



Statement regarding Employee Studies and Development

The human factor is the basis for the Leumi Group's operations and success; the Group attaches great importance to nurturing and developing its employees in order to inspire in them a sense of identification and pride in their workplace and to continue attracting quality people. Bank Leumi's management supports its business units in achieving their business targets through teaching, training and development, with a focus on improving the professional and managerial skills of its employees and managers, their engagement with Leumi and to help them adapt to the changing environment.

Leumi's Training Subdivision in the Human Resources Division is a strategic partner in achieving the Group's business objectives and development goals, and is involved in all organizational processes, including organizational changes, professional training, management training, preparation for organizational and technological changes, personal development programs, knowledge preservation and management, regulatory training and the development of learning technologies.

The Subdivision, in cooperation with additional units at Leumi, is leading several key processes:

- **Courses and training programs:** in an era of frequent organizational changes and reorganization processes, in which the Bank's employees are required to change their roles and acquire new knowledge or skills, the areas of learning and development, management and preservation of knowledge and preparing for the future world of employment become key to the organization. The learning activities focus on boosting the professional knowledge of the employees and managers, with emphasis on the core banking areas of activity, in line with the business objectives such as credit, investment consulting, customer relations, retail banking, service, customer experience and sales, while developing and implementing data-based learning activities. In addition, all employees undergo comprehensive training on regulation and compliance. In addition, the learning supported employees retirement procedures and knowledge preservation aspects.
- **Decentralized and digital Learning:** Leumi acts to promote decentralized learning (learning that takes place in the work place) and to enhance digital learning as part of the learning culture in the organization. Many learning processes are based on digital components for self-learning, some of which are even personal and data-based (for instance, target learning processes, in which the learning module is sent to employees or units with gaps in one of the business objectives as reflected in the performance data). In addition, many development processes take place in the organic units, such as dialogue meetings, round tables, management development and managerial forums.
- **Managerial reserve program:** As part of the promotion of excellence at Leumi, programs were prepared for the development of managers with high potential, in preparation for more complex duties further in their careers.

- **Management training and leadership development:** Training Leumi's managers at various ranks and initiating activity to develop leadership perceptions and capabilities in all managers, using various learning process methods.
- **Leadership development:**
 - **The 100 Forum:** The forum, which includes approximately one hundred heads of sub-divisions (senior managers), was established with the aim of nurturing managers, increasing their involvement in and influence on the Bank's activities, and building an expanded management forum with members of Leumi's management. The forum is managed by the Headquarters, Work Relations and Staff Administration Subdivision. A special-purpose development plan was built for the forum which includes group meetings, personal development processes according to need, assistance in entering a new position and the forum's involvement in organizational and strategic processes.
 - **Leadership Forum:** The forum, which includes about six hundred branch managers and headquarters executives at the subdivision level, was established with the aim of increasing the involvement and managerial influence of these managers in leading business and organizational processes. The forum's development plan includes an annual meeting the purpose of which is connection to work plans and a host of group learning and development processes at the division and cross-division levels.
- **Organizational consultation in the various divisions:** a team of internal organizational consultants provides solutions to organizational development needs across all divisions, including, inter alia, on issues concerning support and management of organizational changes, management development, supporting managers, connectivity and internal communication programs.
- **Knowledge management:** during the year, emphasis was placed on managing performance supporting knowledge (providing the knowledge required by the employee for performance purposes in the work process), streamlining search options and supporting projects and new regulations. The following are some of the leading projects: The Operational Division's website, which was aired upon the establishment of the division to provide access to the work processes in the division, a compliance website making compliance knowledge accessible to all employees, websites designed for cross-bank internal communications, performance-supporting website for various units, support for new regulations and conservation of knowledge while improving and turning it into a knowledge supporting performance.
- **Learning needs with a view to the future – re-skilling:** As of 2019, Bank Leumi promotes training as part of Shift – The School for the Professions of the Future, enabling Bank employees to manage their careers and learn new professions which are needed and adapt themselves to the Bank's future needs. A high percentage of all employees who have completed the training already work in the new profession for which they have been trained (data analysts, product managers, QA, system analysis). The initiative produces an innovative value proposition for the employees and provides a significant channel for narrowing gaps in the future eligibility of the Bank's human resource. In addition to the above initiative, additional programs are made available by the Bank, enabling employees to make a career change within the Bank and receive training and certification for needed professions in banking and finance, such as international trade. Recently, the Bank launched Shift Light – a school for the skills of the future, the purpose of which is to enable all employees to identify personal gaps in the skills which are needed in the new labor market and participate in digital learning courses according to the gaps identified.

- **Internal communications:** building a variety of communication channels designed to strengthen the connection between the employees, the organization and management, including live meetings with the President and CEO, coffee meetings with members of management, visits by members of management to the various units, etc.

Information on the actions performed by Leumi in this context can be found in the Report and on the Corporate Social Responsibility website at:

https://www.leumi.co.il/Lobby/corporate_responsibility/35988/.