

**Elron Ventures Ltd. (the  
"Company")**

**November 27, 2024**

**Israel Securities Authority**  
**22 Kanfei Nesharim Street**  
**Jerusalem 9546434**  
(Via Magna)

**Tel Aviv Stock Exchange Ltd.**  
**2 Ahuzat Bayit Street**  
**Tel-Aviv 6525216**  
(Via Magna)

**Re: Immediate Report on the Convening of an Annual General Meeting of the Shareholders of the Company**

An immediate report is hereby made (the "**Report**") in accordance with the Israel Companies Law, 5759-1999 (the "**Companies Law**"), the Israel Securities Law, 5728-1968 (the "**Securities Law**"), the Israel Securities Regulations (Immediate and Periodic Reports), 5730-1970 (the "**Report Regulations**"), the Israel Companies Regulations (Notice and Announcement of General Meetings and Class Meetings in a Public Company and the Addition of an Issue to the Agenda), 5760-2000 and the Israel Companies Regulations (Voting in Writing and Position Statements) 5766-2005 (the "**Voting Regulations**"), concerning the convening of an annual general meeting of the shareholders of the Company, which will be held on **January 2, 2025**, at 15:00 (Israel time), in the Company's offices at ToHa Tower, 114 Yigal Alon St., 22nd Floor, Tel Aviv, Israel, whose agenda shall consist of the items described in this Report below.

**1. Issues on the Agenda and Summary of the Resolutions Proposed Thereon:**

**1.1. Item 1 - Election of Directors Who Hold Office at the Company (and Are Not External Directors)**

To approve the reappointment of the Company's incumbent directors (excluding the outside directors): Ms. Lisya Bahar Manoah (Chairperson of the Board), Mr. Evan Yonatan Renov, Mr. Ariel Bentov, Mr. Dan Hoz and Mr. Shalom Tourgeman (independent director), as directors of the Company for an additional term of office commencing from the date of approval of their appointment by the general meeting that is called according to this Report until the next annual general meeting of the Company (the "**Candidates for the Office of Directors**").

The vote on the appointment of each one of the Candidates for the Office of Directors shall be performed separately.

Details of the Candidates for the Office of Directors at the Company:

For further details regarding the Directors from among the Controlling Shareholder, Ms. Lisyah Bahar Manoah (Chairperson of the Board), Mr. Evan Yonatan Renov and Mr. Ariel Bentov (the “**Directors from Among the Controlling Shareholder**”), see the Company’s reports of 4 September 2024 (Ref. no.: 2024-01-600931, 2024-01-600924 and 2024-01-600928), which are incorporated herein by reference (the “**Reports**”); for further details regarding the directors Mr. Dan Hoz and Mr. Shalom Tourgeman (independent director), see Section 13 of Part D of the Company’s annual report as of 31 December 2023, as released by the Company on 20 February 2024 (Ref. no.: 2024-01-015187), incorporated herein by reference (the “**2023 Report**”).

Pursuant to Section 7(a)(5)(b) of the Voting Regulations, presented below are the required details regarding the Candidates for Office as Directors and any of the details required by Section 26 of the Reports Regulations, if changed since the 2023 Report, to the best of the Company’s knowledge:

<b>Name:</b>	<b>Ms. Lisyah Bahar Manoah (Chairperson of the Board)</b>
<b>Membership of board committees</b>	No
<b>Year in which his/her office as a director began</b>	4 September 2024
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the Reports</b>	Unchanged

<b>Name:</b>	<b>Mr. Evan Yonatan Renov</b>
<b>Membership of board committees</b>	No
<b>Year in which his/her office as a director began</b>	4 September 2024
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the Reports</b>	Unchanged

<b>Name:</b>	<b>Mr. Ariel Bentov</b>
<b>Membership of board committees</b>	No
<b>Year in which his/her office as a director began</b>	4 September 2024
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the Reports</b>	Unchanged

<b>Name:</b>	<b>Mr. Dan Hoz</b>
<b>Membership of board</b>	No

<b>committees</b>	
<b>Year in which his/her office as a director began</b>	8 June 2021 (office as chairman of the Board: 14 November 2021 to 4 September 2024)
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the filing of the 2023 Report</b>	Unchanged

<b>Name:</b>	<b>Mr. Shalom Tourgeman (independent director)</b>
<b>Membership of board committees</b>	Audit Committee and Compensation Committee
<b>Year in which his/her office as a director began</b>	7 December 2020
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the filing of the 2023 Report</b>	Unchanged

The nominees to be directors at the Company, as listed above, have provided the Company with declarations in accordance with Section 224B of the Companies Law, of which copies are attached as Annex A to this immediate report.

For additional details regarding compensation, insurance arrangement and exemption and indemnification arrangements for nominees to be re-appointed as directors of the Company see section 8.1 of Part D of the Company's annual report for 31.12.2023 and note 18d of the consolidated financial statements attached to the periodic report for 2022, the details of which are incorporated herein by reference. For additional details regarding the terms of service of Directors from Among the Controlling Shareholder, see immediate report dated September 4, 2024 (reference no. 2024-01-601027) the details of which are incorporated herein by reference. For additional details regarding the proposed terms of service of Lisya Bahar Manoah (the Chairperson), see Section 1.3 of this report.

### **Proposed Resolutions**

- **Item no. 1 – To approve the reappointment of Ms. Lisya Bahar Manoah (Chairperson of the Board) as a director of the Company for an additional term of office until the end of the next annual meeting of the Company.**
- **Item no. 2 – To approve the reappointment of Mr. Evan Yonatan Renov as a director of the Company for an additional term of office until the end of the next annual meeting of the Company.**

- **Item no. 3 – To approve the reappointment of Mr. Ariel Bentov as a director of the Company for an additional term of office until the end of the next annual meeting of the Company.**
- **Item no. 4 – To approve the reappointment of Mr. Dan Hoz as a director of the Company for an additional term of office until the end of the next annual meeting of the Company.**
- **Item no. 5 – To approve the reappointment of Mr. Shalom Tourgeman (independent director) as a director of the Company for an additional term of office until the end of the next annual meeting of the Company.**

**1.2 Item no. 6 – Approval of the granting of letters of indemnity to Directors from Among the Controlling Shareholder**

For further details regarding the granting of letters of indemnity to Directors from Among the Controlling Shareholder, see **Part B** and **Part F** of this Report below.

**Proposed Resolution:** To approve the granting of the letters of indemnity to Directors from Among the Controlling Shareholder as specified in Part B and Part F of this Report, under terms and conditions identical to the current letter of indemnity existing at the Company, which is attached hereto as **Exhibit B**, for three years commencing on the date of the general meeting's approval according to this Report.

**1.3 Item no. 7 – Approval of the terms of office of the Chairperson of the Company's Board**

For further details regarding the terms of office proposed to be approved for Ms. Lisya Bahar Manoah, see **Part C** and **Part F** of this Report below.

The terms of office will require reapproval once every 3 years.

**Proposed resolution:** To approve the terms of office of Ms. Lisya Bahar Manoah as Chairperson of the Company's Board (as a service provider with no employment relationship), in effect from 1 January 2025, as specified in Part C and Part F of this Report.

**1.4 Item no. 8 – Approval of the granting of a discretionary bonus to Mr. Dan Hoz, former chairman of the Company's Board, for 2023 and 2024**

For further details regarding this resolution, see **Part D** of this Report below.

**Proposed Resolution:** To approve a discretionary bonus in the sum of ILS 99,517 for Mr. Dan Hoz, former chairman of the Company's Board, for 2023, and a discretionary bonus in the sum of ILS 68,487 for 2024, as specified in Part D of this Report below.

**1.5 Item no.9 -Reappointment of the Company's auditor and authorizing the Company's Board of Directors and Audit Committee, insofar required, to determine their fees as auditors and report on their fees for 2023.**

It is proposed to approve the reappointment of the accounting firm Kesselman & Kesselman (PwC) as the Company's auditor for an additional term until the Company's next annual general meeting, and to authorize the Company's Board of Directors and Audit Committee, insofar required, to determine their fees as auditor. In addition, it will be reported to the annual meeting on the fees of the auditors for 2023.

The audit committee (which is also the committee for examining financial statements) of the Company recommended to the Company's Board of Directors regarding the reappointment of the auditor, following a discussion in connection with the auditor's work and after consultation with the Company's management regarding the ongoing interface with the auditor. In accordance with the committee's recommendation, the Company's Board of Directors decided to approve the re- appointment of the auditor.

**The proposed Resolution:** To approve the re-appointment of the accounting firm Kesselman & Kesselman (PwC) as the Company's auditor for an additional term until the Company's next annual general meeting, and to authorize the Company's Board of Directors and Audit Committee, insofar required, to determine their fees as auditor.

**1.6 Item 10 – Discussion on the Company's Annual Reports for 2023 published on February 2024**

Discussion (without decision) in the financial statements of the Company for December 31, 2020 and the Board of Director's report on the Company's affairs for the period of twelve months ending on December 31, 2023 as published by the Company in its immediate report from February 20, 2024 (ref. Number 2024-01-015187)

**1.7 Item 11 – Approval of the Company's Officers' Compensation Policy**

For details see Part E to this report below.

