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ISRAEL DISCOUNT BANK LTD.
(“The Bank”)

Date: October 20, 2024

Israel Securities Authority

www.isa.gov.il

Tel Aviv Stock Exchange Ltd.

www.tase.co.il

Re. Immediate Report Regarding Convening of Annual General Meeting

The Bank hereby announces the convening of an Annual General Meeting, which shall be held on **Thursday, November 28, 2024 at 11:30** (“the General Meeting”). The General Meeting shall be held at the offices of the Bank, 1 Discount Street (9th Floor), Rishon Lezion, Israel (“the Bank’s Offices”). If a quorum is not present, the General Meeting shall be adjourned to **Sunday, December 1, 2024 at 11:30** at the Bank’s Offices.

1. Part A – Topics on the agenda and the majority required to pass the resolutions:

1.1 Discussion of the financial statements and the report of the Board of Directors of the Bank for the year ended December 31, 2023

The financial statements and the report of the Board of Directors of the Bank for the year ended December 31, 2023, which are included in the Bank’s Periodic Report for 2023 can be viewed on the Distribution website of the Israel Securities Authority (www.isa.gov.il) (“the Distribution Website”), on the website of the Tel-Aviv Stock Exchange Ltd. (www.maya.tase.co.il) (“the TASE Website”) and on the website of Discount Bank (www.discountbank.co.il) (“the Bank’s Website”). The Report was published on March 11, 2024 (reference no.: 2024-01-020851).

The proposed resolution:
No resolution is required.

1.2 Report on the independent auditors’ remuneration for 2023

Details regarding the independent auditors’ remuneration for 2023, for auditing activities and for additional services, pursuant to Sections 165 and 167 of the Companies Law, 1999 (“the Companies Law”), as are included on page 281 of the Bank’s 2023 Periodic Report (page 337 of the English translation).

As of the date of this report, Ziv Haft (BDO) and Somekh Chaikin (KPMG), serve jointly as the independent auditors of the Bank. The independent auditors were last appointed to their position in August 2023 by the Bank’s General Meeting, which authorized the Bank’s Board of Directors to set the independent auditors’ remuneration. Said appointment is for a period of three years through the end of the Bank’s Annual General Meeting for 2026, in accordance with Article 61 of the Bank’s Articles of Association.

The proposed resolution:
No resolution is required.

1.3 Appointment of directors to the Board of Directors of the Bank – Companies Law external director

To elect one (1) director, with the status of external director, as this is defined in the Companies Law, 1999 (“Companies Law External Director”).

The election at this General Meeting is between the candidates proposed by the Committee for the Appointment of Directors at Banking Corporations appointed pursuant to Section 36A of the Banking (Licensing) Law, 1981 (“the Banking Law”) and pursuant to Sections 11D(a)(1) and (2) of the Banking Ordinance, 1941 (“the Banking Ordinance”):

1.3.1 Ms. Sigal Barmack (a candidate for re-election)

1.3.2 Ms. Sabina Biran

The majority required to pass the resolution (taking into account that the Bank is a banking corporation having no core controlling interest):

- (a) The votes comprising the majority shall include a majority of all the votes of holders of ordinary “A” shares that are not controlling shareholders of the Bank or those having a personal interest in approving the appointment, other than a personal interest not resulting from that shareholder’s relations with a controlling shareholder participating in the vote; in counting the total votes of the said shareholders, abstentions shall not be taken into account; **or**
- (b) The total opposing votes among the shareholders included in section (a) above does not exceed two percent (2%) of the total voting rights in the Bank.

For further details regarding the appointment of the directors to the Bank’s Board of Directors, including the proposed resolutions – refer to section 2 below. The appointments shall take effect subject to that described in section 2 below.

1.4 Appointment of directors to the Board of Directors of the Bank – director with the status of ‘other director’

To elect three (3) directors, with the status of ‘other director’, as stated in Section 11D(a)(2) of the Banking Ordinance (“Other Director”).

The election at the General Meeting is between the candidates proposed by the Committee for the Appointment of Directors at Banking Corporations appointed pursuant to Section 36A of the Banking Law, 1981 and pursuant to Sections 11D(a)(1) and (2) of the Banking Ordinance:

- 1.4.1 Prof. Ben-Zion Zilberfarb (a serving director who is who is a candidate for re-election)
- 1.4.2 Mr. Reuven Adler
- 1.4.3 Mr. Elik Etzion
- 1.4.4 Ms. Keren Kibovich

The majority required to pass the resolution:

The majority required to pass a resolution to appoint an ‘Other Director’ is a simple majority of all the votes of holders of ordinary “A” shares voting at the General Meeting in person, by proxy, by means of a voting ballot or by means of an electronic voting system, and entitled to vote. In counting the votes of the said shareholders, abstentions shall not be taken into account.



For further details regarding the appointment of the directors to the Bank's Board of Directors, including the proposed resolution – refer to section 2 below. The appointments shall take effect subject to that described in section 2 below.

