



Corporate Governance Questionnaire

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2025

DISCOUNT ANNUAL REPORT

CORPORATE GOVERNANCE QUESTIONNAIRE¹

This report is a translation from the Hebrew and has been prepared for convenience only. In case of any discrepancy the Hebrew will prevail.

INDEPENDENCE OF THE BOARD OF DIRECTORS

		Correct	Incorrect
1.	<p>All through the reporting year, two or more External Directors served with the Corporation.</p> <p>This question can be answered “Correct” if the time period during which two External Directors did not serve does not exceed 90 days, as stated in Section 363A(b)(10) of the Companies Law, but whatever the answer (Correct/Incorrect), the time period (in days) is to be stated during which two or more External Directors did not serve with the Corporation in the Reporting Year (including also the period of service approved retroactively, distinguishing between the various External Directors):</p> <p>Director A: <u>Aharon Abramovich</u></p> <p>Director B: <u>Sigal Barmak</u></p> <p>Director C: <u>Ofer Levy</u></p> <p>Director D: <u>Michal Arlozorof</u></p> <p>Number of External Directors serving with the Corporation as of the date of publishing this questionnaire: <u>4</u>.</p>	✓	
2.	<p>Ratio² of Independent Directors³ serving with the Corporation as of the date of publishing this questionnaire: <u>7/10</u></p> <p>Ratio of Independent Directors prescribed by the Articles⁴ of the Corporation⁵: _____</p>	_____	_____

¹ Published on March 16, 2014, as part of the legislative proposals for improving the reports.

² In this questionnaire, “Ratio” is the particular number out of the total, for example 3/8.

³ Including "External Directors" as defined in the Companies Law.

⁴ For the purposes of this question – “Articles” includes in accordance with a specific statutory provision applicable to the Corporation (in the case of a banking corporation for example – the directives of the Supervisor of Banks).

⁵ A debenture company is not required to answer this section.

		Correct	Incorrect
	<input checked="" type="checkbox"/> Not relevant (not prescribed in the Articles).		
3.	A check was performed in the Reporting Year on the External Directors (and the Independent Directors) and it was found that, in the Reporting Year, they were in compliance with the provisions of Section 240(b) and (f) of the Companies Law with regard to the External (and Independent) Directors serving with the Corporation not having an Interest, and also that the conditions necessary for them to serve as an External (or Independent) Director had been fulfilled.	✓	
4.	All of the Directors who served with the Corporation during the Reporting Year are not answerable ⁶ to the President & CEO, directly or indirectly (except for a Director who is an employee representative, if the Corporation has such employee representation). If you answer "Incorrect" (i.e., the Director is answerable to the President & CEO, as stated) – state the ratio of Directors who failed to meet the aforesaid restriction: _____.	✓	
5.	All Directors who disclosed having a Personal Interest in the approval of a transaction on the agenda of the meeting did not attend the discussion and did not participate in the aforesaid vote (other than a discussion and/or a vote in circumstances which comply with Section 278(b) of the Companies Law): If you answer "Incorrect" – Was it in order for the Director to present a particular topic in accordance with the provisions at the end of Section 278(a): <input type="checkbox"/> Yes <input type="checkbox"/> No (Place an X in the appropriate box). Note the ratio of meetings at which the aforesaid Directors attended the discussion and/or participated in the vote, other than in the circumstances referred to in subsection a: _____.	✓	

⁶ For the purposes of this question - serving as a Director of an investee corporation that is controlled by the Corporation shall not be deemed as being "answerable". On the other hand, serving as a Director of the Corporation who serves as an Officer (other than Director) and/or is employed in an investee corporation that is controlled by the Corporation shall be deemed as being "answerable" for the purposes of this question.

