



## Bank Leumi le-Israel Ltd. ("the Bank")

January 29, 2025

To  
The Tel Aviv Stock Exchange  
[www.tase.co.il](http://www.tase.co.il)

To  
Israel Securities Authority  
[www.isa.gov.il](http://www.isa.gov.il)

Dear sir or madam,

### **In Re: Immediate Report Regarding the Convening of a Special General Meeting**

In accordance with the Companies Law, 5759-1999 ("**the Companies Law**") and the regulations thereunder, the Securities Regulations (Periodic and Immediate Reports), 5730-1970 ("**the Reporting Regulations**"), the Companies Regulations (Notice and Announcement of a General Meeting and a Class Meeting in a Public Company and Adding an Item to the Agenda), 5760-2000 and the Companies Regulations (Voting in Writing and Position Statements), 5766-2005 ("**the Voting in Writing Regulations**"), the Bank's Board of Directors ("**the Board of Directors**") would like to announce the convening of a special general meeting of the Bank ("**the general meeting**" or "**the meeting**"), to be held on Thursday, March 13, 2025, at 14:00 at the Bank's offices at Keshev (Building M4, 6<sup>th</sup> floor, "Odem" conference room), 3 Abba Hillel Silver St., Lod, the agenda of which includes the item and the resolution as detailed in this immediate report.

For further details regarding the date of record and proof of ownership, a lawful quorum and date for holding an adjourned meeting, methods of voting at a meeting, participation in the meeting and voting by a shareholder in person or by proxy, voting ballots, the deadline for furnishing a voting ballot to the Bank, the electronic voting system, position statements, the manner of furnishing documents to the Bank and inspection of documents, see in the **appendix** to this meeting summons report.

### **The item on the agenda of the general meeting – Approval of the terms of service of the Chairman of the Board of Directors, Mr. Uri Alon**

#### **1. Background**

- 1.1. As of December 18, 2024 Mr. Uri Alon has been serving as Chairman of the Bank's Board of Directors (see the immediate report dated December 18, 2024 (reference: 2024-01-625456)).

- 1.2. Mr. Uri Alon was appointed to serve as a director at the Bank commencing from August 30, 2023, in the status of a director who is not an outside director as set forth in Section 11D(a)(2) of the Banking Ordinance, 1941 ("**the Banking Ordinance**"). On November 28, 2024, Mr. Uri Alon was elected by the Bank's Board of Directors to serve in the role of Chairman of the Bank's Board of Directors, subject to the Supervisor's approval of the appointment or his notification with regard to his having no objection to the appointment. On December 18, 2024, the Bank received the Supervisor of Bank's notification with regard to him having no objection to such appointment.
- 1.3. The Bank's Compensation Committee at its meetings of January 6, 2025 and of January 22, 2025 and followed by the Bank's Board of Directors at its meeting of January 29, 2025, approved and recommended to the Bank's general meeting to approve the proposed terms of service of Mr. Uri Alon as Chairman of the Bank's Board of Directors, as detailed in Section 3 below ("**the proposed terms of service**"). Subject to the approval of the proposed terms of service by the general meeting, the terms of service shall take effect retroactively commencing from December 18, 2024 ("**the effective date**") and they shall be in effect so long as Mr. Uri Alon serves as Chairman of the Bank's Board of Directors, unless a change to such terms in approved is the future by the competent organs of the Bank and subject to statutory and regulatory provisions.
- 1.4. The proposed terms of service were approved by the Compensation Committee and the Board of Directors and are brought for the approval of the meeting, as set forth in the Compensation of Officers in Financial Corporations (Special Approval and Disallowance of an Expense for Tax Purposes due to Exceptional Compensation) Law, 5776-2016 (hereinafter – "**the Compensation Limitation Law**"), Proper Conduct of Banking Business Directive Number 301 ("**Directive 301**") and Proper Conduct of Banking Business Directive Number 301A with regard to the compensation policy in a banking corporation ("**Directive 301A**").
- 1.5. The proposed terms of service are consistent with the compensation policy for the officers at the Bank, as approved by the general meeting on August 4, 2022 (reference: 2022-01-099364).

## **2. Directive 301A of the proper conduct of banking business directives**

- 2.1. As stated, Directive 301A regulates the rules and directives for the compensation policy in a banking corporation; while in April 2022, the amendment to the directive was

published, which establishes directives in relation to the compensation of a chairman of a board of directors in a banking corporation without a control core.

2.2. Directive 301A established, *inter alia*, that the compensation of a chairman of a board of directors at a bank without a control core is to be set in accordance with the Companies (Rules Regarding Remuneration and Expenses for an Outside Director) Regulations, 5760-2000, with the adjustments specified in Directive 301A. Unlike the other directors, a chairman of a board of directors shall be entitled only to annual remuneration not exceeding the average remuneration of an expert director at the bank, multiplied by "the determining ratio". The compensation committee and the board of directors shall set the "determining ratio" depending on the time resources required to perform the duties of the chairman of the board of directors and taking into consideration the scope of his responsibility in relation to the other directors. The compensation of a chairman of a board of directors, as stated, shall not include social benefits, compensation for advance notice or compensation for a non-compete undertaking vis-a-vis the bank.

2.3. As set forth in Directive 301A, the remuneration of a chairman of a board of directors must be set in relation to the manner of remuneration of the other members of the board of directors and also taking into consideration the size of the banking corporation and the complexity of its operations. Moreover, the compensation committee must determine that the terms of the compensation do not constitute a connection in accordance with the Banking Ordinance or prejudice the independence and autonomy of the chairman of the board of directors.

### **3. Details with regard to the proposed terms of service**

The Bank's Compensation Committee, followed by the Bank's Board of Directors, approved and recommended to the general meeting of the Bank's shareholders to approve the proposed terms of service of Mr. Uri Alon, as Chairman of the Bank's Board of Directors, as follows:

3.1. The term of office of the Chairman of the Board of Directors shall be on a full-time basis and the Chairman of the Board of Directors shall be permitted to fill additional roles during his term of office, if and to the extent that the Board of Directors does not object due to the performance of such additional roles being liable to adversely affect the performance of the duties of the Chairman of the Board of Directors at the Bank.

