



# HAREL- WINNING BY NUMBERS

For 2021 | March 28 2022

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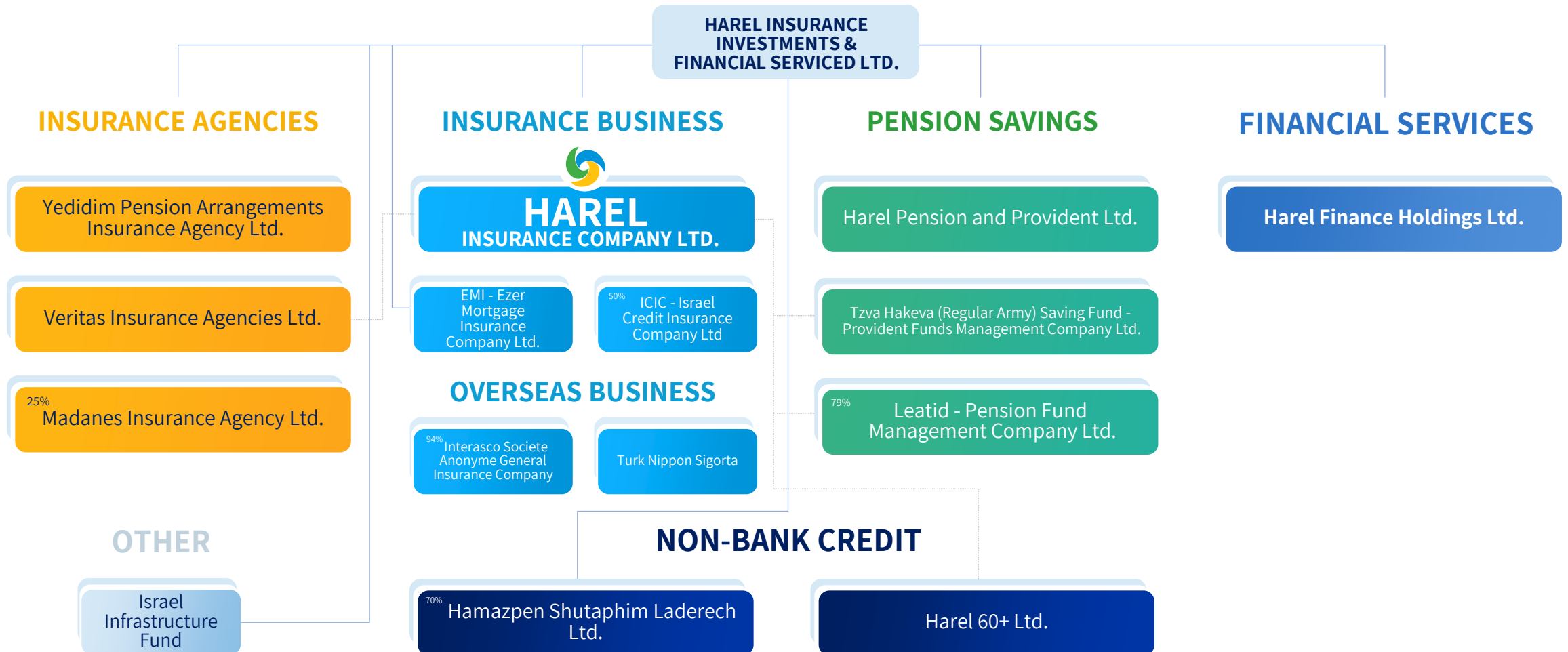
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# HAREL INVESTMENTS | HOLDING STRUCTURE





