



Convenience Translation Only
The Hebrew immediate report is the binding report-

22.6.2021

The Phoenix Holdings Ltd. ("the Company")

To

To

The Securities Authority

The Tel Aviv Stock Exchange Ltd.

www.isa.gov.il

www.tase.co.il

Re: Immediate Report

Following the Immediate Report dated June 17th, 2021 (reference number 2021-01-040690) and the subsequent media reports regarding the derivative claim and the application filed alongside it for approval of the submission of a claim as a derivative (hereinafter: "the **Claim**"), the Company hereby clarifies and announces as follows:

A. The Agreement Signed with El Al

The Claim deals with an agreement signed more than 30 years ago, on December 31st, 1990, between El Al, which at the time was a government-owned company, and The Phoenix Insurance Company Ltd. (a subsidiary of the Company), covering various issues relating to the social benefits and pensions conditions of the employees of El Al.

Preliminary investigations conducted by the Company show that the agreement signed at the end of 1990 was approved and implemented with authorization and approval. The agreement was approved by the competent bodies, including and especially the Supervisor of Insurance, Mr. Meir Shavit.

B. Amount of the Claim

The amount of the Claim as asserted and estimated by the plaintiff is approximately NIS 124 million, which is, according to the plaintiff, the total direct damage caused to the Company by better conversion factors received by El Al employees who joined guaranteed-yield policies. It is hereby clarified that the aforesaid description does not constitute any agreement to the aforesaid amount, as the Company is studying the arguments.

Other amounts mentioned in the statement of claim and published in the media **are not part of the amount claimed**, but are a general description of speculative exposures relating allegedly, according to the plaintiff, to the validity of the agreement signed with El Al, as detailed in Section A above.

C. Defendants to the Derivative Claim

As stated, the events detailed in the Claim occurred more than 30 years ago, and the current members of the Board of Directors and management of the Phoenix have nothing to do with these events.

The Company continues to study the Claim and all its arguments.

Respectfully,

The Phoenix Holdings Ltd.

By: Attorney Meni Neeman, Legal Counsel
and Secretary of the Company