3.2. The overall annual compensation amount to which the Chairman of the Board of Directors shall be entitled, subject to the approval of the general meeting, shall be set at

approximately NIS 3.9 million, linked to the increase of the consumer price index, where the linkage to the increase in the index shall be subject to compliance with the provisions of the Compensation Limitation Law, as such shall be from time to time, plus VAT by law.

- 3.3. The Chairman of the Board of Directors shall be entitled to the annual compensation amount as set forth in Section 3.2 above so long as he serves as Chairman of the Bank's Board of Directors, unless a change to said compensation is approved in the future by the competent organs of the Bank and subject to statutory and regulatory provisions.
- 3.4. The Chairman of the Board of Directors shall continue to be insured under a directors' and officers' liability insurance policy (D&O policy) at the Bank and shall continue to be entitled to exemption and indemnification as is customary for officers at the Bank.
- 3.5. The Chairman of the Board of Directors shall be entitled to reimbursement of reasonable expenses according and subject to the provisions of Directive 301A, including on-duty travel expenses and maintenance of the Bank's mobile phone.
- 3.6. As set forth in Directive 301A, the Chairman of the Board of Directors shall not be entitled to advance notice upon termination of the term of office nor to payment for providing a non-compete undertaking, however it is clarified that the policy of the Bank's Board of Directors (as such shall be from time to time) with regard to the directors' undertaking not to compete with the Bank after the termination of their term of office at the Bank shall apply to the Chairman of the Board of Directors.
- 3.7. The Chairman of the Board of Directors is not entitled to fixed equity-based remuneration as shall be provided to the other members of the Board of Directors.
- 3.8. The proposed terms of service shall take effect retroactively commencing from December 18, 2024<sup>1</sup> and they shall be in effect so long as Mr. Uri Alon serves as Chairman of the Bank's Board of Directors.

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<sup>1</sup> In accordance with the decision of the Compensation Committee and the Board of Directors, in accordance with Regulation 1B4 of the Companies (Reliefs in Transactions with Interested Parties) Regulations, 5760-2000 and in light of the fact that the proposed terms for the Chairman as detailed in Section 3 of this report are not favorable compared to the terms of remuneration of the previous Chairman of the Board of Directors – the proposed remuneration shall be paid to the Chairman of the Board of Directors – Mr. Uri Alon, commencing from the date the Board of Directors approves such terms and until the date of the meeting. In respect of the period commencing from December 18, 2024 and until the date the Board of Directors approves the terms, the Chairman shall be reimbursed retroactively subject to and following the approval of the general meeting.

#### 4. Tabular format in accordance with the Third Schedule of the Reporting Regulations

Below additional details are presented with regard to the expected compensation to which the Chairman of the Board of Directors shall be entitled for 2025 (in NIS thousands and in terms of cost to the Bank):

	Full-time equivalent	Rate of holding of the Bank's capital (1)	Remuneration	Bonus (3)	Social contributions (4)	Value of the benefits	Share-based bonus	Total (5)	Value of interest	Social contributions pursuant to law
2025 (2)	100%	-	3.9	-	-	-	-	3.9	-	-

(1) The Chairman of the Board of Directors does not hold other shares or securities of the Bank.

(2) The remuneration to the Chairman of the Board of Directors in 2025 is the remuneration known as of today. The remuneration shall be linked to the increase of the consumer price index, where the linkage to the increase of the index shall be subject to compliance with the provisions of the Compensation Limitation Law, as such shall be from time to time, plus VAT by law.

(3) The Chairman of the Board of Directors is not entitled to variable bonuses and/or to fixed equity-based remuneration.

(4) The Chairman of the Board of Directors is not entitled to social contributions.

(5) It should be noted that double the cost of the remuneration of the Chairman of the Board of Directors, exceeding the cap set in the Compensation Limitation Law (above approximately NIS 2.93 million), shall not be recognized as an expense for tax purposes as set forth in Section 32(17) of the Income Tax Ordinance [New Version].

#### 5. Identity of the directors participating in the discussions of the Compensation Committee and the Board of Directors at which the proposed terms of service were discussed.

5.1. All members of the Compensation Committee, who are the venerable Zvika Naggan (Committee Chairman), Sasson Elya, Ester Dominissini, Leah Schwartz and Prof.

Yedidia Stern, participated in both meetings at which the proposed terms of service were discussed.

5.2. The Board meetings at which the proposed terms of service were discussed and approved were attended by all the directors, excluding the Chairman of the Board of Directors who did not participate in the meeting due to his personal interest in the transaction (as detailed below).

## **6. Directors who have a personal interest in the approval of the proposed terms of service**

Mr. Uri Alon, who serves as Chairman of the Board of Directors, has a personal interest in the transaction, since he is a party to said transaction.

## **7. Summary of the reasons of the Compensation Committee and the Board of Directors for approving the proposed terms of service**

The following is a summary of the reasons of the Compensation Committee and the Board of Directors for approving the proposed terms of service of the Chairman of the Board of Directors:

7.1. The terms of service proposed for the Chairman of the Board of Directors were reviewed in relation to Amendment 20 of the Companies Law, Directives 301 and 301A of the proper conduct of banking business directives and the Compensation Limitation Law and they are consistent with the various requirements comprised under the provisions of these laws and directives, which reflect, in the opinion of the legislature and the Banking Supervision Department, the composition, nature and scope of reasonable and fair terms of compensation for officers in financial institutions, including in the role of Chairman of the Board of Directors. The Compensation Committee and the Board of Directors also gave their opinion as to part of the compensation proposed for the Chairman of the Board of Directors being disallowed as an expense for tax purposes pursuant to the provisions of the Compensation Limitation Law and as to VAT by law being added to the compensation amount.

