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## **Bank Hapoalim B.M.**

### **Voting Card Pursuant to the Companies Regulations (Voting in Writing and Position Statements), 2005**

#### **Part One**

1. **Company name**

Bank Hapoalim B.M. (the “Bank”).

2. **Type of meeting, and time and place convened**

Annual general meeting of shareholders of the Bank (the “Meeting”). The Meeting will be held on **Thursday, October 22, 2020, at 4:00 p.m.**, at the offices of the Bank at 63 Yehuda Halevi Street, Tel Aviv (6<sup>th</sup> floor, room 608). If the Meeting is adjourned due to the absence of a legal quorum, an adjourned meeting shall take place on **Thursday, October 29, 2020, at 4:00 p.m.**, at the same location.

3. **Specification of items on the agenda regarding which a vote may be cast using the voting card**

3.1. **Item 2 on the agenda – Approval of reappointment of the external auditors of the Bank**

As at the date of the report, Somekh Chaikin (KPMG), Certified Public Accountants, and Ziv Haft (BDO), Certified Public Accountants, serve jointly as the auditors of the Bank, and were appointed as such until the end of the annual general meeting, called under this report.

At the recommendation of the Audit Committee of the Board of Directors of the Bank, it is proposed to reappoint Somekh Chaikin (KPMG), Certified Public Accountants, and Ziv Haft (BDO), Certified Public Accountants, as the Bank’s joint auditors, until the end of the next annual general meeting of the Bank.

Details about the fees of the Bank’s auditors for 2019, for audit and additional services, which were determined by the Bank’s Board of Directors, are included in the Periodic Report for 2019 (p. 407).

Language of the proposed resolution:

**To approve the reappointment of Somekh Chaikin (KPMG), Certified Public Accountants, and Ziv Haft (BDO), Certified Public Accountants, as the joint auditors of the Bank, until the end of the next annual general meeting of the Bank.**

3.2. **Items 3-5 on the agenda – Appointment of two external directors pursuant to the Companies Law**

At this Meeting, two external directors are to be elected for appointment in accordance with the provisions of the Companies Law (external directors pursuant

to the Companies Law, who also meet the qualifications for serving as external directors pursuant to the provisions of Proper Conduct of Banking Business Directive 301 (Board of Directors) of the Supervisor of Banks ("**Directive 301**"), for a term of office of three years, out of the three candidates proposed by the Committee for the Appointment of Directors in Banking Corporations, which was appointed according to Section 36A of the Banking (Licensing) Law, 5741-1981 (the "**Banking Law**" and the "**Directors Appointment Committee**," respectively). They are:

3.2.1. Adv. Ronit Abramson Rokach (proposed for election as Item no. 3 on the agenda).

3.2.2. Issawi Frej, CPA (proposed for election as Item no. 4 on the agenda).

3.2.3. Dalia Lev, CPA (proposed for election as Item no. 5 on the agenda).

The term of office of one external director will commence on the later of February 5, 2021 (the first term of office of Adv. Ronit Abramson Rokach, who holds office as an external director at this time, comes to an end on February 4, 2021), and the date of approval of or non-objection to the appointment by the Supervisor of Banks (the "**Supervisor**" and the "**Approval of the Appointment by the Supervisor**"), in accordance with the provisions of Section 11A of the Banking Ordinance, 1941 (the "**Banking Ordinance**").

The term of office of the second external director will commence on the later of April 13, 2021 (the first term of office of Dalia Lev, CPA, who holds office as an external director at this time, comes to an end on April 12, 2021), and the date of the Approval of the Appointment by the Supervisor.

3.3. **Items nos. 6-8 on the agenda – Appointment of two other (non-external) directors**

At this Meeting, two other directors (who are not external directors pursuant to the Companies Law or Directive 301) are to be elected for appointment for a period of three years, out of the three candidates proposed by the Directors Appointment Committee. They are:

3.3.1. Mr. Israel Trau (proposed for election as Item no. 6 on the agenda).

3.3.2. Prof. Stanley Fisher (proposed for election as Item no. 7 on the agenda).

3.3.3. Ms. Tamar Bar-Noy Gotlin (proposed for election as Item no. 8 on the agenda).

The term of office of the two candidates elected will commence on the later of the date of approval by the Meeting and the date of the Approval of the Appointments by the Supervisor.

Declarations of all of the candidates for service as directors regarding their fulfillment of all of the conditions established by law for service as directors at the Bank, including with reference to the fact that it is a banking corporation without a controlling core, are attached to the report of the call to meeting referenced in this voting card (the "**Report**").

At the request of some of the candidates for service as directors, letters are attached to their curricula vitae.

**Voting shall be held separately with regard to each director; shareholders are permitted to vote for any of the candidates for service as a director.**

With regard to Items 3-8 on the agenda (appointment of directors) – if the number of candidates for service as directors who win a majority of the votes of the participants in the vote at the general meeting exceeds the number of available positions for specific qualifications for office (the examination regarding this matter shall refer separately to each qualification for office, i.e. two external directors pursuant to the Companies Law and two other directors), the candidates who win the highest number of supporters in the vote at the general meeting for the same qualification for office shall be elected, with the provision that, in the case of the office of an external director pursuant to the Companies Law, the candidates shall be elected who win the highest number of supporters in the vote at the general meeting out of the votes of the shareholders as stated in Section 239(b)(1) of the Companies Law. In the event that it is necessary to reach a determination in this matter between several candidates who receive an equal number of votes, the determination regarding the candidate who will serve as a director shall be performed by lottery.

For details regarding the remuneration and terms of service to which candidates elected as directors of the Bank will be entitled, see Section 2.11 of the Report.