# LARGEST INSURANCE COMPANY IN ISRAEL



**Aa2** RATING  
HAREL INVESTMENTS

**AA+** RATING  
HAREL INSURANCE



Over  
**4 MILLION**  
customers



**PLATINUM PLUS**  
Rating by MAALA CSR  
7 years in a row

## THE BIG PICTURE

Data at December 31, 2021 | **NIS billions**

About  
**8.3**

**MARKET CAP**

At March 27, 2022

About  
**33.0**

**TOTAL EARNED  
PREMIUMS**

gross benefit contributions  
and amounts received for  
investment contracts

About  
**159%**

**SOLVENCY  
RATIO**

At December 31, 2020

About  
**362**

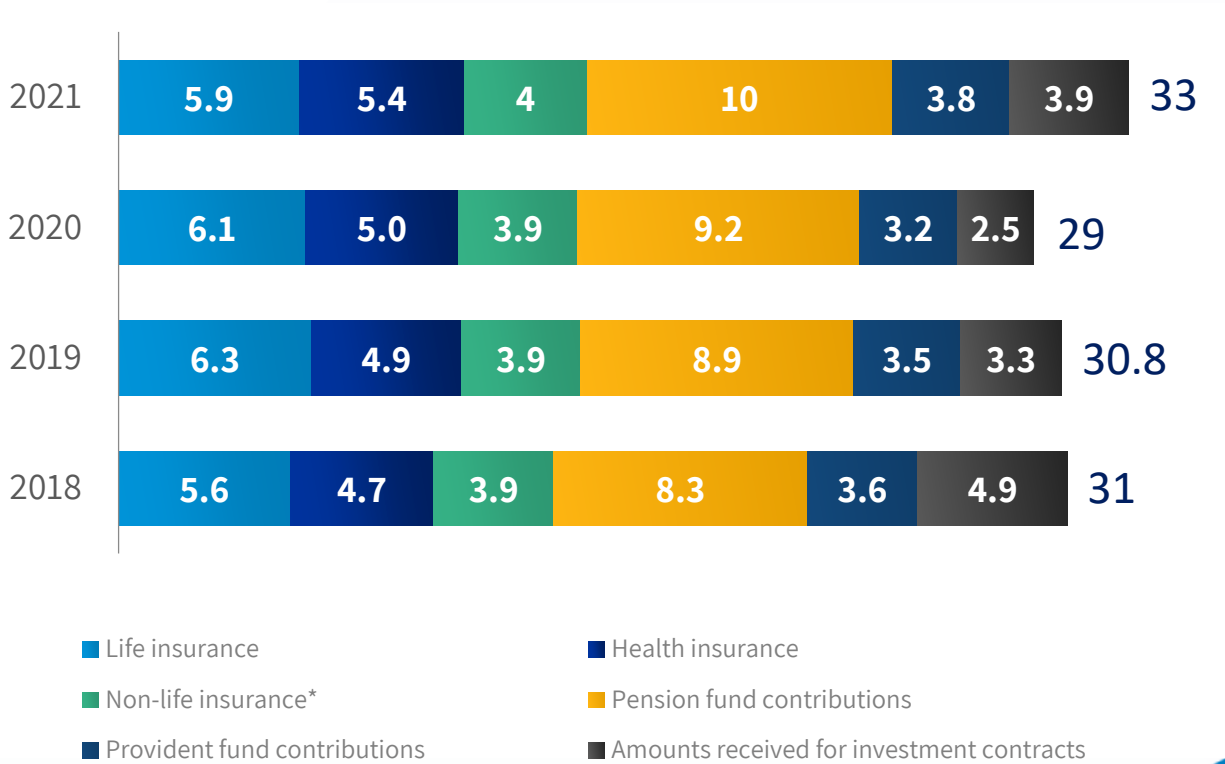
**ASSETS UNDER  
MANAGEMENT**

About  
**8.9**

**EQUITY  
ATTRIBUTED TO  
SHAREHOLDERS**

# HAREL IS NUMBER 1!

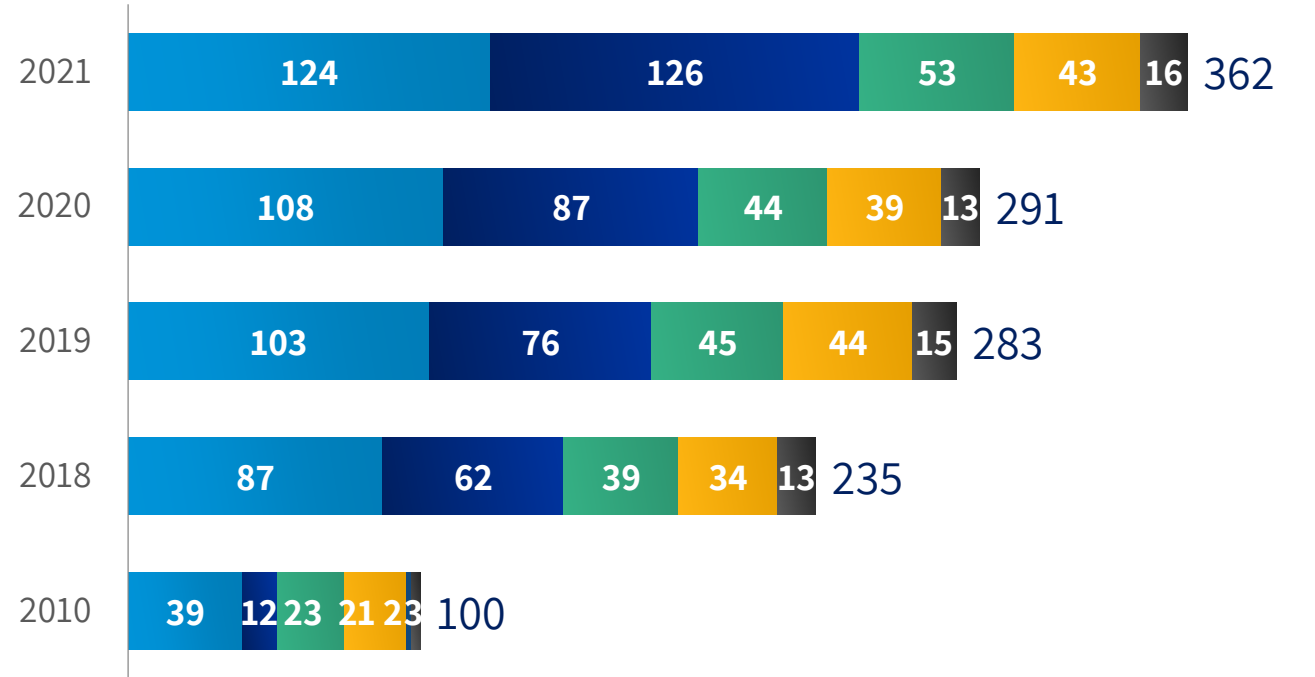
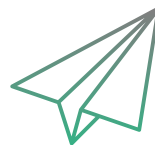
In gross earned premiums, benefit contributions and amounts received for investment contracts (NIS billions)



\*Including results of overseas insurance segment

# Increase of 262%

in AUM and nostro assets  
since 2010  
(NIS billions)