7.2. The Compensation Committee and the Board of Directors weighed the considerations required under Directive 301A in order to establish the determining ratio of the average compensation for an expert director at the Bank to the compensation of the Chairman of the Board of Directors and they determined that this ratio would be set at times 7.5 ("**the determining ratio**"). In this context, the differences, as well as the commonalities,

between the characteristics of the role of Chairman of the Board of Directors and the role of the other directors, were considered.

It should be noted that the average remuneration for an expert director at the Bank, calculated based on the Bank's data over the last three years (2022, 2023 and 2024), is approximately NIS 582,000 (not including VAT).<sup>2</sup>

- 7.3. The Compensation Committee and the Board of Directors based their determination of the determining ratio on the position of the Chairman of the Board of Directors being on a full-time basis, and based on the duties and powers of the Chairman of the Board of Directors, as defined and approved by the Board of Directors in 2022 following the revision of Directive 301A and in 2023 as part of the revision of the work procedures of the Board of Directors, all as set forth in Section 28(h) of Directive 301.
- 7.4. Furthermore, the Compensation Committee and the Board of Directors considered the excess responsibility imposed on the Chairman of the Board of Directors compared to the other members of the Board of Directors (without diminishing the role of the other members of the Board of Directors). The provisions of the law and the Board of Directors defined unique duties and powers for the Chairman of the Board of Directors, who functions as the "long arm" of the Board of Directors for the purpose of carrying out its duties.
- 7.5. In order to determine the appropriate compensation for the Chairman of the Board of Directors, the Compensation Committee and the Board of Directors also added and considered the volume and complexity of the Bank's businesses and its environment, as well as the size of the Bank, as required under Section 13A(b)(1) of Directive 301A.
- 7.6. In order to determine the overall annual compensation amount to which the Chairman of the Board of Directors shall be entitled, the Compensation Committee and the Board of Directors ascertained the lower amount of: (a) the maximum possible annual compensation in accordance with the Compensation Limitation Law, plus VAT by law; (b) annual compensation that is to be determined in accordance with the overall average annual compensation, before VAT, of an expert director at the Bank over the last three years times the determining ratio, which shall be set at 7.5.

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<sup>2</sup> After having linked these amounts to the index known in December 2024.

- 7.7. To date, the maximum annual compensation amount that can be paid to the Chairman of the Board of Directors at the Bank, in accordance with the Compensation Limitation Law, is set at NIS 4.35 million, and the annual remuneration amount that could have been paid to the Chairman of the Board of Directors had the determining ratio of times 7.5, which was approved by the Compensation Committee and the Board of Directors, been applied amounts to approximately NIS 4.36 million.
- 7.8. However, the Chairman of the Board of Directors conveyed to the Compensation Committee and the Board of Directors his request that the monthly remuneration to be approved for him shall not exceed the level of the last monthly remuneration to which the previous Chairman of the Bank's Board of Directors had been entitled (calculated on a full month basis), which amounted, as of December 2024, to a sum of approximately NIS 325 thousand (after linkage to the increase of the consumer price index), plus VAT.
- 7.9. In light of the aforesaid, the overall annual compensation amount to which the Chairman of the Board of Directors shall be entitled, subject to the approval of the general meeting, shall be set at approximately NIS 3.9 million, linked to the increase of the consumer price index, where the linkage to the increase in the index shall be subject to compliance with the provisions of the Compensation Limitation Law, as such shall be from time to time, plus VAT by law. It should be noted that the ratio of the average remuneration of the expert directors over the last three years to the proposed annual compensation amount for the Chairman of the Board of Directors, as stated, is actually set at 6.7.<sup>3</sup>
- 7.10. The proposed terms of service of the Chairman of the Board of Directors are consistent with the Bank's current compensation policy. For the Bank's compensation policy, see the supplemental summons report for the Bank's general meeting of July 14, 2022 (reference: 2022-01-089413).
- 7.11. Within the framework of the discussion with regard to the proposed terms of service of the Chairman of the Board of Directors, the members of the Compensation Committee and the Board of Directors addressed and reviewed, *inter alia*, the

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<sup>3</sup> It should be noted that if the average remuneration of the expert directors over the last 3 years had been taken into account, including the full value of the equity-based compensation per year to which the members of the Board of Directors, excluding the Chairman, are entitled, in accordance with the approval of the general meeting of August 10, 2023, i.e.: a fixed value of approximately NIS 100,000 per year (linked to the index) which would amount to approximately NIS 680 thousand, then **the actual determining ratio would have been set at times 5.7.**



education, qualifications, expertise, achievements and professional and managerial experience of the Chairman of the Board of Directors.

- 7.12. The Compensation Committee and the Board of Directors examined the ratio of the cost of the terms of service of the Chairman of the Board of Directors to the cost of wages of the other employees of the Bank and of the contract employees working at the Bank, and in particular the ratio to the cost of the average wage and the cost of the median wage of such employees, and also examined the effect of the disparities between them on labor relations in the Bank.

The ratio of the cost of the terms of service of the Chairman of the Board of Directors (before VAT) to the cost of the average and median wage of the Bank's employees<sup>4</sup> is 11.2 and 12.1 respectively; the ratio of the cost of wages of the other officers<sup>5</sup> at the Bank to the cost of the average and median wage of the Bank's employees, is 10.4 and 11.2 respectively. The members of the Compensation Committee and the Board of Directors determined that the foregoing ratios have no effect on the labor relations in the Bank.

- 7.13. The Compensation Committee and the Board of Directors were presented with comparative data in connection with the components of the compensation to which the Chairman of the Board of Directors is entitled, in accordance with the accepted practice in the banking system in Israel, as well as in publicly traded companies in the United Kingdom. In this context, it should be noted that in accordance with the Compensation Limitation Law, the legislature has prescribed ranges of compensation that may be granted to senior officers, which are identical for all the financial corporations in Israel.

