

**Bank Hapoalim B.M.
Annual Periodic Report
2017**

Annual Periodic Report for 2017

Bank Hapoalim B.M.

Company Number (Registrar) : 520000118

Address : 50 Rothschild Blvd., Tel Aviv, Israel

Telephone No. : +972-3-714-4669

Fax No. : +972-3-714-5424

Balance Sheet Date : December 31, 2017

Report Date : March 26, 2018

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Standard 9: Financial Statements

The audited annual financial statements, with the attached Auditors' Review, are enclosed and constitute an integral part of this report.

Standard 10C

None.

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Standard 11: List of investments in subsidiaries and equity-basis investees as at the date of the report on financial position

A. In shares and convertible securities

Company	Share type			Number of shares	Total par value	Balance-sheet value (in NIS m.)	Holding rate			In authority to appoint directors
	Share	Par value per share	Currency				In securities	In capital	In voting	
Avuka Hevra Lehashkaot. Ltd.	Ordinary shares	0.001	NIS	5,000	5		100%	100%	100%	100%
Agam Hevra Finansit Ltd.	Ordinary shares	1	NIS	1,250,000	1,250,000	3	100%	100%	100%	100%
Igarot Hevra Lehanpakot shel Bank Hapoalim Ltd.	Ordinary shares	0.0001	NIS	1,000,000,000	100,000	6	100%	100%	100%	100%
Opaz Ltd.	Ordinary shares	0.01	NIS	1,000,770	10,007.7	379	100%	100%	100%	100%
AMI Trustees Ltd.								100%	100%	100%
BAMI Nechasim Ltd.								100%	100%	100%
BHI Investment Advisors Asia								100%	100%	100%
BHI Global Investment Advisors (Israel) Ltd.								100%	100%	100%
BHI – USA Holdings Inc.								100%	100%	100%
Bitzur Ltd.	Ordinary shares	0.0005	NIS	69,640,000	34,820	(169)	100%	100%	100%	100%
Bitan Investments and Mortgages Co. Ltd.	Ordinary shares	0.001	NIS	5,999,979	5,999.979		100%	100%	100%	100%
Bank Hapoalim (Luxembourg) S.A.	Ordinary shares	100	USD	999,900	99,990,000	203	100%	100%	100%	100%
Bank Hapoalim (Switzerland) Ltd.	Founding shares	100	CHF	650,000	65,000,000	862	100%	100%	100%	100%
Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.						215		70%	70%	70%
Gadid Poalim	Ordinary shares	1	NIS	1,500,000	1,500,000	1	100%	100%	100%	100%
Global Factoring Ltd.								100%	100%	100%
Diur B.P. Ltd.						604		100%	100%	100%
Diur B.P. Investments (1992) Ltd.								100%	100%	100%
Diur B.P. Properties (1993) Ltd.								100%	100%	100%
The Administration of the Kibbutzim Agreement Ltd.	Ordinary shares	1	NIS	3	3		38%	38%	38%	38%
Hapoalim (Latin America) S.A.						7		100%	100%	100%
Hapoalim (Cayman) Ltd.	Common	1	USD	13,579,143	13,579,143	40	100%	100%	100%	100%
Hapoalim International N.V.	Common	1,000	USD	250	250,000	11	100%	100%	100%	100%

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Standard 11: List of investments in subsidiaries and equity-basis investees as at the date of the report on financial position (cont.)

A. In shares and convertible securities (cont.)

Company	Share type			Number of shares	Total par value	Balance-sheet value (in NIS m.)	Holding rate			In authority to appoint directors
	Share	Par value per share	Currency				In securities	In capital	In voting	
Hapoalim American Israeli Ltd.	Ordinary shares	0.001	NIS	93,076,887	93,076.887	109	100%	100%	100%	100%
Hapoalim Hanpakot Ltd.	Ordinary shares	1	NIS	18,150,006	18,150,006	41	100%	100%	100%	100%
Hapoalim Nechasim (Menayot) Ltd.						1,257		100%	100%	100%
Hapoalim Securities U.S.A. Inc.						69		100%	100%	100%
Zohar Hashemesh Lehashkaot Ltd.	Ordinary shares	0.0001	NIS	19,999	1.9999	811	100%	100%	100%	100%
Nominees Company of Bank Hapoalim Ltd.	Ordinary shares	0.01	NIS	100,000	1,000		100%	100%	100%	100%
Hevrat Nemanut Aseret Alafim Veachat Ltd.								100%	100%	100%
Hevrat Nemanut Aseret Alafim Veshtaim Ltd.								100%	100%	100%
Hanyon Allenby 115 Tel-Aviv Ltd.	Ordinary shares	0.001	NIS	42	0.042		42%	42%	42%	42%
Chatzron Hevra Lehashkaot Ltd.								33%	33%	33%
Trinel Trading And Investment Ltd.								100%	100%	100%
Europay (Eurocard) Israel Ltd.								100%	100%	100%
Yefet Nominees Ltd.								100%	100%	100%
Isracard (Nechasim) 1994 Ltd.								100%	100%	100%
Isracard Ltd.	Ordinary shares	0.0001	NIS	721,925	72.1925	2,643	98%	98%	99%	99%
Isracard Ltd.	Special shares	0.0001	NIS	1	0.0001		100%	98%	99%	99%
Isracard Mimun Ltd.								100%	100%	100%
Mivnim Vetsiud Ltd.	Ordinary shares	0.1	NIS	95	9.5		95%	100%	100%	100%
May-Oz Ltd.						19		100%	100%	100%
Bank Clearing Center Ltd.	Ordinary shares	0.001	NIS	6,250,000	6,250	24	25%	25%	25%	25%
C Bilisim Teknojileri								100%	100%	100%
Maritime Trust Services Ltd.	Ordinary shares	1	NIS	30,000	30,000		100%	100%	100%	100%
Alzur Property Development Company Ltd.	Ordinary shares	0.0001	NIS	100,000	10		100%	100%	100%	100%
PAM Holdings Ltd.						105		100%	100%	100%
Poalim - Financial Holdings (1993) Ltd.	Ordinary shares	1	NIS	3,070	3,070	6	100%	100%	100%	100%
Poalim Ofakim Ltd.								100%	100%	100%

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Standard 11: List of investments in subsidiaries and equity-basis investees as at the date of the report on financial position (cont.)

A. In shares and convertible securities (cont.)

Company	Share type			Number of shares	Total par value	Balance-sheet value (in NIS m.)	Holding rate			In authority to appoint directors
	Share	Par value per share	Currency				In securities	In capital	In voting	
Poalim Asset Management (Ireland) Ltd.								100%	100%	100%
Poalim Asset Management (UK) Ltd.								100%	100%	100%
Poalim Express Ltd.	Ordinary shares	1	NIS	139,326	139,326	416	100%	100%	100%	100%
Poalim Betevuna Ltd.	Ordinary shares	1	NIS	10,000	10,000	(14)	100%	100%	100%	100%
Poalim Delta Fund L.P.								99%	99%	99%
Poalim Ventures - Fund Management Ltd.								100%	100%	100%
Poalim Ventures I Ltd.								54%	54%	100%
Poalim Ventures II L.P.								0%	0%	100%
Poalim Ventures Ltd.								100%	100%	100%
Poalim Venture Services Israel Ltd.						4		100%	100%	100%
Poalim Mortgages Insurance Agency (2005) Ltd.						18		100%	100%	100%
Poalim Sahar Ltd.	Ordinary shares	1	NIS	16,108	16,108	315	100%	100%	100%	100%
Poalim Capital Markets - Investment House Ltd.	Ordinary shares	1	NIS	40,021	40,021	777	0%	100%	100%	100%
Poalim Capital Markets Ltd.								100%	100%	100%
Poalim Capital Markets - Financial Applications & Research Ltd.								100%	100%	100%
Poalim Capital Markets & Investments - Holdings Ltd.	A ordinary shares	0.0001	NIS	183,613	18.3613		5%	100%	100%	100%
Poalim Capital Markets & Investments - Holdings Ltd.	B ordinary shares	0.0001	NIS	280,695	28.0695		5%	100%	100%	100%
Poalim Trust Services Ltd.	Ordinary shares	1	NIS	200,005	200,005	32	100%	100%	100%	100%
Poalit Ltd.	Ordinary shares	0.0001	NIS	129,050,000	12,905		100%	100%	100%	100%
PCM Hudson Holdings LLC								100%	100%	100%
PCM Hudson Management Company Holdings L.P.								100%	100%	100%
Pimar Hevro Lebinyan Vepitooah Ltd.								26%	50%	50%
Peilim - Portfolio Management Company Ltd.	Ordinary shares	1	NIS	50,000	50,000	147	100%	100%	100%	100%
Peilim - Portfolio Management Company Ltd.	0.001 ordinary shares	0.001	NIS	5,000	5		100%	100%	100%	100%
Pekaot Poalim Ltd.	Ordinary shares	100	NIS	370,214	37,021,400	295	100%	100%	100%	100%
Praesidian								100%	100%	100%

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Standard 11: List of investments in subsidiaries and equity-basis investees as at the date of the report on financial position (cont.)

A. In shares and convertible securities (cont.)

Company	Share type			Number of shares	Total par value	Balance-sheet value (in NIS m.)	Holding rate			In authority to appoint directors
	Share	Par value per share	Currency				In securities	In capital	In voting	
Tzadit Ltd.	Ordinary shares	0.0001	NIS	1	0.0001		0%	100%	100%	100%
Tzameret Mimunim Ltd.								100%	100%	100%
K.B.G Energy Systems Ltd.								100%	100%	100%
Continental Poalim Ltd.	Ordinary shares	0.0001	NIS	58,351,356,355	5,835,135.636	527	100%	100%	100%	100%
Continental Poalim Ltd.	A management shares	0.0001	NIS	20	0.002		100%	100%	100%	100%
Continental Poalim Ltd.	B management shares	0.0001	NIS	20	0.002		100%	100%	100%	100%
Revadim (Nechasim) Ltd.	Ordinary shares	0.0001	NIS	20,000	2		100%	100%	100%	100%
Ramchal Poalim Ltd.	Ordinary shares	0.0001	NIS	32	0.0032		100%	100%	100%	100%
Sure-Ha International Ltd.	Ordinary shares	0.0001	USD	1	1	278	0%	100%	100%	100%
Automatic Bank Services Ltd.	Ordinary shares	0.0001	NIS	13,800,000	1,380	99	35%	34%	34%	34%
Tot Tiyur Vetiylul Ltd.								0%	100%	100%
Tmura Hevra Finansit Ltd.	Ordinary shares	0.0001	NIS	5,009,997	500.9997		100%	100%	100%	100%
Teuda Hevra Finansit Ltd.	Ordinary shares	0.0001	NIS	60,000,000	6,000	216	100%	100%	100%	100%
Teus Development Areas Ltd.								91%	100%	100%
Tarshish Hapoalim Holdings and Investments Ltd.	Ordinary shares	0.0001	NIS	4,420	0.442	4,729	100%	100%	100%	100%

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Standard 11: List of investments in subsidiaries and equity-basis investees as at the date of the report on financial position (cont.)

B. In bonds and capital notes

<u>Company</u>	<u>Linkage terms</u>	<u>Balance sheet balance</u>	<u>Interest rate</u>	<u>Final maturity date</u>
		<u>NIS millions</u>	<u>%</u>	
Bitzur Ltd.	Unlinked	200	-	No maturity date
Zohar Hashemesh Lehashkaot Ltd.	Unlinked	850	-	No maturity date
Poalim Betevuna Ltd.	Unlinked	29	-	No maturity date
Teuda Hevra Finansit Ltd.	Unlinked	286	-	No maturity date
Poalim Sahar	Unlinked	250	-	No maturity date

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Standard 11: List of investments in subsidiaries and equity-basis investees as at the date of the report on financial position (cont.)

