



Environmental Protection Statement

Leumi Group recognizes its environmental responsibility and the fact that its business activity can impact the environment, both directly and indirectly. The Group acts to conduct its activity in such a way as to reduce adverse impacts on the environment, the climate and the natural resources which are available in the areas in which it operates, based on the understanding that the environmental impacts of corporate business activity constitute an integral part of the set of financial-business considerations. For this purpose, beyond compliance with regulatory requirements, the Group endeavors to voluntarily adopt and comply with the most advanced, leading standards in this area worldwide.

The direct impact of the Leumi Group on the environment is derived from three main factors:

- **Energy consumption:** power consumption, fuel consumption for transportation and emergency generators.
- **Carbon footprint:** direct and indirect carbon emissions deriving from energy consumption.
- **Waste and water:** Responsible removal of electronic waste and paper waste, and total water consumption

The environmental protection area is managed by and is under the responsibility of the Real Estate Subdivision in Leumi's Operating Division, and in this framework an orderly annual measurement is executed. As part of these efforts, data are gathered regarding Leumi's activity including on power consumption, fuel consumption, water consumption, paper consumption, and about the recycling of paper and electronic waste. In 2019, the Bank's updated safety and environmental protection policy was approved. The policy was approved by the heads of the divisions.

In the framework of Leumi's above safety and environmental protection policy, the Bank undertakes to invest the required resources to prevent incidents of environmental pollution and waste of natural resources, to minimize the risk factors for environmental hazards, to constantly improve its performance by complying with ISO standards and to regularly apply supervision and control. In this framework, an annual mapping of environmental aspects and their impact is performed by an external company.

Characteristics of the Group's Activity

The Group's activities are characterized by office work, and most of the energy consumption is derived from the consumption of electricity in the headquarters of the Group's subsidiaries, branches, and units. The Leumi Group invests great efforts in identifying and promoting initiatives for improving energy efficiency and for the reduction of power consumption in existing facilities and in the design of new buildings.

Leumi was the first financial institution in Israel to be certified for the Green Label for Service by the Standards Institution of Israel but the certificate is no longer valid. In 2019, the Bank followed

environmental standards ISO14001 and ISO45001 for the management of safety and health at the workplace.

In addition to external standards, an internal standard for Green Conduct was introduced at Leumi. It provides for internal annual inspections on a series of environmental criteria to be carried out at the branches using in-person and online surveys as well as sampling at the branches.

Initiatives and Actions to Promote Environmental Issues

- **Environmental Trustees:** Environmental trustees were appointed in all of Leumi's branches and headquarters. They are responsible for managing environmental issues and for monitoring power and water consumption data in the respective units.
- **Employee training:** in addition to the activities of the environmental trustees, Group employees are required to undergo training and refresher courses on environmental issues from time to time.
- **Green mail:** Leumi Group encourages its customers to use green mail, enabling to reduce paper consumption, and receive their mail online simply and conveniently, on their computer or mobile phone. More than 1.5 million Leumi customers use this service.
- **Initiatives to reduce energy consumption:** Leumi initiates processes for the installation of systems and integration of solutions intended to reduce power, fuel and water consumption, leading to a considerable reduction of pollutant emissions and consumption of perishable resources. These processes include, inter alia, the installation of power consumption and water consumption control systems; the installation of energy reduction systems and devices in the air conditioning systems; and the installation of energy-saving lighting systems.
- **Green building:** Use of green building elements in new construction and renovation of existing branches.
- **Reduction of mileage travelled:** Operation of an employee shuttle system between the Bank's main headquarters buildings and encouragement of sustainable transportation.

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

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