- 7.14. As set forth in Section 13A(b)(3)(g) of Directive 301A, the Compensation Committee verified and determined that the terms of the compensation proposed for the Chairman of the Board of Directors, along with the full range of rights and obligations associated with them, do not constitute a "connection" between him and the Bank and between

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<sup>4</sup> The calculation includes all regular employees at the Bank, even if they are not directly employed by the Bank, but through manpower contracting companies and service contractors. The cost of wages taken into account for the purpose of the calculation is the total cost of the wage (i.e., including the variable compensation paid for 2024), and excluding payroll tax.

<sup>5</sup> The calculation is based on the wage of the officer who has the highest compensation among the officers at the Bank, other than the CEO or Chairman of the Bank's Board of Directors in 2023, excluding payroll tax.

him and the Bank's management in accordance with the Banking Ordinance, nor do they prejudice the independence and autonomy of the Chairman of the Board of Directors in a bank without a control core.

- 7.15. Given the aforesaid, the Compensation Committee and the Bank's Board of Directors approved and recommended to the Bank's general meeting to approve the proposed terms of service, as detailed in Section 3 above.

## **8. Text of the proposed resolution**

*To approve, as set forth in Section 273 of the Companies Law, 5759-1999, and in Section 2 of the Compensation of Officers in Financial Corporations (Special Approval and Disallowance of an Expense for Tax Purposes due to Exceptional Compensation) Law, 5776-2016, the terms of service of the Chairman of the Bank's Board of Directors, Mr. Uri Alon, as detailed in Section 3 of this summons report, which shall take effect on the date he commences his term of office as Chairman of the Bank's Board of Directors (retroactively from December 18, 2024), and which shall be in effect so long as he serves as Chairman of the Bank's Board of Directors, unless a change to such terms is approved in the future by the competent organs of the Bank and subject to statutory and regulatory provisions.*

## **9. The majority required to adopt the resolution**

As set forth in Section 273 of the Companies Law and in Section 2(a) of the Compensation Limitation Law,<sup>6</sup> and bearing in mind that the Bank is a banking corporation without a control core, the majority required to adopt the resolution is a simple majority of the total voting rights of the shareholders who are entitled to vote, and did vote, either in person or through their proxy, provided that one of the following holds true:

- (1) The count of the majority votes shall include the majority of all participants in the vote who do not have a personal interest in the approval of the resolution on the agenda; or
- (2) The total dissenting votes among the shareholders set forth in Subsection 1 above, as applicable, shall not exceed the rate of two percent of the total voting rights at the Bank.

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<sup>6</sup> Since the cost of the compensation of the Chairman of the Board of Directors exceeds the cap set forth in Section 2(a) of the Compensation Limitation Law, the resolution is brought for the approval of the general meeting by the majority set forth in Section 2(a) of the Compensation Limitation Law.



Abstaining votes shall not be taken into account when counting the votes of said shareholders.

This report was signed on behalf of the Bank on January 29, 2025.

Respectfully

Bank Leumi le-Israel B.M.

By Adv. Shelly Bainhoren

Bank Secretary, Head of the Bank and

Group Secretariat Department

## APPENDIX – GENERAL MEETING PROCEDURES

### A. Voting at the meeting

#### 1. The date of record and proof of ownership

- a. The date of record for determining a Bank shareholder's eligibility to vote at the above general meeting, as set forth in Section 182 of the Companies Law and in Regulation 3 of the Voting in Writing Regulations, is Wednesday, February 5, 2025.
- b. In accordance with the Companies Regulations (Proof of Ownership of a Share for the Purpose of Voting at a General Meeting), 5760-2000 (hereafter - "**Proof of Ownership Regulations**"), a shareholder for whose benefit shares are listed with a stock exchange member and said shares are included among the shares of the Bank registered in the register of shareholders in the name of a nominee company (hereafter - "**an unregistered shareholder**"), and who wishes to vote at the general meeting, shall furnish to the Bank a certificate from the stock exchange member with whom the share is listed for his benefit, with regard to his ownership of the share on the date of record, in accordance with Form 1 in the Schedule to the Proof of Ownership Regulations (hereafter - "**certificate of ownership**").
- c. An unregistered shareholder is entitled to receive the certificate of ownership from the stock exchange member through which he holds his share, at the branch of the stock exchange member or by mail to his address in consideration of postage fees only, if he so requested. A request in this regard is to be given in advance as to a particular securities account.
- d. In addition, an unregistered shareholder may instruct the stock exchange member to transmit his certificate of ownership to the Bank through the electronic voting system. Registration in the electronic voting system operating pursuant to Article O of Chapter G2 of the Securities Law, 5728-1968 (hereafter – "**the electronic voting system**") has the same standing as a certificate of ownership pursuant to the Proof of Ownership Regulations.

#### 2. Lawful quorum and date for holding an adjourned meeting

- a. In accordance with the Bank's articles of association, the lawful quorum for holding the meeting is the presence of three or more shareholders, present either in person or by proxy, within half an hour of the time scheduled for opening the meeting.
- b. If a lawful quorum is not present within half an hour of the time scheduled for opening the meeting, it shall be adjourned to Thursday, March 20, 2025 at the same place, at 14:00.
- c. If a lawful quorum is not present at such adjourned meeting, two shareholder who are present in person shall constitute a lawful quorum and they shall be entitled to address the matters for which the meeting was summoned.
- d. In determining the lawful quorum, also votes of shareholders who voted by means of a voting ballot, as construed under Section 87 of the Companies Law, shall be taken into account, as well as the votes of unregistered shareholders who voted through the electronic voting system.

### **3. Methods of voting at the meeting**

- a. Shareholders entitled to participate and vote at the meeting may do so, at their option, in one of the following ways: (1) Attend the meeting and vote in person or appoint a proxy who shall attend the meeting and vote in their place, pursuant to a letter of appointment or power of attorney, as detailed in Section 4 below; (2) vote by means of a voting ballot, as detailed in Section 5 below; (3) an unregistered shareholder may also vote via the electronic voting system, as detailed in Section 7 below.
- b. In accordance with Section 83(d) of the Companies Law, where a shareholder has voted using more than one method, his later vote shall be counted; for this purpose, a vote of a shareholder in person or by proxy shall be deemed later to a vote by means of a voting ballot or a vote via the electronic voting system.