The following are particulars, to the best of the knowledge of the Bank, as required in Regulations 26 and 36B(a)(10) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970, and in Regulation 7(A)(5)(a) of the Companies Regulations (Voting in Writing and Position Statements), 5765-2005 (the “Voting in Writing Regulations”), regarding the candidates for service as directors of the Bank.

**3.4. Item 3 on the agenda – Election of Adv. Ronit Abramson Rokach for a second term of office as an external director pursuant to the Companies Law**

3.4.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Ronit Abramson Rokach</b>
<b>Identification number</b>	054121108
<b>Date of birth</b>	August 17, 1957
<b>Address for service of process</b>	Shimshon 5, Jerusalem
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	Chairperson of the Audit Committee of the Board of Directors. Member of the following board committees: the Remuneration Committee, the Risk Management and Control Committee, and the Corporate Governance and Stakeholders Committee. Member of the Independent Committee Headed by Justice (Ret.) Danziger in Connection with the US Tax Investigation and the FIFA Affair.
<b>External director or independent director</b>	Yes (external director under the Companies Law).
<b>Accounting and financial expertise or professional qualifications</b>	Has accounting and financial expertise and professional qualifications.
<b>Expert director</b>	Yes
<b>Employee of the Bank, a subsidiary, a related company, or an interested party</b>	No

<b>Date of beginning of service as a director of the Bank</b>	The later of February 5, 2021 (at the end of her first term of office), and the date of Approval of the Appointment by the Supervisor.
<b>Education</b>	Bachelor of Laws, Hebrew University of Jerusalem.
<b>Occupation in last five (5) years</b>	External director of Bank Hapoalim (beginning February 2018); attorney (legal counsel services on business matters, advising corporations, licensing, banking, corporate law, and securities law); lecturer in courses for directors at the Magid Institute in association with the Hebrew University, and at the Mandel Institute.  Served in the past as a director of Migdal Insurance Company Ltd.; Migdal Holdings, Insurance, and Finance Ltd.; and Migdal Capital Markets Ltd.  For further details, see the curriculum vitae attached to the declaration.
<b>Service as a director at additional corporations</b>	Member of the Board of Governors of the Jerusalem Foundation, the Shiluv Institute for Family and Couple Therapy, and Beit Berl College.
<b>Family member of an interested party of the Bank</b>	No
<b>A director considered by the Bank to have accounting and financial expertise for the purpose of compliance with the minimum number established by the Board of Directors pursuant to Section 92(A)(12) of the Companies Law</b>	Yes

3.4.2. For details regarding the resolution of the Audit Committee concerning negligible relationships in connection with the candidacy of Adv. Ronit Abramson Rokach, see Section 3.1.3 of the Report.

3.4.3. Language of the proposed resolution

**To approve the appointment of Adv. Ronit Abramson Rokach for a second term of office as an external director (pursuant to the provisions of the Companies Law and Directive 301) of the Bank for a period of three years.**

**The office will commence on later of February 5, 2021 (at the end of her first term of office), and the date of approval of or non-objection to the appointment by the Supervisor.**

3.5. **Item 4 on the agenda – Election of Issawi Frej, CPA, as an external director pursuant to the Companies Law**

3.5.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Issawi Frej</b>
<b>Identification number</b>	058526542
<b>Date of birth</b>	December 14, 1963

<b>Address for service of process</b>	P.O.B. 2501, Kafr Kassem 48810
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	To be determined. Will serve at least as a member of the Audit Committee and the Remuneration Committee, as an external director pursuant to the Companies Law.
<b>External director or independent director</b>	Candidate to serve as an external director pursuant to the Companies Law.
<b>Accounting and financial expertise or professional qualifications</b>	Has accounting and financial expertise and professional qualifications.
<b>Expert director</b>	Yes
<b>Employee of the Bank, a subsidiary, a related company, or an interested party</b>	No
<b>Date of beginning of service as a director of the Bank</b>	The later of February 5, 2021, or April 13, 2021 (according to the identity of the second external director elected), and the date of Approval of the Appointment by the Supervisor.
<b>Education</b>	Certified Public Accountant; bachelor's degree in Economics and Accountancy, Hebrew University of Jerusalem.
<b>Occupation in last five (5) years</b>	At present provides consultancy services as a CPA; served a member of the Knesset on behalf of the party Meretz (2013-2019). As a member of Knesset, he served, among other things, as an alternate on the Finance Committee (in the 19 <sup>th</sup> Knesset), Deputy Speaker of the Knesset, and a member of the Economics Committee and the Parliamentary Committee of Inquiry into the Financial System's Conduct in Credit Agreements with Large Business Borrowers (in the 20 <sup>th</sup> Knesset).  For further details, see the curriculum vitae attached to the declaration.
<b>Service as a director at additional corporations</b>	Member of the Managing Committee of the Hebrew University of Jerusalem.
<b>Family member of an interested party of the Bank</b>	No
<b>A director considered by the Bank to have accounting and financial expertise for the purpose of compliance with the minimum number established by the Board of Directors pursuant to Section 92(A)(12) of the Companies Law</b>	Yes

3.5.2. For details regarding the resolution of the Audit Committee concerning negligible relationships in connection with the candidacy of Issawi Frej, CPA, see Section 3.2.3 of the Report.

3.5.3. Language of the proposed resolution

To approve the appointment of Issawi Frej, CPA, to the office of external director (pursuant to the provisions of the Companies Law and Directive 301) of the Bank for a period of three years.

The office will commence on the later of February 5, 2021, or April 13, 2021 (according to the identity of the second external director elected), and the date of approval of or non-objection to the appointment by the Supervisor.

