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In case of any discrepancy, the Hebrew version prevails.*

**Bank Hapoalim B.M.**

October 15, 2024

To:  
Israel Securities Authority  
Via Magna

To:  
Tel Aviv Stock Exchange Ltd.  
Via Magna

Re: **Immediate Report (the "Report") on the Convening of an Annual General Meeting of Shareholders of Bank Hapoalim B.M. (the "Bank")**

Further to the advance notice issued by the Bank regarding the intention to convene an annual meeting of shareholders of the Bank, and pursuant to the Companies Law, 5759-1999 (the "**Companies Law**"); the Securities Regulations (Periodic and Immediate Reports), 5730-1970 (the "**Report Regulations**"); the Companies Regulations (Announcement and Notification of a General Meeting and a Class Meeting at a Public Company and Addition of an Item to the Agenda), 5760-2000 (the "**Announcement and Notification Regulations**"); and the Companies Regulations (Voting in Writing and Position Papers), 5765-2005 (the "**Voting in Writing Regulations**"), the Bank respectfully gives notice that the annual general meeting of the shareholders of the Bank (the "**Meeting**") will convene on **Wednesday, November 20, 2024, 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)**; on the agenda are the items and resolutions described below.

**1. Items on the agenda of the Meeting and form of proposed resolutions**

1.1. **Item no. 1 on the agenda – Discussion of the financial statements and the report of the board of directors of the Bank for the year 2023**

Discussion of the audited financial statements of the company as at December 31, 2023, and the report of the board of directors and board of management for the year ended on that date (jointly, the "**2023 Periodic Report**").

**No vote will be held on this matter.**

The 2023 Periodic Report, issued by the Bank on March 7, 2024 (reference no. 2024-01-023178), can be viewed on the Israel Securities Authority distribution website, at <http://www.magna.isa.gov.il> (the "**Distribution Website**"), and on the website of the Tel Aviv Stock Exchange Ltd., at <http://maya.tase.co.il> (the "**TASE Website**").

1.2. **Item no. 2 on the agenda – Approval of reappointment of the external auditors of the Bank**

1.2.1. 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.

1.2.2. At the recommendation of the audit committee and 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.

The reappointment recommendation is based on a set of considerations and circumstances, including the audit committee and board of directors' impression of the professional quality and level of service of the auditors, the examination procedure conducted approximately three years ago within which the candidacy of other accounting firms was considered, and the recommendation of the management of the Bank. See also Section 1.2.3 below.

The recommendation was passed by a majority in the audit committee and the board of directors. Two directors (who are members of the audit committee) held the minority opinion that it would be appropriate to embark on a process (even if it extends beyond the coming general meeting) to replace one of the currently serving accounting firms with another, in view of the benefit inherent in renewal in the position of the auditor, after many years of service, even if satisfaction with the professional quality and service level is high.

1.2.3. The Bank implements the guidelines of the Basel Committee regarding external auditing at banking corporations in connection with the audit committee and its relationship with the auditor, as required by the provisions of Section 36(D)(3a) of Proper Conduct of Banking Business Directive 301 ("**Directive 301**"), and the rules of conduct proposed for directors to promote the quality of auditing of financial statements (best practices), as issued by the Israel Securities Authority in October 2021. Within this framework, among other matters, prior to the formulation of the recommendation to reappoint the auditors, the audit committee held a discussion regarding evaluation of the effectiveness and functioning of the auditors, including with regard to the qualification of the audit teams and the compliance of the auditors with the non-dependence rules.

1.2.4. Details regarding the fees of the Bank's auditors for 2023, for audit and additional services, which were determined by the Bank's board of directors, are included in the 2023 Periodic Report (p. 396).

Form 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.**

1.3. Items 3-5 on the agenda – Appointment of two 301 external directors

At this Meeting, the appointments of two external directors pursuant to Directive 301 ("**301 External Director**") are presented for election, 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

**“Director Appointment Committee”** and the **“Banking Law”** respectively). They are:

- 1.3.1. Mr. Yoel Mintz (proposed for election for an additional term of office as Item no. 3 on the agenda).
- 1.3.2. Mr. Eran Yaacov (proposed for election as Item no. 4 on the agenda).
- 1.3.3. Mr. Yair Avidan (proposed for election as Item no. 5 on the agenda).

The office of one 301 External Director shall commence on the later of November 11, 2024 (the first term of office of Mr. Yoel Mintz, who serves as a 301 External Director at this time, ends on November 24, 2024), and the date of approval or non-objection of the Supervisor of Banks for the appointment, pursuant to the provisions of Section 11A of the Banking Ordinance, 1941 (the **“Supervisor,”** the **“Supervisor Appointment Approval,”** and the **“Banking Ordinance,”** respectively).

The second office of a 301 External Director shall commence on the later of February 18, 2025 (Mr. Ruben Krupik, who serves as a 301 External Director at this time, will complete a third (and last) term of office on February 17, 2025), and the date of the Supervisor Appointment Approval.

If Mr. Yoel Mintz is elected, his additional term of office will commence on the later of November 25, 2024, and the date of the Supervisor Appointment Approval. If two new 301 External Directors are elected, the order of commencement of their offices will be according to the dates of receipt of the approval of the Supervisor for their appointments.

**For additional information regarding the appointment of the directors, see Section 2 of the Report. For details regarding the aforesaid candidates and the proposed resolutions, see Section 3 of the Report.**

1.4. Items nos. 6-7 on the agenda – Appointment of one other (non-external) director

At this Meeting, the appointment of one “other” director (who is not an external director pursuant to the Companies Law or Directive 301) is presented for election, for a term of office of three years, out of the two candidates proposed by the Director Appointment Committee. They are:

- 1.4.1. Ms. Ronit Schwartz (proposed for election for an additional term of office as Item no. 6 on the agenda).
- 1.4.2. Mr. Amir Kushilevitz Ilan (proposed for election as Item no. 7 on the agenda).

The term of office of the candidate to be elected shall commence on the later of November 23, 2024 (the first term of service of Ms. Ronit Schwartz, who serves as a director, ends on November 22, 2024), and the Supervisor Appointment Approval date.

**For additional information regarding the appointment of the directors, see Section 2 of the Report. For details regarding the aforesaid candidates and the proposed resolutions, see Section 3 of the Report.**

1.5. Item 8 on the agenda – Approval of the terms of service and employment of the CEO of the Bank, Mr. Yadin Antebi

Approval of the terms of service and employment of Mr. Yadin Antebi, CEO of the Bank, as detailed in Section 4 of the Report, is proposed.

2. **Additional information regarding the appointment of directors (Items 3-7 on the agenda)**

- 2.1. At this time, ten directors serve on the board of directors of the Bank. Ahead of the annual Meeting referenced in this summons, the Director Appointment Committee was asked to propose candidates to the Bank for three offices: two 301 External Directors (for the offices of Mr. Yoel Mintz and Mr. Ruben Krupik), and one “other” director (for the office of Ms. Ronit Schwartz).
- 2.2. The Director Appointment Committee proposed five candidates to this Meeting: three candidates for offices of 301 External Directors, of which the Meeting must elect two directors, and two candidates for offices of “other” (non-external) directors, of which the Meeting must elect one director.
- 2.3. The Bank has asked the Director Appointment Committee to propose candidates for office to the general meeting such as to increase the probability that at least one woman or one director from an underrepresented population group is elected at the general meeting, with the aim of implementing the policy of the board of directors regarding gender/sector diversity; to give weight to the following qualifications: accounting and financial expertise, and banking experience; and for all of the candidates to have business, managerial, or academic experience, personal integrity, and the qualifications and ability to contribute significantly to the work of the board of directors in delineating strategy and policy and in carrying out its duties in the areas of supervision and control.
- 2.4. 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.
- 2.5. 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.
- 2.6. Section 11A(a) of the Banking Ordinance states that “no person shall serve as an officer of a banking corporation unless the Supervisor has been notified at least sixty days prior to the commencement of the office and the Supervisor has not given notice of objection to the appointment, or has given notice of consent to the appointment, within that period.” Therefore, the service of the candidates to be elected is contingent upon approval of the appointment by the Supervisor.
- 2.7. If, prior to the actual commencement of the service of any of the elected directors, it emerges that the director will not commence service for any reason, any of the other candidates of the same qualification (i.e. qualification as a 301 External Director or qualification as an “other” director) who received the requisite majority for election (if such candidate exists) shall be considered to have been elected in their stead by the general meeting.