### **4. Participation in the meeting and voting by a shareholder in person or by proxy**

- a. An unregistered shareholder who wishes to attend the meeting and vote in person, shall furnish the certificate of ownership form to the Company, in the manner specified in Sections 1(b) above and 9 below, up to the system closure time, as defined in Section 7 below. A shareholder with shares registered in his name in the Bank's register of shareholders is not required to present such certificate of ownership.

- b. A shareholder who is entitled to be present and to vote at the general meeting may appoint a proxy or proxies who shall be present and vote in his place. A proxy is not required to be a shareholder of the Bank himself. In order for the appointment of a proxy to be valid, the letter of appointment and the power of attorney pursuant to which the letter of appointment was signed (if the letter of appointment was signed pursuant to a power of attorney), must reach the registered office of the Bank at least 48 hours prior to the scheduled time of the general meeting. In the case of an unregistered shareholder, a certificate of ownership from the stock exchange member, as detailed in Section 1 above, must be attached to the letter of appointment, unless the certificate of ownership has been transmitted to the Bank through the electronic voting system.
- c. A shareholder or proxy seeking to be present and/or vote at the general meeting shall be required to identify themselves upon arrival at the general meeting by presenting an identification document (identity card or passport or valid driver's license). An unregistered shareholder (or his proxy) shall be required to further present also the certificate of ownership form, as stated above, unless the certificate of ownership of said shareholder has been transmitted to the Bank through the electronic voting system. A proxy of a shareholder whose shares are registered in his name in the Bank's register of shareholders is not required to present such certificate of ownership.
- d. A person who is not a shareholder or his proxy, or a shareholder or his proxy who at the scheduled time of the meeting fails to present an identification document, as stated, and a certificate of ownership valid as at Wednesday, February 5, 2025, shall not be entitled to be present and to vote at the general meeting.
- e. The letter of appointment shall be valid also with respect to an adjourned meeting of the meeting referenced by the letter of appointment, unless specified otherwise in the letter of appointment, provided that the adjourned meeting is convened on the date set forth in Section 2(b) above.

## 5. **Voting ballot**

- a. Shareholders (including unregistered shareholders) of the Bank who wish to vote at the meeting without attending the meeting and without sending a proxy, may vote on the item on the agenda by means of a voting ballot.
- b. A shareholder (including an unregistered shareholder) who is entitled to be present and to vote at the meeting, may vote by means of a voting ballot with regard to the resolution

on the agenda, in accordance with the Companies Law and the Voting in Writing Regulations.

- c. The vote by means of a voting ballot shall be cast on Part II of the voting ballot as posted on the distribution website of the Israel Securities Authority.
- d. Below are the addresses of the distribution website of the Israel Securities Authority and the website of the Tel Aviv Stock Exchange, where the text of the voting ballot can be found:

The distribution website of the Israel Securities Authority:

<http://www.magna.isa.gov.il>.

The Maya website of the Tel Aviv Stock Exchange: <http://maya.tase.co.il>.

- e. A shareholder may contact the Bank directly and receive from it the text of the voting ballot.
- f. The vote of a shareholder by means of a voting ballot shall be regarded as though he had been present and voted at the general meeting both for the purpose of the lawful quorum required at the meeting and for the purpose of calculating the results of the vote.

**6. The deadline for furnishing a voting ballot to the Bank:**

- a. A shareholder (including an unregistered shareholder) who wishes to vote by means of a voting ballot, shall furnish to the Bank, in the manner specified in Section 3(a) above, the voting ballot up to 4 hours prior to the time the meeting is to be convened (i.e., up to 10:00 a.m. on Thursday, March 13, 2025). The voting ballot shall be valid – with respect to an unregistered shareholder – only if accompanied by the certificate of ownership that was sent up to the system closure time (or if the certificate of ownership was sent through the electronic voting system), and with respect to a shareholder registered in the Bank's register of shareholders – only if accompanied by a photocopy of an identity card, passport or certificate of incorporation.
- b. The stock exchange member shall send by e-mail, free of charge, a link to the text of the voting ballot and the position statements, on the distribution website of the Authority, to each shareholder that is not registered in the register of shareholders and whose share is listed with the same stock exchange member, unless said shareholder has notified that he does not want to receive such link, provided that the notice is given with respect to a particular securities account and on a date preceding the date of record.

- c. A shareholder may contact the registered office of the Bank and after having proved his identity, withdraw his voting ballot and certificate of ownership up to 24 hours prior to the time the general meeting is to be convened. If he has done so, he may vote only during the general meeting itself (insofar as he is a shareholder registered in the Bank's register of shareholders or insofar as he is an unregistered shareholder), as well as through the electronic voting system, and the aforesaid in Section 3(b) shall apply, *mutatis mutandis*, and his later vote shall be counted.

#### 7. The electronic voting system

- a. Unregistered shareholders may vote on the item on the agenda of the general meeting, also by means of an electronic voting ballot, which shall be transmitted to the Bank through the electronic voting system.
- b. An unregistered shareholder may give notice until 12:00 p.m. of the date of record, in a written notice to the stock exchange member, that he does not wish to be included in the list of shareholders eligible to vote by means of the electronic voting system, and such notice shall be transmitted to the Bank by the stock exchange member through the electronic voting system.
- c. The stock exchange member shall transmit to each one of the unregistered shareholders, as stated, the necessary details for voting in the electronic voting system, including an access and identification code for the purpose of voting in the electronic voting system.
- d. As of the end of the date of record and up to 6 hours prior to the time the general meeting is to be convened (i.e., up to 08:00 a.m. on Thursday, March 13, 2025) (hereafter – "**the system closure time**"), the electronic voting system shall allow such unregistered shareholders to log in to the electronic voting system, by identifying themselves and using the unique access code issued by the stock exchange member, and to vote or to change or to cancel their previous vote with respect to the general meeting summoned pursuant to this meeting summons report.
- e. The electronic vote can be changed or cancelled with respect to the general meeting summoned pursuant to this meeting summons report up to the system closure time and it cannot be changed via the system after this time. Nothing stated derogates from the right of an unregistered shareholder to change his vote by participating and voting in the meeting (including through a proxy) and in this regard, the aforesaid in Section 3(b) shall apply, *mutatis mutandis*, and his later vote shall be counted.