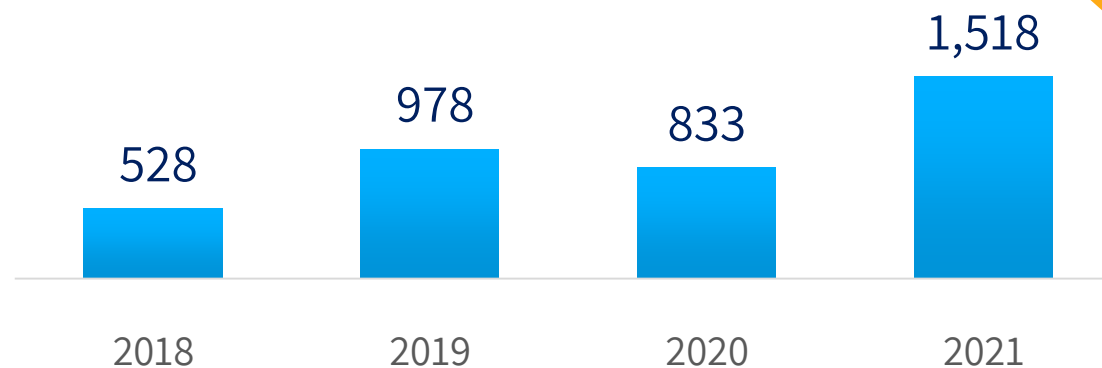
■ INSURANCE ■ PENSION FUNDS ■ PROVIDENT FUNDS ■ MUTUAL FUNDS ■ ETNS ■ PORTFOLIO MANAGEMENT AND OTHER\*

\*The data includes financial assets issued by the group and managed in portfolios

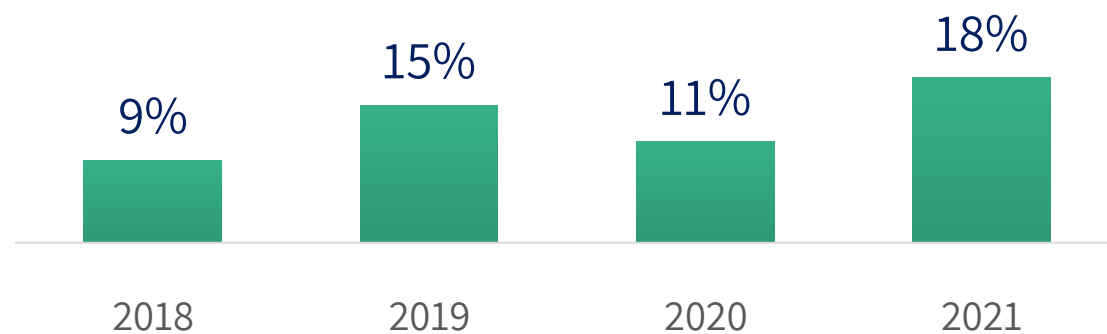
# COMPREHENSIVE INCOME

After tax (NIS millions)  
and return on equity

Comprehensive Income After Tax

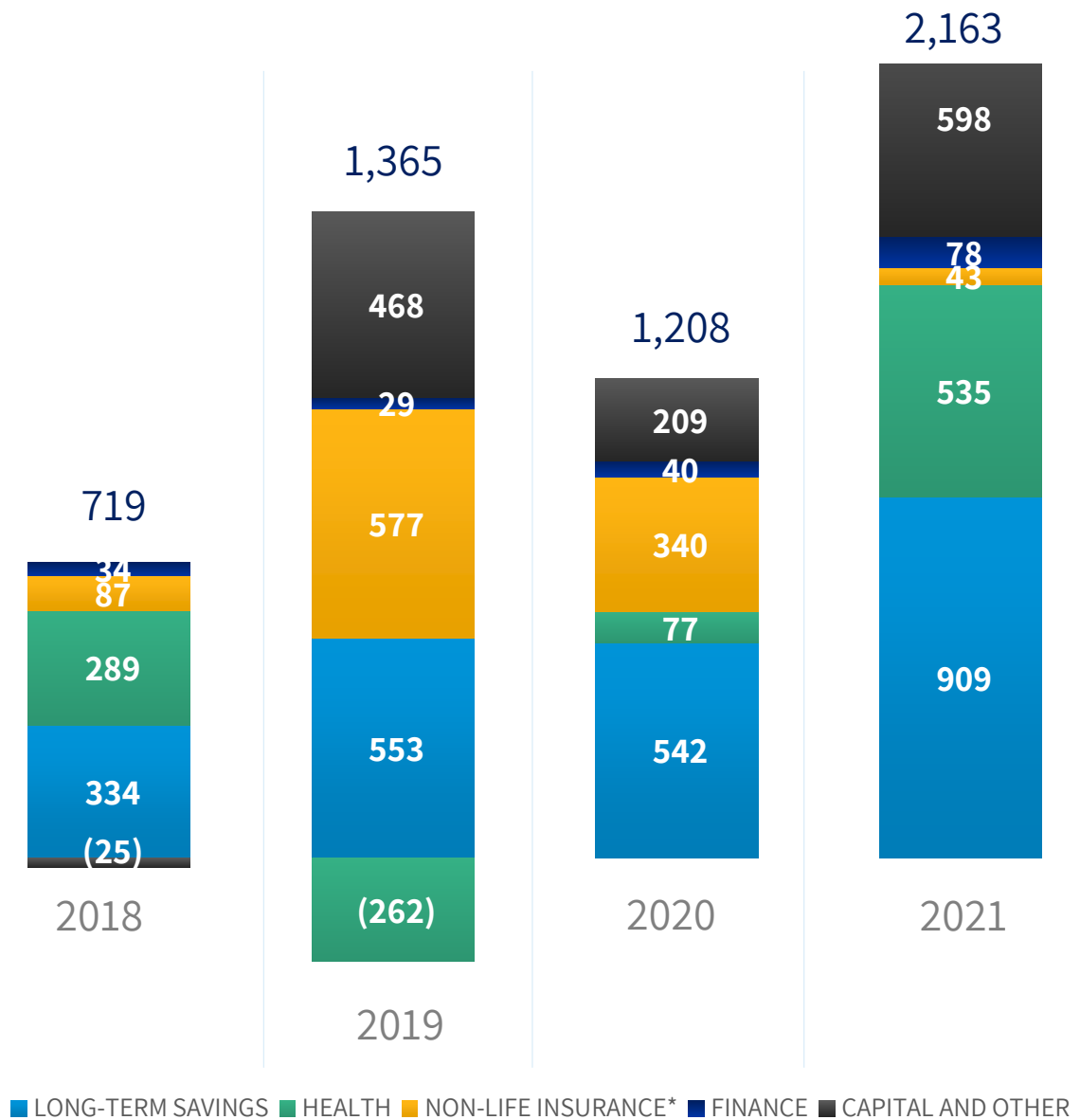


Return on Equity



# OPERATING SEGMENTS

Comprehensive income  
(loss) before tax  
(NIS millions)

