

# Leumi's Way

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## Our Code of Ethics and Conduct



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# Vision and Core Values

## Our Vision

To be the outstanding financial body in the Israeli economy and to lead proactive, innovative, and responsible banking for our customers. As a leading financial body, Bank Leumi serves as a significant anchor for the Israeli economy and is committed to continuing to drive it forward in any situation. Within this commitment, we strive to provide our customers with an advanced, comprehensive, and high-quality service experience based on constant initiative and breakthrough technological innovation.

## Leumi Values

- **Customer at the Center:** Customers are at the heart of our work. Leumi commits to providing fast, high-quality, professional, accessible, and tailored service.   

- **Responsibility:** \* Toward our customers – Leumi acts with transparency and fairness in every interface, with meticulous risk management.
  - Toward employees – Leumi maintains a fair work environment including diversity, inclusion, equal opportunity, and tools for personal and professional development.
  - Toward society and community – As a significant body, Leumi commits to acting for the advancement of society in Israel. 
- **"Yes, it's possible":** We focus on possibilities rather than limitations, striving to achieve goals through mental flexibility and creative solutions. 
- **Personal Example:** Every employee must act with responsibility and professional integrity, serving as an example in daily conduct to build trust and a positive organizational culture. 
- **Excellence:** Striving for the highest professional standards in customer service across all channels, with constant learning and improvement. 
- **Working Together:** Synergy between bank units leads to better results for both customers and the organization.

# We Commit

## Committed to Customers

- **Protecting Customer Privacy**

We see supreme importance in maintaining and protecting the privacy of our customers according to privacy protection laws and banking secrecy rules – this is the basis for the trust of our customers and stakeholders in the bank. We invest in advanced technologies and cyber defense measures to ensure that information is protected, and we use customer information for the purpose of our roles only and according to the authorization given to us by the customer. We adhere to information security rules: we do not transfer information about customers to parties not authorized to receive it. We maintain the integrity and correctness of the information.

- **Fair Banking Our relationship**

The connection between us and our customers is based on transparency, fairness, and providing appropriate and relevant services and products. We consider the customer's data and needs when we offer them products or services. We make decisions regarding value propositions fairly and without bias due to race, religion, gender, nationality, country of origin, sexual orientation, social or political view, and party affiliation. We insist on fair and effective handling of customer complaints. The treatment and response reflect values of fairness and responsibility toward customers alongside an opportunity for learning and improving the service experience.

- **Fiduciary Duty**

We fulfill our fiduciary duty toward our customers: we treat them with honesty and fairness, professionally, without discrimination, and without foreign considerations, with the customer's best interest before our eyes.

- **Professional Service**

We are committed to providing professional, high-quality, caring, and efficient service to our customers' satisfaction. We provide our customers with a wide range of activity channels that help them maintain independent conduct and offer various channels of contact with the bank while insisting on the availability and quality of information. We act constantly to improve the customer experience so that it is simple, convenient, and accessible. Additionally, we view our suppliers, who come into contact with the bank's customers, as our direct representatives and therefore expect them to conduct themselves toward our customers in the Leumi spirit, and to be available, attentive, professional, accessible, egalitarian, and fair.



# We Commit

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## Committed to Proper Governance

As a public company and a leading player in the banking system in Israel, we conduct ourselves according to the law, regulation, and principles of proper corporate governance, and are committed to integrity, fairness, and responsibility toward all our stakeholders.

### A. Norms and Rules of Conduct at the Organizational Level

- **Records Management and Reporting**

We maintain the adequacy of reports and the integrity of records through accurate bookkeeping, reliable reporting, faithful documentation, and conduct in good faith.

- **Fair Competition**

We are subject to the provisions of the Economic Competition Law, whose purpose is to prevent harm to economic competition in the market, and to the bank's procedures on the matter, and we avoid harming competition within the framework of our activities.

- **The Fight Against Bribery and Corruption**

Corruption and bribery are unacceptable phenomena that undermine proper governance and economic development and distort the conditions of competition in the local and international market. The bank's board of directors and management place a special emphasis on the subject and lead a policy of zero tolerance toward any manifestation of these. We do not knowingly allow the use of bank resources to carry out financial activity related to acts of bribery and corruption. We do not receive and do not grant benefits, gifts, favors, or any compensation even if indirect – in exchange for obtaining business advantages within the framework of our role. We expect all employees, customers, and business colleagues to join the struggle to prevent bribery and corruption.

