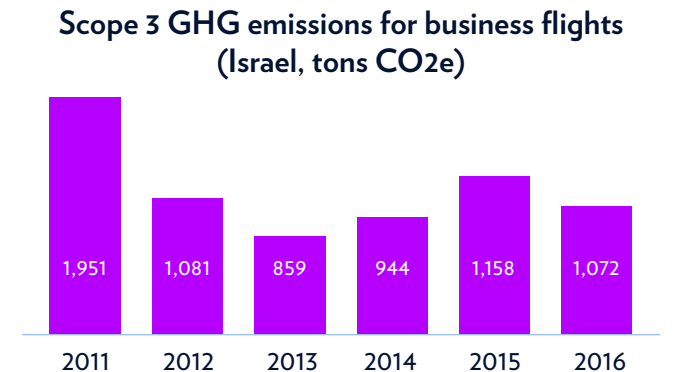
In our own operations, we continue to seek opportunities to reduce our modest footprint. We maintain an ongoing effort to engage employees in efficient practices, supported by investments in new chillers for air-conditioning units and LED lighting throughout our facilities. Similarly, we have reduced gasoline consumption in our company vehicles by two thirds over the past 5 years. Kilometers travelled by road per employee reduced by 7% in 2016. Overall, in 2016, our energy consumption reduced by 194 GJ (0.3%). Since 2011, this amounts to 79,707 GJ, more than our total annual consumption in 2016.

We have also reduced our energy consumption outside the organization through efficiencies in

our logistics and shipments – consolidating more shipments into large packages and reducing the amount of part shipments.



At the same time, we have reduced business travel in our Israel operations from more than 2,600 business flights per year to just 1,504 in 2016. As a result, we have seen a reduction in our Scope 3 (third party) greenhouse gas emissions over the past 5 years of 45% (878 tons CO₂e avoided in 2016).

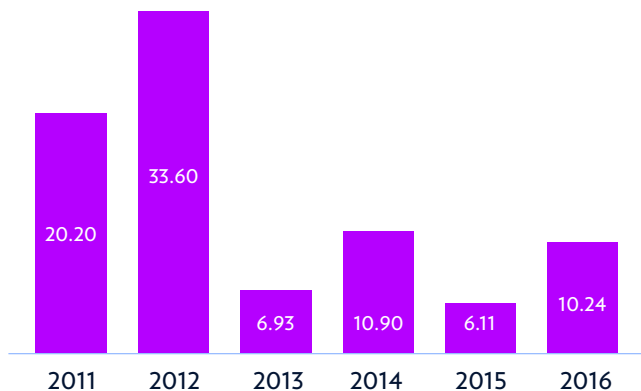


REDUCING WASTE AND INCREASING RECYCLING

We generate a modest amount of non-hazardous waste from our office and logistics operations, largely organic and packaging waste. We minimize waste as far as possible throughout our operations. Where waste is unavoidable, we recycle where we are able. Since our overall waste levels have reduced by 46% since 2011, at just 131 tons of waste in 2016, it remains challenging to increase the proportion of waste recycled. In 2106, this dropped to 17% from 22% in 2015.

Contributing to our reduction in waste has been our focus on reducing paper consumption over the years through educating employees, moving to central printers and enforcing dual-sided copying. As a result, we are now buying half the amount of paper versus five years ago.

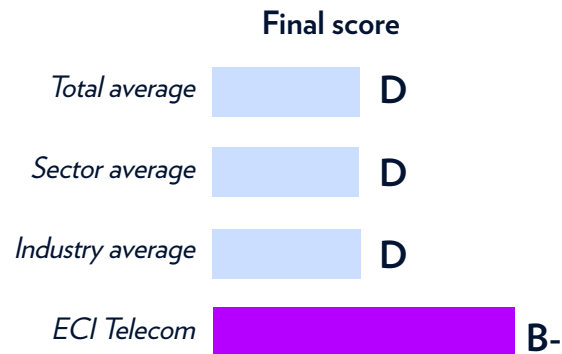
Paper consumption (Israel, tons)



CARBON TRANSPARENCY

We have been submitting our data to the CDP Supply Chain program since 2011. In 2016, we achieved a score of B-, which is the score achieved by 1% of companies responding to CDP and 3% of companies within the Telecommunication Services sector. According to our feedback from CDP, companies scoring B- are within the 15% highest scoring companies and within the 24% highest scoring companies in their sector.