- f. Where a meeting has been discontinued following a discussion of a particular item/s and a subsequent meeting is scheduled, then at the subsequent meeting, the electronic voting system shall be reactivated and it shall be possible to vote via said system only in relation to items not yet discussed at the original meeting. Where a meeting has been adjourned (due to the absence of a quorum), the electronic voting system shall be reactivated at the adjourned meeting and it shall be possible to vote via said system at the adjourned meeting in relation to all the items.
- g. An unregistered shareholder who has transmitted a certificate of ownership to the company through the electronic voting system and wishes to vote using other voting methods, is not required to transmit a new certificate of ownership to the company in order to vote at the adjourned meeting or at the subsequent meeting.
- h. Votes cast through the electronic voting system up to the system closure time shall be counted (insofar as not changed later by the voter) as part of the meeting results (including the adjourned or the subsequent meeting), both for the purpose of the lawful quorum required at the meeting and for the purpose of calculating the results of the vote.

#### **8. Position statements**

- a. The deadline for furnishing position statements to the Bank, as construed under Section 88 of the Companies Law, is by Monday, March 3, 2025 (inclusive). A position statement that includes the response of the Bank's Board of Directors shall be posted (insofar as it is decided to post the same) by Saturday, March 8, 2025 (inclusive).
- b. A shareholder may contact the Bank directly and receive from it the text of the position statements (if any).
- c. The position statements can be inspected on the distribution website of the Israel Securities Authority and on the Maya website of the Tel Aviv Stock Exchange, as detailed in Section 5 above.

#### **9. Manner of furnishing documents to the Bank**

The documents that the shareholders are required to furnish to the Bank in accordance with the above provisions (including, powers of attorney, letters of appointment, certificates of ownership, voting ballots, position statements, etc.), may be furnished up to the dates designated above, to the Bank's secretariat, at the registered office of the Bank, at the Bank's

offices at Keshev (Building M4, 6<sup>th</sup> floor), 3 Abba Hillel Silver St., Lod by hand delivery or by registered mail or by e-mail (David\_S@bll.co.il).

10. **Personal interest, interested party at the Bank, senior officer and institutional investor**

- a. The provisions of Section 276 of the Companies Law, *mutatis mutandis*, shall apply to anyone who has a personal interest in the approval of the resolution on the agenda. Section 276 of the Companies Law prescribes: "A shareholder participating in a vote pursuant to Section 275 shall notify the Company prior to his vote at the meeting, or if the vote is by means of a voting ballot – on the voting ballot, whether or not he has a personal interest in the approval of the transaction; if such shareholder fails to give notice, as stated, he shall not vote and his vote shall not be counted".
- b. It is clarified that in Section 1 of the Companies Law it is prescribed that a personal interest is also "a personal interest of a person voting pursuant to a power of attorney granted to him by another person, even if the other person has no personal interest, and a vote of a person who received a power of attorney to vote on behalf of a party who has a personal interest shall be regarded as a vote of the party with a personal interest, whether or not the voter has any discretion in the vote".
- c. Therefore, a shareholder participating in a vote is required to notify the Bank prior to the vote at the meeting, or, if he is voting by means of a voting ballot, on the voting ballot, or on the electronic voting ballot (if voting in this manner) if he has a personal interest in the approval of the resolution on the agenda of the general meeting. **A shareholder who fails to give such notice shall not be regarded as having voted for the purpose of this section and his vote shall not be counted.**
- d. In addition, in light of the provisions of Regulation 36D of the Reporting Regulations and as set forth in the Voting in Writing Regulations, a shareholder participating in a vote is required to notify the Bank prior to the vote at the meeting, or, if he is voting by means of a voting ballot, on the voting ballot, whether he is an interested party at the Bank (as the term "interested party" is defined in Section 1 of the Securities Law, 5728-1968), a senior officer at the Bank (as the term "senior officer" is defined in Section 37(d) of the foregoing law), an "institutional investor" (as the term is defined in Regulation 1 of the Control of Financial Services Regulations (Provident Funds) (Participation of a Management Company in a General Meeting), 5769-2009), or a joint

investment trust fund manager (as construed under the Joint Investment Trust Law, 5754-1994). If the participating shareholder is an interested party, senior officer, institutional body or joint investment trust fund manager, he is required to provide details regarding other relationships between him and the Bank or senior officers at the Bank, as well as the nature of the relationships. If the vote is pursuant to a power of attorney, such details shall be provided for the grantor and also for the proxy.

11. **Inspection of documents**

Documents pertaining to the resolution on the agenda of the general meeting may be inspected at the Bank's secretariat, at the registered office of the Bank, 3 Abba Hillel Silver St., Lod, Tel: 076-8859419, on Sundays – Thursdays, between the hours 08:00 to 15:00.

