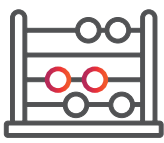


OUR CODE OF ETHICS



Code of Values and Ethics

We are celebrating the centennial of Bank Hapoalim this year.

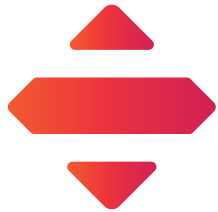
This occasion provides an opportunity to look proudly back at the contributions of the bank to the Israeli economy over the years, as we prepare for a future of continued far-reaching and remarkable activity in a dynamic and challenging business environment.

We also launched a new vision for the bank this year, expressing our commitment to growth through innovative, fair banking. Concurrently, we formulated the values forming the foundation for our activities and the derived rules of conduct. All of these matters are described extensively in the Code of Values and Ethics presented here, reflecting the organizational and business culture of Bank Hapoalim.

Many contributors participated in this process; they deserve our gratitude and appreciation.

Human Resources Division
October 2021

Dear employees,



We are pleased and proud to present the renewed Code of Values and Ethics of the bank. The code melds our values as an organization with the ethics rules that guide our conduct.

The code is a statement of our identity and uniqueness as employees of Bank Hapoalim, and reflects the way we aspire to fulfill the bank's new vision: "Committed to growth through impactful innovative, fair banking for our customers."

In recognition of the developments in our technological, social, and business environment, the bank is leveraging the need and opportunity for renewal to accelerate and improve its ability to deliver unique long-term value to its customers, fairly and responsibly. We will achieve these aims through enhancement and expansion of the range and quality of our services, development and accessibilization of new technologies, process change, and embedding a dynamic organizational culture that allows and stimulates growth.

Across the years of its existence, the bank has been guided by the understanding that its advantage lies in its human capital. This approach is also reflected in the vision of the bank, which forms the infrastructure for a work environment of continual renewal enabling every employee to be their best.

To ensure our ability to realize the vision of the bank and integrate its organizational, cultural, and business components, we reformulated the five core values that shape the way we act, do

business, and benefit the economy, society, and the environment:

- ◆ Dedicated to customers' best interests
- ◆ Making it happen
- ◆ Working together, for you
- ◆ Growth and development
- ◆ Fairness and responsibility

Each of the core values is relayed into key behaviors for application of the values in practice. Taken together, they form a comprehensive organizational approach integrating a customer-centric worldview with quick, flexible deployment to deliver optimal responsiveness grounded in partnership, boldness, and aspiration to continual improvement.

Since its foundation, the bank has built its standing as a leading financial institution through its integrity and the trust placed in it by its customers and business partners. We would like to take this opportunity to once again express our dedication to continued leadership for a successful and thriving business, strictly adhering to appropriate standards of values and ethics and commitment to compliance and to upholding the requirements of the law.

Sincerely yours,

Ruben Krupik
Chairman of the Board

Dov Kotler
President & CEO



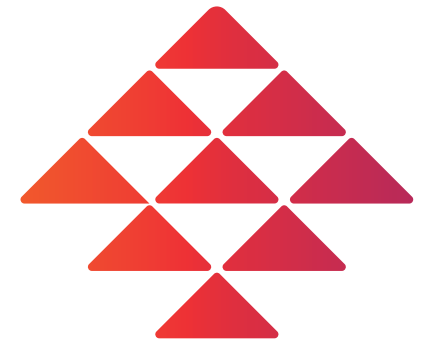


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Our Way

Our organizational identity



The vision of the bank

Committed to growth through impactful, innovative, fair banking for our customers.



The mission of the bank

Helping people, communities, and businesses thrive and achieve well-being.



Our promise to our customers

We are with you in every decision.



Focus: Dedicated to customers' best interests



Meaning

Focusing our actions on what matters to customers, while adapting to their evolving needs, to create meaningful value.



Behaviors

- Investigate customers' needs in depth and understand what matters to them.
- Set priorities based on the value to the customer.
- Update priorities according to changing circumstances.





Delivery: Making it happen



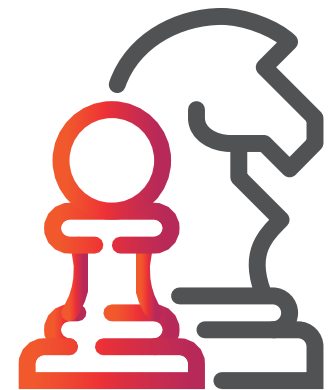
Meaning

Taking the initiative and moving processes forward quickly, to deliver relevant solutions in real time.



Behaviors

- Take personal responsibility for every task.
- Make decisions in real time, oriented to a rapid response, even if it is imperfect.
- Accept feedback and optimize as you go.





Partnership: Working together, for you



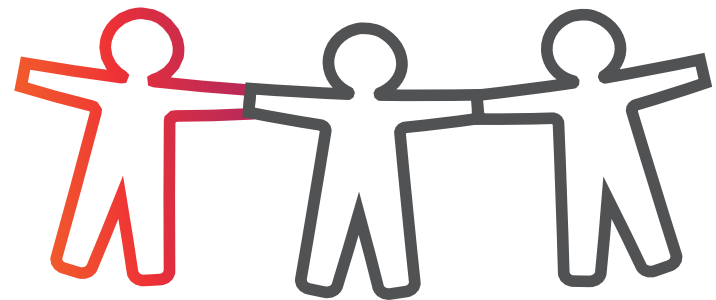
Meaning

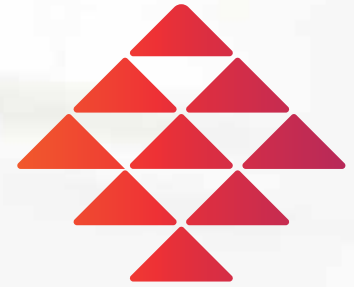
Joining forces and mobilizing for the success of our partners, to enable our customers to benefit from the full range of our capabilities.



