



MIZRAHI TEFAHOT

Corporate Social Responsibility Report Summary - 2019

Corporate Social Responsibility at Mizrahi-Tefahot Group

This is a summary of the seventh corporate social responsibility report issued by Mizrahi-Tefahot Group, providing an overview of operations of the entire Group, subsidiaries in Israel and overseas affiliates in 2019 with regard to corporate social responsibility. The report reflects Group commitment to act in areas of corporate social responsibility and to annually report its performance to stake holders.

Mizrahi-Tefahot Group is proud to partner on ethics-based action and is committed to further act in this spirit, for the benefit of its customers and investors, Group employees, the community and the environment.

Mizrahi-Tefahot Bank is rated Platinum Plus, the highest rating on the Maala rating scale. The Maala rating is a powerful tool for evaluation and deployment of social and environmental commitment by organizations, and is the primary benchmark used to evaluate corporate social responsibility in Israel.

Moreover, the Bank adheres to principles of the UN Global Impact initiative, including preserving human rights, employment standards, environmental protection and the fight against corruption. Mizrahi-Tefahot Bank promotes achievement of UN Social Development Goals (SDG) in its activities and implements corporate social responsibility in all Group units, while maintaining constant dialogue with each of our stake holders. This area is managed in an orderly fashion, includes multiple entities across the organization and requires significant coordination and preparation, in order to lead processes with long-term impact.

The corporate social responsibility report of Mizrahi-Tefahot Group, issued annually, is a management tool for constant improvement. For us, it is the best reflection of our continued commitment to implementation of corporate social responsibility and Sustainability.

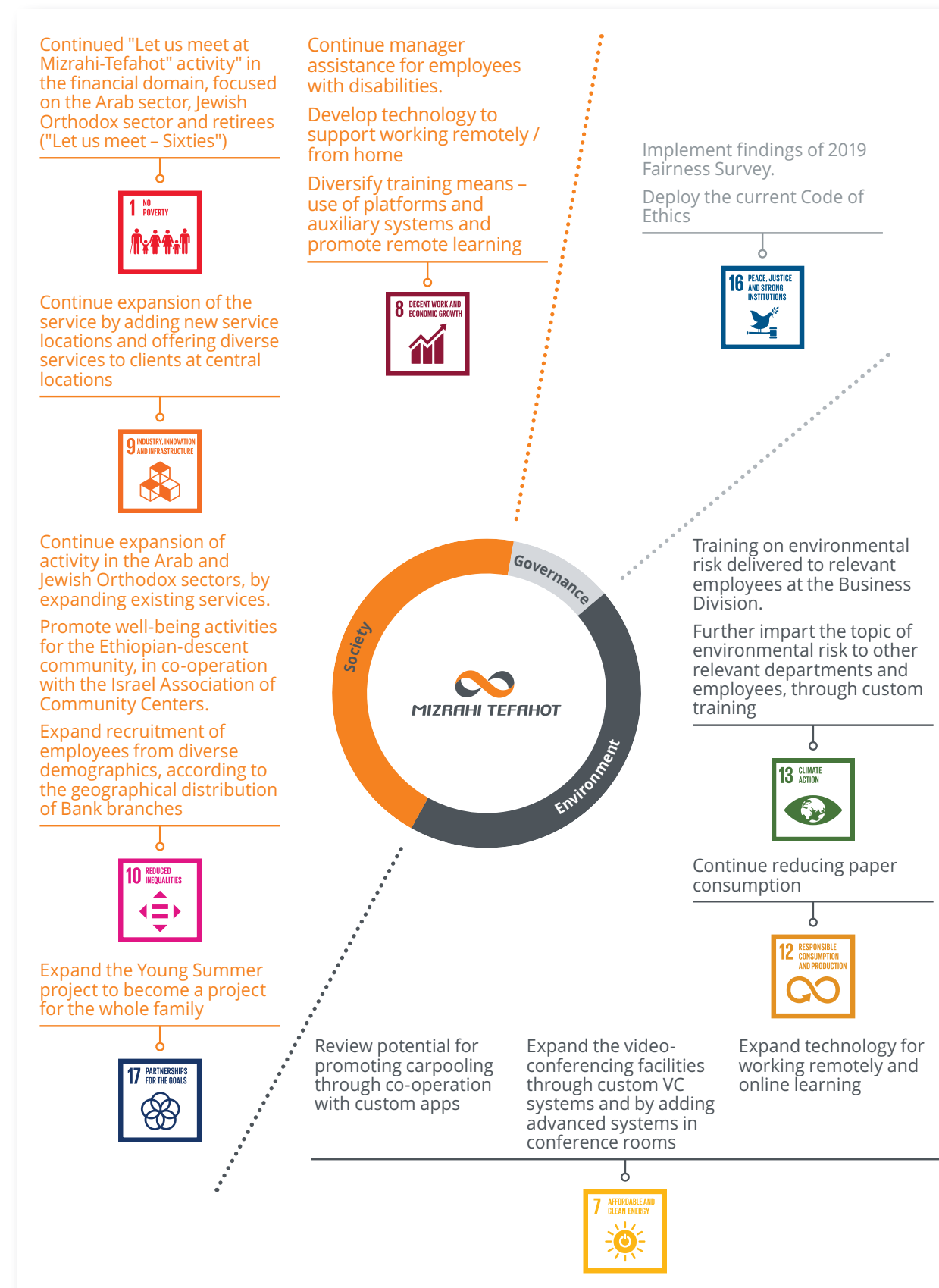
The full report, describing Group activities with regard to corporate social responsibility, is available on the Bank website for Group activities in 2019.

Corporate social responsibility – for the environment and the community in which we live!



Key goals for 2020 promoting achievement of SDGs

The table below lists the Bank's goals for its various operating segments, linked to the relevant SDGs¹ (these goals are part of the Bank's goals for 2020, listed at the end of each chapter in this report).





1. All of the goals listed in this report constitute forward-looking information, as defined in the Securities Law, 1968, based on assumptions, facts and data (hereinafter jointly: "assumptions") brought before the Bank's Board of Directors. These assumptions may not materialize due to factors which are not entirely under the Bank's control.

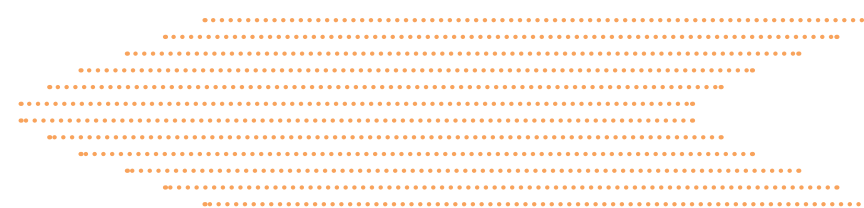
2019 Summary of Bank Performance

 <p>Corporate social responsibility</p>	Reporting pursuant to GRI standard	
	Voluntary reporting	
	Adoption of Global Compact principles	
	Maala rating – Platinum Plus	
 <p>Economic</p>	Provision for taxes (NIS in millions)	1,029
	Dividend distribution (NIS in millions)	561
	Retained economic value (NIS in millions)	1,728
	Pre-tax profit (NIS in millions)	2,954
	Net profit for the Bank (NIS in millions)	1,842



Data as of December 31, 2019

 <p>Social</p>	Number of branches for the Group	198
	Investment in social-oriented debentures over the next five years (NIS in millions)	3.6
	Loans to micro and small businesses (NIS in millions)	20,857
	Loans to households – housing loans (NIS in millions)	134,637
	Loans to environmental products (NIS in millions)	600
	Loans to social products	895.5
	Total payments to suppliers (NIS in millions)	1,300
	Percentage of local procurement	96%
	Investing in the community (NIS in millions)	19.1
	Number of Group employees	6,531
	Percentage of employees subject to collective bargaining agreements	93%
	Percentage of female senior executives	42%
Percentage of employees recruited from under-employed demographics	8.5%	
Percentage of employees who received feedback	100%	
Employee turnover	9%	
Average training hours per employee	50	
Investment in training for employees (NIS in millions)	55.2	
 <p>Environmental</p>	Reduction in carbon footprint	7.85%
	Emissions saved due to environmental initiatives of the Bank (tonnes of CO ₂)	529
	Paper savings due to initiatives to reduce paper consumption (tonnes)	75.2
	Power savings due to initiatives to reduce power consumption (KWh)	269,000
	Fuel savings due to initiatives to reduce fuel consumption (liters)	10,000



Bank operations during the Corona Virus pandemic



This report refers to Bank operations in 2019. However, as this report is being compiled, the world is facing the Corona Virus pandemic. Being a large organization, we addressed the challenges posed by this un-certainty on multiple levels, with the intention of providing a response to needs in the field of various stake holders.

Trade receivables

The Bank is classified as an essential service and invests all efforts to continue providing optimal service to clients by any means possible.

Communicating options for obtaining service and branches open to the public:

At the outset of the crisis and with travel restrictions imposed on citizens, the Bank advertised on mass media, to inform all clients that their personal bankers were available to serve them through direct channels, by diverse means. On the Bank website and Facebook page, the Bank published the business hours of "designated branches" where in-person service is provided. All this information was conveyed, through mass media and by digital means, to the public at large, as well as by media designated for the Jewish Orthodox segment and for the Arab segment (in Arabic).

