

# **Annual Periodic Report**

**2019**



**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.

**Standard 11** List of investments in subsidiaries and related companies as at the balance sheet date

**A.** In shares and convertible securities

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**Company**

Avuka Hevra Lehashkaot Ltd.

Agam Hevra Finansit Ltd.

Igarot Hevra Lehanpakot shel Bank Hapoalim Ltd.

Opaz Ltd.

AMI Trustees Ltd.

BAMI Nechasim Ltd.

BHI Investment Advisors Asia

BHI Global Investment Advisors (Israel) Ltd.

BHI – USA Holdings Inc.

Bitzur Ltd.

Bitan Investments and Mortgages Co. Ltd.

Banque Hapoalim (Luxembourg) S.A.

Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.

Gadid Poalim Ltd.

Global Factoring Ltd.

Diur B.P. Ltd.

Diur B.P. Investments (1992) Ltd.

Diur B.P. Properties (1993) Ltd.

The Administration of the Kibbutzim Agreement Ltd.

Hapoalim (Latin America) S.A.

Hapoalim (Cayman) Ltd.

Hapoalim (Switzerland) Ltd.

Hapoalim International (N.V.)

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Share type			Number of shares	Total par value	Balance sheet value (in NIS M)	Holding rate			
Share	Par value per share	Currency				In securities	In capital	In voting	In authority to appoint directors
Ordinary shares	0.001	NIS	5,000	5	-	100%	100%	100%	100%
Ordinary shares	1	NIS	1,250,000	1,250,000	3	100%	100%	100%	100%
Ordinary shares	0.0001	NIS	1,000,000,000	100,000	6	100%	100%	100%	100%
Ordinary shares	0.01	NIS	1,000,770	10,008	1,461	100%	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
Ordinary shares	0.0005	NIS	69,640,000	34,820	(169)	100%	100%	100%	100%
Ordinary shares	0.001	NIS	5,999,979	6,000	-	100%	100%	100%	100%
Ordinary shares	100	USD	999,900	99,990,000	192	100%	100%	100%	100%
-	-	-	-	-	33	-	70%	70%	70%
Ordinary shares	1	NIS	1,500,000	1,500,000	1	100%	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	284	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
Ordinary shares	1	NIS	3	3	-	38%	38%	38%	38%
-	-	-	-	-	4	-	100%	100%	100%
Common	1	USD	13,579,143	13,579,143	40	100%	100%	100%	100%
Founding shares	100	CHF	650,000	65,000,000	638	100%	100%	100%	100%
Common	1,000	USD	250	250,000	11	100%	100%	100%	100%

**Standard 11** List of investments in subsidiaries and related companies as at the balance sheet date (continued)

**A.** In shares and convertible securities (continued)

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**Company**

Hapoalim American Israeli Ltd.

Hapoalim Hanpakot Ltd.

Hapoalim Nechasim (Menayot) Ltd.

Hapoalim Securities U.S.A. Inc.

Zohar Hashemesh Lehashkaot Ltd.

Nominees Company of Bank Hapoalim Ltd.

Hevrat Nemanut Aseret Alafim Veachat Ltd.

Hevrat Nemanut Aseret Alafim Veshtaim Lavan Ltd.

Hanyon Allenby 115 Tel-Aviv Ltd.

Chatzron Hevra Lehashkaot Ltd.

Trinel Ltd. in liquidation

Europay (Eurocard) Israel Ltd.

Yefet Nominees Ltd.

Isracard (Nechasim) 1994 Ltd.

Isracard Ltd.

Isracard Mimun Ltd.

Mivnim Vetsiud Ltd.

May-Oz Ltd.

Bank Clearing Center Ltd.

C Bilisim Teknolojileri

Maritime Trust Services Ltd.

Alzur Property Development Company Ltd.

Poalim - Financial Holdings (1993) Ltd.

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Share type			Number of shares	Total par value	Balance sheet value (in NIS M)	Holding rate			
Share	Par value per share	Currency				In securities	In capital	In voting	In authority to appoint directors
Ordinary shares	0.001	NIS	93,076,887	93,077	110	100%	100%	100%	100%
Ordinary shares	1	NIS	18,150,006	18,150,006	41	100%	100%	100%	100%
-	-	-	-	-	670	-	100%	100%	100%
-	-	-	-	-	51	-	100%	100%	100%
Ordinary shares	0.0001	NIS	19,999	2	918	100%	100%	100%	100%
Ordinary shares	0.01	NIS	100,000	1,000	-	100%	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
Ordinary shares	0.001	NIS	42	-	-	42%	42%	42%	42%
-	-	-	-	-	-	-	33%	33%	33%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
-	-	-	-	-	-	-	100%	100%	100%
Ordinary shares	1	NIS	66,009,318	66,009,318	856	33%	33%	33%	33%
-	-	-	-	-	-	-	100%	100%	100%
Ordinary shares	-	NIS	95	10	-	95%	100%	100%	100%
-	-	-	-	-	37	-	100%	100%	100%
Ordinary shares	-	NIS	6,250,000	6,250	29	25%	25%	25%	25%
-	-	-	-	-	-	-	100%	100%	100%
Ordinary shares	1	NIS	30,000	30,000	-	100%	100%	100%	100%
Ordinary shares	0.0001	NIS	100,000	10	-	100%	100%	100%	100%
Ordinary shares	1	NIS	3,070	3,070	6	100%	100%	100%	100%

**Standard 11** List of investments in subsidiaries and related companies as at the balance sheet date (continued)

**A.** In shares and convertible securities (continued)

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**Company**

Poalim Ofakim Ltd.

Poalim Betevuna Ltd.

Poalim Delta Fund L.P.

Poalim Ventures - Fund Management Ltd.

Poalim Ventures I Ltd.

Poalim Ventures II L.P.

Poalim Ventures Ltd.

Poalim Venture Services Israel Ltd.

Poalim Mortgages Insurance Agency (2005) Ltd.

Poalim Sahar Ltd.

Poalim Capital Markets - Investment House Ltd.

Poalim Capital Markets - Financial Applications & Research Ltd.

Poalim Capital Markets (Euro) Ltd.

Poalim Capital Markets & Investments - Holdings Ltd.

Poalim Trust Services Ltd.

Poalit Ltd.

PCM Hudson Holdings LLC

PCM Hudson Management Company Holdings L.P.

Pitango 2019 SPV D.N. Limited Partnership

Peilim Portfolio Management Company Ltd.

Peilim Portfolio Management Company Ltd.

Pekaot Poalim Ltd.

Premium Express Ltd.

Tzadit Ltd.

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Share type			Holding rate							
Share	Par value per share	Currency	Number of shares	Total par value	Balance sheet value (in NIS M)	In securities	In capital	In voting	In authority to appoint directors	
-	-	-	-	-	-	-	100%	100%	100%	
Ordinary shares	1	NIS	10,000	10,000	90	100%	100%	100%	100%	
-	-	-	-	-	-	-	99%	99%	99%	
-	-	-	-	-	-	-	100%	100%	100%	
-	-	-	-	-	-	-	48%	48%	100%	
-	-	-	-	-	-	-	0%	0%	100%	
-	-	-	-	-	-	-	100%	100%	100%	
-	-	-	-	-	4	-	100%	100%	100%	
-	-	-	-	-	23	-	100%	100%	100%	
Ordinary shares	1	NIS	16,108	16,108	49	100%	100%	100%	100%	
Ordinary shares	1	NIS	40,021	40,021	796	0%	100%	100%	100%	
-	-	-	-	-	-	-	100%	100%	100%	
-	-	-	-	-	-	-	100%	100%	100%	
Ordinary shares	1	NIS	464,308	464,308	-	5%	100%	100%	100%	
Ordinary shares	1	NIS	200,005	200,005	31	100%	100%	100%	100%	
Ordinary shares	-	NIS	129,050,000	12,905	-	100%	100%	100%	100%	
-	-	-	-	-	-	-	100%	100%	100%	
-	-	-	-	-	-	-	100%	100%	100%	
-	-	-	-	-	-	-	39%	39%	39%	
Ordinary shares	1	NIS	50,000	50,000	191	100%	100%	100%	100%	
Ordinary shares 0.001	-	NIS	5,000	5	191	100%	100%	100%	100%	
Ordinary shares	100	NIS	370,214	37,021,400	301	100%	100%	100%	100%	
-	-	-	-	-	-	-	100%	100%	100%	
Ordinary shares	-	NIS	1	-	-	0%	100%	100%	100%	

**Standard 11** List of investments in subsidiaries and related companies as at the balance sheet date (continued)

**A.** In shares and convertible securities (continued)

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**Company**

Tzameret Mimunim Ltd.

Continental Poalim Ltd.

Continental Poalim Ltd.

Continental Poalim Ltd.

Revadim (Nechasim) Ltd.

Ramchal Poalim Ltd.

Sure-Ha International Ltd.

Tot Tiyur Vetiyul Ltd.

Tmura Hevra Finansit Ltd.

Teuda Hevra Finansit Ltd.

Teus Development Areas Ltd.

Tarshish Hapoalim Holdings and Investments Ltd.