Behaviors

- Move forward with individual tasks while keeping shared goals in sight.
- Keep partners up to date with activities, reflecting a comprehensive and current overview.
- Recognize and express appreciation for the contributions of all partners.





Growth mindset: Growth and development



Meaning

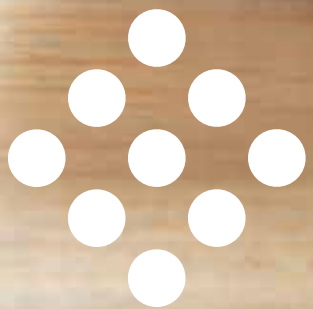
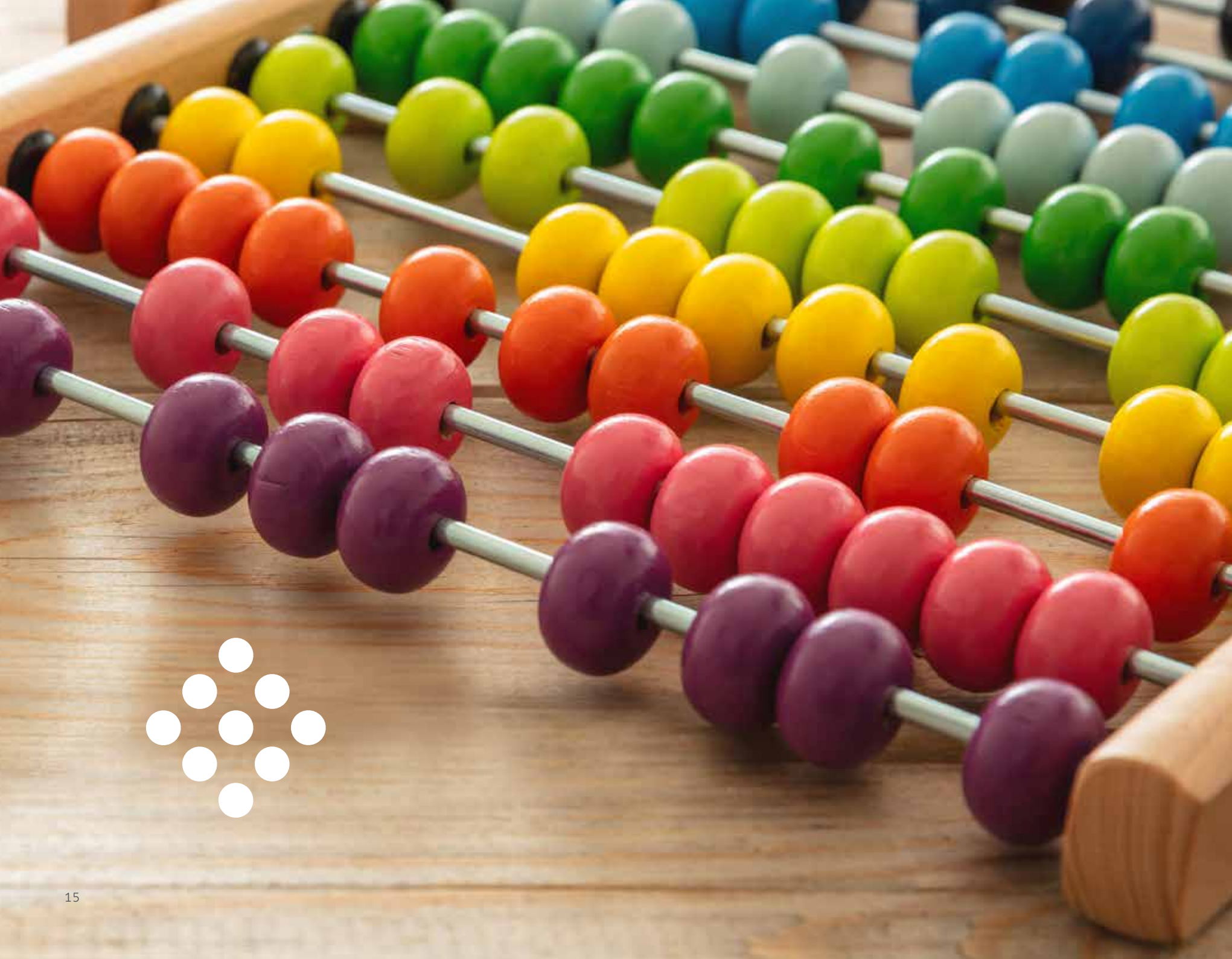
Encouraging curiosity, learning, and continual improvement, as the foundation for high-quality, up-to-date banking that advances our customers' growth.



Behaviors

- Continually expand the bounds of our knowledge.
- Encourage creative thinking, variation, and multiple opinions.
- Be bold and willing to try; be tolerant of mistakes.
- Learn, draw conclusions, and improve constantly.