AVERAGE CDP SCORES



CDP is a non-profit organization that advances sustainability disclosure with more than 4,000 companies taking part at a global level.



ETHICAL CONDUCT – OUR APPROACH

We aim to conduct our business with the highest integrity and in line with defined standards of ethical conduct. We aim to comply with laws and regulations wherever we do business. We ensure ECI employees are aware of their responsibility and accountability for ethical conduct in all business transactions and relationships.

MAINTAINING INTEGRITY AND ETHICAL CONDUCT

Our Code of Ethics is a guide to the standards of ethical behavior and legal compliance that we expect from all employees in our business. Employees are trained in our Code of Ethics when joining the company and confirm their agreement. We provide in-depth anti-bribery and anti-corruption guidelines for relevant employees including those in roles deemed high-risk. We participate in the fight against corruption through our participation in an anti-corruption forum led by the Manufacturers Association in Israel. We have not experienced any confirmed incidents of corruption in the reporting year.



**OUR CODE OF
ETHICS IS AVAILABLE IN
7 LANGUAGES**

Our Code of Ethics is available to all employees via our internal portal, and on our corporate website for other stakeholders. Several channels are open to employees to report suspected ethical breaches. We investigate all issues, including those reported anonymously, and encourage employees to speak out without fear of reprisal. Our Ethics Council continues to meet regularly to ensure communications and training in ethical principles, and deal with ethical issues as they arise. During 2016, no suspected breaches of ethical conduct were reported and there were no confirmed incidents of corruption in any part of our business.

UPHOLDING HUMAN RIGHTS

We uphold the principles of human rights in line with the Universal Declaration of Human Rights, which was adopted by the UN General Assembly in 1948 and with our Statement of Commitment to Human Rights available on our website. Both in our core business, and throughout our supply chain, we aim to ensure we are not complicit in any form of human rights violation while positively reinforcing human rights and respect for all individuals as a core corporate value.

In Israel, in 2016, we were given the opportunity to demonstrate our commitment to human rights – specifically the right of our employees to freedom of association and collective bargaining. Employees in our local operations in Israel, seeing a potential threat of migration of roles overseas, made a

request to ECI management to form a union. Job losses in the hi-tech industry to overseas has been widespread in Israel and ECI employees felt the need to secure additional job security for all employees and specifically to guarantee respectful ageing in hi-tech among our longer-serving colleagues.

We understood and recognized this request and immediately agreed to commence negotiations for the first collective agreement in the history of the company. In doing so, we sought opportunities for greater collaboration and positive ways of working together with our employee representatives. The resulting collective agreement included new funds for employee welfare and social events, support for retirees and outplacement services for employees leaving the company. At the end of 2016, 4% of our employees in Israel were covered by the collective bargaining agreement.

DRIVING ETHICAL STANDARDS THROUGHOUT OUR SUPPLY CHAIN

Our supply chain includes research and development centers in Israel and China where we develop our products. All products and components are manufactured by long-term manufacturing partners in Israel and China. We operate from offices around the world to service our customers. We aim to maintain the highest standards of ethics, efficiency and safety in our supply chain, working closely with strategic supply partners to ensure we deliver to meet our customer needs. We view this as a core element of our competitiveness.

SOCIAL RESPONSIBILITY CERTIFICATION



In 2016, we achieved certification to the Israeli Standard SI 10000, a standard modeled on the

global Social Responsibility Standard ISO 26000. This replaces our prior programs and certification to standard SA8000. SI1000 is more rigorous than SA8000, covering social and environmental responsibility.

Fewer than 10 companies in Israel have achieved certification to SI 10000.

SUPPLIER CONDUCT

We drive ethical work practices through our supply chain and encourage our key suppliers to uphold globally accepted standards of human rights in their business practice. Increasingly, we are considering the ethical commitments of suppliers as we make large procurement decisions. We conduct periodical audits for social practices at our two major turnkey manufacturing suppliers in Israel and China, as well as other audits of strategic suppliers and subcontractors from time to time. In 2016, we conducted 6 audits with zero critical findings as well as evaluating 100% of new key suppliers for social practices.