- 2.8. The directors of the Bank (excluding the chairman of the board) are entitled to the payment of annual compensation in respect of their service, as well as participation compensation, in the maximum amounts payable to an external director or expert external director (as relevant) pursuant to the provisions of the Companies Regulations (Rules Regarding Remuneration and Expenses for External Directors), 5760-2000 (the “**Remuneration Regulations**”), as they may be from time to time and according to the rank of the Bank in each fiscal year. In addition, all directors are entitled to a letter of indemnity, pursuant to prior resolutions of the authorized organs, including the general meeting of shareholders of the Bank of November 8, 2023; a letter of exemption, pursuant to the resolution of the general meeting of February 18, 2016; and insurance under a directors’ and officers’ liability policy of the Bank, as it may be from time to time, all also according to the provisions of the officer remuneration policy of the Bank, which was approved by the general meeting of shareholders of the Bank on November 8, 2023. For further details regarding the letter of indemnity, see Note 25.B.3 to the Annual Financial Statements of the Bank for 2023; with regard to the letter of exemption, see Standard 29A(4) of the Periodic Report of the Bank for 2023; and with regard to the directors’ and officers’ liability insurance policy, see Section 5.2 in the Corporate Governance section of the Bank’s report for the second quarter of 2024.
3. **The following is information, to the best of the knowledge of the Bank, regarding the candidates for service as directors, as required pursuant to Regulations 26 and 36B(a)(10) of the Report Regulations:**
- 3.1. Item 3 on the agenda – Election of Mr. Yoel Mintz for an additional term of office as a 301 External Director
- 3.1.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Yoel Mintz</b>
<b>Identification number</b>	052302825
<b>Date of birth</b>	February 3, 1954
<b>Address for service of process</b>	58 Hamatsbi'im, Tel Aviv
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	Credit committee, risk management and control committee, remuneration committee, and committee for monitoring implementation of the resolutions of the bank with the United States authorities.
<b>External director or independent director</b>	301 External Director and independent director
<b>Accounting and financial expertise / professional qualifications / additional qualifications</b>	Has accounting and financial expertise and professional qualifications. Has banking experience.
<b>Expert director</b>	Yes
<b>Employee of the Bank, a subsidiary, a related company, or an interested party</b>	No

<b>Director's name</b>	<b>Yoel Mintz</b>
<b>Date of beginning of service as a director of the Bank</b>	The later of November 25, 2024, and the Supervisor Appointment Approval date.
<b>Education</b>	BA in Economics and MBA, both from Tel Aviv University.
<b>Occupation in last five (5) years</b>	As of November 2021 – Director at Bank Hapoalim. 5.2012 to 5.2020 – Chairperson of the board of directors of Bank Leumi (UK). 5.2012 to 7.2019 – Chairperson of the board of directors of Bank Leumi Romania. 4.2017 to 2.2020 – Director at Bank Leumi USA.
<b>Service as a director at additional corporations</b>	None
<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

### 3.1.2. Qualifications of the candidate

Based on his education, professional experience, and qualifications, and on the declaration of Mr. Yoel Mintz and the information he provided, Mr. Yoel Mintz was assessed by the board of directors of the Bank as **having accounting and financial expertise and professional qualifications** according to the provisions of the Companies Regulations (Conditions and Tests for Directors with Accounting and Financial Expertise and Directors with Professional Qualification), 5766-2005 (the “**Expertise and Qualification Regulations**”) (and with respect to the professional qualifications, also according to Directive 301), and as **a person who, due to his education, experience, and qualifications, is highly proficient and has a thorough understanding of the Bank’s core business**, according to the Remuneration Regulations.

Mr. Yoel Mintz is also considered to have **banking experience**, as defined in Directive 301.

Mr. Yoel Mintz signed a declaration according to the requirements of Sections 224B and 241 of the Companies Law. His declaration is attached to the Report and may also be perused at the registered office of the Bank.

### 3.1.3. Resolution of the audit committee regarding negligible ties

The audit committee has determined, based on facts presented to it and on the basis of the candidate's declarations, that the following ties and circumstances in relation to the candidate or anyone with whom he maintains a close relationship do not constitute affinity pursuant to the Banking Ordinance and Directive 301, as they are retail business ties or

negligible ties, and that they do not constitute affinity pursuant to Section 240(b) of the Companies Law, or alternatively, at most they constitute negligible ties that do not constitute affinity, pursuant to the Companies Regulations (Matters that Do Not Constitute Affinity), 5767-2006 (the “**Lack of Affinity Regulations**”):

Accounts at the Bank of the candidate, his relatives, and his close associates; ties between the Bank / Bank Group and the candidate, his relatives, or his close associates that are ties of a service provider with a customer in the ordinary course of business, and which include, or may include, management of current accounts and securities accounts, deposits and savings plans, credit cards, credit and credit facilities, investment portfolio management, pension advising, various insurance policies, or other financial products/services provided by the Bank Group or by material holders of the Bank.

The audit committee also determined that the conditions for qualification set forth in Section 240(b) to (f) of the Companies Law are fulfilled with respect to Mr. Mintz, for the purpose of his classification as an independent director.

Form of the proposed resolution:

**To approve the appointment of Mr. Yoel Mintz for an additional term of office as an external director pursuant to Directive 301 of the Bank for a period of three years, as detailed in the Report.**

3.2. Item 4 on the agenda – Election of Mr. Eran Yaacov as a 301 External Director

3.2.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Eran Yaacov</b>
<b>Identification number</b>	022976187
<b>Date of birth</b>	April 24, 1967
<b>Address for service of process</b>	Hagiv'a 12, Ramat Hasharon
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	To be determined.
<b>External director or independent director</b>	301 External Director. According to his declaration and as determined by the audit committee, meets the conditions of qualification for classification as independent, if a decision is made in the future to classify him as such.
<b>Accounting and financial expertise / professional qualifications / additional qualifications</b>	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>Director's name</b>	<b>Eran Yaacov</b>
<b>Date of beginning of service as a director of the Bank</b>	See Section 1.3 above and Section 3.2.2 below.
<b>Education</b>	BA in Management and Economics from the Open University; LLB from the Academic College of Netanya; and LLM from Bar-Ilan University.
<b>Occupation in last five (5) years</b>	3.2018 to 9.2023 – Commissioner of Israel Tax Authority, Ministry of Finance. 10.2020 to 1.2021 – Acting Director General of the Ministry of Finance.
<b>Service as a director at additional corporations</b>	None
<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

### 3.2.2. Qualifications of the candidate

Based on the education, professional experience, qualifications, and declaration of Mr. Eran Yaacov, and the specifics he provided, Mr. Eran Yaacov was assessed by the board of directors of the Bank as **having accounting and financial expertise and professional qualifications** according to the provisions of the Expertise and Qualification Regulations (and with respect to the professional qualifications, also according to Directive 301), and as **a person who, due to his education, experience, and qualifications, is highly proficient and has a thorough understanding of the Bank's core business**, according to the Remuneration Regulations.

Mr. Eran Yaacov signed a declaration according to the requirements of Sections 224B and 241 of the Companies Law. His declaration is attached to the Report and may also be perused at the registered office of the Bank.

Mr. Yaacov left his position as Commissioner of the Israel Tax Authority in September 2023, and ended his employment relationship in the civil service in May 2024 (due to an adjustment period and accrued vacation days). The beginning of service of Mr. Yaacov as a director at the Bank before May 2025 is likely to be subject to permission to be granted by the Committee for Permits, in accordance with Section 4(C)(3) of the Public Service Law (Post-Departure Restrictions), 5729-1969. According to the position of the Civil Service Commission, which Mr. Yaacov contacted, he would be able to serve as a director at the Bank beginning December 1, 2024, and he could contact the Committee for Permits for that purpose after being elected for office by the general meeting.