## B. Norms and Rules of Conduct at the Individual Level

- **Personal Responsibility**

The responsibility of each and every one of us is the achievement of the service, business, and organizational goals and objectives of Leumi out of care for our customers and the bank's success. We are committed to the optimal performance of our tasks and to proficiency in the subjects under our responsibility. We are committed to conducting ourselves according to the law, according to the bank's procedures, and according to the values and instructions of the Code of Ethics.

- **Avoiding Conflicts of Interest**

Personal connection with customers/suppliers – we avoid maintaining connections that are beyond the direct professional treatment we give to the customer within the framework of our work.

- **Safeguarding Organizational Assets**

We make wise and planned use of the bank's property and attribute great importance to the efficient management of its assets in accordance with the bank's goals. We report malfunctions and hazards while maintaining economy and environmental quality.

- **Participation in Public and Political Activity**

When we express ourselves on political or public issues, we make sure to clarify that we do so as private individuals and not on behalf of the bank or in its name. We do not use the bank's assets, physical and virtual, for political or public purposes.

- **Conduct in Social Media**

Activity on social networks is part of our life routine. We are aware that when we are identified in them as Leumi employees, we represent the bank. Therefore, we have an additional responsibility in our social media conduct – beyond the personal one. We are committed to expressing ourselves on social networks in a respectable, respectful manner, in proper language, not inflammatory and not aggressive. We are aware that discourse on social networks may be volatile and commit to acting with sensitivity and caution when we participate in it. An expansion on the subject is published in Leumi's Social Media Charter.

- **Information Security**

The bank's procedures instruct to maintain the confidentiality of sensitive and material information of the bank, such as customer details, strategic plans, procedures, work processes, work plans, salary data, and more. We do not take sensitive and material information outside the bank's walls in an unsecure manner, and we do not take information to a third party not authorized to receive it. The bank invests its best efforts to protect the information in its possession through an advanced cyber system and automated systems dedicated to the matter.



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- **Prohibition of Use of Inside Information or Preliminary Information**

During our work, we may be exposed to inside information – information not known to the public about a company whose securities were offered to the public or are traded on the stock exchange and which, if it were known, might have affected the decision-making of a reasonable investor and the prices of the company's securities on the stock exchange. Inside information may be about the bank (as a public company), its customers, or companies with which the bank has business connections. Use of inside information is prohibited and, in certain circumstances, may be a criminal offense carrying prison sentences and financial fines – as well as a violation of banking secrecy rules. In the bank, there are organizational, structural, and business separations ("Chinese Walls"), restrictions are imposed on the activity of employees in securities according to their field of occupation, and rules were established restricting the use of inside information.

- **Investments in Securities**

Restrictions on securities activity apply to the bank's employees and their family members. The restrictions are intended, among other things, to reduce exposure to the use of inside information and to prevent potential conflicts of interest. We do not trade in the bank's securities during "blackout periods" that apply before the publication of the bank's financial statements.

- **Prohibition of Money Laundering, Prohibition of Terror Financing, International Sanctions**

We are committed to complying with legislation on the prohibition of money laundering and on the struggle against terror, as well as acting according to the international sanction regimes maintained by the bank. We see great importance in this. We are committed to identifying, surfacing, and reporting immediately on unusual activities or those where there is a fear of money laundering and/or terror financing, according to procedures on the matter. The reporting obligation also applies to an attempt at unusual activity even if not actually carried out. We use the tools available to us to identify and prevent an action that might constitute a violation of the sanction regimes that the bank implements according to its risk management policy.

# We Commit

## Committed to Employees

Leumi's employees are our central asset that brings about its long-standing success. The organization is committed to providing every employee with a safe and beneficial work environment and caring for their well-being, their satisfaction with their work, and their professional and personal development. Leumi maintains a fair salary policy, a fair promotion mechanism, equality of opportunity, and employment diversity.

- **Training and Development**

We attribute great importance to personal and professional development, which strengthens our sense of engagement and pride in the workplace. We are committed to learning and strengthening the professional knowledge of our employees, in accordance with the changing world and the bank's business goals.

