



# Statement on Investing in the Community

The Leumi Group is a leading banking group and, as such, has notable and significant impact on Israel's economic, environmental and social fabric. This realization resulted in the Group's worldview and the norms to which it is committed. The Group's commitment to the community is a societal and value-driven foundation that we continue to cultivate, and therefore the Group and its employees are committed to work towards developing society and the economy.

The Leumi Group's community outreach is expressed in its constant and long-term investment in the **next generation**. As of September 2019, Leumi's board of directors resolved to also expand its social policy to the third generation, a policy which shall be referred to as "**From one Generation to Another**" and to the connection between them.

**Future Generation** – The Group focuses on advancing education, entrepreneurship and leadership among teenagers and youth from Israel's geographic and social periphery, on activities aimed at reducing gaps and promoting equal opportunity, by providing donations and sponsorships, volunteer work and activities through the Centennial Fund. The Group regularly cooperates with social organizations, conducting a continuous dialogue with them, through which it has learned about the needs of the community and is formulating a solution for these needs.

**The third generation** – the investment in the elderly is reflected in the investment of resources directed towards handling this population, both in accessing and adapting banking services, and in increasing employee donations and volunteering while focusing on alleviating loneliness among the elderly, helping cross the digital bridge encumbering them in all areas and particularly in the banking area, and supporting solutions for food security of this population.

The Leumi Group expresses its vision of investing in the community through several key channels, as follows:

- **Donations and social sponsorships** are granted to NGOs and organizations promoting a range of social and community causes. Members of the Donations and Sponsorships Committees are appointed by the President and CEO, and evaluate applications for support meticulously and thoroughly, in accordance with the social policy approved at the Board level and to predefined criteria\*. The Donations Committee is managed by the Corporate Social Responsibility and Employee Volunteering Subdivision in the Human Resources Division. The Sponsorships Committee is managed by the Marketing Subdivision. The donations and social sponsorships channel includes the activity of the "Centennial Fund for Tomorrow's Generation" as outlined below. The Group does not grant donations earmarked for political parties, or for promoting political aims.
- **Employees' volunteer work:** The Group's employees' volunteer work is carried out in cooperation with social NGOs, social services units acting within the framework of local authorities and educational

\* Including sponsorships for conferences for the purpose of community enrichment

institutions, focusing, as aforesaid, on activities for the next generation and for the elderly.

- **Integrating banking solutions for targeted populations** – supporting and integrating the needs of the populations in the relevant business areas and finding solutions for a positive impact on populations through social policy.

### **Leumi Tomorrow – the Centennial Fund for Endowing Israel’s Future Generation – Leumi Follow Me (the “Centennial Fund”)**

A considerable part of Leumi Group’s investment in the community is made through the “Centennial Fund”. The Centennial Fund is a registered NGO working for the advancement of children and youth across Israel. The NGO is fully funded by donations from the Leumi Group and its employees, and managed by a committee which includes some of the Group’s senior executives. The NGO is chaired by the Head of Human Resources Division at Leumi. The NGO is headquartered at the Corporate Social Responsibility and Employee Volunteering Subdivision.

The organization promotes three main areas:

- Leadership development and promoting values education and social involvement
- Increasing the number of high-school graduates eligible for a matriculation certificate and making academic education accessible to youth
- Increasing the number of recruits for quality service in the IDF

The programs are held throughout Israel, among a range of population sectors, and through long-term cooperation with NGOs, such as Follow Me!. In addition to the donations made through the Centennial Fund, the Leumi Group makes donations through a donations committee and social sponsorships through the sponsorship committee.

## **Employee volunteering**

The social involvement of its employees is a key element in the Group’s notion of its responsibility towards the community. The employees view it as their mission, investing their time and skills in social causes.

The principles guiding Leumi employees’ volunteer activity are as follows:

- A concept of long-term, significant communal partnership and coordination between employees’ abilities and the community’s needs.
- Diverse volunteer activities, varying in scope and nature, in accordance with the volunteers’ skills and the needs of the community
- Volunteer involvement in building the volunteer process, and – as a result – strengthening their commitment.
- Activity in the local targeted community implementing the “From one Generation to Another” policy – youth and the elderly.

**The volunteer work of the Group’s employees includes:**

- Value-based and social enrichment & financial education: value-based and morale-boosting activities, lectures and personal mentoring in settings such as clubs, kindergartens, schools, youth

groups, boarding schools and hospitals.

- Improving academic achievement: homework assistance, matriculation preparation, mentoring and lectures
- Improving living conditions: painting and renovation, donation of equipment and food distribution including special projects before Passover, Ramadan, Easter and Nabi Shu'ayb holiday.
- Supporting the elderly: distribution of food and assistance packages in the winter, relieving loneliness via phone calls, home visits on holidays and birthdays, activity in elderly day care centers.
- Additional areas: picking and sorting food, activities with persons with disabilities, cleaning beaches, empowering women, people of Ethiopian descent, Arab society and more.

### **Management of Volunteer Work at Leumi**

The volunteer work at Leumi is managed by the Corporate Social Responsibility and Employee Volunteering Subdivision in the Human Resources Division. The unit is responsible for establishing contacts with social organizations, initiating substantial, national-level projects, overseeing the activities and supporting the volunteers. The field work is operated by a network of social leaders across Israel, consisting of about 30 divisional social leaders and about 300 leaders in all Bank units across the country.

The leaders have at their disposal a volunteering budget, technological tools designed to promote, manage and monitor the activity, including: an information management website and ideas for activities, online forms and a system for reporting work hours and volunteering activities. The social leaders are responsible for identifying local needs, creating and liaising with social partners in the community, managing the unit's volunteering budget and implementing the activity program. Activities to recognize the leaders and volunteers are held at the divisional and Bank levels. Most of the employees' volunteer work is carried out outside working hours.

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/](https://www.leumi.co.il/Lobby/corporate_responsibility/35988/).