3.2.3. Resolution of the audit committee regarding negligible ties

The audit committee has determined, based on facts presented to it and on the basis of the candidate's declarations, that the following ties and circumstances in relation to the candidate or anyone with whom he maintains a close relationship do not constitute affinity pursuant to the Banking Ordinance and Directive 301, as they are retail business ties or negligible ties, and that they do not constitute affinity pursuant to Section 240(b) of the Companies Law, or alternatively, at most they constitute negligible ties that do not constitute affinity, pursuant to the Lack of Affinity Regulations:

Accounts at the Bank of the candidate and relatives of the candidate, and ties between the Bank and the candidate, his relatives, or his close associates that are ties of a service provider with a customer in the ordinary course of business, and which include, or may include, management of current accounts and securities accounts, deposits and savings plans, credit cards, credit and credit facilities, investment portfolio management, pension advising, various insurance policies, or other financial products/services provided by the Bank Group or by material holders of the Bank;

Ties between the Bank and a government company that is a reporting corporation where the candidate's sister serves as chairperson of the board of directors.

In connection with the possibility that a decision may be made in the future to classify Mr. Yaacov as an independent director (as defined in the Companies Law), the audit committee has determined that the qualification conditions established in Sections 240(b) to (f) of the Companies Law are met by Mr. Yaacov.

Form of the proposed resolution:

**To approve the appointment of Mr. Eran Yaacov to the office of external director pursuant to Directive 301 of the Bank for a period of three years, as detailed in the Report.**

3.3. Item 5 on the agenda – Election of Mr. Yair Avidan as a 301 External Director

3.3.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Yair Avidan</b>
<b>Identification number</b>	056131618
<b>Date of birth</b>	December 25, 1959
<b>Address for service of process</b>	Ha'odem 5/5, Hod Hasharon
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	To be determined

<b>Director's name</b>	<b>Yair Avidan</b>
<b>External director or independent director</b>	301 External Director. According to his declaration and as determined by the audit committee, meets the conditions of qualification for classification as independent, if a decision is made in the future to classify him as such.
<b>Accounting and financial expertise / professional qualifications / additional qualifications</b>	Has accounting and financial expertise and professional qualifications. Has banking experience.
<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>	See Section 1.3 of the Report.
<b>Education</b>	BA in Economics and Statistics, MBA (Finance), and MA in Education Administration and Leadership, all three from Tel Aviv University. Graduate of senior executives' course at Harvard Business School.
<b>Occupation in last five (5) years</b>	5.2020 to 6.2023 – Supervisor of Banks. 11.2019 to 3.2020 – Director at Automatic Bank Services Ltd. 8.2019 to 3.2020 – Director at Midroog Ltd. As of September 2023 – Chair of ESG Advisory Committee at the Arison Institute; also serves as a business consultant to several corporations and ventures.
<b>Service as a director at additional corporations</b>	As of November 2023 – Director at Neema Shefa Israel Ltd. As of August 2024 – External director at Modiin Energy Limited Partnership. Member of the executive board of the non-profit organizations: Climate First Technological Incubator (as of October 2023); Hadassah Neurim Youth Village (as of January 2024); Nitzotzot Shiur Acher (as of June 2024); FinHawk Sentinel (as of July 2024); Sapir College (as of September 2024); and the Israel Nature and Heritage Foundation (as of September 2024). For details regarding the end of some of these offices prior to the beginning of service at the Bank, see Section 3.3.2 of the Report.
<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

### 3.3.2. Qualifications of the candidate

Based on the education, professional experience, qualifications, and declaration of Mr. Yair Avidan, and the specifics he provided, Mr. Yair Avidan was assessed by the board of directors of the Bank as **having accounting and financial expertise and professional qualifications** according to the provisions of the Expertise and Qualification Regulations (and with respect to the professional qualifications, also according to Directive 301), and as **a person who, due to his education, experience, and qualifications, is highly proficient and has a thorough understanding of the Bank's core business**, according to the Remuneration Regulations.

Mr. Yair Avidan is also considered to have **banking experience**, as defined in Directive 301.

Mr. Yair Avidan signed a declaration according to the requirements of Sections 224B and 241 of the Companies Law. His declaration is attached to the Report and may also be perused at the registered office of the Bank.

The candidate has given notice that he would resign from his office as a director at Neema Shefa Israel Ltd. (which is a significant non-financial corporation), and from the executive boards of FinHawk Sentinel and Climate First Technological Incubator, and would cease the provision of consulting services to several corporations and ventures, prior to the entry into force of his appointment as a director at the Bank, to avoid the concern over a conflict of interest with his office as a director at the Bank.

### 3.3.3. Resolution of the audit committee regarding negligible ties

The audit committee has determined, based on facts presented to it and on the basis of the candidate's declarations, that the following ties and circumstances in relation to the candidate or anyone with whom he maintains a close relationship do not constitute affinity pursuant to the Banking Ordinance and Directive 301, as they are retail business ties or negligible ties, and that they do not constitute affinity pursuant to Section 240(b) of the Companies Law, or alternatively, at most they constitute negligible ties that do not constitute affinity, pursuant to the Lack of Affinity Regulations:

Accounts at the Bank of relatives and close associates of the candidate, and ties between the Bank / Bank Group and the candidate, his relatives, or his close associates (including, for the sake of caution, a private company where he serves as a director, and where his service is expected to end before he takes office at the Bank, and several entities for which he consults / provides services of a limited scope) that are ties of a service provider with a customer in the ordinary course of business, and which include, or may include, management of current accounts and securities accounts, deposits and savings plans, credit cards, credit and credit facilities, investment portfolio management, pension advising, various insurance policies, or other financial products/services provided by the Bank Group or by material holders / material shareholders of the Bank.

In connection with the possibility that a decision may be made in the

future to classify Mr. Avidan as an independent director (as defined in the Companies Law), the audit committee has determined that the qualification conditions established in Sections 240(b) to (f) of the Companies Law are met by Mr. Avidan.

Form of the proposed resolution:

**To approve the appointment of Mr. Yair Avidan to the office of external director pursuant to Directive 301 of the Bank for a period of three years, as detailed in the Report.**

3.4. Item 6 on the agenda – Election of Ms. Ronit Schwartz for an additional term of office as an "other" (non-external) director

3.4.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Ronit Schwartz</b>
<b>Identification number</b>	022339766
<b>Date of birth</b>	May 29, 1966
<b>Address for service of process</b>	Rabbi Hanina 21/6, Tel Aviv Jaffa
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	Credit committee, risk management and control committee, remuneration committee, corporate governance and stakeholders committee, and strategy and business development committee.
<b>External director or independent director</b>	Not an external director. According to her declaration and as determined by the audit committee, meets the conditions of qualification for classification as independent, if a decision is made in the future to classify her as such.
<b>Accounting and financial expertise / professional qualifications / additional qualifications</b>	Has accounting and financial expertise and professional qualifications. Has banking experience.
<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 November 23, 2024, and the Supervisor Appointment Approval date.
<b>Education</b>	BA in Economics, MBA, and graduate of a course for directors and senior officers of corporations, all at Tel Aviv University.
<b>Occupation in last five (5) years</b>	As of November 2021 – Director at Bank Hapoalim. 8.2018 to 3.2021 – External director at SimiGon Ltd.; 5.2018 to 7.2021 – external director at Elad Canada Realty Inc.
<b>Service as a director at additional corporations</b>	Since December 2018 – Director at Energy Infrastructures Ltd.

<b>Director's name</b>	<b>Ronit Schwartz</b>
	Since May 2017 – External director at Amir Marketing and Investments in Agriculture Ltd. Since June 2019 – Member of the executive board of the Association for Israel's Soldiers.
<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. Qualifications of the candidate

Based on her education, professional experience, and qualifications, Ms. Ronit Schwartz was assessed by the Board of Directors of the Bank as having **accounting and financial expertise and professional qualifications** according to the provisions of the Expertise and Qualification Regulations, and as **a person who, due to her education, experience, and qualifications, is highly proficient and has a thorough understanding of the Bank's core business**, according to the Remuneration Regulations.

Ms. Ronit Schwartz is also considered to have **banking experience**, as defined in Directive 301.

Ms. Ronit Schwartz signed a declaration according to the requirements of Section 224B of the Companies Law. Her declaration is attached to the Report and may also be perused at the Bank's registered office.

