Audit Committee Charter

1. Composition of the Committee

1. The Company's Board of Directors shall appoint from among its members an Audit Committee, whose number of members shall not be fewer than three (3). All external directors shall be members of the Audit Committee and shall constitute a majority of its members. One of such external directors shall serve as Chairperson of the Committee. The remaining members of the Audit Committee, who are not external directors, shall be directors who are qualified to serve on an audit committee in accordance with Sections 115(b) and 115(c) of the Companies Law.

2. Rules of Deliberation

1. Any person who is not permitted to be a member of the Audit Committee shall not be present at meetings of the Committee during the deliberation or during the adoption of resolutions, unless the Chairperson of the Committee determines that such person is required for the purpose of presenting a specific matter. However, an employee of the Company who is not a controlling shareholder or a relative thereof may be present at meetings of the Committee during the deliberation if the Committee so requests, provided that the resolution is adopted in the absence of such employee. Without derogating from the foregoing, the legal counsel and the Company Secretary, who is the Company's Chief Financial Officer, provided that they are not controlling shareholders or relatives thereof, may be present during the deliberation and during the adoption of resolutions if the Committee so requests.

2. The Company's Internal Auditor shall receive notices of Audit Committee meetings and shall be entitled to participate therein.

3. The Internal Auditor may request that the Chairperson of the Audit Committee convene the Committee for deliberation on a matter specified in such request, and the Chairperson of the Audit Committee shall convene the Committee within a reasonable time from the date of the request, if the Chairperson finds grounds for doing so.

4. At any meeting of the Audit Committee at which a matter concerning the audit of the financial statements is raised, the Company's independent auditor shall be invited.

5. The quorum required for deliberation and for the adoption of resolutions by the Audit Committee shall be a majority of the members of the Committee, provided that a majority of those present are independent directors and at least one of them is an external director.

3. Authorities and Responsibilities

1. To identify deficiencies in the business management of the Company, inter alia through consultation with the Company's Internal Auditor or with the independent auditor, and to propose to the Board of Directors methods for rectifying such deficiencies. If the Audit Committee identifies such a deficiency as a material deficiency, it shall hold at least one meeting regarding the deficiency in question, in the presence of the Internal Auditor or the independent auditor, as applicable, and without the presence of officers of the Company who are not members of the Committee. Notwithstanding the foregoing, an officer may be present for the purpose of presenting a position on a matter within such officer's area of responsibility, if the Committee so requests.

2. With respect to transactions with controlling shareholders and transactions with a person or company in which the controlling shareholder has a personal interest, the Company may classify certain transactions as negligible transactions, as defined below, which require management approval only. As of the date of the Hebrew procedure, the Company's Audit Committee resolved to recognize transactions with Tzevetit Insurance Agency and with Rinat Yogev Real Estate Ltd. as negligible transactions. Other than these transactions, it was resolved not to establish a framework for a competitive procedure or criteria for transactions that are neither extraordinary nor negligible; accordingly, all other transactions shall be examined by the Audit Committee on a case-by-case, ad hoc basis.

3. The Company may approve a framework for entering into certain recurring or ongoing transactions. Prior approval of such a framework is intended to enable the execution of transactions in accordance with the terms prescribed in the approval, without the need for specific approval of each individual transaction by the Audit Committee or by the Board of Directors. As of the date of the Hebrew procedure, the Company's Audit Committee resolved not to establish criteria, but rather to examine each transaction on its own merits.

4. Any transaction with controlling shareholders, or any transaction with a person or company in which the controlling shareholder has a personal interest, shall be classified in advance by the Company's Audit Committee as an extraordinary transaction, a negligible transaction, or a non-extraordinary transaction, in accordance with applicable law.

5. A negligible transaction shall mean a transaction whose value is lower than the lesser of: (i) an amount not exceeding 0.25% of the Company's shareholders' equity according to the Company's most recent consolidated financial statements; or (ii) 1% of the Company's average net profit, in absolute values, during the three calendar years preceding the date on which the transaction is reported according to the Company's most recent financial statements.

6. A transaction that is neither negligible nor extraordinary shall mean a transaction whose value exceeds 0.25% of the Company's shareholders' equity according to the Company's most recent consolidated financial statements, or 1% of the Company's average net profit, in absolute values, during the three calendar years preceding the date on which the transaction is reported according to the Company's most recent financial statements.

7. An extraordinary transaction shall mean a transaction that is not in the ordinary course of the Company's business, a transaction that is not on market terms, or a transaction that may materially affect the Company's profitability, assets, or liabilities.

8. The Audit Committee may approve, once a year in advance, that certain types of transactions are extraordinary, negligible, or neither extraordinary nor negligible, in accordance with criteria to be determined in its resolution, and may establish a competitive or other procedure framework for approving them. If the Audit Committee elects to do so, a supplementary procedure to this Procedure shall be prepared, setting forth the method of operation and implementation of the criteria and of the competitive procedure.

9. If the Audit Committee resolves to establish criteria or a competitive or other procedure as aforesaid, the Company's Audit Committee shall convene once a year, during February to March, to deliberate on such criteria and competitive or other procedure for determining whether certain types of transactions are extraordinary, negligible, or neither extraordinary nor negligible, in accordance with applicable law.

10. To review the Internal Auditor's work plan before its submission for approval by the Board of Directors and to propose changes thereto.

11. To review the Company's internal audit system and the performance of the Internal Auditor, and to examine whether the Internal Auditor has the resources and tools required for the performance of his duties, taking into account, inter alia, the special needs and size of the Company.

12. To review the scope of work and remuneration of the independent auditor, and to submit its recommendations to the person authorized to determine such remuneration pursuant to Sections 155 and 165 of the Companies Law. If the Company has appointed a committee for the review of financial statements pursuant to Section 171(e), the Audit Committee may determine that such review shall be conducted by that committee.

13. To establish arrangements regarding the manner of handling complaints submitted by Company employees in connection with deficiencies in the management of the Company's business, and regarding the protection to be afforded to employees who submitted such complaints.

Note: This document is dated July 9, 2026, and is an English translation of an internal Hebrew-language procedure. In the event of any discrepancy between this translation and the original Hebrew version, the Hebrew version shall prevail. This charter is provided for informational purposes only and does not constitute legal advice