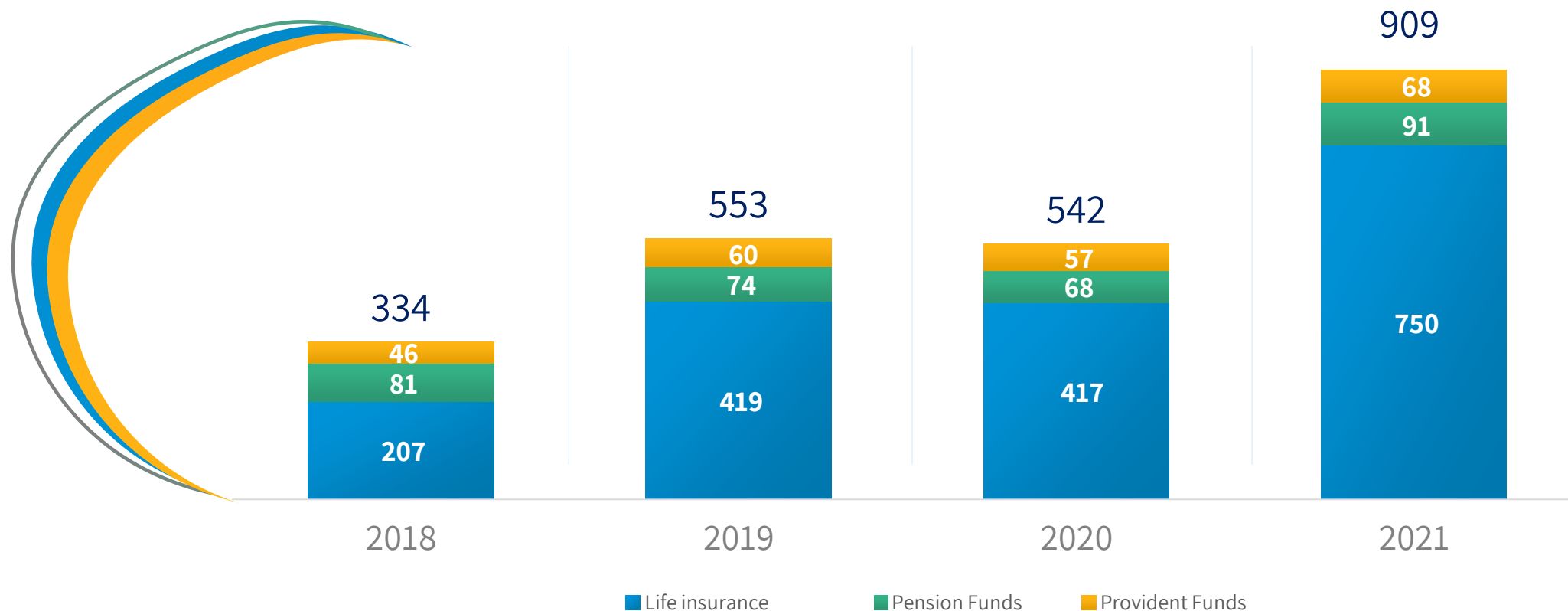


■ LONG-TERM SAVINGS ■ HEALTH ■ NON-LIFE INSURANCE\* ■ FINANCE ■ CAPITAL AND OTHER



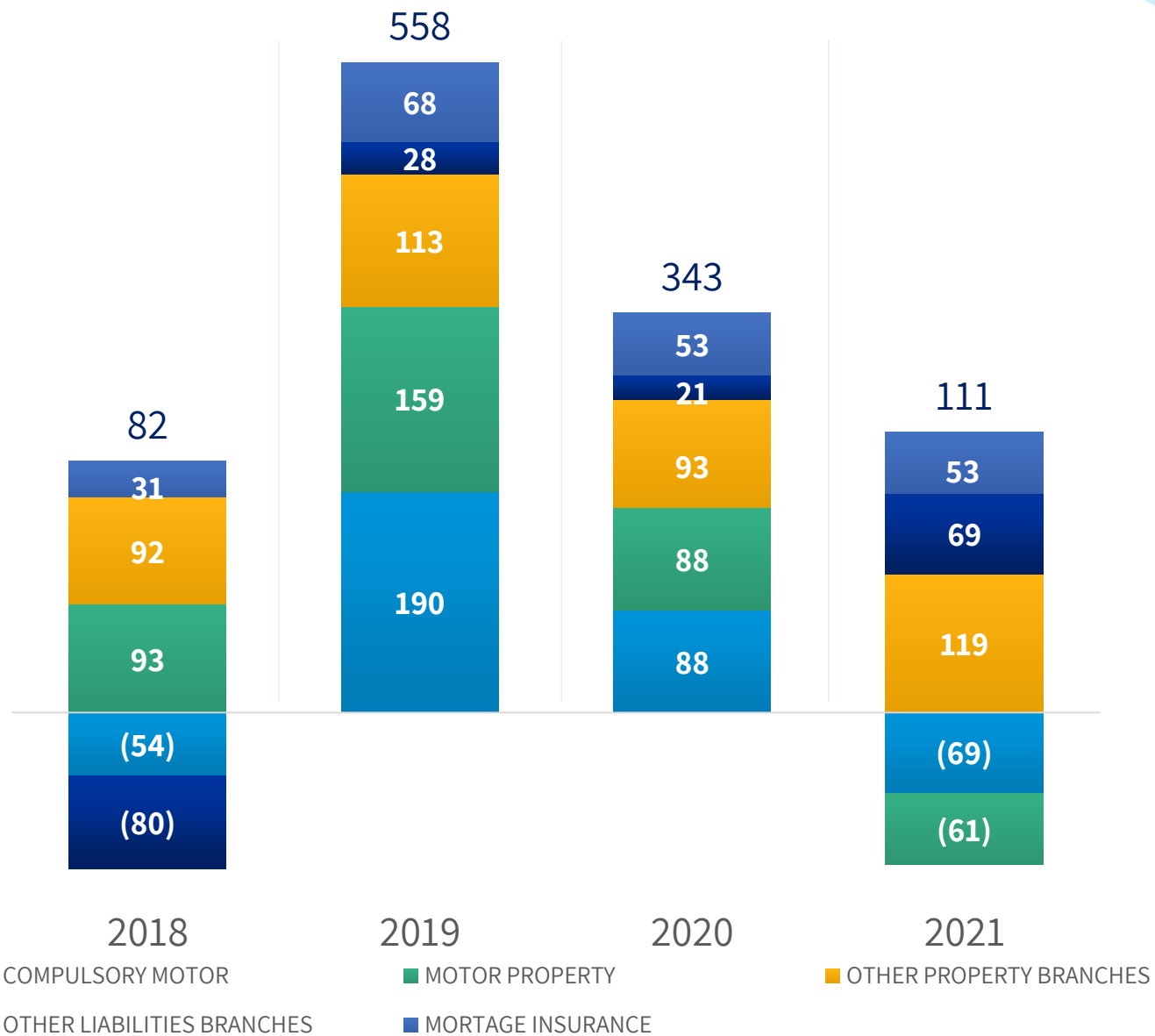
# LIFE INSURANCE AND LONG-TERM