C. Balance of loans as at December 31, 2017

Company	Balance of loans as at Dec. 31, 2017	Interest rate of unlinked loans	Interest rate of foreign- currency loans	Interest rate of CPI-linked loans	Interest rate of foreign- currency- linked loans	Final maturity date
	NIS millions	%	%	%	%	
Bitzur Ltd.	200					No maturity date
Banque Hapoalim (Luxembourg) Ltd..	515		2.49-10.52			2022
Global Factoring Ltd.	13					No maturity date
Zohar Hashemesh Lehashkaot Ltd.	850					No maturity date
Hanyon Allenby 115 Tel-Aviv Ltd.	17					No maturity date
Isracard Ltd.	2,621					No maturity date
Poalim Express	3					No maturity date
Poalim Betevuna Ltd.	29					No maturity date
Poalim Sahar Ltd.	250					No maturity date
Poalit Ltd.	16					No maturity date
Teuda Hevra Finansit Ltd.	286					No maturity date

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Standard 11: List of investments in subsidiaries and equity-basis investees as at the date of the report on financial position (cont.)

D. List of inactive companies

BHI Investment Advisors Asia	In voluntary liquidation
Hasneh Israel Insurance Company Ltd.	
Hapoalim Holdings (Latin America) Ltd.	In voluntary liquidation
Hapoalim Sheirutei Nihul (Latin America) Ltd.	
Hevra Lepitouh Ashkelon Barnea Ltd.	
The Rest Village Ashkelon Ltd.	In voluntary liquidation
Hevrat Nemanut Aseret Alafim Veachat Ltd.	
Hevrat Nemanut Aseret Alafim Veshtaim Lavan Ltd.	
Teus Trust Company Ltd.	In voluntary liquidation
Hevrat Odar Ltd.	
Matai Ramatim Ltd.	
Poalim Ventures I Ltd.	In voluntary liquidation
Poalim Ventures II L.P.	In voluntary liquidation
Pimar Hevro Lebinyan Vepitooah Ltd.	
Kamur Finance and Investments Ltd.	
Karkaot Beguosim 7123 7124 7128 Ltd.	
Rotesa Ltd.	In voluntary liquidation
Tot Tiyyur Vetiyul Ltd.	In voluntary liquidation
Teus Development Areas Industrialization Ltd.	In voluntary liquidation

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Standard 12: Changes in the Bank's investments in subsidiaries and equity-basis investees during the reported period

<u>Company</u>	<u>Type of share</u>		<u>Currency</u>	<u>Date of change</u>	<u>Nature of change</u>	<u>Total par value</u>	<u>Cost</u>
	<u>Share</u>	<u>Par value per share</u>					

None.

Companies liquidated or erased from the Registrar of Companies during the year

Maritime Nechasim Ltd.

Pardes A.D.S Ltd.

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Standard 13: Income of subsidiaries and related companies and the Bank's income from such companies as at the balance sheet date*

Company	Profit (loss) reported by the company		Bank income		
	Profit (loss) reported by the company	Accumulated other comprehensive income (loss)	Interest	Management fees	Dividend
	NIS millions				
Bitzur Ltd.	16				
Bitan Investments and Mortgages Co. Ltd.	7				
Bank Hapoalim (Switzerland) Ltd.	(374)	(73)	2	2	
Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.	4	5	1	7	
Global Factoring Ltd.	9				
Diur B.P. Ltd.	17				
Hapoalim (Latin America) S.A.	(13)				
Hapoalim (Cayman) Ltd.	(12)				
Hapoalim American Israeli Ltd.	9				
Hapoalim Nechasim (Menayot) Ltd.	20	61			
Hapoalim Securities U.S.A. Inc.	(9)				
Zohar Hashemesh Lehashkaot Ltd.	10	8			
Nominees Company of Bank Hapoalim Ltd.				11	
Isracard (Nechasim) 1994 Ltd.	9				
Isracard Ltd.	174	(8)	15	230	226
Isracard Mimun Ltd.	70				
May-Oz Ltd.	8				
Bank Clearing Center Ltd.	1				
Maritime Trust Services Ltd.		1			
Alzur Property Development Company Ltd.	2				
Poalim Asset Management (UK) Ltd.	(10)				
Poalim Express Ltd.	47			52	10
Poalim Betevuna Ltd.	(10)				
Poalim Ventures I Ltd.	1				
Poalim Ventures Ltd.	35				
Poalim Mortgages Insurance Agency (2005) Ltd.	18				
Poalim Sahar Ltd.	7				
Poalim Capital Markets - Investment House Ltd.	18				
Poalim Capital Markets Ltd.	1				
Poalim Capital Markets (Euro) Ltd.	(12)				
Poalim Capital Markets & Investments - Holdings Ltd.	37				
Poalit Ltd.	3				

* Companies that had no profits (losses) during the accounting period, and from which the Bank derived no income during the accounting period, were not included in this list.

Subsidiaries overseas – in local currency translated based on the exchange rate as at December 31, 2017.

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Standard 13: Income of subsidiaries and related companies and the Bank's income from such companies as at the balance sheet date* (cont.)

Company	Profit (loss) reported by the company		Bank income		
	Profit (loss) reported by the company	Accumulated other comprehensive income (loss)	Interest	Management fees	Dividend
	NIS millions				
PCM Hudson Holdings LLC	(2)				
Peilim - Portfolio Management Company Ltd.	26				
Tzadit Ltd.	2				
Tzameret Mimunim Ltd.	8				
Continental Poalim Ltd.	1				
Revadim (Nechasim) Ltd.	72				
Ramchal Poalim Ltd.	4				
Sure-Ha International Ltd.	6				
Automatic Bank Services Ltd.	5				1
Teuda Hevra Finansit Ltd.	1				
Tarshish Hapoalim Holdings and Investments Ltd.	5	(23)			

* Companies that had no profits (losses) during the accounting period, and from which the Bank derived no income during the accounting period, were not included in this list.

Companies overseas – in local currency translated based on the exchange rate as at December 31, 2017.

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Standard 14: List of groups of balances of loans granted as at the date of the report on financial position, if loan granting was one of the corporation's main activities

The list is included in Note 29D to the Financial Statements.

Standard 20: Trading on the stock exchange – securities listed for trading – dates and reasons for halt of trading

No halts in trading in the Bank's shares were recorded in 2017.

Standard 21: Remuneration of interested parties and senior officers

Details regarding the salaries and benefits of the recipients of the highest wages among the officers at the Bank Group are included in the Corporate Governance Report, page 407.

Remuneration paid to directors, with the exception of the outgoing Chairman of the Board, not exceeding commonly accepted levels, paid pursuant to Regulations 4 and 5 of the Companies Regulations (Rules Concerning Remuneration and Expenses for External Directors), 2000, amounted to a total of approximately NIS 8,615 thousand in 2017.

Standard 21A: Control of the corporation

Details regarding the control of the Bank are included in the Report of the Board of Directors and Board of Management, page 53.

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Standard 22: Transactions with controlling shareholders

For additional details regarding transactions with controlling shareholders, including the standards established by the Audit Committee regarding the approval and reporting of interested-party transactions of the Bank, see Section 6.7 of the Corporate Governance Report and Note 33 to the Financial Statements.

1. Transactions listed in Article 270(4) of the Companies Law –

Set out below are details of all transactions with the controlling shareholder of the Bank, or in which the controlling shareholder of the Bank has a personal interest, in which the Bank, companies under the control of the Bank, or related companies of the Bank contracted in the reported year, or at a date later than the end of the reported year, until the date of publication of this report, or still in effect at the date of the report, and listed in Article 270(4) of the Companies Law.

A. Exemption for officers

On February 18, 2016, the general meeting of shareholders of the Bank, following the approval of the Remuneration Committee (in its meetings of January 7 and 10, 2016), and the Board of Directors of the Bank (in its meeting of January 13, 2016), approved the granting of letters of exemption to the officers and directors of the Bank serving and/or who may serve from time to time at the Bank, including the CEO of the Bank, serving and/or who may serve from time to time, and including the officers and directors of the Bank, serving and/or who may serve from time to time, in the granting of letters of exemption to whom the controlling shareholder of the Bank may be considered to have a personal interest. Pursuant to the letters of exemption, the Bank exempts the officer, subject to the provisions of the Companies Law, from responsibility towards the Bank due to any damage to the Bank and/or to subsidiaries of the Bank and/or to related companies of the Bank and/or to any other corporations in which the Bank holds securities, and/or may hold securities from time to time, caused by a past or future action or inaction of the officer during the term of the officer's service, which constitutes a violation of the duty of care of the officer towards the Bank. The exemption shall not apply to an action or inaction of the officer pertaining to a decision or transaction in which the controlling shareholder or any officer of the Bank has a personal interest. The Audit Committee of the Bank, in its meetings of January 11 and 17, 2016, established a limited period, violations of the duty of care during which shall be covered by the letters of exemption granted and to be granted from time to time to officers and directors of the Bank serving, and/or who may serve from time to time, in the granting of letters of exemption to whom the controlling shareholder of the Bank may be considered to have a personal interest, such that the period shall end on December 31, 2024, and noted that this period of time is appropriate and reasonable under the circumstances (it is clarified that the letters of exemption for officers (including the CEO) and directors, in the granting of letters of exemption to whom the controlling shareholder has no personal interest, serving and as shall serve from time to time, are not limited in duration, and shall be in effect with respect to all past or future events during the entire term of their service). As at the date of the report, all of the directors and officers of the Bank have letters of exemption. For additional information, including with regard to controlling shareholders who have a personal interest and the nature of their personal interest, see the Immediate Report concerning the convening of

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Standard 22: Transactions with controlling shareholders (cont.)

the meeting of shareholders published by the Bank on January 13, 2016 (Reference No. 2016-01-009607).

- B. Reapproval of letters of indemnity for directors and officers of the Bank, serving and/or who may serve from time to time, in the granting of letters of indemnity to whom the controlling shareholder of the Bank may be considered to have a personal interest

On February 18, 2016, the general meeting of shareholders of the Bank, following the approval of the Remuneration Committee (in its meetings of January 7 and 10, 2016), and the Board of Directors of the Bank (in its meeting of January 13, 2016), resolved to reapprove the granting of letters of indemnity to directors and officers serving, and/or who may serve from time to time, at the Bank, in the granting of letters of indemnity to whom the controlling shareholder of the Bank may be considered to have a personal interest. The Bank's commitment pursuant to the letters of indemnity shall also apply to events that occurred prior to the granting/renewal thereof. The form of the letter of indemnity for such officers is identical, with respect to terms, to the form of the letter of indemnity given to other directors and officers of the Bank, in the granting of letters of indemnity to whom the controlling shareholder has no personal interest (which was approved by the general meeting of shareholders of the Bank on January 3, 2012 – see the Immediate Report of November 28, 2011, Reference No. 2011-01-341340). The Audit Committee of the Bank, in its meetings of January 7, 2016 and January 11, 2016, established a limited period, events during which shall be covered by the letters of indemnity granted and to be granted from time to time to those officers in the granting of letters of indemnity to whom the controlling shareholder of the Bank may be considered to have a personal interest, such that the period shall end on December 31, 2024, and noted that this period of time is appropriate and reasonable under the circumstances (it is clarified, for the avoidance of doubt, that the letters of indemnity for directors and officers, including the CEO, in the granting of letters of indemnity to whom the controlling shareholder has no personal interest, are not limited in duration). As at the date of the report, all of the directors and officers of the Bank have letters of indemnity. In the letters of indemnity, the Bank undertakes a commitment to indemnify the officers, among other matters, for monetary indebtedness imposed upon them in connection with the events described (upon to a cumulative indemnity amount for all officers of 25% of the shareholders' equity of the Bank, according to its most recent known financial statements before the actual indemnity payment), and to indemnify them for reasonable litigation expenses, including attorneys' fees, in various proceedings (including administrative proceedings), all as specified in the letter of indemnity and in accordance with the directives thereof. For the form of the letter of indemnity and additional information, including with regard to the controlling shareholders who have a personal interest and the nature of their personal interest, see the Immediate Report concerning the convening of the meeting of shareholders published by the Bank on January 13, 2016 (Reference No. 2016-01-009607).