CONFLICT MINERALS

We aim to ensure zero use of conflict minerals in our supply chain and monitor our supply closely. We follow procedures established by the Electronic Industry Citizenship Coalition (EICC) and by the Organization for Economic Cooperation and Development (OECD) for sourcing of metals and

ensure traceability of all metal components. For the past few years, we have requested suppliers to provide the origin of the metals used in the manufacture of products for ECI. To date, 44% of suppliers confirm responsible sourcing of metals.

ABOUT THIS REPORT

This is ECI's sixth annual Sustainability Report covering the role we play in society as a global business, our business activities, and our impact on people, communities and the environment. Data in this report relates to the 2016 calendar year with relevant information and case studies from early 2017. Our last report was published in 2016 covering 2015 performance. The scope of information in this report is all global business operations owned by ECI while performance data mainly refers to our primary operations in Israel, India and China.

This report is written in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards, Core option, the most recent revision of the GRI reporting framework published in 2016. The selection of content for this report was informed by a materiality process conducted in 2013, reconfirmed by our management in 2016 as reflecting the priority

impacts of our business and stakeholder interests. In the preparation of this report, we have considered additional input from our stakeholders gathered throughout the year in our regular interactions with them.

This report was not verified by an independent third party, as our data monitoring and tracking is robust and confirmed through internal audits and quality certifications by third parties. In developing the content of this report, external consultants reviewed information provided with visits to our offices, documentation reviews and several management interviews.

We welcome your feedback, queries and suggestions. Please contact Eynat Rotfeld, CSR Manager, by email at Eynat.Rotfeld@ecitele.com or by telephone: +972-3-926-6507



UN GLOBAL COMPACT

ECI confirmed participation in the United Nations Global Compact (UNGC) in 2002, the first company in Israel to do so. This report includes our annual Communication on Progress (COP).

The table on this page shows the correlation of our GRI disclosures with the UNGC principles.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

	Global Compact Principles	GRI Standards	Our Commitment
1	Businesses should support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none"> Human Rights 	Respecting human rights at ECI is a core value. We conduct our business responsibly in line with the highest ethical standards and respect for all individuals. Read our Commitment to Human Rights: www.ecitele.com/corporate-responsibility . We ensure our suppliers are aware of our standards relating to human rights and encourage them to adopt similar standards.
2	Businesses should make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> Human Rights Local Communities 	
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> Freedom of Association and Collective Bargaining Labor/ Management Relations 	We respect the rights of employees to freedom of association and collective bargaining. We aim to maintain collaborative, open and positive relationship with employees and address issues relating to their rights in a positive manner.
4	Businesses should support the elimination of all forms of forced and compulsory labor.	<ul style="list-style-type: none"> Forced and Compulsory Labor 	We do not engage in any practice which could be construed as forced labor. All ECI employees are employed within the provisions of the law and employment contracts signed by employees of their own free will.
5	Businesses should support the effective abolition of child labor.	<ul style="list-style-type: none"> Child Labor 	We respect and support the rights of all children, and we are committed to preventing harm and actively safeguarding their interests. We do not employ children in any part of our business.
6	Businesses should support the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> Labor Practices and Decent Work 	We maintain a policy of equal opportunity and enjoy a high level of diversity among our workforce around the world. Recruitment and human resources policies are designed to nurture inclusive practices for new and current employees in all matters relating to their employment with ECI.
7	Businesses should support a precautionary approach to environmental challenges.	<ul style="list-style-type: none"> Environment 	
8	Businesses should undertake initiatives to promote greater environmental responsibility.	<ul style="list-style-type: none"> Environment 	
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> Environment 	ECI provides customers worldwide with network telecom infrastructure that enables them to address current and future business challenges, and in doing so, consider environmental impacts through the use of environmentally-friendly technology and technology-driven infrastructure.
10	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> Anti-Corruption Public Policy 	We are committed to behaving with integrity and act against all forms of corruption.

