

Mizrahi Tefahot Bank Ltd.'s Immediate Reports are published in Hebrew on the Israel Securities Authority and the Tel Aviv Stock Exchange websites.

The English version is prepared for convenience purposes only. The only binding version of the Immediate Reports is the Hebrew version.

In the event of any discrepancy or inconsistency between the Hebrew version and the translation to English, the Hebrew version shall prevail and supersede, for all purposes and in all respects.

MIZRAHI TEFAHOT BANK LTD

Registrar Number: 520000522

To: Israel Securities Authority	To: Tel Aviv Stock Exchange Ltd	T460 (public)	Transmitted via MAGNA: February 19, 2020
www.isa.gov.il	www.tase.co.il		Reference: 2020-01-017409

Immediate Report of a Meeting

Regulation 36B (a) and (d) of the Securities Regulations (Periodic and Immediate Reports) 5730-1970

Explanation: Insofar as any of the matters on the meeting's agenda is the approval of a transaction with a controlling shareholder or the approval of an extraordinary proposal, Form T133 or T138 must be filled first, respectively, and thereafter a report should be filed on this form as well.

Is there a possibility to vote through the electronic voting system: *Yes*

Note: The possibility of selecting this field is only available to foreign corporations (that are not registered in Israel) and corporations whose securities are not listed for trade. Usage of the voting system will require the corporation to process all votes received through this system.

The corporation announces: *The convening of a meeting*

Note: In the event of a change to the meeting's date (postponement or a move forward), select "meeting postponement" or "court-ordered postponement" or "postponement to an unknown date".

The reference number of the last meeting notice is _____. It was called for _____.

Reason of postponement or cancellation: _____

Explanation: The reference number of the previous meeting's convening or postponement should be referenced.

1. Type of security: *Share*

Name of the entitling security: Mizrahi Tefahot (MZTF)

Number of the stock exchange security entitling the holder thereof to participate in the meeting: *695437*

The record date for entitlement to attend the meeting and vote thereat: *February 25, 2020*

Explanation: If a meeting is required for more than one security number, a T460 must be reported separately for each additional security. Reports listing additional security numbers will require the filing of an amending form

2. On *February 19, 2020*

it was resolved to *convene a meeting special meeting* _____

to be held on *March 25, 2020* at *15:00*

at the following address *7 Jabotinsky Street, 13th Floor, Ramat Gam*

3. On the agenda:

Explanation: The numbering of the agenda topics shall be according to the order of their appearance in the meeting's convening report, if attached as a file

Issues/resolutions which will be raised at the meeting:

1

The issue/resolution and its details:

Description of the nature of the issue:

Engagement in a policy for the insurance of directors and other officers, including the Bank's Chief Internal Auditor.

The proposed resolution:

To approve the engagement in the policy (hereinafter: the "Insurance Policy") to insure the liability of the officers that serve periodically (including those that will be appointed in the future), or have served, at the Bank and/or at companies in the Bank's group, which includes the Bank's subsidiaries, among which is Bank Yahav for Government Employees Ltd (hereinafter, jointly: the "Officers"); the Bank's Chief Executive Officer, who serves

periodically (including whomsoever may be appointed in the future) or has served as the Bank's Chief Executive Officer, as well as the Bank's controlling shareholders and their relatives and Officers in whose liability insurance the Bank's controlling shareholders hold personal interest, who serve periodically (including those that will be appointed in the future) or have served as Officers, shall also be insured under the Insurance Policy, as detailed in section 1.3 of the attached immediate report.

For further details, see section 1 of the immediate report regarding the convening of the general meeting, attached herein.

Declaration: No appropriate classification field exists

Notice: A value in this table sets the text of the shareholder's declaration in the online voting system. For the conversion table, [click here](#)

Reference to the last report on the subject of approving a private proposal (T138):

Not a transaction between the company and a controlling shareholder therein as stated in Articles 275 and 320(f) of the Companies Law

Reference to the last report on the subject (T133):

Explanation of the article in the Companies Law or the Securities Law or in another law for the approval of the resolution:

The engagement in the Insurance Policy shall be brought to the approval of the general meeting of the Bank's shareholders, not in accordance with the bank's remuneration policy, in accordance with Articles 272(c)(2), 272(c1)(2) and 273(b) of the Companies Law.

Explanation: In a transaction with a controlling shareholder that does not match any field in the law articles table, select the fields "Declaration: No appropriate classification field exists" and "Yes" transaction with controlling shareholder.

Only in the event of a bonds meeting or that this is not a transaction with a controlling shareholder and no appropriate field can be found in the table, should the relevant articles of the law by power of which the resolution is required be detailed and explained.

Does the issue require the disclosure of a connection or another characteristic of the voting shareholder: *Yes*

Notice: These values can only be selected if the field "Declaration: No appropriate classification field exists" was marked in the previous table and the transaction at hand is not between the company and its controlling shareholder

Are you a controlling shareholder or have a personal interest in the approval of the resolution

In the event of a bonds meeting

The existence of another issue has been decided:

Details of the other issue:

Notice: The details of the other issue establish the text of the declaration which will be included in the online voting system. The question must be worded so as to have a "Yes"/"No" answer. The question will appear in the voting system next to the resolution on the agenda and the voter will be able to choose between "Yes"/"No" and be able to add details if the answer is "Yes".

Request for additional information from the holders:

It was decided to require additional information from the holders: *No*

Details of the additional information required from the holders or manner of meeting convention (in the event of a meeting according to 350):

Notice: This field establishes the text of the requirement for additional information which will be included in the online voting system. The voter will have the possibility to add the information in a text field.