SAVINGS SEGMENT

Comprehensive income before tax (NIS millions)



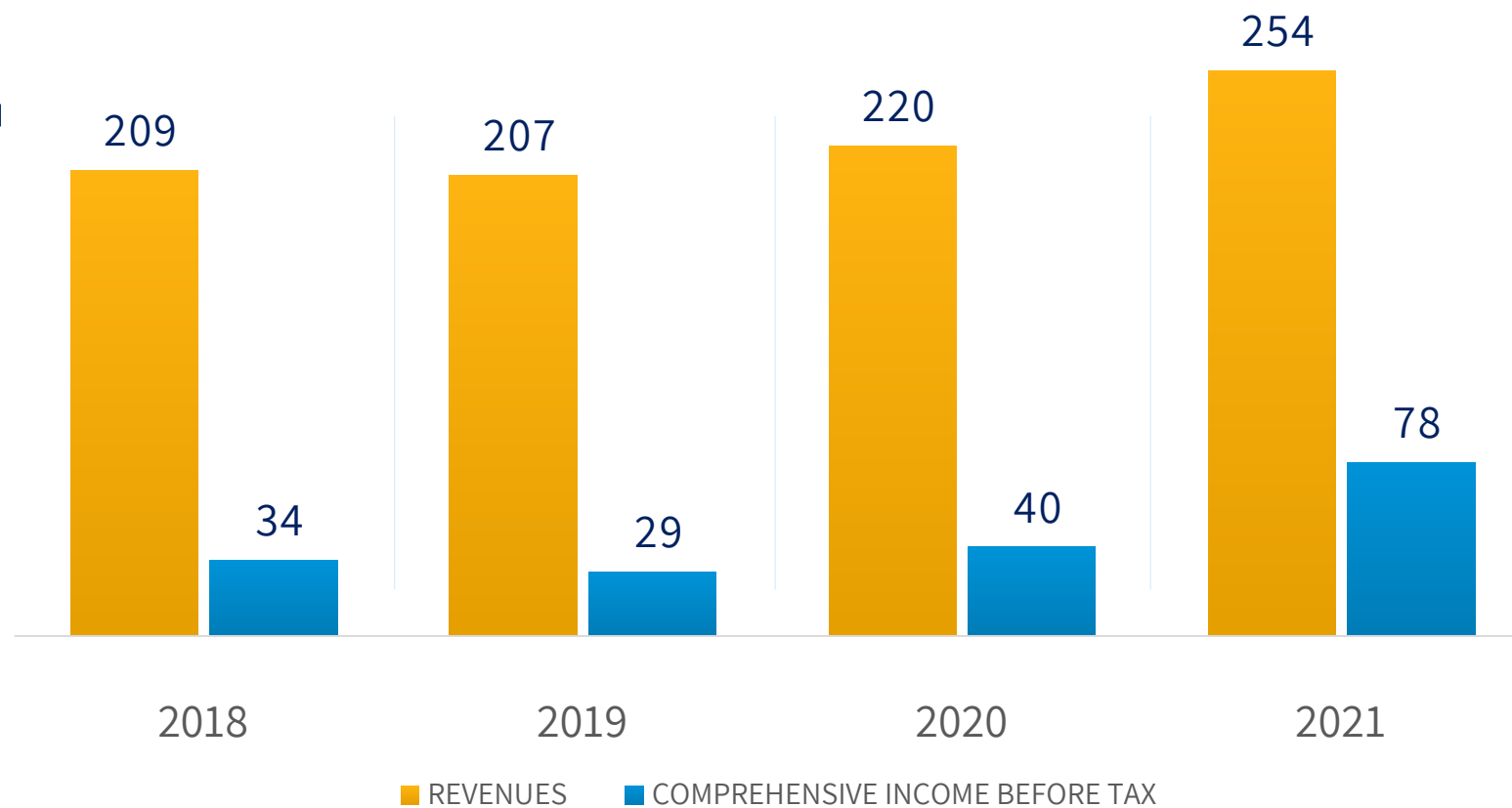
# NON-LIFE INSURANCE SEGMENT

Comprehensive income  
(Loss) before tax  
(NIS millions)