#### 3.4.3. Resolution of the audit committee regarding negligible ties

The audit committee has determined, based on facts presented to it and on the basis of the declarations of Ms. Ronit Schwartz, that the following ties and circumstances in relation to Ms. Ronit Schwartz or anyone with whom she maintains a close relationship do not constitute affinity pursuant to the Banking Ordinance and Directive 301, as they are retail business ties or negligible ties, and that they do not constitute affinity pursuant to Section 240(b) of the Companies Law, or alternatively, at most they constitute negligible ties that do not constitute affinity, pursuant to the Lack of Affinity Regulations:

Accounts at the Bank of relatives of the candidate, and ties between the Bank and the candidate, her relatives, or her close associates (including, for reasons of caution, with a company where she serves as a director) which are ties of a service provider with a customer in the ordinary course of business, and which include, or may include, management of current accounts and securities accounts, deposits and savings plans, credit cards, credit and credit facilities, investment portfolio management, pension

advising, various insurance policies, or other financial products/services provided by the Bank group or by material holders of the Bank; and, for reasons of caution, indirect ties of the candidate's spouse, who is an expert physician who, among other matters, performs surgeries at private hospitals funded by insurance companies, some of which are considered material holders of the Bank.

In connection with the possibility that a decision may be made in the future to classify Ms. Schwartz as an independent director (as defined in the Companies Law), the audit committee has determined that the qualification conditions established in Sections 240(b) to (f) of the Companies Law are met by Ms. Schwartz.

Form of the resolution proposed to the general meeting:

**To approve the appointment of Ms. Ronit Schwartz for an additional term of office as an other (non-external) director of the Bank for a period of three years, as detailed in the Report.**

**3.5. Item 7 on the agenda – Election of Mr. Amir Kushilevitz Ilan as an "other" (non-external) director**

3.5.1. Information pursuant to Regulation 26 of the Report Regulations

<b>Director's name</b>	<b>Amir Kushilevitz Ilan</b>
<b>Identification number</b>	028987048
<b>Date of birth</b>	February 5, 1972
<b>Address for service of process</b>	Hei Belyar 8, Tel Aviv
<b>Nationality</b>	Israeli
<b>Membership in board committees</b>	To be determined.
<b>External director or independent director</b>	Not an external director. According to his declaration and as determined by the audit committee, meets the conditions of qualification for classification as independent, if a decision is made in the future to classify him as such.
<b>Accounting and financial expertise / professional qualifications / additional 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. See Section 3.5.3 of the Report.
<b>Date of beginning of service as a director of the Bank</b>	The later of November 23, 2024, and the Supervisor Appointment Approval date.
<b>Education</b>	BSc in Aerospace Engineering from the Technion and MBA from Ben Gurion University.

<b>Director's name</b>	<b>Amir Kushilevitz Ilan</b>
<b>Occupation in last five (5) years</b>	9.2009 to 7.2022 – CRO, Isracard Ltd. Since May 2023 – External consultant to Bank Hapoalim on risk management in the Poalim Center project (see Section 3.5.3 below). Since October 2023 – Risk and credit controller at Fair Fintech Ltd. See Section 3.5.2 below.
<b>Service as a director at additional corporations</b>	Since July 2022 – Director at Axio Capital Envelope Ltd. See Section 3.5.2 below.
<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. Qualifications of the candidate

Based on his education, professional experience, and qualifications, Mr. Amir Kushilevitz Ilan was assessed by the board of directors of the Bank as **having accounting and financial expertise and professional qualifications** according to the provisions of the Expertise and Qualification Regulations, and as **a person who, due to his education, experience, and qualifications, is highly proficient and has a thorough understanding of the Bank's core business**, according to the Remuneration Regulations.

Mr. Amir Kushilevitz Ilan is also considered to have **banking experience**, as defined in Directive 301.

Mr. Kushilevitz Ilan has signed a declaration according to the requirements of Section 224B of the Companies Law. His declaration is attached to the Report and may also be perused at the registered office of the Bank.

The candidate has given notice that he would resign from his office as a director at Axio Capital Envelope Ltd. and from his position as risk and credit controller at Fair Fintech Ltd. prior to the inception of his appointment as a director of the Bank, taking into consideration the activity of these companies, to avoid the concern over a conflict of interest with his office as a director at the Bank.

### 3.5.3. Resolution of the audit committee regarding negligible ties

The audit committee has determined, based on facts presented to it and on the basis of the candidate's declarations, that the following ties and circumstances in relation to the candidate or anyone with whom he maintains a close relationship do not constitute affinity pursuant to the

Banking Ordinance and Directive 301, as they are retail business ties or negligible ties, and that they do not constitute affinity pursuant to Section 240(b) of the Companies Law, or alternatively, at most they constitute negligible ties that do not constitute affinity, pursuant to the Lack of Affinity Regulations:

Ties between the Bank and the candidate, his relatives, or his close associates that are ties of a service provider with a customer in the ordinary course of business, and which include, or may include, management of current accounts and securities accounts, deposits and savings plans, credit cards, credit and credit facilities, investment portfolio management, pension advising, various insurance policies, or other financial products/services provided by the Bank Group or by material holders of the Bank;

Consulting services on a minor scale provided by the candidate to the Bank in connection with the Poalim Center project, which have been suspended until the date of the general meeting and will be terminated if he is appointed.

In connection with the possibility that a decision may be made in the future to classify Mr. Kushilevitz Ilan as an independent director (as defined in the Companies Law), the audit committee has determined that the qualification conditions established in Sections 240(b) to (f) of the Companies Law are met by Mr. Kushilevitz Ilan.

Form of the resolution proposed to the general meeting:

**To approve the appointment of Mr. Amir Kushilevitz Ilan to the office of other (non-external) director of the Bank for a period of three years, as detailed in the Report.**

4. **Additional details regarding Item 8 on the agenda – Approval of the terms of service and employment of the CEO of the Bank**

The board of directors of the Bank resolved on June 30, 2024, to appoint Mr. Yadin Antebi as CEO of the Bank, and, after the approval of the Supervisor of Banks was received, Mr. Antebi took office as CEO of the Bank, beginning August 15, 2024.

Presented below are the terms of service and employment for the CEO that were approved by the remuneration committee on September 26, 2024, and by the board of directors of the Bank on September 29, 2024, which shall be in effect from the date on which the CEO took office (August 15, 2024, as noted). The cost of employment of the CEO will exceed the remuneration threshold established in Section 2(a) of the Financial Corporations Officer Remuneration Law (Special Approval and Non-Deduction of Expenses for Tax Purposes due to Exceptional Remuneration), 5776-2016 (the “**Remuneration Law**”), and the terms of service and employment are therefore presented for approval by the general meeting, also according to the majority specified in Section 2(a) of the Remuneration Law and Section 267A(b) of the Companies Law. Pursuant to the Remuneration Law, the part above the remuneration threshold shall not be recognized as an expense of the Bank for tax purposes.



The following are the principal terms of employment proposed for the CEO and the total remuneration to which he would be entitled accordingly, as approved by the remuneration committee and board of directors of the Bank:

- 4.1. **Definition of the position:** The CEO shall serve in a full-time position. As long as the CEO serves in this position, the CEO shall not be permitted to work in any other job or to engage in any other occupation, unless he receives advance approval from the board of directors of the Bank.
- 4.2. **Salary:** The monthly salary of the CEO shall be in the amount of NIS 215,000, linked to increases in the known consumer price index of September 2024<sup>1</sup> (“**CPI-linked**”), subject to the applicable provisions of the law (the “**Salary**”).
- 4.3. **Benefits:** The CEO shall be entitled to perquisites and benefits taking into consideration his role as CEO of the Bank, all according to the prevailing practice at the Bank, including a mobile phone and refunds of expenditures in the course of his duties. The CEO shall be permitted to waive all or part of the aforesaid perquisites and to convert the value of the aforesaid perquisites into additional wages added to the Salary of the CEO, to the extent permitted by law.
- 4.4. **Employer contribution to provident funds, severance pay, pensions, disability insurance, and study funds:** The Bank shall perform employer contributions to compensation, severance pay, and a study fund in respect of the CEO, which shall be transferred each month, in full or in part, according to the CEO's choice, as follows (the CEO shall be permitted to alter the following composition of employer contributions, in accordance with the law):
  - 4.4.1. Severance and compensation: The Bank shall deposit contributions for compensation and severance pay for the CEO, which shall be transferred, each month, in full or in part, as relevant, to provident funds of the CEO's choice, according to the provisions of the law, including the provisions of the expansion order concerning increased payments into pension insurance of May 23, 2016 (the “**Expansion Order**”).
  - 4.4.2. Disability insurance: The CEO shall be entitled to disability insurance in accordance with the provisions of the Expansion Order and the prevailing practice at the Bank, unless otherwise requested by the CEO.
  - 4.4.3. Study fund: Unless otherwise requested by the CEO, the Bank shall contribute 7.5% of the Salary to a study fund for the CEO at its own expense, up to the ceiling recognized for tax purposes, and, in addition, shall deduct 2.5% of the Salary at the expense of the CEO for transfer to said study fund.
- 4.5. **Severance pay:** Upon the termination of the employment of the CEO at the Bank for any reason, including in the event of the death of the CEO during his tenure, except under circumstances in which the CEO's right to severance pay is revoked by a verdict under Section 16 or 17 of the Severance Pay Law, 5723-1963, the CEO (or his survivors/heirs, as relevant) shall be entitled, in respect of the employment period from the beginning of 2018 (subject to the foregoing), to the higher of severance pay at a rate of 100% of the most recent Salary at the date of departure

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<sup>1</sup> If the consumer price index decreases, the Salary will not be lowered, but the Salary will not be raised again until the CPI is higher than the last CPI to which the Salary was adjusted.