- C. Officers' insurance

Within the officers' remuneration policy of the Bank, which was approved by the meeting of shareholders of the Bank on December 19, 2016, it was affirmed that the total amount of coverage of officers' and directors' liability insurance at the Bank would

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Standard 22: Transactions with controlling shareholders (cont.)

not exceed approximately USD 500 million, per claim and cumulatively; the annual premium would not exceed approximately NIS 10 million; and the maximum deductible amount would be USD 1,000,000. With the approval of the Remuneration Committee (pursuant to Regulation 1B1 of the Companies Regulations (Reliefs for Transactions with Interested Parties), 2000) and of the Board of Directors of the Bank on May 23, 2017, the directors' and officers' liability insurance policy of the Bank and its subsidiaries (the "Bank Group") was renewed, beginning June 1, 2017, for a period of one year, at an annual premium of approximately USD 1.53 million. The policy insures the liability of directors and officers of the Bank Group, and financial liabilities that may be imposed upon them due to their function as officers, and also includes coverage in respect of legal claims concerning securities. The liability limit of the policy is a total of USD 350 million per claim and cumulatively for the period of the insurance. Previously, the Bank had an officers' liability insurance policy for a period of one year ended May 31, 2017, with coverage in the amount of USD 300 million per claim and cumulatively, with a premium in respect of the policy in the amount of USD 1.34 million.

2. Transactions not listed in Article 270(4) of the Companies Law (transactions that are not negligible but not extraordinary) –
 - A. A company in the Shikun & Binui Group has a balance of credit as at December 31, 2017, of approximately NIS 152 million, with bank guarantees. The terms of the credit were approved by the Board of Directors' Committee for Transactions with Related Persons (in this Section 2, "the Committee") in 2011, 2012, 2015, and 2017. In November 2017, the Committee approved a credit facility at the Bank, for the same company, for credit and bank guarantees, in the amount of up to NIS 250 million.
 - B. An agreement was approved for a company in the Shikun & Binui Group for the provision of guarantees pursuant to the Sale Law (Securing the Investments of Buyers of Homes), 1974 (the "Sale Law") for buyers of homes in the Ir Yamim neighborhood of Netanya, in two stages. The total facility for the guarantees is approximately NIS 150 million; the balance utilized as at December 31, 2017, is approximately NIS 14.7 million. Land in the project was pledged to the Bank to secure the commitments. The contractual engagement was approved by the Committee in November 2011; April 2014; June 2015; May, July, and November 2016. In April and December 2017, a reduction of the facility to NIS 96 million was approved, which was executed after the report date.
 - C. The Bank contracted with a company in the Shikun & Binui Group and with an unrelated third party, in equal parts, in a financing agreement for the provision of loans, guarantees, and Sale Law guarantees in connection with a project in Kiryat Ono, in two stages, in the amount of NIS 346 million, based on the approval of the Committee of 2014; 2015; 2016; and May, June, November, and December 2017. The balance utilized as at December 31, 2017, is approximately NIS 276 million. The rights and land of the project were pledged in favor of the Bank.
 - D. An agreement was approved for a company in the Shikun & Binui Group for the provision of guarantees pursuant to the Sale Law for buyers of homes in Yokne'am, in two stages. The total amount of the guarantee facility is approximately NIS 215 million; the balance

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Standard 22: Transactions with controlling shareholders (cont.)

utilized as at December 31, 2017, is approximately NIS 220 million. Land in the project was pledged to the Bank to secure the commitments. The contractual engagement was approved by the Committee in January 2013, November 2014, and April and December 2017.

- E. A company in the Shikun & Binui Group has a facility for short-term loans, guarantees, and future transactions in the amount of NIS 155 million, which was approved by the Committee in November 2015, October 2016, and May and November 2017. As at December 31, 2017, the utilized balance is approximately NIS 41 million. In addition, the company has long-term loans in a total amount of approximately NIS 61 million as at December 31, 2017, with final maturity in 2022. Land in Netanya has been pledged against these loans.
- F. The Bank is a participant in a syndication for two long-term non-recourse financing agreements for a solar power plant construction project (in the amount of approximately NIS 94 million, with financing through 2035) and a desalination plant project (financing of approximately NIS 58 million, through 2030). The projects are being carried out by two companies in the Shikun & Binui Group. The contractual engagements were approved by the Committee in June 2015 and November 2007, respectively.

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Standard 24: Shares and convertible securities held by interested parties and senior officers of a corporation, subsidiary, or related company near the date of the report on financial position

A. Holdings of Bank shares by interested parties

Interested party	Corporation number	Par value shares in NIS ⁽²⁾	Rate of holdings in capital	Rate of holdings in voting ⁽¹⁾	Rate of holdings in capital after dilution	Rate of holdings in voting after dilution
Arison Holdings (1998) Ltd.	512705153	267,543,761	20.01%	20.07%	20.01%	20.01%
Controlling shareholders total		267,543,761	20.01%	20.07%	20.01%	20.01%

(1) The Bank holds 4,269,339 dormant shares; this holding constitutes 100% of the dormant shares.

(2) Par value NIS 1.0 for one ordinary share.

B. Holdings of shares of the Bank by directors

	Corporation number		Par value shares in NIS ⁽²⁾	Rate of holdings in capital	Rate of holdings in voting ⁽¹⁾	Rate of holdings in capital after dilution	Rate of holdings in voting after dilution
Moshe Koren	1228998	Ordinary shares	13,000	0.00%	0.00%	0.00%	0.00%

(1) The Bank holds 4,269,339 dormant shares; this holding constitutes 100% of the dormant shares.

(2) Par value NIS 1.0 for one ordinary share.

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Standard 24: Shares and convertible securities held by interested parties and senior officers of a corporation, subsidiary, or related company near the date of the report on financial position (cont.)

Holdings of shares of the Bank by senior officers

	Corporation number		Par value shares in NIS ⁽²⁾	Rate of holdings in capital	Rate of holdings in voting ⁽¹⁾	Rate of holdings in capital after dilution	Rate of holdings in voting after dilution
Ari Pinto	069042505	Ordinary shares	108,680	0.01%	0.01%	0.01%	0.01%
		RSU	25,539			0.00%	0.00%
Eti Ben-Zeev	023571540	Ordinary shares	40,131	0.00%	0.00%	0.00%	0.00%
		RSU	11,865			0.00%	0.00%
Tsahi Cohen	022007587	Ordinary shares	145,936	0.01%	0.01%	0.01%	0.01%
		RSU	58,137			0.00%	0.00%
Dan Alexander Koller	028051910	Ordinary shares	141,919	0.01%	0.01%	0.01%	0.01%
		RSU	4,845			0.00%	0.00%
Ofar Levy	052222577	Ordinary shares	91,028	0.01%	0.01%	0.01%	0.01%
		RSU	33,766			0.00%	0.00%
Ronit Shapira	054667613	Ordinary shares	13,290	0.00%	0.00%	0.00%	0.00%
		RSU	17,816			0.00%	0.00%
Yadin Antebi	028078525	Ordinary shares	138,543	0.01%	0.01%	0.01%	0.01%
		RSU	62,333			0.00%	0.00%
Zeev Hayo	057069676	Ordinary shares	39,334	0.00%	0.00%	0.00%	0.00%
		RSU	53,508			0.00%	0.00%
Ronen Stein	022537021	Ordinary shares	33,189	0.00%	0.00%	0.00%	0.00%
		RSU	41,973			0.00%	0.00%
Yosef Erez	023086101	Ordinary shares	15,706	0.00%	0.00%	0.00%	0.00%
		RSU	2,052	0.00%	0.00%	0.00%	0.00%
Golan Scherman	023706583	Ordinary shares	10,391	0.00%	0.00%	0.00%	0.00%
		RSU	9,072	0.00%	0.00%	0.00%	0.00%

(1) The Bank holds 4,269,339 dormant shares; this holding constitutes 100% of the dormant shares.

(2) Par value NIS 1.0 for one ordinary share.

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Standard 24: Shares and convertible securities held by interested parties and senior officers of a corporation, subsidiary, or related company near the date of the report on financial position (cont.)

Holdings of interested party – Bank Hapoalim B.M.: See Standard 11A.

Additional details regarding principal holders:

1. Controlling shareholders of Arison Holdings (1998) Ltd. (as at January 31, 2018)

	<u>Rate of holding of capital</u>
Eternity Holdings One Trust ⁽¹⁾	30.00%
Eternity Four-A Trust ⁽¹⁾	70.00%
Total	<u>100.00%</u>

- (1) Ms. Shari Arison is the principal beneficiary of the Eternity Holdings One Trust and of the Eternity Four-A Trust. The trustees of the Eternity Holdings One Trust are The Northern Trust Company of Delaware together with Fides VE LLC, and the trustee of the Eternity Four-A Trust is The Northern Trust Company of Delaware. The Bank was informed that the aforesaid beneficiary shall have exclusive discretion to vote at shareholders' meetings of Arison Holdings (1998) Ltd., under a power of attorney granted to her by the trustees, respectively, under the conditions established by the Bank of Israel, with respect to which the aforesaid trustees have affirmed their awareness and their willingness to act accordingly. The aforesaid powers of attorney were granted without the intention to revoke them at any point; should such a revocation of power of attorney occur with regard to any of the beneficiaries, they are obligated to notify the Bank of Israel immediately, no later than at the end of 7 days from receipt of notification of the revocation.

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Standard 24: Shares and convertible securities held by interested parties and senior officers of a corporation, subsidiary, or related company near the date of the report on financial position (cont.)

C. Holdings of subsidiaries in shares of subsidiaries or related companies

Name of company held by interested party	Name of interested party	Number at Companies Registrar	Name of security	Number of shares	Par value per share	Currency	Par value held at balance sheet date	Rate of holding		
								In capital	In voting	In authority to appoint directors
AMI Trustees Ltd.	Hapoalim American Israeli Ltd.	510373053	Ordinary shares	50,000.00	0.0001	NIS	5.00	100%	100%	100%
Bami Nechasim Ltd.	AMI Trustees Ltd.	511584781	Ordinary shares	1.00	1.00	NIS	1.00	1%	1%	1%
Bami Nechasim Ltd.	Hapoalim American Israeli Ltd.	511584781	Ordinary shares	99.00	1.00	NIS	99.00	99%	99%	99%
BHI Investment Advisors Asia	Bank Hapoalim (Switzerland) Ltd.	1465245	Ordinary shares	9,000,000.00	1.00	Other	9,000,000.00	100%	100%	100%
BHI Global Investment Advisors (Israel) Ltd.	Bank Hapoalim (Switzerland) Ltd.	515082931	Ordinary shares	1,000.00	1.00	NIS	1,000.00	100%	100%	100%
BHI – USA Holdings Inc.	Praesidian	352460912	Ordinary shares	100.00	1.00	USD	100.00	100%	100%	100%
Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.	Tarshish Hapoalim Holdings and Investments Ltd.	774483903	Ordinary shares	2,355,146,874.00	0.10	Other	235,514,687.40	70%	70%	70%
Global Factoring Ltd.	Isracard Ltd.	513634394	Ordinary shares	2,000,000.00	1.00	NIS	2,000,000.00	100%	100%	100%
Diur B.P. Ltd.	Opaz Ltd.	510237878	Ordinary shares	1,066.00	0.10	NIS	106.60	100%	100%	100%
Diur B.P. Investments (1992) Ltd.	Diur B.P. Ltd.	511727232	Ordinary shares	100.00	1.00	NIS	100.00	100%	100%	100%
Diur B.P. Properties (1993) Ltd.	Diur B.P. Ltd.	511895773	Ordinary shares	100.00	1.00	NIS	100.00	100%	100%	100%
Hapoalim (Latin America) S.A.	Bank Hapoalim (Cayman) Ltd.	774177877	Bearer	398,537,083.00	1.00	UYU	398,537,083.00	100%	100%	100%
Hapoalim Nechasim (Menayot) Ltd.	Opaz Ltd.	511391278	Ordinary shares	100.00	1.00	NIS	100.00	100%	100%	100%
Hapoalim Securities U.S.A. Inc.	BHI – USA Holdings Inc.	133732556	Common	10.00	0.01	USD	0.10	100%	100%	100%
Hevrat Nemanut Aseret Alafim Veachat Ltd.	Poalim Trust Services Ltd.	510729205	Ordinary shares	10.00	0.0001	NIS	0.001	100%	100%	100%
Hevrat Nemanut Aseret Alafim Veshtaim Lavan Ltd.	Poalim Trust Services Ltd.	510729742	Ordinary shares	10.00	0.0001	NIS	0.001	100%	100%	100%
Hetzron Hevra Lehashkaot Ltd.	Revadim (Nechasim) Ltd.	510364508	Ordinary shares	335,880.00	0.10	NIS	33,588.00	33%	33%	33%
Trinel Trading and Investment Ltd.	Bank Hapoalim (Switzerland) Ltd.	900000606	Ordinary shares	1,500.00	100.00	CHF	150,000.00	100%	100%	100%
Europay (Eurocard) Israel Ltd.	Isracard Ltd.	510595036	Ordinary shares	18,066,344.00	0.0001	NIS	1,806.6344	100%	49%	49%
Europay (Eurocard) Israel Ltd.	Isracard Ltd.	510595036	Special shares	1.00	0.0001	NIS	0.0001	0%	51%	51%
Yefet Nominees Ltd.	Hapoalim American Israeli Ltd.	510125784	Ordinary shares	1,000.00	0.0001	NIS	0.10	100%	100%	100%
Isracard (Nechasim) 1994 Ltd.	Isracard Ltd.	512053513	Ordinary shares	9,999.00	1.00	NIS	9,999.00	100%	100%	100%