Part B – Additional details regarding the topics on the agenda:

2. Further details regarding the appointment of the directors to the Bank's Board of Directors:

- 2.1 A preliminary notice pursuant to Section 11C(a)(4) of the Banking Ordinance was published on June 9, 2024 (reference no. 2024-01-058213).
- 2.2 The Bank's Board of Directors currently consists of nine (9) directors.
- 2.3 In preparation for the upcoming Annual General Meeting, six (6) candidates have been proposed by the Committee for the Appointment of Directors: **two (2)** candidates for the position of director with the status of Companies Law external director, from whom the General Meeting has to elect **one (1)** external director and **four (4)** candidates for the position of director with the status of 'other director', from whom the General Meeting has to elect **three (3)** directors.
- 2.4 In accordance with Section 11A of the Banking Ordinance, the appointment of the director who shall be elected by the General Meeting is subject to the Supervisor of Banks approving the appointment or to his not opposing it.
- 2.5 Ms. Yodfat Harel-Buchris is expected to end her third and final term of service as a director of the Bank on February 15, 2024.
- 2.6 On July 23, 2024, the Bank received a letter from the Supervisor of Banks according to which the Supervisor had exercised the authority granted to him under Section 11E(a)(6) of the Banking Ordinance and had extended the service of the directors Messrs. Ben-Zion Zilberfarb and Doron Avital, whose service was expected to end on August 1, 2024, prior to the calling of the 2024 Annual General Meeting. As set forth in the letter, the extension of service is for a period of six months from the end of the directors' service or until the number of directors serving on the Board of Director has been made up to 10, whichever is the earlier. If Prof. Zilberfarb is elected for an additional term of service at the 2024 General Meeting, this term of service will run from August 1, 2024. Mr. Doron Avital's term of service will end when the number of directors serving on the Board of Director has been made up to 10. As set forth in the letter, the Supervisor's approval was granted in light of the exceptional circumstances caused by the Committee for the Appointment of Directors' delay in the sending of the final list of candidates to the Bank. For further details, see the Immediate Report dated July 24, 2024 (reference no. 2024-01-077965).
- 2.7 Ms. Barmack's first term of service as an external director pursuant to the Companies Law ended on July 31, 2024, at which time, the final list of candidates for the Board of Directors had not yet been sent to the Bank by the Committee for the Appointment of Directors, due to the delay in the Committee's work. If Ms. Barmack is elected for an additional term of service as a director of the Bank by the 2024 Annual General Meeting, her second term of service will start on the actual commencement date of her service, following approval of her appointment by the Supervisor of Banks. For further details, see the Immediate Report dated August 1, 2024 (reference no. 2024-01-081841).
- 2.8 The service commencement date of the directors that are to be elected will be after the date of the Supervisor of Banks's approval, taking into consideration the contents sections 2.6 and 2.7 above. In addition, one of the new candidates to serve as a director with the status of Other Director will commence serving upon Ms. Harel-Buchris ending her service, as stated in Section 2.5 above.

- 2.9 The candidates must comply with all the terms stipulated by law for service as a director of a bank having no core controlling interest, as prescribed in Sections 11E(b)-(e) of the Banking Ordinance, and, with regard to a Companies Law external director, also with the eligibility terms that apply to external directors by virtue of the Companies Law, including having no affiliation to the Bank, to a corporation controlled by the Bank, to an officer of the Bank or to a material holder/material shareholder, of these or of their relatives. Attached to (the original Hebrew version of) this Immediate Report are declarations from the candidates to serve as directors of the Bank, in accordance with Section 224B of the Companies Law or Section 241 of the Companies Law, as the case may be.
- 2.10 As resolved by the Audit Committee on November 13, 2016, retail business relations between the candidates for appointment and/or anyone closely connected with them, with the Bank and/or with corporations under its control and/or where holding a financial instrument or product is a service provided by material holders/material shareholders, that are involved in the provision of retail banking services during the normal course of business, and which meet the criteria set by the Supervisor of Banks in relation to “retail business relations”¹ (“the Supervisor’s Letter”), do not constitute an “affiliation” pursuant either to the Banking Ordinance or to the Companies Law, and – instead – shall be classified as insignificant relations, in accordance with the provisions Regulations of Section 5 of the Companies (Matters Not Constituting an Affiliation), 2006 (“the Insignificance Regulations”). Within the context of the discussion on the question of insignificance, the Audit Committee examines, with regard to each candidate, whether any irregularity exists regarding the aforesaid criteria. In any case, this shall not be deemed sufficient reason to prevent the Audit Committee from confirming the insignificance of the relations, even if the business relations were not to comply with the limits imposed by the Supervisor with regard to retail business relations.
- 2.11 The Bank must comply with all the relevant requirements regarding the composition and qualifications of the Board of Directors in accordance with the provisions of any law, including the provisions of Proper Conduct of Banking Business Directive No. 301, inter alia, in relation to the requirement for a minimum number of directors possessing proven banking experience, professional qualifications, accounting and financial expertise, proven IT knowledge and experience, and additional requirements as set forth in sections 25 and 26 of Directive 301.
- 2.12 Taking into consideration the characteristics of the Bank’s activities, its strategy and the challenges in the business environment in which it operates, the regulatory developments and the risks to which the Bank is exposed, and the aspiration that the Board of Directors is to have the knowledge, qualifications, skills, and experience that are collectively appropriate to properly serve the needs of the Board of Directors, the Bank has asked the Committee for the Appointment of Directors that candidates be proposed so that there will be a greater chance that the General Meeting will elect as directors persons with at least the following attributes:
- At least two (2) of the candidates to be elected by the General Meeting is to be a woman.
 - Two (2) of the candidates to be elected are to possess proven banking experience, as defined in Proper Conduct of Banking Business Directive 301.
 - Two (2) of the candidates to be elected are to possess knowledge and experience in the IT field.