3.6. Item 5 on the agenda – Election of Dalia Lev, CPA, for a second term of office as an external director pursuant to the Companies Law

3.6.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Dalia Lev</b>
<b>Identification number</b>	007555337
<b>Date of birth</b>	August 2, 1947
<b>Address for service of process</b>	Bnei Moshe 16, Tel Aviv 6230821
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	Chairperson of the Remuneration Committee; member of the Credit Committee, the Audit Committee, the Information Technology and Technological Innovation Committee, and the Strategy Committee.
<b>External director or independent director</b>	Yes (external director pursuant to the Companies Law).
<b>Accounting and financial expertise or professional qualifications</b>	Has accounting and financial expertise and professional qualifications.
<b>Expert director</b>	Yes
<b>Employee of the Bank, a subsidiary, a related company, or an interested party</b>	No
<b>Date of beginning of service as a director of the Bank</b>	The later of April 13, 2021 (at the end of her first term of office), and the Approval of the Appointment by the Supervisor.
<b>Education</b>	Certified Public Accountant, Hebrew University of Jerusalem; master's degree in Law, Bar-Ilan University.
<b>Occupation in last five (5) years</b>	External director of Bank Hapoalim (since April 2018). External director of the Strauss Group Ltd. In the past, a director of First International Bank of Israel Ltd. and of Paz Oil Company Ltd. For further details, see the curriculum vitae attached to the declaration.
<b>Service as a director at additional corporations</b>	Strauss Group Ltd., Balgal Ltd. (wholly owned company).
<b>Family member of an interested party of the Bank</b>	No

<b>A director considered by the Bank to have accounting and financial expertise for the purpose of compliance with the minimum number established by the Board of Directors pursuant to Section 92(A)(12) of the Companies Law</b>	Yes
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3.6.2. For details regarding the resolution of the Audit Committee concerning negligible relationships in connection with the candidacy of Dalia Lev, CPA, see Section 3.3.3 of the Report.

3.6.3. Language of the proposed resolution

**To approve the appointment of Dalia Lev, CPA, for a second term of service as an external director (pursuant to the provisions of the Companies Law and Directive 301) of the Bank for a period of three years.**

**The office will commence on the later of April 13, 2021 (at the end of her first term of office), and the date of approval of or non-objection to the appointment by the Supervisor.**

3.7. **Item 6 on the agenda - Election of Mr. Israel Trau as an "other" (non-external) director**

3.7.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Israel Trau</b>
<b>Identification number</b>	053641775
<b>Date of birth</b>	December 16, 1955
<b>Address for service of process</b>	Hanassi Itshak Ben Zvi 13, Herzliya
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	To be determined.
<b>External director or independent director</b>	No
<b>Accounting and financial expertise or professional qualifications</b>	Has accounting and financial expertise and professional qualifications.
<b>Expert director</b>	Yes
<b>Employee of the Bank, a subsidiary, a related company, or an interested party</b>	No
<b>Date of beginning of service as a director of the Bank</b>	The later of the date of approval by the Meeting and the date of Approval of the Appointment by the Supervisor.
<b>Education</b>	Bachelor's degree in Geography, extended; Lahav Business Administration Senior Management Course; Lahav Business Administration Advanced Investments and Capital Market Course, all at Tel Aviv University.

<b>Occupation in last five (5) years</b>	Business advisor to a number of companies and ventures; external director of Aviation Links Ltd.; member of the Nostro Credit Committee at Union Bank Ltd.  In the past, CEO of Union Bank Ltd. (2014-2018), Chairman of Igud Investments and Enterprise (A.S.Y.) Ltd., Chairman of Igud Systems Ltd., Chairman of Igud Leasing Ltd. For details, see the curriculum vitae attached to the declaration.
<b>Service as a director at additional corporations</b>	External director of Aviation Links Ltd.
<b>Family member of an interested party of the Bank</b>	No
<b>A director considered by the Bank to have accounting and financial expertise for the purpose of compliance with the minimum number established by the Board of Directors pursuant to Section 92(A)(12) of the Companies Law</b>	Yes

3.7.2. For details regarding the resolution of the Audit Committee concerning negligible relationships in connection with the candidacy of Mr. Israel Trau, see Section 3.4.3 of the Report.

3.7.3. Language of the resolution proposed to the general meeting

**To approve the appointment of Mr. Israel Trau to the office of other director (non-external director) of the Bank for a period of three years.**

**The office will commence on the later of the date of approval by the Meeting and the date of approval of or non-objection to the appointment by the Supervisor.**

3.8. **Item 7 on the agenda - Election of Prof. Stanley Fisher as an "other" (non-external) director**

3.8.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Stanley Fisher</b>
<b>Identification number</b>	327487971
<b>Date of birth</b>	October 15, 1943
<b>Address for service of process</b>	Nissim Aloni 5, Tel Aviv
<b>Nationality</b>	Israel and United States
<b>Membership in board committees</b>	To be determined.
<b>External director or independent director</b>	No
<b>Accounting and financial expertise or professional qualifications</b>	Has accounting and financial expertise and professional qualifications.



<b>Expert director</b>	Yes
<b>Employee of the Bank, a subsidiary, a related company, or an interested party</b>	No
<b>Date of beginning of service as a director of the Bank</b>	The later of the date of approval by the Meeting and the date of Approval of the Appointment by the Supervisor.
<b>Education</b>	Ph.D. in Economics, M.I.T.; M.Sc. (Econ) and B.Sc. (Econ), London School of Economics.
<b>Occupation in last five (5) years</b>	Macroeconomic Advisor to BlackRock; in the past (2014-2017), Deputy Chairman of the US Federal Reserve Board of Governors.
<b>Service as a director at additional corporations</b>	Director of Taglit and of the National Library of Israel.
<b>Family member of an interested party of the Bank</b>	No
<b>A director considered by the Bank to have accounting and financial expertise for the purpose of compliance with the minimum number established by the Board of Directors pursuant to Section 92(A)(12) of the Companies Law</b>	Yes

3.8.2. For details regarding the resolution of the Audit Committee concerning negligible relationships in connection with the candidacy of Prof. Stanley Fisher, see Section 3.5.3 of the Report.