**BANK LEUMI LE-ISRAEL B.M.**

**VOTING BALLOT PURSUANT TO THE COMPANIES REGULATIONS  
(VOTING IN WRITING AND POSITION STATEMENTS), 5766-2005 ("THE  
REGULATIONS") IN RESPECT OF A SPECIAL GENERAL MEETING TO  
BE CONVENED ON THURSDAY, MARCH 13, 2025**

**PART I**

1. **Name of the Company:** Bank Leumi le-Israel B.M. (hereafter – "the Bank")
2. **Type of general meeting, date and place of convening said meeting:** A special general meeting of the Bank. The special general meeting shall be convened on Thursday, March 13, 2025, at 14:00, at the Bank's offices at Keshev (Building M4, 6<sup>th</sup> floor, "Odem" conference room), 3 Abba Hillel Silver St., Lod. If the meeting is postponed, it shall be held on Thursday, March 20, 2025.
3. **Details of the item on the agenda of the special general meeting for which a vote can be cast by means of a voting ballot:**

**Approval of the terms of service of the Chairman of the Board of Directors, Mr. Uri Alon**

The proposed resolution

To approve, as set forth in Section 273 of the Companies Law, 5759-1999 ("the **Companies Law**"), and in Section 2 of the Compensation of Officers in Financial Corporations (Special Approval and Disallowance of an Expense for Tax Purposes due to Exceptional Compensation) Law, 5776-2016 ("the **Compensation Limitation Law**"), the terms of service of the Chairman of the Bank's Board of Directors, Mr. Uri Alon, as detailed in Section 3 of the meeting summons report, which shall take effect on the date he commences his term of office as Chairman of the Bank's Board of Directors (retroactively from December 18, 2024), and which shall be in effect so long as he serves as Chairman of the Bank's Board of Directors, unless a change to such terms is approved in the future by the competent organs of the Bank and subject to statutory and regulatory provisions.

4. **The place and time where / when the full text of the proposed resolution can be inspected**

Documents pertaining to the resolutions on the agenda of the general meeting may be inspected at the registered office of the Bank, at Keshev (Building M4, 6<sup>th</sup> floor), 3 Abba Hillel Silver St., Lod, Tel: 076-8859419, on Sundays – Thursdays, between the hours 08:00 to 15:00, as well as on the distribution website of the Israel Securities Authority and on the website of the Tel Aviv Stock Exchange Ltd., at the addresses specified in Section 11 below.

5. **The majority required to adopt the resolution at the meeting, on an item for which a vote can be cast by means of a voting ballot**

- 5.1. As set forth in Section 273 of the Companies Law and in Section 2(a) of the Compensation Limitation Law, the majority required to adopt the resolution on this

item is a simple majority of the total voting rights of the shareholders entitled to vote, and who did vote, in person, provided that one of the following holds true:

- a. The count of the majority votes shall include the majority of all participants in the vote who do not have a personal interest in the approval of the resolution on the agenda; or
- b. The total dissenting votes among the shareholders set forth in Subsection (a) above shall not exceed the rate of two percent of the total voting rights at the Bank.

Abstaining votes shall not be taken into account when counting the votes of said shareholders.

5.2. Personal interest, interested party at the Bank, senior officer and institutional investor

- a. The provisions of Section 276 of the Companies Law, *mutatis mutandis*, shall apply to anyone who has a personal interest in the approval of the resolution on the agenda. Section 276 of the Companies Law prescribes: "A shareholder participating in a vote pursuant to Section 275 shall notify the Company prior to his vote at the meeting, or if the vote is by means of a voting ballot – on the voting ballot, whether or not he has a personal interest in the approval of the transaction; if such shareholder fails to give notice, as stated, he shall not vote and his vote shall not be counted".
- b. It is clarified that in Section 1 of the Companies Law it is prescribed that a personal interest is also "a personal interest of a person voting pursuant to a power of attorney granted to him by another person, even if the other person has no personal interest, and a vote of a person who received a power of attorney to vote on behalf of a party who has a personal interest shall be regarded as a vote of the party with a personal interest, whether or not the voter has any discretion in the vote".
- c. Therefore, a shareholder participating in a vote is required to notify the Bank prior to the vote at the meeting, or, if he is voting by means of a voting ballot, on the voting ballot, or on the electronic voting ballot (if voting in this manner) if he has a personal interest in the approval of the resolution on the agenda of the general meeting. **A shareholder who fails to give such notice shall not be regarded as having voted for the purpose of this section and his vote shall not be counted.**
- d. In addition, in light of the provisions of Regulation 36D of the Reporting Regulations and as set forth in the Voting in Writing Regulations, a shareholder participating in a vote is required to notify the Bank prior to the vote at the meeting, or, if he is voting by means of a voting ballot, on the voting ballot, whether he is an interested party at the Bank (as the term "interested party" is defined in Section 1 of the Securities Law, 5728-1968), a senior officer at the Bank (as the term "senior officer" is defined in Section 37(d) of the foregoing law), an "institutional investor" (as the term is defined in Regulation 1 of the Control of Financial Services Regulations (Provident Funds) (Participation of a Management Company in a General Meeting), 5769-2009), or a joint investment trust fund manager (as construed under the Joint Investment Trust Law, 5754-1994). If the participating shareholder is an interested party, senior officer, institutional body or joint investment trust fund manager, he is required to provide details regarding other relationships between him and the Bank or senior officers at

the Bank, as well as the nature of the relationships. If the vote is pursuant to a power of attorney, such details shall be provided for the grantor and also for the proxy.