(subtracting the severance monies and the profits in respect thereof accrued in the provident funds), or the severance monies and the profits in respect thereof accrued in his name in the provident funds. In respect of the preceding employment period, the CEO shall be entitled, at the termination of his work, to the benefits accrued to him (that are no longer accrued) based on past arrangements that were customary at the Bank prior to the inception of the Remuneration Law, including enlarged severance pay or an early pension arrangement.

- 4.6. **Annual vacation, recuperation, and illness:** The CEO shall be entitled to payment in respect of 14 (fourteen) days of recuperation per annum, according to the rate customary for members of the board of management at the Bank, and to paid annual vacation of 25 (twenty-five) work days, for each of the years of his employment (and a proportional number of work days for part of a year). The CEO shall be able to accumulate up to 10 vacation days in aggregate. In addition, the CEO shall be entitled to 25 (twenty-five) paid sick days in each of the years of his employment.
- 4.7. **Advance notice:** Either of the parties may give notice of the termination of the CEO's employment, at any time, with 6 months' advance written notice (the "**Advance Notice Period**"). The Bank is permitted to waive the actual work of the CEO during the Advance Notice Period, or part thereof, without prejudice to his right to the full remuneration terms during this period, or to the redemption thereof.
- 4.8. **Non-competition and cooling:** The CEO shall be subject to a non-competition period of 6 months from the end date of his service/employment with respect to a banking corporation or any other corporation that competes with the Bank, an insurance company, or an investment house, including a subsidiary of any of the foregoing, all unless he receives the approval of the board of directors of the Bank. In addition, there is a cooling period of 6 months from the end of the term of service with respect to relationships with a business function with which the CEO had contact due to his role at the Bank, unless approved by the board of directors. The CEO shall be entitled to the payment of 6 monthly salaries (without benefits and perquisites) in respect of his undertaking of non-competition, to be paid at the end of the non-competition period, subject to his compliance with the non-competition and cooling undertaking. The board of directors of the Bank shall be permitted to waive all or part of this period, and in such case the payments shall be adjusted proportionately.
- 4.9. **Insurance, indemnity, and exemption:** The CEO shall continue to be insured within the directors' and officers' liability insurance policy of the Bank. In addition, the CEO holds an indemnity and exemption letter, as is granted to officers of the Bank.
- 4.10. **Annual bonus:** In accordance with the terms below, and subject to fulfillment of the threshold condition (as defined below), the CEO may be entitled to an annual bonus of up to three Salaries, subject to the wage ratio ceiling (as defined below).<sup>2</sup> If the amount of the bonus (to be calculated as described below) causes the total remuneration of the CEO to be greater than the "**wage ratio ceiling**" in the

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<sup>2</sup> In practice, due to the wage ratio ceiling in effect at the date of the Report, the bonus is limited to approximately one monthly Salary, assuming service of one full year as CEO.

Remuneration Law (specified in Section 2(b) of that law), the CEO's bonus shall be capped, up to the level of the ceiling permitted by law. The annual bonus shall be composed of two (2) components and shall be calculated as the total thereof, as follows:

4.10.1. Bank performance component: A bonus component of between 0.25 Salaries and 1 Salary, paid according to the attainment of a return on equity target, based on the model applicable to the other members of management of the Bank. According to this model, the bonus is to be paid according to gradations of return on equity, as shall be determined by the board of directors in respect of each year of the bonus, with the bonus calculated on a linear basis between these gradations.

**“Return on equity”** in this section is the return of net profit on equity as reported in the audited annual financial statements of the Bank in respect of the year of the bonus.

**“Net profit”** in this section is the net profit of the Bank attributed to shareholders of the Bank, according to the audited annual financial statements of the Bank in respect of the year of the bonus.

**“Threshold condition”** – Unless otherwise determined by the remuneration committee and the board of directors, the threshold condition is the attainment of the capital-adequacy ratios in the relevant year.

**“Attainment of capital-adequacy ratios”** means that according to the annual financial statements for the relevant year, the Bank attained the minimum core Tier 1 ratio required by the Banking Supervision Department and the minimum total capital ratio required by the Banking Supervision Department.

4.10.2. Discretionary component: A bonus component of up to 2 Salaries (together with the other discretionary components of the variable remuneration, if any), to be determined at the discretion of the remuneration committee and the board of directors, which may take various criteria into consideration, including a comparative measure.

The foregoing notwithstanding, and subject to the provisions of the applicable law, in the event that the threshold condition is not met, the remuneration committee and the board of directors shall be permitted to authorize a bonus of up to 2 Salaries for the CEO, as noted above (**“discretionary bonus”**).

4.10.3. Possibility of converting part of the cash bonus into equity compensation: In a year in which the average annual bonus for officers who are members of management of the Bank exceeds 3 salaries, and the board of directors determines that as a substitute for part of the annual bonus the officers are to be awarded options to buy shares of the Bank of the same value, the CEO shall be awarded options for shares of the Bank instead of a part of the bonus in the amount of one monthly Salary (or less, if the bonus is lower than one Salary), in addition to the award of options as described in Section 4.11 below. The terms of such options shall be similar to the terms described in the outline and private offering report published by the Bank

on April 8, 2024, reference no. 2024-01-034483 (the “**Outline**”), with certain modifications, and shall be identical to the terms of the options awarded instead of the annual bonus, or part thereof, to all members of management. The options awarded shall be vested from the date of the award thereof.<sup>3</sup>

4.11. Variable equity compensation (options) – The CEO shall be entitled to the award of options for shares of the Bank, at an economic value, based on the binomial model, of NIS 500 thousand for each year of employment (linked to the CPI), under the following terms (the “**Options**”):

4.11.1. In connection with his service as Head of Financial Markets and International Banking, Mr. Antebi was awarded options, in May 2024 (when options were also awarded to all of the other members of management of the Bank), in respect of the years 2024-2026, at a value of NIS 373,994 per year (the “**Options Awarded**”). In light of the enlargement of the equity compensation component as of the date of his entry into the position of CEO, the Bank will award the CEO, at the date of the next annual award (shortly following the publication of the periodic report for the year 2024, when options will be awarded to additional managers and executives of the Bank), additional options at a value of NIS 47,252 in respect of the proportional part of the increase in the equity compensation component from the date of entry into the position of CEO, in respect of his employment in 2024, and at a value of NIS 126,006 in respect of each of the years 2025-2026, and NIS 500,000 (linked to the CPI) in respect of the year 2027 (a total of NIS 799,264 in respect of the period up to the end of 2027; the “**Additional Options**” or the “**Options**”). For further details regarding the Options awarded, see the Outline, as defined above. In respect of the year 2028 and thereafter, options at a value of NIS 500,000 per year (linked to the CPI) shall be awarded (the “**Future Additional Options**”). The terms of the Options to be awarded to the CEO (the Additional Options and the Future Additional Options shall be referred to jointly as the “**Options**” unless otherwise indicated by the context) are detailed below.

4.11.2. The quantity of Options to be awarded: The quantity of Options to be awarded shall be calculated by dividing the monetary value awarded (NIS 799,264 with regard to the Additional Options, or NIS 500,000 per year (CPI-linked) with regard to the Future Additional Options, as noted above) by the average economic value per Option, which shall be calculated according to the binomial model, based on a calculation to be performed at the end of the last trading day preceding the date of the resolution of the board of directors awarding the Options to the CEO (the “**Board Resolution Date**”).