# FINANCIAL SERVICES SEGMENT

(NIS millions)

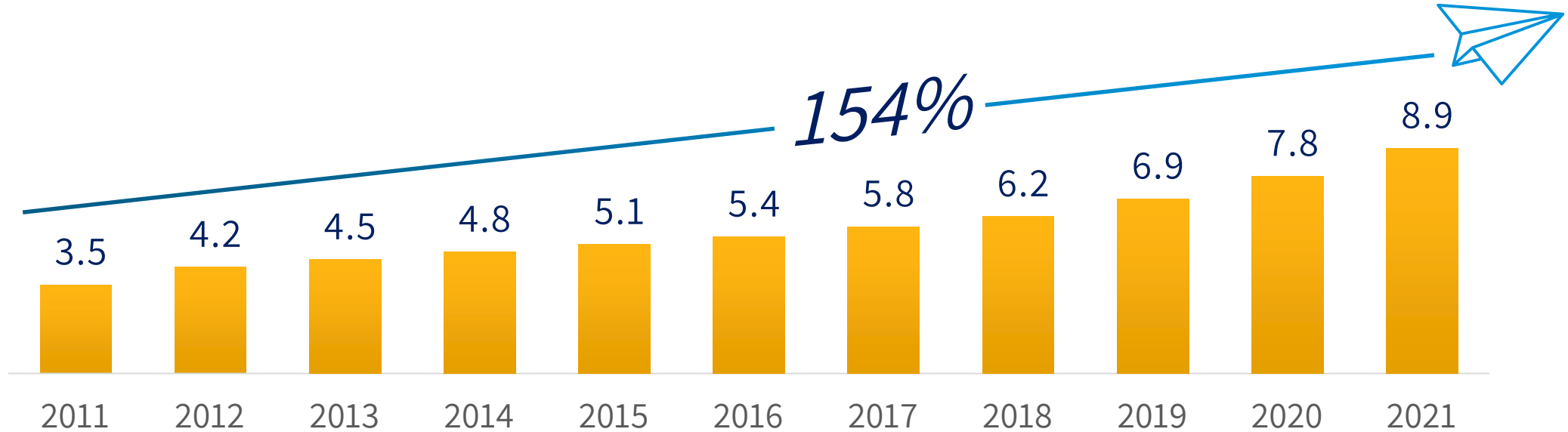


# EQUITY AND DIVIDEND

## Dividend distribution Policy



**Equity**  
(NIS billions)



**Dividend**  
(NIS millions)

**Dividend yield**  
(In %)

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
106	64	308	320	235	171	461	214	236	-	357
3	2	8	8	6	6	10	4	4	-	5

**NIS  
2.5 B**

# HAREL INSURANCE CAPITAL REQUIREMENTS - SOLVENCY

(NIS billions)

An economic solvency regime based on Solvency II applies to Harel Insurance, and this pursuant to the implementation provisions published in June 2017 and revised in October 2020 (“Provisions of the Economic Solvency Regime”)

The provisions of the economic solvency regime include transitional provisions which provide for a gradual increase of the reserves in respect of long-term insurance products that were sold in the past, until 2032

In accordance with the Commissioner’s directives, the economic solvency ratio at December 31, 2020, was published at the end of June 2021

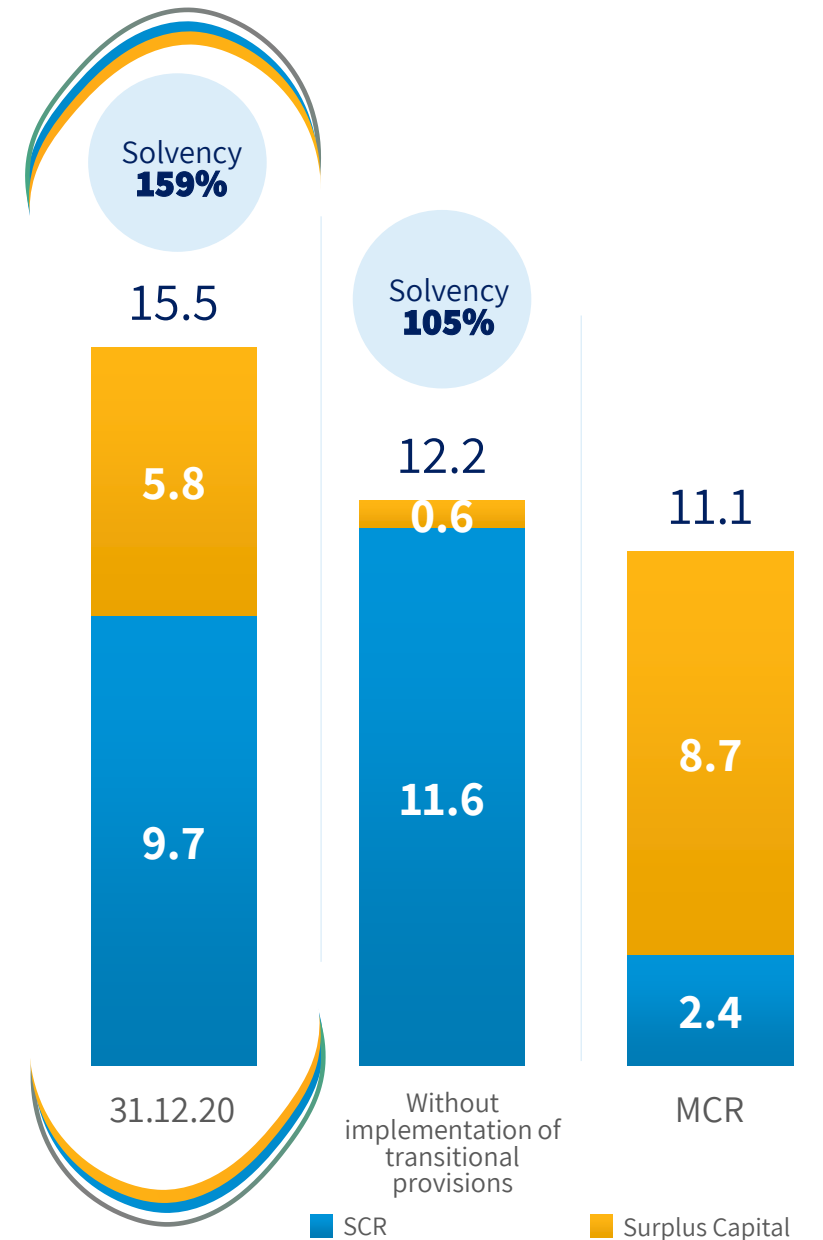
Based on the transitional provisions, the capital surplus of Harel Insurance at December 31, 2020, is NIS 5,761 million.