Fairness: Fairness and responsibility



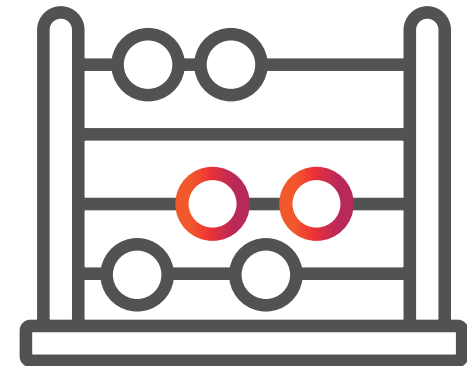
Meaning

Treating everyone with fairness and compassion; acting with integrity, justifying the trust placed in us by the public.



Behaviors

- Adhere strictly to all rules and procedures.
- Demonstrate responsibility towards society, the environment, and the community.
- Exercise mutual respect and empathy for others.
- Show personal and organizational responsibility.



Rules of Conduct and Ethics



Rules of Conduct at the Bank



General information

Acting in accordance with the law

As part of the banking system in the State of Israel, we conduct ourselves according to the principles of sound corporate governance, as reflected in the legislative and regulatory environment in which we operate and to which we are committed. This commitment applies to all of the affiliates of the bank, in Israel and worldwide, and to all employees acting in the name of the bank. As part of an organization trusted with the public's assets, it is our responsibility to promote responsible conduct amongst ourselves; and it is our duty to act according to the law, the procedures of the bank, the agreements between the bank and its employees, and the code of ethics, as they are at any time.

Our foremost consideration in any decision or business action is **obeying the law**. Banking services are subject to extensive regulation, in all areas of decision-making that pertain to our activity. We must therefore be familiar with all of the laws and regulations related to our work and to the fulfillment of our roles at the bank. The bank takes the necessary measures against employees found to have acted in violation of the law, procedures, or the guidelines in the code of ethics.

The code does not cover all possible dilemmas, does not replace or supplant the procedures of the bank, and does not specify detailed rules of behavior for each and every situation; instead, it sets forth guidelines for conduct.

When we face an ethical dilemma, or confront a situation in which we are uncertain of the right way to act, it is our responsibility to consult with our direct supervisor, the Chief Compliance Officer, or the supervisor of ethics at the bank – the Head of Human Resources.



Customers



In an age of a surfeit of information, experts, and opinions, the process of consumer decision-making has become more complex and challenging than ever. In this reality, our customers need a professional partner they can trust – someone who can help them navigate all the possibilities.

We aspire to be the first and most significant source that our customers turn to when they need to make a financial decision. We work to supply them with knowledge and tools that impart significant value and can serve them in the day-to-day. At the same time, we strive to create an outstanding banking experience individually tailored to each customer, achieved through the combination of personal, human service with technological innovation.



The best interests of the customer and the fairness of the bank towards its customers

- We center our actions on the best interests and trust of the customer. We cultivate long-lasting relationships with our customers, reinforce their loyalty, act fairly and with integrity towards them, and create opportunities for them to expand and extend their connection with the bank, so that they can grow and thrive.
- We offer services and products suited to the customer, based on a comprehensive understanding of the needs of the customers and of their families; we empower our customers with the capabilities and tools needed to make financial decisions. All of our conduct with customers is committed to their financial best interests.
- In order for our customers to receive the full range of services as independently as possible, we make a range of channels available to them at any place and time; we ensure physical and technological accessibility for people with disabilities.



- We act fairly and transparently, including when handling debt collection, both before and after legal proceedings are initiated.
- We do not perform a transaction if there is reasonable doubt regarding the customer's understanding of the transaction.
- We identify customers' needs based on the knowledge accumulated at the bank regarding the customer, and following exploration with the customer of their needs, goals, financial situation, and other relevant circumstances, to the extent that the customer has provided the information.
- We adapt our banking service to the customer's needs, not just in cases where it is required by law (such as in advising on securities and financial assets), but in all transactions performed by the customer.
- Special terms are granted to customers based on relevant, fair considerations, according to authorizations.



Transparency and due disclosure

- We provide customers with full, clear information, with due disclosure and maximum transparency.
- We communicate with customers through the range of channels approved by the bank (in person, digitally, and by telephone) to provide service and information according to their needs, at the time and venue they prefer.



Protecting customers' confidentiality and privacy

- We respect customers' privacy and maintain confidentiality in discussing their affairs, including business information and information regarding third parties relevant to transactions.
- We view and use banking information solely for the purpose of performing our duties at the bank. We never look at information regarding customers other than for work purposes.
- In light of the importance of protecting banking secrecy, we understand that all retrievals of customer information are documented and monitored.



- We recognize that looking at customer accounts for personal purposes, including simple curiosity, constitutes a violation of banking secrecy towards customers.
- We diligently maintain appropriate retention of customer documents, in order to ensure that the content of the documents does not reach anyone not authorized to receive it.
- We do not transfer information to third parties, except by explicit written order of the customer or as required by law.
- We are committed to refraining from revealing information regarding our customers if it is not necessary in order to do our job, or required by law, even to members of employees' households.



Avoiding improper sales

- Fair conduct is an essential cornerstone of our customer-centric approach.
- We provide full information in every transaction or service, and assiduously avoid disseminating unfounded information (rumors) or information that may mislead a customer when making a decision.
- The customer-centric approach takes precedence over the aspiration to excellent performance.
- We ensure that our ambition to attain excellent performance over time does not lead us to perform improper sales.



Handling customer complaints and public queries

- We see every communication from a customer as an opportunity to learn, deepen our relationship with the customer, improve the service experience we offer, and remedy flaws.
- We are committed to investigating every query and providing a relevant response.
- If you encounter a complaint you are unable to resolve, or if anyone contacts you with regard to the bank's service, it is important to let the responsible parties know so that we can improve the customer experience provided by the bank. A query can be posted on behalf of the customer on the Portal To Go, or you may suggest that the customer write to us through the bank's Facebook page.