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## Periodic Report

for the year 2019

Share type	Share type			Number of shares	Total par value	Balance sheet value (in NIS M)	Holding rate			
	Share	Par value per share	Currency				In securities	In capital	In voting	In authority to appoint directors
-	-	-	-	-	-	-	-	100%	100%	100%
Ordinary shares	0.0001	NIS	58,351,356,355	5,835,136	531	100%	100%	100%	100%	
A management shares	-	NIS	20	-	531	100%	100%	100%	100%	
B management shares	0.0001	NIS	20	-	531	100%	100%	100%	100%	
Ordinary shares	-	NIS	20,000	2	-	100%	100%	100%	100%	
Ordinary shares	0.0001	NIS	32	-	-	100%	100%	100%	100%	
Ordinary shares	1	USD	1	1	307	0%	100%	100%	100%	
-	-	-	-	-	-	-	0%	100%	100%	
Ordinary shares	0.0001	NIS	5,009,997	501	-	100%	100%	100%	100%	
Ordinary shares	-	NIS	60,000,000	6,000	221	100%	100%	100%	100%	
-	-	-	-	-	-	-	91%	100%	100%	
Ordinary shares	0.0001	NIS	4,420	-	4,740	100%	100%	100%	100%	

**Standard 11** List of investments in subsidiaries and related companies as at the balance sheet date (continued)

**B.** In bonds and capital notes

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

**C.** Balance of loans as at December 31, 2019

	Balance of loans as at Dec. 31, 2019	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					
<b>Company</b>						
Bitzur Ltd.	200	-	-	-	-	No maturity date
Banque Hapoalim (Luxembourg) Ltd.	1,440	-	2.22-4.78	-	-	2025
Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.	20	-	5.49	-	-	March 4, 2020
Global Factoring Ltd.	58	-	-	-	-	No maturity date
Zohar Hashemesh Lehashkaot Ltd.	850	-	-	-	-	No maturity date
Isracard Ltd.	3,001	-	-	-	-	No maturity date
Poalim Betevuna Ltd.	29	-	-	-	-	No maturity date
Poalim Sahar	250	-	-	-	-	No maturity date
Teuda Hevra Finansit Ltd.	286	-	-	-	-	No maturity date

## Standard 11 List of investments in subsidiaries and related companies as at the balance sheet date (continued)

### D. List of inactive companies

BHI Investment Advisors Asia	In voluntary liquidation
Hasneh Israel Insurance Company 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
Karkaot Beguosim 7123 7124 7128 Ltd.	
Rotesa Ltd.	In voluntary liquidation
Tot Tiyur Vetiyul Ltd.	In voluntary liquidation
Teus Development Areas Ltd.	In voluntary liquidation

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

Company	Share type			Date of change	Nature of change	Total par value	Cost (NIS millions)
	Share	Par value per share	Currency				
Hapoalim (Switzerland) Ltd.	Founder		CHF	January 29, 2019	Investment		185
Hapoalim (Switzerland) Ltd.	Founder		CHF	February 27, 2019	Investment		545
Hapoalim (Switzerland) Ltd.	Founder		CHF	March 5, 2019	Investment		181
Hapoalim (Switzerland) Ltd.	Founder		CHF	July 25, 2019	Investment		179
Premium Express Ltd.			NIS	March 3, 2019	Sale		456
Isracard Ltd.			NIS	April 8, 2019	Sale by public offering		1,510
Isracard Ltd.			NIS	March 9, 2020	Dividend in kind		720
Hapoalim (Switzerland) Ltd.			CHF	March 16, 2020	Investment		95

### Companies closed at the Registrar of Companies during the year

Poalim Asset Management (Ireland)

**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	Dividends
NIS millions					
Opaz Ltd.	21	30			
BHI – USA Holdings Inc.	2				
Bitan Investments and Mortgages Co. Ltd.	7				
Banque Hapoalim (Luxembourg) S.A.	(13)				
Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.	1		19		
Global Factoring Ltd.	7		58	2	
Diur B.P. Ltd.	18		3	1	
Hapoalim (Latin America) S.A.	(1)				
Hapoalim (Cayman) Ltd.	(1)				
Hapoalim (Switzerland) Ltd.	(683)	2			
Hapoalim American Israeli Ltd.	1				
Hapoalim Nechasim (Menayot) Ltd.	9	11			
Hapoalim Securities U.S.A. Inc.	(4)				
Zohar Hashemesh Lehashkaot Ltd.	84	21			
Isracard (Nechasim) 1994 Ltd.	6				
Isracard Ltd.	65	(16)			
Isracard Mimun Ltd.	101				
May-Oz Ltd.	9				
Alzur Property Development Company Ltd.	2		18	241	
Premium Express Ltd.	47				
Poalim Ventures Ltd.	25				
Poalim Mortgages Insurance Agency (2005) Ltd.	23				
Poalim Sahar Ltd.	(15)				
Poalim Capital Markets (Euro) Ltd.	(8)				
Poalim Capital Markets & Investments - Holdings Ltd.	4			56	
Poalit Ltd.	4				
Peilim Portfolio Management Company Ltd.	22				
Pekaot Poalim Ltd.	4	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, 2019.

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

	Profit (loss) reported by the company		Bank income		
	Profit (loss) reported by the company	Accumulated other comprehensive income (loss)	Interest	Management fees	Dividends
	NIS millions				
<b>Company</b>					
Tzadit Ltd.	2				
Tzameret Mimunim Ltd.	14				
Continental Poalim Ltd.	3				
Revadim (Nechasim) Ltd.	49				
Ramchal Poalim Ltd.	4				
Sure-Ha International Ltd.	17				
Teuda Hevra Finansit Ltd.	3				
Tarshish Hapoalim Holdings and Investments Ltd.	(16)	48			

\* 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, 2019.

**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

None.

## **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 408.

Remuneration paid to directors, with the exception of the 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 5,983 thousand in 2019.

## **Standard 21A Control of the corporation**

Until November 2018, Ms. Shari Arison held the permit for control of the Bank, through Arison Holdings (1998) Ltd. On November 22, 2018, Ms. Arison's control permit was replaced by a permit to hold means of control, which she received from the Bank of Israel, allowing the control of the Bank to be decentralized, and the Bank became a banking corporation without a controlling core; since then, the Bank does not have a shareholder who is a controlling party. For further details, see [Section 6.6](#) in the Corporate Governance Report..

## **Standard 22 Transactions with controlling parties**

Beginning November 22, 2018, the Bank is a banking corporation without a controlling core, and the Bank does not have a controlling shareholder according to the directives of the Companies Law or the Securities Law. For details regarding the criteria established by the Audit Committee with regard to the approval and reporting of interested-party transactions of the Bank, see [Section 6.7](#) in the Corporate Governance Report and [Note 33](#) to the Financial Statements.



**Standard 24** Shares and convertible securities held by interested parties and senior officers of the corporation, a subsidiary, or a related company near the date of the report on financial position (in subsection C, data are as at the end of January 2020)

**A.** Holdings of Bank shares by interested parties:

	Corporation number	Par value shares in NIS <sup>(2)</sup>	Rate of holdings in capital	Rate of holdings in voting <sup>(1)</sup>	Rate of holdings in capital after dilution	Rate of holdings in voting after dilution
<b>Interested party</b>						
Arison Holdings (1998) Ltd. ("Arison Holdings")	512705153	210,543,761	15.74	15.77	15.74	15.74
Clal Insurance Enterprises Holdings Ltd. – nostro	520036120	2,390,719	0.18	0.18	0.18	0.18
Clal Insurance Enterprises Holdings Ltd. – provident funds	520036120	79,410,855	5.94	5.95	5.94	5.94
The Phoenix Holdings Ltd. – nostro	520017450	2,227,004	0.17	0.17	0.17	0.17
The Phoenix Holdings Ltd. – insurance	520017450	233,132	0.02	0.02	0.02	0.02
The Phoenix Holdings Ltd. – provident funds	520017450	44,046,950.66	3.29	3.30	3.29	3.29
Excellence Investments Ltd.	520041989	33,281,220.92	2.49	2.49	2.49	2.49
Altshuler-Shaham Provident Funds and Pension Ltd.	513173393	63,162,390	4.72	4.73	4.72	4.72
Altshuler-Shaham Mutual Fund Management Ltd.	511944670	4,521,503	0.34	0.34	0.34	0.34

(1) The Bank holds 2,208,952 dormant shares; this holding constitutes 100% of the dormant shares.

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

(3) The rate of holding of Arison Holdings in voting power noted in the table was calculated with reference to the total shares that it holds, and was not reduced according to the directive in the holding permit received by Ms. Arison from the Bank of Israel, pursuant to which Arison shall not vote using the power of voting rights in excess of 5% of the means of control of the Bank. Accordingly, the holding rates in voting of the other holders were also not increased.

**B.** Holdings of shares of the Bank by directors

	Corporation number		Par value shares in NIS <sup>(2)</sup>	Rate of holdings in capital	Rate of holdings in voting <sup>(1)</sup>	Rate of holdings in capital after dilution	Rate of holdings in voting after dilution
<b>Interested party</b>							
Oded Eran	053378824	Ordinary shares	41,769	0.00	0.00	0.00	0.00
Moshe Koren	1228998	Ordinary shares	13,000	0.00	0.00	0.00	0.00

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

Holdings of shares of the Bank by senior officers<sup>(1)</sup>

Dov Kotler	054010483	Ordinary shares	1,806	0.00	0.00	0.00	0.00
Yael Almog	059284745	Ordinary shares	17,974	0.00	0.00	0.00	0.0
Amir Bachar	029331113	Ordinary shares	24,356	0.00	0.00	0.00	0.00
		RSU	2,322			0.00	0.00
Eti Ben-Zeev	023571540	Ordinary shares	59,560	0.00	0.00	0.00	0.00
		RSU	3,955			0.00	0.00
Tsahi Cohen	022007587	Ordinary shares	212,828	0.02	0.02	0.02	0.02
		RSU	4,809			0.00	0.00
Ofar Levy	052222577	Ordinary shares	136,200	0.01	0.01	0.01	0.01
		RSU	5,320			0.00	0.00
Yadin Antebi	028078525	Ordinary shares	209,903	0.02	0.02	0.02	0.02
		RSU	4,537			0.00	0.00
Dalit Tova Raviv	024149783	Ordinary shares	57,771	0.00	0.00	0.00	0.00
		RSU	2,736			0.00	0.00
Golan Scherman	023706583	Ordinary shares	27,534	0.00	0.00	0.00	0.00
		RSU	3,234			0.00	0.00
Zeev Hayo	057069676	Ordinary shares	104,487	0.01	0.01	0.01	0.01
		RSU	5,310			0.00	0.00
Gilad Bloch	028487296		1,346	0.00	0.00	0.00	0.00
Asaf Azulay	052807120	Ordinary shares	8,617	0.00	0.00	0.00	0.00

(1) Holdings of senior officers in RSU are stated in the table taking into consideration that 47% of the RSU for 2019 did not vest due to the return on equity attained in that year.