3.8.3. Language of the resolution proposed to the general meeting

**To approve the appointment of Prof. Stanley Fisher to the office of other director (non-external director) of the Bank for a period of three years.**

**The office will commence on the later of the date of approval by the Meeting and the date of approval of or non-objection to the appointment by the Supervisor.**

3.9. **Item 8 on the agenda – Election of Ms. Tamar Bar-Noy Gotlin as an "other" (non-external) director**

3.9.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Tamar Bar-Noy Gotlin</b>
<b>Identification number</b>	022268718
<b>Date of birth</b>	December 28, 1965
<b>Address for service of process</b>	Ariel Sharon 8, Givatayim
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	To be determined.

<b>External director or independent director</b>	No
<b>Accounting and financial expertise or professional qualifications</b>	Has accounting and financial expertise and professional qualifications.
<b>Expert director</b>	Yes
<b>Employee of the Bank, a subsidiary, a related company, or an interested party</b>	No
<b>Date of beginning of service as a director of the Bank</b>	The later of the date of approval by the Meeting and the date of Approval of the Appointment by the Supervisor.
<b>Education</b>	Master's degree in Business Administration, Tel Aviv University; bachelor's degree in Natural Sciences, Open University.
<b>Occupation in last five (5) years</b>	Provides strategic business consulting and mentoring services to start-ups and companies; in the past, VP Credit at Leumi Card (presently MAX) and CEO of Leumi Card Credit Ltd.  For further details, see the curriculum vitae attached to the declaration.
<b>Service as a director at additional corporations</b>	Member of the Managing Committee of the Batsheva Dance Company Foundation and of the non-profit organization Fintech Community of Israel.
<b>Family member of an interested party of the Bank</b>	No
<b>A director considered by the Bank to have accounting and financial expertise for the purpose of compliance with the minimum number established by the Board of Directors pursuant to Section 92(A)(12) of the Companies Law</b>	Yes

3.9.2. For details regarding the resolution of the Audit Committee concerning negligible relationships in connection with the candidacy of Ms. Tamar Bar-Noy Gotlin, see Section 3.6.3 of the Report.

3.9.3. Language of the resolution proposed to the general meeting

**To approve the appointment of Ms. Tamar Bar-Noy Gotlin to the office of other director (non-external director) of the Bank for a period of three years.**

**The office will commence on the later of the date of approval by the Meeting and the date of approval of or non-objection to the appointment by the Supervisor.**

**3.10. Item 9 on the agenda – Approval of the remuneration policy for office holders of the Bank**

It is proposed to approve the remuneration policy for office holders of the Bank, in the form attached as **Annex A** to the Report (the “**Remuneration Policy**” or the “**New Remuneration Policy**”), in accordance with Section 267A of the Companies Law, Directive 301A of the Proper Conduct of Banking Business Directives of the Supervisor of Banks (“**Directive 301A**”), and the provisions of the Remuneration of Office Holders of Financial Corporations Law (Special Approval and Disallowance of Expenses for Tax Purposes Due to Exceptional Remuneration), 5776-2016 (the “**Remuneration Restriction Law**”), effective from January 1, 2021, for a period of three years.

Language of the proposed resolution: “**To approve the Remuneration Policy for office holders of the Bank, in the form attached as Annex A to the Report, effective from January 1, 2021, for a period of three years, and to approve, pursuant to Section 2(a) of the Remuneration Restriction Law, that in accordance with the Remuneration Policy and the ceilings established therein, remuneration of office holders may exceed the remuneration threshold prescribed under the aforesaid section, with the approval of the Remuneration Committee and the Board of Directors, without further approval by the general meeting.**”

For details pertaining to the Remuneration Policy, including the main points thereof, the principal changes relative to the previous remuneration policy, and the reasoning of the Remuneration Committee and the Board of Directors of the Bank, see Section 4 of the Report.

**3.11. Item 10 on the agenda – Approval of the terms of service of the Chairman of the Board of Directors of the Bank**

On June 28, 2020, Mr. Ruben Krupik was elected to the office of Chairman of the Board of Directors of the Bank (the “**Chairman**”), subject to approval/non-objection by the Banking Supervision Department; on July 28, 2020, the Supervisor of Banks gave notice of non-objection to the appointment. Prior to his appointment as Chairman, beginning June 9, 2020, the date on which the late Mr. Oded Eran, the previous Chairman of the Board, took a leave of absence due to illness, Mr. Krupik served as Acting Chairman.

Mr. Krupik has served as a director of the Bank since February 18, 2016, and was appointed for a second term of office, which ends on February 17, 2022, at the general meeting of July 18, 2019.<sup>1</sup>

Mr. Krupik serves at the Bank as an external director pursuant to Proper Conduct of Banking Business Directive 301 (“**301 External Director**”) and as an independent director pursuant to the provisions of the Companies Law. Prior to his appointment as Chairman, Mr. Krupik was entitled to remuneration for his service as a director, in accordance with the Remuneration Regulations (see Section 2.11 of the Report).