¹ As set forth in the Supervisor’s Letter to the Bank from May 28, 2014 regarding the meaning of the terms “retail business relations” and “insignificant relations” in Section 11E(b) of the Banking Ordinance.

- All the candidates classified as a Companies Law external director are to possess knowledge and understanding of financial statements of financial institutions or banking corporations and are to be classifiable as possessing accounting and financial expertise (since they are designated to serve on the Audit Committee, which is the Bank's Financial Statements Review Committee). In addition, they are to be classifiable as meeting the requirements for a 301 external director (possession of experience and education, in accordance with the regulations and with Proper Conduct of Banking Business Directive No. 301).
- Preference to be given to persons having a background and experience in formulating strategy in large entities and also having a business background and experience in a senior management position with a financial corporation or with a business company having a significant business scope.

2.13 The vote for each candidate shall be taken separately. Those participating in the vote are entitled to vote for each of the candidates to serve as a director.

2.14 It should be noted that Article 37D of the Bank's Articles of Association states the following:

“Should the number of candidates for appointment as directors, who receive a majority of the votes of the participants in the vote at the General Meeting, exceed the number of positions available for said appointment, the candidates who gained the most support in the vote at the General Meeting shall be selected. If any of the electees is disqualified from serving as a director for any reason, including pursuant to a decision by the Supervisor of Banks, the candidate who gained the greatest amount of support in the vote at the General Meeting, after the candidate who was disqualified as stated, shall be the person elected.

If a decision needs to be made between candidates who received an equal number of votes at the General Meeting, and among these candidates there is a person who is standing for an additional period of service, that person shall be considered as having gained the greatest amount of support in the vote at the General Meeting.

Where both candidates for director are standing for election for the first time, or have been serving for identical periods, a further vote shall be taken at the adjourned meeting on whose agenda shall be the appointment of the directors who won an equal number of votes.”

2.15 With regard to voting at the General Meeting, Section 34(a1) of the Banking Law prescribes the following – “A person shall not conclude an agreement with another concerning their votes for the appointment of a director in a bank or a bank holding corporation, except in accordance with a permit that the Governor shall issue after consulting with the Licenses Committee; this provision shall not apply to a body of holders, as defined in Section 11D(a)(3)(b) of the Ordinance, for the purpose of voting on the appointment of a director who was removed by them pursuant to that Section, and also to a holder of means of control that concludes an agreement with another to the effect that said other shall vote in its name and on its behalf and without consideration, as the holder of the means of control has instructed him, provided that, if the other is himself a holder of means of control in a banking corporation or a bank holding corporation, as the case may be, no more than one other holder shall vote in his name and on his behalf”.

2.16 Directors of the Bank who are Expert Directors, as defined in the Companies Regulations (Rules on Fees and Expenses of External Directors), 2000 (“the Fees Regulations”) (“an Expert Director”)², shall be entitled to the payment of annual fees and meeting attendance fees in the “maximum amount for an expert external director” prescribed in the Fourth Schedule to the Fees Regulations, according to the ranking of the Bank, in accordance with the Board of Directors’ decision from May 16, 2018.

A director who is not an Expert Director shall be entitled to annual fees and meeting attendance fees in the “maximum amount” prescribed in the Second and Third Schedules to the Fees Regulations, according to the ranking of the Bank, in accordance with the Board of Directors’ decision from July 6, 2008.

2.17 On February 28, 2023, the General Meeting approved a compensation policy for officers of the Bank pursuant to Section 267A of the Companies Law, for a period of three years. As part of the compensation policy, it is prescribed that the Bank shall be entitled to acquire a policy for directors’ and officers’ liability insurance, which shall apply to the officers of the Bank and/or its investee companies and for the Bank’s group companies as these shall be from time to time. The Bank shall be entitled to enter into an officers’ liability insurance policy, as stated, during the term of the compensation policy, either by way of acquiring new policies or by way of extending or renewing the existing policy or policies that shall be acquired in the future – and all within the framework of the terms and conditions set forth in the compensation policy³. The existing directors’ and officers’ liability insurance policy for the Bank’s directors and officers was renewed on April 1, 2024 and is valid through March 31, 2025.

2.18 For details regarding resolutions in respect to exemption and indemnification of the Bank’s directors and officers, refer to Article 29A and Note 26 in the Bank’s annual report for the period ended December 31, 2023, which was published on March 11, 2024.

2.19 **Presented below are details concerning the candidates to serve as directors with the status of external director, as this is defined in the Companies Law, in accordance with Regulations 26 and 36B(a)(10) of the Securities Regulations (Periodic and Immediate Reports), 1970:**

With regard to topic 1.3.1 on the agenda – Election of Ms. Sigal Barmack

Candidate’s name	Sigal Barmack
ID no.	024328064
Date of birth	March 26, 1969
Address for service of court documents	21 Jabotinski Street, Givatayim, Israel
Nationality	Israeli
Membership of Board of Directors’ committees	During her first term of service, Ms. Barmack served as Chair of the Audit Committee and as a member of the Compensation Committee and the Risk Management Committee

² **“Expert Director”** – (1) a director possessing accounting and financial expertise; (2) a director who, due to his education, experience and qualifications possesses a high level of skill and a thorough understanding of the principal business sphere of the company; the director’s level of skill and understanding shall be assessed by the board of directors, after the director has added to his declaration, pursuant to Section 241 of the Companies Law, a declaration regarding his education, experience and qualifications, to the extent that these are relevant to his aforesaid assessment, to which he shall attach documents that support his declaration (Regulation 1 of the Companies Regulations (Rules on Fees and Expenses of External Directors), 2000).