- **Diversity and Inclusion, Anti-Discrimination Policy, Dealing with Manifestations of Racism**

We are committed to the principle of equality of opportunity and diversity in manpower and believe that a diverse work environment is more fertile, flexible, and effective. We are committed to recruiting employees from diverse populations, and we are committed to making decisions regarding our employees based on relevant considerations and without discrimination based on race, age, religion, gender, sexual orientation, or political view. We do not accept manifestations of racism, not toward employees, not toward customers, and not toward anyone in our wider circles of reference. Such manifestations contradict our perceptions and values.

- **Prevention of Harassment and Bullying**

We insist on a fair, respectful, and pleasant work environment that promotes equality and mutual respect and is clean of sexual harassment and bullying in the workplace. We act to prevent and provide optimal treatment for events of this type and defined sexual harassment as a severe disciplinary offense in the bank. In Leumi, a regulation and work procedure for the prevention of sexual harassment was published, including reference to the law's instructions, ways of submitting complaints, and their handling. Also, ongoing training on the subject is held. In Leumi, a person responsible for the prevention of sexual harassment was appointed who clarifies the complaints brought to her knowledge professionally, efficiently, and quickly. The appointee is an address for any consultation, obtaining information, or reporting on events of this type. In any case of fear of the existence of sexual harassment or bullying, it must be reported to the person responsible for the prevention of sexual harassment in the bank.

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- **Protecting Employee Privacy**

Information about employees – such as salary data, evaluation talks, performance – is private and confidential. Access to this information is only for those authorized to do so on behalf of the bank, and the information is required by them for the purpose of performing their role. The role holders who have access to such information adhere to the rules of confidentiality and treat it with respect, sensitivity, the requested discretion, and judgment.

# We Commit

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## Committed to Investors and Suppliers

- **Supplier Relations**

Procurement processes at Leumi include locating suppliers, screening, pricing, managing negotiations, and managing the ongoing relationship with them. We believe we must conduct ourselves toward suppliers with fairness, transparency, and professionalism, without conflicts of interest. Within the framework of Leumi's policy, the bank sets threshold conditions to ensure compliance of suppliers with standards in the field of prevention of bribery and corruption, fair employment conditions, and more.

- **Investor Relations**

We are aware of the impact that various publications might have on our investors and therefore insist on a close connection between the various parties responsible for communication (Investor Relations, Spokesmanship, Bank Secretariat, internal organizational communication). We insist on the presence of a bank Investor Relations representative in every meeting with investors or potential investors in Leumi shares, and with analysts covering the capital market and Leumi.

# We Commit

## Committed to the Community, Society, and Environment

- **Involvement and Social Responsibility**

As the leading financial body in Israel, we recognize our responsibility to act to empower society and the economy. We view investment in the community as a sense of mission and implement this in several ways: long-term partnerships, financial support, and more. Alongside this, a central part of our social responsibility perception is reflected in the high involvement of our employees in volunteering in the community. We are committed to reporting on our social and community activity in the bank's Environment, Society, and Governance (ESG) report.

- **Environmental Awareness and Maintaining Sustainability**

We recognize our responsibility for the direct and indirect impact of our activity on the environment and are committed to reducing the negative consequences on the environmental quality, climate, and natural resources available in the areas where we operate. We are committed to the Bank of Israel's directive on the subject of climate risks and according to materiality and include environmental considerations in our credit granting decisions. We strive for savings, efficiency, responsible consumption, and wise use of materials that have an environmental impact, such as electricity, fuels, water, paper, and physical and electronic waste. We are committed to examining and challenging the subject at all times, reducing printing, encouraging customers to transition to digital channels, and more.

- **Military Reservists**

We encourage reserve service according to the law and are committed to maintaining the rights of the serving employees, to supporting them, and to a sympathetic attitude toward them and toward their periods of absence from work – whether they are managers, employees, or our colleagues.



# Applicability, Consultation, and Reporting

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The Code of Ethics of the Leumi Group applies to the board of directors, management, managers, employees, and those employed in the bank – and binds everyone. Violation of what is written in it might lead to the initiation of disciplinary proceedings according to the law, the work agreements in the bank, or according to relevant procedures.