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Standard 24: Shares and convertible securities held by interested parties and senior officers of a corporation, subsidiary, or related company near the date of the report on financial position (cont.)

C. Holdings of subsidiaries in shares of subsidiaries or related companies (cont.)

Name of company held by interested party	Name of interested party	Number at Companies Registrar	Name of security	Number of shares	Par value per share	Currency	Par value held at balance sheet date	Rate of holding		In authority to appoint directors
								In capital	In voting	
Isracard Mimun Ltd.	Isracard Ltd.	513497628	Ordinary shares	10,000.00	1.00	NIS	10,000.00	100%	100%	100%
Mivnim Vetsiud Ltd.	Bitzur Ltd.	510439284	Ordinary shares	5.00	0.10	NIS	0.50	5%	5%	5%
May-Oz Ltd.	Diur B.P. Ltd.	511470999	Ordinary shares	100.00	1.00	NIS	100.00	100%	100%	100%
Noy Waste to Energy Limited Partnership 2	Noy E.I. Infrastructure and Energy G.P. Ltd.	550262653	No share capital	1.00	1.00	NIS	1.00	48%	0%	100%
C Bilisim Teknolojileri	Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.	500422084	Ordinary shares	3,986,850.00	1.00	Other	3,986,850.00	100%	100%	100%
C Bilisim Teknolojileri	Agam Hevra Finansit Ltd.	500422084	Ordinary shares	4,375.00	1.00	Other	4,375.00	0%	0%	0%
C Bilisim Teknolojileri	Igarot Hevra Lehanpakot shel Bank Hapoalim Ltd.	500422084	Ordinary shares	4,375.00	1.00	Other	4,375.00	0%	0%	0%
C Bilisim Teknolojileri	Teuda Hevra Finansit Ltd.	500422084	Ordinary shares	4,375.00	1.00	Other	4,375.00	0%	0%	0%
PAM Holdings Ltd.	Poalim Betevuna Ltd.	740001433	Ordinary shares	771,739.00	1.00	GBP	771,739.00	100%	100%	100%
Poalim Ofakim Ltd.	Hapoalim Nechasim (Menayot) Ltd.	513624338	Ordinary shares	50,000.00	1.00	NIS	50,000.00	100%	100%	100%
Poalim Asset Management (Ireland) Ltd.	PAM Holdings Ltd.	740001458	Ordinary shares	120,000.00	1.00	USD	120,000.00	100%	100%	100%
Poalim Asset Management (UK) Ltd.	PAM Holdings Ltd.	740001441	Ordinary shares	1,000,000.00	1.00	GBP	1,000,000.00	100%	100%	100%
Poalim Delta Fund L.P	Poalim Ventures Ltd.	550019012	No share capital	99.00	1.00	NIS	99.00	99%	99%	99%
Poalim Ventures Fund Management Ltd.	Poalim Ventures Ltd.	512433194	Ordinary shares	999.00	1.00	NIS	999.00	100%	100%	100%
Poalim Ventures Fund Management Ltd.	Poalim Capital Markets & Investments - Holdings Ltd.	512433194	Ordinary shares	1.00	1.00	NIS	1.00	0%	0%	0%
Poalim Ventures I Ltd.	Poalim Ventures Ltd.	512882317	Ordinary shares	110,000.00	0.01	NIS	1,100.00	6%	6%	0%
Poalim Ventures I Ltd.	Poalim Ventures Fund Management Ltd.	512882317	No share capital	1.00	1.00	NIS	1.00	0%	0%	100%
Poalim Ventures I Ltd.	Poalim Capital Markets Ltd.	512882317	Ordinary shares	951,330.00	0.01	NIS	9,513.30	48%	48%	0%
Poalim Ventures II L.P	Poalim Ventures Fund Management Ltd.	530205905	No share capital	100.00	1.00	NIS	100.00	0%	0%	100%
Poalim Ventures Ltd.	Poalim Capital Markets & Investments - Holdings Ltd.	510820046	Ordinary shares	151,660,886.00	0.01	NIS	1,516,608.86	100%	100%	100%

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Standard 24: Shares and convertible securities held by interested parties and senior officers of a corporation, subsidiary, or related company near the date of the report on financial position (cont.)

C. Holdings of subsidiaries in shares of subsidiaries or related companies (cont.)

Name of company held by interested party	Name of interested party	Number at Companies Registrar	Name of security	Number of shares	Par value per share	Currency	Par value held at balance sheet date	Rate of holding		
								In capital	In voting	In authority to appoint directors
Poalim Ventures Services Israel Ltd.	Hapoalim Nechasim (Menayot) Ltd.	510464795	A ordinary shares	2,698.00	0.10	NIS	269.80	100%	100%	100%
Poalim Mortgages Insurance Agency (2005) Ltd.	Poalim Ofakim Ltd.	513661025	Ordinary shares	1,000.00	1.00	NIS	1,000.00	100%	100%	100%
Poalim Capital Markets - Investment House Ltd.	Bitzur Ltd.	520032541	Ordinary shares	180,628,882.00	1.00	NIS	180,628,882.00	100%	100%	100%
Poalim Capital Markets Ltd.	Poalim Capital Markets & Investments - Holdings Ltd.	511465593	Ordinary shares	21,801,000.00	1.00	NIS	21,801,000.00	100%	100%	100%
Poalim Financial Markets - Financial Applications & Research Ltd.	Poalim Capital Markets & Investments - Holdings Ltd.	511735185	Ordinary shares	99.00	1.00	NIS	99.00	99%	99%	99%
Poalim Financial Markets - Financial Applications & Research Ltd.	Poalim Capital Markets Ltd.	511735185	Ordinary shares	1.00	1.00	NIS	1.00	1%	1%	1%
Poalim Capital Markets & Investments - Holdings Ltd.	Poalim Capital Markets - Investment House Ltd.	520043290	A ordinary shares	1,855,445.00	0.0001	NIS	185.5445	20%	48%	48%
Poalim Capital Markets & Investments - Holdings Ltd.	Poalim Capital Markets - Investment House Ltd.	520043290	B ordinary shares	2,836,485.00	0.0001	NIS	283.6485	28%	0%	0%
Poalim Capital Markets & Investments - Holdings Ltd.	Tarshish Hapoalim Holdings and Investments Ltd.	520043290	A ordinary shares	1,829,935.00	0.0001	NIS	182.9935	19%	47%	47%
Poalim Capital Markets & Investments - Holdings Ltd.	Tarshish Hapoalim Holdings and Investments Ltd.	520043290	B ordinary shares	2,797,487.00	0.0001	NIS	279.7487	28%	0%	0%
PCM Hudson Holdings LLC	Poalim Ventures Ltd.	980582800	Ordinary shares	100.00	1.00	NIS	100.00	100%	100%	100%
PCM Hudson Management Company Holdings L.P.	Poalim Ventures Ltd.	980582799	Ordinary shares	99.00	1.00	NIS	99.00	99%	99%	99%
PCM Hudson Management Company Holdings L.P.	PCM Hudson Holdings LLC	980582799	Ordinary shares	1.00	1.00	NIS	1.00	1%	1%	1%

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Standard 24: Shares and convertible securities held by interested parties and senior officers of a corporation, subsidiary, or related company near the date of the report on financial position (cont.)

C. Holdings of subsidiaries in shares of subsidiaries or related companies (cont.)

Name of company held by interested party	Name of interested party	Number at Companies Registrar	Name of security	Number of shares	Par value per share	Currency	Par value held at balance sheet date	Rate of holding		
								In capital	In voting	In authority to appoint directors
Pimar Hevra Lebianan Vepitooah Ltd.	Poalim Capital Markets & Investments - Holdings Ltd.	511567471	Ordinary shares	26.00	1.00	NIS	26.00	26%	0%	0%
Pimar Hevra Lebianan Vepitooah Ltd.	Poalim Capital Markets & Investments - Holdings Ltd.	511567471	Management shares	5.00	1.00	NIS	5.00	0%	50%	50%
Praesidian	Poalim Capital Markets & Investments - Holdings Ltd.	512693441	Ordinary shares	1.00	1.00	NIS	1.00	0%	0%	0%
Praesidian	Poalim Capital Markets Ltd.	512693441	Ordinary shares	999.00	1.00	NIS	999.00	100%	100%	100%
Tzadit Ltd.	Revadim (Nechasim) Ltd.	510437494	Ordinary shares	114,799.00	0.0001	NIS	11.4799	100%	100%	100%
Tzameret Mimunim Ltd.	Isracard Ltd.	512834896	Ordinary shares	3,000.00	1.00	NIS	3,000.00	100%	100%	100%
Sure-Ha International Ltd.	Opaz Ltd.	740000401	Ordinary shares	4,999,999.00	1.00	USD	4,999,999.00	100%	100%	100%
Tot Tiyur Vetiylul Ltd.	Rotesa Ltd.	510810294	Founders' shares	1.00	0.0001	NIS	0.0001	0%	100%	100%
Teus Development Areas Ltd.	Diur B.P. Ltd.	510549249	Ordinary shares	5,219.00	0.10	NIS	521.90	10%	0%	0%
Teus Development Areas Ltd.	Diur B.P. Ltd.	510549249	Preferred shares	36,000.00	0.01	NIS	360.00	7%	0%	0%
Teus Development Areas Ltd.	Diur B.P. Ltd.	510549249	Preferred shares A	40,250,000.00	0.0001	NIS	4,025.00	75%	0%	0%
Teus Development Areas Ltd.	Diur B.P. Ltd.	510549249	Special shares	1.00	0.10	NIS	0.10	0%	100%	100%

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Standard 24A

<u>Share capital</u>	Amount in NIS	
	<u>Registered</u>	<u>Issued and paid-up</u>
Ordinary shares of NIS 1	4,000,000,000	1,337,377,111

Dormant Shares

Bank Hapoalim B.M. holds 4,269,339 dormant shares; this holding constitutes 100% of the dormant shares. The number of shares included in issued share capital, excluding the dormant shares that confer no rights, is 1,333,107,772. The shares are listed for trading on the Tel Aviv Stock Exchange.