³ Refer to the immediate report dated January 21, 2023, reference no. 2023-01-010734.

External director as defined in the Companies Law	Yes
Independent director as defined in the Companies Law	Yes
Possesses accounting and financial expertise or professional qualifications	Possesses accounting and financial expertise and professional qualifications
Date on which service as a director shall commence	Ms. Barmack was first appointed as a director of the Bank on August 1, 2021. The commencement date of her second term of service is dependent on her election at the General Meeting and on receiving the Supervisor of Banks's consent. For further details, see section 2.7 above
Education/professional diplomas	Refer to the curriculum vitae and the candidate's declaration attached to (the Hebrew version of) this immediate report
Employment in the last five years and details of the corporations in which she serves as a director	Refer to the curriculum vitae and the candidate's declaration attached to (the Hebrew version of) this immediate report
Employee of the Bank, a subsidiary, a related company or an interested party of the Bank	No
Relative of another interested party in the corporation	No

Decision of the Audit Committee:

The Audit Committee has confirmed that the business relations of the candidate and/or her relatives with a corporation under the Bank's control (ICC) in the course of normal business, and the financial products provided to them by material holders/material shareholders, which meet the criteria prescribed by the Supervisor of Banks with regard to "retail business relations" as referred to in section 2.10 above, do not constitute an "affiliation" and instead constitute insignificant relations in accordance with the Companies Law and the Banking Ordinance.

The proposed resolution:

To appoint Ms. Sigal Barmack as a director with the status of external director, as this is defined in the Companies Law, 1999, for a term of three years, subject to receiving the consent or non-objection of the Supervisor of Banks to the appointment.

With regard to topic 1.3.2 on the agenda – Election of Ms. Sabina Biran

Candidate's name	Sabina Biran
ID no.	014949192
Date of birth	July 12, 1967
Address for service of court documents	81 HaZemer HaIvri Street, Herzliya, Israel
Nationality	Israeli
Membership of Board of Directors' committees	Not yet determined. At the least, she will serve as a member of the Audit Committee and the Compensation Committee by virtue of her classification as a Companies Law external director
External director as defined in the Companies Law	Yes, in accordance with the Committee for the Appointment of Directors' classification and

	the candidate's declaration attached to (the Hebrew version of) this immediate report.
Independent director as defined in the Companies Law	Yes
Possesses accounting and financial expertise or professional qualifications	Refer to the candidate's declaration (attached to the Hebrew version of this immediate report) and subject to the approval of the Bank's Board of Directors
Date on which service as a director shall commence	Subject to election at the General Meeting and receipt of the Supervisor of Banks's consent
Education/professional diplomas	Refer to the curriculum vitae and the candidate's declaration attached to (the Hebrew version of) this immediate report
Employment in the last five years and details of the corporations in which she serves as a director	Refer to the curriculum vitae and the candidate's declaration attached to (the Hebrew version of) this immediate report
Employee of the Bank, a subsidiary, a related company or an interested party of the Bank	No
Relative of another interested party in the corporation	No

Decision of the Audit Committee:

- The Audit Committee has confirmed that the business relations of the candidate and/or her relatives with a corporation under the Bank's control (ICC) in the course of normal business, and the financial products provided to them by material holders/material shareholders, which meet the criteria prescribed by the Supervisor of Banks with regard to "retail business relations" as referred to in section 2.10 above, do not constitute an "affiliation" and instead constitute insignificant relations in accordance with the Companies Law and the Banking Ordinance.
- The candidate serves as the financial comptroller of Arkia Israeli Airlines Ltd. ("Arkia") and served as financial comptroller of Fritz Companies Israel T. Ltd. ("Fritz") through June 2023, with this being at the request of the banks (including Discount) that finance the activities of the above companies, The aforesaid services were/are provided within the framework of the company M.V.P. of which she is a founder and the CEO and the 50% shareholder. The Audit Committee has confirmed that the professional relations of the candidate with the Bank in all matters relating to her position as financial comptroller of Arkia and Fritz ("the Companies"), insofar as they constitute an "affiliation" with the Bank, are insignificant relations in accordance with the Banking Ordinance and the Companies Law from the perspective of the candidate and from the perspective of the Bank. Among other reasons, this is due to the following facts: that the candidate was appointed as the financial comptroller of Arkia and Fritz by the aforesaid Companies that pay or paid her salary; that the relationship of the candidate with the Companies and with the Bank began prior to her appointment as a director of the Bank, should she be elected as such, and that the relationship with Fritz had even terminated a year and a half prior to her appointment as a director of the Bank, should she be elected as such; that, by nature, the scope of her position is of a reporting character, rather than being a part of the decision-making process or of the business relations system of Arkia with the Bank; and that restrictions are in place to prevent a conflict of interests in connection therewith.

Other matters:

- Should she be elected as a director, the candidate has undertaken that she and/or any person acting on behalf of M.V.P. shall cease to serve as financial comptroller of Arkia

and Fritz with regard to her business relations with the banking system (including the Bank).

- The candidate serves as a director of Anvei Zion. Should she be elected as a director of the Bank, the candidate has undertaken to terminate her service as a director of the company, Anvei Zion, due to its being classified as a major non-finance corporation, in accordance with the Law for Promotion of Competition and Reduction of Concentration, 2013 (the “Concentration Law”).