Employees

The banking system is essential for economic activity, hence our commitment to our clients to keep operating Bank services and branches (in limited capacity). As the pandemic outbreak started, in order to comply with directives of the Ministry of Health and of the Supervisor of Banks, the Bank reduced activities at branches and headquarters units. All non-essential employees for operating the Bank at this reduced format were placed on leave, against their annual paid leave allowance. Some employees and managers continued to work from home, in order to keep providing essential service to clients.

Range of products that may provide a solution for current needs

The Bank provided solutions for clients, through a range of custom products, such as: **Revision and expansion of choice of options for service by digital through: increase in maximum amount for check deposit using the app, online forms, training aids and videos on use of digital services, re-launch of Tefahot credit card and "Mortgage to match your abilities", adapted to current market conditions, mobile branch traveled across the country, deferral of mortgage payments, loans and deposits adapted for current conditions, issue of debit cards allowing for cash withdrawal at ATMs, to enable persons that receive various support pensions to withdraw their money without the need to visit the branch. The business segment also received solutions through custom products adapted for**

its needs, such as: State-guaranteed loan in fast track, assisted by a personal banker, loans from the Northern-Southern Fund, optional deferment of payments for existing loans and delivery of business video-conferences on Zoom for relevant solutions for the current period (including business conferences for the Arab sector and mortgage conferences for the Jewish Orthodox sector).

Protecting employee health

The Bank has taken steps to protect employee health: Critical units were split into smaller work groups at different locations across the Bank, many disinfectant stations were installed at different locations at branches and at headquarters, and personal disinfectant kits were distributed to all employees.

Branches were made safe by installing separation partitions for bankers at all branches and headquarters units where staff work in open spaces. "Sneeze guards" were installed at all branches, to maintain separation between clients and employees. The Bank also adheres to regulations and takes the temperature of employees and clients prior to entering Bank offices or branches.

Most of the meetings take place by digital means and using video-conferencing systems. **Managers at the Bank receive custom training to help them in dealing with employees and clients during this challenging period.**

Constant communication with employees

Throughout this period, the Bank maintains constant communication with all employees, whether in the office or at home, keeps in contact with employees who are ill or in isolation and provides assistance in as much as possible.

During the lock-down period, the Bank provided daily messages to inform employees about what was happening at the Bank. The Bank created a special social media channel for Bank employees, where content is provided to help employees and their families on various current topics, through training kits and tips for dealing with the situation, providing information about help lines for assistance in dealing with anxiety during crisis, leisure activities for children and teenagers, general-interest presentations provided by digital channels and so forth. Furthermore, a web site was created on the Bank's intranet, and a special email address was set up to respond to employee queries on various topics.



Community

As a business entity whose business relies on the community in which it operates, the Bank is committed to be involved with and to invest in the community even in this period.

Contribution to NGOs helping under-privileged populations

The Bank has provided significant funds in contribution to NGOs helping under-privileged populations in the current period (the elderly, families in need, children and youth with disabilities staying at home) and continued its active support for extensive annual projects.

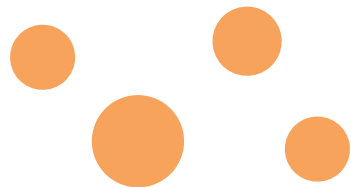
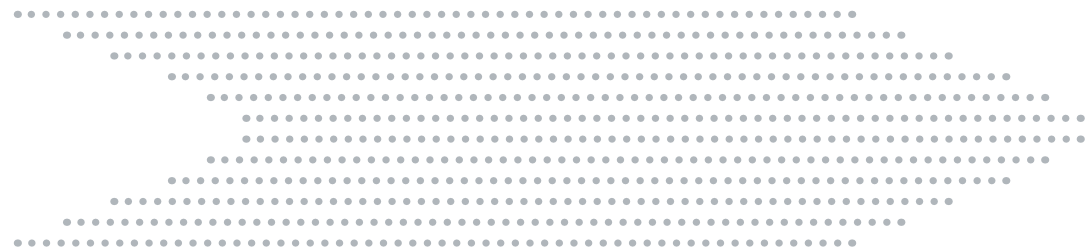
Employees also contribute to the community

The Bank has informed employees and their families of options for doing volunteer work nation-wide, from home or on site. Bank employees also purchased holiday gifts online from social-oriented NGOs and businesses, to help them keep operating in these difficult times.

Bank managers and employees rose to the challenge and volunteered to help in mentoring social-oriented businesses and NGOs facing a crisis, through organizations that support such entities (SFI, "The Hive", IVN Fund).

Suppliers

As part of our responsible management of the supply chain, we regard our suppliers as fully-fledged partners in our capacity to operate the Bank in this period, and we are aware of difficulties faced by suppliers in this period. Therefore, the Bank has brought forward payments to suppliers, which are made promptly and with no delay. The Bank has also increased the range of existing suppliers, in order to provide different Bank units with the required disinfection and protection equipment quickly and efficiently.



Corporate social responsibility management concept at Mizrahi-Tefahot Group

The guiding principles for Bank policy on corporate social responsibility are based on the material issues identified by the Bank, in conformity with the international reporting standard typically used for corporate social responsibility, as developed by Global Reporting Initiative (GRI). This policy includes management approach to each of the issues identified as material, both for the Group and for stake holders, which significantly impact Bank operations and the focus of Bank attention in the coming years. The report was compiled in conformity with the stake holder model and includes the materiality matrix, which specifies the material topics for the Group and for its external stake holders. This process was conducted in two parallel channels, integrated to allow us to create the materiality matrix and to focus on the 18 material issues.



Taking part in initiatives and ratings with regard to corporate social responsibility

Mizrahi-Tefahot Bank adopts internal and Israeli standard with regard to corporate social responsibility. The Bank is measured with regard to corporate social responsibility by business organizations that provide analysis in this field. The Bank maintains constant dialogue with different analyst organizations and provides answers to questions posed by analysts in this field. Such dialogue allows the Bank to review its operations, compared to performance of the financial sector in Israel and world-wide, thus improving Bank performance in these areas.



Maala rating

Since July 2020, Mizrahi-Tefahot Bank has joined the Maala rating of corporate social responsibility in business; the Bank was rated at the highest level – Platinum Plus. The Maala rating is a powerful tool for evaluation and deployment of social commitment by organizations, and is the primary benchmark used to evaluate corporate social responsibility in Israel. This rating covers over 150 companies that are measured based on their performance in diverse work environments, involvement in and contribution to the community, environmental protection, ethics and corporate governance and so forth.



Voluntary reporting

This year, for the first time, Mizrahi-Tefahot Bank joins reporting of greenhouse gas emissions initiative of the Ministry of Environmental Protection and the Manufacturers Association of Israel. This initiative is designed to shape policy for addressing climate change in Israel, whereby the Bank provides a comprehensive annual report of its greenhouse gas emissions, with review and identifying the potential for streamlining its energy use and resource savings.



Global Compact

Mizrahi-Tefahot Group joined the United Nations Global Compact Initiative in 2015, based on its commitment to further promote corporate social responsibility in the Group and in the financial sector. The Group supports and promotes the Ten Principles of the Initiative. Accordingly, we also report on our progress in implementing these principles.

Our membership of the Global Compact reflects our commitment to adopting international standards for social-environmental responsibility in all our endeavors, based on 10 principles which reflect our commitment to leading the social-environmental agenda in the country in which it operates and around the world. These principles include: responsible employment, preventing corruption, human rights and environmental protection. As part of Group commitment to the Global Compact principles, this report constitutes periodic Communication On Progress (COP) to the organization.



UN Sustainable Development Goals (SDGs)

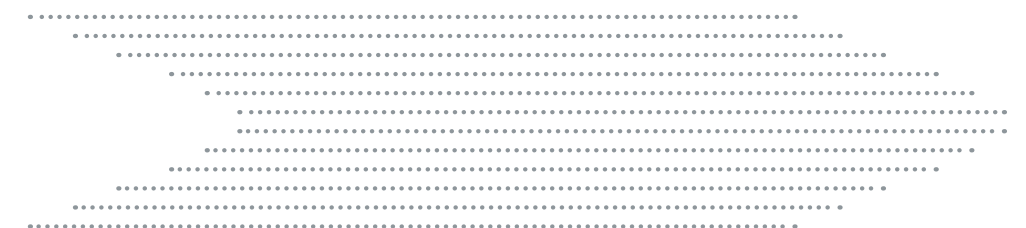
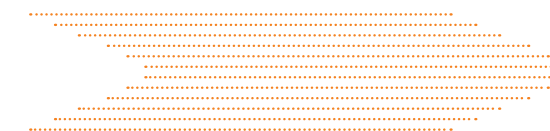
In September 2015, the State of Israel, along with 192 UN member states, adopted a resolution to participate in the effort to achieve the 17 Sustainable Development Goals (or SDGs) and the realization of 169 global secondary goals by 2030. The goals address global challenges in three dimensions – society, environment and economics. The UN goals encompass many areas, including eradicating poverty, access to education, gender equality, nutritional security, industry, peace and preservation of life at sea, on land and so forth.