4.11.3. Vesting: The Additional Options, which shall be awarded in 2025, shall vest in three equal tranches over a period of three years commencing

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<sup>3</sup> In respect of the year 2024, when Mr. Antebi served as Deputy CEO until August 14, 2024, and as CEO thereafter, a bonus shall be calculated in respect of each of the positions according to the term of service, and each part shall be subject to the provisions relevant thereto for all intents and purposes, including with regard to the conversion of the annual bonus or part thereof into options.

January 1, 2025, subject to the continued employment of the CEO (on January 1, 2026 (the “**First Tranche**”), January 1, 2027 (the “**Second Tranche**”), and January 1, 2028 (the “**Third Tranche**”)), subject to the fulfillment of the execution conditions as detailed below. The Future Additional Options are expected to vest in a similar manner, *mutatis mutandis*, and subject to the resolution of the board of directors on the date of the allocation and to the remuneration policy in the relevant years, and as shall be determined with regard to the allocation to the other officers.

- 4.11.4. Execution conditions: The exercise of the Options into shares shall be subject to attainment of the capital-adequacy ratios in the relevant vesting year for each tranche, as described in the Outline (the “**Execution Conditions**”).
- 4.11.5. End of service: The statements in Section 4.11.3 above notwithstanding, in the event of the end of service other than under circumstances that do not entitle to severance pay under the law, the CEO shall be entitled to exercise a proportional part of the Options that have vested by the day of the end of his employment, calculated on a daily linear basis (i.e. part of the next tranche also vests, as relevant). The exercise dates shall be unchanged, as detailed below. In the event of the end of service under circumstances that do not entitle to severance pay under the law, all of the Options not exercised into shares shall expire immediately.
- 4.11.6. Exercise and expiration periods: Subject to the passing of the vesting dates and the Execution Conditions, the First Tranche shall be exercisable from the day of publication of the annual financial statement for 2025 to December 31, 2029 (i.e. four years from the vesting date thereof); the Second Tranche shall be exercisable from the day of publication of the annual financial statement for 2026 to December 31, 2029 (i.e. three years from the vesting date thereof); and the Third Tranche shall be exercisable from the day of publication of the annual financial statement for 2027 to December 31, 2030 (i.e. three years from the vesting date thereof). The exercise periods of the Future Additional Options shall be laid out similarly to the foregoing description, *mutatis mutandis* for the future award date thereof, and subject to a resolution of the board of directors on the date of the allocation and the remuneration policy in the relevant years, and shall be identical to the terms to be established with regard to the allocation to the other officers, as detailed in the Outline.
- 4.11.7. Exercise price: The exercise price shall be determined according to the higher of: (1) the average share price (adjusted for dividends and benefits) in the 30 trading days preceding the Board Resolution Date; and (2) the closing price of the Bank’s share on the stock exchange on the last trading day preceding the Board Resolution Date, plus a premium of 3% (the “**Exercise Price**”). The Exercise Price shall be adjusted according to the TASE Rules and Regulations and as shall be specified in the report of the allocation.

- 4.11.8. Forced exercise: In the event that the price of the Bank's share is equal to or greater than 150% of the Exercise Price<sup>4</sup> (the "**Limit Price**"), the Options shall be exercised immediately into shares of the Bank using the "net exercise" method, at the times and terms to be determined by the board of directors and subject to the provisions of the relevant laws.
- 4.11.9. Exercise method: The CEO shall be entitled to choose whether to exercise the Options using the "net exercise" method or the "ordinary" method (by payment of the Exercise Price), all as shall be specified in the immediate report of the award of the Options.
- 4.11.10. The Options as deferred variable remuneration: For the purposes of Directive 301A of the Proper Conduct of Banking Business Directives of the Banking Supervision Department regarding remuneration, the Options shall be deemed deferred variable remuneration spread over the period from the Board Resolution Date (as defined above). The Execution Conditions of the Options shall constitute the execution conditions of the deferred variable remuneration.
- 4.11.11. Additional provisions, award date, and additional approvals: The other terms of the Options shall be in accordance with the option plan adopted by the Bank, and shall be specified in an immediate report of a material private offering, to be published after the board of directors of the Bank approves the award of the Options according to the aforesaid terms and derives the quantity thereof. **The approval of the above terms constitutes advance approval of the award of the Options, including the Options to be awarded as a substitute for the annual bonus or part thereof, if awarded, as part of the remuneration package and remuneration terms of the CEO, but does not constitute an actual allocation. The actual allocation of the Options shall be performed after the approval of the board of directors, without further approval by the general meeting.**
- 4.11.12. Economic value of the Options according to the binomial model: The average economic value per Option according to the binomial model shall be calculated based on the Board Resolution Date. The total value of the Options at the next allocation of Options shall be NIS 799,264, linked to the CPI, as stated in Section 4.11.1 above. If the average economic value per Option according to the binomial model were calculated as of October 13, 2024 (close to the publication of the Report), the aforesaid value per Option would be approximately NIS 8.11<sup>5</sup> and the quantity of Options awarded in respect of the employment period up to the end of 2027 would be approximately 98,516 Options (constituting approximately 0.007% of the issued and paid-up share capital of the Bank and its voting power, including fully diluted).

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<sup>4</sup> The Limit Price may be different with respect to Options granted as a substitute for a bonus.

<sup>5</sup> This calculation is based on the following data and assumptions: the closing price of the Bank's share is NIS 36.78; the Exercise Price is NIS 37.88; the Limit Price is NIS 56.83; the dividend yield is 0%; the standard deviation is 27.0% for the First Tranche and Second Tranche, and 26.0% for the Third Tranche; the risk-free interest rate is 4.68%; and the vesting and expiration dates are as detailed above.

4.12. The following are details regarding the remuneration to which the CEO is expected to be entitled in 2024, 2025, and thereafter, according to the terms of his employment, detailed above in this 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 Limit Law <sup>(6)(7)(9)</sup>	Benefits by law and others	Total remuneration pursuant to Regulation 21 <sup>(7)</sup>
2024	Yadin Antebi	CEO <sup>(8)</sup>	Full-time position	0.02% <sup>(1)</sup>	2,165	697	131	421	3,414	329	3,743
2025 forward	Yadin Antebi	CEO	Full-time position	0.02% <sup>(1)</sup>	2,635	225	54	500	3,414	414	3,828

- (1) Holding of 227,435 shares at the date of the Report. In addition, holds 157,662 options.
- (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 4.10 above, assuming capping at the wage ratio ceiling. The data are presented assuming receipt of the maximum possible bonus. Note that in 2022 and 2023, when the previous CEO was entitled to a bonus with similar components (a return on equity component (even if determined differently) and a discretionary component), he was paid the maximum possible bonus amounts considering the wage ratio ceiling (1-2.7 salaries).
- (4) Includes payments and contributions for a study fund and National Insurance.
- (5) In respect of the period of his service, the CEO shall be awarded Options with a vesting period and Execution Conditions as detailed in Section 4.11 of this Report above.
- (6) This amount does not include provisions for allowances and severance pay in accordance with the law.
- (7) Excluding wage tax.
- (8) The remuneration in respect of 2024 includes the remuneration of Mr. Antebi as Head of Financial Markets and International Banking until August 14, 2024, and his remuneration as CEO as of August 15, 2024.
- (9) This amount reflects the wage ratio ceiling as of the date of publication of the Report. This ceiling (and accordingly also the amounts of the remuneration presented in the table) may change during the period of employment of the CEO, pursuant to the provisions of the Remuneration Law and the applicable laws.

4.13. Update of the remuneration policy according to the terms of service presented for approval

In order to allow the proposed remuneration to be given to the current CEO, as the equity compensation component for the current CEO is higher than that of the previous CEO (at the expense of a decrease in his fixed remuneration), an update of the relevant sections of the remuneration policy is proposed, as follows:

4.13.1. At the end of Section 13.1 of the remuneration policy, which discusses the annual bonus for the CEO, addition of the following paragraph (updates are marked):

**“13.1. Calculation of the annual bonus for the CEO**

Pursuant to the terms below and subject to fulfillment of the threshold condition, the CEO may be entitled to an annual bonus,

which shall not exceed a ceiling of three salaries, subject to the ceiling noted in the Remuneration Limit Law. If the calculated bonus causes the remuneration of the CEO to be higher than the ceiling in the Remuneration Limit Law, the CEO's bonus shall be capped, up to the level of the ceiling permitted by law. Part of the CEO's remuneration shall not constitute a tax deductible expense, all subject to the provisions of the Remuneration Limit Law. The annual bonus shall be composed of two (2) components and shall be calculated as the total thereof, as follows:

- 13.1.1. Bank performance component: A bonus component of up to **1 salary**, according to gradations of return on equity, as shall be determined by the board of directors in respect of each year.
- 13.1.2. Discretionary component: A bonus component of up to **2 salaries**, to be determined by the remuneration committee and the board of directors, which may take various criteria into consideration, including a comparative measure.