**The proposed Resolution:** To approve the proposed compensation policy in the form attached as Annex C to this report (the "Compensation Policy") in accordance with Section 267A to the Companies Law for a period of three

years from the date of approval.

2. **Record Date**

The record date entitling a shareholder to participate in and vote at the general meeting, in accordance with Section 182 of the Companies Law, is on December 5, 2024 (henceforth: the "**Record Date**"). If there is no trading on the Record Date, the record date will be the last trading day preceding such date.

3. **Legal Quorum and Adjourned Meeting**

A legal quorum shall be constituted when at least two shareholders, holding collectively more than 33.3% of the issued shares conferring voting rights in the Company, are present in person or by proxy, within half an hour from the time set for the meeting to begin. If a quorum is not present in the general meeting within half an hour from the time set for the meeting to begin, the meeting shall stand adjourned to the next week on the same day at the same time and place, namely January 9, at the Company's offices, TOHA, Yigal Alon 114, 22nd Floor, Tel Aviv at 15:00 ("Adjourned Meeting"). If a legal quorum is not present at the Adjourned Meeting within half an hour from the time set for the meeting, then one shareholder, holding at least 25% of the issued share capital of the Company, present in person or by proxy, shall constitute a legal quorum.

4. **Required Majority**

4.1. The required majority for the approval of the proposed resolutions set forth in Sections 1-5, 8 and 9 above is a majority of the shareholders who are entitled to vote and who voted at the meeting, in person or by proxy (including via ballot) or through the internet voting system.

To the best of the Company's knowledge, as of the date of this Report, the Company's controlling shareholder, Arieli E.L. Ltd., holding approximately 59.02% of the Company's outstanding share capital and voting rights, a holding percentage that confers the controlling shareholder the required majority for the approval of the issues set forth in Sections 1-5, 8 and 9 on the agenda, set forth in Sections 1.1, 1.4 and 1.5 above.

4.2. The majority required for adoption of the proposed resolutions nos. 6 and 7 on the agenda, set forth in Sections 1.2 and 1.3 above, is a majority of the shareholders entitled to vote and participating in the vote, in person or by a proxy (including via ballot) provided that one of the following is fulfilled:

4.2.1. The majority vote count at the general meeting will include a majority of all votes of shareholders who are not controlling shareholders in the Company or have personal interest in approving the approval of the compensation policy; The vote count of such shareholders shall not take into account abstaining votes; The provisions under Section 276 of the Companies Law, *mutatis mutandis*, shall apply to a shareholder having a personal interest.

4.2.2. The total dissenting votes from among the shareholders specified in Section 4.2.1 above, does not exceed two percent (2%) of the total voting rights in the Company.

4.3. The majority required for adoption of the proposed resolution no. 11 on the agenda, set forth in Section 1.7 above, is a majority of the shareholders entitled to vote and participating in the vote, in person or by a proxy (including via ballot) provided that one of the following is fulfilled:

4.3.1. The majority vote count at the general meeting will include a majority of all votes of shareholders who are not controlling shareholders in the Company or have personal interest in approving the approval of the compensation policy; The vote count of such shareholders shall not take into account abstaining votes; The provisions under Section 276 of the Companies Law, *mutatis mutandis*, shall apply to a shareholder having a personal interest.

4.3.2. The total dissenting votes from among the shareholders specified in Section 4.3.1 above, does not exceed two percent (2%) of the total voting rights in the Company.

It shall be noted that, pursuant to Section 276A(c) of the Companies Law, the Company's Board of Directors is entitled to resolve the proposed resolution no. 11 on the agenda, even if the general meeting of the shareholders shall object its approval, insofar as the compensation committee followed by the Board of Directors, will resolve, based on detailed reasons and after re-discussing the Company's officers' compensation policy, that the approval of the compensation policy, notwithstanding the objection of the general meeting of the shareholders, is in the interest of the Company.

4.4. A shareholder participating in the vote for resolution nos. 6, 7 and 11 on the agenda shall notify the Company, prior to the vote at the meeting, or if the vote is via ballot – on the ballot, in respect of each resolution in which he votes, if he is a controlling shareholder in the Company or if he has a personal interest in approving the resolution or not; If a shareholder fails to so notify, he shall not vote and his vote.

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<sup>1</sup> For additional details regarding the holdings of Discount Investments Corporation Ltd., see immediate report on the related parties' and senior officers' holdings, published by the Company on October 7, 2021 (ref. no. 2021-01-085627)

shall not be counted.

## 5. **Manner of Voting**

- 5.1. A shareholder of the Company is entitled to vote in person, to appoint a proxy, who may participate in the general meeting and vote on such shareholder's behalf (in accordance with the Company's Articles of Association) and is entitled to vote via ballot or through the internet voting system.
- 5.2. A document appointing a proxy ("**Letter of Appointment**") as well as an original power of attorney authorizing the execution of the Letter of Appointment (if any), must be deposited in the Company's registered offices at least 48 hours prior to the Record Date. The Letter of Appointment must specify the full names of the appointing shareholder and the proxy voting on such shareholder's behalf as they appear in the Registrar of Companies or Identity Card (as applicable), their corporation number or identification number (as applicable), and their place of incorporation or country of passport issue (as applicable).
- 5.3. In accordance with the Israel Companies Regulations (Proof of Share Ownership for Voting at the General Meeting), 5760-2000, a shareholder whose share is registered with a TASE member and such share is included in the Company's Shareholders Register in the name of the nominee company, who wishes to vote at the meeting, will provide the Company with proof of ownership of the share as of the Record Date, obtained from the TASE member with whom the share is registered, as required by said regulations.

## 6. **Confirmation of Ownership**

A shareholder whose shares are registered with a TASE member is entitled to receive ownership confirmation from such TASE member, at the TASE member's branch or via post to his address, upon request, provided such request was made in advance for a specific securities account. According to the Voting Regulations, an authorized electronic message according to Section 44K5 of the Securities Law which concerns the data of the internet voting system's users, is tantamount to a confirmation of ownership regarding every shareholder included therein.

## 7. **Voting by Ballot and Position Statements**

- 7.1. A shareholder is entitled to vote at the meeting on the proposed resolutions on the agenda via ballot, as detailed below. The ballot and position statements with respect to the meeting are available on the distribution website of the Israel Securities Authority at <https://www.magna.isa.gov.il> (the "**Distribution Website**") and on the website of the Tel Aviv Stock Exchange Ltd. at <https://maya.tase.co.il> (the "**TASE Website**"). A shareholder may request the ballot and position statements directly from the Company, free of charge.
- 7.2. A TASE member will send, free of charge, via email, a link to the ballot and

position statements on the Distribution Website to every shareholder who is not registered in the Company's Shareholders Register and whose shares are registered with the TASE member, unless such shareholder notified the TASE member that he wishes to opt out, and provided that the notice was given regarding a specific securities account and on a date prior to the Record Date.

- 7.3. Votes should be cast on Part Two of the ballot published on the Distribution Website.
- 7.4. The ballot (if non-electronic) of a non-registered shareholder should be delivered to the Company along with the confirmation of ownership, such that the ballot will arrive at the Company's registered offices **no later than four hours prior to the time set for the meeting** (i.e., no later than **January 2, 2025 at 11:00**).
- 7.5. A shareholder registered in the shareholders register should deliver the ballot to the Company, along with a photocopy of his identity card or passport or certificate of incorporation, such that the ballot will arrive at the Company's registered offices **up to six hours prior to the time set for the general meeting** (i.e., by **January 2, 2025 at 09:00**).
- 7.6. A shareholder's ballot will be valid in accordance with Section 177(2) of the Companies Law only if accompanied by a photocopy of his identity card, passport or certificate of incorporation.
- 7.7. A shareholder may appear in person at the Company's registered offices and after providing proof of his identity, retract his ballot and proof of ownership / photocopy of identity card or passport or certificate of incorporation, up to 24 hours prior to the time set for the meeting.

## 8. **Voting via the Internet Voting System**

- 8.1. A non-registered shareholder may also vote on the resolutions on the agenda by submitting a ballot via the internet voting system as defined in the Voting Regulations (henceforth: "**Electronic Ballot**").
- 8.2. A shareholder whose share is registered with a TASE member is entitled to receive an identifying number and access code as well as additional information related to the meeting from the TASE member, and following a secure identification process may vote via the internet voting system. A shareholder who votes by Electronic Ballot is not required to provide the Company with a certificate of ownership in the manner specified above.
- 8.3. The Electronic Ballot will open for voting at the end of the Record Date. Voting via the internet voting system will close **6 hours prior to the time set for the meeting** (i.e., by **January 2, 2025 at 09:00**), at which time the internet voting system will be closed.

In light of the security situation plaguing Israel on October 29, 2023, the Israel Securities Authority published a staff announcement stating that it is working to strengthen its defense systems in the cyberspace, and as a result, temporary difficulties may arise during this period in the ability to access the electronic

voting system from abroad. Therefore, it is recommended that any securities holder who encounters such an access problem and is unable to solve it himself, make use of the alternative voting methods that are possible, or contact the system's support center at 077-2238333. In addition, you can find a summary of details about support and contact on the ISA website – for a link to the summary of details about support and contact on the ISA website – click here.