	Correct	Incorrect
<p>6. The Controlling Shareholder (including his Relative and/or anyone acting on his behalf), who is not a Director or another Senior Officer of the Corporation, was not present at the meetings of the Board of Directors held in the Reporting Year.</p> <p>If you answer “Incorrect” (i.e., a Controlling Shareholder and/or his Relative and/or anyone acting on his behalf, who is not a member of the Board of Directors and/or a Senior Officer of the Corporation was present at the aforesaid meetings of the Board of Directors) – the following details regarding the presence of any additional person at the aforesaid meetings of the Board of Directors are to be provided:</p> <p>Identity: _____.</p> <p>Position in the Corporation (if any): _____.</p> <p>Details of the Interest vis-à-vis the Controlling Shareholder (if the person present is not the Controlling Shareholder himself): _____.</p> <p>Was the person attending in order to present a particular topic: <input type="checkbox"/> Yes <input type="checkbox"/> No (Place an X in the appropriate box).</p> <p>Ratio of attendances⁷ at meetings of the Board of Directors held in the Reporting Year in order for him to present a particular topic: _____, other attendances: _____.</p> <p><input checked="" type="checkbox"/> Not relevant (the Corporation does not have a Controlling Shareholder).</p>		

⁷ Differentiating between the Controlling Shareholder, his Relative and/or anyone acting on his behalf.

ELIGIBILITY AND QUALIFICATIONS OF THE DIRECTORS

			Correct	Incorrect
7.		<p>The Corporation's Articles do not contain a provision restricting the possibility of immediately terminating the service of all the Corporation's Directors, who are not External Directors (for this purpose – a decision by a simple majority is not considered a restriction)⁸.</p> <p>If you answer "Incorrect" (i.e., such a restriction does exist), state -</p>	✓	
	A.	The time period prescribed in the Articles for a Director's service: ____.		
	B.	The required majority prescribed in the Articles for terminating the service of the Directors: ____.		
	C.	Legal quorum prescribed in the Articles at the General Meeting for the purpose of terminating the service of the Directors: ____.		
	D.	The required majority to change these provisions in the Articles: ____.		
8.		<p>The Corporation has taken action to prepare a training program for new Directors, in relation to the Corporation's business and in relation to the law applicable to the Corporation and the Directors, as well as having taken action to prepare a continuing training program for serving Directors, that is customized, inter alia, to the duties that the Director performs at the Corporation.</p> <p><input checked="" type="checkbox"/> If you answer "Correct" – state whether the program was in operation in the Reporting Year: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Place an X in the appropriate box)</p>	✓	
9.	A.	<p>The Corporation has prescribed the minimum number of Directors on the Board of Directors that are required to possess Accounting and Financial Expertise.</p> <p>If you answer "Correct" – state the minimum number prescribed: <u>A fifth</u>.</p>	✓	-

⁸ A debenture company is not required to answer this section.

			Correct	Incorrect
	B.	<p>Number of Directors that served with the Corporation during the Reporting Year: Possessing Accounting and Financial Expertise⁹: <u>9</u>. Possessing Professional Qualifications¹⁰ <u>10</u>.</p> <p>In the event of there being changes in the number of the aforesaid Directors in the Reporting Year, the figure to be provided will be the lowest number (except in the 60-day time period from the occurrence of the change) of Directors of each type who served in the Reporting Year¹⁰.</p>		
10.	A.	<p>All through the Reporting Year, the composition of the Board of Directors included members of both sexes. If you answer “Incorrect” – state the time period (in days) during which the aforesaid did not apply: ____.</p> <p>This question can be answered “Correct” if the time period in which Directors of both sexes were not serving does not exceed 60 days, but whatever the answer (Correct/Incorrect), the time period (in days) is to be stated during which Directors of both sexes were not serving with the Corporation: ____.</p>	✓	
	B.	<p>Number of Directors of each sex serving on the Board of Directors of the Corporation as of the date of publishing this questionnaire: Men: <u>5</u>, Women: <u>5</u>.</p>	-	-

⁹ As assessed by the Board of Directors, in accordance with the Companies Regulations (Terms and Tests for Director Possessing Accounting and Financial Expertise and for a Director Possessing Professional Qualifications), 2005.