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

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

**C.** Holdings of interested parties and senior officers in securities of Hapoalim Hanpakot Ltd.

	Corporation/ID number	Security	Quantity
<b>Interested party</b>			
Clal Insurance Enterprises Holdings Ltd. – nostro	520036120	POALIM HAN B10	10,605.00
		POALIM HAN B11	656,870.00
		POALIM HAN N1	222,231.00
		POALIM HAN B14	6,124,286.00
		POALIM HAN B32	26,888,278.00
		POALIM HAN B15	337,781.00
		POALIM HAN B33	28,932,444.00
		POALIM HAN B34	27,246,183.00
		POALIM HAN B35	660,767.00
Clal Insurance Enterprises Holdings Ltd. – provident funds	520036120	POALIM HAN B10	174,025,220.00
		POALIM HAN B11	13,739,304.00
		POALIM HAN N1	260,762,865.00
		POALIM HAN B14	215,629,393.00
		POALIM HAN B32	221,827,066.00
		POALIM HAN B15	6,881,133.00
		POALIM HAN B33	45,195,081.00
		POALIM HAN B34	314,197,383.00
		POALIM HAN B18	1,215.00
		POALIM HAN B19	1,616.00
		POALIM HAN B36	259,118,300.00
		POALIM HAN B20	2,938.00
		The Phoenix Holdings Ltd. – nostro	520017450
POALIM HAN B11	32,000.00		
POALIM HAN N1	5,034,700.00		
POALIM HAN B14	10,101,252.00		
POALIM HAN B32	16,693,836.00		
POALIM HAN B15	8,047,849.00		
POALIM HAN B34	21,838,167.79		
POALIM HAN B18	289.00		
POALIM HAN B35	450,000.00		
POALIM HAN B36	12,736,166.13		
POALIM HAN B20	490.00		

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

	Corporation/ID number	Security	Quantity
<b>Interested party</b>			
The Phoenix Holdings Ltd. – insurance	520017450	POALIM HAN B10	22,901.00
		POALIM HAN B14	444,556.50
		POALIM HAN B32	2,502,520.00
		POALIM HAN B15	70,000.00
		POALIM HAN B34	1,925,448.48
		POALIM HAN B19	10.00
		POALIM HAN B36	6,416,900.00
The Phoenix Holdings Ltd. – provident funds	520017450	POALIM HAN B10	35,055,686.99
		POALIM HAN B11	24,870,502.66
		POALIM HAN N1	58,647,421.00
		POALIM HAN B14	117,951,841.25
		POALIM HAN B32	167,940,516.00
		POALIM HAN B15	23,825,932.00
		POALIM HAN B16	2,303,713.00
		POALIM HAN B33	10,559,853.88
		POALIM HAN B34	264,334,187.96
		POALIM HAN B18	1,120.00
		POALIM HAN B35	96,162,617.60
		POALIM HAN B19	584.00
		POALIM HAN B36	188,156,276.36
		POALIM HAN B20	1,089.00
Excellence Investments Ltd.	520041989	POALIM HAN B10	39,125,290.73
		POALIM HAN B11	24,312,919.72
		POALIM HAN N1	41,209,056.95
		POALIM HAN B14	58,103,543.86
		POALIM HAN B32	129,456,243.55
		POALIM HAN B15	8,158,987.41
		POALIM HAN B16	6,717,950.25
		POALIM HAN B33	12,900,405.63
		POALIM HAN B34	98,813,818.68
		POALIM HAN B18	179.00
		POALIM HAN B35	55,293,281.70
		POALIM HAN B19	25.00
		POALIM HAN B36	149,362,319.39

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

	Corporation/ID number	Security	Quantity
<b>Interested party</b>			
Altshuler-Shaham Provident Funds and Pension Ltd.	513173393	POALIM HAN B32	1,122,221.00
		POALIM HAN B33	85,123,167.00
		POALIM HAN B34	184,298,677.00
		POALIM HAN B36	331,020,370.00
Altshuler-Shaham Mutual Fund Management Ltd.	511944670	POALIM HAN B10	45,134,058.00
		POALIM HAN B11	16,122,494.00
		POALIM HAN B14	7,056,776.00
		POALIM HAN B32	63,515,015.00
		POALIM HAN B33	30,684,021.00
		POALIM HAN B34	138,877,480.00
		POALIM HAN B35	49,946,870.00
		POALIM HAN B36	114,913,320.00

Holdings of interested party – Bank Hapoalim B.M.: See [Standard 11A](#).

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

Additional details regarding principal holders:

**1. Arison Holdings (1998) Ltd.**

Eternity Holdings One Trust and Eternity Four-A Trust (the "Trusts") hold 30% and 70%, respectively, of the shares of Arison Holdings (1998) Ltd. ("Arison Holdings"). The trustees of the Eternity Holdings One Trust are The Northern Trust Company of Delaware and Fides VE LLC, and the trustees of the Eternity Four-A Trust are The Northern Trust Company of Delaware and Braiden Services LLC. Ms. Shari Arison (ID no. 064767437) is the principal beneficiary of the Trusts and shall have the exclusive discretion to vote at the shareholder meetings of Arison Holdings under a power of attorney granted to her by the trustees. The powers of attorney were granted with the intention not to revoke them as long as Arison Holdings holds shares of the Bank.

It is clarified that the rate of holding of Arison Holdings in voting power noted in the table above was calculated with reference to the total shares that it holds, and was not reduced according to the directive in the holding permit received by Ms. Arison from the Bank of Israel, pursuant to which, from the inception date of the permit, Arison shall not vote using the power of voting rights in excess of 5% of the means of control of the Bank. Accordingly, the holding rates in voting of the other holders were also not increased. For details regarding the provisions of the control permit, including with regard to the period in which Arison is permitted to sell its holdings in the Bank exceeding 5%, see the Immediate Report of the Bank dated September 4, 2018 (reference no. 2018-01-082039) and [p. 400-401](#) of the Annual Report of the Bank for 2018.

**2. Clal Insurance Enterprises Holdings Ltd. ("Clal Holdings")**

Clal Holdings is a public company without a controlling core, resident in Israel, securities of which are listed on the Tel Aviv Stock Exchange Ltd.

**3. The Phoenix Holdings Ltd. ("The Phoenix Holdings")**

The controlling party of The Phoenix Holdings is Belenus Lux S.a.r.l. ("Belenus"), a corporation established in Luxembourg.

On November 3, 2019, Belenus purchased the shares held by the Delek Group Ltd., and became the controlling party of The Phoenix Holdings.

Controlling parties of Belenus: Lewis (Lee) Sachs, Matthew Botein, CCP III Cayman GP Ltd.

The Phoenix Holdings indirectly holds 100% of Excellence Investments Ltd.

**4. Altshuler-Shaham Ltd.**

Altshuler-Shaham Ltd. ("AS") is an institutional reporting group consisting of Altshuler-Shaham Provident Funds and Pension Ltd. ("AS Provident Funds and Pension") and Altshuler-Shaham Mutual Fund Management Ltd. ("AS Mutual Funds").

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

Controlling parties of AS:

Gilad Altshuler (ID no. 057379315), through a 100% holding in Gilad Altshuler Holdings Ltd., which holds 44.53% of the shares of AS. Kalman Shaham, ID no. 000915983, through a 100% holding in Kalman Shaham Holdings Ltd., which holds 44.53% of the shares of AS. Roni Benin Bar, ID no. 336289202, who holds 9.9% of the shares of AS in trust.

Controlling parties of AS Provident Funds and Pension:

(a) the controlling parties of AS, as stated in the note above, through their holding in AS, which holds 46.31% of AS Provident Funds and Pension directly and 14.25% indirectly, through a holding (directly and indirectly through AS Provident Funds Holdings Ltd.) of 49.67% in Perfect (Y.N.E.) Capital Markets Ltd. ("Perfect"), which holds 28.69% of AS Provident Funds and Pension; and (b) Yair Lowenstein, through a 100% holding in Yair Lowenstein Holdings Ltd., which holds 50.33% of Perfect, which, as noted, holds 28.69% of AS Provident Funds and Pension.

Controlling parties of AS Mutual Funds:

The controlling parties of AS Mutual Funds are the controlling parties of AS, as noted above, through their holding in AS, which holds 80% of the shares of AS Mutual Funds.

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

**D.** Holdings of subsidiaries in shares of subsidiaries or related companies (continued)

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**Name of company held by interested party**

AMI Trustees Ltd.

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BAMI Nechasim Ltd.

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BAMI Nechasim Ltd.

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BHI Investment Advisors Asia

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BHI Global Investment Advisors (Israel) Ltd.

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BHI – USA Holdings Inc.

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Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.

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Diur B.P. Ltd.

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Diur B.P. Investments (1992) Ltd.

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Diur B.P. Properties (1993) Ltd.

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Hapoalim (Latin America) S.A.

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Hapoalim Nechasim (Menayot) Ltd.

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Hapoalim Securities U.S.A. Inc.

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Hevrat Nemanut Aseret Alafim Veachat Ltd.

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Hevrat Nemanut Aseret Alafim Veshtaim Lavan Ltd.

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Chatzron Hevra Lehashkaot Ltd.

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Trinel Ltd. in liquidation

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Name of interested party	Company number at Companies Registrar	Name of security	Number of shares	Par value per share	Currency	Par value held at balance sheet date	Holding rate		
							In capital	In voting	In authority to appoint directors
Hapoalim American Israeli Ltd.	510373053	Ordinary shares	50,000	0.00	NIS	5.0	100%	100%	100%
AMI Trustees Ltd.	511584781	Ordinary shares	1	1.00	NIS	1.0	1%	1%	1%
Hapoalim American Israeli Ltd.	511584781	Ordinary shares	99	1.00	NIS	99.0	99%	99%	99%
Hapoalim (Switzerland) Ltd.	1465245	Ordinary shares	1,000	1.00		1,000.0	100%	100%	100%
Hapoalim (Switzerland) Ltd.	515082931	Ordinary shares	1,000	1.00	NIS	1,000.0	100%	100%	100%
Poalim Capital Markets (Euro) Ltd.	352460912	Ordinary shares	100	1.00	USD	100.0	100%	100%	100%
Tarshish Hapoalim Holdings and Investments Ltd.	774483903	Ordinary shares	2,355,146,874	0.10		235,514,687.4	70%	70%	70%
Opaz Ltd.	510237878	Ordinary shares	1,066	0.10	NIS	106.6	100%	100%	100%
Diur B.P. Ltd.	511727232	Ordinary shares	100	1.00	NIS	100.0	100%	100%	100%
Diur B.P. Ltd.	511895773	Ordinary shares	100	1.00	NIS	100.0	100%	100%	100%
Hapoalim (Cayman) Ltd.	774177877	Bearer	398,537,083	1.00	UYU	398,537,083.0	100%	100%	100%
Opaz Ltd.	511391278	Ordinary shares	100	1.00	NIS	100.0	100%	100%	100%
BHI – USA Holdings Inc.	133732556	Common	10	0.01	USD	0.1	100%	100%	100%
Poalim Trust Services Ltd.	510729205	Ordinary shares	10	0.00	NIS	0.0	100%	100%	100%
Poalim Trust Services Ltd.	510729742	Ordinary shares	10	0.00	NIS	0.0	100%	100%	100%
Revadim (Nechasim) Ltd.	510364508	Ordinary shares	335,670	0.10	NIS	33,567.0	33%	33%	33%
Hapoalim (Switzerland) Ltd.	900000606	Ordinary shares	1,500	100.00	CHF	150,000.0	100%	100%	100%

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

**D.** Holdings of subsidiaries in shares of subsidiaries or related companies (continued)

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**Name of company held by interested party**

Yefet Nominees Ltd.