In view of the appointment of Mr. Krupik to the office of Chairman, and taking into consideration the significant change in the scope of his position (to a full-time

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<sup>1</sup> See the report on the results of the general meeting of July 18, 2019 (reference no. 2019-01-062601).

position) and the responsibility inherent in this office, the Bank seeks to approve terms of remuneration for Mr. Krupik exceeding the ordinary remuneration of directors, in keeping with his position.

In August 2019, the Banking Supervision Department issued a letter concerning the principles for determining the terms of service of a board chairperson of a bank without a controlling core (the “**Supervision Letter**”).<sup>2</sup> The Supervision Letter states, among other matters, that service as a board chairperson at a bank without a controlling core does not, in itself, create an affinity for the chairperson that impairs the chairperson's qualification for office, provided that the duties and authority of the chairperson do not exceed the scope of duties and authority granted to the chairperson according to the provisions of the law.

The terms of service of the Chairman brought before the Meeting for approval were established with due attention to the principles set forth in the Supervision Letter. The position of the Bank is that taking into consideration the fact that the Bank is a banking corporation without a controlling core, in which all of the directors are effectively required to be independent of the Bank, under the provisions of the Banking Ordinance, the service of Mr. Krupik as an independent director pursuant to the provisions of the Companies Law does not, in itself, preclude the approval of the terms of service proposed for his office as Chairman of the Board of Directors (which exceed the remuneration owed to the other directors pursuant to the Remuneration Regulations). In view of the fact that the Israel Securities Authority issued a position summary in the past, not referring specifically to a bank without a controlling core, indicating a different position, the Bank approached and is in contact with the authorities and the supervisory bodies (including the Israel Securities Authority) with regard to this matter.

The terms of service of the Chairman presented below were approved by the Remuneration Committee on August 27, 2020, and by the Board of Directors of the Bank on September 6, 2020, and September 17, 2020, subject to the provisions of the law and the guidelines of the supervisory bodies, including the Israel Securities Authority, not preventing the granting of remuneration according to the aforesaid terms of service.

The main points of the terms of service of the Chairman include a consideration in a total amount of NIS 2.4 million per year (NIS 200,000 per month), linked to the CPI, against an invoice, with the addition of VAT as relevant, without benefits (without deposits into severance pay and allowances, or contributions to a study fund).

Until the Board of Directors of the Bank resolves that the provisions of the law and the guidelines of the supervisory bodies do not preclude the payment of the terms of service of the Chairman presented for approval by this Meeting, the Chairman shall be entitled to continue to receive remuneration in accordance with the Remuneration Regulations (Remuneration of Directors), similar to the remuneration he receives at present. If the terms of service are approved by the Meeting and are permitted by the provisions of the law and the guidelines of the supervisory bodies, as noted, the Bank shall supplement the payment to the Chairman with the balance of the remuneration to which he is entitled, from the date of the beginning of his term of office as Chairman.

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<sup>2</sup> The Supervision Letter is available at the following address:  
<https://www.boi.org.il/he/BankingSupervision/LettersAndCircularsSupervisorOfBanks/LettersOfTheBankingSupervisionDepartment/201904.pdf>.

The following are details of the remuneration to which the Chairman is expected to be entitled in 2020<sup>3</sup> and 2021, according to the terms of his service specified in the Report, and subject to the provisions of the law and the guidelines of the supervisory bodies not precluding the granting of remuneration according to the aforesaid terms of service (in NIS thousands; according to the estimated CPI at the end of 2020; in terms of cost to the company, excluding VAT / wage tax; assuming service for the proportional part of a full calendar year in 2020 and assuming service for a full calendar year in 2021):

Year	Remuneration recipient				Remuneration (in NIS thousands)				
	Name	Title	Full/part-time position	Rate of holdings in capital of the Bank at report date (%)	Salary and perquisites <sup>(1)</sup>	Bonus <sup>(1)</sup>	Employer payments and contributions	Share-based payment	Total pursuant to Remuneration Restriction Law and pursuant to Regulation 21 <sup>(2)</sup>
2020 (from date of appointment – June 28, 2020)	Ruben Krupik	Chairman of the Board	Full-time position	--	1,215	--	--	--	1,215
2021	Ruben Krupik	Chairman of the Board	Full-time position	--	2,430	--	--	--	2,430

(1) Pursuant to Directive 301A, the Chairman is not entitled to variable remuneration.

(2) Not including VAT.

**Language of the proposed resolution: “To approve the terms of service and employment of Mr. Ruben Krupik as Chairman of the Board of Directors of the Bank, with effect from June 28, 2020, until December 31, 2023, as set forth in Section 5 of the Report, in accordance with Section 273 of the Companies Law, subject to the provisions of the law and the guidelines of the supervisory bodies not precluding the granting of such remuneration and terms of service, as resolved by the Board of Directors of the Bank.”**

For further details pertaining to the approval of the terms of service of the Chairman of the Board of Directors of the Bank, see Section 5 of the Report.

### 3.12. Item 11 on the agenda – Approval of the terms of service and employment of the CEO of the Bank

Mr. Dov Kotler serves as CEO of the Bank (the “CEO”) as of October 1, 2019. The remuneration of Mr. Dov Kotler as CEO of the Bank is established in his employment agreement, which has been extended until December 31, 2022, while the terms of employment and service therein were extended for a period of up to one year only (i.e. until December 31, 2020), with no change (the “**Previous Agreement**”). The aforesaid extension was approved on December 26, 2019, by the general meeting of shareholders of the Bank (following approval by the

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<sup>3</sup> Mr. Krupik is entitled to directors’ remuneration (fixed remuneration and participation remuneration) pursuant to the Remuneration Regulations in respect of his service as a director, until his appointment as Chairman of the Board of Directors of the Bank (i.e. until June 27, 2020).