- Amendment of a disclosure
- Negligible change or one that only benefits the company compared with the text of a resolution detailed in a last report.
- Removed from the agenda
- The subject was discussed in a previous meeting
- The subject was added to the agenda by court order

□ The subject was added to the agenda according to Regulation 5b of the Companies Regulations (Notice of General Meetings and of Category Meetings in a Public Company, and Addition of an Issue to the Agenda) 5760-2000

□ The subject was added to the agenda after the record date due to a technical error, as specified:

Explanation: After the record date, a resolution cannot be amended except for an amendment of the transaction conditions that benefits the company or a negligible change. Likewise, new issues cannot be added to the agenda after the record date, except by court order or in accordance with Regulation 5B of the Notice of General Meetings Regulations

The resolution on the agenda is brought to *a vote*

Type of majority required for approval *not an ordinary majority*

The majority required at the general meeting and at the deferred general meeting to approve the proposal on the agenda to approve the Insurance Resolution is an ordinary majority of the shareholders present at the general meeting, who are entitled to vote and voting thereat, provided that one of the following takes place:

(1) The counting of the majority votes at the general meeting will include a majority of the votes of shareholders who are not controlling shareholders at the Bank or have personal interest in the approval of the Insurance Resolution, who are participating in the vote; in the counting of the total votes of the aforesaid shareholders, abstaining votes will not be taken into account;

(2) The total opposing votes of the shareholders referred to in paragraph (1) above does not exceed two percent (2%) of the total voting rights at the bank

Does the rate of the controlling shareholder's holdings of the corporation's shares bestow the controlling shareholder with the required majority for the adoption of the proposed resolution in this matter *No*

Attachment of the report on the convening of the meeting: [conveningreport_isa.pdf](#)

4. Attachments

4.1 Attachment of a file which includes a voting paper/position papers: [votingpaper_isa.pdf](#)

Yes a voting paper

No position paper

Explanation: If a voting paper and/or a position paper has been attached, it must be verified that they are drafted in accordance with the Companies Regulations (Written Votes and Position Papers), 5766-2005. The company must assemble all position papers (per the meaning in Article 88 of the Companies Law) in a single file, in which it will be specified when the notice was published, from whom it was received, and a reference will be made to the relevant page in the consolidated file.

4.2 Attachment of a file which includes candidate statements/other related documents:

___ declaration of the candidate to serve as corporate director

___ declaration of an independent director

___ declaration of an outside director

___ declaration of a representative's appointment to representation

___ amended deed of trust

___ an application to approve a creditors' arrangement under Article 350

___ other ___

Link to the voting system website where voting may take place: Voting system

Explanation: Those who are entitled to vote through the system will receive access information from stock exchange members.

5. The legal counting for holding the meeting:

The legal counting for holding the general meeting will be constituted upon the presence, in person or by proxy, of two shareholders holding at least twenty-five percent (25%) of the voting rights, within half an hour from the time set for the beginning of the meeting.

6. In the absence of a legal counting, the deferred meeting will be held on *March 30, 2020* at *15:00*, at the following address: *7 Jabotinsky Street, 13th floor, Ramat Gan*

No meeting shall be held in the absence of a legal counting

7. The times and place where any proposed resolution which was not described in full in the above description of the agenda may be perused:

At the bank's offices (tel: 03-7559720), 7 Jabotinsky Street (13th Floor), Ramat Gan, during standard business hours, until the time set for the meeting

Meeting identifier:

Note: The meeting identifier is the reference of the initial report. The field will remain empty in the initial report on the meeting.

Details of the signatories authorized to sign on behalf of the corporation

	Signatory's Name	Position
1	<i>Racheli Friedman, Adv.</i>	<i>Other Chief Legal Advisor</i>
2	<i>Ms. Maya Feller</i>	<i>Other Bank Secretary</i>

Explanation: According to Regulation 5 of the Securities (Periodic and Immediate Reports) Regulations, 5730-1970, a report filed under these regulations shall be signed by those authorized to sign on behalf of the corporation. The position of the senior staff on the matter (in Hebrew) can be found on the ISA's website: [Click here](#)

As specified in section 1 of the attached immediate report, the Bank's Chief Executive Officer, as well as the Bank's controlling shareholders and their relatives, shall also be insured under the Insurance Policy. Accordingly, the Remuneration Committee and the Board of Directors have confirmed that said engagement fulfills the conditions established in regulations 1a1 and 1b.(a)(5) of the Companies Regulations (Relief for Transactions with Interested Parties), 5760-2000 (hereinafter: the "Relief Regulations"). Therefore, in tandem with the publication of this

convening report, the Bank will also be publishing an immediate report in accordance with regulations 1a1 and 1b.(a)(5) of the Relief Regulations.

Reference numbers of previous documents concerning the issue reported herein (the mention does not constitute inclusion by way of reference):

[2019-01-105612](#) **[2018-01-083194](#)**

Securities of a Corporation Listed for Trading on the Tel Aviv Stock Exchange Form structure revision date: February 18, 2020

Abbreviated Name: Mizrahi Tefahot

Address: 7 Jabotinsky Street, Ramat Gan, 52520 Tel:03-7559720 Fax:03-7559923

E-mail: mangment@umtb.co.il Company website: <https://www.mizrahi-tefahot.co.il>

Previous name of the reporting entity: United Mizrahi Bank Ltd

Name of the person reporting electronically: Friedman Rachel Position: Chief Legal Advisor Name of Employing Company:

Address: 7 Jabotinsky Street, Ramat Gan, 52520 Tel: 03-7559500 Fax: 03-7559655 E-mail: rachelifr@umtb.co.il

Mizrahi Tefahot Bank Ltd

Date: February 19, 2020

To
Israel Securities Authority
www.isa.gov.il

To
Tel Aviv Stock Exchange Ltd
www.tase.co.il

Re: Immediate Report on the Convening of a Special General Meeting of the Shareholders of Mizrahi Tefahot Bank Ltd, in accordance with the Companies Law, 5759-1999 (hereinafter: the “Companies Law”), the Securities Regulations (Periodic and Immediate Reports) 5730-1970, the Companies Regulations (Notice and Announcement of General Meeting and Class Meeting in Public Company) 5760-2000, and the Companies Regulations (Written Votes and Position Papers) 5766-2005 (hereinafter: “Written Vote Regulations”)

Mizrahi Tefahot Bank Ltd (hereinafter: the “**Bank**”) hereby announces the convening of a special general meeting (hereinafter: the “**general meeting**”) on Wednesday, March 25, 2020, at 15:00, at the Bank's offices on 7 Jabotinsky Street, Ramat Gan, 13th floor

