

Code of Ethics

Message from the Chairman

Every company is obligated to act with integrity and fairness in managing its business and in the level of service it provides to its customers. Clal Insurance and Finance is a leading company managing public funds, and the responsibility placed upon us in managing long-term savings plans and insurance policies is immense.

The Code of Ethics of the Clal Insurance and Finance Group is the scale of values derived from this responsibility. It expresses not only our commitment to act according to the law and regulatory guidelines but serves as the Group's ethical compass in its daily activities. The Code of Ethics guides us to consider the company's welfare in its broadest sense—we are committed to acting fairly and with integrity for the benefit of our policyholders, customers, and the saving public, while striving to maximize returns for shareholders and strengthening the company's financial resilience.

Ethical commitment belongs to all of us—the Board of Directors, management, and employees. Together, we will uphold the Code of Ethics and strengthen the pillars that maintain our stability as a leading company in the Israeli economy.

Haim Samet, Chairman of the Board Clal Insurance Business Holdings

Message from the CEO

The Code of Ethics of the Clal Insurance and Finance Group is based on the Group's vision and values. It reflects the organizational culture, principles, and ethical standards applied across the Group's areas of activity and within the relationships between the Group and all its stakeholders.

This code defines the proper rules and norms of behavior expected from the Group's employees and managers, aiming to strengthen the company as Israel's leading insurance company, with an emphasis on humanity, stability, relevance, excellence, fairness, reliability, courtesy, and continuous improvement.

I expect each and every one of you, employees and managers alike, to act responsibly, internalize the principles of the Code of Ethics, and act accordingly to ensure the Group's continued success and stability.

Yoram Naveh, CEO Clal Insurance and Finance Group

Principles and Boundaries of the Code

The Code of Ethics expresses the values of the Clal Insurance and Finance Group in its relations with each of its stakeholders. It is intended to guide employees and managers in decision-making and assist in choosing a course of action in situations where an ethical dilemma exists and there is no direct answer in the law, regulations, or procedures.

- The Code applies to all employees and managers of the Group, including subsidiaries.
- This document does not derogate from or replace the provisions of the law or Group procedures.
- The Group expects its partners—agents and essential suppliers—to become familiar with the Code and act according to its principles.

What is an Ethical Dilemma?

In our daily work, we may encounter ethical dilemmas that require us to decide on the correct and proper course of action. An ethical dilemma is a situation where there is a conflict between values, principles, and accepted norms of behavior.

The Three Self-Ethics Tests: To evaluate if a chosen path is correct, use these three tests:

1. **The Pillow Test:** How will I feel about my decision when I go to sleep at night? Will I sleep well?
2. **The Child Test:** Can I be proud of this act and tell my children about it? As a parent, would I expect them to act the same way?
3. **The Mirror Test:** Can I look at myself in the mirror and justify the decision to myself?

Vision of Clal Insurance and Finance

"To be the leading group in the Israeli insurance and long-term savings market, while strengthening financial stability and increasing shareholder value, through business growth and expansion, improving the expense structure, maintaining a high level of service for customers and agents, innovation in services and products, preserving and nurturing high-quality human capital, and strengthening positioning among all stakeholders."

Brand Promise

Clal understands that "life just happens." We see the big picture alongside the small details. We see the people within the complexity of situations and accompany them over time with sensitivity and wisdom. Our promise is to be there for our customers and agents with a diverse and appropriate response that meets their needs.

Core Values

- **Humanity:** As a company dealing with human relationships, we are aware of our involvement in the lives of our customers and agents. We act with a human approach and great commitment to all stakeholders.
- **Stability:** We are experienced and veteran, serving as a stable and solid support for our customers. We serve as an anchor of stability in the Israeli insurance and finance sector.
- **Relevance:** Alongside being veterans, we are innovative and flexible, adapting to changing technology and evolving for our customers to provide products relevant to both the small and large moments of life.