8.4. The electronic voting may be amended or cancelled up until the internet voting system is closed, after which it will not be possible to change it via the internet voting system. Should a shareholder vote via more than one method, the later vote will be counted. In this regard, a vote cast in person or by proxy will be considered to have been cast later than a vote cast by Electronic Ballot.

## 9. **Position Statements and the Board of Directors' Response**

9.1. The deadline for submitting position statements to the Company is up to ten (10) days prior to the date set for the meeting.

9.2. The deadline for submitting the board of directors' response to position statements, insofar as shareholders have submitted position statements to the board of directors and the board of directors has elected to submit a response to such position statements, is no later than five (5) days prior to the time set for the meeting.

## 10. **Notice of a Personal Interest**

A shareholder participating in the vote for resolution nos. 6, 7 and 11 on the agenda as set forth in Sections 1.2, 1.3 and 1.7 above, shall notify the Company, prior to the vote, or if the vote is via ballot – by marking on the ballot (a marking space can be found in part B of the ballot), if he or she has a personal interest in the resolution on the agenda and describing the nature of personal interest. If a shareholder fails to so notify or fails to so mark in respect of any of the resolutions, his vote shall not be counted for same resolution.

In addition, in accordance with the Voting Regulations and the ISA directive of November 30, 2011 regarding the disclosure of the manner of voting in general meeting by interested parties, senior officers and institutional bodies (the "**Directive**"), a related party, senior officer and an institutional investor, as defined in the regulations and the Directive, voting at the general meeting, will deliver to the Company, in the framework of their vote for resolution nos. 6, 7 and 11 on the agenda as specified in sections 1.2, 1.3 and 1.7 above, the required details in accordance with the Voting Regulations and section 2(b) of the Directive, and if he voted via proxy, the voter or proxy holder will also deliver the proxy details. In addition, details shall be given with respect to any relation between the voter or the proxy (who does not have a personal interest) and the Company or any of its controlling shareholders or any of its senior officers, including employer-employee relations, business relations etc., while specifying their nature.

## 11. **Changes in the agenda; the deadline for submission of a request to add an issue to agenda by a shareholder**

After the publication of this Report, there may be changes in the agenda, including adding an issue to the agenda. In such a case, it will be possible to review the latest agenda and position statements in the Company's reports that will be published on the Distribution Website and on the TASE Website.

A shareholder's request under section 66(b) of the Companies Law to include an issue in the agenda of the General Meeting shall be furnished to the Company up to seven (7) days after the general meeting is convened. If such a request is made, the issue may be added to the agenda and its details will appear on the Distribution Website. In such a case, the Company will publish a revised convening report no later than seven days after the deadline for the submission of a shareholder's request to include an issue on the agenda, as stated above.

## 12. **Inspection of Documents**

A copy of this Report, the relevant documents pertaining to the resolutions on the agenda, and the proposed resolutions are available for inspection at the Company's offices at ToHa Tower, 114 Yigal Alon St., 22nd Floor, Tel Aviv, Israel after prior coordination with the Company's secretariat, at 972-3-6075555, Sunday through Thursday (excluding holidays and the eves of holidays) between 09:00 and 16:00, until the date of the meeting, as well as on the Distribution Website and on the TASE Website.

In addition, this English translation of this Report will appear also on the Company's website at:

<https://www.elron.com>.

**Part B – Details Regarding the Resolution Proposed in Item 6, that is Specified in Section 1.2 Above on the Agenda – Approval of the Letters of Indemnity to Directors from Among the Controlling Shareholders.**

**1. Background**

- 1.1 On 12 March 2020, after receiving the approval of the Compensation Committee and the Board, the meeting of the Company's shareholders reapproved the granting of a letter of indemnity to directors and officers of the Company, including directors and officers who are and/or whose relatives are the Company's controlling shareholders, as being from time to time, who hold office and/or shall hold office at the Company from time to time, as well as to officers of the Company, in the granting of letters of indemnity to whom the Company's controlling shareholders may be deemed as having a personal interest, who hold office and/or shall hold office at the Company from time to time (the "**Letters of Indemnity**").
- 1.2 Further to the Company's immediate report of 4 September 2024 (Ref. no.: 2024-01-600838) regarding the closing of a transaction for the sale of the holdings of the Company's controlling shareholder, Discount Investment Corporation Ltd. ("**DIC**") to Arieli EL Ltd. (the "**Closing of the Transaction**" and the "**New Controlling Shareholder**" or the "**Acquirer**", respectively), which is incorporated herein by reference, on 4 September 2024, the Company's Board approved the appointment of three directors on behalf of the New Controlling Shareholder, Mr. Ariel Bentov, Mr. Evan Yonatan Renov and Ms. Lisyah Bahar Manoah, who are among the controlling shareholders of the New Controlling Shareholder (the "**Directors from Among the Controlling Shareholder**").
- 1.3 In view of the aforesaid, it is proposed to approve the granting of a letter of indemnity, under the same terms and conditions and in the same language as the letter of indemnity granted to the other directors and officers of the Company, which is attached hereto as **Annex B**, to the directors on behalf of the controlling shareholder.
- 1.4 The approvals required are the approval of the Compensation Committee, the Board and the shareholders' meeting, by a supermajority pursuant to the provisions of Section 275(a)(3) of the Companies Law, 5759-1999 (the "**Companies Law**"). Subject to the general meeting's approval, the Letters of Indemnity shall be in effect in relation to actions and/or events that occurred prior to the date of approval of the letter of indemnity and/or events that occurred thereafter for a period of three (3) years from the date of the meeting's approval.
- 1.5 In accordance with the aforesaid, on 4 September 2024, the Company's Board decided, after the Compensation Committee's approval and according to its recommendation, to approve the granting of letters of indemnity to directors on behalf of the controlling shareholder, under the same terms and conditions and in the same language as the letter of indemnity granted to the other directors and officers of the Company (and attached hereto as **Exhibit B**). In addition, the

Company's Board confirmed that the granting of the letter of indemnity does not constitute a distribution within the meaning thereof in the Companies Law.

**2. Summary of the reasoning of the Compensation Committee and the Company's Board**

- 2.1 Considering the responsibilities and the obligations imposed on the Company's directors, including controlling shareholders, their relatives and/or persons, in the granting of the Letters of Indemnity to whom, the controlling shareholders have a personal interest, and considering the exposures entailed by their activity, the Company ought to grant them letters of indemnity in the framework permitted by law.
- 2.2 The granting of a letter of indemnity is standard practice, consistent with the law and intended to enable directors and officers to carry out their duties faithfully, while weighing business considerations in the best interests of the Company and promoting its business.
- 2.3 The language of the letter of indemnity is consistent with the provisions of the law that apply to the restrictions set forth therein.
- 2.4 The indemnity undertaking in respect of a monetary liability in favor of another person according to the letter of indemnity is in relation to events which, in the Board's opinion, are foreseeable in view of the Company's actual operations. In addition, the terms and conditions of the letter of indemnity and the maximum indemnity amount in respect of such liability, as specified in the letter of indemnity, are fair and reasonable in the circumstances, considering the size, nature, scope, complexity and other characteristics of the Company's business segments, and taking into account the considerable responsibility and significant liabilities imposed on the officers and the directors.
- 2.5 The letter of indemnity is identical to the current letter of indemnity to which all of the Company's other officers, as being from time to time, are entitled.
- 2.6 The letter of indemnity is consistent with the Company's compensation policy.
- 2.7 The letter of indemnity is in the best interests of the Company and does not constitute a distribution within the meaning thereof in the Companies Law.

**Part C - Details Regarding the Resolution Proposed in Item 7, that is Specified in Section 1.3 Above on the Agenda – Approval of the terms of engagement of the Chairperson of the Company.**

**1. Background**

- 1.1 On 4 September 2024, Ms. Lisyah Bahar Manoah was appointed to hold office

as Chairperson of the Company's Board ("Ms. Bahar Manoah" or "Chairperson of the Board"). Ms. Bahar Manoah is among the Company's controlling shareholders, and pursuant to the provisions of the Companies Law, 5759-1999 (the "Companies Law"), her proposed terms of office and employment as specified below, including the various components thereof, are a transaction between the Company and its controlling shareholder.

1.2 The Company's Compensation Committee held discussions on the compensation of the Chairperson of the Board, with economic and legal advice. The Company's compensation policy allows the payment of compensation to an active board chair, corresponding to the policy provisions regarding the CEO, including with respect to the equity compensation component ("Equity Compensation"). Since Ms. Bahar Manoah is among the Company's controlling shareholders, she is subject to the rules set forth in the ISA position paper on permitted bonuses. In addition, the proposed compensation does not include Equity Compensation in view of the position of the institutional bodies and the consulting companies of objecting in principle to Equity Compensation for a controlling shareholder.

