

# EXECUTION VERSION

## PRICING SUPPLEMENT

**UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Pricing Supplement dated 17 November 2023

### STATE OF ISRAEL

**Legal Entity Identifier ("LEI"): 213800T8ZHTFZIBYPE21**

**Issue of USD725,000,000 6.250 per cent. Notes due 21 November 2027  
(the "Notes")**

**under the  
Euro Medium Term Note Programme**

### **PART A – CONTRACTUAL TERMS**

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Offering Circular dated 15 July 2021 (the **Offering Circular**) as supplemented by the information set out in the Annex hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular may be obtained from the Ministry of Finance of Israel at 1 Kaplan Street/Hakiria, Jerusalem 9195015, Israel and the offices of Citibank, N.A., London Branch at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Offering Circular.

<b>1.</b>	Issuer:	State of Israel
<b>2.</b>	(i) Series Number:	28
	(ii) Tranche Number:	1
<b>3.</b>	Specified Currency:	U.S. Dollars (" <b>USD</b> ")
<b>4.</b>	Aggregate Nominal Amount:	
	(i) Series:	USD725,000,000
	(ii) Tranche:	USD725,000,000
<b>5.</b>	Issue Price:	99.478 per cent. of the Aggregate Nominal Amount
<b>6.</b>	(i) Specified Denomination(s):	USD200,000 and integral multiples of USD1,000 thereafter
	(ii) Calculation Amount:	USD1,000

7.	(i) Issue Date:	21 November 2023
	(ii) Interest Commencement Date:	Issue Date
8.	Maturity Date:	21 November 2027
9.	Interest Basis:	6.250 per cent. Fixed Rate
10.	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
11.	Put/Call Options:	Not Applicable

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

12.	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	6.250 per cent. per annum payable semi-annually in arrear on each Interest Payment Date
	(ii) Interest Payment Date(s):	21 November and 21 May in each year from and including 21 May 2024 up to and including the Maturity Date; not adjusted
	(iii) Fixed Coupon Amount:	USD31.25 per Calculation Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Fixed Day Count Fraction:	30/360
	(vi) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
13.	<b>Floating Rate Note Provisions</b>	Not Applicable
14.	<b>Zero Coupon Note Provisions</b>	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

15.	Notice periods for Condition 6(b) and 6(c):	Not Applicable
16.	<b>Issuer Call</b>	Not Applicable
17.	<b>Investor Put</b>	Not Applicable
18.	<b>Final Redemption Amount of each Note</b>	USD1,000 per Calculation Amount
19.	<b>Early Redemption Amount</b>	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:	USD1,000 per Calculation Amount

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

20.	Form of Notes:	Registered Notes:  Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg
21.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No

- |     |   |                |
|-----|---|----------------|
| 22. | Calculation Agent:                                | Not Applicable |
| 23. | Additional Financial Centre(s):                   | London         |
| 24. | Additional Renminbi Clearing Financial Centre(s): | Not Applicable |
| 25. | Other final terms:                                | Not Applicable |

SIGNATURE

Signed on behalf of the State of Israel:

*Gil Cohen*  
Senior Deputy Accountant General

By: .....  
*Duly authorised*

*Philip Ynelzon*  
Managing Director

By: .....  
*Head of Government Debt Management*  
*Duly authorised*

## **PART B — OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

Application will be made for the Notes to be admitted to listing on the Official List of the FCA and to trading on the Main Market of the London Stock Exchange effective on or around 21 November 2023.

### **2. RATINGS**

The Notes to be issued have not been rated.

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

The Issuer is not aware of any interest(s) material to the issue of the Notes, other than any fees payable to the Manager.

### **4. REASONS FOR THE OFFER**

Reasons for the offer: See “Use of Proceeds” in the Offering Circular

### **5. YIELD**

Indication of yield: 6.400 per cent. per annum

### **6. OPERATIONAL INFORMATION**

ISIN: XS2722281081

Common Code: 272228108

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Delivery: Delivery against payment

### **7. DISTRIBUTION**

Method of distribution: Non-syndicated

If syndicated: Not Applicable

(i) Names of Managers: Not Applicable

(ii) Date of Subscription Agreement: Not Applicable

(iii) Stabilisation Manager: Not Applicable

If non-syndicated, name of Manager: Merrill Lynch International

U.S. Selling Restrictions: Regulation S Compliance Category 1; TEFRA not applicable

Additional selling restrictions: Not Applicable

## ANNEX

For the purposes of the Notes, the risk factor entitled "Israel's political and military environment may continue to be volatile" on page 17 of the Offering Circular shall be deemed to be deleted and replaced with the following:

***"Israel's political and military environment may continue to be volatile***

Since the establishment of the State of Israel in 1948, a number of armed conflicts have occurred between Israel and its Arab neighbours. Political instability in the Middle East has increased since the terrorist attacks of 11 September 2001, and news of Iran's reported nuclear programme. Since 2005, when Israel withdrew from the Gaza strip, terrorist violence has increased. Hamas launched an unprecedented attack on Israel on 7 October 2023, following which Israel has proceeded to undertake military action to defend itself. As at today's date it is unclear how long this situation may continue. If the current situation continues to escalate, or the level of instability and violence increases further in the future, including through the involvement of further groups or nations in attacks against Israel, this may have a significant adverse impact on Israel's capital markets, the Israeli economy, Israel's sovereign credit ratings, and the level of tourism and foreign investment in Israel, among other things.

Since January 2011, there has been political instability and civil unrest in numerous Middle East and North African countries, including Libya, Egypt, Tunisia, Yemen and Syria. This unrest has resulted in the removal of long-standing leadership in several of the aforementioned countries and created turbulent political situations in others. As Israel is situated in the centre of this region, it closely monitors these events, aiming to protect its economic, political and security interests. It should be noted that such instances of instability in the Middle East and North Africa region have not so far materially affected Israel's financial or political situation, and countries who have signed peace agreements with Israel remain committed to them, regardless of internal political developments. However, there can be no assurance that such instability in the region will not escalate in the future, such instability will not spread to additional countries in the region, current or new governments in the region will be successful in maintaining domestic order and stability, or Israel's economic or political situation will not thereby be affected."