Managing conflicts of interest

- We avoid situations of conflicts of interest, whether real or apparent, in which personal interests may clash with the interests of the bank or of its stakeholders, placing employees' personal interests in contradiction with their duties to the bank.
- We avoid exposure to information that may cause us to encounter a conflict of interest in which, while we are doing our job, another contradictory interest may influence our decisions as an extraneous consideration.
- Employees are prohibited from becoming partners in a business or engaging in financial activity with colleagues, customers, or suppliers, except with advance written approval.
- In any situation of a potential conflict of interest, we report immediately, in advance and in writing, to a supervisor or to any other responsible party; we avoid participating in all activities pertaining to such matters.



Responsible growth

We aspire to achieve economic growth while concurrently maximizing economic, social, and environmental value for our customers and for the general public, and while maintaining informed risk management, in the understanding that cautious growth secures the bank's success for the long term.



Prohibition on giving and receiving gifts and favors

- Employees may not receive or give gifts or favors of any kind, directly or indirectly, from or to customers or any other party in a working relationship with the employee or in connection with the performance of their duties at the bank.
- Employees must receive permission from a supervisor before accepting a personal gift, even if it is of negligible value and does not involve money.
- Employees must report to a supervisor in the event of an attempt to give the employee a gift that consists of money or cash equivalents of significant value.



Prohibition on corruption and bribery

- Employees may not offer, promise, give, or receive, directly or indirectly, anything of value from or to a public employee, political candidate, faction representative, supplier, or other organization with the aim of inappropriately influencing independent professional judgment, or with the aim of negatively influencing or obtaining or ensuring an unfair competitive advantage.
- Employees may not give or receive illegal fees to shorten processes, which may impair the incremental nature or the completeness of appropriate business and administrative procedures.
- Incidents that raise suspicion of attempted bribery must be reported immediately to the authorized parties.



Prohibition on money laundering and prevention of terrorism financing

- We are committed to taking all necessary measures in order to prevent the exploitation of the bank and its services and identify behavior and financial activity that may indicate activity uncharacteristic of the account or customer, or that is performed using prohibited property with the aim of causing its absorption at the bank and obscuring its illegal provenance, owner, or destination.
- The authorized parties must be notified immediately of any action suspected to be connected with tax offenses, bribery and corruption, or the financing of terrorism, or intended to conceal the participants in a transaction.

Responsibilities of managers

Managers at the bank set a personal example by behaving in accordance with the values and guidelines of the code of ethics. Managers are responsible for ensuring that all of their employees know and understand the code, and for supporting the process of instilling the code and making it part of the everyday routine. Managers help employees cope with ethical dilemmas. In cases in which they are unable to offer a solution, they must refer the employee to someone authorized to address the matter at hand.



Responsibilities of managers towards their employees

- To maintain appropriate, proper language and communication; to act kindly, pleasantly, and politely; and to avoid verbal abuse and offensive behavior of any kind.
- To give employees periodic feedback and evaluation on their performance and provide them with guidance and tools for continual improvement.
- To encourage work-life balance, with understanding and empathy for the individual's needs and personal life.
- To allow employees to express their opinions freely and without concern, to consult with them before making changes and decisions, and to inform them of changes in real time, as far as possible.
- To provide opportunities for employees to learn, acquire new capabilities, and continually grow and develop.
- To encourage mobility, diversity, and inclusion within the organization.



A positive, humane work environment

- To encourage an appropriate, positive, humane work environment, founded on mutual respect, caring, dialogue and empathy, fairness and equal opportunities, trust, openness, and transparency.
- To ensure that these attributes are maintained at all levels, among all employees of the bank.



Responsibilities of all employees of the bank

Employees' success and satisfaction with their work at the bank are key to the bank's success and to its customers' level of satisfaction. It is employees who guide customers and businesses and help them achieve astute conduct, make better financial decisions, move forward, and evolve. Accordingly, the bank is committed to cultivating and nurturing its human capital through continual dialogue, investment of resources in training, and the provision of tools and infrastructures for employees' progress and development, while also caring for their health and well-being. The bank aspires to be a preferred employer and offer its employees the power to be influential and a sense of meaning in their work.



Taking responsibility

- We aim for proficiency and expertise in all areas under our responsibility, and for optimal execution of our tasks.
- We actively learn and seek to remain current in our areas of activity, and we aspire to improve our performance.
- We exercise appropriate professional caution, while performing our work faithfully and diligently.
- We perform our duties in accordance with our defined areas of authority, being careful not to exceed them.
- We apply appropriate controls to the matters under our responsibility, even when our responsibilities are delegated to others.
- We rigorously ensure that we submit reports to the various government authorities that are complete, appropriate, accurate, reliable, and timely, while maintaining banking secrecy rules.



Maintaining fair competition within and outside the bank

- When competition exists between employees, we ensure that it is fair and respectful, and is conducted while adhering to the law and to the rules and procedures prevailing at the bank.

- We set objectives and achieve and report performance according to the rules that have been established, with fairness, integrity, and reliability. For example, one employee should not be given credit for the achievements of another.
- We treat the bank's competitors with respect. We compete energetically and efficiently, but also in a fair and moral manner, and in compliance with the requirements of the law. The bank does not abuse its power as a large and important organization to impair the fairness of competition in the market.
- We offer the services and products of the bank based on their inherent advantages.
- The collection of information about customers and competitors requires the approval of an authorized party, and is subjected to permitted parameters according to the law and the procedures of the bank.