1. The issue on the agenda and a summary of the proposed resolution: Approval of an engagement in a policy to insure the liability of directors and other officers

- 1.1 **Description of the nature of the issue:** Engagement in a policy for the insurance of directors and other officers, including the Bank’s Chief Internal Auditor.
- 1.2 **Text of the proposed resolution:** To approve the engagement in the policy (hereinafter: the “**Insurance Policy**”) to insure the liability of the officers that serve periodically (including those that will be appointed in the future), or have served, at the Bank and/or at companies in the Bank’s group, which includes the Bank’s subsidiaries, among which is Bank Yahav for Government Employees Ltd (hereinafter, jointly: the “**Officers**”); the Bank’s Chief Executive Officer, who serves periodically (including whomsoever may be appointed in the future) or has served as the Bank’s Chief Executive Officer, as well as the Bank’s controlling shareholders and their relatives and Officers in whose liability insurance the Bank’s controlling shareholders hold personal interest, who serve periodically (including those that will be appointed in the future) or have served as Officers, shall also be insured under the Insurance Policy, as detailed in section 1.3 below.

1.3 **The principle facts required to understand the matter:**

1.3.1 **Background**

- a. The updated remuneration policy for Bank Officers, as approved by the general meeting on December 18, 2019 (hereinafter: the “**Remuneration Policy**”) established instructions in the matter of the Bank’s engagement in a policy to insure the liability of Officers, as detailed in section 5.5 of the Remuneration Policy, which was attached as Appendix B to the (supplementary) immediate report published by the Bank on December 2, 2019 (reference no. 2019-01-105612).
- b. On March 31, 2020, the period covered by the current policy to insure the liability of Officers, which commenced on October 1, 2018 (hereinafter: the “**Current Insurance Policy**”), shall end. For details of the Current Insurance Policy, see the report published by the Bank on September 6, 2018 (reference no. 2018-01-083194).
- c. The Bank’s engagement in the insurance policy, for a period that shall commence on April 1, 2020 (as detailed below in section 1.3.2) is in line with the Remuneration Policy, except in the matter of the premium sum, which is higher than the premium sum determined in the Remuneration Policy (as detailed in section 5.5.2c. of the Remuneration Policy and in section 1.3.2a(3) below). Accordingly, the engagement in the policy to insure the liability of Officers, as detailed below, was approved by the Remuneration Committee and the Board of Directors, and shall also be brought to the approval of the general meeting of the Bank’s shareholders, not in accordance with the Remuneration Policy, as required by the Companies Law.
- d. Furthermore, as specified above, the Bank’s Chief Executive Officer, as well as the Bank’s controlling shareholders and their relatives, shall also be insured under the Insurance Policy, as detailed below. Accordingly, the Remuneration Committee and the Board of Directors have confirmed that said engagement fulfills the conditions established in regulations 1a1 and 1b.(a)(5) of the Companies Regulations (Relief for Transactions with Interested Parties), 5760-2000 (hereinafter: the “**Relief Regulations**”). Therefore, in tandem with the publication of this convening report,

the Bank will also be publishing an immediate report in accordance with regulations 1a1 and 1b.(a)(5) of the Relief Regulations.

1.3.2 The engagement in the policy to insure the liability of Officers

a. The Bank shall engage in a policy to insure the liability of the officers that serve periodically (including those that will be appointed in the future), or have served, at the Bank and/or at companies in the Bank's group, which includes the Bank's subsidiaries, among which is Bank Yahav for Government Employees Ltd; the Bank's Chief Executive Officer, who serves periodically (including whomsoever may be appointed in the future) or has served as the Bank's Chief Executive Officer, as well as the Bank's controlling shareholders and their relatives and Officers in whose liability insurance the Bank's controlling shareholders hold personal interest, who serve periodically (including those that will be appointed in the future) or have served as Officers shall also be insured under the Insurance Policy, as detailed below:

- (1) The insurer according to the Insurance Policy is Clal Insurance Company Ltd. (hereinafter: the "**Insurer**").
- (2) The insurance period is 12 months, commencing on April 1, 2020 and ending on March 31, 2021 (hereinafter: the "**Insurance Period**").
- (3) The premium which will be paid for the Insurance Policy for the Insurance Period is in the sum of approx. 2.17 million American Dollars (hereinafter: "**USD**").
- (4) The limits of the Insurer's liability according to the Insurance Policy are USD 140 million per single event and USD 280 million, in the aggregate, for the entire Insurance Period. In addition, the policy includes insurance coverage for reasonable legal expenses at up to 20% of the insurance amount.
- (5) In the event of a lawsuit against any of the Officers, no personal participation at any sum will apply to the officer, under the policy. In such a case, the Bank will bear the personal participation sum, at a sum of up to USD 200,000 per event.

(hereinafter: the “**Insurance Resolution**”); the engagement with Clal Insurance Company Ltd., as aforesaid, will be referred to hereinafter as: the “**Engagement**”).

- b. It should be noted that Ms. Liora Ofer, who was among the controlling shareholders at the Bank, had served as a director at the Bank until February 7, 2019. In addition, Mr. Yuli Ofer, OBM, Ms. Liora Ofer’s father, had served as a director at the Bank until December 24, 2008; and Mr. Idan Ofer, who is the brother of Mr. Eyal Ofer, one of the Bank’s controlling shareholders, has also served in the past as a director at the Bank. In addition, Mr. Moshe Wertheim, OBM, the father of David Wertheim and Drorit Wertheim, who are among the Bank’s controlling shareholders, And who was himself among the controlling shareholders at the Bank, had served as a director at the Bank until September 15th, 2014.

Therefore, the Insurance Policy, which applies to the Officers who are periodically serving (or will be appointed in the future), or who have served as Officers, shall also apply to Messrs. Idan Ofer, Yuli Ofer OBM, Moshe Wertheim OBM, as well as Mme. Liora Ofer, due to their service as directors, as aforesaid. It is hereby clarified that the Insurance Policy shall also apply to controlling shareholders at the Bank or their relatives who will be appointed as Officers in the future (insofar as they may be appointed), even if their names are not specified above.