Remuneration Committee and the Board of Directors), until the approval of a New Remuneration Policy by the Bank, as described in the previous report.

Pursuant to the Previous Agreement, and after the waiver by the CEO, as described in the previous report, the CEO was entitled to a fixed monthly salary, and was not entitled to linkage of the remuneration or supplementation thereof to the wage ratio ceiling. In addition, the remuneration of the CEO consisted entirely of fixed components, with no variable components, including an annual bonus.

Therefore, concurrently with the formulation of a New Remuneration Policy by the Remuneration Committee and the Board of Directors of the Bank (which is brought before the Meeting for approval through the Report), updated and consistent terms of service and employment for the CEO are also presented for approval. The cost of employment of the CEO will exceed the remuneration threshold, and it is therefore presented for approval by the general meeting of shareholders of the Bank, according to the majority specified in Section 2(a) of the Remuneration Restriction Law and Section 267A(b) of the Companies Law. Pursuant to the Remuneration Restriction Law, the part above the remuneration threshold shall not be recognized as an expense of the Bank for tax purposes.

The updated remuneration terms of the CEO shall be in effect beginning January 1, 2021.

The remuneration terms of the CEO presented below were approved by the Remuneration Committee on August 27, 2020, and by the Board of Directors of the Bank on September 6, 2020, and September 17, 2020.

The main points of the terms of service and employment of the CEO include a monthly salary and benefits, fixed equity remuneration in the form of restricted shares, and variable remuneration, part of which is dependent upon the performance of the Bank, while part is discretionary.

The following are details regarding the remuneration to which the CEO is expected to be entitled in 2021, according to the terms of his employment, detailed in the Report (in thousands of NIS; in terms of cost to the company, excluding wage tax; assuming employment for a period of a full calendar year):

Year	Remuneration recipient				Remuneration (in NIS thousands)						
	Name	Title	Full/ part-time position	Rate of holdings in capital of the Bank at report date (%)	Salary and perquisites <sup>(2)</sup>	Bonus <sup>(3)</sup>	Employer payments and contributions <sup>(4)</sup>	Share-based payment <sup>(5)</sup>	Total based on Remuneration Restriction Law <sup>(6)</sup>	Benefits by law and others	Total remuneration pursuant to Regulation 21 <sup>(7)</sup>
2021	Dov Kotler	CEO of the Bank	Full-time position	0.00% <sup>(1)</sup>	2,444	346	50	100	2,940	359	3,299

- (1) Holding of 1,806 shares at the date of the Report.
- (2) Includes salary and perquisites such as holiday gifts, telephone expenses, and more.
- (3) The entitlement of the CEO to an annual bonus is as described in Section 6.11 of the Report, assuming capping at the wage ratio ceiling. The data are presented under the solely theoretical assumption of receipt of the maximum bonus.
- (4) Includes payments and contributions for a study fund and National Insurance.
- (5) The CEO shall be granted fixed equity remuneration each year in respect of the period of his service, at no cost, in ordinary shares of the Bank, which will be restricted and cannot be transferred or sold for a period of 36 months from the end of the year in which they are granted, as detailed in Section 6.5 of the Report.

- (6) This amount does not include provisions for allowances and severance pay in accordance with the law.
- (7) Excluding wage tax.

**Language of the proposed resolution: "To approve the terms of service and employment of Mr. Dov Kotler as CEO of the Bank, with effect from January 1, 2021, until December 31, 2023, as set forth in Section 6 of the Report, in accordance with Section 272(c1) of the Companies Law and in accordance with Section 2(a) of the Remuneration Restriction Law."**

For further details pertaining to the approval of the terms of service and employment of the CEO of the Bank, see Section 6 of the Report.

**4. Place and times at which the full text of the proposed resolutions can be perused**

The Report of the call to meeting, the documents mentioned therein (including the voting card and the position statements, if provided), and the full text of the resolutions presented for approval by the Meeting may be perused at the office of the Secretary of the Bank, at 63 Yehuda Halevi Street, Tel Aviv, during usual business hours, with advance coordination by telephone at +972-3-567-3800, until the time of the Meeting. The Report of the call to meeting, the voting card, and the position statements, as defined in Section 88 of the Companies Law, if provided, can also be perused on the distribution website of the Israel Securities Authority (the "**Distribution Website**"), at <http://www.magna.isa.gov.il>, and on the website of the Tel Aviv Stock Exchange Ltd., at <http://maya.tase.co.il> (the "**TASE Website**").

**5. The majority required for adoption of the resolutions on the agenda of the Meeting**

The majority required to pass the resolutions listed in Sections 3.1 (Item 2 on the agenda – reappointment of the external auditors of the Bank), 3.3 (Items 6-8 on the agenda – appointment of two other (non-external) directors), and 3.11 (Item 10 on the agenda – approval of the terms of service of the Chairman of the Board of Directors of the Bank) of the Report is a simple majority. For details regarding election rules in the event that the number of candidates who receive the required majority exceeds the number of offices, see below.

The majority required to pass the resolutions listed in Section 3.4 (Items 3-5 on the agenda – appointment of two external directors pursuant to the Companies Law), taking into consideration the fact that the Bank is a banking corporation without a controlling core, is a simple majority of the votes of the shareholders who participate in the vote, provided that one of the following applies: (1) the count of the majority vote includes at least a majority of all of the votes of shareholders who are not controlling shareholders of the Bank<sup>4</sup> or shareholders with a personal interest in the approval of the appointment, other than a personal interest not due to a relationship with a controlling shareholder, participating in the vote, and abstaining votes are not taken into account in the count of total votes of the aforesaid shareholders; (2) the total dissenting votes among the shareholders noted in subsection (1) do not exceed two percent of the total voting rights at the Bank.