Responsibilities of employees to their colleagues

- We notice when colleagues are in distress or experiencing difficulties, in order to be able to support and encourage them and help them in any way possible.
- We act cooperatively and transparently; we share professional information necessary to function effectively and attain the best interests of the customer.
- Maintaining good relationships among ourselves is of the utmost importance; these relationships are the foundation of both our individual success and the success of our teams.



Maintaining confidentiality and protecting employees' privacy

- All of us, managers and employees, are responsible for protecting employee privacy.
- The duty to maintain banking secrecy towards customers also applies to information in employee accounts. Information regarding employee accounts must not be viewed except in the course of banking work.
- Looking at employee accounts for personal purposes, including simple curiosity, constitutes a violation of banking secrecy towards the employees.



- Access to personal information about employees is granted only to those authorized by the bank, who need the information for reasons relevant to their position or for the management of the bank's business, such as managers, human-resources personnel, the Chief Compliance Officer Area, operational risk staff, and internal audit staff. Examples of personal information: data on salaries, tests, and performance evaluations, and information regarding employee accounts.
- Information should be collected and used only as required by law or for the purpose of the management of the bank's business and employees.
- The transfer of information to an external party is permitted only with the employee's consent, except in cases in which the bank is required by law to disclose the information.
- Inform your supervisor of any personal problem that may affect your work. Supervisors will handle this information, and any personal information about the lives of individuals, with sensitivity, confidentiality, and discretion.
- Do not keep valuable items or sensitive personal information in the facilities of the bank (cabinets, computer systems, and any other device or facility), beyond a reasonable extent. The bank retains the right to examine its facilities, including computer systems and any files stored therein.



Diverse employment and equal opportunities

- We are committed to promoting the employment of employees from population groups underrepresented in the labor market, from all parts of Israel and from the full spectrum of Israeli society.
- We employ, promote, and make decisions regarding employees based on pertinent considerations, such as qualifications and performance, without discrimination due to religion, race, sex, political views, sexual orientation, disabilities, etc.



Prevention of disrespectful and offensive behavior

- We rigorously maintain a work environment free of all forms of harassment and illegal offense; we must all take part in the effort to create this environment.

- We address each other using positive, respectful language; we avoid behaviors that are physically or verbally threatening, violent, or offensive.
- We avoid treating other employees in a humiliating or hurtful manner; we avoid disrespectful speech, threats, false accusations, and the spreading of harmful rumors.
- We do not come to work under the influence of alcohol or drugs.



Employment at another organization

- Any employment at another business organization or in a business and/or financial activity, as an employee, owner, partner, advisor, board member, or in any other capacity, even when there is no conflict of interest involved, requires advance written approval from the Human Resources Division.
- Even when such approval has been granted, you must ensure that your other work has no negative effects on your work at the bank.



Prevention of sexual harassment

- We take a zero-tolerance approach to sexual harassment.
- If you experience sexual harassment, contact the Supervisor of the Prevention of Sexual Harassment at the bank to file a complaint, or contact one of the regional operations officers appointed as sexual harassment prevention trustees.
- If you witness sexual harassment or encounter rumors pertaining to sexual harassment, you can safely report the matter to the Supervisor of the Prevention of Sexual Harassment or to one of the regional operations officers appointed as sexual harassment prevention trustees.
- The bank is committed to the protection of whistleblowers, including those who report sexual harassment issues.







Protection of the bank's assets

- We are diligent about using the bank's assets in an appropriate manner. Among other considerations, we understand that the ambient conditions and technological innovations that the bank makes available to its customers are perceived by customers as important components of the overall service of the bank; this includes the visual appearance and design of buildings and furniture, and the quality and availability of equipment and devices.
- We use the assets of the bank prudently and frugally; we are aware that the bank invests resources and efforts in the development of its assets and accords high importance to their efficient management.
- We are committed to avoiding the use of the bank's property for personal gain or benefit, or for activities unrelated to the bank or conducted outside work hours.
- We do not use assets or remove property from the premises of the bank for reasons unrelated to the objectives of the bank.
- We strictly maintain safety at work; we alert the relevant parties of any hazard that may jeopardize the safety of employees and/or customers, or may expose the bank to harm.



Retention of confidential information

- We do not disclose confidential information or insider information, and we do not transfer these types of information to others in any form.
- During our work at the bank, we are exposed to large amounts of information of various kinds concerning the bank and its employees, customers, suppliers, competitors, and more. This information is confidential, and we protect it accordingly. Confidential information may appear in various forms: verbal, written, printed, or electronic. The duty to avoid disclosure and maintain confidentiality applies to all of these forms.
- We protect this information from loss, theft, and other damage.
- We are careful not to discuss bank matters in public places, such as elevators or coffee shops.
- We do not leave documents, electronic media, mobile phones, or personal computers containing information regarding the bank in public places or in vehicles.