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Standard 24B: Registry of Shareholders

Book of shareholders – Bank Hapoalim B.M.	Number of shares
Bank Hapoalim Nominee Company Ltd.*	1,069,759,554
A. Controlling interest shares	
Arison Holdings (1998) Ltd.	267,543,761
B. Freely traded shares	
Savion Tal	35,800
Tzitzian Avraham	31,680
Don Maxwell	2,450
Florsheim Mark and Zippora	1,640
Agmon Eliahu	700
Berkner Albert	603
Levy Victoria	544
Mindel Shira Milca	122
Geva Arie	100
Pentzer Natan	75
Zachs Eran	40
Yehuda Bar-Lev	10
Neuman David	10
Aharon Elias	10
Caleb Victoria	5
IMM C. Investments and Finance Ltd.	2
Zaktzar Ram	1
Tal Erez	1
Kramer Moshe	1
Feldman Avi	1
Livnat Raz	1
Total	<u>1,337,377,111</u>

* The quantity of shares at the Nominee Company includes 4,269,339 dormant shares owned by Bank Hapoalim.

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Standard 26: Board of Directors of the Bank⁽¹⁾

Name	Oded Eran
Personal details	Identification number: 053378824 Date of birth: May 28, 1955 Address: Tzamarot 171/6, Herzeliya Citizenship: Israeli and German
Membership in committees of the Board of Directors	Chairperson of the following board committees: the Finance and Prospectus Committee, the Corporate Governance and Stakeholders Committee, and the Strategy and Business Development Committee. Member of the Credit Committee of the Board of Directors. Also served as chairperson of the Investment Approval Committee, the Reform and Capital Management Committee, and the Overseas Banking and International Activity Committee until these committees were dissolved on March 1, 2018.
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	No.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	Chairman of the Board of Directors of the Bank as of January 1, 2017.
Date of commencement of service as a director of the company	February 18, 2016.
Education and occupation in last five years, with details of service at corporations as a director	M.A. in Law, Tel Aviv University; M.A. in Literature, Tel Aviv University; B.A. in Law, Tel Aviv University; B.A. in Humanities, Open University. Director and controlling shareholder of the companies: Oded Eran Law Office; Minortil Ltd. Chairperson of the executive board of Poalim for the Community (Registered Non-Profit Association). Served as a special consultant to the law firm Goldfarb Seligman & Co. and as an external lecturer at the Department of Law, Tel Aviv University. In the last five years or during part of that period, served as a director at the Whole Person Association for the Prevention of Discrimination Based on Weight in Israel, and as a member of the executive board of the Migdalor Association for the Promotion and Distribution of Contemporary Culture; however, he no longer serves in these positions.
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with accounting and financial expertise and professional qualification. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

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Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Ronit Abramson Rokach
Personal details	<p>Identification number: 054121108</p> <p>Date of birth: August 17, 1957</p> <p>Address: Shimshon 5, Jerusalem</p> <p>Citizenship: Israeli</p>
Membership in committees of the Board of Directors	<p>Chairperson of the following board committees: the Audit Committee and the Remuneration Committee.</p> <p>Member of the following board committees: the Credit Committee, the Risk Management and Control Committee, the Corporate Governance and Stakeholders Committee, and the Finance and Prospectus Committee.</p> <p>Served as a member of the Transactions with Related Persons Committee from February 5, 2018, to March 1, 2018, when this committee was dissolved.</p>
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	External director pursuant to the directives of the Companies Law.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	No.
Date of commencement of service as a director of the company	February 5, 2018.
Education and occupation in last five years, with details of service at corporations as a director	<p>L.L.B., Hebrew University of Jerusalem.</p> <p>Legal advisor for companies, securities, and banking (Ronit Abramson Legal Services Ltd.).</p> <p>Member of the Jerusalem Foundation (Registered Non-Profit Association), Shiluv Family and Couples Therapy Institute (Registered Non-Profit Association), Beit Berl College (Registered Non-Profit Association), and the Zippori Center for Training and Leadership Ltd. (Public Benefit Company).</p> <p>In the last five years or during part of that period, served as a director at the following companies: Migdal Insurance Company Ltd., Migdal Insurance and Financial Holdings Ltd., Migdal Capital Markets Ltd., and Carmel Olefins Ltd. (external director); however, she no longer serves in these positions.</p>
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	<p>A director with professional qualification.</p> <p>An expert director.</p>
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Amnon Dick
Personal details	<p>Identification number: 051770568</p> <p>Date of birth: November 20, 1952</p> <p>Address: Ehad Ha'am 84, Tel Aviv</p> <p>Citizenship: Israeli and Austrian</p>
Membership in committees of the Board of Directors	<p>Member of the following board committees: the Credit Committee, the Corporate Governance and Stakeholders Committee, the Information Technology Committee, and the Remuneration Committee in expanded format.</p> <p>Also served as chairperson of the New Products Committee and as a member of the Reform and Capital Management Committee and the Overseas Banking and International Activity Committee, until these committees were dissolved on March 1, 2018. Also served as a member of the Investment Approval Committee until March 22, 2017.</p>
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	External director pursuant to Directive 301, and independent director.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	No.
Date of commencement of service as a director of the company	March 24, 2010.
Education and occupation in last five years, with details of service at corporations as a director	<p>M.B.A., Tel Aviv University; B.A. in Economics, Tel Aviv University.</p> <p>Businessman, manager of companies, consultant, and director. CEO of Adsensory Ltd.</p> <p>Member of the boards of directors of the following companies: Non Stop Radio Ltd., Northern Radio Holdings Ltd., Radio Eco 99 Ltd., Rala Management and Development (2014) Ltd., and Eco Sharon Management and Development Ltd.</p> <p>Chairperson of the Friends of Tel Aviv University Association.</p> <p>Vice chairperson of the board of directors of Habima National Theater Ltd. (Public Benefit Company).</p> <p>In the last five years or during part of that period, served as a director at MIRS Communications Ltd., East West Innovations, Nicevend Ltd., and Migad Communication Ltd., and as chairperson of Ability Inc.; however, he no longer serves in these positions.</p>
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with accounting and financial expertise. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Meir Wietchner
Personal details	<p>Identification number: 059681593</p> <p>Date of birth: May 2, 1965</p> <p>Address: Margoa 12, Tel Aviv</p> <p>Citizenship: Israeli</p>
Membership in committees of the Board of Directors	<p>Chairperson of the Information Technology Committee of the Board of Directors.</p> <p>Also served as a member of the Reform and Capital Management Committee and the Overseas Banking and International Activity Committee until these committees were dissolved on March 1, 2018.</p>
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	No.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	Serves as chairperson of the Miya Group, which is controlled by the controlling party of the Bank.
Date of commencement of service as a director of the company	November 24, 2009.
Education and occupation in last five years, with details of service at corporations as a director	<p>M.B.A., EMBA, Northwestern University, Chicago, and Tel Aviv University; B.A. in Political Science and Computer Science, Bar Ilan University, Ramat Gan.</p> <p>Serves as chairperson of the Miya Group, which is controlled by the controlling party of the Bank.</p> <p>Member of the board of directors of the following companies: Miya S.a.r.l., Miya Lux Holdings S.a.r.l., Miya Water Holdings Ltd., Miya Water Projects Ltd, Dorot Management Control Valves Ltd., Miya Water SA (Proprietary) Ltd., Miya Water Mexico, V.DEC S.A., Miya NL Holdings BV, Miya NL Projects BV, Miya Lux Holdings S.A.R.L., Swiss IP Branch, Miya Australia Holdings PTY Ltd., Miya Voda D.O.O., Romiya (subsidiary of Miya Water S.R.L.), Miya Colombia S.A.S., 4Water Supplies (Pty) Ltd., Miya Puerto Rico LLC.</p> <p>In the last five years or during part of that period, served as a director at the following companies: Storwize Ltd., Storwize Inc. (Delaware-US), Veritec Consulting Inc., Miya Brasil Soluções em Engenharia Hidráulica Ltda, Four Integrity Group Ltd., Miya Bahamas Ltd., Miya Manila Water Projects Inc., WRP Consulting Engineers (Proprietary) Ltd., and S.C. Miya S.R.L.; however, he no longer serves at these companies.</p> <p>Served until December 2017 as Head of Global Strategy at the Arison Group (the controlling shareholder of the Bank).</p>
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with accounting and financial expertise. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Yacov Peer
Personal details	<p>Identification number: 052242609</p> <p>Date of birth: April 16, 1954</p> <p>Address: Rimalt Elimelech 4, Ramat Gan</p> <p>Citizenship: Israeli</p>
Membership in committees of the Board of Directors	<p>Member of the following board committees: the Finance and Prospectus Committee, the Audit Committee, and the Risk Management and Control Committee.</p> <p>Also served as chairperson of the Transactions with Related Persons Committee until the committee was dissolved on March 1, 2018.</p> <p>Served as a member of the Committee for Examining the Bank's Dealings with the IDB Group, which completed its duties.</p>
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	External director pursuant to Directive 301, and independent director.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	No.
Date of commencement of service as a director of the company	October 6, 2010.
Education and occupation in last five years, with details of service at corporations as a director	<p>M.B.A., Industrial Engineering and Management, Ben-Gurion University; B.A. in Economics, Ben-Gurion University.</p> <p>Financial and management consultant for small businesses.</p> <p>Member of the Friends of Rabin Medical Center Foundation.</p>
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with accounting and financial expertise. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Efrat Peled
Personal details	Identification number: 027224773 Date of Birth: May 16, 1974 Address: Hanarkisim 19, Ramat Gan Citizenship: Israeli
Membership in committees of the Board of Directors	Member of the following board committees: the Finance and Prospectus Committee, the Risk Management and Control Committee, the Corporate Governance and Stakeholders Committee, and the Remuneration Committee in expanded format. Also served as a member of the Reform and Capital Management Committee and the Overseas Banking and International Activity Committee until these committees were dissolved on March 1, 2018.
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	No.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	Serves as chairperson of the boards of directors and CEO of the following companies: Arison Holdings (1998) Ltd., Arison Investments Ltd., Arison Sustainability Ltd., Arzaf Ltd., and Arzaf B (97) Ltd.; and as CEO of SAFO LLC and Arzaf C Ltd., which are controlled by the holder of the permit for control of the Bank.
Date of commencement of service as a director of the company	January 24, 2007.
Education and occupation in last five years, with details of service at corporations as a director	M.B.A., EMBA Kellogg Recanati International Program, Tel Aviv University and Northwestern University; B.A. in Economics and Accounting, Tel Aviv University; Certificate in Land Assessment, Tel Aviv University. Chairperson of the board of directors and CEO of the following companies: Arison Holdings (1998) Ltd., Arison Investments Ltd., Arison Sustainability Ltd., Arzaf Ltd., Arzaf B (97) Ltd., and Arzaf C Ltd.; and CEO of SAFO LLC. Member of the boards of directors of the following companies: Shikun & Binui Ltd., Av-Ar Capital Investments 1997 Ltd., Salt of the Earth Ltd., Arison Investments USA LLC, and Arshav Holdings Ltd. Member of the board of directors of the Weizmann Institute of Science. In the last five years or during part of that period, served as a director at the following companies: Biomedical Investments (1997) Ltd., 4Integrity Group LLC, Miya S.a.r.L., and Miya Luxembourg S.a.r.L.; however, she no longer serves at these companies.
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with accounting and financial expertise. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Moshe Koren
Personal details	<p>Identification number: 1228998</p> <p>Date of Birth: July 8, 1938</p> <p>Address: Ben Yehuda 5, Kiryat Ono</p> <p>Citizenship: Israeli</p>
Membership in committees of the Board of Directors	<p>Chairperson of the following board committees: the Credit Committee and the Risk Management and Control Committee.</p> <p>Member of the following board committees: the Audit Committee, the Finance and Prospectus Committee, and the Remuneration Committee.</p> <p>Served as a member of the Transactions with Related Persons Committee and the New Products Committee until these committee were dissolved on March 1, 2018.</p>
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	No.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	No.
Date of commencement of service as a director of the company	August 3, 1992.
Education and occupation in last five years, with details of service at corporations as a director	<p>B.A. in Economics and Statistics, Hebrew University; graduate of Financial Statement Analysis courses.</p> <p>Banking and financial consultant.</p>
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with accounting and financial expertise. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Reuven Krupik
Personal details	Identification number: 013482518 Date of Birth: August 22, 1951 Address: Ha'Emek 3, Hod Hasharon Citizenship: Israeli and Argentinian
Membership in committees of the Board of Directors	Member of the following board committees: the Audit Committee and the Information Technology Committee. Also served as a member of the New Products Committee from March 2017 to March 1, 2018, when this committee was dissolved.
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	External director pursuant to Directive 301, and independent director.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	No.
Date of commencement of service as a director of the company	February 18, 2016
Education and occupation in last five years, with details of service at corporations as a director	B.A. in Social Sciences (specialized in economics and political science), Hebrew University of Jerusalem; L.L.B., Tel Aviv University; graduate of business course at the Kellogg Recanati Center, Tel Aviv University. Director of companies, business entrepreneur. Director at Recanati Winery Ltd. and at NYK Technologies (family firm). Member of the executive board of the Institute for Medical BioMathematics (Registered Non-Profit Association). In the last five years or during part of that period, served as CEO of Clal Biotechnology Industries Ltd.; partner, chairperson of the board, and CEO of Arte Venture Group Ltd.; chairperson of the board of the following companies: Gamida Cell Ltd., Mediwound Ltd., and Andromeda Biotech Ltd.; and as a member of the board of directors of the following companies: CureTech Ltd., Campus Bio Management Ltd., and NIK Ltd.; however, he no longer serves in these positions.
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with professional qualification. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Dafna Schwartz
Personal details	<p>Identification number: 050172667</p> <p>Date of Birth: August 8, 1950</p> <p>Address: Hasavyon 4, Rehovot</p> <p>Citizenship: Israeli</p>
Membership in committees of the Board of Directors	<p>Member of the following board committees: the Audit Committee and the Remuneration Committee.</p> <p>Served as chairperson of the Audit Committee of the Board of Directors until December 27, 2017.</p> <p>Also served as a member of the Transactions with Related Persons Committee and the New Products Committee until these committee were dissolved on March 1, 2018, and served as a member of the Committee for Examining the Bank's Dealings with the IDB Group, which completed its duties.</p>
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	External director pursuant to the Companies Law.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	No.
Date of commencement of service as a director of the company	April 6, 2012.
Education and occupation in last five years, with details of service at corporations as a director	<p>Ph.D. in Economics, Hebrew University of Jerusalem; M.A. in Agricultural Economics and Administration, Hebrew University of Jerusalem; B.A. in Economics, Tel Aviv University.</p> <p>Professor at the Adelson School of Entrepreneurship at the Interdisciplinary Center Herzliya (IDC).</p> <p>Practices as an economic and business consultant in Israel and overseas (Prof. Dafna Schwartz Economic and Business Development Ltd.).</p> <p>Member of the executive board of the Israel Camerata Jerusalem (Registered Non-Profit Association).</p> <p>Member of the board of directors of Inovytec Medical Solutions Ltd.</p> <p>In the last five years or during part of that period, served as a director at the following companies: Strauss Group Ltd. (external director), Teva Pharmaceutical Industries Ltd. (external director), and Oil Refineries Ltd. (external director); however, she no longer serves at these companies.</p> <p>Served as a professor at Ben Gurion University; as a member of the expert group on: "Policy relevant research on entrepreneurship and SMEs" (EU), European Commission, Enterprise and Industry Director General; as a member of the National Council for Research and Development; and as a member of the general assembly of the Achva Academic College of Education (Registered Non-Profit Association); however, she no longer serves in these positions.</p> <p>Until October 1, 2017, served as a professor in the Department of Business Administration at Ben Gurion University, head of the Entrepreneurship and Innovation course of study in the Department of Business Administration, chairperson and director of the Bengis</p>