## 2. Summary of proposed terms of office and employment

Considering the aforesaid and the decisions of the Compensation Committee and the Board, it is proposed to determine the terms of office of Ms. Bahar Manoah as active Chairperson of the Board as follows:

### 2.1. Fixed compensation and related terms and conditions

- 2.1.1. In consideration for active board chair services for the Company (as a service provider with no employment relationship) with a ~80% position, the Chairperson of the Board shall be entitled to monthly management fees in the sum of ILS 104,000 (the "**Monthly Management Fees**") plus VAT as required by law. The Monthly Management Fees will be linked to the consumer price index (CPI) but will not be reduced below the aforesaid amount for a decline in the CPI.
- 2.1.2. In accordance with the accepted terms and conditions in the market for this position, the Company shall pay Ms. Bahar Manoah reimbursement of expenses for parking at the Company's offices and reasonable work-related expenses actually incurred by her.
- 2.1.3. Ms. Bahar Manoah shall receive payment against provision of an invoice to the Company, and there shall be no employment relationship between the Company and the Chairperson of the Board. Therefore, the Chairperson of the Board is not entitled to social benefits such as a pension fund, managers' insurance, a study fund, etc. Ms. Bahar Manoah has undertaken to arrange for all of her social benefits and payment thereof, and to make any and all provisions that are required herself and at her expense.

- 2.1.4. The engagement is valid from 1 January 2025 and is for an indefinite term. The parties may terminate the term of office at any time by giving written notice of three months to the other party, and the term of office shall end as shall be agreed between the parties, subject to the restrictions determined in the Company's compensation policy. For the avoidance of doubt, until commencement of the engagement, the Chairperson of the Board is entitled to directors' compensation as was already approved by the Company's organs with respect to the Directors from Among the Controlling Shareholder.
- 2.1.5. Ms. Bahar Manoah will be entitled to indemnity and insurance as currently in effect and/or as shall be approved at the Company from time to time for all of the directors and/or officers, subject to receipt of approvals pursuant to law.

### 3. Annual bonus

#### 3.1. Annual bonus cap

- 3.1.1. Subject to the provisions of Section 3.3 below, the annual bonus cap will be eight times the cap on the CEO's salary, as described in Section 4.1 of the compensation policy, in the sum of ILS 95,000 thousand (linked to the CPI), according to an ~80% position (the "**Bonus Unit**") (the "**Annual Bonus Cap**").
- 3.1.2. The annual bonus shall not constitute part of the Chairperson of the Board's management fees.

#### 3.2. Threshold conditions for entitlement to the annual bonus

The annual bonus shall be subject to the threshold conditions determined in the compensation policy:

- 3.2.1. The Company shall have met its financial obligations in the bonus year.
- 3.2.2. The Company's financial statements do not include a 'going concern' note for the Company.

#### 3.3. Annual bonus formula

Without derogating from the aforesaid, the annual bonus will be comprised of two different components as specified below:

- 3.3.1. The Chairperson of the Board will be entitled to an annual bonus in an amount that shall not exceed three (3) times the Bonus Unit, for meeting targets that shall be determined shortly before the start of each calendar year by the Compensation Committee and the Board, which targets will be one or more of the following target types: targets with respect to profit or proceeds from the disposition of held companies, targets based on rounds of investment in the portfolio companies, targets based on the performance of held companies (such as revenues, etc.) and targets for investment in new portfolio companies.
- 3.3.2. Subject to the approval of the Compensation Committee, the Board and the Company's shareholders meeting, the Chairperson of the Board will be entitled to an additional annual bonus in the sum of up to five (5) times the Bonus Unit, for meeting targets that shall be pre-approved by the foregoing organs of the Company with respect to a specific period of time, which may be longer than one year.

#### 4. **Miscellaneous**

##### 4.1. Summary of the proposed terms and conditions:

- 4.1.1. Below is a summary of the expected annual compensation for the Chairperson of the Board according to the terms of office, insofar as shall be approved by the general meeting of shareholders, assuming that she holds office for a full calendar year (ILS in thousands):

Details of compensation recipient					Compensation for services			Total
Name	Position	Position percentage	% equity interest in the corporation	Fee [management fee]	Annual bonus	Special bonus	Equity compensation	
Lisya Bahar Manoah	Active Chairperson of the Board	80%	[ <sup>1</sup> ]	1,248	608	-	-	1,856

##### 4.1.2. The ratio between variable components and fixed components

The ratio between the annual cost of the variable components and the total annual cost of the terms of office and engagement of the Chairperson is expected to total approximately. 49%.

##### 4.1.3. The ratio between the terms of office and employment of the active chairperson and the terms of the Company's employees

The cost of the terms of office and employment of Ms. Bahar Manoah for one full calendar year of office (standardized to a 100% position) is

<sup>1</sup> To the best of the Company's knowledge, Ms. Bahar Manoah holds 30% of Arieli EL Ltd., which as of the date of this Report holds approx. 59.02% of the Company's issued capital.

3.1 times the average cost and 5.5 times the median cost of the terms of employment of the Company's employees<sup>2</sup> (including other officers of the Company aside from the Chairperson, based on the anticipated figures for 2024).

5. Proposed reasoning for approval of the terms of office and employment

After examining the proposed terms of office of the Chairperson of the Board, including the various components thereof, as a transaction between the Company and its controlling shareholder, the Compensation Committee / the Company's Board found that approval of the terms of office of Ms. Lisya Bahar Manoah is in the best interests of the Company and is reasonable in the circumstances, for the following reasons:

- 5.1. Ms. Bahar Manoah has many years of diverse proven managerial, business and financial experience, including in technology fields.
- 5.2. When determining the said proposed compensation terms, the Compensation Committee considered the need for the active Chairperson of the Board, in view of her skills, knowledge, responsibilities at the Company, and the business and managerial experience of the Chairperson of the Board. The compensation terms were determined, *inter alia*, also in view of the size of the Company's business and the nature of its operations.
- 5.3. The Compensation Committee and the Board have received outside economic advice, including review of a benchmark paper on the compensation of board chairs at companies with similar operations and size of business as the Company.
- 5.4. The recommendation to approve the terms of office is presented after reviewing and addressing the ratio between the terms of office and employment of Ms. Bahar Manoah as active board chair and the average and median cost of salary of the Company's other employees. In the estimation of the Compensation Committee and the Board, the disparities are not expected to affect working relations at the Company, *inter alia* due to the complexity of Ms. Bahar Manoah's position.
- 5.5. Proportionately to the variable position percentage, the proposed terms do not include an increase of the cost of employment to the Company for the terms of the Chairperson of the Board, but rather include a change in the compensation components in view of the fact that it is not standard practice in Israel to give equity compensation to an officer who is a controlling shareholder.

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<sup>2</sup> The Company does not regularly employ contract workers, but rather only rarely and for limited and fixed periods of time. Accordingly, reviewing the ratio between the terms of office of the Chairperson of the Company's Board and the terms of employment of the contract workers is irrelevant.

- 5.6. The Compensation Committee and the Board considered the managerial change that is expected at the Company with the anticipated departure of the incumbent CEO and VP Cyber, and it is expected that a new person, who is not familiar with the Company's operations and investments, will enter the role of CEO of the Company.
- 5.7. In view of the numerous responsibilities that the Chairperson of the Board is expected to have in the Company's business, her involvement in the promotion of its objects, her expected contribution to the Company's growth, including through the initiation, development and promotion of additional growth and profit drivers, the proposed compensation is consistent with the Company's desire to incentivize the Chairperson of the Board to dedicate her time to the Company's business and to increasing its value.
- 5.8. The proposed terms of office are consistent with the Company's compensation policy and the compensation policy to be proposed at the upcoming meeting.
- 5.9. In view of the aforesaid, the Compensation Committee believes that approval of Ms. Bahar Manoah's terms of office is reasonable and fair in the circumstances.
- 5.10. The Compensation Committee and the Board have not found that the proposed terms of office constitute a distribution under the Companies Law.

**Part D – Further details regarding the resolution specified in Section 1.4 on the agenda – terms of office: approval of the granting of a discretionary bonus to Mr. Dan Hoz, former chairman of the Board**

1. **Background**

- 1.1. Mr. Dan Hoz held office as chairman of the Company's Board until 4 September 2024. Following the transfer of control of the Company, he continues to hold office as a director of the Company.
- 1.2. According to the Company's compensation policy, which was approved by the shareholders' meeting on 27 December 2021, the discretionary bonus component shall be based on an evaluation of the officer's work and performance in the bonus year. In any event, the discretionary annual bonus component shall not exceed 3 monthly salaries. The compensation policy determines that in any case where compensation is paid to an officer as a service provider, the payment cap shall be calculated according to the cap on the cost to the Company of the salary of an employee in his position (with the required adjustments), and the principles of the compensation policy shall apply to him *mutatis mutandis*.
- 1.3. On 19 February 2024, the Company's Board approved, following the Compensation Committee's approval, a discretionary bonus in the sum of ILS

99,517 for 2023 (which is equivalent to 3 monthly salaries according to the compensation received by the chairman of the Board according to the calculation stated in Section 1.2 above).