- The duty to maintain banking secrecy and protect privacy continues to apply during hybrid work (a combination of work at the office with work from home). To avoid exposing confidential information of customers or employees, and to protect the trade and business secrets of the bank, the dispersal of sensitive or confidential information must be avoided, and the following instructions should be followed:
 - Perform remote work only through secure devices approved by the bank.
 - Conduct conversations and work on banking matters in a location where others cannot listen to the conversation.
 - When working remotely, the extraction of confidential information of any kind regarding the customers of the bank from the bank's systems, such as through a screenshot or home printing, is prohibited.
 - Removal of materials containing personal information (regarding the customers or employees of the bank) from the premises of the branch or office is prohibited.
 - Removal of confidential information of the bank that may reveal business or trade secrets from the premises of the branch or office is prohibited.
 - Removal of materials not classified as confidential from the premises of the branch or office, in exceptional cases only, requires permission from a supervisor at the rank of at least a branch manager or head-office department head. In these exceptional cases, the materials should be retained outside the bank only for the period required for the duration of the approved processing. At the end of this use, the materials must be returned to the bank for retention or shredding.



Prohibition of the use of insider information

- We maintain the confidentiality of all insider information regarding the bank and its customers that may come to our attention during the course of our work, as well as substantial information not known to the public and to investors in securities, and information that a reasonable investor would act upon when making decisions concerning the securities of the bank or of others.



- Transactions in securities wherein an employee or manager has insider information not revealed to the public are prohibited, in accordance with, among other matters, Procedure 2200/506, "Investment by Bank Employees."
- We do not trade in securities of the bank during blackout periods.



Confidential knowledge and intellectual property

Rights owned by the bank should not be used outside the bank, including any invention, idea, discovery, development, concept, etc., generated by employees during and due to their work at the bank, in writing or verbally.



Political activity

Israel is a democratic country, and every citizen has the right to a political opinion. However, the bank endeavors to prevent the use of its employees or facilities for political purposes, and/or the exploitation of its status and image for political gain.

- Do not conduct political activity at the facilities of the bank, and do not raise funds for political candidates or parties or for any other political entity at the bank, including - hanging signs, promoting or holding election meetings or political demonstrations, promoting candidates for elections within the bank, etc.
- Do not use the means of the bank for political purposes, or to promote personal interests in this area.
- The bank does not donate money or equivalents to political parties, politicians, or political institutions. Any involvement of the bank in lobbying is conducted in accordance with Israeli law. Activity in this area is performed in compliance with the regulations of the bank, by authorized employees only.



Representation of the bank

- During activities in which we represent the bank in the media, and on public occasions (such as a presentation at a professional conference), we act respectfully and in accordance with the policy of



the bank. Do not make any declaration or commitment in the name of the bank without the appropriate authorizations. Any questions from the media should be addressed to the spokesperson office of the bank.

- Only those persons authorized accordingly in the procedures of the bank may sign documents in the name of the bank or perform actions that obligate the bank.
- Do not make declarations pertaining to the bank, its business, or its customers, or give interviews in the written, electronic, or online media on these subjects, unless it is part of your job description and you have received advance approval to do so.
- When we express ourselves on public or political matters as private individuals, it is important to clarify that we are speaking privately and to make it understood that we are not speaking in the name of the bank or on its behalf.



Representation of the bank on social media

- In today's world, using social media is part of our daily routine; it is therefore important to differentiate the identity of a bank employee as a representative of the organization from his or her private life.
- We exercise judgment when deciding whether and what to share and post on social media with regard to the work and social activities conducted by the bank, while adhering to the rules of appropriate conduct. In this context, we are aware that employees should not express, respond to, or post any information or personal opinions about matters related to the bank and its business that may be harmful or cause damage of any kind, including harm to banking secrecy, individual privacy, public sentiment, etc.
- The bank is active in various social media networks and channels. Employees who oversee and perform this activity are exclusively those trained and authorized to do so, as part of their roles at the bank.
- Information discussed on social media and the right to respond or formulate an appropriate position regarding such information should be referred to the bank's Social Media Center, even if the employee is deeply familiar with the subject matter due to his or her work at the bank.



Restrictions on bank employees' accounts

- We are responsible and careful in the management of our personal financial affairs.
- We recognize that as bank employees, certain restrictions apply to ourselves and to the members of our families with regard to holdings and transactions in securities, pursuant to the Securities Law and other legal directives, as well as restrictions concerning the management of our bank accounts in general and receiving credit in particular.
- Investment advisors and employees in certain other positions are subject to additional restrictions due to their roles. These restrictions are stipulated in the Securities Law and in the Advising Law, as well as in the procedures of the bank.
- We do not handle credit applications, credit approvals, or credit-facility deviations of members of our families or members of our spouses' families.

Other stakeholders: suppliers, investors, the community

Suppliers

We select suppliers based on professional criteria, and accord high importance to cultivating long-term relationships with them, for the benefit of both parties. Our responsibility for an ethical supply chain is also reflected in our demand for a commitment on the part of suppliers who work with us to conduct themselves in accordance with the principles of corporate responsibility, and in our expectation that they treat us and our customers equally, fairly, and respectfully. In our engagements with suppliers, we strictly maintain several ground rules and ethical principles:

- **Contractual engagement** – corporate purchasing is the sole function within the bank authorized to manage supplier relationships, including negotiations, agreements on the terms of the engagement, issuance of work orders, etc.
- **Integrity and transparency** – we provide due disclosure and maintain appropriate transparency; we provide suppliers with the required information relevant to their activity with the bank, but we ensure that we do so in a proportional manner. We do not provide information regarding competing suppliers, including with respect to results, prices, or terms.
- **Equal opportunities and prevention of discrimination and harassment** – the system of contractual engagements with suppliers is based on price and on other professional parameters, such as quality, availability, reliability, terms, service, and more. We allow equal opportunities to all suppliers, based on pertinent considerations; we do not discriminate due to religion, race, sex, age, etc. Decisions regarding contractual engagements with suppliers are made based on pertinent considerations, in an unbiased manner, while protecting the best interests of the bank and promoting a work environment free of harassment of any kind.
- **Working relationships** – supplier relationships should be managed based on an approach of respectful dialogue aimed at discovering and understanding mutual needs, coordinating expectations, and creating shared value for the bank and the supplier. We fully respect the rights of the supplier's employees, and we treat them respectfully and responsibly. We do not exploit working relationships with suppliers for our personal needs.
- **Information security and confidentiality** – we are committed to avoiding the use of information to which we are exposed within a contractual engagement and/or work with a supplier for any purpose unrelated to receiving the service or product. In all cases, we adhere to the rules of information security, individual privacy, and confidentiality of the data to which we are exposed during our work with a supplier.