The capital surplus of Harel Insurance as at December 31, 2020, before the transitional provisions (in terms of 100% SCR), is NIS 623 million

The model in its current format is extremely sensitive to changes in market and other variables, such as changes in the interest rate, changes in investment profits, revised actuarial assumptions and changes relating to the activity of Harel Insurance

On July 1, 2021, a restructuring entered into force, in which all the holdings of Harel Insurance in Israel Mortgage Holdings Ltd. (“EMI Holdings”), which holds all the share capital of the insurance company EMI - Ezer Mortgage Insurance Company Ltd. (“EMI Insurance”), were transferred to Harel Investments. This transfer of the holdings in EMI Holdings from Harel Insurance to Harel Investments as part of the restructuring was accounted for as a dividend in kind from Harel Insurance to Harel Investments from distributable profits. Upon completion of the restructuring, Harel Investments will be able to receive an ongoing annual dividend from the current activities of EMI Insurance. The restructuring is included in the solvency calculations for Harel Insurance at December 31, 2020, and it reduced the economic capital surplus of Harel Insurance by NIS 605 million. It is stipulated that the restructuring did not result in any change in the accounting equity of Harel Investments on a consolidated basis

According to an internal calculation of the solvency ratio prepared by Harel Insurance for the economic solvency ratio at June 30, 2021, Harel Insurance has a significant capital surplus, taking the transitional provisions into account



■ SCR ■ Surplus Capital

# OUR GLOBAL PARTNERS





You might have insurance  
**but you don't have**

**HAREL**

**2021** highlights

And what did we have in

# 2021?

A year of **ACHIEVEMENTS**



**We are**  
number

# 1

In yields of the general track in investment provident funds

**We crossed**  
the **NIS**

# 100B

In total assets under management in the pension fund

**We handled**  
about

# 500K

In health claims

**We paid**  
over **NIS**

# 1B

For various health claims In Israel and worldwide



And what did we have in

# 2021?



A year of **ACQUISITIONS**



Following completion of the deal to acquire management rights of provident funds and pension funds from Psagot, total AUM grew by approximately

# 28<sub>B NIS</sub>



Upon completion of the acquisition of Shirbit's activity **the company increased its market share in non-life insurance and expanded its customer base**

And what did we have in

# 2021?

A year of **AWARDS**



## THE MOST HIGHLY RECOMMENDED HEALTH INSURANCE

In the 2021 Association of Insurance Brokers and Agents in Israel's satisfaction survey



## HAREL TRAVEL INSURANCE IS THE BEST AND MOST COST-EFFECTIVE

According to the 2021 Hamivhan Shel Hamedina survey



## TRAVEL INSURANCE APP

Innovation of the year in the health industry according to the winners of Adif 2021.



## HAREL INDEX

Innovation of the year in the long-term savings segment according to the winners of Adif 2021.



## FIRST PLACE IN THE CUSTOMER COMPLAINTS INDEX

of pension funds for 2020 of the Ministry of Finance



# And what did we have in **2021?**

## Health and life

A year of **INNOVATION**



### **GRANT PREMIUM GOLD**



#### **Changing the rules of the game in critical illness insurance**

- We established a professional center to provide assistance and guidance throughout the period of the disease - **Harel with You**
- We added a special benefit for insureds with private health insurance and critical illness insurance. We expanded total insurance coverage without raising premiums



### **HAREL TRAVEL INSURANCE APP**



A special and user-friendly app that allows customers to purchase insurance, benefit for recurring purchase through the app, advanced reimbursement through BIT for medical treatment, finding physicians overseas and more. The agent is paid a fee each time customers purchase insurance through the app



### **RENEWED SUPPLEMENTAL UPGRADE TO SHS**



Full coverage for private surgeries in Israel at a discounted cost after utilizing all rights under the Supplemental Health Services. The product includes a mechanism of an advanced financial payment to an insured in the amount of the deductible for SHS, along with a special service center that reflects Harel's extensive experience with these types of claims



### **RISK TRACK FOR LIFE**



A product that allows the insured to maintain valid insurance over the long term, to benefit from discounted insurance coverage even when premiums go up with age and be entitled to special benefits **cost-free for the long term**

And what did we have in

# 2021?

A year of **INNOVATION**

**Health and life**



## MEDICATION GREEN TRACK



Immediate and digital approval for medications and reimbursement through the BIT app.