Mivnim Vetsiud Ltd.

May-Oz Ltd.

C Bilisim Teknolojileri

C Bilisim Teknolojileri

C Bilisim Teknolojileri

C Bilisim Teknolojileri

Poalim Ofakim Ltd.

Poalim Delta Fund L.P.

Poalim Ventures - Fund Management Ltd.

Poalim Ventures - Fund Management Ltd.

Poalim Ventures I Ltd.

Poalim Ventures I Ltd.

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## Periodic Report

for the year 2019

Name of interested party	Company number at Companies Registrar	Name of security	Number of shares	Par value per share	Currency	Par value held at balance sheet date	Holding rate		
							In capital	In voting	In authority to appoint directors
Hapoalim American Israeli Ltd.	510125784	Ordinary shares	1,000	0.00	NIS	0.1	100%	100%	100%
Bitzur Ltd.	510439284	Ordinary shares	5	0.10	NIS	0.5	5%	5%	5%
Diur B.P. Ltd.	511470999	Ordinary shares	100	1.00	NIS	100.0	100%	100%	100%
Bank Pozitif Kredi Ve Kalkinma Bankasi A.S.	500422084	Ordinary shares	3,986,850	1.00		3,986,850.0	100%	100%	100%
Agam Hevra Finansit Ltd.	500422084	Ordinary shares	4,375	1.00		4,375.0	0%	0%	0%
Igarot Hevra Lehanpakot shel Bank Hapoalim Ltd.	500422084	Ordinary shares	4,375	1.00		4,375.0	0%	0%	0%
Teuda Hevra Finansit Ltd.	500422084	Ordinary shares	4,375	1.00		4,375.0	0%	0%	0%
Hapoalim Nechasim (Menayot) Ltd.	513624338	Ordinary shares	50,000	1.00	NIS	50,000.0	100%	100%	100%
Poalim Ventures Ltd.	550019012	No share capital	99	1.00	NIS	99.0	99%	99%	99%
Poalim Ventures Ltd.	512433194	Ordinary shares	999	1.00	NIS	999.0	100%	100%	100%
Poalim Capital Markets & Investments - Holdings Ltd.	512433194	Ordinary shares	1	1.00	NIS	1.0	0%	0%	0%
Poalim Ventures Ltd.	512882317	Ordinary shares	951,330	0.01	NIS	9,513.3	48%	48%	0%
Poalim Ventures - Fund Management Ltd.	512882317	No share capital	1	1.00	NIS	1.0	0%	0%	100%

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

**D.** Holdings of subsidiaries in shares of subsidiaries or related companies (continued)

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**Name of company held by interested party**

Poalim Ventures II L.P.

Poalim Ventures Ltd.

Poalim Venture Services Israel Ltd.

Poalim Mortgages Insurance Agency (2005) Ltd.

Poalim Capital Markets - Investment House Ltd.

Poalim Capital Markets - Financial Applications & Research Ltd.

Poalim Capital Markets - Financial Applications & Research Ltd.

Poalim Capital Markets (Euro) Ltd.

Poalim Capital Markets (Euro) Ltd.

Poalim Capital Markets & Investments - Holdings Ltd.

Poalim Capital Markets & Investments - Holdings Ltd.

PCM Hudson Holdings LLC

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Name of interested party	Company number at Companies Registrar	Name of security	Number of shares	Par value per share	Currency	Par value held at balance sheet date	Holding rate		
							In capital	In voting	In authority to appoint directors
Poalim Ventures - Fund Management Ltd.	530205905	No share capital	100	1.00	NIS	100.0	0%	0%	100%
Poalim Capital Markets & Investments - Holdings Ltd.	510820046	Ordinary shares	151,660,886	0.01	NIS	1,516,608.9	100%	100%	100%
Hapoalim Nechasim (Menayot) Ltd.	510464795	A ordinary shares	2,698	0.10	NIS	269.8	100%	100%	100%
Poalim Ofakim Ltd.	513661025	Ordinary shares	1,000	1.00	NIS	1,000.0	100%	100%	100%
Bitzur Ltd.	520032541	Ordinary shares	180,628,882	1.00	NIS	180,628,882.0	100%	100%	100%
Poalim Ventures Ltd.	511735185	Ordinary shares	1	1.00	NIS	1.0	1%	1%	1%
Poalim Capital Markets & Investments - Holdings Ltd.	511735185	Ordinary shares	99	1.00	NIS	99.0	99%	99%	99%
Poalim Ventures Ltd.	512693441	Ordinary shares	999	1.00	NIS	999.0	100%	100%	100%
Poalim Capital Markets & Investments - Holdings Ltd.	512693441	Ordinary shares	1	1.00	NIS	1.0	0%	0%	0%
Poalim Capital Markets - Investment House Ltd.	520043290	Ordinary shares	4,816,131	1.00	NIS	4,816,131.0	48%	48%	48%
Tarshish Hapoalim Holdings and Investments Ltd.	520043290	Ordinary shares	4,816,131	1.00	NIS	4,816,131.0	48%	48%	48%
Poalim Ventures Ltd.	980582800	Ordinary shares	100	1.00	NIS	100.0	100%	100%	100%

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

**D.** Holdings of subsidiaries in shares of subsidiaries or related companies (continued)

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**Name of company held by interested party**

PCM Hudson Management Company Holdings L.P.

PCM Hudson Management Company Holdings L.P.

Pitango 2019 SPV D.N. Limited Partnership

Tzadit Ltd.

Sure-Ha International Ltd.

Tot Tiyur Vetiyul Ltd.

Teus Development Areas Ltd.

Teus Development Areas Ltd.

Teus Development Areas Ltd.

Teus Development Areas Ltd.

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## Periodic Report

for the year 2019

Name of interested party	Company number at Companies Registrar	Name of security	Number of shares	Par value per share	Currency	Par value held at balance sheet date	Holding rate		
							In capital	In voting	In authority to appoint directors
Poalim Ventures Ltd.	980582799	Ordinary shares	99	1.00	NIS	99.0	99%	99%	99%
PCM Hudson Holdings LLC	980582799	Ordinary shares	1	1.00	NIS	1.0	1%	1%	1%
Poalim Ventures Ltd.	540287265	No share capital	1	1.00	NIS	1.0	39%	39%	39%
Revadim (Nechasim) Ltd.	510437494	Ordinary shares	114,799	0.00	NIS	11.5	100%	100%	100%
Opaz Ltd.	740000401	Ordinary shares	4,999,999	1.00	USD	4,999,999.0	100%	100%	100%
Rotesa Ltd.	510810294	Founding shares	1	0.00	NIS	0.0	0%	100%	100%
Diur B.P. Ltd.	510549249	Ordinary shares	5,219	0.10	NIS	521.9	10%	0%	0%
Diur B.P. Ltd.	510549249	Preferred shares	36,000	0.01	NIS	360.0	7%	0%	0%
Diur B.P. Ltd.	510549249	A preferred shares	40,250,000	0.00	NIS	4,025.0	75%	0%	0%
Diur B.P. Ltd.	510549249	Special shares	1	0.10	NIS	0.1	0%	100%	100%

## Standard 24A

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

### Dormant shares

Bank Hapoalim B.M. holds 2,208,952 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 1,335,168,159.

The shares are listed for trading on the Tel Aviv Stock Exchange.

## Standard 24B Registry of shareholders

Book of shareholders – Bank Hapoalim B.M.	Number of shares
Bank Hapoalim Nominee Company Ltd.*	1,337,339,115
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
Erez Tal	1
Kramer Moshe	1
Feldman Avi	1
Livnat Raz	1
<b>Total</b>	<b>1,337,377,111</b>

\* The quantity of shares at the Nominee Company includes 2,208,952 dormant shares owned by Bank Hapoalim.

(1) The information in this standard is correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.



## Standard 26 Board of Directors of the Bank<sup>(1)</sup>

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 Corporate Governance and Stakeholders Committee. Member of the following board committees: the Strategy and Business Development Committee, the Information Technology and Technological Innovation Committee, and the Risk Management and Control Committee. Served as chairperson of the Information Technology and Technological Innovation Committee until July 1, 2019.
Is the director an independent director/an external director according to the Companies Law/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); chairperson of the executive board of the Peretz Naftali Fund (Registered Non-Profit Association); member of the executive council of Tel Aviv University; and President of the Association of Banks. 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.
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 correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.

**Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)**

Name	David Avner
Personal details	<p>Identification number: 050782184</p> <p>Date of Birth: August 29, 1951</p> <p>Address: Derech Hasadot 16, Beit Yitzhak</p> <p>Citizenship: Israeli</p>
Membership in committees of the Board of Directors	The Audit Committee, the Remuneration Committee, and the Strategy and Business Development Committee.
Is the director an independent director/an external director according to the Companies Law/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	September 10, 2019.
Education and occupation in last five years, with details of service at corporations as a director	<p>B.A. in Mathematics and Philosophy, Haifa University;</p> <p>M.B.A., Technion, Haifa.</p> <p>Graduate of information-systems analyst courses, Technion, Haifa, External Studies Division.</p> <p>Chairperson of the board of directors of Cellomat Ltd. Served in the past as an advisor to the board of directors of Starcom Ltd.</p> <p>Served until 2017 as a director at Bank Leumi Le-Israel Ltd.</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 accounting and financial expertise and 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 correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.

**Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)**

Name	Ronit Abramson-Rokach
Personal details	Identification number: 054121108 Date of birth: August 17, 1957 Address: Shimshon 5, Jerusalem Citizenship: Israeli
Membership in committees of the Board of Directors	Chairperson of the Audit Committee of the Board of Directors. Member of the following board committees: the Risk Management and Control Committee, the Corporate Governance and Stakeholders Committee, and the Remuneration Committee.
Is the director an independent director/an external director according to the Companies Law/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	L.L.B., Hebrew University of Jerusalem. Provides legal counsel services in the areas of companies, securities, and banking. Member of the executive boards of the following non-profit organizations: the Shiluv Family and Couples Therapy Institute (Registered Non-Profit Association), the Jerusalem Foundation (Registered Non-Profit Association), Beit Berl College (Registered Non-Profit Association), and the general assembly of the Zippori Center for Training and Leadership Ltd. (Public Benefit Company). Served in the past as a director at Migdal Insurance Company Ltd., Migdal Insurance and Financial Holdings Ltd., Migdal Capital Markets Ltd., and Carmel Olefins Ltd. (external director).
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 correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.

**Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)**

Name	Noam Hanegbi
Personal details	Identification number: 055445647 Date of Birth: July 20, 1958 Address: Ben Gurion 14B, Kfar Saba Citizenship: Israeli
Membership in committees of the Board of Directors	The Credit Committee, the Risk Management and Control Committee, the Corporate Governance and Stakeholders Committee, and the Information Technology and Technological Innovation Committee.
Is the director an independent director/an external director according to the Companies Law/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, 2019
Education and occupation in last five years, with details of service at corporations as a director	B.A. in Economics and Computer Science, Bar-Ilan University. Director at Noam Hanegbi Ltd. (wholly-owned company). Served in the past as Deputy CEO and Head of the Information Systems and Telecommunications Division at Maccabi Health Services; served as an external technological consultant at Clalit Health Services 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

(1) The information in this standard is correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.

**Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)**

Name	Dalia Lev
Personal details	Identification number: 007555337 Date of birth: August 2, 1947 Address: Bnei Moshe 16/33, Tel Aviv Citizenship: Israeli
Membership in committees of the Board of Directors	Chairperson of the Remuneration Committee of the Board of Directors. Member of the following board committees: the Credit Committee, the Audit Committee, the Strategy and Business Development Committee, and the Information Technology and Technological Innovation Committee.
Is the director an independent director/an external director according to the Companies Law/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	April 12, 2018
Education and occupation in last five years, with details of service at corporations as a director	CPA, Hebrew University. LLM, Bar Ilan University. Advanced Management Program, Harvard Business School. Certified mediator, Israel Bar Association. Director at Belgal Ltd. (wholly-owned company). Mentor for directors at the Jasmine Foundation (Registered Non-Profit Association). External director at Strauss Group Ltd. Member of the board of trustees of Tel Aviv University and of Ben Gurion University. Served in the past as a director at the following companies: First International Bank of Israel Ltd., Paz Oil Company 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 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

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**Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)**

<b>Name</b>	<b>Dr. David Zvilichovsky</b>
Personal details	<p>Identification number: 057056426</p> <p>Date of birth: August 31, 1961</p> <p>Address: Habanim 1, Ramat Hasharon</p> <p>Citizenship: Israeli</p>
Membership in committees of the Board of Directors	The Credit Committee, the Risk Management and Control Committee, and the Strategy and Business Development Committee.
Is the director an independent director/an external director according to the Companies Law/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	September 25, 2019.
Education and occupation in last five years, with details of service at corporations as a director	<p>Ph.D. in Economics, Tel Aviv University.</p> <p>B.Sc. in Computer Science, Tel Aviv University.</p> <p>M.A. in Economics, Hebrew University.</p> <p>M.Sc. in Computer Science, Hebrew University.</p> <p>Member of the senior academic staff of the Department of Management at Tel Aviv University; director and controlling shareholder at Innovent Israel Ltd.; consultant to advanced technology companies.</p> <p>In the last five years, served as a guest professor at the Cyprus International Institute of Management.</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 accounting and financial expertise and 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 correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.

**Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)**

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 Risk Management and Control Committee of the Board of Directors.</p> <p>Member of the following board committees: the Credit Committee, the Audit Committee, and the Remuneration Committee.</p>
Is the director an independent director/an external director according to the Companies Law/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;</p> <p>graduate of financial statement analysis courses.</p> <p>Banking and financial consultant.</p> <p>Director at Privacy Rating Ltd.</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 accounting and financial expertise and 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

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**Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)**

Name	Richard Kaplan
Personal details	<p>Identification number: 011176500</p> <p>Date of birth: August 28, 1955</p> <p>Address: Levy Eshkol 16/63, Tel Aviv</p> <p>Citizenship: Israeli and American</p>
Membership in committees of the Board of Directors	<p>Chairperson of the Information Technology and Technological Innovation Committee.</p> <p>Member of the following board committees: the Corporate Governance and Stakeholders Committee and the Strategy and Business Development Committee.</p>
Is the director an independent director/an external director according to the Companies Law/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	July 1, 2018.
Education and occupation in last five years, with details of service at corporations as a director	<p>Mechanical engineer, Brown University.</p> <p>J.D., Cornell University.</p> <p>Director at R.A. Kaplan 22 Consulting Ltd. (a wholly-owned company).</p> <p>Director at the following companies:</p> <p>Decentralized Mobile Applications Ltd., Resolution Gaming (Sweden), 8e14, Twiggle.</p> <p>Served in the past as VP and head of global financial services development at IBM, CEO of IBM Israel, member of the board of directors of the Israel-US Chamber of Commerce, and chairperson of the board of trustees of Hadassah.</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 correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.



**Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)**

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	Chairperson of the Strategy and Business Development Committee. Member of the following board committees: the Audit Committee, the Corporate Governance and Stakeholders Committee, and the Information Technology and Technological Innovation Committee.
Is the director an independent director/an external director according to the Companies Law/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 NYK Technologies (family firm). Member of the executive board of the Institute for Medical BioMathematics (Registered Non-Profit Association). External lecturer at Ben Gurion University. Served in the past 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 director at CureTech Ltd., Recanati Winery Ltd., and Campus Bio Management 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 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 correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.

## Standard 26 Board of Directors of the Bank<sup>(1)</sup> (continued)

<b>Yacov Peer</b>	Served as a member of the Board of Directors of the Bank until October 5, 2019.
Identification number: 052242609	
Date of birth: April 16, 1954	

## Standard 26A Senior Officers of the Bank<sup>(2)</sup>

Name	Dov Kotler
Personal details	Identification number: 054010483 Date of birth: August 2, 1956
Date of beginning of service	October 1, 2019.
Position at the corporation or at a subsidiary, related company, or interested party thereof	President and Chief Executive Officer
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, Tel Aviv University. M.A. in Economics, Tel Aviv University. Served in the past as chairperson of the board of directors of lintoo Investments Ltd. (and of corporations in which companies in the group are general partners: Pinto Afik and lintoo Oshkosh), and as CEO of Isracard Ltd. and Poalim Express Ltd. Also served as a director at Bezeq The Israel Telecommunication Corp. Ltd., Pelephone, Yes, Bezeq International, Bezeq On Line, V-Finance Technologies Ltd. (and additional companies in the group), and Amir Marketing and Investments in Agriculture Ltd. Also served as a member of the advisory boards of the fintech startups Doorbill ABC and Splitit Ltd., and as an external consultant to Max It Finance Ltd. and Warburg Pincus.

- (1) The information in this standard is correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of directors is provided for the period of the last five years.
- (2) The information in this standard is correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of senior officers of the Bank is provided for the period of the last five years.

**Standard 26A Senior Officers of the Bank<sup>(1)</sup> (continued)**

<b>Name</b>	<b>Amit Oberkovich</b>
Personal details	Identification number: 059030015 Date of birth: August 19, 1964
Date of beginning of service	December 1, 2019.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Human Resources as of December 1, 2019. Director at Avuka Hevra le Hashkaot Ltd.
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 Political Science, Tel Aviv University; M.B.A., University of Derby; From June 2015 to December 2019, VP Human Resources at Israel Electric Corporation. Since 1998, member of the executive board (volunteer) of A.V. Israel (Registered Non-Profit Association). Guest lecturer, Tel Aviv University.
<b>Name</b>	<b>Yael Almog</b>
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 of the Bank as of March 1, 2018.
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. Member of the executive boards of Poalim for the Community (Registered Non-Profit Association) and the Peretz Naftali Fund (Registered Non-Profit Association).

(1) The information in this standard is correct as at the date of publication of this report, unless otherwise indicated. In general, information regarding the past positions and occupations of senior officers of the Bank is provided for the period of the last five years.

**Standard 26A Senior Officers of the Bank<sup>(1)</sup> (continued)**

<b>Name</b>	<b>Amir Bachar</b>
Personal details	Identification number: 029331113 Date of birth: April 20, 1972.
Date of beginning of service	Member of the Board of Management as of May 29, 2018.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Chief Risk Officer (CRO)
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 Law and Economics, Hebrew University. M.A. in Economics and Ph.D. in Law, Hebrew University. From November 2016 to May 2018, Advising and Research Area Manager. From November 2010 to October 2016, Chief Compliance Officer of the Bank. External lecturer on banking law at the Hebrew University of Jerusalem.
<b>Name</b>	<b>Eti Ben-Zeev</b>
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 Serves as chairperson of the board of directors of Poalit Ltd. (a subsidiary of the Bank).
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 Area Manager. From April 2010 to August 2014, Infrastructure Area Manager.

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**Standard 26A Senior Officers of the Bank<sup>(1)</sup> (continued)**

Name	Ram Gev
Personal details	Identification number: 032283046 Date of birth: April 3, 1975
Date of beginning of service	January 1, 2020.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Chief Financial Officer (CFO). Director at the following companies: Diur B.P. Ltd., Diur B.P. Investments (1992) Ltd., Diur B.P. Properties (1993) Ltd., Mivnim Vetsiud Ltd., Bitan Investments and Mortgages Ltd., Alzur Property Development Company Ltd., Tzadit Ltd., Revadim (Nechasim) Ltd., and Ramchal Poalim Ltd.
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. M.B.A., Hebrew University. CPA. From 2011 to 2019, served as CFO of Isracard Ltd. (from June 2019 also served as Deputy CEO of Isracard).

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**Standard 26A Senior Officers of the Bank<sup>(1)</sup> (continued)**

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	Chief Financial Officer (CFO). Director at the following subsidiaries: Diur B.P. Ltd., Diur B.P. Investments (1992) Ltd., Diur B.P. Properties (1993) Ltd., Mivnim Vetsiud Ltd., Bitan Investments and Mortgages Ltd., Alzur Property Development Company Ltd., Tzadit Ltd., Revadim (Nechasim) Ltd., and Ramchal Poalim Ltd.
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. From July 2012 to February 2018, Chief Risk Officer.
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 Chairperson of the boards of directors of the following subsidiaries: AMI Trustees Ltd., Yefet Nominees Ltd.
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. Served in the past as a member of the board of directors of the subsidiary Poalim Express Ltd.