Investors

The bank is committed to the creation of long-term positive economic value for its investors. In order to promote trust and transparency in its relationships with investors, the bank regularly reports on its business and financial position, as required by law.

Community - social banking

Alongside its business activities, the bank is committed to the promotion of the society and community of Israel, and works to reduce inequalities and aid disadvantaged segments of society.

Based on this approach, the Poalim Community Foundation supports hundreds of initiatives aimed at bolstering employment, education, and the financial resilience of Israeli society, and reducing inequalities among thousands of adults, children, and adolescents in every part of Israel.

This extensive activity is conducted through partnerships with social non-profits and organizations and public and government institutions, and takes the form of community engagement, monetary donations, money-equivalent contributions, financing of workshops, provision of tools and knowledge to the public through the Financial Growth Center, and substantial volunteering activities by the employees and managers of the bank.

All work-related volunteer activities, fundraising efforts at the bank and in its facilities, and requests addressed to customers or suppliers in connection with volunteering and/or donations are subject to approval and regulation by the appropriate functions at the bank, and should not be undertaken without approval.

Environment

We attribute high importance to sustainable environmental management; we are committed to acting responsibly towards the environment. Accordingly, we endeavor to minimize the direct and indirect environmental impacts of the bank, and we treat consumed materials as resources to be managed responsibly, with efforts to achieve savings and efficiencies.

Reduction of the bank's environmental impact is attained through means including resource savings efforts (with an emphasis on electricity and paper), and the selection of suppliers who meet criteria of protection of the environment, recycling, reuse, and responsible waste disposal.

The commitment of the bank's employees to the protection of the environment is extremely significant to the implementation of the bank's environmental policy; they are the ones helping to bring this policy from theory to practice. We therefore act to instill responsible environmental conduct at the bank; we encourage employees to continue to be frugal in the consumption of disposable resources, save electricity, minimize printing to the extent possible, use water resources efficiently and sparingly, and use the recycling facilities located throughout the bank's buildings.