Sustainable development goals, based on principles of corporate social responsibility, create a multi-sector, multi-nation framework with a common language that increases the likelihood of their effective, measurable implementation.

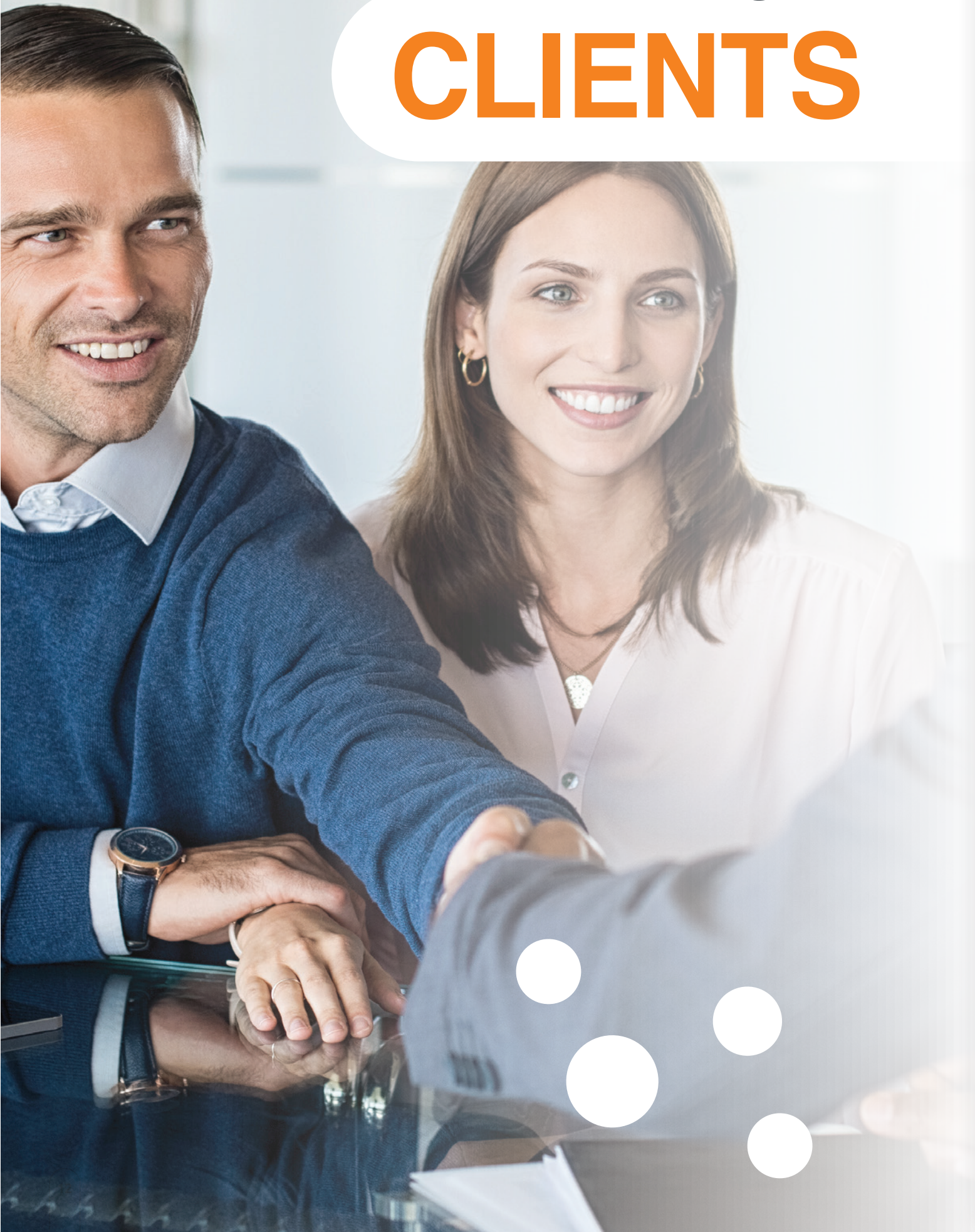
Mizrahi-Tefahot Group promotes these SDGs through its business and social activity. This is the fourth year that the Group has reported in its corporate social responsibility Report on the commitment to advancing the UN Development Goals. Moreover, the combination of goals and the link to reporting on the Bank's social and environmental activities reinforce our commitment to sustainable development as part of our business activities. Throughout the report, you can read about the Group's comments and activities to promote these goals. As part of preparing for reporting of Group operations for achievement of these targets, and following internal deliberations, we set social and environmental targets, supporting the promotion of SDGs on which the Bank chose to focus.

Other entities that review Bank operations with regard to corporate social responsibility

The Bank is reviewed and rated by the following analysis organizations: Bloomberg, RobecoSAM, MSCI, Sustainalytics, FTSE, ISS ESG



Investing in **CLIENTS**



Overview

Ranked **1st**
in mortgages according
to Bank of Israel data

Mizrahi-Tefahot Bank was
perceived as the most
fair bank
in the banking system.
(According to survey conducted by TNS)

Open **5**
new points of sale
of which 3 in outlying areas

USD **130** millions
Total lending for promoting
start-up companies in Israel

NIS **1.6** billions
Total loans for social and
environmental endeavors

Approximately
3,000 participants
attending business conferences

Mizrahi-Tefahot Bank clients are
**the most
satisfied**
with direct and digital services
offered to them
(according to survey conducted by the Bank of Israel)

198 Branches
across Israel

Our clients

Mizrahi-Tefahot Group is committed to success of all its clients, acting to generate value for them over time in all of its operating segments. This commitment is reflected by fair conduct and by creating a range of channels for providing service and products customized to the needs of every client.

It is also committed to listening to client needs, to ensure their privacy and to providing professional tools for their success.

In order to implement this policy, the Group takes action on four levels:

- **Client experience** – the Bank regards client satisfaction as a benchmark for success, and therefore sees great importance in quality of service, striving to provide optimized, personal service to all clients. To this end, the Bank is committed to fair conduct vis-à-vis clients, to create a variety of channels for them for obtaining services, and to develop banking products suited to their needs, while ensuring client privacy and attentiveness to client needs.
- **Fairness and transparency vis-a-vis clients** – Fairness and transparency are fundamental values in the Bank's Code of Ethics and in the perception of its corporate responsibility. A fair relationship with all stakeholders, and especially with clients who are at the center of business activity, is the basis for trust, success and creating shared value.
- **Ensuring client privacy** – The Bank sees great importance in information security and is committed to ensuring privacy and to protecting information of its clients. To this end, the Bank has specified its information security and cyber strategy and policy. This policy has been approved by Bank management and by the Board of Directors, in line with Bank of Israel requirements, allowing for careful and responsible management of client personal information.
- **Promoting common value** – Mizrahi-Tefahot Bank strives to generate social and/or environmental value, as part of its business operations and together with the economic value generated, to promote common value for the Bank and for its clients.

Products and services to promote the client experience

Adapting products and services to the business environment and to client needs and making them more accessible to clients and to the general public, with understanding of the unique attributes of clients in different segments of Israeli society, including:

Adapting financial products

The Group offers a range of financial products and services, including deposits and savings channels, as well as special benefits, according to needs of its different clients, their financial situation, their different life stages and the unique needs of different demographics.

Innovation in Bank products and services

The Bank acts to promote and adopt innovation in all its activities, with constant review of the pace of technology development and changes in consumer habits and preferences, in Israel and world-wide. To enhance the client service experience and to provide optimal, high-quality service, the Bank develops products in response to various client needs and to the evolving reality. In 2019, multiple innovative products were offered to clients, such as the retirement mortgage, designed for retirees, and "Supportive parent deposit" – incorporating both the deposit and mortgage domains.

The Bank acts to promote and adopt innovation in all its activities, with constant review of the pace of technology development and changes in consumer habits and preferences, in Israel and world-wide.

Get Your Mortgage from the Experts at Tefahot

Being the top mortgage bank in Israel, with over one million mortgages originated over decades, the Bank strives to maintain its leadership position in this field and to customize financial solutions for its clients and for the Israeli public, so as to allow them to balance their needs and their financial capabilities over the short and long terms.

The Bank offers the following services, inter alia: **Digital mortgage** – allowing clients who are looking for a mortgage to apply for a general approval, simply and easily on the Bank website. **"Mortgage on hold"** – This product allows the client to occasionally put their mortgage payments on hold.

The Bank promotes mortgage-related knowledge by providing financial education for various demographics and holds specific meetings, such as "Let us meet – mortgages", Resident Pricing meetings and specific meetings for purchase groups or foreign residents.