Stakeholders

Clal Insurance and Finance Group strives to realize its values with each of the stakeholders with whom it operates:

- Board of Directors
- Management and Employees
- Customers
- Agents
- Shareholders and Investors
- Suppliers
- Reinsurers
- Regulators and Authorities
- Community and Environment
- Competitors

Management and Employees

- We uphold human rights and treat every person with respect and fairness.
- We foster an environment of mutual respect and trust.
- **Zero Tolerance:** We maintain a policy of zero tolerance toward violence, bullying, or harassment of any kind.
- **Diversity & Inclusion:** We employ without discrimination based on gender, sexual orientation, origin, religion, nationality, disability, or any other characteristic.
- **Professionalism:** We invest in employee development, encouraging innovation and constant learning.
- **Integrity:** We strive for personal and professional integrity and act to prevent corruption.
- **Confidentiality:** We protect commercial and personal information, including intellectual property.
- **Conflict of Interest:** Employees must avoid conflicts of interest, competition with the company, or personal exploitation of business opportunities. The use of inside information is strictly prohibited by law.
- **Work-Life Balance:** Management strives to create a proper balance between company needs and family needs.

What is Bullying (Mistreatment)? Repeated behavior, across several separate events, intended to create a hostile work environment for a person.

Board of Directors

- The Board prioritizes the welfare of the company and its stakeholders.
- Ensures proper corporate governance, high professional standards, and reliable reporting.

Customers

- We place customers at the center, protecting their privacy and information.
- **Simplicity:** We strive to simplify complex insurance products and act with transparency.
- **Service:** We utilize our experience to provide the best possible response and continuous improvement through feedback.
- **Fairness:** We are committed to granting customers all rights due to them under their policy and the law.

Agents

- Agents are essential partners in providing service to the customer.
- We provide agents with professional service, technological tools, and the information necessary for their success.
- We expect agents to conduct themselves with integrity and transparency.

Suppliers and Reinsurers

- We conduct fair negotiations and respect agreements.
- We provide equal opportunities to all suppliers without discrimination.
- We protect the confidentiality of supplier and reinsurer data.

Shareholders and Investors

- We act to achieve maximum returns through informed risk management and fiduciary duty.
- We maintain transparency and full disclosure in business reporting.

Authorities and Competitors

- Compliance with all laws, including Anti-Money Laundering (AML) and Prevention of Terrorist Financing.
- We maintain fair competition rules and do not defame our competitors.

Prevention of Corruption

- We view corruption and bribery as severe offenses.
- Employees and representatives are prohibited from giving or receiving anything of value to improperly influence professional judgment or secure an unfair advantage.
- We maintain direct channels to audit and enforcement bodies for reporting irregularities, including anonymous reports.

Corporate Social Responsibility (ESG)

- **Environmental, Social, and Governance:** We integrate ESG considerations into decision-making and business activities.
- **Community:** We encourage community involvement, long-term partnerships with NGOs, and employee volunteering.
- **Environment:** We act to reduce the company's negative environmental impact and strengthen environmental awareness.

Reporting Channels

Clal Insurance encourages employees to consult with direct managers or Legal Counsel regarding ethical dilemmas or suspicions of misconduct. The company is committed to handling reports fairly, professionally, and with maximum confidentiality, protecting reporters from any retaliation.

Channels available to employees:

- **Anonymous "Hotline":** Details available on the company website. Reports are forwarded to the Internal Auditor or the Compliance Officer.
- **Legal Counsel / Direct Manager / Internal Auditor.**

Specific Reporting Authorities:

1. **Legal Violations:** Report to the Compliance Officer.
2. **Internal Control Flaws:** Report to the Operational Risk and Control Manager.
3. **Embezzlement/Fraud (Internal):** Report to the Internal Auditor.
4. **Embezzlement/Fraud (External - Agents/Suppliers):** Report to the Operational Risk and Control Manager.
5. **Financial Statement Flaws:** Report to the SOX Manager.

Handling Discrimination and Harassment

We exercise zero tolerance toward any form of discrimination, harassment, or harm to human dignity. Every report is handled immediately and confidentially within clear disciplinary procedures. We commit to corrective measures and preventative training to ensure a safe and respectful work environment for all.

The principles above represent the Group's values and guide its ongoing activities. Clal Group acts toward constant improvement, learning, and the enrichment of the behavioral norms that guide us.