In addition, the Insurance Policy shall also apply to the Bank’s Chief Executive Officer.

- 1.3.3 The Bank will approach the Bank’s subsidiaries and propose, subject to the Insurance Resolution’s approval by the general meeting, that they participate in the Insurance Policy and bear their share of the premium. If any of the subsidiaries does not engage in the Insurance Policy, the Bank’s share in the premium amount will increase, up to the full sum of the premium.

1.4 The reasoning of the Remuneration Committee and the Board of Directors

- 1.4.1 The Bank’s Engagement in the policy to insure Officers’ liability, as aforesaid, is in line with the Remuneration Policy of Bank Officers, except in the matter of the premium sum, which is higher than the

premium sum determined in the Remuneration Policy (as detailed in section 5.5.2c. of the Remuneration Policy and in section 1.3.2a(3) above); said Engagement can contribute to the Officers fulfilling their roles appropriately, to the Bank's benefit, and the advancement of its goals in the long term while taking into account the risks involved therein.

- 1.4.2 The Insurance Policy shall apply with identical conditions to all directors and other officers, without prioritizing the Bank's Chief Executive Officer, the Bank's controlling shareholders or their relatives or whomsoever that a controlling shareholder at the Bank holds personal interest in the insurance of his liability.
- 1.4.3 Engagement in a policy to insure Officers' liability is common at public companies, including Israeli banks.
- 1.4.4 The insurance sums of USD 140 million per single event and USD 280 million, in the aggregate, for the entire Insurance Period, which are identical to the insurance sums determined in the Current Insurance Policy (which ends on March 31, 2020), were determined in view of the risk involved in the activity of the Officers at the Bank, while taking into consideration the Bank's size and areas of operation and those of its subsidiaries and their scope, as well as the Bank's status as a banking corporation and a public company.
- 1.4.5 The insurance sums of USD 140 million per single event and USD 280 million, in the aggregate, for the entire Insurance Period, are deemed reasonable considering the current market data regarding this type of insurance, and compared to the insurance sums acquired by other Israeli banks.
- 1.4.6 Although the premium sum to be paid for the Insurance Policy and for the Insurance Period (approx. USD 2.17 million for a period of 12 months) has increased substantially compared to the premium sum paid for the Current Insurance Policy, for the insurance period ending on March 31, 2020 (approx. USD 685,000, for a period of 18 months); however, it is the opinion of the Remuneration Committee and the Board of Directors that the premium sum for the Insurance Policy is reasonable, as also arises from the opinion of the Bank's professional insurance advisor (which was submitted to the Remuneration Committee and the Board of Directors), given the state of the officer

liability insurance market in the world in general; and especially so considering, *inter alia*, the substantial increase of premium sums for officer liability insurance policies, and another increase in the premium sums of Israeli financial bodies; and also considering the insurance experience in Israel in general, and in the banking system in particular, and their impact on the current market data on officer liability insurance in Israel; all, in view of the importance that the Remuneration Committee and the Board of Directors attribute to maintaining the insurance sums established in the Current Insurance Policy and its conditions, with attention, *inter alia*, to the Bank's needs, its size and the scope of its activity.

1.4.7 With regard to the Bank's Chief Internal Auditor, the Remuneration Committee and the Board of Directors have adopted the recommendation of the Audit Committee, according to which the Insurance Policy shall also apply to whomsoever serves periodically (including whomsoever will be appointed in the future) or has served as the Bank's Chief Internal Auditor; and that applying the Insurance Policy with respect to the Bank's Chief Internal Auditor shall not affect his professional discretion.

1.4.8 The following conditions were fulfilled with respect to the Engagement in the policy to insure the liability of Officers, as detailed above:

- a. The Engagement is per market conditions;
- b. The Engagement is not to materially affect the Bank's profitability, its property or its undertakings;
- c. The Engagement does not include "distribution" by its standard, nature and conditions;
- d. There is no reasonable concern that said Engagement would prevent the Bank from fulfilling its current and anticipated obligations, when the time comes to fulfill these;
- e. The Engagement is in favor of the Bank and the advancement of its goals in the long term.

1.5 **The majority required to pass the Insurance Resolution**

The majority required at the general meeting and at the deferred general meeting to approve the proposal on the agenda to approve the Insurance Resolution is an ordinary majority of the shareholders present at the general meeting, who are

entitled to vote and voting thereat, provided that one of the following takes place:

- 1.5.1 The counting of the majority votes at the general meeting will include a majority of the votes of shareholders who are not controlling shareholders at the Bank or have personal interest in the approval of the Insurance Resolution, who are participating in the vote; in the counting of the total votes of the aforesaid shareholders, abstaining votes will not be taken into account;
- 1.5.2 The total opposing votes of the shareholders referred to in section 1.5.1 above does not exceed two percent (2%) of the total voting rights in the Bank.

A shareholder participating at the vote, with regard to the resolution detailed above in this report, shall notify the Bank prior to the vote; and if the vote is through a voting paper – shall mark the designated place in Part B of the voting paper attached as **Appendix A** to this immediate report whether he is considered a controlling shareholder in the Bank, or any party on behalf thereof or whether he has a personal interest in the approval of the Remuneration Policy, as the case may be, and also describe the relevant affiliation, if any. Should a shareholder fail to notify or mark as aforesaid, or if he has made a mark and not provided a description as aforesaid, his vote shall not be counted.

In this report – “**personal interest**” – an individual's personal interest in any activity or transaction of a company, including the personal interest of a relative and another corporation wherein he or his relative are interested parties, excluding personal interest arising from holding shares at the company, including the personal interest of an individual voting by power of attorney granted to him by another individual even if the other has no personal interest; likewise, the vote of an individual who has been granted power of attorney to vote on behalf of an individual who has personal interest will be considered as a vote by the holder of the personal interest, and all whether the judgment in the vote is that of the voter or not.

1.6 **The identity of the members of the Remuneration Committee and the members of the Board of Directors who participated in the meeting at which the Insurance Resolution was approved**

- 1.6.1 The following members of the Remuneration Committee participated in the Remuneration Committee meeting on February 17, 2020, at which the Insurance Resolution was approved: Ms. Ms. Hanna Feuer (outside

director), Mr. Gilad Rabinovich (outside director), Mr. Joseph Fellus (outside director) and Ms. Sabina Biran (independent director).