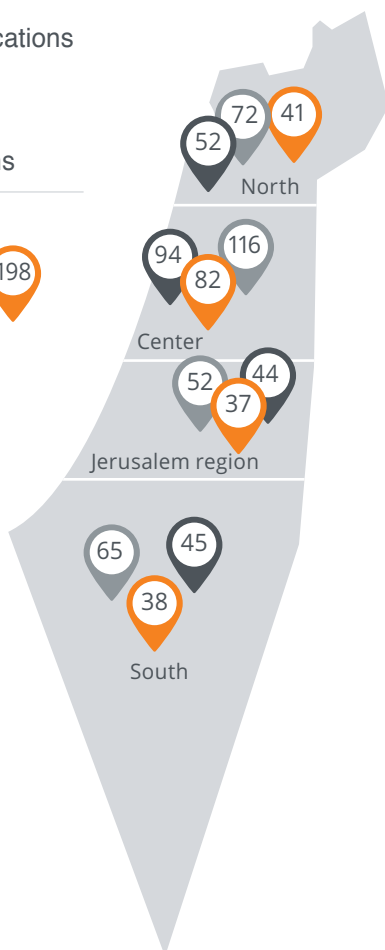
Wide banking deployment

The basis for making services accessible to the general public is through Group branches deployed nation-wide. Branches are primarily aimed at providing professional, high-quality service to clients of all banking segments, close to the location where the service is required (residence or place of business). The Bank continues to expand its branch network in accordance with its strategic plan, with location selection based on considerations such as providing optimal service to clients, economic viability considerations etc. **Since 2015, the Bank has opened 17 new branches nation-wide, of which 7 are located in Arab towns.**

As of the end of 2019, the Bank operated 198 Group sale and service locations, 235 self-service stations and 305 ATMs.

- service and sale locations
- ATMs
- Self-service stations

Total:



Diverse service channels

Bankers in the branches are the main communication channel with clients. There are also other channels, such as: Banking call centers, email for inquiries, dedicated websites, apps, social media, conferences and workshops.

Bank clients receive banking services through a range of major channels, as part of the unique Hybrid Banking approach. This approach is an optimal combination of personal and digital banking, allowing all customers direct access to their personal banker at the branch by using a range of online channels. This unique, innovative service concept puts to use technological advances in the banking world, to create an immediate, direct link between the client and their personal banker at the branch and is also applied to mortgages.

Providing solutions for a wide range of clients

Mizrahi-Tefahot Bank strives to promote a diverse range of clients of different demographics, providing a customized solution for the needs of each one, acting for the success of all Bank clients and generating value for them at all levels of Bank activity. This commitment is reflected by fair conduct and by creating a range of channels for providing service and products customized to the needs of every client.

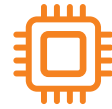
In 2019, the **various tools** were added to the transaction website, based on needs raised by **business clients** and feedback gleaned there from, to **improve the user experience**:

- New payroll interface, with optional payment by file.
- Providing online permissions to administrative users for viewing information and launching transactions.
- Advanced search for transactions and expanded information presented.
- Improvements in the capital market section, for easy and convenient management of trading of Israeli and foreign securities.

Business sector and high-tech industries

In the business sector, where financial management is complex and has unique attributes – the presence of a human, personal banker, which is a highly important and valuable factor for business owners, results in an outstanding service experience.

The Bank also expands its activity among business clients in the high-tech sector (including start-up companies), through the High-tech Department, as well as through ten branches nationwide specialized in serving high-tech clients.



In 2019, new credit approved to promote startup companies and for development of Israeli high-tech amounted to approximately **USD 130 million**

A survey published by the Supervisor of Banks for the business sector shows that **Mizrahi-Tefahot Bank leads in overall satisfaction, in willingness to recommend the Bank and in satisfaction with service at branches**



A unique solution for diverse demographics

The Bank defined Arab sector, the Jewish Orthodox sector and retirees as demographics on which the Bank wishes to focus over time and with which the Bank would like to intensify contact. This is based on the understanding that these demographics have social and cultural attributes, as well as unique financial needs, that require a custom response in order to bring about their true integration into Israeli society.

Arab sector – The Bank is expanding its business activity in the Arab sector, according to a long-term, plan by opening new branches (in 2019, the Bank opened a new branch in Tayibeh) and expanding activity in existing ones (as of 2019, 8 branches), focusing its marketing message on diverse media channels.



Investing in Clients

Jewish Orthodox sector – The Bank intensifies its ties with the Jewish Orthodox community by expanding activity in the existing ones. The Bank specifically addresses the Orthodox Jewish society through specific media, by adapting the language of the marketing messages.

Retirees – As part of the plan to expand activity among retirees, the Bank used multiple channels in order to expand its unique offering of products and services for this audience. The diverse activities for retirees include lectures designed for retirees, Digital banking empowerment activities, pension advisory service and Retirement Mortgage – a unique product developed by the Bank in response to financing needs of such clients, along with customized investment products.



Promoting disadvantaged populations and help clients in crisis

The Bank is committed to supporting disadvantaged populations in Israel. This is due to the Bank being part of Israeli society and because some Bank clients come from these populations. In this regard, the Bank acts to help clients in debt, women staying in shelters for abused women and population in need, both directly and through organizations that work with these populations, and by providing focused, individualized support designed to help clients overcome financial adversity, while maintaining respectful and patient service.

Promoting accessibility for persons with disabilities

Mizrahi-Tefahot Bank believes in providing equal service to all clients, while adapting these for individual needs of each and every client, including for persons with disabilities. To this end, the Bank acts to make its services accessible, so as to allow for easy, convenient access to Bank products and services and to allow anyone who so wishes to become a Bank client.

As of the end of 2019, 96% of Mizrahi-Tefahot Bank branches and 100% of Bank Yahav branches are accessible to persons with disabilities, in terms of building and related accessories. All Group ATMs are accessible to persons with disabilities.

Enhancing client satisfaction

In order to assess client satisfaction and maintain its high level, the Bank uses focus groups and regularly conducts surveys. Based on findings from these surveys and focus groups, the Bank adapts its conduct vis-a-vis clients.

In 2019, "satisfaction with banker" was rated **8.8** (out of 10) for the fifth year in a row.

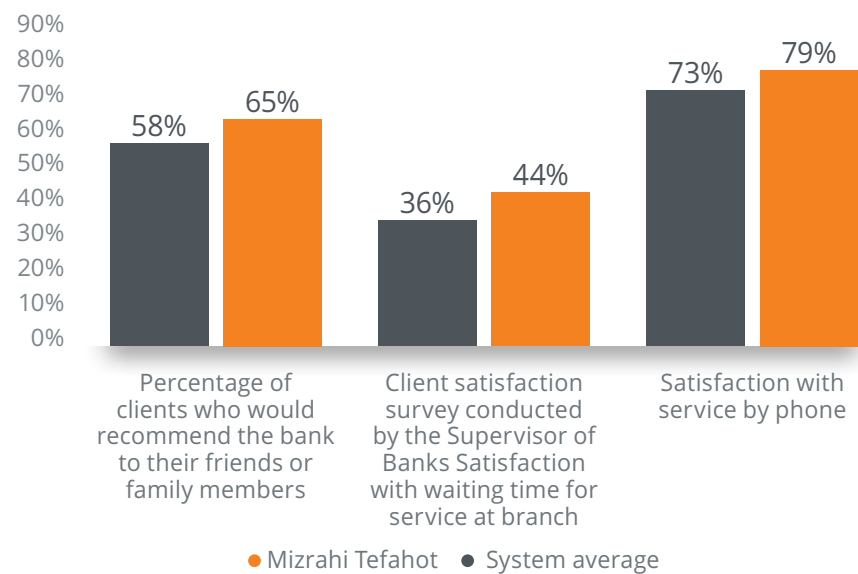
"Banker fairness to clients at branch" was rated **8.7**

"Positive atmosphere at branches" was rated **8.5**

Client satisfaction survey by the Supervisor of Banks

In 2019, the Bank of Israel conducted, for the second time, a client satisfaction survey among clients of all banks. This survey found that Mizrahi-Tefahot Bank clients are satisfied with direct and digital services offered to them, and the Bank is rated well ahead of the other banks.

Client satisfaction survey conducted by the Supervisor of Banks



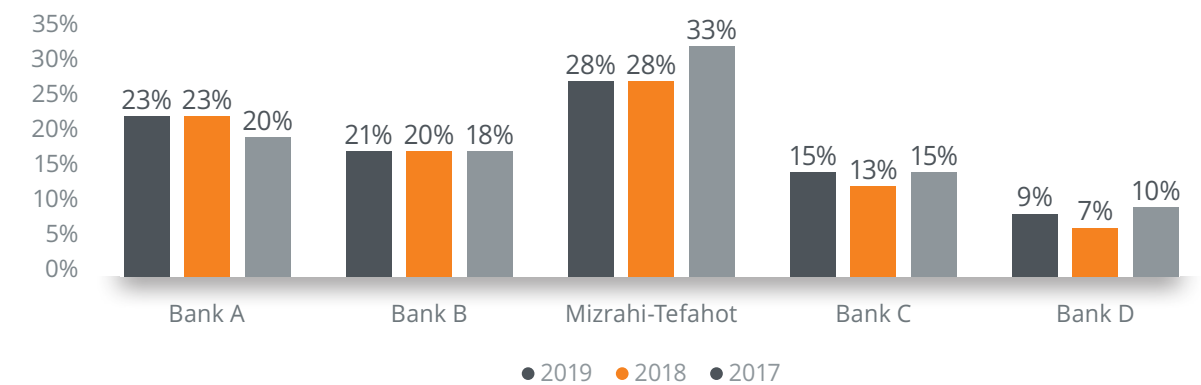
Fairness and transparency towards clients



Fairness and transparency are fundamental values in the Bank's Code of Ethics and in the framework of its corporate social responsibility philosophy. A fair relationship with all stakeholders, and especially with clients who are at the center of business activity, is the basis for trust, success and creating shared value.