¹⁰ Until December 1, 2025, the number of Directors serving in the Bank was 10 directors (9 Directors having accounting and financial expertise and 10 Directors having professional expertise). On December 1, 2024, Ms. Michal Arlozorof began her first term as a Director of the Bank. As of that date, the number of Directors serving in the Bank was 11 directors (10 Directors having accounting and financial expertise and 11 Directors having professional expertise). On December 18, 2025, Mr. Elik Etzion announced the termination of his office as Director of the Bank. As of that date the number of Directors serving in the Bank was 10 directors (10 Directors having accounting and financial expertise and 10 Directors having professional expertise).

MEETINGS OF THE BOARD OF DIRECTORS (AND CONVENING A GENERAL MEETING)

							Correct	Incorrect
11.	A.	Number of meetings of the Board of Directors held during each quarter of the Reporting Year:					-	-
		First quarter (Year 2025):	7.					
		Second quarter:	6.					
		Third quarter:	10.					
		Fourth quarter:	10.					
	B.	Against the name of each of the Directors who served with the Corporation during the Reporting Year state the ratio ¹¹ of attendance in meetings of the Board of Directors (in this subsection – include meetings of Committees of the Board of Directors of which the Director is a member, and as stated below) that were held during the Reporting Year (and in relation to his period of service):					-	-
		(Additional rows should be added in accordance with the number of Directors).						
		Name of Director	Ratio of attendance in meetings of the Board of Directors	Ratio of attendance in meetings of the Audit Committee ¹²	Ratio of attendance in meetings of the Financial Statements Review Committee ¹³ ₁₄	Ratio of attendance in meetings of the Remuneration Committee ¹⁵	Ratio of attendance in meetings of other Committees of the Board of Directors of which he is a member (noting the name of the Committee)	

¹¹ See footnote 3.

¹² For a Director who is a member of said Committee.

¹³ For a Director who is a member of said Committee.

¹⁴ As from January 1, 2013, the Audit Committee also acts as the Committee for the review of the Financial Statements, in accordance with the directives of the Bank of Israel.

¹⁵ For a Director who is a member of said Committee.

2025. Israel Discount Bank Limited and its Subsidiaries. **Corporate Governance Questionnaire**

							Correct	Incorrect	
		Danny Yamin	33/33	-	-	-	Credit Committee – 11/12 Resources Committee – 4/4 Technology and Innovation Committee – 6/6		
		Iris Avner	33/33	26/26	-	-	Risk Management Committee – 16/16 Technology and Innovation Committee – 6/6 Credit Committee – 12/12		
		Aharon Abramovich	33/33	26/26	-	14/14	Resources Committee – 4/4 Risk Management Committee – 16/16		
		Michal Arlosorof¹⁶							
		Yodfat Harel-Buchris¹⁷	2/2	-	-	2/2	Technology and Innovation Committee – 1/1 Credit Committee – 2/2		

¹⁶Ms. Arlosorof took office as Director on December 1, 2025.

¹⁷Ms. Harel-Buchris terminated her office as Director on February 16, 2025.

2025. Israel Discount Bank Limited and its Subsidiaries. **Corporate Governance Questionnaire**

							Correct	Incorrect
		Sigal Barmak	33/33	26/26	-	14/14	Risk Management Committee – 16/16	
		Prof. Ben-Zion Zilberfarb	33/33	26/26	-	-	Resources Committee – 1/1 Risk Management Committee – 16/16 Credit Committee – 8/8	
		Ofer Levy	33/33	26/26	-	14/14	Credit Committee – 12/12	
		Elik Israel Etzion ¹⁸	25/25	-	-	-	Technology and Innovation Committee – 4/4	
		Ari Pinto	33/33	-	-	-	Credit Committee – 12/12 Resources Committee – 4/4 Risk Management Committee – 16/16	
		Keren Kibovich	33/33	-	-	12/12	Resources Committee – 3/3	
		Sigal Regev	30/33	26/26	-	9/9	Technology and Innovation Committee – 6/6	

¹⁸Mr. Etzion terminated his office as Director on December 18, 2025.