With regard to Items 3-8 on the agenda (appointment of directors) – if the number of candidates for service as directors who win a majority of the votes of the participants in the vote at the general meeting exceeds the number of available positions for specific

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<sup>4</sup> At the date of the Report, there is no controlling shareholder at the Bank.

qualifications for office (the examination regarding this matter shall refer separately to each qualification for office, i.e. two external directors pursuant to the Companies Law and two other directors), the candidates who win the highest number of supporters in the vote at the general meeting for the same qualification for office shall be elected, with the provision that, in the case of the office of an external director pursuant to the Companies Law, the candidates shall be elected who win the highest number of supporters in the vote at the general meeting out of the votes of the shareholders as stated in Section 239(b)(1) of the Companies Law. In the event that it is necessary to reach a determination in this matter between several candidates who receive an equal number of votes, the determination regarding the candidate who will serve as a director shall be performed by lottery.

The majority required to pass the resolutions listed in Sections 3.10 (Item 9 on the agenda – approval of the Remuneration Policy for officer holders of the Bank) and 3.12 (Item 11 on the agenda – approval of the terms of service and employment of the CEO of the Bank) of the Report, taking into consideration the fact that the Bank is a banking corporation without a controlling core, is a majority of the votes of the shareholders who participate in the vote, provided that one of the following applies: (1) the count of the majority vote includes at least a majority of all of the votes of shareholders who are not controlling shareholders of the Bank or shareholders with a personal interest in the approval of the Remuneration Policy or in the approval of the terms of service and employment of the CEO (as relevant, respectively), participating in the vote, and abstaining votes are not taken into account in the count of total votes of the aforesaid shareholders; (2) the total dissenting votes among the shareholders noted in subsection (1) do not exceed two percent of the total voting rights at the Bank.

6. **Notification regarding the existence of a personal interest, affinity, or other characteristic of the shareholder**

With regard to Items 3-5 on the agenda – appointment of two external directors pursuant to the Companies Law (of Adv. Ronit Abramson Rokach; Issawi Frej, CPA; and Dalia Lev, CPA) – all shareholders interested in participating in the vote shall notify the Bank, prior to the vote at the Meeting, in person or through a holder of power of attorney (including through indication on the power of attorney), as relevant, or, if voting using a voting card, through indication in the designated place on the voting card, whether or not they are a controlling shareholder of the Bank,<sup>5</sup> or have a personal interest in the approval of the matters on the agenda, as noted (other than a personal interest in the approval of an appointment not due to their relationship with a controlling shareholder). Shareholders who have not provided such notification shall not vote, and their votes shall not be counted.

With regard to Item 9 (approval of the Remuneration Policy for officers of the Bank) and Item 11 (approval of the terms of service and employment of the CEO of the Bank), all shareholders interested in participating in the vote shall notify the Bank, prior to the vote at the Meeting, in person or through a holder of power of attorney (including through indication on the power of attorney), as relevant, or, if voting using a voting card, through indication in the designated place on the voting card, whether or not they are a controlling shareholder of the Bank,<sup>6</sup> or have a personal interest in the approval of the matters on the agenda, as noted. Shareholders who have not provided such notification shall not vote, and their votes shall not be counted.

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<sup>5</sup> At the date of the Report, there is no controlling shareholder at the Bank, as noted.

<sup>6</sup> At the date of the Report, there is no controlling shareholder at the Bank, as noted.



In addition, all shareholders interested in participating in the vote shall indicate whether or not they are an interested party of the Bank, a senior officer of the Bank, or an institutional investor. For this purpose, space is allocated in the second part of this voting card to indicate whether the voter is an interested party of the Bank; a senior officer of the Bank; an "institutional investor," as defined in Regulation 1 of the Supervision of Financial Services Regulations (Provident Funds) (Participation of a Management Company in a General Meeting), 5769-2009; or a joint investment trust manager, as defined in the Joint Investment Trust Law, 5754-1994.

7. **Validity of the voting card**

The voting card shall be valid only if the following documents are attached thereto, and if it is delivered to the Bank (including via registered mail) up to four (4) hours before the time of the Meeting:

Unregistered shareholder<sup>7</sup> – Confirmation of ownership (see Section 13 below). Alternatively, an unregistered shareholder is also permitted to send the Bank confirmation of ownership through the electronic voting system, until the closing time of the electronic voting system (six hours prior to the time of the Meeting).

Registered shareholder<sup>8</sup> – Photocopy of an identity card, passport, or certificate of incorporation.

**A voting card which has not been delivered in accordance with the provisions of this section will be invalid.**

For this purpose, the "time of delivery" is the time when the voting card and the attached documents arrive at the offices of the Bank.

8. Unregistered shareholders who wish to vote using an electronic voting card are entitled to do so until the closing time of the electronic voting system (six hours prior to the time of the Meeting).

9. **Address for delivery of voting cards and position statements**

The offices of the Bank, 63 Yehuda Halevi Street, Tel Aviv 6578109 (attention Mr. Gilad Bloch, Secretary of the Bank).

10. **Deadline for delivery of position statements to the Bank by shareholders**

Up to ten (10) days before the date of the Meeting.

11. **Deadline for delivery of the response of the Board of Directors to the position statements**

Up to five (5) days before the date of the Meeting.

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<sup>7</sup> A person in whose favor shares are registered with a TASE member, which shares are included among the shares registered in the shareholder registry in the name of a nominee company.

<sup>8</sup> A shareholder registered in the shareholder registry of the Bank.