The proposed resolution:

To appoint Ms. Sabina Biran as a director of the Bank with the status of external director, as this is defined in the Companies Law, 1999, for a period of three years, subject to receiving the consent or non-objection of the Supervisor of Banks to the appointment.

2.20 Presented below are details concerning the candidates to serve as directors with the status of ‘Other Director, as this is defined in Section 11D(a)(2) of the Banking Ordinance and in accordance with Regulations 26 and 36B(a)(10) of the Securities Regulations (Periodic and Immediate Reports), 1970:

With regard to topic 1.4.1 on the agenda – Election of Prof. Ben-Zion Zilberfarb

Candidate’s name	Ben-Zion Zilberfarb
ID no.	030134605
Date of birth	October 9, 1949
Address for service of court documents	10 HaTizmoret Street, Kiryat Ono, Israel
Nationality	Israeli
Membership of Board of Directors’ committees	Audit Committee, Resources Committee and Risk Management Committee
External director as defined in the Companies Law	No.
Independent director as defined in the Companies Law	Yes
Possesses accounting and financial expertise or professional qualifications	Possesses accounting and financial expertise and professional qualifications
Date on which service as a director shall commence	First appointed August 1, 2021. Should he be elected at the General Meeting to serve an additional term and subject to the Supervisor of Banks’s consent, his third term of service will run from August 1, 2024. For further details, see section 2.6 above
Education/professional diplomas	Refer to the curriculum vitae and the candidate’s declaration attached to (the Hebrew version of) this immediate report
Employment in the last five years and details of the corporations in which he serves as a director	Refer to the curriculum vitae and the candidate’s declaration attached to (the Hebrew version of) this immediate report
Employee of the Bank, a subsidiary, a related company or an interested party of the Bank	No
Relative of another interested party in the corporation	No

Decision of the Audit Committee:

- The Audit Committee has confirmed that the business relations of the candidate and/or his relatives with the Bank and/or with corporations under the Bank’s control (MDB and ICC) in the course of normal business, and the financial products provided to them by material holders/material shareholders, which meet the criteria prescribed by the Supervisor of Banks with regard to “retail business relations” as referred to in section 2.10 above, do not constitute an “affiliation” and instead constitute insignificant relations in accordance with the Companies Law and the Banking Ordinance.
- The Audit Committee has confirmed that the relations of the Netanya Academic College, the candidate’s employer and where he served as Deacon of the School of Banking and Capital Market Studies through September 30, 2024, with the sub-subsidiary Diners (Clearing) are insignificant relations in accordance with the Companies Law and the Banking Ordinance, with regard to constituting an “affiliation”. Among other reasons, this is due to the following facts: that these are the relations of the candidate’s employer rather than those of the candidate himself; and that the candidate is not involved in managing such relations, that– in light of their scope – are insignificant from the candidate’s perspective and from that of Diners and the Netanya Academic College.

The proposed resolution:

To appoint Prof. Ben-Zion Zilberfarb. as a director with the status of ‘Other Director’, in accordance with Section 11D(a)(2) of the Banking Ordinance, for a period of three years, with effect from August 1, 2024, subject to receiving the consent or non-objection of the Supervisor of Banks to the appointment.

With regard to topic 1.4.2 on the agenda – Election of Mr. Reuven Adler

Candidate’s name	Reuven Adler
ID no.	067639740
Date of birth	May 7, 1949
Address for service of court documents	6 HaRav Neriya Street, Petah Tikva, Israel
Nationality	Israeli
Membership of Board of Directors’ committees	Not yet determined
External director as defined in the Companies Law	No.
Independent director as defined in the Companies Law	In accordance with the candidate’s declaration (attached to the Hebrew version of this immediate report). Subject to the Audit Committee’s approval
Possesses accounting and financial expertise or professional qualifications	Refer to the candidate’s declaration (attached to the Hebrew version of this immediate report) and subject to the approval of the Bank’s Board of Directors
Date on which service as a director shall commence	Subject to election at the General Meeting and receipt of the Supervisor of Banks’s consent
Education/professional diplomas	Refer to the curriculum vitae and the candidate’s declaration attached to (the Hebrew version of) this immediate report
Employment in the last five years and details of the corporations in which he serves as a director	Refer to the curriculum vitae and the candidate’s declaration attached to (the Hebrew version of) this immediate report

Employee of the Bank, a subsidiary, a related company or an interested party of the Bank	No
Relative of another interested party in the corporation	No

Decision of the Audit Committee:

The Audit Committee has confirmed that the business relations of the candidate and/or his relatives with the Bank and/or with a corporation under the Bank's control (ICC) in the course of normal business, and the financial products provided to them by material holders/material shareholders, which meet the criteria prescribed by the Supervisor of Banks with regard to "retail business relations" as referred to in section 2.10 above, do not constitute an "affiliation" and instead constitute insignificant relations in accordance with the Companies Law and the Banking Ordinance.

Other matters:

The candidate serves as an external director of Blue Square Real Estate Ltd. Should he be elected as a director of the Bank, the candidate has undertaken to terminate his service as a director of Blue Square Real Estate, due to it being a major non-finance corporation, in accordance with the Concentration Law.

The proposed resolution:

To appoint Mr. Reuven Adler as a director with the status of 'Other Director', in accordance with Section 11D(a)(2) of the Banking Ordinance, for a period of three years, subject to receiving the consent or non-objection of the Supervisor of Banks to the appointment.