- 1.6.2 The following directors participated in the Board of Directors meeting on February 19, 2020, at which the Insurance Resolution was approved: Mr. Moshe Vidman, chairman, Mr. Gilad Rabinovich (outside director), Ms. Hanna Feuer (outside director), Mr. Joseph Fellus (outside director), Ms. Sabina Biran (independent director), Mr. Ron Gazit, Mr. Avraham Zeldman, Mr. Jonathan Kaplan, Mr. Joav-Asher Nachshon and Mr. Eli Alroy

All of the directors hold personal interest in the approval of the Insurance Resolution.

2. Location and time of the meeting's convening

- 2.1 The general meeting will convene on Wednesday, March 25, 2020, at 15:00, at the Bank's offices, 7 Jabotinsky St., Ramat Gan, 13th floor (hereinafter: the "**Bank's Offices**"). If the meeting is deferred, it will be held on March 30, 2020, at the same time and place.

The date for determining the entitlement of shareholders to vote at the general meeting, as provided in Section 182 of the Companies Law, will be February 25, 2020 (hereinafter: the "**Effective Date**").

- 2.2 The legal counting for holding the general meeting will be constituted upon the presence, in person or by proxy, of two shareholders with at least twenty five percent (25%) of the voting rights, within half an hour from the time scheduled for the beginning of the meeting.
- 2.3 The Bank's controlling shareholders' holdings of the Bank's issued and redeemed capital shall not grant the Bank's controlling shareholders the majority required to approve the resolution on the agenda of the general meeting.
- 2.4 A shareholder is entitled to vote at the general meeting, in person or through an agent granted power of attorney to vote. In addition, a shareholder is entitled to vote at the general meeting at the vote to approve the Insurance Resolution, via voting paper, as detailed below (hereinafter: "**Written Vote**" or "**Voting Paper**").
- 2.5 2.5.1 In addition, an unregistered shareholder (i.e. a person to whom shares are registered with a TASE member, and those shares are also included in the Shareholder Registry under a registration company's name) (hereinafter: "**Unregistered Shareholder**") is also entitled to vote

through an electronic Voting Paper, which shall be transferred to the Bank through the electronic voting system (hereinafter: “**Electronic Voting System**”) up to 6 hours prior to the meeting.

- 2.5.2 An Unregistered Shareholder may, at any time, announce by writing to the TASE member through which he holds shares that he is not interested in being included on the list of those entitled to vote through the Electronic Voting System (as determined by the Effective Date). If he has done so, then the TASE member shall not deliver information about him according to the Written Votes and Position Papers Regulations, as long as no other instruction has arrived from the Unregistered Shareholder. Such instructions from shareholders, as stated above, shall be delivered to the TASE member no later than 12:00 noon on the Effective Date, with regard to the securities account and not particular securities held in the account.
- 2.6 A Written Vote will be made through the second part of the Voting Paper, attached as **Appendix A** to this immediate report. The Voting Paper and the documents which must be attached thereto (hereinafter: “**Attached Documents**”), as provided in the Voting Paper, should be delivered to the Bank’s Offices up to 4 hours prior to the convening of the meeting (with respect to an Unregistered Shareholder); and up to 6 hours prior to the convening of the meeting (with respect to a Registered Shareholder). In this regard, the “time of delivery” shall be the time at which the Voting Paper and the Attached Documents arrive at the Bank’s Offices
- 2.7 The document appointing an agent to vote (hereinafter: “**Letter of Appointment**”) and the power of attorney under which the Letter of Appointment was signed (if any) or a copy thereof, certified to the Bank’s satisfaction, is to be prepared and signed by the appointer or by an agent authorized therefor in writing; and if the appointer is a corporation, will be signed in a manner such that binds the corporation. The Letter of Appointment will be deposited at the Bank’s Offices no later than 48 hours prior to the time scheduled for the beginning of the meeting.
- 2.8 The address of the Israel Securities Authority’s distribution site and the website of the Tel-Aviv Stock Exchange Ltd, on which the voting papers and position papers are posted:
- 2.8.1 The distribution site of the Israel Securities Authority:
<http://www.magna.isa.gov.il/>;

- 2.8.2 The Internet site of the Tel-Aviv Stock Exchange Ltd:
<http://maya.tase.co.il/>
- 2.9 A shareholder may contact the Bank directly to receive the text of the voting paper and position papers from it.
- 2.10 An Unregistered Shareholder is entitled to receive by e-mail a link to the voting paper and position papers on the distribution site from the TASE member through which he holds his shares, free of charge, unless he has notified the TASE member that he does not wish to receive such a link, or that he wishes to receive voting papers by regular mail in return for payment; a notice regarding voting papers shall also apply to receiving position papers.
- 2.11 A shareholder whose shares are registered with a TASE member may receive the ownership confirmation at a branch of the TASE member or by mail, if he has requested it. A request in this matter shall be given in advance regarding a particular securities account.
- An Unregistered Shareholder may instruct that his ownership confirmation be transferred to the Bank through the Electronic Voting System.
- 2.12 2.12.1 A Voting Paper shall be valid with respect to an Unregistered Shareholder only if an ownership confirmation has been attached thereto, or if such a confirmation has been transferred to the Bank through the Electronic Voting System.
- 2.12.2 The Voting Paper shall be valid with respect to a shareholder according to Article 177(2) of the Companies Law (i.e. those registered as a shareholder in the Shareholder Registry) only if a photocopy of one's identification card, passport or incorporation certificate is attached thereto.
- 2.13 The Bank's address for the delivery of voting papers and position papers: The Bank's Offices at 7 Jabotinsky Street, Ramat-Gan.
- 2.13.1 The deadline for the delivery of position papers to the Bank: Up to 10 days before the meeting.
- 2.13.2 The deadline for the delivery of the Board of Directors' response to the position papers: No later than 5 days prior to the date of the meeting.
- 2.14 Any shareholder at the Bank voting at the meeting on the Insurance Resolution that is upon the agenda, who is an interested party at the Bank (as defined in Article 1 of the Securities Law 5728-1968), an officer at the Bank (as defined in Article 37(d) of the Securities Law 5728-1968), a financial institution (as defined in the Control of Financial Services (Insurance) Law 5741-1981), or a fund

manager (per its meaning in the Joint Investment Trust Law, 5721-1961), is required to notify the Bank, prior to voting at the meeting, with the details below regarding his or its voting manner at the meeting:

- 2.14.1 The voter's identity: last name and first name for an individual, corporation name and number for a corporation;
- 2.14.2 The amount of securities by power of which the vote was made;
- 2.14.3 Voting manner;
- 2.14.4 Whether the voter has a personal interest or some other characteristic, as determined in the table in the addendum to the Companies Regulations (Written Votes and Position Papers) 5766-2005;
- 2.14.5 Additional relations between the voter and the company, the controlling shareholder or a senior officer therein, and details of the nature of the relationship;
- 2.14.6 If the vote is by proxy, the above details shall also be made with regard to both the power of attorney grantor and agent.

3. **Adding an Issue to the Agenda**

After the publication of this report, there may be changes to the agenda, including the addition of an issue thereto, and position papers may be published; it will be possible to review the updated agenda and published position papers in the Bank's reports on the distribution site.

One or more shareholder(s) who hold(s) shares representing at least 1% of the voting rights at the General Meeting of the Bank may request the Board of Directors to include an issue on the agenda of the meeting up to 7 days after the convening of the meeting, provided that the issue is appropriate to be discussed at the general meeting. Should the Board of Directors find that the issue requested to be included on the agenda is appropriate for a discussion at the general meeting, the Bank shall prepare an updated agenda and an amended Voting Paper, insofar as this may be required, which will be published no later than 7 days after the final date to produce a request to include another issue on the agenda, as stated above. It is clarified that the publication of an updated agenda, as stated above, shall not change the Record Date as set forth in this report.

4. **Details regarding the Bank's representative in respect of the handling of this report**

Racheli Friedman, Adv., Chief Legal Advisor, Mizrahi Tefahot Bank Ltd, 7 Jabotinsky St., Ramat-Gan, Tel: 03-7559500, Fax: 03-7559655

5. **Perusal of Documents**

This report and the full text of the proposed resolutions may be perused at the Bank's offices, Tel: 03-7559720, during standard business hours, until the time scheduled for the meeting.

Mizrahi Tefahot Bank Ltd

Via: Racheli Friedman, Adv. Maya Feller
Chief Legal Advisor Bank Secretary

Mizrahi Tefahot Bank Ltd
VOTING PAPER PURSUANT TO THE COMPANIES REGULATIONS (WRITTEN
VOTES AND POSITION PAPERS), 5766-2005
(THE "REGULATIONS")

Part One

1. Name of Company: **Mizrahi Tefahot Bank Ltd.** (hereinafter: "**Company**" or "**Bank**")
2. The type of general meeting and the time and place thereof: A special general meeting of all of the Bank's shareholders (hereinafter: the "**General Meeting**" or the "**Meeting**"). The General Meeting shall convene on Wednesday, March 25, 2020, at 15:00, at the Bank's offices, 7 Jabotinsky Street, 13th floor, Ramat Gan. Should the meeting be deferred, it shall take place on Monday, March 30, 2020, at the same time and place.
3. Details of the issue on the agenda, as detailed in the immediate report published by the Bank on February 19, 2020 (hereinafter: the "**Immediate Report**"), which can be voted on through the voting paper:

Approval of an Engagement in a Policy to Insure the Liability of Directors and Other Officers – the issue detailed in section 1 of the Immediate Report

- 3.1 **Text of the proposed resolution:** To approve the engagement in the policy (hereinafter: the "**Insurance Policy**") to insure the liability of the officers that serve periodically (including those that will be appointed in the future), or have served, at the Bank and/or at companies in the Bank's group, which includes the Bank's subsidiaries, among which is Bank Yahav for Government Employees Ltd (hereinafter, jointly: the "**Officers**"); the Bank's Chief Executive Officer, who serves periodically (including whomsoever may be appointed in the future) or has served as the Bank's Chief Executive Officer, as well as the Bank's controlling shareholders and their relatives and Officers in whose liability insurance the Bank's controlling shareholders hold personal interest, who serve periodically (including those that will be appointed in the future) or have served as Officers, shall also be insured under the Insurance Policy, as detailed in section 3.2 below.
- 3.2 **Description of the nature of the issue and the main facts required to understand the issue**
 - 3.2.1 **Background**

- a. On March 31, 2020, the insurance period covered by the current policy to insure the liability of Officers, which commenced on October 1, 2018, shall end
- b. The Bank's engagement in the insurance policy, for a period that shall commence on April 1, 2020, is in line with the updated remuneration policy for Bank officers, as approved on December 18, 2019 (hereinafter: the "**Remuneration Policy**"), except in the matter of the premium sum, which is higher than the premium sum determined in the Remuneration Policy (as detailed in section 5.5.2c. of the Remuneration Policy and in section 3.2.2a(3) below). Accordingly, the approval of the engagement in the Insurance Policy also requires the approval of the General Meeting, not in accordance with the Remuneration Policy, as required by the Companies Law
- c. In addition, the Chief Executive Officer of the Bank, as well as the Bank's controlling shareholders and their relatives, shall also be insured under the Insurance Policy, as detailed in sections 1.3.1.d. and 1.3.2.b. of the Immediate Report.

3.2.2 The engagement in the policy to insure the liability of officers

- a. The Bank shall engage in a policy to insure the liability of the officers that serve periodically (including those that will be appointed in the future), or have served, at the Bank and/or at companies in the Bank's group, which includes the Bank's subsidiaries, among which is Bank Yahav for Government Employees Ltd; the Bank's Chief Executive Officer, who serves periodically (including whomsoever may be appointed in the future) or has served as the Bank's Chief Executive Officer, as well as the Bank's controlling shareholders and their relatives and Officers in whose liability insurance the Bank's controlling shareholders hold personal interest, who serve periodically (including those that will be appointed in the future) or have served as Officers shall also be insured under the Insurance Policy, as detailed below:
 - (1) The insurer according to the Insurance Policy is Clal Insurance Company Ltd. (hereinafter: the "**Insurer**").