In 2019, the Bank conducted fairness surveys among the general public to study the Bank's standing and perception as a fair bank, compared to other banks. This year, too, Mizrahi-Tefahot Bank was perceived as the most fair bank in the banking system.

Perception of bank fairness among the public at large¹



1. The answers do not add up to 100% due to the potential answer "another bank"

Promoting common value



Mizrahi-Tefahot Bank strives to generate social and/or environmental value, as part of its business operations and together with the economic value generated, to promote common value for the Bank and for its clients. In order to implement this principle, the Bank offers products with environmental and social value and offers financial meetings for clients and for the public at large. The Bank recognizes the importance of identifying risk and opportunities facing the Bank and provides loans for development, construction or launching of products with a positive environmental and social impact.

Development of environmental and social products

Providing loans for development, construction or launching of environmental products – The Bank is committed to promoting environmental issues and therefore assists by providing loans for development of new technologies for generating, including to clients seeking to construct solar energy generation plants. **In 2019, the Bank provided NIS 600 million to promote environmental causes.**

Providing loans for development, construction or launching of social products – The Bank, being a major financial institution, is aware of its accountability for economic stability and growth and supports small businesses through various funds which promote social or business goals in outlying areas and through support and promotion for social businesses. **In 2019, Mizrahi-Tefahot Bank provided NIS 978.5 million to promote social causes.**



In 2019, the Bank provided approximately **NIS 600 million** to promote environmental causes and approximately **NIS 978.5 million** to promote social causes

Investing in Clients



In 2019, the Bank conducted **75 sessions and conferences on financial topics, enjoyed by approximately 4,700 attendees**

Financial education

Being one of the top 5 banks in Israel, which impacts the economy and the market, we at Mizrahi-Tefahot attach great importance to promoting financial education among the Israeli public and we make an effort to provide our clients and the public with tools for proper financial conduct, tools for economic empowerment and proper budget management.

The Bank provides support and economic advice to small and large businesses and delivers financial workshops and training for the public at large so as to provide basic concepts in the financial world for diverse demographics to improve their economic well-being.

Conference to launch social-oriented debenture, in Rahat





Investing in the

COMMUNITY

Overview

Approximatley
80,000
students took part in
"Green light for children"
training sponsored by the
Bank at 200 schools

Approximatley
31,000
hours of volunteer
work

Total investment
Community-social
NIS **19.1** million
18.8% growth

Approximatley
NIS **240,000**
Total purchasing from social
NGOs

Approximatley
1,800
Participate in the "NOAR
LATET" program for
social entrepreneurship

97%
are local suppliers
Of which 14% are from
outlying areas

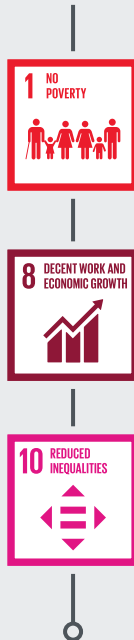
Approximatley
7.5% increase
in "Let us meet at
Mizrahi-Tefahot"
activities

Approximatley
72%
of suppliers are micro
and small businesses

50%
of Group employees
volunteer for
different activities



Impact on Israeli society through involvement and volunteer work



As a business entity whose business relies on the community in which it operates, the Bank is committed to be involved with and to invest in the community. The Bank is working to realize its community involvement in a manner that expresses its strength, engages the Bank's employees in active volunteer activity and leverages its physical, financial and human abilities and resources. The Bank's community engagement is carried out accompanied by a constant dialogue and realization of broad initiatives with community partners throughout Israel, engagement of employees and managers, geographic and other diversification of activities utilizing the Bank's nation-wide presence, through partnerships and with internal and external communication of the Bank's community involvement.

Bank strategy on social involvement is designed to promote inclusive growth to promote equal opportunities in Israeli society in four core areas:



Community involvement - Mizrahi-Tefahot Bank promotes social involvement by Bank employees and their families, as well as by the public. The Bank encourages employees to adopt social organizations and to take part in volunteer activities wherever the Bank operates. The Bank also believes that in order to expand its circle of influence, it should act to empower values of volunteering and giving to the community among everyone in Israeli society. Volunteering enhances the sense of belonging to the community and produces personal interactions.

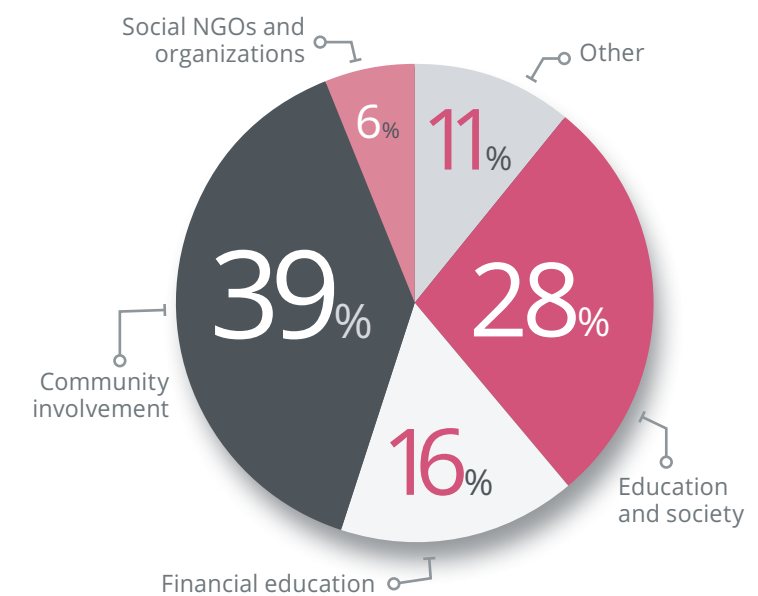
Financial education - The Bank regards financial education as a means to increase equal opportunities, to reduce socio-economic gaps and to improve the well-being and quality of life of the population; therefore, the Bank has set a goal of providing financial knowledge on smart economic conduct to everyone, so as to help in economic empowerment.

Investing in the community

Promoting social NGOs and businesses - Mizrahi-Tefahot Bank acts to enhance the business and organizational capabilities of social NGOs and businesses, by providing business and management tools designed to enhance their positive impact. The Bank also encourages purchasing of goods and services from social NGOs and businesses, by Bank employees and for Bank clients.

Education and society - Mizrahi-Tefahot Bank regards its branches as a place for building a supportive, stable community and not merely as a financial center; therefore, the Bank emphasizes promoting education and society and reinforcing its relationships with local communities in which the Bank operates. The Bank has established a social project designed to empower, enrich and bring together employees and residents living near Bank branches, and the Bank is also involved in financing and social endeavor as part of activity in communities adjacent to Bank branches. This strategy, which was reviewed and revised in 2019, was aligned with the Bank's business strategy and with trends in Israel and world-wide. As part of the strategy review process, we assessed the alignment with Bank values, the capacity to engage employees, relevance for social issues in Israel and world-wide and connecting with innovation.

Investment in the community by activity type for 2019



The Group's total social investment

The Group's total social investment in 2019 amounted to **NIS 16.1 million** compared to NIS million - increase by **18.8%**

This investment consists of **total cash donations of approximately NIS 16.1 million** and cash equivalent donations of approximately **NIS 2.7 million**

Investment in the community as percentage of total net debt before taxes is **0.65%**

Stronger community involvement



Mizrahi-Tefahot Bank strongly emphasizes awareness of diversity and being sensitive to under-privileged populations. To this end, the Bank promotes in the Israeli society values such as mutual help and volunteering.



As part of Bank policy on empowering the values of volunteering and giving to the community and educating the younger generation based on these values, the Bank encourages employees and their family members to actively volunteer and continues to invest in diverse projects that would allow this goal to be achieved.

Select projects conducted in 2019:

- **Adoptive units** - Bank branches and headquarters units adopt more than 100 social entities and institutions in their towns, acting on behalf of under-privileged populations. This includes regular activities to provide assistance and mentoring by volunteer employees, holding common social events, unique activities in advance of holidays, using creative craft kits sent by "Mizrahi-Tefahot in the Community" and centralized activities for children well-being in various regions all across Israel.
- **Supporting youth in the community** - such as co-operation and support for the "LATET Youth" project - an educational program for social entrepreneurship, volunteer work and empowerment of youth, in co-operation with the NGO named LATET. And "**Zazim**" project - **youth movements for the community** - to encourage youth movement participants to volunteer for society and their community.
- **Employee volunteer work** - Employee volunteer work is a material part of the Bank concept promoting equal opportunity for success. Employees are involved and play an active role in volunteer activities, which they regard as a key value, investing their time and skills.