On 26 November 2024, the Company's Board approved, following the Compensation Committee's approval, a discretionary bonus for 2024 in the sum of ILS 68,487 (which is equivalent to 2 monthly salaries according to the compensation received by the chairman of the Board according to the calculation stated in Section 1.2 above).

The bonuses for 2023 and 2024 require the approval of the general meeting.

2. **Reasoning for approval of the granting of a discretionary bonus component to the chairman of the Board**

- 2.1. Mr. Hoz has many years of diverse proven managerial, business and financial experience, including in technology fields.
- 2.2. Approval of the granting of the discretionary bonus component to the chairman of the Board for 2023 and 2024 is according to the Company's compensation policy, and is intended to boost the satisfaction and motivation of the chairman of the Board and to retain him as a highly competent officer of the Company. The granting of the discretionary bonus component to the chairman of the Board is consistent with the best interests of the Company.
- 2.3. Approval of the granting of the discretionary bonus component for 2023 and 2024 was presented after the Compensation Committee and the Board had discussed the chairman of the Board's proactive efforts in promoting the Company's business.
- 2.4. In view of the gamut of considerations above, approval of the granting of the discretionary bonus component for 2023 and 2024 to the chairman of the Board is reasonable and fair in the circumstances.
- 2.5. There was no objection at the Compensation Committee or the Company's Board to approval of the granting of the bonus component to the chairman of the Board for 2023 and 2024.

**Part E – Details regarding the resolution proposed in Item 11, as specified in Section 1.7 above, on the agenda – approval of the Company's compensation policy**

1. **Approval of the Company's compensation policy**

- 1.1. On 27 December 2021, the meeting of the Company's shareholders approved a compensation policy for officers of the Company (Ref. no.: 2021-01-114616) for a period of three years from the date of its approval (the “**Previous Compensation Policy**”), after receipt of the approval of the Company's Board and recommendations of the Compensation Committee on the issue.
- 1.2. The proposed compensation policy, attached hereto as **Annex C** (with tracked changes versus the Previous Compensation Policy), is presented for the general meeting's approval pursuant to Section 267A of the Companies Law. The proposed compensation policy, subject to the general meeting's approval, shall be in effect for three (3) years from the date of its approval by the shareholders' meeting.
- 1.3. The compensation policy, including the various components thereof, was discussed at the Compensation Committee, following which the Board discussed the recommendations of the Compensation Committee in connection with the compensation policy, and approved it. The current terms of office and employment of the Company's officers are consistent with the principles of the proposed policy. However, it is noted that with respect to 2024 and the annual bonuses for the officers in respect thereof, the provisions of the Previous Compensation Policy and the resolutions adopted thereunder will in any event continue to apply, and that the provisions of the new compensation policy on annual bonuses shall apply from 2025.
- 1.4. The said meetings reviewed and examined, *inter alia*, the necessary considerations regarding the drafting of compensation policies pursuant to the Companies Law, including the criteria specified in the First Schedule A to the Companies Law, Parts A (Issues that must be addressed in compensation policies) and B (Provisions that must be determined in compensation policies).
- 1.5. The considerations that guided the Compensation Committee and the Company's Board when determining the policy are promotion of the Company's objects, its work plan and its long-term policy; creation of adequate incentives for the Company's officers, considering, *inter alia*, the Company's risk management policy and its dynamic nature as a company that invests at the R&D stages; the Company's size (taking into account, *inter alia*, its equity, the scope of its assets and the amount of the average annual investment in the Company's group); the nature of the Company as a holdings company as specified above and the complexity of its operations; closer alignment of interests between the Company's officers and its shareholders; the possibility that the Company shall also engage in the management of special-purpose investment funds in its business areas and the desire that officers of the Company will play a role in such funds, insofar as established, and contribute to their success; and with respect to terms of office and employment that include variable components – the granting of discretion for considering the officer's contribution to achievement of the Company's targets and to increasing its profits over time, all taking a long-term view and according to the role of the officer.

- 1.6. The compensation policy proposed for approval reflects a decrease in the caps on salary and bonuses for the Company's officers.
- 1.7. The Company is not a public second-tier subsidiary, as defined in Section 267A(c) of the Companies Law.
- 1.8. Members of the Compensation Committee who participated in the committee meeting which approved the committee's recommendation to the Board regarding approval of the compensation policy, are: Barak Mashraki (chairman of the committee and external director), Ronit Ritz-Bueno (external director) and Shalom Tourgeman (independent director).
- 1.9. Members of the Board who participated in the Board meeting which approved the compensation policy, are: Lisyah Bahar Manoah (Chairperson of the Board), Evan Yonatan Renov, Ariel Bentov, Dan Hoz, Barak Mashraki (external director), Ronit Ritz-Bueno (external director) and Shalom Tourgeman (independent director).

2. **Alongside the reasoning presented in the context of the compensation policy, presented below is the Board's additional reasoning for approval of the compensation policy, after it discussed the Compensation Committee's recommendations**

- 2.1. The compensation policy, which regulates the terms of office and employment of the Company's officers, is intended to enable the recruitment and long-term retention of highly competent managerial manpower in senior management positions, as required by the Company for its continued business development and success.
- 2.2. The recommendation to approve the Company's compensation policy was adopted following a review of regulatory changes that have occurred since the date of adoption of the Previous Compensation Policy, the experience gained from implementation of the Previous Compensation Policy and the effect of the developments that have occurred in the Company's position.
- 2.3. The proposed compensation policy was drafted with an emphasis on maintaining a simple compensation mechanism to ensure clarity and transparency for the Company, the officers and the Company's shareholders.
- 2.4. The compensation policy is intended to reinforce patterns of behavior that the Company wishes to foster and to shape the organizational culture deemed desirable by the Company.
- 2.5. The compensation policy is intended to maintain the appropriate balance between the Company's organizational strategy, targets and work plans, as are

determined from time to time, and the creation of a system of adequate incentives for the recruitment and long-term retention of highly competent managerial manpower in senior management positions, as required by the Company for its continued business development and success.

- 2.6. The considerations that guided the Compensation Committee and the Company's Board when determining the proposed policy are promotion of the Company's objects, the Company's work plan and its long-term policy; creation of adequate incentives for the Company's officers, considering, *inter alia*, the Company's risk management policy and its dynamic nature as a company that invests at the R&D stages; the Company's size (taking into account, *inter alia*, its equity, the scope of its assets and the amount of an average annual investment in the Company's group); the nature of the Company as a holdings company as specified above and the complexity of its operations; closer alignment of interests between the Company's officers and its shareholders; the possibility that the Company shall also engage in the management of special-purpose investment funds in its business areas and the desire that employees and officers of the Company will play a role in such funds, insofar as established, and contribute to their success; and with respect to terms of office and employment that include variable components – the granting of discretion for considering the officer's contribution to achievement of the Company's targets and to increasing its profits over time, all taking a long-term view and according to the role of the officer.
- 2.7. With respect to terms of office and employment that include variable components – the compensation policy considered also the contribution of the officer to achievement of the Company's targets and to increasing its profits, all taking a long-term view and according to the role of the officer. The variable component is intended to compensate the officer for his achievements and for his contribution to the achievement of the Company's targets in the bonus year, and it also aids the Company in retaining workers.
- 2.8. With respect to the fixed compensation
  - 2.8.1. The fixed compensation, including the various components thereof, fosters stability and continuity among the Company's officers, ensuring the continuity of skilled, effective and professional management.
  - 2.8.2. The compensation policy proposes lower caps on the fixed compensation compared with the Previous Compensation Policy.
  - 2.8.3. Determination of the fixed compensation for each one of the officers will take into account also the powers and responsibilities entailed by the position, his education, qualifications, expertise, professional experience, achievements, previous agreements signed with the officer (if any) and agreements signed with the officer's predecessor and with other officers of the Company.

2.8.4. The directors' compensation will be according to the Companies Regulations (Rules on Compensation and Expenses for Outside Directors), 5760-2000.

2.9. With respect to the equity compensation component

2.9.1. The compensation policy includes an equity compensation component, the main aim of which is closer alignment of interests between the officers and the Company's shareholders, and strengthening the long-term component of the compensation.

2.9.2. The equity compensation component is based, *inter alia*, on the granting of securities of the Company or convertibles thereto. This component allows compensation of the officers depending on the stock's performance. Where there is a high correlation between the Company's performance and the stock's performance, this bonus component increases the alignment of interests between the officers and the shareholders. The aforesaid is especially evident in companies in the Company's business as an operational technology holdings company.

2.9.3. It will also be possible to grant equity compensation in relation to a right to success fees that the Company or companies controlled thereby receive from the management of funds.

2.9.4. A cap is determined for the equity compensation on the grant date, which is intended to maintain the maximum ratio between the fixed component and the variable component determined in the compensation policy.

2.9.5. The total vesting period of the equity compensation shall be staggered over a period of no less than three years from the date of the granting of the equity instrument. A maximum exercise period has also been determined.