- (2) The insurance period is 12 months, commencing on April 1, 2020 and ending on March 31, 2021 (hereinafter: the “**Insurance Period**”).
- (3) The premium which will be paid for the Insurance Policy for the Insurance Period is in the sum of approx. 2.17 million American Dollars (hereinafter: “**USD**”).
- (4) The limits of the Insurer’s liability according to the Insurance Policy are USD 140 million per single event and USD 280 million, in the aggregate, for the entire Insurance Period. In addition, the policy includes insurance coverage for reasonable legal expenses at up to 20% of the insurance amount.
- (5) In the event of a lawsuit against any of the Officers, no personal participation at any sum will apply to the officer, under the policy. In such a case, the Bank will bear the personal participation sum, at a sum of up to USD 200,000 per event.

(hereinafter: the “**Insurance Resolution**”; the engagement with Clal Insurance Company Ltd., as aforesaid, will be referred to hereinafter as: the “**Engagement**”).

- b. The Bank will approach the Bank’s subsidiaries and propose, subject to the Insurance Resolution’s approval by the general meeting, that they participate in the Insurance Policy and bear their share of the premium. If any of the subsidiaries does not engage in the Insurance Policy, the Bank’s share in the premium amount will increase, up to the full sum of the premium.

For further details, see section 1.3 of the Immediate Report.

3.2.3 For details on the reasoning of the Remuneration Committee and the Board of Directors in the approval of the Insurance Resolution, see section 1.4 of the Immediate Report.

3.2.4 For details regarding the identity of the members of the Remuneration Committee and the Board of Directors, who had participated in the meeting at which the Insurance Resolution was approved, see section 1.6 of the Immediate Report.

4. **The majority required to pass the resolution upon the agenda of the General Meeting, which can be voted on through the voting paper:**

The majority required at the General Meeting and at the deferred general meeting to approve the proposal on the agenda to approve the Insurance Resolution is an ordinary majority of the shareholders present at the General Meeting, who are entitled to vote and voting thereat, provided that one of the following takes place:

4.1 The counting of the majority votes at the General Meeting will include a majority of the votes of shareholders who are not controlling shareholders at the Bank or have personal interest in the approval of the Insurance Resolution, who are participating in the vote; in the counting of the total votes of the aforesaid shareholders, abstaining votes will not be taken into account;

4.2 The total opposing votes of the shareholders referred to in section 4.1 above does not exceed two percent (2%) of the total voting rights in the Bank.

A shareholder participating at the vote, with regard to the Insurance Resolution, shall notify the Bank prior to the vote; and if the vote is through a voting paper – shall mark the designated place in Part B of the voting paper whether he is considered a controlling shareholder in the Bank, or any party on behalf thereof or whether he has a personal interest in the approval of the Insurance Resolution, as the case may be, and also describe the relevant affiliation, if any. Should a shareholder fail to notify or mark as aforesaid, or if he has made a mark and not provided a description as aforesaid, his vote shall not be counted.

In this report – “**personal interest**” – an individual's personal interest in any activity or transaction of a company, including the personal interest of a relative and another corporation wherein he or his relative are interested parties, excluding personal interest arising from holding shares at the company, including the personal interest of an individual voting by power of attorney granted to him by another individual even if the other has no personal interest; likewise, the vote of an individual who has been granted power of attorney to vote on behalf of an individual who has personal interest will be considered as a vote by the holder of the personal interest, and all whether the judgment in the vote is that of the voter or not.

5. **Place and time during which the full text of the proposed resolutions can be perused:**

The Immediate Report released by the Company regarding the convening of the meeting and the full text of the proposed resolution may be inspected at the Bank's Offices, 7 Jabotinsky St., 13th floor, Ramat-Gan, Tel: 03-7559720, during standard business hours, until the time scheduled for the meeting.

6. A shareholder may contact the Bank directly to receive the text of the voting paper and position papers from it.
7.
 - 7.1 The voting paper shall be valid for an unregistered shareholder (i.e. a person to whom shares are registered with a TASE member, that are also included in the shareholders' register at the registration company) (hereinafter: "**Unregistered Shareholder**") only if an ownership confirmation is attached thereto, or if such a confirmation has been transferred to the Bank through the electronic voting system.
 - 7.2 The voting paper shall be valid with respect to a shareholder according to Article 177(2) of the Companies Law (i.e. those registered as a shareholder in the Shareholder Registry (hereinafter: "**Registered Shareholder**")) only if a photocopy of one's identity card, passport or incorporation certificate is attached thereto.
8. The voting paper and the documents which must be attached thereto (hereinafter: "**Attached Documents**"), as provided in the voting paper, should be delivered to the Bank's Offices as follows:
 - 8.1 Unregistered Voter: up to 4 hours prior to the convening of the meeting;
 - 8.2 Registered Voter: up to 6 hours prior to the convening of the meeting.

In this regard, the "time of delivery" shall be the time at which the Voting Paper and the Attached Documents arrive at the Bank's Offices.
9. An Unregistered Shareholder is also entitled to vote through an electronic voting paper, which will be transferred to the Bank through the electronic voting system (hereinafter: "**Electronic Voting System**") up to 6 hours prior to the meeting, at which time the Electronic Voting System will be closed.
10. The Bank's address for the delivery of voting papers and position papers: The Bank's Offices at 7 Jabotinsky Street, Ramat-Gan.
 - 10.1 The deadline for the delivery of position papers to the Bank: Up to 10 days before the meeting.
 - 10.2 The deadline for the delivery of the Board of Directors' response to the position papers: No later than 5 days prior to the date of the meeting.
11. The distribution address of the Israel Securities Authority's site and the website of the Tel-Aviv Stock Exchange Ltd, on which the voting papers and position papers are located:
 - 11.1 The distribution site of the Israel Securities Authority:
<http://www.magna.isa.gov.il/>;
 - 11.2 The Internet site of the Tel-Aviv Stock Exchange Ltd: <http://maya.tase.co.il/>