In total, the Bank invested in this area

39% of the total investment
in social-community activities

Volunteering for the community

approxitmaley
2,000
participants in
financial training
delivered by Bank
employees

Over
100
Bank units and branches
adopt social organizations
nation-wide

20
Bank employees and their
family members took part
in Project Birthright and
accompanies participants
during their visit in Israel

Over
50
financial
education training
sessions for
children and youths

approxitmaley
3,000
food baskets packed by Bank
employees and distributed
to **under-privileged families**
ahead of the Passover and
Ramadan holidays

12,710 kilometers
of walking/running/cycling
by Bank employees and
their family members to
benefit social causes

approxitmaley
31,000
hours of volunteer
work by Group
employees as part
of activity in the
community

57%
of total volunteer hours were
during business hours, **for
which the employees were
paid their salary**

50%
of Group employees
**volunteer for different
activities**

10%
of Bank employees
**volunteer on
regular basis**

approxitmaley
10.2
hours of volunteer work per
worker on average per year



Promoting social NGOs and businesses



These social NGOs and businesses assist under-privileged populations and promote values of equality, charitable donation and safeguarding human rights. As part of its community involvement, Mizrahi-Tefahot Bank supports NGOs and social-oriented businesses that promote social innovation, so as to increase its influence to benefit the community.

Among the projects carried out in 2019, the Bank cooperated with entities to support social businesses and NGOs that promote under-privileged populations, such as IVN Fund and the Honeycomb venture. In 2019, some 100 businesses and NGOs applied to the IVN Fund, of which 4 NGOs were selected to receive professional assistance from Bank employees and business advisors on this topic. Moreover, during the holiday season, Bank employees are invited to buy gifts and other giveaways from various social NGOs and businesses at fairs held at Bank headquarters and through the Bank's intranet website. **Total purchasing from social-oriented NGOs** by Bank employees at NGO fairs or through various Bank activities, **amounted to NIS 240 thousand in 2019.**



In total, the Bank invested in this area

6% of the total investment in social-community activities

The Bank's **social venture program**, in cooperation with the **IVN Foundation** supporting social businesses and NGOs that aid under-privileged populations in an innovative, ground-breaking way.

In 2019, a venture named **Al Manara** was selected. This venture helps to promote persons with disabilities in the **Arab sector**. The venture employs six guides with special needs.

Promoting financial literacy

Being one of the top 5 banks in Israel, which impacts the economy and the market, we at Mizrahi-Tefahot attach great importance to promoting financial education among the Israeli public and we make an effort to provide our clients and the public with tools for financial conduct, economic empowerment and proper budget management. Other activities in this framework include: "Money Road" training kit – A program which provides youth with training on financial issues; Conducting financial meetings at branches throughout Israel; Mortgage workshops for the Jewish Orthodox sector; Digital banking empowerment for senior citizens.

As the leading **mortgage bank** in Israel, we attach great importance to holding **training sessions and workshops** on this topic.

In 2019, we offered **9 mortgage workshops** designed for the **Jewish Orthodox sector**, attended by some 1,000 participants.



In total, the Bank invested in this area

16% of the total investment in social-community activities



Promoting education and society



As part of its activity in the community, the Bank sees the importance of promoting education and social issues and reinforcing its ties with local community where the Bank operates in Lod and in Ramat Gan. workshops for the Jewish Orthodox sector; Digital banking empowerment for senior citizens.

This year, too, the Bank continued to award scholarships to outstanding students in different educational institutions and continued its co-operation with the Feuerstein Institute and the Hebrew University of Jerusalem, to promote higher education by providing scholarships to students of Ethiopian descent. **In 2019, the Bank awarded 74 scholarships to outstanding students in different educational institutions.**

The "Let us meet at Mizrahi-Tefahot" project continued in 2019 as well, providing a wide range of activities offered at key Bank branches, by leading lecturers in their fields. These meetings are devoted to topics of general interest and enjoyment, are held in the afternoon and evening hours, in a relaxed atmosphere and clients of all banks, residents of the neighborhood and the general public are invited to attend at no cost. In 2019, we held 173 meetings at 33 key branches around the country. These meetings were attended by 8,907 participants, of which 42% are not Bank clients.

Let us meet at Mizrahi-Tefahot

in 2019 we held

173 meetings

at **33** key branches around the country.

These meetings were attended by

8,907 participants

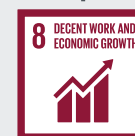
of which approximately **42%** are not Bank clients.



In total, the Bank invested in this area

28% of the total investment in social-community activities

Reinforcing Israel's economy through responsible supply chain management



Mizrahi-Tefahot Group has significant impact on Israel's economy, and as such it attaches great importance to orderly and responsible supply chain management. In conformity with Group policy and its responsible supply chain concept, the Group prefers to do business with local suppliers. The Bank has an agreed payment policy with suppliers and the Bank ensures timely payment to suppliers, as agreed and committed to ahead of time.

Suppliers and Procurement

97% are local Israeli suppliers

3,400 active suppliers provide services to the Group

Approximately **72%** of suppliers are micro and small businesses

70% of total purchasing is paid to small and micro businesses

The Bank's procurement policy stipulates a mandatory condition, whereby a business license and permits must be in place and appropriate employment conditions, including compliance with protective legislation, safeguarding employee health and safety, payment of minimum wage, prohibition of child labor, prohibition of discrimination and ensuring employee rights. Being accountable to Israeli society, the Bank maintains a policy that prioritizes suppliers who contribute to the community and operate based on an internal Code of Ethics and is committed to providing service in conformity with the Bank's Code of Ethics. Also giving priority to procurement of equipment with a high energy efficiency rating.

In 2019, Bank purchasing and logistics managers visited premises of major Bank suppliers. By law, the Group ensures that employment terms of outsourcing employees are verified by a qualified wage verifier; the Bank also performs risk assessments, including with regard to corruption risk, among suppliers and sub-contractors engaged on a regular basis.

Investing in **EMPLOYEES**



Overview

Approximatley
50%
female managers
Of all Group managers

6,531
employees
were employed
in the Group

64% women
Of all Group
employees

42%
female senior
executives
at Mizrahi-Tefahot Bank

75%
of Bank employees
with a university degree

Average age
40.5
of Bank employees

Approximatley
325
training hours Delivered
to all Group employee

50 Training
hours
per worker on average

12.7 years
Average seniority at
the Bank

99% promoted internally
Employees and managers
promoted to management
positions, as percentage of Bank
employees

Mizrahi-Tefahot employees



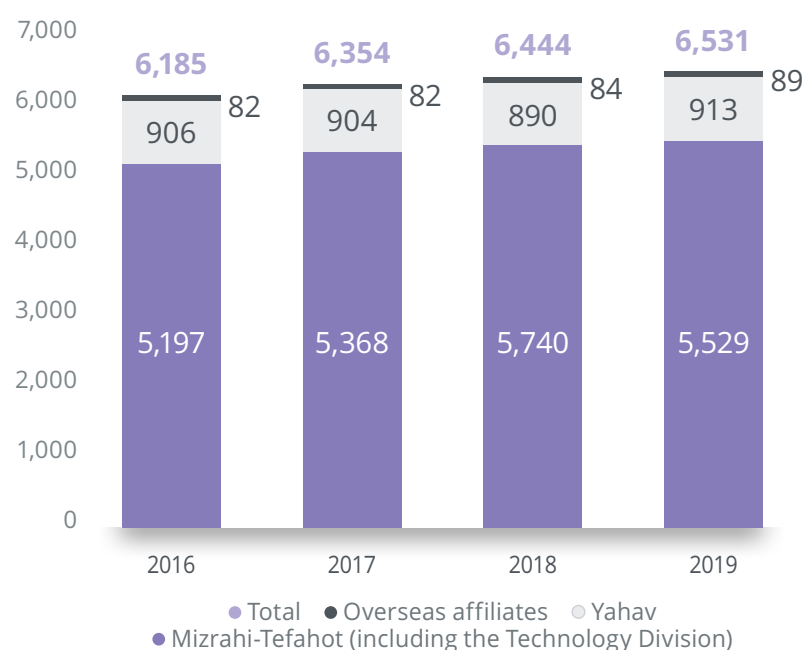
Bank management regards all Bank employees and managers as a key component for achieving its business strategy and growth objectives for operations and profitability. The Bank is committed to investing in development of its employees, to encourage their curiosity and trust and to empower them to create meaningful change. Mizrahi-Tefahot Bank is a place of work where:

- Employees' needs are seen, taken care of and nurtured.
- A safe work environment is ensured.
- Inclusion and diversification are important values in the Bank's organizational culture.
- Basic human rights are ensured and respected.

Mizrahi-Tefahot family

Mizrahi-Tefahot Group continues to grow from year to year, and therefore the number of Group employees grows accordingly. As of the end of 2019, the Group employed 6,531 employees and managers.

Group employees over the years



Bank employees are located across Israel: approximately 42% reside in HaSharon and Central regions, approximately 18% in Jerusalem and environs, approximately 11% in the Southern region, approximately 18% in the Shfela region and approximately 10% in the Northern region

Promoting fair work environment and employment terms

The Bank regards its employees and managers as partners in the Bank's success and therefore strives to promote them and to create a supportive, respectful work environment. This commitment is reflected by implementation of key principles in Bank operations – caring for employee rights and ensuring employment conditions.