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

	Center for Entrepreneurship and Innovation at the Guilford Glazer Faculty of Business & Management, member of the board of governors, and senate representative on the board of trustees of Ben Gurion University of the Negev.
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with accounting and financial expertise. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Name	Ido Stern
Personal details	Identification number: 031571904 Date of Birth: March 19, 1978 Address: Ben Shaprut 2, Tel Aviv Citizenship: Israeli
Membership in committees of the Board of Directors	Member of the following board committees: the Corporate Governance and Stakeholders Committee and the Remuneration Committee in expanded format. Also served as chairperson of the Committee for Examining the Bank's Dealings with the IDB Group, which completed its duties. Served as a member of the Investment Approval Committee, the Reform and Capital Management Committee, and the Overseas Banking and International Activity Committee until these committees were dissolved on March 1, 2018.
Is the director an independent/external director according to the Companies Law or an external director according to Directive 301?	No.
Is the director an employee of the company, or of a subsidiary, related company, or interested party thereof?	Serves as deputy general manager and legal counsel at Arison Holdings (1998) Ltd., Arison Investments Ltd., Arison Sustainability Ltd., Arzaf B (97) Ltd., Arzaf Ltd., and Av-Ar Capital Investments 1997 Ltd., which are controlled by the holder of the permit for control of the Bank.
Date of commencement of service as a director of the company	September 24, 2012.
Education and occupation in last five years, with details of service at corporations as a director	L.L.B., Hebrew University of Jerusalem; graduate of the Program for Leadership Development, School of Business Administration, Harvard University, Boston. Member of the boards of directors of the following companies: Shikun & Binui Ltd., Salt of the Earth Ltd.
Is the director considered by the company to be a director with accounting and financial expertise, a director with professional qualification, or an expert director?	A director with professional qualification. An expert director.
To the best of the knowledge of the company and the directors, is the director a family member of another interested party of the corporation?	No.

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Periodic Report 2017

Standard 26: Board of Directors of the Bank⁽¹⁾ (cont.)

Imri Tov Identification number: 005018155 Date of birth: November 24, 1939 Address: Adam Hacoheh 3, Tel Aviv	Served as an external director pursuant to the Companies Law until February 4, 2017.
Yosef Yarom Identification number: 12017539 Date of birth: March 6, 1941 Address: Brenner 48, Kiryat Ono	Served as an external director pursuant to the Directive 301 until March 20, 2017.
Israel Tapoohi Identification number: 000626010 Date of birth: March 2, 1946 Address: 215 East 68 St. Apt. 25C, New York City, NY 10065	Served as a member of the Board of Directors of the Bank until March 7, 2017.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26A: Senior Officers of the Bank⁽¹⁾

Name	Ari Pinto
Personal details	Identification number: 069042505 Date of birth: December 22, 1961
Date of beginning of service	Member of the Board of Management as of September 8, 2009.
Position at the corporation or at a subsidiary, related company, or interested party thereof	President and Chief Executive Officer as of August 1, 2016.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Business Administration, New England College, Henniker, US; M.A. in Public Administration, Clark University, Boston, US; certificate in Applied Roles of Directors, Israel Management Center; certificate in General Management, Bar Ilan University. From February 2016 to July 2016, Deputy CEO, Chief Operating Officer (COO), Head of Strategy, Resources, and Operations. From November 2013 to February 2016, Head of Retail Banking. From September 2009 to October 2013, Head of Corporate Strategy.

Name	Yael Almog
Personal details	Identification number: 59284745 Date of birth: March 6, 1968
Date of beginning of service	Member of the Board of Management as of June 1, 2017.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Chief Legal Advisor.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	L.L.B., Tel Aviv University; M.A. in Law, Columbia University, New York. From June 2017 to February 2018, Head of Stakeholder Relations. From March 2012 to May 2017, executive director of the IFRS, London. From 2006 to 2012, International Department manager at the Israel Securities Authority and senior advisor to the Chairperson of the Israel Securities Authority. Member of the executive boards of Poalim for the Community (Registered Non-Profit Association) and the Peretz Naftali Fund (Registered Non-Profit Association).

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Periodic Report 2017

Standard 26A: Senior Officers of the Bank⁽¹⁾ (cont.)

Name	Eti Ben-Zeev
Personal details	Identification number: 023571540 Date of birth: December 2, 1967
Date of beginning of service	Member of the Board of Management as of February 14, 2016.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Information Technology.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Mathematics and Computer Science, Tel Aviv University; M.B.A., Tel Aviv University. From August 2014 to January 2016, Application Development Division Manager. From April 2010 to August 2014, Infrastructure Division Manager. Chairperson of the board of directors of Poalit Ltd.

Name	Yael Dromi
Personal details	Identification number: 025198193 Date of birth: January 6, 1973
Date of beginning of service	Member of the Board of Management as of March 1, 2018.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Stakeholder Relations.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Psychology and Communications, Tel Aviv University. From 2014 to 2017, managing partner at My Storiez. From 1999 to 2014, editor and senior staff member at <i>Yedioth Ahronoth</i> .

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26A: Senior Officers of the Bank⁽¹⁾ (cont.)

Name	Erez Yosef
Personal details	Identification number: 023086101 Date of birth: October 2, 1967
Date of beginning of service	Member of the Board of Management as of July 1, 2016.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Chief Operating Officer (COO); Head of Strategy, Resources, and Operations.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Management and Economics, Open University; M.B.A., Open University; graduate of Directors and Officers at Corporations course, Lahav Executive Development. From February 2016 to June 2016, Strategy and Organizational PMO Division Manager. From January 2013 to February 2016, Finance and Management Information Division Manager. From January 2011 to January 2013, Strategy, Marketing, and Service Unit Manager. Chairperson of the boards of directors of the following companies: Avuka Hevra le Hashkaot Ltd., Mivnim Vetsiud Ltd., Alzur Property Development Company Ltd., Tzadit Ltd., Revadim (Nechasim) Ltd., Ramchal Poalim Ltd., BAMi Nechasim Ltd., and Bitan Investments and Mortgages Ltd.
Name	Tsahi Cohen
Personal details	Identification number: 022007587 Date of birth: September 29, 1965
Date of beginning of service	Member of the Board of Management as of July 1, 2012.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Corporate Banking
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.Sc. in Aeronautical Engineering, Technion, Haifa; M.B.A., Tel Aviv University. Manager of the Corporate Headquarters in the Corporate Banking Area at Bank Hapoalim from 2004 to June 2012. From July 2012 to February 2018, Chief Risk Officer.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26A: Senior Officers of the Bank⁽¹⁾ (cont.)

Name	Ofer Levy
Personal details	Identification number: 052222577 Date of birth: February 15, 1954
Date of beginning of service	Member of the Board of Management as of May 1, 2006.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Chief Accountant.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Accounting and Economics, Tel Aviv University. CPA. Member of the board of directors of the following companies: AMI Trustees Ltd., Yefet Nominees Ltd. Served as a member of the board of directors of Poalim Express Ltd.

Name	Yadin Antebi
Personal details	Identification number: 028078525 Date of birth: October 31, 1970
Date of beginning of service	Member of the Board of Management as of July 23, 2013.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Chief Financial Officer (CFO).
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Accounting and Economics, Hebrew University of Jerusalem; M.B.A. (specialized in Finance), Hebrew University of Jerusalem. CPA. From February 2011 to July 2012, CEO of Dash Investment House. From September 2005 to December 2009, Supervisor of the Capital Market, Insurance, and Savings at the Ministry of Finance. Director at Yadin Antebi Consulting Ltd.; member of the board of directors of Sure-Ha International Ltd. Served as chairperson of the boards of directors of the following companies: Poalim Mortgages Insurance Agency (2005) Ltd. and Poalim Ofakim Ltd., and as a member of the boards of directors of the following companies: Dash Provident Funds Ltd. and Tachlit Exchange Traded Notes Ltd.; however, he no longer serves at these companies.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26A: Senior Officers of the Bank⁽¹⁾ (cont.)