2.9.6. Equity compensation and/or performance-based compensation shall be granted in a manner that reflects the officer's contribution to the achievement of the Company's targets and to increasing its profits, taking a long-term view. The variable component shall be aligned with the Company's performance, the officer's personal performance and his time with the Company versus the targets set for him for fulfillment of his duties according to his responsibilities and at the Company's discretion. In this context, an equity bonus may also be granted in lieu of a performance-based bonus, as well as a bonus that is not based on the meeting of quantitative targets or measurable qualitative targets. The main purpose of the equity compensation component is closer alignment of interests between the officers and the Company's

shareholders, and strengthening the long-term component of the compensation.

- 2.9.7. The granting of equity compensation serves the best interests of the Company, and the combination of the equity compensation components enhances the Company's ability to attract and retain officers for the long-term, to tie the officer's compensation to the creation of value for the Company's shareholders and to incentivize the officer to promote the best interests of the Company and its shareholders.

2.10. With respect to the annual bonus component

- 2.10.1. The annual bonus has a measurable component and a discretionary component.

- 2.10.2. The measurable component shall be calculated according to the Company's or the officer's meeting of a measurable target or targets, such as: an increase in the value of the group companies, adherence to the budget, raising of resources for the Company, return on investments, etc. The compensation policy includes proportionate bonus caps for the Company's officers. The compensation policy allows determination of the targets on an annual basis for adaption thereof to the changing needs of the Company and to its work plan. The Company's Board, following receipt of the Compensation Committee's recommendation, may determine, shortly before the start of the bonus year, that no annual bonus in cash shall be granted for the measurable component in respect of such year to an officer or to all of the officers, that no targets shall be set for an officer or for all of the officers, and that in lieu of a cash bonus in respect of the measurable component, the officer may receive an additional equity bonus as specified in Section 2.10 below.

- 2.10.3. The discretionary component gives the Compensation Committee and the Board a tool through which they can express their opinion on the officer's performance in the bonus year.

- 2.10.4. The compensation policy includes provisions for reimbursement of variable compensation paid based on figures that transpire to have been wrong and have been restated in the financial statements.

2.11. With respect to compensation components which may be deemed as compensation in respect of separation from employment

- 2.11.1. The compensation policy determines caps on the payment components in respect of prior notice and adjustment / retirement bonuses, and they

have not changed compared to the Previous Compensation Policy. In addition, the determination of these components takes into account the terms of office and employment of the officers and the period of their employment, their position and their responsibility.

- 2.11.2. The Compensation Committee and the Board found no room to condition compensation of this type on the Company's performance, since the purposes underlying the granting thereof differ from the desire to give compensation for the Company's results or the officer's performance, and due to the relatively limited scope of the compensation components in respect of separation from employment that are included in the compensation policy. Moreover, performance-based compensation (including in the case of separation from employment) is adequately expressed in the compensation policy provisions on the bonus components.
- 2.11.3. However, the considerations for granting an adjustment / retirement bonus may include, *inter alia*, the period of the officer's employment, the terms of his employment in such period, a special non-compete undertaking and the circumstances of the retirement.
- 2.12. The ratio between the fixed component and the variable component in the officers' terms of employment, as expressed in the caps determined for the various compensation components, is proportionate and balanced.
- 2.13. The compensation policy includes provisions regarding insurance, indemnity and exemption, according to standard practice at public companies.
- 2.14. The disparity between the compensation paid to the Company's officers and the compensation paid to the Company's employees is expressed in the compensation policy.
- 2.15. The compensation policy includes an option to reduce the variable components, at the Board's discretion, on special grounds.
- 2.16. The proposed compensation policy supplements and complements the Company's Previous Compensation Policy on topics and issues which, with the passage of time since the adoption of the Previous Compensation Policy, have transpired as requiring such adjustment, including due to updates to provisions of law or to standard practice in the market.
- 2.17. The terms of the compensation policy are reasonable and acceptable in the circumstances and considering the responsibility imposed on the Company's officers and the scope of the Company's operations.

2.18. In view of all of the aforesaid and in view of the gamut of data presented to the Compensation Committee and the Board, the compensation policy is appropriate and reasonable in the circumstances.

3. **The main changes between the proposed compensation policy and the Previous Compensation Policy and the method of implementation of the Previous Compensation Policy**

- 3.1. Bonus component for stock performance index – the proposed policy cancels the granting of a share performance-based bonus if no equity component is granted.
- 3.2. Cap on (gross) monthly salary (Section 4.1 of the proposed policy) – the proposed policy proposes reducing the cap on the (gross) monthly salary for the Company's CEO and for another officer who reports to the Company's CEO, to approx. ILS 95 thousand and approx. ILS 75 thousand, respectively (in lieu of ILS 120 thousand and ILS 90 thousand according to the previous policy).
- 3.3. Cap on the annual bonus for officers of the Company (Section 5.4.1 of the proposed policy) – the proposed policy proposes reducing the cap on the annual entitlement to a cash bonus in respect of the measurable component for the Company's CEO and another officer who reports to the CEO, to approx. 4.5 and approx. 2.5, respectively (in terms of number of gross salaries, in lieu of 6 and 4 according to the previous policy).
- 3.4. Discretionary bonus component (Section 5.5 of the proposed policy) – the proposed policy proposes reducing the cap on the annual entitlement to a discretionary bonus for an officer of the Company (which is based on the CEO's recommendation and is subject to the approval of the Compensation Committee and the Company's Board), to approx. 1.5 monthly salaries per officer (in lieu of 3 according to the previous policy).
- 3.5. Special bonus (Section 6.1 of the proposed policy) – the proposed policy proposes reducing the cap on the amount of the special bonus to approx. 2 gross salaries.
- 3.6. Cap on the economic value of the equity compensation (Section 7.1.2.1 of the proposed policy) – the proposed policy proposes distinguishing between the cap on the annual economic value of the equity compensation that may be granted to the Company's CEO, which will be 9 times the (gross) monthly salary of the Company's CEO, and the cap on the annual economic value of the equity compensation that may be granted to another officer of the Company who reports to the CEO, which will be 6 times the (gross) monthly salary of such officer.
- 3.7. A provision was added regarding compensation of a chairperson of the Board who is a controlling shareholder of the Company (Section 9.4 of the proposed policy).

4. **Method of implementation of the Previous Compensation Policy**

4.1. All of the employment and compensation agreements for officers of the Company (the CEO and VPs) which are in effect, are consistent with the Previous Compensation Policy, and all of the payments to officers from the date of approval of the Previous Compensation Policy were made according to the provisions thereof.

4.2. In respect of 2023, the cost of the terms of office and employment of the Company's CEO totaled approx. 76% of the cap on the terms of office and employment set forth in the policy, while the fixed compensation for the CEO totaled approx. 82% of the cap on the fixed compensation set forth in the policy, and the annual bonus totaled approx. 79% of the bonus cap set forth in the policy<sup>3</sup>.

5. **<sup>4</sup>The Ratio between the Terms of Office and Employment of Officers to the Salaries of employees of the Company.**

5.1 The ratio between the cost of the Terms of Office and Employment of the Company's CEO and the average cost of salary of an employee in the Company and the cost of the median salary in the Company amounted to approximately 3.3 and 5.9

5.2 The ratio of the Terms of Office and Employment of all the Company's Officers and the average cost of salary of an employee in the Company and the cost of the median salary in the Company amounted to approximately 2.1 and approximately 3.7 respectively.

5.3 After examining the Terms of Office and Employment of the Officers and the salary paid to the Company's employees, the Compensation Committee and the Board of Directors believe that the gaps between the Terms of Office and Employment paid to the Officers and the Terms of Office and Employment paid to the Company's employees currently do not adversely influence the work relations.

6. **The Identity of the Controlling Shareholder and the Rights That Give Him Control**

6.1. Arieli EL Ltd ("Arieli") is considered a controlling shareholder of the Company, by virtue of Arieli's holdings as of the date of this report at – 59.02% of the issued share capital of the Company and the voting rights in the Company (and approximately 54.92% of such rights on fully diluted basis).

7. **The Identity of the Controlling Shareholder and the Rights That Give Him Control**

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<sup>3</sup> The data relate to the fixed compensation and the cash bonus, and do not include expenses in respect of any share-based payment.

<sup>4</sup> The data in relation to all officers and employees in the Company were taken according to the compensation actually paid to them in respect of the year 2023.

- 7.1 All members of the Board of Directors may have a personal interest arising from the fact that the remuneration policy also stipulates provisions regarding the terms of office and employment of directors in the Company.

## **Part F – Details required in accordance with the regulations relating to transactions with Controlling shareholders regarding matters on the agenda**

### **1. Identity of the controlling shareholders**

The Company's controlling shareholder is Arieli EL Ltd. (the "Controlling Shareholder"). Mr. Ariel Bentov, Mr. Evan Yonatan Renov and Ms. Lisyah Bahar Manoah are deemed as the controlling shareholders of the Controlling Shareholder (the "Controlling Shareholders"). For details regarding the holdings of the Controlling Shareholders, see the Company's immediate report of 9 October 2024 (Ref. no.: [2024-01-609644](#)) and the Company's immediate reports of 4 September 2024 (Ref. no.: [2024-01-600889](#) and [2024-01-600878](#)), incorporated herein by reference.