6. A voting ballot shall be valid only if accompanied by a certificate of the unregistered shareholder's ownership on the date of record (i.e., a party for whose benefit the shares of the Bank are listed with a stock exchange member and said shares are included among the shares registered in the register of shareholders in the name of a nominee company (hereafter – "**unregistered shareholder**"), or if such certificate of ownership was sent to the Bank via the electronic voting system, and in the case of a shareholder registered in the Bank's register of shareholders, the voting ballot shall be valid only if accompanied by a photocopy of an identity card, passport or certificate of incorporation. This voting ballot together with the accompanying documents, as stated above, should be furnished to the Bank at the address specified in Section 8 below no later than four hours prior to the time the meeting is to be convened, i.e. up to 10:00 a.m. on Thursday, March 13, 2025.
7. Closure time of the electronic voting system – unregistered shareholders may vote on the item on the agenda of the general meeting also by means of an electronic voting ballot that is to be transmitted to the Bank through the electronic voting system. Voting shall be possible commencing from the end of the date of record and up to 6 hours prior to the time the general meeting is to be convened, i.e. up to 08:00 a.m. on Thursday, March 13, 2025.
8. The Bank's address for delivery of voting ballots and position statements: The registered office of the Bank, at Keshev (Building M4, 6<sup>th</sup> floor), 3 Abba Hillel Silver St., Lod, to the Bank and Group Secretariat or by e-mail (David\_S@bll.co.il).
9. The deadline for furnishing position statements to the Bank: Up to Monday, March 3, 2025 (inclusive).
10. The deadline for furnishing the Board of Director's response to the position statements: Up to Saturday, March 8, 2025 (inclusive).
11. Addresses of the distribution website of the Israel Securities Authority and the website of the Tel Aviv Stock Exchange Ltd. ("TASE"), where the voting ballots and position statements can be found:
  - Distribution website of the Israel Securities Authority:  
<http://www.magna.isa.gov.il>
  - TASE Maya website: <http://maya.tase.co.il>
12. An unregistered shareholder is entitled to receive the certificate of ownership at the branch of the stock exchange member or by mail delivery, if he so requested. A request in this regard is to be given in advance as to a particular securities account. An unregistered shareholder may instruct that his certificate of ownership be transmitted to the Bank through the electronic voting system.
13. An unregistered shareholder is entitled to receive by e-mail, free of charge, a link to the text of the voting ballot and the position statements, on the distribution website of

the Israel Securities Authority, from the stock exchange member through which he holds his shares, unless said shareholder has notified the stock exchange member that he does not want to receive such link or that he would like to receive voting ballots by mail for a fee; Notice with regard to voting ballots shall also apply with regard to receiving position statements.

14. One or more shareholders who hold, on the date of record (Wednesday, February 5, 2025), at a rate constituting five percent or more of the total voting rights at the Bank, and any person who holds such rate out of the total voting rights not held by the controlling shareholder at the Bank, as defined in Section 268 of the Companies Law ("**controlling shareholder**"), is entitled, either in person or through a proxy on his behalf, after the general meeting is convened, to inspect at the registered office of the Bank, during customary business hours, the voting ballots as specified in Regulation 10 of the Regulations.

The quantity of shares constituting 5% of the total voting rights at the Bank is: NIS 75,128,123 par value ordinary shares of the Bank (as of January 29, 2025).

15. After the voting ballot is posted, there may be changes in the agenda and position statements may be posted. In such case, it shall be possible to inspect the updated agenda and the position statements that are so posted in the Bank's reports on the distribution website, as stated in Section 11 above.

**A shareholder shall indicate the manner of his vote with respect to the items on the agenda on Part II of this voting ballot.**

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## **VOTING BALLOT – PART II**

Companies Regulations (Voting in Writing and Position Statements), 5766-2005 ("**the Regulations**")

Name of the Company: Bank Leumi le-Israel B.M.

Company address (for delivery and mailing of the voting ballots): Keshev (Building M4, 6<sup>th</sup> floor), 3 Abba Hillel Silver St., Lod, to the Bank and Group Secretariat or by e-mail David\_S@bll.co.il.

Company reg. no.: 52-001807-8

Meeting date: Thursday, March 13, 2025, at 14:00.

Meeting type: Special

Date of record: Wednesday, February 5, 2025.

### **Shareholder details**

Name of the shareholder - \_\_\_\_\_

ID number - \_\_\_\_\_

If the shareholder does not have an Israeli ID card -

Passport no. - \_\_\_\_\_

Issuing country - \_\_\_\_\_

Valid until - \_\_\_\_\_

If the shareholder is a corporation -

Corporation no. - \_\_\_\_\_

Country of incorporation - \_\_\_\_\_



**Manner of vote**

Item on the agenda	Manner of vote <sup>1</sup>			With regard to the approval of a transaction pursuant to Section 255 and 272 to 275 of the Companies Law, where the majority required for approval is not a simple majority, or a compensation policy pursuant to Section 267A – do you have a personal interest in the resolution? <sup>2</sup>	
	For	Against	Abstain	Yes	No
1. To approve, as set forth in Section 273 of the Companies Law, 5759-1999, and in Section 2 of the Compensation of Officers in Financial Corporations (Special Approval and Disallowance of an Expense for Tax Purposes due to Exceptional Compensation) Law, 5776-2016, the terms of service of the Chairman of the Bank's Board of Directors, Mr. Uri Alon, as detailed in Section 3 of the meeting summons report, which shall take effect on the date he commences his term of office as Chairman of the Bank's Board of Directors (retroactively from December 18, 2024), and which shall be in effect so long as he serves as Chairman of the Bank's Board of Directors, unless a change to such terms is approved in the future by the competent organs of the Bank and subject to statutory and regulatory provisions.					

**Details:**

Are you an interested party, senior officer<sup>3</sup> fund manager <sup>4</sup>or institutional investor<sup>5</sup>? Yes \_\_\_\_\_ No \_\_\_\_\_.

If yes, please provide details regarding other relationships between you and the Bank or senior officers at the Bank, as well as the nature of the relationships.

Please specify your connection or other characteristic as the shareholder or your personal interest, as applicable, in the approval of the resolution detailed above:

**For shareholders who hold shares through a stock exchange member (pursuant to Section 177(1) of the Companies Law) – this voting ballot is valid only in conjunction with a certificate of ownership, except in cases where voting is done through the system.**

**For shareholders who are registered in the Bank's register of shareholders – the voting ballot is valid in conjunction with a photocopy of the ID card / passport / certificate of incorporation.**

Date

Signature

\*Provide details in the designated lines below the table.

<sup>1</sup>Failure to mark shall be deemed an abstention from voting on the same item.

<sup>2</sup>The vote of a shareholder who does not fill out this column or who marks "yes" without providing details shall not be taken into account.

<sup>3</sup>As the term "senior officer" is defined in Section 37(d) of the Securities Law, 5728-1968.

<sup>4</sup>As construed under the Joint Investment Trust Law, 5754-1994.

<sup>5</sup>As the term "institutional investor" is defined in Regulation 1 of the Voting in Writing Regulations.