12. 12.1 A shareholder whose shares are registered with a TASE member may receive the ownership confirmation at a branch of the TASE member or by mail, if he has requested it. A request in this matter shall be given in advance regarding a particular securities account.
- 12.2 An Unregistered Shareholder may instruct that his ownership confirmation be transferred to the Bank through the Electronic Voting System.
13. An Unregistered Shareholder is entitled to receive by e-mail a link to the voting paper and position papers on the distribution site from the TASE member through which he holds his shares, free of charge, unless he has notified the TASE member that he does not wish to receive such a link, or that he wishes to receive voting papers by regular mail in return for payment; a notice regarding voting papers shall also apply to receiving position papers.
14. One or more shareholders holding shares at a rate which constitutes five percent or more of the total voting rights at the Bank; and likewise, anyone holding such a percentage of the total voting rights that are not held by the Bank's controlling shareholder, as defined in Article 268 of the Companies Law, may peruse the voting papers and voting records through the Electronic Voting System that have arrived at the Bank, as detailed in Regulation 10 of the Regulations.
The quantity of shares constituting 5% of the total voting rights at the Bank is:
11,750,110.
The quantity of shares constituting 5% of the total voting rights at the Bank, which are not held by the controlling shareholder, is: 6,601,868.
15. Any shareholder at the Bank voting on the Insurance Resolution which is on the agenda of the General Meeting, as detailed in section 3 above and section 1 of the Immediate Report, who is an interested party at the Bank (as defined in Article 1 of the Securities Law 5728-1968), an officer at the Bank (as defined in Article 37(d) of the Securities Law 5728-1968), a financial institution (as define in the Control of Financial Services (Insurance) Law 5741-1981), or a fund manager (per its meaning in the Joint Investment Trust Law, 5721-1961), is required to notify the Bank, prior to voting at the meeting, with the details below regarding his or its voting manner at the meeting:
- 15.1 The voter's identity: last name and first name for an individual, corporation name and number for a corporation;
- 15.2 The amount of securities by power of which the vote was made;
- 15.3 Voting manner;

- 15.4 Whether the voter has a personal interest or some other characteristic, as determined in the table in the addendum to the Companies Regulations (Written Votes and Position Papers) 5766-2005;
- 15.5 Additional relations between the voter and the company, the controlling shareholder or a senior officer therein, and details of the nature of the relationship;
- 15.6 If the vote is by proxy, the above details shall also be made with regard to both the power of attorney grantor and agent.
16. Adding an Issue to the Agenda: After the publication of this voting paper, there may be changes to the agenda, including the addition of an issue thereto, and position papers may be published; it will be possible to review the current agenda and published position papers in the Bank's reports on the distribution site.
- One or more shareholder(s) who hold(s) shares representing at least 1% of the voting rights at the general meeting of the Bank may request the Board of Directors to include an issue on the agenda of the meeting up to 7 days after the meeting's summoning, provided that the issue is appropriate for a discussion at the general meeting.
- Should the Board of Directors find that the issue requested to be included on the agenda is appropriate for a discussion at the general meeting, the Bank shall prepare an updated agenda and an amended voting paper, insofar as this may be required, which will be published no later than 7 days after the final date to produce a request to include another issue on the agenda, as stated above. It is clarified that the publication of an updated agenda, as stated above, shall not change the Effective Date as set forth in the immediate report.
17. A shareholder shall indicate his voting manner regarding the issue on the agenda on the form which is the second part of this voting paper; and in the event that the shareholder is voting by power of attorney (i.e. through an agent), the above details shall be given both to the grantor of the power of attorney and the agent..

Voting Paper - Part Two

Company Name: **Mizrahi Tefahot Bank Ltd.** (hereinafter: “**Company**” or “**Bank**”)

Company Address (for delivery of voting papers): Bank Offices, Mizrahi Tefahot Bank Ltd., 7 Jabotinsky Street, 13th floor, Ramat-Gan 52520.

Company No.: 520000522

Meeting Date: March 25, 2020 at 15:00

Meeting Type: Special

Effective Date: February 25, 2020

(Hereunto to be filled by the Company).

Shareholder Details

Shareholder's name: _____

Identity no.: _____

If the shareholder does not have an Israeli identification card:

Passport no.: _____

Issuing country: _____

Valid until: _____

If the shareholder is a corporation:

Corporation no.: _____

Country of incorporation: _____

Manner of voting

Number of issue on the agenda, as detailed in the immediate report regarding the convening of the meeting	Manner of voting ¹			In the matter of approving a transaction pursuant to Articles 255 and 272 through 275 to the Companies Law that the majority required for its approval is not an ordinary majority, or a remuneration policy according to Article 267a - are you a controlling shareholder or have a personal interest in the resolution's approval ² ?	
	For	Against	Abstain	Yes*	No
1					

Are you an interested party³, a senior officer⁴, an financial institution⁵ or a fund manager⁶?

YES _____ NO _____

Date

Signature

For shareholders who hold shares through a TASE member according to Section 177(1) of the Companies Law – this voting paper shall be valid only if accompanied by an ownership conformation, except for events in which the voting is done through the electronic voting system.

* Please detail.

¹ Failure to mark will be considered as abstaining from a vote on that issue;

² A shareholder who will not fill in this column or mark "Yes" without an explanation will not be counted in the counting;

³ "Interested party" per this term's definition in Article 1 of the Securities Law 5728-1968;

⁴ "Senior officer" per this term's definition in Article 37(d) of the Securities Law 5728-1968;

⁵ "Financial institution" per this term's definition in the Control of Financial Services (Insurance) Law 5741-1981);

⁶ "Fund manager" per this term's definition the Joint Investment Trust Law, 5721-1961.

For shareholders that are registered in the Company's shareholders registry – this voting paper shall be valid if accompanied with a photocopy of an identity card/a passport/an incorporation certificate.

Details

Below are details in connection with my having a personal interest in the approval of the Bank's engagement in a policy to insure the liability of officers (as detailed in section 1 of the Immediate Report and in section 3 of the voting paper):
