

## **Translation of Immediate Report**

T880  
Public

**Bank Leumi le-Israel B.M.**  
Registration No. 520018078  
Securities of the Corporation are listed on The Tel Aviv Stock Exchange  
Abbreviated Name: Leumi  
3 Abba Hillel Silver St. Lod 7129404  
Phone: 076-8858111, 076-889419; Facsimile: 076-8859732  
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May 28, 2024  
Reference: 2024-01-052720

To: Israel Securities Authority ([www.isa.gov.il](http://www.isa.gov.il))  
The Tel Aviv Stock Exchange ([www.tase.co.il](http://www.tase.co.il))

### **Immediate Report regarding Approval of Buyback Plan**

#### **Regulation 31L(a) of the Securities Regulations (Periodic and Immediate Reports), 1970**

**1. Type of purchaser:** *The Company*

Name of the corporation controlled by the Company: \_\_\_\_\_

The Company controls the corporation by virtue of: \_\_\_\_\_

Percentage by which the corporation is held by the Company %: \_\_\_\_\_

Type of identity number: *Registrar of Companies*

I.D. number of the holder: *520018078*

Country of incorporation or registration: *Israel*

**1. Type of securities purchased as part of the buyback plan:** *Ordinary shares*

Security no. with the Stock Exchange: *604611*

Date on which the buyback plan's execution is scheduled to begin: *May 29, 2024*

Estimated date for executing future buybacks: *On each trading date on the Tel Aviv Stock Exchange, during the period scheduled for executing the plan and in accordance with its terms, as described below.*

The period set for execution of the plan: *May 29, 2024 through May 22, 2025*

Date of approval of the buyback plan by the Board of Directors: *May 27, 2024*

Board of Directors reasons for executing the buyback plan:

1. *The buyback plan will allow the Bank to maintain optimal management of capital, with maximum flexibility; the adoption of the plan will not have a material adverse effect on the Bank's capital or its ability to continue working to implement its business strategy.*
2. *The buyback plan shall be discontinued, with immediate effect, if during the plan's period it transpires that as per the latest financial statements published by the Bank it fails to meet a Tier 1 equity ratio of 10.9%.*
3. *The buyback plan was approved by the Banking Supervision Department, and it meets the distribution tests set in Section 302 of the Companies Law and in the Proper Conduct of Banking Business Directives, which mainly include:*
  - a. *The Bank has distributable retained earnings before deducting the dividend amount approved on May 27, 2024, amounting to NIS 40,065 million, and after deducting the dividend amount approved on May 27, 2024 amounting to NIS 44,230 million.*
  - b. *The Bank's shareholder's equity as of March 31, 2023 amounts to NIS 57,128 million, and its liquidity coverage ratio is 133% compared with a regulatory target of 100%. The execution of the buyback plan will not impair the Bank's ability to meet its current and expected obligations upon maturity thereof, and will not change the said ratio materially.*
  - c. *The Bank meets the restrictions in connection with related persons, individual borrowers and borrower groups, and the said buyback plan shall not impair compliance with these restrictions;*
  - d. *The buyback plan meets the terms of the Safe Harbor protection mechanism in respect of the corporation buying back its own securities, in accordance with Legal Position 199-8 of the Israel Securities Authority.*
  - e. *The scope of the buyback plan does not exceed 3% of the Bank's issued and paid-up share capital as of the date on which the plan was approved.*

The estimated total cost of the buyback plan: *Up to NIS 1 billion.*

Or the number of securities expected to be purchased under the buyback plan: \_\_\_\_\_

Tax effects of the buyback plan on the Company and securities holders:

*The purchase of shares in accordance with the share buyback plan does not give rise to a tax event for the Bank or the Bank's shareholders who retain their shares. For the avoidance of doubt, the above does not pertain to the tax effects which may be applicable to shareholders who sold shares to the Bank under this plan. Such effects are determined according to the specific data of each share buyback transaction as aforesaid and in accordance with the tax provisions applicable to each shareholder as aforesaid, and each shareholder must assess the specific tax effects that will apply to it.*

The buyback plan is financed by a loan:

1. Total amount of the loan taken: \_\_\_\_\_ Outstanding loan balance: \_\_\_\_\_

The interest rate %: \_\_\_\_\_ Loan currency: \_\_\_\_\_

Loan repayment dates: \_\_\_\_\_

Funding sources for executing the buyback plan:

*The funding sources for executing the buyback plan will be sources available to the Company in its ordinary course of business, and shall constitute "permitted distribution" as defined in Section 302 of the Companies Law, 1999 "out of distributable earnings" as defined in Section 3 to Proper Conduct of Banking Business Directive No. 331.*

Manner of executing the buyback plan: *Other*

*Details: The share buyback plan will be executed as part of trading on the Tel Aviv Stock Exchange (TASE) and/or as part of off-exchange dealing, through an external, independent member of the TASE, which will act under an irrevocable power of attorney, in accordance with the Safe Harbor mechanism published by the Israel Securities Authority (hereinafter: "TASE Member").*