			Correct	Incorrect
12.		In the Reporting Year, the Board of Directors held at least one discussion regarding the management of the Corporation's business by the President & CEO and the Senior Officers answerable to him, without them being present, and they were given an opportunity to express their position.	✓	

SEPARATION OF THE FUNCTIONS OF THE PRESIDENT & CEO AND THE CHAIRMAN OF THE BOARD OF DIRECTORS

			Correct	Incorrect
13.		All through the Reporting Year, a Chairman of the Board of Directors served with the Corporation. This question can be answered "Correct" if the time period in which a Chairman of the Board of Directors was not serving with the Corporation does not exceed 60 days, as referred to in Section 363A(2) of the Companies Law, but whatever the answer (Correct/Incorrect), the time period (in days) is to be stated during which a Chairman of the Board of Directors was not serving with the Corporation, as stated: ____.	✓	
14.		All through the Reporting Year, a President & CEO served with the Corporation. This question can be answered "Correct" if the time period in which a President & CEO was not serving with the corporation does not exceed 90 days, as referred to in Section 363A(6) of the Companies Law, but whatever the answer (Correct/Incorrect), the time period (in days) is to be stated during which a President & CEO was not serving with the Corporation, as stated: ____.	✓	
15.		In a Corporation in which the Chairman of the Board of Directors also serves as the President & CEO of the Corporation and/or exercises the powers thereof, the dual service was approved pursuant to the provisions of Section 121(c) of the Companies Law ¹⁹ . <input checked="" type="checkbox"/> Not relevant (so long as the aforesaid dual service does not exist in the Corporation).		
16.		The President & CEO is <u>not</u> a Relative of the Chairman of the Board of Directors. If you answer "Incorrect" (i.e., the President & CEO is a Relative of the Chairman of the Board of Directors) –	✓	

¹⁹ In a debenture company – approval pursuant to Section 121(d) of the Companies Law.

			Correct	Incorrect
	A.	State the family relationship between the parties: _____.	-	-
	B.	The service was approved pursuant to Section 121(c) of the Companies Law ²⁰ : <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Place an X in the appropriate box.)</i>	-	-
17.		A Controlling Shareholder or his Relative <u>does not</u> serve as the President & CEO or as a Senior Officer of the Corporation, except as a Director. <input checked="" type="checkbox"/> Not relevant (the Corporation does not have a Controlling Shareholder).		

AUDIT COMMITTEE

			Correct	Incorrect
18.		The following <u>did not serve</u> on the Audit Committee in the Reporting Year –	-	-
	A.	The Controlling Shareholder or his Relative. <input checked="" type="checkbox"/> Not relevant (the Corporation does not have a Controlling Shareholder).		
	B.	The Chairman of the Board of Directors.	✓	

²⁰ In a debenture company – approval pursuant to Section 121(d) of the Companies Law.

			Correct	Incorrect
	C.	A Director who is employed by the Corporation or by the Controlling Shareholder of the Corporation or by a Corporation under his Control.	✓	
	D.	A Director who regularly provides services to the Corporation or to the Controlling Shareholder of the Corporation or to a Corporation under his Control.	✓	
	E.	A Director whose main source of income is the Controlling Shareholder. <input checked="" type="checkbox"/> Not relevant (the Corporation does not have a Controlling Shareholder).		
19.		A person not entitled to be a member of the Audit Committee, including a Controlling Shareholder or his Relative, was not present in the Reporting Year at meetings of the Audit Committee, except in accordance with the provisions of Section 115(e) of the Companies Law.	✓	
20.		A legal quorum for holding discussions and taking decisions at each of the meetings of the Audit Committee held in the Reporting Year was a majority of the Committee's members, with the majority of those present being Independent Directors and at least one of whom was an External Director. If you answer "Incorrect" – state the ratio of meetings at which the aforesaid requirement was not fulfilled: ____.	✓	
21.		The Audit Committee held at least one meeting in the Reporting Year, in the presence of the Internal Auditor and the Independent Auditor and without the presence of the Corporation's Officers who are not members of the Committee, with regard to defects in the Corporation's business management.	✓	
22.		At each meeting of the Audit Committee at which a person not entitled to be a member of the Committee was present, this was with the approval of the Chairman of the Committee and/or at the request of the Committee (with regard to the Corporation's Legal Adviser and its Corporate Secretary who is not a Controlling Shareholder or his Relative).	✓	
23.		In the Reporting Year, arrangements, which had been prescribed by the Audit Committee, were in force regarding the manner of handling complaints from the Corporation's employees in connection with defects in its business management and regarding the protection given to employees revealing the aforesaid.	✓	