GRI CONTENT INDEX: GENERAL DISCLOSURES

GRI Standard	Disclosure	Page reference or response	Omission	
GRI 102: General Disclosures 2016	102-1	Name of the organization	4	
	102-2	Activities, products, and services	4	
	102-3	Location of headquarters	4	
	102-4	Location of operations	4	
	102-5	Ownership and legal form	4	
	102-6	Markets served	4	
	102-7	Scale of the organization	4, 7	As a private company, we do not disclose details of revenues or market capitalization.
	102-8	Information on employees	7	
	102-9	Supply chain	29	
	102-10	Significant changes	No significant changes	
	102-11	Precautionary Principle	24	
	102-12	External initiatives	CDP 27 SI 1000 29	
	102-13	Membership of associations	UNGC, 31 MAALA, 5	
	102-14	Statement from senior manager	3	
	102-16	Values, principles, standards	4	
	102-18	Governance structure	4	
	102-40	List of stakeholder groups	9	
	102-41	Collective bargaining agreements	28	

GRI Standard	Disclosure	Page reference or response	Omission	
GRI 102: General Disclosures 2016	102-42	Identifying and selecting stakeholders	9	
	102-43	Stakeholder engagement	9	
	102-44	Key topics and concerns raised	9	
	102-45	Entities included	4	
	102-46	Report content and topic Boundaries	30	
	102-47	List of material topics	8	
	102-48	Restatements of information	Water disclosure 303-1 page: 24	
	102-49	Changes in reporting	No changes to material topics or reporting boundaries	
	102-50	Reporting period	30	
	102-51	Date of most recent report	30	
	102-52	Reporting cycle	30	
	102-53	Contact point	30	
	102-54	Reporting in accordance with the GRI Standards	30	
	102-55	GRI content index	32	
	102-56	External assurance	30	

GRI CONTENT INDEX: MATERIAL DISCLOSURES

Material priority	GRI Standard	Management approach page	Specific GRI Disclosures	Page	Omissions
Meeting and anticipating customer needs	GRI 203: Indirect economic impacts 2016	101-1-3: 10	203-2: Significant indirect economic impacts	11-14	
Partnering to deliver the best technology					
Providing outstanding customer service	GRI 417: Marketing and labeling 2016	101-1-3: 15	417-3: Non-compliance marketing communications	15	
Engaging and developing employees	GRI 401: Employment	101-1-3: 18	401-1: New employee hires and turnover	21	
	GRI 404: Training and Education	101-1-3: 18	404-1: Average hours of training per employee	18	
404-3: Employees receiving performance reviews			18		
Employee health, safety and wellbeing	GRI 403: Occupational Health and Safety	101-1-3: 22	403-2: Types of injury and rates of injury, occupational diseases, lost days, absenteeism, and fatalities	22	Injuries by gender not available. Absenteeism is recorded for Israel only.
Engaging employees to support our communities	GRI 413: Local Communities	101-1-3: 22	413-1: Operations with local community engagement, impact assessments, and development programs	22-23	
Improving the resource efficiency of our products	GRI 302: Energy	101-1-3: 24	302-5: Reductions in energy requirements of products and services	24	

Material priority	GRI Standard	Management approach page	Specific GRI Disclosures	Page	Omissions
Reducing our energy consumption	GRI 302: Energy	101-1-3: 24	302-1: Energy consumption within the organization	24	
			302-3: Energy intensity	24	
			302-4: Reduction of energy consumption	26	
	GRI 305: Emissions	(not material)	305-1: Direct (Scope 1) GHG emissions	25	
			305-2: Energy indirect (Scope 2) GHG emissions	25	
			305-4: GHG emissions intensity	25	
GRI 303: Water	(not material)	303-1: Water withdrawal by source	24		
Reducing waste and increasing recycling	GRI 306: Effluents and Waste	101-1-3: 24	306-2: Waste by type and disposal method	25	
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ABOUT ECI

ECI is a global provider of ELASTIC network solutions to CSPs, utilities as well as data center operators. Along with its long-standing, industry-proven packet-optical transport, ECI offers a variety of SDN/NFV applications, end-to-end network management, a comprehensive cyber security solution, and a range of professional services. ECI's ELASTIC solutions ensure open, future-proof, and secure communications. With ECI, customers have the luxury of choosing a network that can be tailor-made to their needs today - while being flexible enough to evolve with the changing needs of tomorrow. For more information, visit us at www.ecitele.com