Name	Dan Alexander Koller
Personal details	Identification number: 028051910 Date of birth: September 8, 1970
Date of beginning of service	Member of the Board of Management as of January 1, 2008.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Financial Markets and International Banking.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	<p>B.A. in Economics and Business Administration, Hebrew University; M.A. in Economics and Business Administration, Hebrew University.</p> <p>From December 2013 to February 23, 2016, Head of Financial Markets; as of February 24, 2016, also Head of International Banking.</p> <p>From July 2012 to November 2013, Head of International Banking.</p> <p>From January 2008 to June 2012, Head of Risk Management.</p> <p>Chairperson of the boards of directors of the following companies: Poalim Capital Markets and Investment Holdings Ltd., Poalim Capital Markets - Investment House Ltd., Poalim Capital Markets Ltd., Bank Hapoalim Nominee Company Ltd., Poalim Financial Holdings Ltd., Hapoalim Hanpakot Ltd., Tarshish Hapoalim Holdings and Investments Ltd., Hapoalim Nechasim (Menayot) Ltd., Opaz Ltd., Continental Poalim Ltd., Hapoalim American Israeli Ltd., Pekaot Poalim Ltd., and Bank Hapoalim (Switzerland) Ltd.; member of the boards of directors of the following companies: Poalim Asset Management (UK) Ltd., PAM Holdings Ltd., Hapoalim International N.V., and Tel Aviv Stock Exchange Ltd.</p> <p>Member of the board of trustees of Hadassah International – Hadassah Offices Israel (Public Benefit Company).</p> <p>Served as chairperson of the board of directors of the following companies: Isracard Ltd., Europay (Eurocard) Israel Ltd., and Poalim Express Ltd.; however, he no longer serves at these companies.</p>

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

Periodic Report 2017

Standard 26A: Senior Officers of the Bank⁽¹⁾ (cont.)

Name	Ronen Stein
Personal details	Identification number: 022537021 Date of birth: November 6, 1966
Date of beginning of service	Member of the Board of Management as of February 14, 2016.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Retail Banking
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Economics, Hebrew University of Jerusalem; B.A. in Law, Interdisciplinary Center Herzliya. Licensed attorney – Israel Bar Association. Licensed investment advisor – Israel Securities Authority. From February 2015 to February 2016, CEO of the credit-card companies Isracard Ltd., Europay (Eurocard) Israel Ltd., and Poalim Express Ltd. From 2010 to January 2015, Retail Banking Division Manager. Chairperson of the boards of directors of the following companies: Poalim Mortgages Insurance Agency (2005) Ltd. and Poalim Ofakim Ltd. Served as chairperson of the boards of directors of the following companies: Isracard Ltd., Europay (Eurocard) Israel Ltd., Poalim Express Ltd., Tzameret Mimunim Ltd., Isracard Mimun Ltd., and Isracard (Nechasim) 1994 Ltd., and as a director at Global Factoring Ltd.; however, he no longer serves at these companies.
Name	Golan Scherman
Personal details	Identification number: 23706583 Date of birth: June 22, 1968
Date of beginning of service	Member of the Board of Management as of February 1, 2018.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Innovation
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Economics, Bar-Ilan University; M.B.A., Ben-Gurion University. From December 2014 to January 2018, Retail Banking Division Manager.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

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Standard 26A: Senior Officers of the Bank⁽¹⁾ (cont.)

Name	Zeev Hayo
Personal details	Identification number: 057069676 Date of birth: February 24, 1961
Date of beginning of service	Chief Internal Auditor as of July 14, 2014.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Chief Internal Auditor, Head of Internal Audit in Israel and Abroad.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	<p>B.A. in Accounting and Economics, Tel Aviv University. CPA.</p> <p>From January 2012 to July 2014, Operational Services Division Manager in the Financial Markets Area.</p> <p>From August 2006 to January 2012, Operational Services for Financial Asset Managers Division Manager.</p> <p>From July 2014 to February 2018, chief internal auditor of the following companies: Isracard Ltd., Europay (Eurocard) Israel Ltd., Poalim Express Ltd., and Peilim - Portfolio Management Company Ltd.</p> <p>Served as CEO and director at Poalim Financial Holdings (1993) Ltd.; however, he no longer serves there.</p> <p>Served as chairperson of the boards of directors of the following companies: Poalim Egoz Hevra Finansit Ltd., Poalim Shaked Hevra Finansit Ltd., Tevuat Poalim Ltd., Shores Poalim Ltd., and Mishor Poalim Ltd.; however, he no longer serves at these companies.</p> <p>Served as a director at the following companies: Nominees Company of Bank Hapoalim Ltd. and Tel Aviv Stock Exchange Ltd.; however, he no longer serves at these companies.</p>

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

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Standard 26A: Senior Officers of the Bank⁽¹⁾ (cont.)

Name	Ronit Shapira
Personal details	Identification number: 054667613 Date of birth: December 22, 1956
Date of beginning of service	Corporate Secretary as of July 1, 2015.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Corporate Secretary
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.A. in Business Administration, New England College, Henniker, United States; M.A. in Human Resource Management, University of Derby; graduate of Directors and Officers Training Course, Management and Finance School, Tafnit, Open University external studies. From March 2004 to June 2015, Operations and Inter-Division Coordination Department Manager in the Retail Banking Area.

Name	Asaf Azulay
Personal details	Identification number: 052807120 Date of birth: October 30, 1983
Date of beginning of service	Head of Marketing and Advertising as of March 1, 2017.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Marketing and Advertising.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	L.L.B., Ono Academic College. From 2014 to 2017, joint CEO of BBDO IM.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

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Standard 26A: Senior Officers of the Bank⁽¹⁾ (cont.)

Name	Avner Paz-Tzuk
Personal details	Identification number: 058010844 Date of birth: February 3, 1963
Date of beginning of service	Core IT systems modernization project manager as of February 1, 2018.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Core IT systems modernization project manager.
Is the officer an interested party of the corporation, or a family member of another senior officer or of an interested party of the corporation?	No.
Education and business experience in the last five years, with details of professions or subjects in which education was acquired, the educational institution, and the academic degree or professional certification held by the officer	B.Sc. in Agricultural Engineering, Technion; M.B.A. with specialization in Finance, Bar-Ilan University. From 2013 to 2017, Chief Education Officer (Brigadier General), IDF. From 2010 to 2013, Head of Cyber Section (Colonel), Unit 8200, IDF.
Jacob Orbach Identification number: 053906467 Date of birth: April 2, 1956	Served as Member of the Board of Management and Head of Corporate Banking from July 6, 2014 to February 28, 2018.
Avraham Kochva Identification number: 013570890 Date of birth: August 12, 1961	Served as Member of the Board of Management and Head of Innovation from August 1, 2014 to January 31, 2018.
Ilan Mazur Identification number: 007447386 Date of birth: October 31, 1946	Served as Member of the Board of Management and Chief Legal Advisor from August 31, 2003 to February 28, 2018.

(1) The information in this standard is as at the date of publication of the report, unless otherwise noted.

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Standard 26B: Independent Authorized Signatories

None.

Standard 27: Accountants of the Bank

Ziv Haft, Certified Public Accountants, 48 Menachem Begin Rd., Tel-Aviv.

Somekh Chaikin, Certified Public Accountants, 17 Ha'arba'ah St., Tel Aviv.

Standard 28: Details of Changes in the Memorandum and Articles of the Bank

No amendments were made to the Memorandum and Articles of the Bank in 2017. See Standard 29(A)(3).

Periodic Report 2017

Standard 29

A. Recommendations of the board of directors to the general meeting, and resolutions that do not require approval by the general meeting:

1. Dividend distribution –

For details regarding dividend distribution, see the Board of Directors' Report, page 53.

2. Changes in capital – None.

3. Changes in the Memorandum and Articles of the Bank – there were no amendments to the Memorandum and Articles of the Bank in 2017. The agenda of the annual general meeting of shareholders of the Bank, scheduled for April 12, 2018, includes, among other matters, a resolution to adopt several amendments to the Articles of the Bank. For details, see the report on convening the meeting issued by the Bank on March 6, 2018 (reference no. 2018-01-018129).

4. Redemption of shares – None.

5. Early redemption of bonds – None.

6. Transactions not at market terms between the Bank and an interested party of the Bank, excluding a transaction of the corporation with its subsidiary – None.

B. Resolutions of the general meeting passed in contradiction of the recommendations of the Board of Directors – None.

C. Resolutions of the special general meeting –

On April 4, 2017, the general meeting resolved to extend the term of service of Mr. Oded Eran as a director of the Bank until December 31, 2019, and to approve the terms of service and employment of Mr. Oded Eran as Chairman of the Board. At that date, the general meeting also resolved to appoint Ziv Haft (BDO), CPA (Isr.) and Somekh Chaikin (KPMG), CPA (Isr.) as the external auditors of the Bank.

On February 5, 2018, the general meeting resolved to appoint Ms. Ronit Abramson Rokach to serve as an external director of the Bank (as defined in Section 1 of the Companies Law), for a period of three years, from February 5, 2018 to February 4, 2021.

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Standard 29A

1. In February 2017, the Board of Directors received the periodic update of the declarations of the directors and officers of the Bank regarding, among other matters, their service as officers at other corporations, and resolved to approve such service, pursuant to Section 255, as it does not consider this service harmful to the best interests of the Bank.
2. Exceptional transactions that require approval under Section 270(1) of the Companies Law – none.
3. As at the date of the report, all of the directors and officers of the Bank have exemption letters and indemnity commitments, and are insured under an officers' liability policy. For additional information, including with regard to the renewal of the officers' liability insurance policy, see Standard 22.

Ofer Levy

Senior Deputy Managing Director,
Chief Accountant

Ronit Shapira

Secretary of the Bank

Tel Aviv, March 25, 2018

Periodic Report 2017

Corporate Governance Questionnaire

INDEPENDENCE OF THE BOARD OF DIRECTORS	
1.	Throughout the reported year, two or more external directors served at the corporation: True Director A: Imri Tov Director B: Dafna Schwartz Number of external directors serving at the corporation as at the date of publication of this questionnaire: two (and three additional external directives as defined in Directive 301 of the Supervisor of Banks).
2.	A. The percentage of independent directors serving at the corporation as at the date of publication of this questionnaire: 5/10.
	B. The corporation has not established a minimum rate/number of independent directors in its articles. Note: pursuant to Directive 301 of the Supervisor of Banks, at least one-third of the directors on the board of directors of the Bank are required to be external directors, as defined in Directive 301. As noted, five external directors, as defined in Directive 301, serve at the Bank, and they are also independent directors.
3.	An examination was conducted in the reported year with the external directors (and the independent directors), and it was found that they fulfilled the directives of Section 240(B) and (F) of the Companies Law, in the reported year, with regard to the lack of affinity of the external (and independent) directors serving at the corporation, and that they fulfilled the required conditions for service as external (or independent) directors: True.
4.	None of the directors who served at the corporation during the reported year report to the general manager, directly or indirectly (with the exception of a director who is a representative of the employees, if the corporation has employee representation): True.
5.	All directors who gave notice of the existence of a personal interest in the approval of a transaction on the agenda of a meeting did not attend that discussion and did not participate in such voting (with the exception of a discussion and/or voting under circumstances according to Section 278(B) of the Companies Law): True.
6.	A controlling shareholder (including a relative thereof and/or a person acting on behalf thereof), who is not a director or other senior officer of the corporation, was not present at the meetings of the board of directors held during the reporting year: True.

QUALIFICATION AND SKILLS OF DIRECTORS	
7.	The articles of the corporation do not contain a directive restricting its ability to immediately terminate the service of any directors of the corporation who are not external directors: True.
8.	The corporation has prepared a training program for new directors in the area of the business of the corporation and in the area of the law applicable to the corporation and to the directors, as well as a program for continued training of serving directors, adapted, among other matters, to the position held by the director at the corporation: True. This program was operational during the reported year.
9.	A. A minimum required number of directors on the board of directors who must have accounting and financial expertise has been established at the corporation: True. The minimum number established: 3.
	B. Number of directors who served at the corporation during the reported year: Directors with accounting and financial expertise: 10 directors from January 1, 2017, to March 7, 2017; 9 directors from March 8, 2017, to March 20, 2017; 8 directors from March 21, 2017, to December 31, 2017. Directors with professional qualification: 2 directors (in addition to the directors with accounting and financial expertise, as noted above).
10.	A. The composition of the board of directors included members of both sexes throughout the reported year: True.
	B. The number of directors of each sex serving on the board of directors of the corporation as at the date of publication of this questionnaire: Men: 7, Women: 3.