With regard to topic 1.4.3 on the agenda – Election of Mr. Elik Yisrael Etzion

Candidate's name	Elik Yisrael Etzion
ID no.	027450626
Date of birth	September 2, 1974
Address for service of court documents	45 HaZayit Street, Oranit, Israel
Nationality	Israeli
Membership of Board of Directors' committees	Not yet determined
External director as defined in the Companies Law	No.
Independent director as defined in the Companies Law	In accordance with the candidate's declaration (attached to the Hebrew version of this immediate report). Subject to the Audit Committee's approval
Possesses accounting and financial expertise or professional qualifications	Refer to the candidate's declaration (attached to the Hebrew version of this immediate report) and subject to the approval of the Bank's Board of Directors
Date on which service as a director shall commence	Subject to election at the General Meeting and receipt of the Supervisor of Banks's consent
Education/professional diplomas	Refer to the curriculum vitae and the candidate's declaration attached to (the Hebrew version of) this immediate report
Employment in the last five years and details of the corporations in which he serves as a director	Refer to the curriculum vitae and the candidate's declaration attached to (the Hebrew version of) this immediate report

Employee of the Bank, a subsidiary, a related company or an interested party of the Bank	No
Relative of another interested party in the corporation	No

Decision of the Audit Committee:

- The Audit Committee has confirmed that the business relations of the candidate and/or his relatives with the Bank and/or with a corporation under the Bank’s control (ICC) in the course of normal business, and the financial products provided to them by material holders/material shareholders, which meet the criteria prescribed by the Supervisor of Banks with regard to “retail business relations” as referred to in section 2.10 above, do not constitute an “affiliation” and instead constitute insignificant relations in accordance with the Companies Law and the Banking Ordinance.
- The candidate serves as VP Cyber and Software Investments of Elron Ventures (“Elron”). The Audit Committee has confirmed that the business relations of Elron, the candidate’s employer, with the Bank are “insignificant relations” in accordance with the Banking Ordinance. Among other reasons, this is due to the following facts: that these are the business relations of the candidate’s employer rather than those of the candidate himself, in the course of normal business; that the candidate is not involved in managing such relations and that are insignificant from his perspective; that the relations commenced prior to the commencement of the candidate’s service with Elron; and that the relations – in light of their scope –are not material from the perspective of either the Bank or Elron.
- The Audit Committee has confirmed that the business/professional relations between the candidate and The Phoenix Finance Ltd. (“The Phoenix”), a material holder of the Bank, within the framework of consulting services that the candidate provides to the Board of Directors and to The Phoenix, are “insignificant relations” in accordance with the Banking Ordinance. Among other reasons, this is due to the following facts: that the revenues from the relations with The Phoenix are insignificant from the candidate’s perspective and it can be assumed that these relations are also insignificant from The Phoenix’s perspective in light of their scope. These relations began prior to the candidate’s appointment as a director, should he be elected as such, and he has undertaken to terminate them if he is elected as a director of the Bank.
- The Audit Committee has confirmed that the holding of the shares of Elron, the candidate’s employer, by a material holder of the Bank, The Phoenix, which is a material shareholder of both the Bank and Elron, do not meet the criteria to be business or professional relations of Elron with a material holder of the Bank and therefore do not constitute an “affiliation”. Instead, for the sake of caution, the Committee has determined that these are “insignificant relations” in accordance with the Banking Ordinance. Among other reasons, this is due to The Phoenix’s status as an institutional investor that is neither involved in Elron’s management nor is part of Elron’s control. In addition, the business relations are not of the candidate himself; rather, the relations relate to his employer and, as part of the candidate’s duties with the company, he does not engage in relations with the company’s shareholders. Moreover, these relations began prior to the candidate commencing service as a director of the Bank, should he be elected as such.
- The Audit Committee has confirmed that the candidate’s service as a director of CreedNZ, in which the director Ms. Harel-Buchris also serves as a director, does not constitute an “affiliation” with an officer. Instead, the Committee has determined that the relationship is “insignificant” due to the following facts: that the relations began prior to the candidate being appointed as a director of the Bank, should he be elected as such; that there is no direct, business or professional relationship between the candidate and Ms. Harel-Buchris as a director of CreedNZ, apart from their parallel service at the same company, with each of them having been appointed by different investors. Their service with CreedNZ is insignificant from their perspective.

Other matters:

“Elron” is included in the list of major non-finance corporations under the Concentration Law due to having been part of the Tzachi Nahmias Group (which – through Mega Or Holdings Ltd. – has a holding in Discount Investments Ltd., which was the controlling shareholder of Elron) until the sale of control of Elron in September 2024. The candidate has informed the Bank of the position of the Competition Authority that, because of the sale of control over Elron and in light of the fact that it does not meet the criteria prescribed by the Concentration Law to be defined as a major non-finance corporation, Elron will be removed from the list of concentrated entities and from the list of significant non-finance corporations with effect from the upcoming update of the lists.

The proposed resolution:

To appoint Mr. Elik Yisrael Etzion as a director with the status of ‘Other Director’, in accordance with Section 11D(a)(2) of the Banking Ordinance, for a period of three years, subject to receiving the consent or non-objection of the Supervisor of Banks to the appointment.