The foregoing notwithstanding, and subject to the provisions of the applicable law, in the event that the threshold condition is not met, the remuneration committee and the board of directors shall be permitted to authorize a bonus of up to **2 salaries**, as stated in Section 13.1.2 above (“**discretionary bonus**”).

The remuneration committee and the board of directors of the company shall be entitled to authorize variable equity compensation for the CEO, as detailed in Section 17 below.

The board of directors shall be permitted to determine that instead of the payment of the annual bonus or part thereof, the CEO shall be awarded options for the purchase of shares of the Bank at the same value, vested in full or in part, in addition to the award of options for shares of the Bank as detailed in Section 17 below.”

- 4.13.2. Update of Section 17.1 of the remuneration policy, concerning the ceiling on equity compensation, as follows:

“17. Variable equity compensation

- 17.1. In light of the advantages inherent in equity compensation plans as a vehicle for motivating and retaining executives, officers may be entitled, from time to time, to participate in an equity compensation plan for the award of options at a value of up to 3 salaries at the date of the award, and, with regard to the CEO, up to NIS ~~100,000~~500,000 per year (CPI-linked), with the value of options awarded to each officer to be according to their position and rank. The value of the options shall be determined according to the benefit value model used by the company in its financial statements, at the date of the award, and shall be calculated for each vesting year (in a



linear calculation). In addition to the foregoing, it will be possible to award an additional quantity of options to the officers, including the CEO (above the aforesaid stated ceilings of NIS 500,000 (CPI-linked) and 3 salaries for officers), instead of the annual bonus or part thereof, as stated in Sections 13.1 and 13.2.5.3 above.”

4.14. Remuneration terms of the current CEO versus the remuneration terms of the previous CEO

4.14.1. The composition of the remuneration of the current CEO differs from that of the previous CEO in that the fixed remuneration component of the current CEO (wages) is lower (NIS 3.10 million versus NIS 3.71 million), his variable remuneration component is higher (approximately NIS 730 thousand versus approximately NIS 200 thousand, also including the component of equity compensation in Options of NIS 500 thousand, versus NIS 100 thousand for the previous CEO). The cost of the total remuneration for the current CEO and the cost for the previous CEO are at the level of the wage ratio ceiling (as defined above).<sup>6</sup>

4.15. Reasoning of the remuneration committee and the board of directors of the Bank for the approval of the terms of employment of the CEO

4.15.1. During the discussions of the remuneration offered to the CEO, the education, qualifications, and achievements of the CEO in his prior positions at and outside the Bank Group were also considered. The remuneration committee and the board of directors noted that the CEO has extensive business experience and proven managerial capability, which contribute in the present and are expected to continue to contribute in the future to the performance and business results of the Bank, and that, taking the regulatory restrictions into consideration, the level of the remuneration for the CEO according to the remuneration policy is aligned with his qualifications and position.

4.15.2. The remuneration committee and board of directors were also presented with a comparison of the proposed remuneration for the CEO, within his terms of employment, to the scope of remuneration of CEOs at other banking corporations in Israel and CEOs of other companies included in the TA-35 index. The remuneration committee and the board of directors found that the overall terms of service for the CEO are reasonable compared with those prevalent at other banks, with due attention to the size and scope of business of the Bank.

4.15.3. The ratio of the total cost of remuneration of the CEO to the average total cost of remuneration of the other employees of the Bank who are not officers is approximately 8.6, and the ratio of the total cost of remuneration of the CEO to the median total cost of remuneration of the other employees of the Bank who are not officers is approximately 9.<sup>7</sup>

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<sup>6</sup> Based on the remuneration for a full year in office.

<sup>7</sup> The calculation was performed according to the expected remuneration ceiling in 2024, relative to the average/median cost per position of other employees of the Bank (non-officers) in 2023, based on the financial statements of the Bank, with the addition of contractor employees who are

4.15.4. The remuneration committee and the board of directors examined the provisions of the Remuneration Limit Law and of Directive 301A concerning remuneration policies at banking corporations, and the updated remuneration policy of the Bank, and found that the aggregate remuneration of the CEO complies with these provisions.

4.15.5. The remuneration committee and the board of directors discussed the structure of the fixed and variable remuneration of the CEO, and the ceiling on the variable remuneration of the CEO, which consists of variable equity compensation in Options for shares of the Bank at a value of NIS 500,000 per year (CPI-linked) and a bonus in the amount of up to 3 salaries of the CEO, which is expected to be capped due to its reaching the wage ratio ceiling pursuant to the Remuneration Limit Law.

The remuneration committee and the board of directors of the Bank noted that the remuneration of the CEO would be above the remuneration grade noted in Section 2(a) of the Remuneration Law (i.e. NIS 2.5 million per year, linked to the consumer price index of the day of publication of the Remuneration Law), and accordingly it is also presented for approval by the general meeting under Section 2(a) of the Remuneration Law. In addition, accordingly, the maximum amount constituting a non-tax-deductible expense pursuant to the Remuneration Law was presented to the remuneration committee and the board of directors.

4.15.6. The remuneration committee and the board of directors have designed the structure of the remuneration, and in particular the component of equity compensation in Options over the vesting periods, to reinforce the connection between the remuneration of the CEO and the creation of value for the stakeholders of the Bank and the performance of the Bank in the medium to long term. This is so that the remuneration of the CEO reaches, to the extent permitted by law, a predetermined ceiling that they believe is appropriate and suitable, in the wish and intention to reward the CEO of the Bank in a manner commensurate with the complexity of his role and his responsibility.

4.15.7. In light of all of the foregoing, the remuneration committee and the board of directors have determined that the proposed remuneration for the CEO is consistent with the updated remuneration policy of the Bank, and that it is reasonable, fair, and accepted under the circumstances, taking into consideration, among other matters, the duties of the CEO, and taking into consideration the size of the Bank in the Israeli banking market and the complexity of its management.

4.15.8. The resolutions were approved unanimously, with the participation of all of the members of the remuneration committee and the board of directors, respectively. The directors have no personal interest in the approval of the remuneration for the CEO.

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not included in the salary expenses of the Bank. The remuneration costs include fixed and variable remuneration, including bonuses and retirement costs, which are reported as part of salary expenses.

Form of the proposed resolution:

**To approve the terms of service and employment of Mr. Yadin Antebi as CEO of the Bank, effective from August 15, 2024, forward, including the award of options, subject to the approval of allocation thereof by the board of directors of the Bank, as detailed in Section 4 of the report, pursuant to Section 272(c1) of the Companies Law and pursuant to Section 2(a) of the Remuneration Law, and to approve an update of the officer remuneration policy of the Bank in connection with the terms of service of the CEO pursuant to Section 267A of the Companies Law, as detailed in Section 4.13 of the Report.**

5. **Procedures of the general meeting and of the vote therein**

5.1. Date of the general meeting

The general meeting will convene **on Wednesday, November 20, 2024, at 4:00 p.m.**, at the offices of the Bank at 63 Yehuda Halevi Street, Tel Aviv (6th floor, room 608).

5.2. Voting method

Shareholders are entitled to vote at the Meeting in person, by proxy, or through a voting card, as defined in Section 87 of the Companies Law, the text of which is attached to this Report ("**Voting Card**"). In addition, a shareholder pursuant to Section 177(1) of the Companies Law (i.e., one who has a share registered with a TASE member, which is included in the shares registered in the shareholder registry in the name of a nominee company – an "**Unregistered Shareholder**") is also entitled to vote through an electronic voting card, to be transmitted to the company through the electronic voting system operated in accordance with Article B, Chapter G2 of the Securities Law, 5728-1968 ("**Electronic Voting**," "**Electronic Voting System**," and "**Electronic Voting Card**," respectively).