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**Standard 26A Senior Officers of the Bank<sup>(1)</sup> (continued)**

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, and/or interested party thereof	Head of Financial Markets and International Banking as of May 29, 2018. Chairperson of the board of directors of the following subsidiaries: Bank Hapoalim Switzerland, Poalim Financial Holdings (1993) Ltd., Bank Hapoalim Nominee Company Ltd., Poalim Capital Markets and Investments Holdings Ltd., Poalim Capital Markets – Investment House Ltd., Poalim Capital Markets Ltd., Pekaot Poalim Ltd., Continental Poalim Ltd., Opaz Ltd., Hapoalim American Israeli Ltd., Hapoalim Nechasim (Menayot) Ltd., Tarshish Holdings and Investments Hapoalim Ltd., Teuda Hevra Finansit Ltd., Hapoalim Hanpakot Ltd., and BAMI Nechasim Ltd. Director at the subsidiary Hapoalim International.
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. Director at Yadin Antebi Consulting Ltd. From July 23, 2013, to May 29, 2018, Chief Financial Officer (CFO). Previously served as Supervisor of the Capital Market, Insurance, and Savings at the Ministry of Finance. Served in the past as chairperson of the boards of directors of the following subsidiaries: Poalim Mortgages Insurance Agency (2005) Ltd. and Poalim Ofakim Ltd., and as deputy chairperson of the board of directors at Bank Pozitif.

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**Standard 26A Senior Officers of the Bank<sup>(1)</sup> (continued)**

<b>Name</b>	<b>Dalit Raviv</b>
Personal details	Identification number: 024149783 Date of birth: June 22, 1969
Date of beginning of service	Member of the Board of Management as of November 13, 2019.
Position at the corporation or at a subsidiary, related company, or interested party thereof	Head of Retail Banking Chairperson of the board of directors of Poalim Mortgages Insurance Agency (2005) Ltd. (subsidiary).
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, Ben-Gurion University. M.B.A., Tel Aviv University. From January 2013 to August 2016, Platinum Banking Manager. From August 2016 to November 2019, Commercial Banking Area Manager, Corporate Banking Division.
<b>Name</b>	<b>Golan Scherman</b>
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 and Corporate Strategy
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 Area Manager.

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**Standard 26A Senior Officers of the Bank<sup>(1)</sup> (continued)**

<b>Name</b>	<b>Zeev Hayo</b>
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	B.A. in Accounting and Economics, Tel Aviv University. CPA. From July 2014 to April 2018, chief internal auditor of the following companies: Isracard Ltd., Europay (Eurocard) Israel Ltd., and Poalim Express Ltd.
<b>Name</b>	<b>Asaf Azulay</b>
Personal details	Identification number: 052807120 Date of birth: October 30, 1983
Date of beginning of service	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 Gitam BBDO IM.

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**Standard 26A Senior Officers of the Bank<sup>(1)</sup> (continued)**

<b>Name</b>	<b>Gilad Bloch</b>
Personal details	Identification number: 028487296 Date of birth: March 15, 1971
Date of beginning of service	Corporate Secretary as of February 1, 2019.
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, Management College, Rishon Lezion. M.B.A., Executive MBA Program, Tel Aviv University. From June 2013 to January 2017, Credit Analysis Unit Manager in the Commercial Banking Area of the Corporate Banking Division. From January 2017 to February 2019, Personal Assistant to the CEO in the areas of credit, compliance, and risk management.
<b>Ari Pinto</b>	Served as CEO until September 30, 2019.
<b>Yael Dromi</b>	Served as Member of the Board of Management and Head of Stakeholder Relations until February 29, 2020.
<b>Erez Yosef</b>	Served as Member of the Board of Management, COO, and Head of Strategy, Resources, and Operations until October 31, 2019.
<b>Ofer Koren</b>	Served as Member of the Board of Management and Chief Financial Officer until December 31, 2019.
<b>Ronen Stein</b>	Served as Member of the Board of Management and Head of Retail Banking until November 12, 2019.
<b>Niv Polani</b>	Served as Head of Business Development until January 31, 2020.
<b>Avner Paz-Tzuk</b>	Served as Core Systems Modernization Plan Manager until February 3, 2020.

**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

On July 18, 2019, the general meeting of shareholders of the Bank approved several changes to the Articles of the Bank, mainly consisting of adjustments of the Articles to the directives of the law that apply to the Bank due to its transition to a banking corporation without a controlling core (in November 2018), and in particular the directives of the Banking Ordinance, 1941 (the "Banking Ordinance") concerning the rules for the election and appointment of directors at such banking corporations. Also included were several adjustments to current directives of the law, such as adjustment of the maximum number of directors to Proper Conduct of Banking Business Directive 301 of the Banking Supervision Department. See the report on convening the meeting issued by the Bank on June 13, 2019 (reference no. 2019-01-050499).

## 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 Report of the Board of Directors and Board of Management, [page 46](#).
2. Changes in capital – none.
3. Changes in the Memorandum and Articles of the Bank – see [Standard 28](#), above.
4. Redemption of shares – none.
5. Early redemption of bonds – on February 1, 2019, the Bank redeemed, in full early redemption, the Subordinated Notes (Series B, non-marketable), in consideration for a total redemption amount (including linkage differentials and interest) of approximately NIS 583 million. The early redemption was approved by the Board of Directors of the Bank and by the Supervisor of Banks.  
On September 9, 2019, the Bank redeemed, in full early redemption, the Subordinated Notes (Series B, non-marketable), in consideration for a total redemption amount (including linkage differentials and interest) of approximately NIS 349 million. The early redemption was approved by the Board of Directors of the Bank and by the Supervisor of Banks.
6. Transactions not at market terms between the Bank and an interested party of the Bank, except a transaction of the corporation with a subsidiary thereof – none.

## Standard 29 (continued)

**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 December 26, 2019, a special general meeting of shareholders of the Bank resolved to approve the following matters:

1. To approve extension of the term of the remuneration policy for officers of the Bank for a period of up to twelve additional months, until no later than December 31, 2020.
2. To approve the terms of service and employment of Oded Eran as Chairman of the Board of Directors of the Bank for a period of up to one year (i.e. until no later than December 31, 2020).
3. To approve the terms of service and employment of Mr. Dov Kotler as CEO of the Bank for a period of up to one year (i.e. until no later than December 31, 2020).

For details regarding resolutions passed at the annual general meeting held on July 18, 2019, see [Section 6.6](#) in the chapter “Corporate governance and additional information.”

## Standard 29A

Extraordinary transactions that require approval under Section 270(1) of the Companies Law – none.

Standard 29A(4) – 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.

### 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 party 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 party or any officer of the Bank has a personal interest. At the date of the report, all of the directors and officers of the Bank have letters of exemption. For further details, see the Immediate Report on convening the meeting issued by the Bank on January 13, 2016 (reference no. 2016-01-009607).

## Standard 29A (continued)

### 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 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.

In May 2019, the Remuneration Committee (pursuant to Regulation 1B(1) of the Companies Regulations (Reliefs in Transactions with Interested Parties), 2000 (the "Relief Regulations")) and the Board of Directors approved the extension of the directors and officers' liability insurance policy of the Bank and of subsidiaries of the Bank by one month (i.e. until June 30, 2019, instead of May 31, 2019, the expiration date of the previous insurance policy), in consideration for a total of approximately USD 200,000, in order to complete negotiations with insurers regarding renewal of the policy. In June 2019, the Remuneration Committee (pursuant to Regulation 1B(1) of the Relief Regulations) and the Board of Directors of the Bank approved the acquisition of insurance coverage for liability of directors and officers at the Bank Group and monetary indebtedness imposed upon them due to their function as officers. The insurance coverage acquired also includes coverage for the company in respect of amounts for which it indemnifies officers, and in respect of securities claims, within liability limits of USD 250 million, as well as additional coverage for directors and officers (Side A) with liability limits of USD 50 million (USD 300 million in total), beginning July 1, 2019, for a period of eleven months. The total premium for the aforesaid insurance coverage is approximately USD 2.4 million. Previously, the Bank had an officers' liability insurance policy with coverage in the amount of USD 400 million per claim and cumulatively, with a premium in respect of the policy in the amount of approximately USD 1.8 million, for a period of thirteen months.

Within the separation from Isracard Ltd. ("Isracard"), on December 26, 2018, further to the approval of the Audit Committee on December 19, 2018, and the approval of the Remuneration Committee on December 19, 2018 (pursuant to Regulation 1B1 of the Companies Regulations (Reliefs in Transactions with Interested Parties), 2000), the Board of Directors approved the acquisition of a POSI (public offering of securities insurance) policy in connection with the offering of shares of Isracard, jointly with Isracard. The policy insures directors' and officers' liability at the Bank and at Isracard, and insures the Bank and Isracard in respect of offerings of shares of Isracard to the public by the Bank, and an initial offering of bonds by Isracard in April 2019. The liability limit of the policy is up to USD 200 million per claim and cumulatively. The premium for the POSI policy is approximately NIS 1 million. The policy is in effect from March 1, 2019, to January 31, 2028.

Indemnification of officers: For details regarding indemnity letters received by all officers serving at the Bank, see [Note 26](#) to the Financial Statements.

### Ofer Levy

Senior Deputy Managing Director,  
Chief Accountant  
Tel-Aviv, March 18, 2020

### Gilad Bloch

Corporate Secretary

Corporate Governance Questionnaire<sup>(1)</sup>

Independence of the board of directors		True	False
1.	<p>Throughout the reported year, two or more external directors served at the corporation. This question can be answered "True" if the period during which two external directors did not serve does not exceed 90 days, as noted in Section 363A(b)(10) of the Companies Law; however, with any answer (true/false), the duration of the period (in days) in which two or more external directors did not serve at the corporation during the reported year should be noted (including a term of service approved retrospectively, separately for each of the external directors):</p> <p>Director A: <b>Ronit Abramson-Rokach</b></p> <p>Director B: <b>Dalia Lev</b></p> <p>Director C: <b>David Avner</b> (beginning September 10, 2019) Number of external directors serving at the corporation as at the date of publication of this questionnaire: <b>3 (and 2 additional external directors as defined in Directive 301 of the Supervisor of Banks).</b></p>	✓	
2.	<p>Rate<sup>(2)</sup> of independent directors<sup>(3)</sup> serving at the corporation as at the date of publication of this questionnaire: <b>5/9.</b></p> <p>Rate of independent directors established in the articles<sup>(4)</sup> of the corporation<sup>(5)</sup>: _____</p> <p><input type="checkbox"/> Not applicable (no directive has been established in the articles).</p> <p><b>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 (including external directors pursuant to the Companies Law). As noted, five external directors, as defined in Directive 301, serve at the Bank, and are also independent directors.</b></p>		
3.	<p>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.</p>	✓	
4.	<p>None of the directors who served at the corporation during the reported year report<sup>(6)</sup> 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).</p> <p>If your answer is "False" (i.e. the director reports to the general manager, as noted), the rate of directors who do not meet this limit should be noted: _____</p>	✓	

(1) Published pursuant to the proposed legislation for the improvement of financial statements of March 16, 2014.

