

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

On August 18th, 2021, the Central District Court issued a decision approving a motion to certify a class action (hereinafter "**The Approval Decision**"), which was filed against a subsidiary of the Company, The Phoenix Insurance Company Ltd. (hereinafter "**The Phoenix Insurance**"), and which is arguing that the marketing and sale of service contracts, either directly or through agents on behalf of The Phoenix Insurance, in violation of the provisions of the law with respect to the marketing and sale procedure of these aforementioned service contracts (See the detailed Immediate Report dated June 18th, 2017 (Reference No. 2017-01-050785 and Note 7A(19) to the Company's financial statements as of March 31st, 2021, which were published on May 27th, 2021 (Reference No. 2021-01-031600)).

The group, on whose behalf the class action will be conducted, is anyone who purchased, either directly or through its agents, from The Phoenix Insurance, service contracts under the comprehensive car insurance policy, while The Phoenix Insurance violated the provisions of the law with respect to the marketing and sale procedure of the service contracts, in the period from June 30th, 2016, until the Approval Decision.

The remedies sought are compensation and/or restitution in the amount overpaid to The Phoenix Insurance, in respect of the purchase of service contracts which were sold under the insurance plan; Monetary relief for non-pecuniary damage; An order directing The Phoenix Insurance, as part of the marketing procedure of the car insurance plans, to present the price of the service contracts separately from the price of the insurance policy; An order directing The Phoenix Insurance not to condition the purchase of an insurance plan on the purchase of service contracts; An order directing The Phoenix Insurance to allow its policy holders not to purchase the service contracts and/or part of them under the insurance plan, while reducing their cost from the cost of the insurance plan, in a way that will reduce the cost of the insurance plan accordingly.

The Phoenix Insurance is studying the Approval Decision and considering its future steps.

Respectfully,

The Phoenix Holdings Ltd.

c/o Attorney Meni Neeman, Chief Legal Counsel
and Secretary of the Company