Promoting employment security

The Group strives to promote employment security among its employees. Inter alia, the Bank applies a policy whereby each Bank employee is an employee of the Bank for all intents and purposes. This policy also applies, naturally, to banking center employees, most of whom are students characterized by a higher turnover.



As of the end of 2019
70% of Group employees were tenured

Employee remuneration

The Bank leads diverse measures to remunerate and provide positive incentives to employees, including: Pay promotion, award of individual bonus and prizes, wage increase bonus and ROE bonus, outstanding employee recognition.

As a rule, it is Bank policy that **each Bank employee is an employee of the Bank for all intents and purposes.**



Diversity, equality and avoiding discrimination in employment



Mizrahi-Tefahot Bank believes that promoting diversity and equality in the workplace generates social and economic value for the Bank, for employees and for all of society. Hiring employees of diverse demographics allows Bank clients to receive service while recognizing their unique needs and providing them with an appropriate response.



The Bank regularly promotes equal opportunity in the work place. This is based on recognizing the ultimate importance of the value of equality. The Bank does not discriminate against any employee by religion, ethnicity, race, gender, age, gender identity, place of residence nor any other attributes. The Bank constantly strives to promote equality in the workplace, through equal recruitment, equal employment, equal pay and promotion of gender equality.



Equal hiring

The Bank applies a recruitment process which provides equal opportunity to candidates from different demographics in Israeli society, and does not discriminate against any employee by national, religious, cultural or ethnic affiliation, by race, gender, sexual orientation, disability nor any other attribute.

Employee diversity in 2019

8.5%

Of all employees recruited by the Bank, **were from groups subject to under-employment**, including employees from the Arab sector, employees of Ethiopian descent and persons with disabilities.

7.3%

of all branch managers at the Bank **are from the Arab sector**

13.8%

of all Arab sector employees are managers.

Investing in employees

We should note that Bank systems do not include any records that classify employees by such groups. The data presented is based on information obtained from employee statements, and it is likely that other employees from these groups were not included in these data.

Equal employment – promoting gender equality

The Bank attaches great importance to promoting gender equality in the work place. The Bank has an equal opportunity employment policy, with employees hired and promoted based solely on their skills and on needs of the Bank.

Promoting gender equality

64%
of Group employees
are women

50%
of Group managers are
women

42%
of senior management
are women

Caring for employee well-being



The Bank emphasizes three circles that accompany the employee throughout their work, professional development, personal joyful occasions and, if needed, in times of crisis and distress. All Bank employees are entitled to benefits, without distinguishing between regular and provisional employees.

Work-life balance

The Bank encourages employees to maintain a balance between work and leisure, provides training for employees on this subject and ensures that employees have free time during the week for their family and other activities, through the number of work hours that is lower than stipulated by law, additional paid leave at the Bank's expense, increase vacation pay, vacation voucher and so forth.

Caring for employees approaching retirement

As part of its responsible employment policy, the Group cares for employees about to reach retirement age or as part of early retirement agreements and provides a custom-designed workshop. All retiring employees are eligible to benefits in account management, holiday gifts as well as cultural events organized by the Retiree Council.



In 2019 some

160 employees
retired after many years
of diligent service with the
Group

Employees and their spouses are invited, for a token cost, once a quarter to watch a selected movie. In 2019, 3,500 employees and employees took part in this activity



Employee training and development



The Bank attaches great importance to professional and personal growth of its employees. Bank management regards the development of its staff and constant improvement of the professional and personal skills of Bank employees and managers, as a critical component of implementing the Bank's business strategy, as well as a tool for reinforcing Bank values. Mizrahi-Tefahot strives to provide its employees with learning experiences and personal and professional development that would ensure that employees keep current with the changing work environment, through: Training and mentoring of employees and managers and through dialog with employees.

Investing in employees

Training and mentoring of employees and managers

The Group's training program includes a variety of courses, training and general interest lectures for employees and managers, both on professional topics (whether or not regulatory mandated), as well as on general topics for expanding their knowledge and for acquiring various personal skills. Each employee is assigned a customized training curriculum, consisting of training activities appropriate for their role.

Investment in training hours:

In 2019 we delivered

325.3 thousand training hours in total, compared to 286.6 thousand hours in 2018

In 2019, the cost invested in training for Mizrahi-Tefahot Bank employees amounted to

NIS 55.2 millions

Dialogue with employees

The Bank attaches great importance to maintaining a constant dialogue with Bank employees and managers, as part of the Bank's responsible employment policy. In order to foster an organizational culture of open discourse, the Group acts in diverse ways, as follows: tours of units and branches and direct meetings with senior and executive management.

Providing feedback - The Group ensures that employees receive regular feedback about their performance. In 2019, 100% of Mizrahi-Tefahot employees received feedback in a personal discussion or meeting.



In 2019, some

99% of management appointments were promotions of Bank employees

The Bank operates a committee for "promoting initiatives for improvement, savings and streamlining", whose role it is to discuss employees' suggestions for improvement and streamlining of work processes. In 2019, employees submitted 1,404 improvement suggestions.



Investing in the **ENVIRONMENT**



Overview

Savings of

353 tons of
CO₂

primarily due to initiatives to
reduce paper consumption
at the Bank

Savings of

23 tons of
CO₂

due to transition to
video conferencing

Reduce energy
consumption by

2.5%

compared to 2018

Recycled

10,000

bottles and cans

Deposit fee for these was
donated to the community

Reduced carbon footprint
intensity per employee by

9%

compared to 2018

Reduce energy
consumption by

4.7%

compared to 2018

Group responsibility for the environment



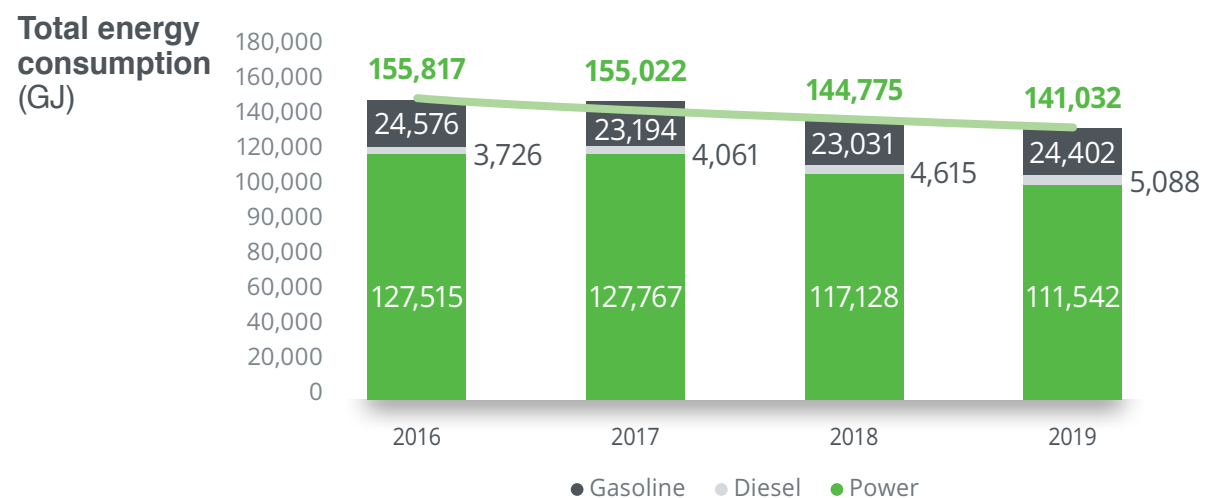
Mizrahi-Tefahot Bank recognizes the impact of its operations on the environment and on the Earth's climate, both directly due to resource consumption by the Bank and indirectly – through the Bank's value chain. Therefore, the Bank strives to minimize the negative impact of its operations, to protect and improve the environment in which the Bank operates. To this end, the Bank reduces material consumption, promotes improved energy efficiency and environmental risk management.

The Bank's strategy on environmental activity focuses on three major areas:

- Responsible resource consumption
- Management and reduction of carbon footprint
- Increased awareness of environmental issues

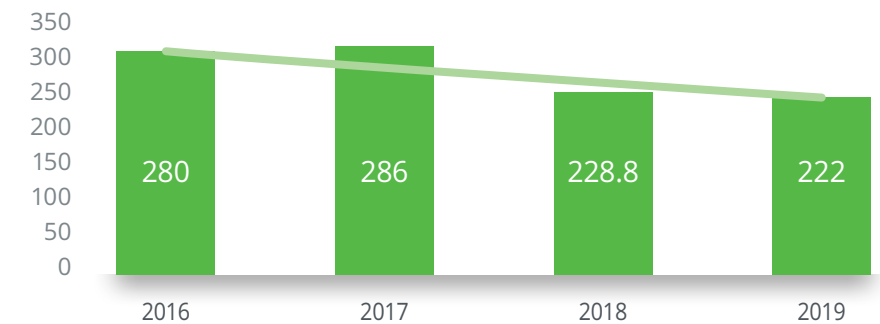
Responsible resource consumption – improved energy efficiency

Energy consumption is among the Group's most significant environmental impacts, due to operation of office buildings. Therefore, the Group manages and measures this area and promotes improved energy efficiency, including replacement of systems with high energy consumption with advanced systems with more efficient energy utilization.