(2) In this questionnaire, "rate" indicates the specific number out of the total; for example, 3/8.

(3) Including "external directors" as defined in the Companies Law.

(4) For the purposes of this question, "articles," including according to a specific legal directive applicable to the corporation (for example, at a banking corporation, the directives of the Supervisor of Banks).

(5) A bond company is not required to answer this item.

(6) For the purposes of this question, service as a director at an affiliated corporation controlled by the corporation shall not be considered, in itself, "reporting." However, service of a director of the corporation as an officer (other than a director) and/or employee of an affiliated corporation controlled by the corporation shall be considered "reporting" for the purposes of this question.

Corporate Governance Questionnaire (continued)

Independence of the board of directors (continued)		True	False
5.	<p>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 vote under circumstances according to Section 278(B) of the Companies Law).</p> <p>If your answer is "False" – Was this for the purpose of presentation of a specific subject by the director, in accordance with the directives of Section 278(A), last clause?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (mark an X in the appropriate box)</p> <p>Note the rate of meetings in which directors as noted above were present at a discussion and/or participated in a vote, except under the circumstances as noted in Subsection (a): <b>0%</b>.</p>		✓
6.	<p>A controlling party (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.</p> <p>If your answer is "False" (i.e., a controlling party and/or a relative thereof and/or a person acting on behalf thereof who is not a member of the board of directors and/or a senior officer of the corporation was present at meetings of the board of directors, as noted) – state the following information regarding the presence of each additional person at meetings of the board of directors, as noted:</p> <p>Identity: _____</p> <p>Position at the corporation (if any): _____</p> <p>Details of affinity to controlling party (if the person present is not the controlling party): _____</p> <p>Was this for the purpose of presentation of a specific subject by the attendee?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No (mark an X in the appropriate box)</p> <p>Rate of attendance<sup>(7)</sup> at meetings of the board of directors held in the reported year in order to present a specific subject: _____. Other attendance: _____</p> <p><input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party).</p>		

(7) With differentiation of the controlling party, a relative thereof, and/or a person acting on behalf thereof.

Corporate Governance Questionnaire (continued)

Qualification and skills of directors		True	False
7.	<p>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 (for this purpose, determination by ordinary majority is not considered a restriction)<sup>(8)</sup>.</p> <p><b>Special legal directives apply to a banking corporation without a controlling core.</b></p> <p>If your answer is "False" (i.e., such a restriction does exist), state:</p>	✓	
a.	The period of time specified in the articles for the service of a director: _____		
b.	The required majority specified in the articles for the termination of service of directors: _____		
c.	The legal quorum at the general meeting specified in the articles for the termination of service of directors: _____		
d.	The majority required to changes these directives in the articles: _____		
8.	<p>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.</p> <p>If your answer is "True," state whether the program was operated during the reported year:</p> <p><input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> No (mark an X in the appropriate box)</p>	✓	
9. a.	<p>A minimum required number of directors on the board of directors who must have accounting and financial expertise has been established at the corporation.</p> <p>If your answer is "True," state the minimum number established: <b>3</b>.</p>	✓	
b.	<p>Number of directors who served at the corporation during the reported year:</p> <p>Directors with accounting and financial expertise<sup>(9)</sup>: <b>5</b></p> <p>Directors with professional qualification<sup>(10)</sup>: <b>2</b><sup>(11)</sup></p> <p>If the number of such directors changed during the reported year, state the lowest number (except during the period of 60 days from the change) of directors of each kind who served during the reported year.</p>		

(8) A bond company is not required to answer this item.

(9) After evaluation of the Board of Directors, pursuant to the directives of the Companies Regulations (Conditions and Tests for a Director with Accounting and Financial Expertise), 2005.

(10) See footnote 9.

(11) In addition to the directors with accounting and financial expertise.



**Corporate Governance Questionnaire (continued)**

<b>Qualification and skills of directors</b> (continued)				
			True	False
10.	A.	<p>The composition of the board of directors included members of both sexes throughout the reported year.</p> <p>If your answer is "False," state the duration of the period (in days) during which this was not the case: _____</p> <p>This question can be answered "True" if the period during which directors of both sexes did not serve does not exceed 60 days; however, for any answer (true/false), the duration of the period (in days) in which directors of both sexes did not serve at the corporation should be noted: _____</p>	✓	
	B.	<p>Number of directors of each sex serving on the board of directors of the corporation as at the date of publication of this questionnaire:</p> <p>Men: <b>7</b>, Women: <b>2</b>.</p>		

Corporate Governance Questionnaire (continued)

Meetings of the board of directors (and convening of the general meeting)							True	False	
11.	A.	Number of meetings of the board of directors held during each quarter of the reported year: First quarter (2019): <b>16</b> Second quarter: <b>13</b> Third quarter: <b>11</b> Fourth quarter: <b>16</b>							
	B.	Beside each of the names of the directors who served at the corporation during the reported year, note the rate <sup>(12)</sup> 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): (add additional rows according to the number of directors).							
		Director's name	Rate of participation in meetings of the board of directors	Rate of participation in meetings of the audit committee <sup>(13)</sup>	Rate of participation in meetings of the committee for the examination of the financial statements <sup>(14)</sup>	Rate of participation in meetings of the remuneration committee <sup>(15)</sup>	Rate of 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%				Corporate Governance and Stakeholders Committee – 100% Credit Committee – 91% Information Technology and Technological Innovation Committee – 100% Strategy and Business Development Committee – 100% Risk Management and Control Committee – 100% CEO Search Committee – 100%		
		David Avner <sup>(16)</sup>	100%	100%	100%	100%	Strategy and Business Development Committee – 100%		
		Ronit Abramson-Rokach	100%	100%	100%	100%	Risk Management and Control Committee – 100% Corporate Governance and Stakeholders Committee – 100%		

(12) See footnote 2.

(13) With regard to a director who is a member of this committee. Pursuant to the supervisory directives, discussions of the financial statements are held by the audit committee of the board of directors.

(14) With regard to a director who is a member of this committee.

(15) With regard to a director who is a member of this committee.

(16) The service of Mr. David Avner as a director at the Bank began on September 10, 2019.

Corporate Governance Questionnaire (continued)

Meetings of the board of directors (and convening of the general meeting) (continued)								True	False
	Noam Hanegbi <sup>(17)</sup>	94%					Credit Committee – 100% Risk Management and Control Committee – 100% Corporate Governance and Stakeholders Committee – 100% Information Technology and Technological Innovation Committee – 100%		
	Dalia Lev	96%	100%	100%	100%		Credit Committee – 100% Strategy and Business Development Committee – 100% CEO Search Committee – 100% Information Technology and Technological Innovation Committee – 100%		
	David Zvilichovsky <sup>(18)</sup>	100%					Credit Committee – 100% Strategy and Business Development Committee – 100% Risk Management and Control Committee – 100%		
	Moshe Koren	100%	100%	100%	100%		Risk Management and Control Committee – 100% Credit Committee – 100%		
	Richard Kaplan	100%					Corporate Governance and Stakeholders Committee – 100% Information Technology and Technological Innovation Committee – 100% Strategy and Business Development Committee – 100%		

(17) The service of Mr. Noam Hanegbi as a director at the Bank began on October 6, 2019.

(18) The service of Mr. David Zvilichovsky as a director at the Bank began on September 25, 2019.

Corporate Governance Questionnaire (continued)

Meetings of the board of directors (and convening of the general meeting) (continued)								True	False
	Reuven Krupik	100%	100%	100%		Corporate Governance and Stakeholders Committee – 100% Information Technology and Technological Innovation Committee – 100% Strategy and Business Development Committee – 100%			
	Yacov Peer <sup>(19)</sup>	100%	100%	100%		Credit Committee – 100% Strategy and Business Development Committee – 100% Risk Management and Control Committee – 100% CEO Search Committee – 100%			
12.	The board of directors held at least one discussion during the reported 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, and they were given the opportunity to express their position.							✓	

(19) The service of Mr. Yacov Peer as a director at the Bank ended on October 5, 2019.

Corporate Governance Questionnaire (continued)

Separation of the duties of the general manager and the chairperson of the board of directors		True	False
13.	A chairperson of the board of directors served at the corporation throughout the reported year. This question can be answered "True" if the period during which a chairperson of the board of directors did not serve at the corporation does not exceed 60 days, as noted in Section 363A(2) of the Companies Law; however, for any answer (true/false), the duration of the period (in days) in which a chairperson of the board of directors did not serve at the corporation should be noted: _____	✓	
14.	A general manager served at the corporation throughout the reported year. This question can be answered "True" if the period during which a general manager did not serve at the corporation does not exceed 90 days, as noted in Section 363A(6) of the Companies Law; however, for any answer (true/false), the duration of the period (in days) in which a general manager did not serve at the corporation should be noted: _____	✓	
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 <sup>(20)</sup> . <input checked="" type="checkbox"/> Not relevant (as no such double service exists at the corporation).		
16.	The general manager is not a relative of the chairperson of the board of directors. If your answer is "False" (i.e., the general manager is a relative of the chairperson of the board of directors) –	✓	
a.	State the familial relationship between the parties: _____	_____	_____
b.	The service was approved pursuant to Section 121(C) of the Companies Law <sup>(21)</sup> : <input type="checkbox"/> Yes <input type="checkbox"/> No (mark an X in the appropriate box)	_____	_____
17.	A controlling party or a relative thereof <u>does not</u> serve as the general manager or as a senior officer of the corporation, except as a director. <input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party).		

(20) At a bond company, approval pursuant to Section 121(D) of the Companies Law.

(21) At a bond company, approval pursuant to Section 121(D) of the Companies Law.

**Corporate Governance Questionnaire (continued)**

<b>Audit committee</b>			True	False
18.		The following persons did not serve on the audit committee during the reported year:	___	___
	a.	A controlling party or a relative thereof. <input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party).		
	b.	The chairperson of the board of directors.	✓	
	c.	A director employed by the corporation or by a controlling party of the corporation or by a corporation under a controlling party's control.	✓	
	d.	A director who regularly provides services to the corporation or to a controlling party of the corporation or to a corporation under a controlling party's control.	✓	
	e.	A director whose primary livelihood depends on the controlling party. <input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party).		
19.		No person not permitted to be a member of the audit committee, including a controlling party 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. <sup>(22)</sup>	✓	
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. If your answer is "False," state the rate of meetings at which this requirement was not fulfilled: _____	✓	
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.	✓	
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 party or a relative thereof).	✓	
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.	✓	

(22) Members of the Board of Directors who are not members of the Audit Committee were present at parts of several meetings of the committee in 2019 in order to present a specific topic (in accordance with the directives of Section 115(E) of the Companies Law), and were present while the financial statements were discussed, when the committee was in session as the committee for the examination of the financial statements.