### **2. Nature of the Controlling Shareholders' personal interest**

Item no. 6 on the agenda – to the best of the Company's knowledge, Ms. Lisyah Bahar Manoah, Mr. Ariel Bentov and Mr. Evan Yonatan Renov have a personal interest in resolutions pertaining to approval of the granting of letters of indemnity to them.

Item no. 7 on the agenda – to the best of the Company's knowledge, the Chairperson of the Board, Ms. Lisyah Bahar Manoah, has a personal interest in resolutions pertaining to approval of her terms of office, and for the sake of caution, Mr. Ariel Bentov and Mr. Evan Yonatan Renov may also be deemed as having a personal interest in this resolution due to the ties between them.

### **3. Names of the directors with a personal interest in the transactions presented for approval and the nature of their personal interest**

Item no. 6 on the agenda – To the best of the Company's knowledge, Ms. Lisyah Bahar Manoah, Mr. Ariel Bentov and Mr. Evan Yonatan Renov have a personal interest in resolutions pertaining to approval of the granting of letters of indemnity to them.

Item no. 7 on the agenda – To the best of the Company's knowledge, the Chairperson of the Board, Ms. Lisyah Bahar Manoah, has a personal interest in resolutions pertaining to approval of her terms of office, and for the sake of caution, Mr. Ariel Bentov and Mr. Evan Yonatan Renov may also be deemed as having a personal interest in this resolution due to the ties between them.

### **4. Method of determination of the compensation and the reasoning of the Compensation Committee and the Company's Board**

Item no. 6 on the agenda – the provisions of the letter of indemnity that shall be granted to directors and officers who are and/or whose relatives are the Company's controlling shareholders, as well as to officers of the Company, in the granting of letters of indemnity to whom the Company's controlling shareholders may be deemed as having a personal interest – are identical to the provisions of the letter of indemnity granted to the Company's other officers, adjusted to the prevailing law and the Company's compensation policy. Approval of the granting of the letter of indemnity to directors and officers who are and/or whose relatives are the Company's controlling shareholders, as well as to officers of the Company, in the granting of letters of indemnity to whom the Company's controlling shareholders may be deemed as having a personal interest, does not increase the maximum indemnity amount that the Company may pay the officers entitled to indemnity by virtue of the letter of indemnity. For details regarding the reasoning of the Compensation Committee and the Board, see Section 2 of Part B above.

Item no. 7 on the agenda – the terms of office of the Chairperson of the Board, which are presented for approval under item no. 7 on the agenda in this Report, were approved by the Compensation Committee and the Company's Board. For details regarding the reasoning of the Compensation Committee and the Board, see Section 2 of Part C above.

#### **5. Approvals Required for the Transaction.**

The approvals required for the approval of the decisions detailed in Sections 1.2 and 1.3 above (Items 6 and 7 on the agenda) are the approvals of the Company's Compensation Committee, which was received, approvals of the Company's Board of Directors which were received; and the approval of the shareholders' meeting convened pursuant to this report by a special majority as detailed in Section 2 above .

In accordance with Section 275(d) of the Companies Law, the Compensation Committee and the Board of Directors examined whether the transactions detailed in Sections 1.2 and 1.3 above include a distribution, as defined in the Companies Law, and determined that they do not include a distribution.

#### **6. Similar Transactions in the last 2 years.**

The Company did not have transactions of the type specified in Sections 1.2 and 1.3 above (Items No. 6 and 7 on the agenda) or similar transactions, between the Company and the Controlling Shareholders or in which the Controlling Shareholders had a personal interest, which were signed within the two years preceding the date of approval of the transaction by the Board of Directors or are still valid at that time, except for the approval of the compensation of the Directors from Among the Controlling Shareholder and the approval of the inclusion of Directors from Among the Controlling Shareholder in the insurance of the directors and officers of the Company. It should be noted that the Company has letters of indemnity that were given to directors and officers serving in the Company and who served in the Company from time to time, including former controlling shareholders in the Company, but no such letters of indemnity were granted to Controlling Shareholders or their relatives in the past two years.

**7. Members of the Board who participated in the decisions of the Compensation Committee and Board**

7.1. The members of the Compensation Committee who participated in the discussion and approval of the decision detailed in Clause 1.2 above (Item No. 6 on the agenda) are: Barak Mashraki (Chair of the Committee and External Director), Ronit Ritz-Bueno (External Director) and Shalom Turgeman (Independent Director).

7.2. The members of the Compensation Committee who participated in the discussion and approval of the decision detailed in Section 1.3 above (Item No. 7 on the agenda) are: Barak Mashraki (Chair of the Committee and External Director), Ronit Ritz-Bueno (External Director) and Shalom Turgeman (Independent Director).

7.3. The members of the Board of Directors who participated in the discussion and approval of the resolution detailed in Section 1.2 above (Item No. 6 on the agenda) are: Barak Mashraki (External Director), Ronit Ritz-Bueno (External Director), Natalie Mishan Zakai, Dan Hoz (Chairman of the Board of Directors at the time of approval), Shalom Turgeman (Independent Director) and Eyal Eshed.

7.4. The members of the Board of Directors who participated in the discussion and approval of the resolution detailed in Section 1.3 above (Item No. 7 on the agenda) are: Barak Mashraki (External Director), Ronit Ritz-Bueno (External Director), Natalie Mishan Zakai, Dan Hoz (Chairman of the Board of Directors at the time of approval) and Shalom Turgeman (Independent Director).

**8. The Authority of the Israel Securities Authority**

According to Regulation 10 of the Controlling Shareholders Regulations, the Israel Securities Authority or an employee which it had authorized therefor, may within 21 days from the day of filing this Report, order the Company to provide, within a timeframe which it shall set, an explanation, details, information and documents regarding the engagement contemplated in this Report, and to order the Company to amend this Report in the manner and on the date that it will determine; in such case, the Authority may order the adjournment of the date of the general meeting to a date which will occur not before the lapse of three business days and no later than 35 days from the date of publication of the amendment to this Report. Should the Company be required to amend this Report as aforesaid, the Company will file the amendment in the manner set forth in the Transaction with a Controlling Shareholder Regulations, send it to all of its shareholders to whom this Report had been sent and publish a notice on this matter in the manner set forth in the Transaction with a Controlling Shareholder Regulations, all unless the Authority had instructed otherwise. Should an instruction be given regarding the adjournment of the date of the general meeting, the Company will announce the instruction in an immediate report.

**Sincerely,  
Elron Ventures Ltd.**

**Identity of the signatories to the report on behalf of the Company and their role:**

**Yaron Elad, CEO Rony**

**Sharon, VP Finance**

**Exhibit A – Declarations of the proposed directors**

**Exhibit B – Form of Indemnity**

**Exhibit C – The form of the proposed compensation Policy (marked against the Previous Compensation Policy)**

**Exhibit D - Ballot**

Date: November 25, 2024

To  
**Elron Ventures Ltd (hereinafter: "the Company")**

**Re: Declaration of a nominee for an office of a director in a public company traded in Israel pursuant to the Companies Law, 5759-1999 (hereinafter: "the Law")**

I, the undersigned, Lisyah Bahar-Manoah bearer of passport number, 32393558 whose address is Edward Bernstein 26/3 Tel Aviv - Jafo after being warned that I must tell the truth and that if I do not do so, I shall be subject to punishment set by statute, hereby declare and commit as follows:

1. I hereby give my consent to serve as a director of the Company, which is a public company incorporated in Israel and whose shares are traded on the Tel Aviv Stock Exchange Ltd.
2. I am qualified to be appointed as a director of your Company pursuant to the provisions of Sections 225 – 227 of the Law. The provisions of the sections, in their wording on the date of signing hereof, are specified in **Appendix A**, attached to this declaration and constituting an integral part thereof.
3. I have all the required skills and the ability to devote the appropriate amount of time to perform the role of a director of the Company, considering its special needs and size.
4. I have the education, qualification and work experience, as detailed and specified in the CV hereby attached as **Appendix B** to this declaration as an integral part thereof. Documents indicating my academic education are hereby attached as **Appendix C** to this declaration as an integral part thereof.
5. My other roles and occupations do not and may not form a conflict of interest with my office as a director and will not undermine my ability to serve as a director.
6. I undertake to meet all the legal requirements applicable to directors as shall be set from time to time, and that I shall fulfill my duties in the best possible way and for the benefit of the Company. In addition, I undertake that should a concern arise of which I will be aware and/or that shall be brought to my attention, according to which I shall cease to meet any of the above conditions and/or declarations, or should there be a concern to the breach of my fiduciary duty towards the Company (as defined in Section 254 of the Law), I shall immediately notify the chairman of the board and the Company.
7. I am aware that my declaration herein shall be brought upon before the Company, and that it will be used by the Company to examine whether I am qualified to serve as a director of the Company, and especially whether I meet the regulatory conditions for such office. I am also aware that my declaration herein shall be kept at the registered office of the Company for the inspection of any person and shall be published under the public reports of the Company to the Securities Authority and the Tel Aviv Stock Exchange.
8. Please mark X in the applicable box:

I possess accounting and financial expertise in accordance with the Companies Regulations (Conditions and Tests for a Director having Accounting and Financial Expertise and a Director having Professional Qualifications), 5766-2005 (the "**Companies Regulations**"), attached hereto as **Appendix D.**

I possess professional expertise in accordance with the Companies Regulations.