12. **Addresses of websites where the voting cards and position statements can be found**

The Distribution Website: <http://www.magna.isa.gov.il>; the TASE Website: <http://maya.tase.co.il>.

13. Unregistered shareholders are entitled to receive confirmation of ownership from the TASE member through which they hold their shares, at a branch of the TASE member or by mail to their address, in consideration for a delivery fee only, if they so request. A request on this matter shall be submitted in advance, for a specific securities account. Unregistered shareholders are also permitted to order the delivery of their ownership confirmation to the Bank through the electronic voting system.
14. Unregistered shareholders are entitled to receive a link, by electronic mail, free of charge, to the format of the voting card and position statements (if provided) on the Distribution Website from the TASE member through which their shares are held, unless they have notified the TASE member that they are not interested in receiving such a link, or that they are interested in receiving voting cards by mail, against payment; a shareholder's notification regarding voting cards shall also apply to the receipt of position statements.
15. One or more shareholder holding shares at a rate constituting five percent or more of the total voting rights at the Bank may peruse, in person or through a proxy, after the Meeting convenes, at the registered office of the Bank (the address of which is noted in Section 9 above), during regular business hours, the voting cards and the records of votes received by the Bank through the electronic voting system, as detailed in Regulation 10 of the Voting in Writing Regulations.
- The quantity of ordinary shares of the Bank constituting 5% of all voting rights at the Bank is: 66,794,906 ordinary shares of par value NIS 1 each.
16. After the publication of the call to meeting report, position statements may be published; the position statements published may be perused in the Bank's reports on the Distribution Website.

**Shareholders shall indicate their vote with regard to the items on the agenda in the second part of this voting card.**

# Bank Hapoalim B.M.

## Voting Card Pursuant to the Companies Regulations (Voting in Writing and Position Statements), 5765-2005

### Part Two

Company name: Bank Hapoalim B.M. (the “**Bank**”).

Company address (for delivery and sending of voting cards): Bank Hapoalim B.M., 63 Yehuda Halevi Street, Tel Aviv 6578109 (attention Mr. Gilad Bloch, Secretary of the Bank).

Company number: 520000118

Meeting date and time: **October 22, 2020, 4:00 p.m.**

Type of meeting: Annual general meeting.

**Date of record: Thursday, September 24, 2020.**

### **Shareholder information**

1. Shareholder name \_\_\_\_\_
2. Identification number \_\_\_\_\_
3. If the shareholder does not have an Israeli identity card –
  - a. Passport number \_\_\_\_\_
  - b. Country of issuance \_\_\_\_\_
  - c. Expiration date \_\_\_\_\_
4. If the shareholder is a corporation –
  - a. Corporation number \_\_\_\_\_
  - b. Country of incorporation \_\_\_\_\_
5. Interested party, senior officer, institutional entity / fund manager:

**Are you an interested party<sup>9</sup> of the Bank?                      Yes                      No**

**Are you a senior officer<sup>10</sup> of the Bank?                      Yes                      No**

**Are you an institutional entity / fund manager<sup>11</sup>?      Yes                      No**

If you answered “yes” to one of the questions in this section, please specify whether there are any other relationships between yourself and the Bank, senior officers of the Bank, or a material holder of the Bank:

\_\_\_\_\_  
\_\_\_\_\_

<sup>9</sup> “**Interested party**” – as defined in Section 1 of the Securities Law, 5728-1968 (the “**Securities Law**”).

<sup>10</sup> “**Senior officer**” – as defined in Section 37(D) of the Securities Law.

<sup>11</sup> “**Institutional entity**” – as defined in Section 1 of the Supervision of Financial Services Law (Insurance), 5741-1981, and “**fund manager**” – the manager of a joint investment trust, as defined in the Joint Investment Trust Law, 5754-1994.

**Vote**

Agenda item number	Vote <sup>(1)</sup>			Are you a controlling shareholder or do you have a personal interest in the resolution <sup>(2)</sup>	
	For	Against	Abstain	Yes*	No
Item no. 2 – Approval of reappointment of the external auditors of the Bank					
Item no. 3 – Appointment of Adv. Ronit Abramson Rokach as an external director pursuant to the Companies Law					
Item no. 4 – Appointment of Issawi Frej, CPA, as an external director pursuant to the Companies Law					
Item no. 5 – Appointment of Dalia Lev, CPA, as an external director pursuant to the Companies Law					
Item no. 6 – Appointment of Mr. Israel Trau as an "other" (non-external) director					
Item no. 7 – Appointment of Prof. Stanley Fisher as an "other" (non-external) director					
Item no. 8 – Appointment of Ms. Tamar Bar-Noy Gotlin as an "other" (non-external) director					
Item no. 9 – Approval of the remuneration policy for office holders of the Bank					
Item no. 10 – Approval of the terms of service of the Chairman of the Board of Directors of the Bank					
Item no. 11 – Approval of the terms of service and employment of the CEO of the Bank					

\* Provide details below.

- (1) If none of the possibilities are marked, it will be considered abstention from voting on that item.
- (2) The vote of a shareholder who does not complete this column, or who indicates "yes" but does not provide specifics, will not be counted. With regard to Items 3-5 (appointment of external directors pursuant to the Companies Law), a personal interest, except such that is not due to a relationship with a controlling shareholder.

**For shareholders who hold shares through a TASE member (pursuant to Section 177(1) of the Companies Law) – this voting card is valid only with attached confirmation of ownership.**

**For shareholders registered in the shareholder registry of the Bank – the voting card is valid with an attached photocopy of an identity card / passport / certificate of incorporation.**

**Details regarding a personal interest (if relevant)**

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Date: \_\_\_\_\_

Signature: \_\_\_\_\_