Investing in the environment

Energy intensity (KWh per m²)



Improved energy efficiency measures for power consumption

In 2019, several steps were taken to streamline energy consumption, including the following: Use of LED lighting, use of a command and control system at headquarters buildings, power savings at Bank headquarters in Lod, use of emergency generators during regular peak hours, efficient space utilization, review of alternative energy at the Technology-Logistics Center and so forth.



decrease by approximately
4.7% in power consumption
 by the Group **and with total energy consumption reduced**
 by **2.5%**

Improved energy efficiency measures for fuel consumption

Several complementary measures were taken in order to reduce fuel consumption in the organizational vehicle fleet. These include significant increase in the number of meetings conducted using advanced video conference systems and encouraging employee use of its shuttle system and car-pooling.

In 2019, the number of video-conferencing calls was doubled compared to 2018



All Bank initiative to reduce energy consumption

Initiatives to reduce power consumption	Estimated power consumption saved		Estimated carbon footprint savings
	KWh	(Giga Joule (GJ))	
Replacement of light bulbs in offices with LED light bulbs	165,000	594	94
HVAC system renovation	104,000	374	59
Total	269,000	968	153

Initiatives to reduce fuel consumption	Estimated fuel consumption saved		Estimated carbon footprint savings
	Liters	(Giga Joule (GJ))	
Transition to video conferencing	10,000	241	23.38

Reducing paper consumption

The Group uses paper mainly for forms, letters to clients, report printing etc. Note that a considerable percentage of paper usage is due to printed material produced according to Bank of Israel directives for clients, and hand-delivered to them. In 2019, the Group reduced its paper usage by 8 tons. This reduction was achieved while Bank business operations continued to grow. One of the reasons for this reduction is the "Paperless Branch" project, whereby the Bank converted client service at branches to use tablets for digital signatures.

Initiatives to reduce paper consumption	Estimated paper consumption saved		Estimated carbon footprint savings
	units	tons	
"Paperless Branch"	1.1 million	5.5	5
Mailing by email messages	74.1 million	370.5	348
Total	million 75.2	376	353¹



Measures to reduce paper consumption at the Bank **resulted in savings of approximately 75.2 million pages equivalent to approximately 353 tons of CO₂**

1. This data was calculated based on a pack containing 500 A4 pages weighing approximately 2.5 kg.

Management and reduction of carbon footprint

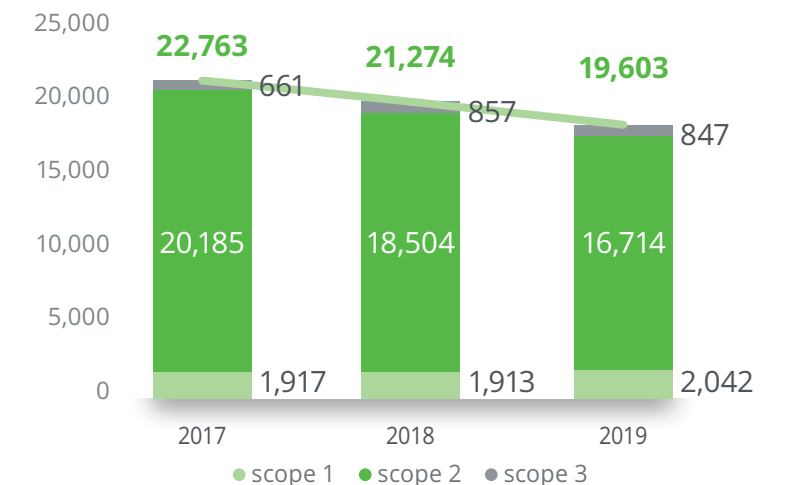
As part of the desire to reduce climate change, the Group carefully measures greenhouse gas emissions caused by direct consumption of fuel and diesel (component 1), indirect emissions as a result of power consumption at the Bank (component 2) and other indirect emissions along the supply chain (component 3). Greenhouse gas emissions for the Group decreased by 7.8% in 2019, compared with 2018.

greenhouse gas emissions for the Group decreased in 2019, compared with 2018, by **7.8%**

The carbon footprint intensity per employee decreased by **9%**

The carbon footprint intensity per meter decreased by **23.5%** compared to 2018

Group carbon footprint over the years (tons CO₂eq)



Increased awareness of environmental issues - Campaigns to promote recycling by employees

The Bank promotes understanding of the importance of this issue, environmental protection and creating environmental awareness among employees. To this end, we deliver annually training on environmental issues, and the Bank promotes initiatives among employees and their family members for reducing and recycling waste, such as: recycling bottles, batteries and electronic waste and re-purposing furniture. In order to increase employee awareness of this matter, the Bank placed special signage to promote recycling. In each of the designated areas, these campaigns were successful and achieved great cooperation and satisfaction among employees.

Commitment to **ACCOUNTABLE CONDUCT**



Overview

In **2019**

we revised the **Code of Ethics** and added a new value – **social and community responsibility**

In 2019, we delivered approximately

34,500

training hours to Bank employees on **preventing corruption**

In 2019, we delivered approximately

18,300

training hours on the **Code of Ethics** and on **ethical issues**

In 2019, we delivered approximately

8,950

training hours on **risk management**

Group commitment to accountable conduct



Being a leading financial institution in Israel, the Bank strictly maintains responsible conduct and disseminates across the Bank Group the commitment to comply with statutory provisions and to implement proper corporate governance. The Bank adheres to ethical conduct by employees and acts to prevent corruption. The Bank also strives to achieve its goals and to implement its business strategy while managing risk and remaining committed to its clients.

Deployment of business ethics

The Code of Ethics includes the base values for Bank operations, including fairness, integrity, transparency and human dignity. The Bank's Code of Ethics is deployed across the organization by various training activities, including an Ethics Committee headed by the Manager, organizational Development and Training Department, which meets monthly to discuss ethical dilemmas that arise from the field, and to outlines policies and actions for deployment of values of the Code of Ethics."

In 2019, the Bank Board of Directors approved the revised Code of Ethics. The revised Code of Ethics provides further focus on values with a new value added – social and community responsibility – which is all about environmental and social issues.

The Bank
Core Values:

Reliability

Client loyalty

Human dignity

Transparency

Commitment to
the Bank

Fairness

Excellence,
professional and
service-oriented
approach

Social and community
responsibility



Commitment to accountable conduct



Commitment to regulatory compliance

The Bank strictly complies with statutory provisions and with corporate governance rules. The Bank has a compliance policy in place, approved by the Board of Directors. This policy refers to matters of compliance, AML, terror financing, cross-border risk, fairness, protection of privacy and internal enforcement. The Bank appointed a Compliance Officer, who operates in conformity with a letter of appointment, which guarantees their authority and independence, as part of proper corporate governance.

For implementation of compliance aspects at the Bank, the Bank provides for organized deployment of operating procedures, dealing with exceptional events, identification and mapping of compliance risk, ethics-related training is also delivered to all employees on compliance, AML and terror financing, bribery and corruption risk and so forth.

Commitment to preventing corruption

The Bank constantly strives to prevent occurrence of corruption events – by employees, clients and third parties. Corruption cases include, inter alia, offering bribes, money laundering, forgery of accounts and documents, fraud and embezzlement, use of insider information, breach of sanctions or terror financing.

The Bank constantly monitors activity at all branches, to identify any risk of corruption and to prevent any cases of bribery, fraud and embezzlement. In 2019, too, 100% of Bank branches were reviewed in order to identifying such risk.

The Bank has a methodology in place to learn lessons and to take action as required to avoid their recurrence in Israel or overseas and for implementation and deployment of this topic, the Bank disseminates E-learning kits for employees on diverse topics.



In 2019, we delivered
34,500 hours
of training on preventing
corruption to Bank
employees

Risk management and control



The Bank's investment policy calls for maintaining a low risk profile by holding a loan portfolio which consists mostly of diversified, retail loans. In addition, the Bank's nostro operations are primarily focused on investing in liquid, high-quality assets carrying minimum credit risk, mostly debentures of the State of Israel.



This policy is designed, inter alia, to ensure that deposits from the public are not invested by the Bank in high-risk assets, but maintain a relatively low risk level compared to the banking system.



In order to review the effectiveness of the risk management processes, once a year, the Bank conducts a self-assessment process (RAS) to review the effectiveness of its risk management.

Management of environmental and social risk

Mizrahi-Tefahot Bank regards environmental issues as an integral value that is part of its corporate responsibility. The Bank also recognizes that environmental issues may impact its financial success, unless such risk is properly managed. Therefore, the objective of the environmental risk management framework is to identify, measure, assess and manage environmental risk in conjunction with lending and to supervise and report such risk.

This policy, as part of the Bank's risk management and control process, accounts for considerations based on client quality, repayment capacity, financial robustness, liquidity, reliability, seniority with the Bank, account management and collateral quality – as well as environmental considerations. The Bank's policy documents include dedicated environmental risks policies, including methodology for identification, assessment and handling of environmental risk.



In 2019, we delivered

8,938 training hours
on risk management

(risk trustees and risk controllers forum) to Group employees.