*See below additional details regarding the stages of the buyback plan.*

Details of buyback plans approved in the three years preceding the date of the immediate report:

*On May 22, 2023, the Bank's Board of Directors approved a share buyback plan for the purchase of Bank shares at a total amount that will not exceed NIS 800 million, to be executed in three separate phases.*

*In 2023, the Bank completed Phases A and B of the plan, as part of which it acquired shares at the total amount of approx. NIS 600 million by virtue of the said plan.*

*In view of the Banking Supervision Department's letters on "Capital Plans and Profit Distribution Policy" of November 12, 2023 and March 5, 2024, on March 18, 2024 the Bank decided not to implement the third and last phase of the buyback plan.*

The buyback plan is for the purchase of shares or securities convertible into shares: *Yes*

1. The corporation's earnings as defined in Section 302 to the Companies Law: *NIS 45,065*

Is the purchase under the buyback plan expected to materially impact the shareholders' holding rates and voting rights: *No*

Details: \_\_\_\_\_

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

<b>Name of signatory</b>	<b>Title</b>	<b>other</b>
<i>Hagit Argov</i>	<i>Head of Finance and Accounting Division</i>	

In accordance with Regulation 5 of the Securities Regulations (Periodic and Immediate Reports), 1970, a report filed pursuant to these regulations shall be signed by the corporation's authorized signatories. For a staff position of this matter, see the Authority's website: [click here](#).

*The corporation's earnings as noted above are denominated in millions of NIS (i.e., NIS 45,065,000,000).*

*Pursuant to Proper Conduct of Banking Business Directive No. 332, the share buyback plan is subject to approval by the Banking Supervision Department. On May 22, 2024, the Bank received the approval of the Bank of Israel for the execution of the buyback plan, subject to compliance with the restrictions and capital requirements, including the condition whereby the plan shall be discontinued immediately if during the term of the plan it transpires that as per the latest published financial statements the Bank fails to meet a Tier 1 equity ratio of at least 10.9%, and provided that the scope of buyback in each of the phases will be determined bearing in mind the geopolitical conditions, and the Bank's actual capital ratios, and the capital buffers required in the various potential scenarios.*

*The Bank shall report share buybacks executed pursuant to the plan as required by law.*

*Manner of executing the buyback plan – continued:*

*The buyback plan will be executed in four separate phases, each of which shall be irrevocable, in accordance with the Safe Harbor mechanism (hereinafter: "Phase A", "Phase B", "Phase C", and "Phase D"). The execution of Phase A will commence on May 29, 2024 and will end at the earlier of: (a) August 7, 2024; or (b) The completion of the purchase of Bank's shares at the total amount of NIS 280 million. After the completion of Phase A, should the Bank decide to execute Phase B, the Bank will give the TASE Member an irrevocable instruction to commence with the execution of Phase B on the second trading day following the publication of the first financial statements after the date of the decision to execute Phase B. In such a case, Phase B shall end at the earlier of (a) November 13, 2024; or (b) The completion of the purchase of Bank's shares at the total amount of no more than NIS 520 million, net of the total purchases executed in practice in Phase A. After the completion of Phase B, should the Bank*

*decide to execute Phase C, the Bank will give the TASE Member an irrevocable instruction to commence with the execution of Phase C on the second trading day following the publication of the first financial statements after the date of the decision to execute Phase C. In such a case, Phase C will end at the earlier of: (a) February 13, 2025; or (b) Purchase of the Bank's shares in the amount that will not exceed NIS 760 million, net of the total amount in shares purchased in practice as part of Phase A and Phase B. After the completion of Phase C, should the Bank decide to execute Phase D, the Bank will give the TASE Member an irrevocable instruction to commence with the execution of Phase D on the second trading day following the publication of the first financial statements after the date of the decision to execute Phase D. In such a case, Phase D will end at the earlier of: (a) May 22, 2025; or (b) completion of the purchase Bank shares at a scope of no more than NIS 1 billion, net of the total amount in shares purchased in practice as part of Phase A, Phase B and Phase C. If after the completion of Phase A, Phase B or Phase C, a decision will be taken not to execute Phase B, Phase C or Phase D, as the case may be, the Bank will publish an immediate report to that effect.*

*Reference numbers of previous reports on the matter (does not constitute inclusion by way of reference):*

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*Ticker: Leumi*

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*company's website: [www.leumi.co.il](http://www.leumi.co.il)*

*Previous names of the reporting entity:*

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Name of Electronic Reporter: Shelly Bainhoren, Position: Bank Secretary, 3 Abba Hillel Silver St. Lod 7129404, Phone: 076-8859419, Electronic Mail:

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**Note: English translations of Immediate Reports of Bank Leumi are for convenience purposes only. In the case of any discrepancy between the English translation and the Hebrew original, the Hebrew will prevail.**

**The original Hebrew version is available on the distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il/>**