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MEETINGS OF THE BOARD OF DIRECTORS (AND CONVENING OF THE GENERAL MEETING)						
11.	A.	The number of meetings of the board of directors held during each quarter of the reported year: First quarter 2017: 13 Second quarter 2017: 7 Third quarter 2017: 10 Fourth quarter 2017: 16				
	B.	Beside each of the names of the directors who served at the corporation during the reporting year, note the percentage of meetings of the board of directors in which he or she participated (in this subsection, including meetings of the committees of the board of directors of which he or she is a member, as noted below), which were held during the reported year (in reference to the term of his or her service) (it is hereby clarified that meetings which a director did not attend due to a personal interest / conflict of interest were not counted by the corporation as absences of the director from such meetings):				
		Director's name	Percent participation in meetings of the board of directors	Percent participation in meetings of the audit committee (for directors who are members of that committee)	Percent participation in meetings of the committee for the examination of financial statements (for directors who are members of that committee)	Percent participation in meetings of additional committees of the board of directors in which the director is a member (note the name of the committee)
		Oded Eran	100%	Not a member of the committee	Not a member of the committee	Credit Committee – 78.12% Finance and Prospectus Committee – 80% Investment Approval Committee – 100% Overseas Banking and International Activity Committee – 100% Corporate Governance and Stakeholders Committee – 100% Reforms and Capital Management Committee – 100%
		Amnon Dick	98%	Not a member of the committee	Not a member of the committee	Overseas Banking and International Activity Committee – 100% Corporate Governance and Stakeholders Committee – 100% Information Technology Committee – 75% New Products Committee – 100% Remuneration Committee to which additional directors were invited as committee members (pursuant to Section 38(E) of Directive 301 of the Supervisor of Banks) – 100% Credit Committee – 100% Reforms and Capital Management Committee – 100%

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	Meir Wietchner	93%	Not a member of the committee	Not a member of the committee	Information Technology Committee – 100% Overseas Banking and International Activity Committee – 100% Reforms and Capital Management Committee – 80%
	Imri Tov	98%	100%	100%	Remuneration Committee – 100% Credit Committee – 94% Transactions with Related Persons Committee – 93% Finance and Prospectus Committee – 100% Investment approval committee – 100% Risk Management and Control Committee – 100% Overseas Banking and International Activity Committee – 100% Corporate Governance and Stakeholders Committee – 100% US Risk Management Subcommittee – 100%
	Yacov Peer	100%	100%	100%	Transactions with Related Persons Committee – 100% Finance and Prospectus Committee – 100% Risk Management and Control Committee – 100% Committee for Examining the Bank's Dealings with the IDB Group – 100% US Risk Management Subcommittee – 100%
	Efrat Peled	98%	Not a member of the committee	Not a member of the committee	Overseas Banking and International Activity Committee – 100% Finance and Prospectus Committee – 100% Risk Management and Control Committee – 100% Corporate Governance and Stakeholders Committee – 100% Remuneration Committee to which additional directors were invited as committee members (pursuant to Section 38(E) of Directive 301 of the Supervisor of Banks) – 100% Reforms and Capital Management Committee – 100% US Risk Management Subcommittee – 100%
	Moshe Koren	96%	100%	100%	Credit Committee – 100% Transactions with Related Persons Committee – 100% Finance and Prospectus Committee – 100% Risk Management and Control Committee – 100% New Products Committee – 100% Remuneration Committee – 100% US Risk Management Subcommittee – 100%

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	Reuven Krupik	100%	100%	100%	Information Technology Committee – 100% New Products Committee – 100%
	Dafna Schwartz	100%	100%	100%	Transactions with Related Persons Committee – 100% Remuneration Committee – 100% Committee for Examining the Bank's Dealings with the IDB Group – 100% Reforms and Capital Management Committee – 100%
	Ido Stern	100%	Not a member of the committee	Not a member of the committee	Committee for Examining the Bank's Dealings with the IDB Group – 100% Investment Approval Committee – 100% Overseas Banking and International Activity Committee – 100% Corporate Governance and Stakeholders Committee – 100% Remuneration Committee to which additional directors were invited as committee members (pursuant to Section 38(E) of Directive 301 of the Supervisor of Banks) – 100% Reforms and Capital Management Committee – 100%
12.	The board of directors held at least one discussion during the reporting year regarding the management of the business of the corporation by the general manager and the officers who report to the general manager, when they were not present, after giving them the opportunity to express their position: True .				

SEPARATION OF THE DUTIES OF THE GENERAL MANAGER AND THE CHAIRPERSON OF THE BOARD OF DIRECTORS

13.	A chairperson of the board of directors served at the corporation throughout the reported year: True .
14.	A general manager served at the corporation throughout the reported year: True .
15.	In a corporation where the chairperson of the board of directors also serves as the general manager of the corporation and/or exercises the authority of the general manager, the double service has been approved in accordance with the directives of Section 121(C) of the Companies Law. <input checked="" type="checkbox"/> Not relevant.
16.	The general manager is not a relative of the chairperson of the board of directors: True .
17.	A controlling shareholder or a relative thereof does not serve as the general manager or as a senior officer of the corporation, except as a director: True .

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THE AUDIT COMMITTEE	
18.	The following persons did not serve on the audit committee during the reported year:
A.	A controlling shareholder or a relative thereof: True.
B.	The chairperson of the board of directors: True.
C.	A director employed by the corporation or by a controlling shareholder of the corporation or by a corporation under a controlling shareholder's control: True.
D.	A director who regularly provides services to the corporation or to a controlling shareholder of the corporation or to a corporation under a controlling shareholder's control: True.
E.	A director whose primary livelihood depends on the controlling shareholder: True.
19.	No person not permitted to be a member of the audit committee, including a controlling shareholder or a relative thereof, was present at the meetings of the audit committee during the reported year, except in accordance with the directives of section 115(E) of the Companies Law: True.
20.	The legal quorum for discussion and for the passing of resolutions at all meetings of the audit committee held during the reported year was a majority of the members of the committee, where the majority of those present were independent directors, and at least one of those present was an external director: True.
21.	The audit committee held at least one meeting during the reported year in the presence of the internal auditor and the external auditor, without the presence of officers of the corporation who are not members of the committee, with regard to flaws in the business management of the corporation: True.
22.	For all meetings of the audit committee attended by a person not authorized to be a committee member, such attendance was approved by the chairperson of the committee and/or was at the request of the committee (with regard to the legal counsel and secretary of the corporation who is not a controlling shareholder or a relative thereof): True.
23.	Arrangements were in effect during the reported year, established by the audit committee, with respect to the treatment of complaints of employees of the corporation regarding flaws in the management of its business and with respect to the protection to be given to employees who make such complaints: True.
24.	The audit committee (and/or the committee for the examination of the financial statements) obtained satisfactory assurance that the volume of work and the fees of the external auditor with respect to the financial statements in the reported year were appropriate in order to adequately perform the auditing and reviewing work: True.

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DUTIES OF THE COMMITTEE FOR THE EXAMINATION OF THE FINANCIAL STATEMENTS (HEREINAFTER: THE COMMITTEE) IN ITS PRELIMINARY WORK PRIOR TO THE APPROVAL OF THE FINANCIAL STATEMENTS ⁽¹⁾		
25.	A .	The period of time (in days) established by the board of directors as a reasonable period for the submission of recommendations of the Committee in advance of the meeting of the board of directors in which the financial statements are approved: 2 days , to the extent possible.
	B .	The actual number of days elapsed from the submission of the recommendations to the board of directors to the date of the discussion of the approval of the financial statements by the board of directors: Report for the first quarter of 2017: 6 days. Report for the second quarter of 2017: 1 day. Report for the third quarter of 2017: 1 day. Annual report 2017: 2 days.
	C .	The number of days elapsed from the submission of the draft of the financial statements to the directors to the date of the discussion of the approval of the financial statements by the board of directors: Report for the first quarter of 2017: 2 days. Report for the second quarter of 2017: 2 days. Report for the third quarter of 2017: 3 days. Annual report 2017: 11 days.
26.	The external auditor of the corporation attended all meetings of the Committee and of the board of directors in which the financial statements of the corporation referring to the periods included in the reported year were discussed: True.	
27.	All of the following conditions were fulfilled by the Committee during the entire reported year and until the publication of the annual report:	
	A.	The number of members did not fall below three (at the date of the discussion by the Committee and the approval of the financial statements, as noted): True.
	B.	All of the conditions set forth in Section 115(B) and (C) of the Companies Law (with regard to the service of members of the audit committee) were fulfilled: True.
	C.	The chairperson of the Committee is an external director: True.
	D.	All of the members are directors and the majority of members are independent directors: True.
	E.	All of the members have the ability to read and understand financial statements, and at least one of the independent directors has accounting and financial expertise: True.
	F.	The members of the Committee made a declaration prior to their appointment: True.
	G.	The legal quorum for discussions and for passing of resolutions in the Committee is a majority of its members, provided that the majority of those present are independent directors, including at least one external director: True.

(1) In accordance with the directives of the Banking Supervision Department, the Audit Committee serves as the committee for the examination of the financial statements.

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REMUNERATION COMMITTEE ⁽¹⁾		
28.		In the reported year, the committee consisted of at least three members, and external directors were a majority of the committee (at the date of the discussion in the committee): True.
29.		The terms of service and employment of all members of the remuneration committee in the reported year are in accordance with the Companies Regulations (Rules for Remuneration and Expenses of External Directors), 2000: True.
30.		The following persons did not serve on the remuneration committee during the reported year:
	A.	A controlling shareholder or a relative thereof: True.
	B.	The chairperson of the board of directors: True.
	C.	A director employed by the corporation or by a controlling shareholder of the corporation or by a corporation under a controlling shareholder's control: True.
	D.	A director who regularly provides services to the corporation or to a controlling shareholder of the corporation or to a corporation under a controlling shareholder's control: True.
	E.	A director whose primary livelihood depends on the controlling shareholder: True.
31.		A controlling shareholder or a relative thereof were not present at the meetings of the remuneration committee during the reported year, unless the chairperson of the committee determined that the presence of any of them was required for the presentation of a particular matter: True.
32.		The remuneration committee and the board of directors did not exercise their authority pursuant to sections 267A(C), 272(C)(3), and 272(C1)(1)(c) for the approval of a transaction or remuneration policy despite the objection of the general meeting of shareholders: True.

(1) The answers refer to the remuneration committee that serves in accordance with the directives of the Companies Law. A remuneration committee in an expanded format also serves at the Bank, which discusses the remuneration of all employees (except officers and key employees) and the group's remuneration policy.

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INTERNAL AUDITOR	
33.	The chairperson of the board of directors or the general manager of the corporation is the organizational supervisor of the internal auditor of the corporation: True.
34.	The chairperson of the board of directors or the audit committee approved the work plan in the reported year: True.
35.	Volume of employment of the internal auditor at the corporation in the reported year: 100% position.
	A discussion of the findings of the internal auditor was held (by the audit committee or the board of directors) during the reported year: True.
36.	The internal auditor is not an interested party of the corporation, a relative thereof, an external auditor, or anyone acting on behalf thereof, and does not maintain material business ties with the corporation, a controlling shareholder of the corporation, a relative thereof, or corporations under their control: True.

TRANSACTIONS WITH CONTROLLING SHAREHOLDERS	
37.	The controlling shareholder or a relative thereof (including a company under the control thereof) is not employed by the corporation and does not provide the corporation with management services: True.
38.	To the best of the corporation's knowledge, the controlling shareholder does not have additional business in the area of activity of the corporation (in one or more areas): True.

Mr. Oded Eran
Chairman of the Board

Ms. Ronit Abramson Rokach
Chairperson of the Audit Committee*

* The committee also serves as the committee for the examination of the financial statements.