Coping with ethical dilemmas

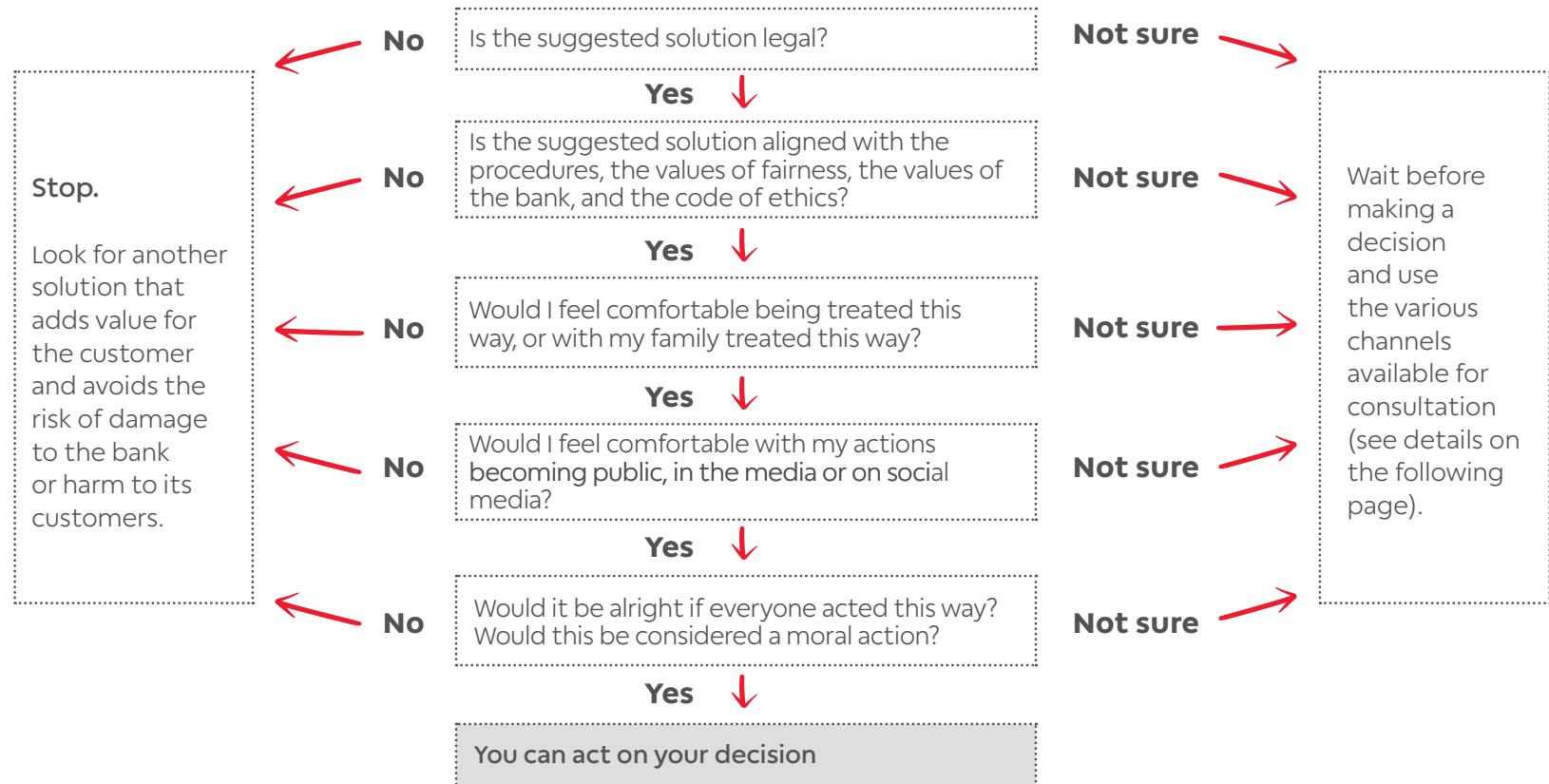


What is an ethical dilemma?

An ethical dilemma is a situation in which you must make a decision, within your position, profession, and authority, that involves a choice between conflicting interests or moral values, each of which is worthy and desirable in its own right.

Decision-making model

When confronted with an ethical dilemma, ask yourself:



Channels for consultation and reporting





The bank promotes an ethical culture, and encourages every employee who encounters a situation of potential violation of the norms or values of the bank by any of its employees, or an ethical dilemma, to communicate, consult, and report the issue. In cases that raise concerns of a failure to comply with the provisions of the law or with the procedures of the bank (by the employee or by other employees), the employee of the bank is required to report the matter to the Chief Compliance Officer. Further, we see it as our duty to assist employees in these matters by providing information, guidance, and a response to their questions, through supervisors, the authorized functions at the bank, and the channels established to handle these matters.

Employees should know that the bank is committed to the protection of whistleblowers, and that they can use any of the channels listed below to make a report and be confident that the bank will provide protection, in accordance with all laws.

Reports can be made using any of the following methods.

Open message

- Direct or indirect supervisors.
- Ethics hotline (through MASHAB, the Personal Service Center) at 03-567-6666 or online (select the topic "Conduct and ethics").
- Chief Compliance Officer at 03-567-6306 or 03-567-3788.
- Internal Audit at 03-714-2928.
- Supervisor of the Prevention of Sexual Harassment at 03-714-2924 or 052-601-7263.

Anonymous message

- Chief Compliance Officer through a dedicated area of the portal, at: Organizational Portal > Poalim Values > Code of Values and Ethics.
- Internal Audit through internal mail (attn: Investment Audit 322).

The message should be as clear and detailed as possible, to provide understanding of the circumstances and characteristics of the incident.

Important: avoiding the escalation of information that raises concerns over failure to comply with the provisions of the law or with the procedures of the bank may have disciplinary consequences for the bank and/or its employees.

In cases of sexual harassment

Send an open or anonymous message to the Supervisor of the Prevention of Sexual Harassment:
Rachel Abdoosh

Email: rachel.abdoosh@poalim.co.il

Hotline: 054-600-3602

Office: 03-714-2924

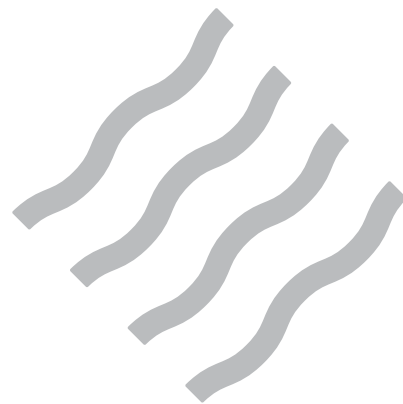
Mobile: 052-601-7263

Or send an open or anonymous message to any of the regional operations managers (sexual harassment prevention trustees).

Procedures annex*

Topic	Procedure	Procedure title
Best interests of the customer / accessibility for people with disabilities	1000/4	Accessibility Arrangements at Bank Hapoalim
Fairness of the bank towards its customers	2200/502	Fairness of the Bank Towards its Customers
Confidentiality	240/100	Banking Secrecy
Handling customer complaints and public queries	4201/821	Public Queries (Internal Procedure)
Conflict of interest	800/5	Managing Conflicts of Interest
Receiving or giving gifts	275/810	Receiving Personal Favors or Gifts
Prohibition of money laundering	212/1	Prohibition of Money Laundering and Financing of Terrorism – General
Prevention of sexual harassment	275/750	Prevention of Sexual Harassment in the Workplace
Retention of confidential information	240/170	Providing Banking Information to External/Internal Parties
Prohibition of the use of insider information (securities)	2200/507	Prohibition of the Use of Insider Information
Prohibition of the use of insider information (securities)	2200/506	Investment by Employees of the Bank
Representation of the bank	275/1304	Employee Conduct in the Media and on Social Media
Employment at another organization	275/1300	Additional Work Outside the Bank
Restrictions on management of employee accounts	275/801	Bank Employee/Retiree Accounts
Purchasing	130/1112	The Purchasing Process
Social responsibility	2221/1	Corporate Social Responsibility
Ethics queries	275/1401	Ethics Queries
Protecting and handling employee queries	800/4	Employee Queries

* The procedures are updated from time to time, and appear on the system “Always Up to Date” on the organizational portal.



 **bank hapoalim**