

ISRAEL DISCOUNT BANK LTD.

Registration no.: 520007030

FAO: Israel Securities Authority
www.isa.gov.il

FAO: The Tel Aviv Stock Exchange Ltd.
www.tase.co.il

T121 (Public)

Magna transmission date: October 19, 2022
Reference No.: 2022-01-103383

IMMEDIATE REPORT FOR MATERIAL GENERAL INFORMATION

Explanation: This form is not to be used if a form exists that is suitable for the reported event

Nature of the event: *Bank of IICC's Israel's Position Regarding ICC's Separation from Discount Bank*

Reference numbers of previous reports relating to this topic: _____

Further to that stated in the Bank's quarterly report for the second quarter of 2022 (page 15; page 17 of the English translation) regarding the Strengthening Competition and Reducing Concentration in the Israeli Banking Market (Legislation Amendments) Law, 2017 ("the Law") with regard to the power of the Minister of Finance to order the separation of Israel Credit Cards Ltd. ("ICC") from the Bank, the Bank hereby reports that, on October 18, 2022, a letter from the head of the Bank of Israel's research division was published on the Bank of Israel's website. The letter, from the head of the Bank of Israel's research division (who also serves as joint chairman of the committee set up under the Law, whose functions include making recommendations with regard to the exercise of the Minister of Finance's power pursuant to Section 11b of the Banking (Licensing) Law, 1981 ("the Committee" and "the Banking Law")) was addressed to the members of the Committee.

The subject of the letter is the Bank of Israel's position regarding ICC's separation from Discount Bank. Pursuant to Section 11b of the Banking Law, the Minister of Finance – with the consent of the governor of the Bank of Israel and with the approval of the Knesset's finance committee – may determine that the definition of a "bank with wide-ranging activity" will also apply to a bank the value of whose assets exceeds a rate that is lower than 20% of the value of the assets of all the banks in Israel, provided that this is not less than 10%. The significance of such a decision is that the Bank would need to sell its holdings in ICC. According to the letter, the Bank of Israel's position is that the statutory definition of a "bank with wide-ranging activity" needs to be changed so as to also apply to the Bank.

It should be noted that the aforesaid letter was sent to the members of the Committee. The Committee has not yet published its recommendations and has not yet received the decision of the Minister of Finance, with the consent of the governor of the Bank of Israel and with the approval of the Knesset's finance committee on this matter.

Appendix attached _____

The Company *is not* a shell company as defined in the TASE Code

The date when the Corporation first learned of the event: *October 18 2022* at *12:00*

Details of signatories authorized to sign in the name of the Corporation:

	Name of Signatory	Position
1	<i>Adv. Nitzan Sandor</i>	<i>Other Executive Vice President, Chief Legal Counsel and Head of Legal Counsel Division</i>
2	<i>Barak Nardi</i>	<i>Other Executive Vice President, Head of Strategy, Finance and Holdings Division</i>

Reference numbers of previous documents relating to this topic (their mention does not constitute their inclusion by way of reference):

The securities of the Corporation are listed for trade on the Tel Aviv Stock Exchange Date of updating structure of form: 13/09/2022
Abbreviated name: Discount
Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: +972-3-9439111; Fax: +972-3-5171674
Email: michal.sd@dbank.co.il

Prior names of the reporting entity:

Name of person making electronic report: Tenne, Ayelet Position: Lawyer, General Secretary Name of Employing Company:
Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: +972-76-8058862; Fax: +972-3-5171674
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Israel Discount Bank's Immediate Reports are published in Hebrew on the website of the Israel Securities Authority and the Tel Aviv Stock Exchange.

The English translation is prepared for convenience purposes only.

In the case of any discrepancy between the English and Hebrew versions, the Hebrew will prevail.