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

The majority required to pass the resolutions listed in Sections 1.2 (Item 2 on the agenda – reappointment of the external auditors of the Bank), 1.3 (Items 3-5 on the agenda – appointment of two 301 External Directors), and 1.4 (Items 6-7 on the agenda – appointment of one "other" (non-external) director) 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 resolution listed in Section 1.5 (Item 8 on the agenda – approval of the terms of service and employment of the CEO of the Bank), pursuant to the provisions of Section 272(c1) of the Companies Law, Section 2(a) of the Remuneration Law, and Section 267A(b) of the Companies Law, and with due attention to 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>8</sup> or shareholders with a personal

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<sup>8</sup> At the date of the Report, there is no controlling shareholder at the Bank.

interest in the approval of the appointment 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) above do not exceed two percent of the total voting rights at the Bank.

With respect to Items 3-7 on the agenda (appointment of directors) – If the number of candidates for the office of director who receive the majority of votes of the participants in the vote at the general meeting exceeds the number of vacant positions in a specific qualification for holding office (the examination for this purpose shall be separately conducted for each qualification for holding office, i.e. 301 External Director and “other” director), the candidate to be selected shall be the one who receives the largest number of supporters in the vote at the general meeting for such qualification. 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.

5.4. Personal interest and details regarding the shareholder

With regard to Item 8 on the agenda – 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 via proxy (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 they are a controlling shareholder of the Bank,<sup>9</sup> or have a personal interest in the approval of the terms of service and the update of the remuneration policy. Shareholders who have not provided such notification shall not vote, and their votes shall not be counted.

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.

5.5. Date of record

The date of record for eligibility to participate and vote in the Meeting, pursuant to Section 182(b) of the Companies Law and Regulation 3 of the Voting in Writing Regulations, is **October 22, 2024** (the “**Record Date**”).

5.6. Voting by proxy

Any shareholder of the Bank eligible to participate and vote in the Meeting is permitted to appoint a proxy to vote on their behalf. The proxy shall be appointed in writing and signed by the appointer or a representative thereof authorized for that purpose, or, if the appointer is a corporation, by the party or parties authorized to bind the corporation. The proxy statement and the power of attorney (if any) based on which the proxy statement is signed shall be deposited at the offices of the Bank **no less than 48 (forty-eight) hours prior to the designated starting time of the Meeting**; however, the chairperson of the Meeting is permitted to waive this requirement with respect to all of the participants in the

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<sup>9</sup> At the date of the Report, there is no controlling shareholder at the Bank, as noted.

Meeting and accept the proxy statement and/or power of attorney at the beginning of the Meeting.

5.7. Legal quorum and date of adjourned meeting

The legal quorum in order to hold the Meeting is the presence of at least two shareholders who hold at least twenty-five percent (25%) of the voting rights, within half an hour of the designated opening time of the Meeting. If no legal quorum is present at the Meeting when half an hour has elapsed from the designated starting time of the Meeting, the Meeting shall be adjourned to **Sunday, November 24, 2024, at 4:00 p.m.**, at the same location. If no legal quorum is present at the aforesaid adjourned meeting when half an hour has elapsed from its designated time, the Meeting shall be held, with any number of participants.

5.8. Electronic Voting Card

As noted above, Unregistered Shareholders are also permitted to vote via the Electronic Voting System. Voting using an Electronic Voting Card shall be possible **up to six hours before the general meeting convenes.**

5.9. Voting in writing via Voting Card

Shareholders are also permitted to vote at the general meeting on matters on the agenda using a Voting Card. Voting in writing shall be performed using the second part of the Voting Card attached to this Report.

The Voting Card and position statements, as defined in Section 88 of the Companies Law, if provided, can be perused on the Distribution Website of the Israel Securities Authority, at <http://www.magna.isa.gov.il>, and on the TASE Website at <http://maya.tase.co.il>. Any shareholder may contact the Bank directly to receive the format of the Voting Card and position papers (if provided).

TASE members shall send a link to the format of the Voting Card and position papers (if provided) on the Distribution Website via electronic mail, free of charge, to any shareholders of the Bank who are not registered in the shareholder registry of the Bank and whose shares are registered with the TASE member, unless the shareholders have given notice that they are not interested or that they wish to receive voting cards by mail, against the payment of a delivery fee, provided that the notification is given, with regard to a specific securities account, prior to the Record Date.

The Voting Card and the required attached documents, as specified in the Voting Card, shall be delivered to the offices of the Bank (including via registered mail), with attached confirmation of ownership (and, for a registered shareholder, with an attached photocopy of an identity card, passport, or certificate of incorporation, as relevant), **up to four hours before the general meeting convenes.** 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.

Unregistered Shareholders are also entitled to deliver the confirmation of ownership via the Electronic Voting System.

In accordance with Section 83(D) of the Companies Law, if a shareholder votes in more than one way, the later vote will be counted; for this purpose, the vote of the shareholder in person or by proxy shall be considered later than a vote using a Voting Card.

A Voting Card without attached confirmation of ownership (or, alternatively, without confirmation of ownership provided through the Electronic Voting System), or, with respect to a registered shareholder, a Voting Card without an attached photocopy of an identity card, passport, or certificate of incorporation, as relevant, shall be invalid.

One or more shareholder holding shares at a rate constituting five percent or more of the total voting rights at the Bank (i.e., at the date of publication of the Report, holding 66,534,933 ordinary shares of par value NIS 1.00 each of the Bank (“**Ordinary Shares**”)) may, after the general meeting convenes, peruse 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.

5.10. Confirmation of ownership

Unregistered Shareholders shall be entitled to participate in the general meeting if, prior to the general meeting, they present the Bank with an original confirmation from the TASE member with which their right to the share is registered affirming their ownership of shares of the Bank on the Record Date, in accordance with the form in the annex to the Companies Regulation (Proof of Ownership of a Share for the Purpose of Voting at a General Meeting), 5760-2000 (the “**Ownership Confirmation**”), or, alternatively, if they send confirmation of ownership to the Bank through the Electronic Voting System.

Unregistered Shareholders are entitled to receive an Ownership Confirmation from the TASE member through which they hold their shares, at the branch of the TASE member or by mail to their address, in consideration for a delivery fee only, if they so request, provided that the request concerning this matter is made in advance, for a specific securities account.

Unregistered Shareholders are permitted to order the delivery of their Ownership Confirmation to the company through the Electronic Voting System.

5.11. Deadline for delivery of position statements

After the publication of this summons report, position statements may be published, and may be perused in the Bank's reports to be posted on the Distribution Website and the TASE Website.

The last date for submission of position statements to the Bank by shareholders of the Bank is up to 10 (ten) days before the date of the Meeting (i.e. **until November 10, 2024**).

6. Attention is directed to the fact that Section 34(A1) of the Banking Law states the following: “No person shall agree with another regarding their vote to appoint a director at a banking corporation or banking holding corporation, including regarding their vote to terminate the service thereof, except under a permit granted by the Governor following consultation with the licensing committee; this provision shall not apply to an association of holders, as defined in Section 11D(a)(3)(b) of the Ordinance, with respect to a vote to appoint a director proposed by them as a candidate under the same section, and to a holder of means of control who agrees with another for the other to vote in its name and on its behalf without discretion, as instructed by the holder of means of control, provided that if the other holds means of control itself in the banking corporation or banking holding corporation, as relevant, it shall not vote in the name and on behalf of more than

one other holder.” The foregoing indicates, among other matters, that with respect to Items 3-7 on the agenda (appointment of directors), a proxy who is also a shareholder of the Bank may vote in the name and on behalf of only one other additional shareholder.

7. **Representative of the Bank with respect to the Report**

The representative of the Bank with respect to this Report is Amit Levy, Adv., at 63 Yehuda Halevi Street, Tel Aviv 6578109, telephone no.: +972-3-567-6594, fax no.: +972-3-567-3343.

8. **Perusal of documents**

This Report, 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 regular business hours, with advance coordination by telephone at +972-3-567-3800, until the time of the Meeting.

This Report, the Voting Card, and the position statements (if provided) can also be perused on the Distribution Website and on the TASE Website, as noted above.

**Sincerely yours,  
Bank Hapoalim B.M.**

Signatories of the Report and their positions:

**Yael Almog, Chief Legal Advisor**

**Amit Levy, Legal Advisor of the Board of Directors**