## RAPID DIAGNOSIS IN OPHTHALMOLOGY



Addition of rapid diagnosis and consultation with a specialist, even in ophthalmology, at Assuta Hospital.



## PERSONALIZED MEDICINE ONLINE+



**Upgrade of customer service manifest into new area**

Online consultation with a psychologist, radiology interpretation, delivery of medications to the home, medication consulting and consultation with specialist physicians.

And what did we have in

# 2021?

A year of **INNOVATION**



**Savings**



## HAREL INDEX



A unique savings and investment product that includes 6 index fund investment tracks in which the investment can be distributed



## S&P 500 INDEX TRACKING INVESTING FUND



Addition of an index tracking investing fund in comprehensive and general pension, fund, investment provident fund and education fund

And what did we have in

# 2021?

## Elementary

A year of **INNOVATION**



Harel invested in  
**ADVANCED CRM  
SYSTEM FOR SALES**

salesforce

Insurance for  
**ELECTRIC CARS**

Special insurance for drivers with electric vehicles with appropriate coverage and a comprehensive solution to the needs of insureds.



**HOME  
INSURANCE APP**

Simple and quick to purchase homeowner's\renter's insurance, which allows selection of types of coverage and automatic assignment



And what did we have in

# 2021?

## Agents

A year of **INNOVATION**



### ONGOING PROFESSIONAL TRAINING PROGRAM

**A variety of training in various fields** - a weekly training program held on Teams that allows agents to develop professionally in various fields, wherever they may be

### THE NEW AGENTS DIGITAL DESKTOP “MICHLOL”

**Upgrading the agent's desktop** - an advanced system for sales, retention, operation and service with quick access and design and operational user experience. The system enables joint online navigation of the agent with the customer, using various digital apps and enables a combination of digital, big data and personal connection of the agent with the customer



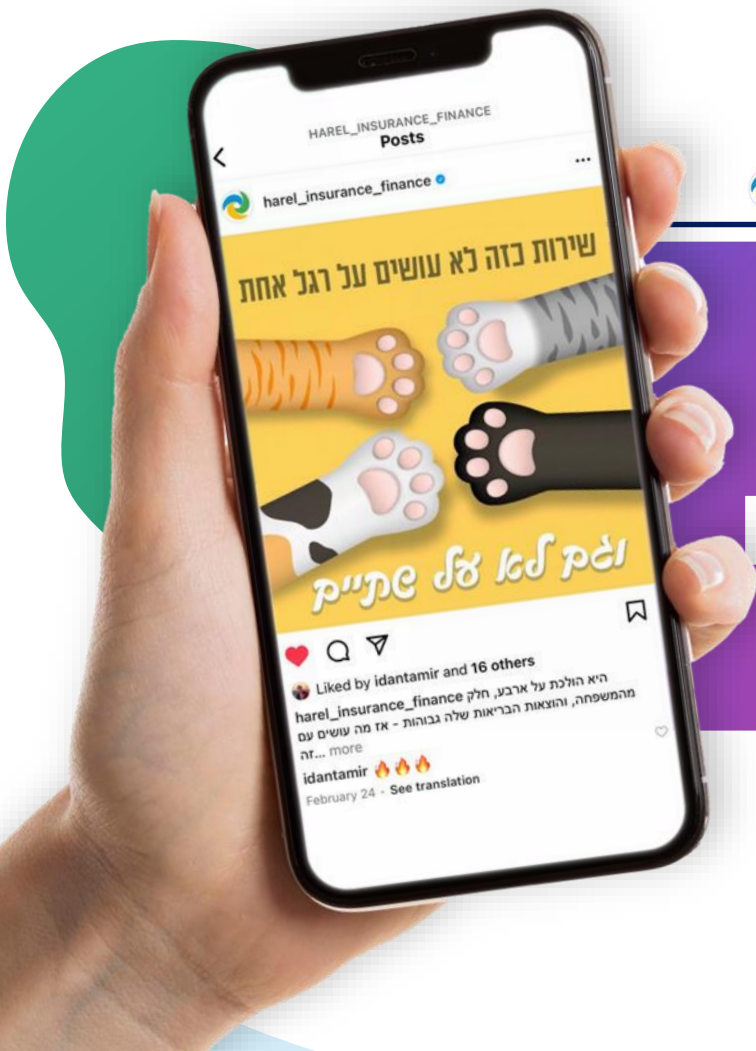
### “NESICHA” SYSTEM

A new and efficient system for surveying household content, which helps the agent manage the process of ordering and receiving the survey

And what did we have in

# 2021?

A year of **CONTENT**



harel\_insurance\_finance Instagram

Harel launched its **INSTAGRAM** page

Harel launched!



Over **100K** listened to us this year. **And what about you?**

A new season of **Avalama** with Leah Lev

NFT | Squid Game, the Economic Perspective  
A and B | Tel Aviv Museum Special  
(Yayoi Kusama exhibition) And more...





And how did   
we continue into  
**2022?**

# And how did we continue into 2022?



## Innovative Harel Marpet initiative

Through which Harel's health insurance customers are eligible to exclusive benefits for Marpet health services for pets, under very good terms



And how did  
we continue into  
**2022?**

**# Financial\_health is not a dirty word**

As Israel's largest health insurance company, we are stepping up to improve the public's financial health. Along with our partners, we will provide content for children, teens, families and adults over a variety of channels and platforms.



**Ashmoret Conference** | March 10, 2022



IMAGINE  
**where else we can go**  
**AND WE'LL GET THERE**