Corporate Governance Questionnaire (continued)

<b>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<sup>(23)</sup></b>		True	False
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.	✓	
25.	<p>a. 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: <b>2 days, if possible.</b></p> <p>b. 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 (2019): <b>2</b>                      Report for the second quarter: <b>2</b>                      Report for the third quarter: <b>2</b>                      Annual report: <b>1*</b></p> <p>* The recommendations of the committee were submitted close to the time of approval of the reports, due to the circumstances at this time.</p>	—	—
c.	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 (2019): <b>9</b> Report for the second quarter: <b>8</b> Report for the third quarter: <b>9</b> Annual report: <b>3</b>		
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. If your answer is "False," state the rate of participation: _____	✓	

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

Corporate Governance Questionnaire (continued)

<b>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<sup>(23)</sup></b> (continued)			True	False
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).		✓	
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. <sup>(24)</sup>		✓	
c.	The chairperson of the Committee is an external director.		✓	
d.	All of the members are directors and the majority of members are independent directors.		✓	
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.		✓	
f.	The members of the Committee made a declaration prior to their appointment.		✓	
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.		✓	
	If your answer to one or more of the subsections of this question is "False," note the report (periodic/quarterly) with respect to which the condition was not fulfilled and state which condition was not fulfilled: _____		_____	_____

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

(24) See [footnote 22](#) above.



Corporate Governance Questionnaire (continued)

Remuneration Committee <sup>(25)</sup>			True	False
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). <input type="checkbox"/> Not applicable (no discussion was held).	✓	
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.	✓	
30.		The following persons did not serve on the remuneration committee during the reported year:	—	—
	a.	A controlling party or a relative thereof. <input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party).		
	b.	The chairperson of the board of directors.	✓	
	c.	A director employed by the corporation or by a controlling party of the corporation or by a corporation under a controlling party's control.	✓	
	d.	A director who regularly provides services to the corporation or to a controlling party of the corporation or to a corporation under a controlling party's control.	✓	
	e.	A director whose primary livelihood depends on the controlling party. <input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party).		
31.		A controlling party 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. <input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party).		
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. If your answer is "False," state – The type of transaction approved in the aforesaid manner: _____ The number of times this authority was exercised during the reported year: _____	✓	

(25) The answers refer to the remuneration committee that serves in accordance with the Companies Law. A remuneration committee in an expanded format also served at the Bank until October 29, 2018, which discussed the remuneration of all employees (except officers and key employees) and the Group's remuneration policy.

Corporate Governance Questionnaire (continued)

Internal auditor			
		True	False
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.	✓	
34.	The chairperson of the board of directors or the audit committee approved the work plan in the reported year. In addition, list the audit subjects addressed by the internal auditor during the reported year: _____ (mark an X in the appropriate box) <sup>(26)</sup>	✓	
35.	Volume of employment of the internal auditor at the corporation in the reported year (in hours <sup>(27)</sup> ): <b>100% position</b> <b>For details regarding the number of employee positions in Internal Audit at the Bank, see Section 6.2, "Internal Audit," in the Corporate Governance Report, above.</b>	_____	_____
	A discussion of the findings of the internal auditor was held (by the audit committee or the board of directors) during the reported year.	✓	
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 party of the corporation, a relative thereof, or corporations under their control.	✓	

(26) For details regarding internal audit at the Bank, see [Section 6.2, "Internal Audit,"](#) in the Corporate Governance Report.

(27) Including hours of work invested at affiliated corporations and in audits outside Israel, as relevant.

**Corporate Governance Questionnaire (continued)**

<b>Transactions with interested parties</b>		True	False
37.	<p>The controlling party 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.</p> <p>If your answer is "False" (i.e., the controlling party or a relative thereof is employed by the corporation or provides it with management services), state –</p> <p>The number of relatives (including the controlling party) employed by the corporation (including companies under their control and/or through management companies): _____</p> <p>Were the aforesaid employment agreements and/or management services approved by the legally appointed organs:</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>(mark an X in the appropriate box)</p> <p><input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party). _____</p>		
38.	<p>To the best of the corporation's knowledge, the controlling party does not have additional business in the area of activity of the corporation (in one or more areas).</p> <p>If your answer is "False" – state whether an arrangement has been established for boundaries between the activities of the corporation and of the controlling party thereof:</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>(mark an X in the appropriate box)</p> <p><input checked="" type="checkbox"/> Not applicable (the corporation does not have a controlling party).</p>		

**Mr. Oded Eran**

Chairman of the Board

**Ms. Ronit Abramson Rokach**

Chairperson of the Audit Committee<sup>(28)</sup>

Tel Aviv, March 18, 2020

(28) The audit committee also serves as the committee for the examination of the financial statements.

**Active market**

A market in which transactions in an asset or liability are executed at a sufficient frequency and volume in order to provide pricing information on a regular basis.

**Average duration**

Weighted average term to maturity of the principal and interest payments on a bond.

**B2B****Business to business**

A business activity in which a product is sold or a service is provided by an organization to another organization.

**Basel 2/Basel 3**

Risk-management regulations for banks, established by the Basel Committee, which supervises and sets standards for supervision of banks worldwide.

**Bid-ask spread**

The spread between a proposed buying and selling price. Essentially, the difference between the highest price that a buyer is willing to pay for an asset and the lowest price at which the seller is willing to sell it.

**Bond**

A security that constitutes a certificate of obligation to pay a debt, in which the issuer promises to pay the holder of the bond the amount of principal issued, plus interest/coupon payments, at fixed intervals or upon fulfillment of a particular condition; a financial instrument that can be used by the government and by firms to borrow money from the public.

**CPI****Consumer price index**

An index published by the Central Bureau of Statistics, measuring monthly changes in the prices of products and services that compose the "consumption basket" of an average family.

**CVA****Credit valuation adjustment**

Calculation of credit risk in derivatives reflecting the potential expected loss to the bank in the event of default by the counterparty.

**Debt**

A contractual right to receive money on demand, or at fixed or fixable intervals, recognized in the balance sheet of the banking corporation as an asset (e.g. deposits with banks, bonds, securities purchased or sold in agreements to resell, credit to the public, credit to the government, etc.). Debts do not include deposits with the Bank of Israel or assets in respect of derivative instruments.

**Debt contingent on collateral**

Debt expected to be repaid exclusively from the collateral, where there are no other available and reliable repayment sources.

**Derivative instrument**

A financial instrument or future contract, the value of which is derived from the value of an underlying asset, for which a market exists wherein its value can be determined.

**Dormant shares**

Shares held directly by the company itself. These shares are denied rights to capital or voting in the company.

**FATCA****Foreign Accounts Tax Compliance Act**

An American law aimed at improving tax enforcement, pursuant to which financial entities outside the United States must report to the US tax authorities on accounts maintained with them and owned by anyone obligated to report to these authorities, even if not a resident of the United States.

**FDIC****Federal Deposit Insurance Corporation**

The Federal Deposit Insurance Corporation in the United States.

**Financial instrument**

Any contract that creates a financial asset in one entity and a financial liability or equity instrument in another entity.

**FINMA****Swiss Financial Market Supervisory Authority**

The government agency that supervises financial institutions in Switzerland.

**Fixed-term deposits**

Deposits in which the depositor does not have the right or authorization to withdraw funds for at least six days from the date of the deposit.

**GRI****Global Reporting Initiative**

An international standard for reporting on sustainability and corporate social responsibility.

**ICAAP****Internal Capital Adequacy Assessment Process**

An internal process to assess capital adequacy and establish strategy to ensure the capital adequacy of banking corporations. The process is designed to ensure that banking corporations hold adequate capital to support all of the risks inherent in their activities, and that they develop and apply appropriate processes to manage risks. Among other elements, the process includes setting capital targets, performing capital planning processes, and examining the condition of capital under a variety of extreme scenarios.

**Indebtedness**

As defined in Proper Conduct of Banking Business Directive 313.

**LDC****Less developed country**

A country classified by the World Bank as having low or medium revenue.

**LTV****Loan to value ratio**

The amount of a loan (including an unutilized approved credit facility) as a percentage of the pledged asset (according to the banking corporation's share in the pledge).

**MTM****Mark to market**

Revaluation of a derivative instrument based on price quotes from relevant markets, or in the absence thereof, based on alternative evaluation methods.

**NPL****Non-performing loan**

Impaired credit not accruing interest income.

**Obligo**

Total indebtedness; total liabilities of the customer to the Bank.

**Off-balance sheet credit**

Commitments to grant credit and guarantees (excluding derivative instruments).

**On-demand deposits**

Deposits other than fixed-term deposits.

**Option**

A contract between two parties (the option writer and the option buyer); the option writer grants the option buyer the right to buy or sell a particular asset for a predetermined price, usually at a predetermined time.

**OTC derivative****Over-the-counter derivative**

A derivative instrument in which financial institutions contract during the ordinary course of business, for which a market exists where its value can be determined.

**Phantom share**

An instrument granting cash compensation based on the value of shares of the company, without entitlement to receive the share.

**Repurchase/resale agreements**

Agreements to purchase or sell securities in consideration for cash or securities, in which, at the time of the transaction, the seller and the buyer agree to perform the reverse transaction at a date and price agreed upon in advance.

**Securitization**

Non-bank capital raising by a financial entity through special bonds reflecting the expected cash flows in respect of pooled loans.

**Subordinated notes**

Notes in which rights are subordinate to the claims of all other creditors of the banking corporation, excluding other notes and notes of the same type.

**Supervisory capital**

Supervisory capital comprises two tiers: Tier 1 capital and Tier 2 capital, as defined in Proper Conduct of Banking Business Directive 202.

**Syndication**

A transaction in which several lenders jointly grant a loan to a single borrower, but each lender provides a loan to the borrower in a specific amount and has the right to repayment by the borrower. Groups of lenders frequently finance loans together when the amount granted is higher than the amount that any one lender is willing to lend.

**Tier 1 capital**

Going-concern capital, including common equity Tier 1 capital and additional Tier 1 capital, as defined in Proper Conduct of Banking Business Directive 202.

**Tier 2 capital**

Gone-concern capital, as defined in Proper Conduct of Banking Business Directive 202.

**VaR****Value at risk**

A commonly used statistical model for the quantification of market risks. The model uses historical data to assess the maximum expected loss in respect of a particular position or portfolio, for a defined time horizon, at a defined significance level.

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