With regard to topic 1.4.4 on the agenda – Election of Ms. Keren Kibovich

Candidate’s name	Keren Kibovich
ID no.	035751866
Date of birth	August 14, 1978
Address for service of court documents	4 Yitzhak Chernov Street, Rishon Lezion, Israel
Nationality	Israeli
Membership of Board of Directors’ committees	Not yet determined
External director as defined in the Companies Law	No.
Independent director as defined in the Companies Law	In accordance with the candidate’s declaration (attached to the Hebrew version of this immediate report). Subject to the Audit Committee’s approval
Possesses accounting and financial expertise or professional qualifications	Refer to the candidate’s declaration (attached to the Hebrew version of this immediate report) and subject to the approval of the Bank’s Board of Directors
Date on which service as a director shall commence	Subject to election at the General Meeting and receipt of the Supervisor of Banks’s consent
Education/professional diplomas	Refer to the curriculum vitae and the candidate’s declaration attached to (the Hebrew version of) this immediate report
Employment in the last five years and details of the corporations in which she serves as a director	Refer to the curriculum vitae and the candidate’s declaration attached to (the Hebrew version of) this immediate report
Employee of the Bank, a subsidiary, a related company or an interested party of the Bank	No
Relative of another interested party in the corporation	No

Decision of the Audit Committee:

The Audit Committee has confirmed that the business relations of the candidate and/or her relatives with the Bank and with a corporation under the Bank's control (ICC) in the course of normal business, and the financial products provided to them by material holders/material shareholders, which meet the criteria prescribed by the Supervisor of Banks with regard to "retail business relations" as referred to in section 2.10 above, do not constitute an "affiliation" and instead constitute insignificant relations in accordance with the Companies Law and the Banking Ordinance.

Other matters:

- The candidate serves as a director of Altshuler Shaham Properties Ltd. ("Altshuler Properties"). The Audit Committee has noted, in light of the opinion of the Supervisor of Banks that was given to the Committee for the Appointment of Directors, that – in the circumstances of this instance – the Supervisor of Banks believes that he is able to exercise the authority granted to him under Section 11E(c1) of the Banking Ordinance to rule that the candidate's service as a director of Altshuler Properties does not constitute a prohibited "affiliation" to a material holder. This ruling is subject to the candidate terminating her service with Altshuler Properties prior to her appointment, should she be elected as such. On September 25, 2024, the candidate reported that she had terminated her service as a director with Altshuler Properties.
- The candidate serves as a director of weSure Global Tech Ltd. ("weSure"). The candidate has undertaken that, should she be elected as a director of the Bank, she will terminate her service with weSure, in light of the fact that weSure controls a major financial corporation (Ayalon).
- The candidate serves as a director of Psagot Finance & Investments Group Ltd. ("Psagot"). Should the candidate be elected as a director of the Bank and should, at the date of commencing her service, Psagot still be a controlling shareholder of a Stock Exchange member through Psagot Securities Ltd, the candidate has undertaken to terminate her service with Psagot.

The proposed resolution:

To appoint Ms. Kibovich as a director with the status of 'Other Director', in accordance with Section 11D(a)(2) of the Banking Ordinance, for a period of three years, subject to receiving the consent or non-objection of the Supervisor of Banks to the appointment.

Part C – Additional Details Regarding the Annual General Meeting:

1. Location and time at which the General Meeting shall be convened:

The Annual General Meeting of the holders of ordinary "A" shares of the Bank ("the General Meeting") shall be held on **Thursday, November 28, 2024 at 11:30**, at the offices of the Bank at 1 Discount Street (9th floor), Rishon Lezion, Israel.

2. The record date:

The record date fixed for determining the right of a shareholder regarding entitlement to vote at a General Meeting pursuant to Section 182 of the Companies Law and Regulation 3 of the Companies Regulations (Voting Ballot and Position Papers), 2005 ("the Voting Ballot Regulations"), is **Sunday, October 27, 2024** ("the Record Date").



3. Voting at the General Meeting:

- 3.1** A shareholder is authorized to vote on resolutions on the agenda in person or by proxy or by means of a voting ballot or by means of the electronic voting system, as defined in the Voting Ballot Regulations (“the Electronic Voting System”), as set forth below.
- 3.2** An instrument of appointment of a voting proxy, a power of attorney or a copy certified by a competent party (an attorney, an accountant, etc.) is to be deposited at the Bank’s Offices by **Monday, November 25, 2024 at 11:30.**
- 3.3** Pursuant to the Companies Regulations (Proof of Share Ownership for the Purpose of Voting at a General Meeting), 2000, a shareholder whose shares are registered with a Stock Exchange member and whose said shares are included among the shares registered in the shareholders’ register in the name of the nominee company, may vote at the General Meeting upon delivering to the Bank a confirmation from the Stock Exchange member as to his ownership of the shares on the Record Date, as required in accordance with the said Regulations.
- 3.4** A shareholder whose shares are registered with a Stock Exchange member may receive the confirmation of ownership from the Stock Exchange member through whom he holds shares, at a branch of the Stock Exchange member or by mail to his address upon payment of just a delivery charge, if so requested. A shareholder whose shares are registered with a Stock Exchange member may instruct that his confirmation of ownership be sent by means of the electronic voting system.
- 3.5** In accordance with the Bank’s Articles, a shareholder is entitled to vote at the General Meeting on all the topics on the agenda by means of a voting ballot. The text of a voting ballot and position papers on the said resolutions can be found on the Distribution Website and on the TASE Website. The vote may be cast using the Second Part of the voting ballot, as published on the Distribution Website.
- 3.6** The shareholders may request directly from the Bank and receive from it the text of the voting ballot and position papers, where such exist. The Stock Exchange member shall send by electronic mail, without charge, a link to the text of the voting ballot and the position papers on the Distribution Website, to any shareholder who is not registered in the shareholders’ register and whose shares are registered with that Stock Exchange member, unless the shareholder has notified the Stock Exchange member that he is not interested in receiving a link as aforesaid, and provided that the notice was given with regard to a specific securities account and on a date prior to the Record Date.
- 3.7** An unregistered shareholder wishing to vote at the General Meeting in writing without attending the General Meeting and without sending a legal representative, shall deliver the voting ballot to the offices of the Bank or shall send it by registered mail, together with the confirmation of ownership, in accordance with the address that appears in the Second Part of the voting ballot, so that the voting ballot shall reach the Bank’s Offices not later than four hours prior to the time scheduled for holding the General Meeting, viz., **by 07:30 on Thursday, November 28, 2024.**
- 3.8** A shareholder, who is registered in the shareholders’ register and who wishes to vote in writing, shall deliver the voting ballot to the offices of the Bank or shall send it by registered mail, together with a photocopy of his identity card, or a photocopy of his passport, or a photocopy of the certificate of incorporation, so that the voting ballot shall reach the Bank’s Offices up to six hours prior to the time scheduled for holding the General Meeting, viz., **by 05:30 on Thursday, November 28, 2024.**
- 3.9** The last date for presenting position papers to the Bank is **up to ten (10) days** prior to the date scheduled for holding the General Meeting, and the last date for the Board of Directors to provide its response to position papers is **up to five (5) days** prior to the date scheduled for holding the General Meeting.