	Correct	Incorrect
24.	The Audit Committee (and/or the Committee for the review of the Financial Statements) was satisfied that the scope of the work of the Independent Auditor and his professional fees in relation to the financial statements in the Reporting Year were adequate for the performance of suitable audit and review work.	✓

DUTIES OF THE COMMITTEE FOR THE REVIEW OF THE FINANCIAL STATEMENTS (HEREAFTER – THE COMMITTEE) IN ITS WORK PRIOR TO THE APPROVAL OF THE FINANCIAL STATEMENTS¹⁶

			Correct	Incorrect
25.	A.	Note the time period (in days) prescribed by the Board of Directors as being a reasonable time for the sending of the Committee's recommendations prior to the discussion at the Board of Directors on approving the financial statements: <u>Up to and no later than 3 days before the discussion scheduled at the Board of Directors on approving the financial statements.</u>	-	-
	B.	Number of days that actually elapsed between the date of sending the recommendations to the Board of Directors and the date of the discussion at the Board of Directors on approving the financial statements: First quarter report (Year 2025): 6 Second quarter report: 6 Third quarter report: 6 Annual report: 12	-	-
	C.	Number of days that elapsed between the date of sending the draft financial statements to the Board of Directors and the date of the discussion at the Board of Directors on approving the financial statements: First quarter report (Year 2025): 10 Second quarter report: 7 Third quarter report: 10 Annual report: 12		
26.	The Independent Auditor of the Corporation participated in all the meetings of the Committee and the Board of Directors, at which discussions took place regarding the Corporation's financial statements relating to the periods included in the Reporting Year. If you answer "Incorrect" – state the ratio of meetings attended by the Independent Auditor: ____.		✓	
27.	All through the Reporting Year and until the publication of the annual report, the Committee fulfilled all the conditions detailed below:		-	-

			Correct	Incorrect
	A.	Its members numbered at least three (at the date of the discussion in the Committee and the approval of the aforesaid Reports).	✓	
	B.	All the conditions prescribed in Section 115(b) and (c) of the Companies Law (regarding the service of members of the Audit Committee) were fulfilled.	✓	
	C.	The Chairman of the Committee is an External Director.	✓	
	D.	All its members are Directors and a majority of its members are Independent Directors.	✓	
	E.	All its members are capable of reading and understanding financial statements and at least one of the Independent Directors possesses Accounting and Financial Expertise.	✓	
	F.	The members of the Committee provided a Declaration prior to their appointment.	✓	
	G.	A legal quorum for holding discussions and taking decisions at the Committee was a majority of its members, provided that the majority of those present were Independent Directors and among them was at least one External Director.	✓	
	If you answer "Incorrect" with regard to one or more of the subsections to this question, note with respect to which report (periodic/quarterly) the aforesaid condition was not fulfilled and also the unfulfilled condition: _____.		-	-

REMUNERATION COMMITTEE

		Correct	Incorrect
28.	The Committee comprised, in the Reporting Year, at least three members and the External Directors constituted the majority thereof (on the date of the discussion at the Committee). <input type="checkbox"/> Not relevant (no discussion was held).	✓	
29.	The terms of service and employment of all members of the Remuneration Committee in the Reporting Year are in accordance with the Companies Regulations (Rules Regarding Remuneration and Expenses for External Directors), 2000.	✓	
30.	The following did not serve on the Remuneration Committee in the Reporting Year –	-	-
A.	The Controlling Shareholder or his Relative. <input checked="" type="checkbox"/> Not relevant (the Corporation does not have a Controlling Shareholder).		
B.	The Chairman of the Board of Directors.	✓	
C.	A Director who is employed by the Corporation or by the Controlling Shareholder of the Corporation or by a Corporation under his Control.	✓	
D.	A Director who regularly provides services to the Corporation or to the Controlling Shareholder of the Corporation or to a Corporation under his Control.	✓	
E.	A Director whose main source of income is the Controlling Shareholder. <input checked="" type="checkbox"/> Not relevant (the Corporation does not have a Controlling Shareholder).		
31.	A Controlling Shareholder or his Relative were not present in the Reporting Year at meetings of the Remuneration Committee, unless determined by the Chairman of the Committee that any of them is needed in order to present a particular topic ²¹ .	✓	
32.	The Remuneration Committee and the Board of Directors did not make use of their powers pursuant to Sections 267A(c), 272(c)(3) and 272(c1)(1)(c) to approve a transaction or a remuneration policy, over the objections of the General Meeting. If you answer “Incorrect”, state – Type of transaction approved as aforesaid: _____ Number of occasions when use was made of said powers in the Reporting Year: _____	✓	

²¹ Not relevant, the Corporation does not have a controlling shareholder.

INTERNAL AUDITOR

		Correct	Incorrect
33.	The Chairman of the Board of Directors or the President & CEO of the Corporation has organizational responsibility for the Internal Auditor in the Corporation.	✓	
34.	The Chairman of the Board of Directors or the Audit Committee approved the work plan in the Reporting Year. In addition, note the audit topics dealt with by the Internal Auditor in the Reporting Year: A vast array of topics, including: risk management, credit, problematic debts, Prohibition of Money Laundering and Terror Financing, investment consulting, cyber and data leakage, branch network operations, fraud and embezzlement, conflicts of interest, acquisitions, accounting, dealing rooms, market risk, counter party and liquidity, human resources and the Bank's head office units, implementation of management decisions, cash center, control functions, ICAAP independent review, computer systems, managing strategic risk, accompanying strategic projects and business continuity. In addition, exceptional events and exceptional activity by employees were also examined (Place an X in the appropriate box).	✓	
35.	The scope of the Internal Auditor's work in the Corporation in the Reporting Year (in hours ²²): 81,440 hours ^{23 24} .	-	-
	In the Reporting Year, a discussion was held (at the Audit Committee or at the Board of Directors) on the Internal Auditor's findings.	✓	
36.	The Internal Auditor is not an Interested Party in the Corporation, his Relative, an Independent Auditor or anyone acting on its behalf and also does not maintain material business relations with the Corporation, its Controlling Shareholder, his Relative or corporations under their Control.	✓	

²² Includes work hours invested in investee corporations and in overseas auditing, as the case may be.

²³ The work hours scope invested in the internal audit at the Bank and its subsidiaries, including outsourcing.

²⁴ For details of the hours invested by the Auditors of the Bank's subsidiary companies, see the Section "Internal Audit" in the 2025 Annual Report.

TRANSACTIONS WITH INTERESTED PARTIES

	Correct	Incorrect
<p>37. The Controlling Shareholder or his Relative (including a company under his Control) is not employed by the Corporation nor does he provide it with management services.</p> <p>If you answer “Incorrect” (i.e., the Controlling Shareholder or his Relative is employed by the Corporation or provides it with management services), state –</p> <ul style="list-style-type: none"> - The number of Relatives (including the Controlling Shareholder) employed by the Corporation (including companies under their Control and/or by means of management companies): ____. - Have the employment and/or management services agreements with the aforesaid been approved by the organs prescribed by law: <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>(Place an X in the appropriate box)</p> <p><input checked="" type="checkbox"/> Not relevant (the Corporation does not have a Controlling Shareholder). ____.</p>		
<p>38. To the best of the Corporation’s knowledge, the Controlling Shareholder does not have other businesses in the Corporation’s field of activity (in one or more fields).</p> <p>If you answer “Incorrect” – state whether an arrangement has been prescribed to delineate transactions between the Corporation and its Controlling Shareholder:</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>(Place an X in the appropriate box)</p> <p><input checked="" type="checkbox"/> Not relevant (the Corporation does not have a Controlling Shareholder).</p>		

Danny Yamin, Chairman of the Board of Directors

Sigal Barmak, Chairman of the Audit Committee