3.10 The voting ballot and position papers (where such exist) shall be delivered to the Bank's Offices, in accordance with the address that appears in the Second Part of the voting ballot.

3.11 Pursuant to Regulation 36D(D) of the Securities Regulations (Periodic and Immediate Reports), 1970 and the Voting Ballot Regulations, an interested party, a senior officer, an institutional investor and a party with a personal interest in passing the resolution on topic 1.3 on the agenda, who is voting at the General Meeting on the aforesaid resolution, shall notify the Bank of this before the vote at the General Meeting or, if voting by means of the voting ballot, shall note this in the designated place in the Second Part of the voting ballot, if he is an interested party, a party with a personal interest in the resolution, a senior officer or an institutional investor, and shall furnish a description of the affiliation/characteristic, and, if voting by means of a legal representative, the voter or his legal representative shall provide the aforesaid details in relation to the legal representative too. In addition, details shall be provided of any relationship between the voter (not having a personal interest) or the legal representative (not having a personal interest) and the Bank, including employer-employee relations, business relations, etc., and/or a senior officer of the Bank, and of the nature of such relationship.

3.12 It is clarified that, if a shareholder or his legal representative has not marked the voting ballot, or has marked it "Yes", but has not provided the aforesaid details – his vote shall not be counted.

3.13 In accordance with Section 83(d) of the Companies Law, if a shareholder has voted in more than one way, his most recent vote shall be the one that is counted. For this purpose, the vote of a shareholder in person or by means of a proxy shall be deemed more recent than a vote by means of a voting ballot.

3.14 Electronic Voting System:

A shareholder, who appears on the list of those entitled to vote in the system, may send the manner in which he wishes to vote by means of the Electronic Voting System, as set forth below.

Voting shall be possible from the date of approving delivery of the list from the Stock Exchange member, as defined in Regulation 4(c)(1a) of the Voting Ballot Regulations, and up to six hours prior to the time scheduled for holding the General Meeting, viz., **by 05:30 on Thursday, November 28, 2024**. The electronic vote may be changed or canceled up to the time of closing the Electronic Voting System and no change shall be able to be made by means of the system after that time. An unregistered shareholder, wishing to change his vote after the closing of the system, shall be able to vote in person or by means of a proxy at the General Meeting and his later vote shall be taken into consideration in the counting of the votes.

With regard to proof of ownership by means of the Electronic Voting System, the electronic transfer procedure is recognized under Section 44K5 of the Securities Law, 1968 as legal confirmation of ownership with regard to each shareholder included therein, who appears on the list of persons entitled to vote on the Electronic Voting System.

4. Quorum for holding the General Meeting:

The quorum for holding a General Meeting is the attendance of one shareholder or more holding (individually or cumulatively) at least one-fifth of the voting rights in the Bank (whether by means of actually attending in person or by means of a proxy, or whether by means of the electronic voting system or a voting ballot), within half an hour of the time stipulated for the start of the General Meeting. If within half an hour of the time scheduled for opening the General Meeting, a quorum is not present, the General Meeting shall be adjourned until **Sunday, December 1, 2024 at 11:30**. Where no quorum is present at the adjourned General Meeting, as referred to above, one shareholder present in person or by proxy shall constitute a quorum and he may deal with the matters for which such General Meeting was called.



5. **Viewing of documents:**

The text of the proposed resolutions to be brought for approval at the General Meeting, the declarations of the candidates to serve as directors and the full text of the Bank's Financial Statements and the Report of the its Board of Directors for 2023 can be viewed at the Office of the Secretary of the Bank, 1 Discount Street, Rishon Lezion, Israel, by prior arrangement (telephone no. +972-76-8054499), during normal business hours, from the date of publication of this notice, on the Distribution Website, on the TASE Website and on the Bank's Website.

Yours sincerely,

ISRAEL DISCOUNT BANK LTD.

By means of:

Adv. Michal Sokolov-Danoch, Corporate Secretary of the Bank

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