9. I am aware of my duties under Section 227A of the Law, and I undertake to comply with it. The provision of the above section, in its wording on the date of signing hereof, is specified in **Appendix A.**

10. This is my name, this is my signature and the facts stated in this declaration above are true.

Lisya Bahar- Manoah

**Name**

32393558

**P.N.**



**Signature**

## Appendix A

### Sections 225-227A of the Companies Law, 5759-1999

<b>Duty of disclosure</b>	225 .	<p>(a) A person who is a candidate to hold office as a director shall disclose to the person appointing him:</p> <ol style="list-style-type: none"><li>(1) whether he has been convicted by an offence as stated in section 226(a), where the period during which he is precluded from serving as a director pursuant to section 226 has not yet elapsed;</li><li>(2) whether he has been convicted by a judgment of an offence as stated in section 226(a1), where the period set by the court pursuant to said sub-section has not yet elapsed;</li><li>(3) whether the Administrative Enforcement Committee imposed on him any enforcement means precluding him from serving as a director in a public company, where the period set by the Administrative Enforcement Committee in its decision as aforesaid has not yet elapsed.</li></ol> <p>(b) In this section - "Enforcement means" - enforcement means as stated in Section 52(56) of the Securities Law, imposed pursuant to Chapter H4 of the Securities Law, Chapter G2 of the Regulating Engagement in Investment Advice, Investment Marketing and Investments Portfolio Management Law, 5755-1995, or Chapter J1 of the Joint Investment Trust Law, 5754-1994, as applicable; "Administrative Enforcement Committee" – the committee appointed pursuant to Section 52(32)(a) of the Securities Law; "Judgment" – a judgment at the first instance.</p>
<b>Restriction on appointment due to conviction</b>	226 .	<p>(a) A person convicted by a judgment of one of the following offenses shall not hold office as a director in a public company unless five years have passed since the date on which the judgment by which he was convicted was given:</p> <ol style="list-style-type: none"><li>(1) offenses under sections 290 to 297, 392, 415, 418 to 420 and 422 to 428 of the Penal Law, 5737-1977, and under sections 52C, 52D, 53(a) and 54 of the Securities Law;</li><li>(2) conviction by a court outside Israel of the offenses of bribery, deceit, offenses by managers of a corporate body or offenses involving misuse of inside information;</li><li>(3) (Deleted)</li></ol>

- (a1) A person convicted by a judgment, as stated in section 225(b) of an offense not listed in sub-section (a) shall not be appointed to an office of a director in a public company, if the court determined that due to the nature, severity or circumstances of the offense, he is not adequate to serve as a director in a public company, for the period set by the court which shall not exceed five years from the date the judgment was given.
- (b) The court may determine, at the date of the conviction or thereafter, on the application of a person interested in being appointed as a director, that despite his conviction of offenses as laid down in sub-section (a), and taking into account, *inter alia*, the circumstances in which the offense took place, such person is not precluded from holding office as director of a public company, or that the period during which he is precluded from holding office as director of a public company shall be shorter than five years.
- (c) The Minister may prescribe additional offenses to those laid down in sub-section (a)(1).
- (d) The court, and if an appeal was filed – an appellant court, may order to delay the execution of the appointment limitations or of the office expiration under this section to such date and under such conditions as it shall see fit.

<b>Limitation on appointment due to a decision of the Administrative Enforcement Committee</b>	226 A	Where the Administrative Enforcement Committee imposes on a person an enforcement means precluding him from holding office as a director of a public company, said person shall not be appointed as a director in a public company in which he is precluded from holding office as a director pursuant to said decision; in this section, "enforcement means" and "the Administrative Enforcement Committee" – as defined in section 225(B).
<b>Limitation on appointment</b>	227 .	<ul style="list-style-type: none"> <li>(a) A person who is minor, legally incompetent, or who has been declared bankrupt shall not be appointed as a director for so long as such person remains undischarged, nor shall a corporation that has resolved to enter into voluntary liquidation or in respect of which a winding up order has been issued.</li> <li>(b) A candidate to an office of a director who meets the content of sub-section (a) shall disclose that to the person appointing him.</li> </ul>
<b>Duty of notice</b>	227 A.	A director in respect of whom any term required for his office as a director pursuant to the law ceased to be met or who meets grounds for the expiry of his office as a director, shall immediately notify the Company accordingly and his office shall expire on the time the notice is given.

## Appendix B

<b>Education:</b>	<ul style="list-style-type: none"><li>- M.Sc. from Vienna University of Technology</li><li>- MBA from Tel Aviv University</li><li>- An executive education at Harvard University</li></ul>
<b>Activities for the past 5 years:</b>	<p>Lisya Bahar- Manoah is the Managing Partner at Arieli EL LTD, and an Executive in Arieli Capital LLC, a US based investment firm with a global presence (May 2024 – Present). With over 15 years of experience in private equity and venture capital, she excels in raising capital, executing mergers and acquisitions, and managing post-merger integrations. Since April 2019, Bahar Manoah has been a General Partner at Catalyst Funds - VC Growth Stage, managing \$450 million in assets under management (AUM). She has invested in a diverse range of companies, from early-stage ventures to Nasdaq-listed firms, with a particular focus on deep tech. Bahar Manoah has executed both primary and secondary transactions. She serves on the board and Advisory Board of Catalyst IV Fund (April 2021 – Present), Catalyst Investment Club (December 2022– Present) Arieli EL (2024 – Present), RDC Rafael Development Corporation Ltd (2024 – Present) and as Chairperson of the Company since September 4, 2024.</p> <p>. Her previous roles include managerial positions at leading global corporations such as Keter Group (acquired for \$1.73 billion by BC Partners) (2015 – 2019), ADAMA (2010 – 2014), and Magna Steyr (Nasdaq: MGA). Beyond her industry roles, Bahar Manoah is also a lecturer at Reichman University (since 2021) and Tel Aviv University (since 2024).</p>

**Appendix C**

**Documentation evidencing Academic Degrees**

## Appendix D

### **Regulations 1-3 of the Companies Regulations (Conditions and Tests for a Director having Accounting and Financial Expertise and a Director having Professional Qualifications), 5766- 2005**

**Director who has Accounting and Financial Expertise**

1. A Director who has accounting and financial expertise is a director who due to his/her education, his/her experience and his/her qualifications, has a high level of skill and understanding in business - accounting manners and financial reports in such a manner which allows him/her to fully understand the financial reports of the company, and to commence discussions in connection with the presentation of the financial data; the assessment of the financial and accounting expertise of a Director shall be made by the Board of Directors which will take into account, *inter alia*, all considerations, including, his/her education, his/her experience and knowledge in the following areas:
  - (1) generally accepted accounting principles and audit principles which are typical in the field in which the Company and companies of size and complexity similar to the Company operate;
  - (2) The duties and the responsibilities of an accountant;
  - (3) Preparation of financial reports and their approval pursuant to the Law and the Securities Law.

**Director who has Professional Qualifications**

2. (a) A Director who has professional qualifications must comply with one of the following:
  - (1) Holds an academic degree in one of the following fields: Economics, Business Administration, Accounting, Law, Public Administration;
  - (2) Holds a different academic degree or has completed other higher education all in the area of the Company's business or another relevant field.

(3) Has at least five years of experience in one of the following, or has aggregate experience of at least five years in two of the following:

(i) a senior business management position in a company with significant business activity;

(ii) a senior public position or a senior position in the public service;

(iii) a senior position in the primary business of the company.

(b) The assessments of the professional qualification of the nominee to serve as a director as stated in the aforementioned subsection (a) shall be made by the Board of Directors.

**Declaration**

3. (a) The declaration of the nominee pursuant to Section 241 of the Law shall include the nominee's education and experience, as they are relevant, in order to review whether the conditions and criterions according to these regulations apply and shall attach the documentation and certifications which support his/her declaration.

(b) A Director that the Board of Directors is required to assess his accounting and financial expertise, in order to comply with the minimum amount set forth in Section 92(a)(12) of the Law, shall declare as set forth in subsection (a).

Date: November 25, 2024

To  
**Elron Ventures Ltd (hereinafter: "the Company")**

**Re: Declaration of a nominee for an office of a director in a public company traded in Israel pursuant to the Companies Law, 5759-1999 (hereinafter: "the Law")**

I, the undersigned, Evan Renov bearer of passport number, 567227928 whose address is Sderot Ben Tzvi Yitshak 37/4 Jerusalem, after being warned that I must tell the truth and that if I do not do so, I shall be subject to punishment set by statute, hereby declare and commit as follows:

1. I hereby give my consent to serve as a director of the Company, which is a public company incorporated in Israel and whose shares are traded on the Tel Aviv Stock Exchange Ltd.
2. I am qualified to be appointed as a director of your Company pursuant to the provisions of Sections 225 – 227 of the Law. The provisions of the sections, in their wording on the date of signing hereof, are specified in **Appendix A**, attached to this declaration and constituting an integral part thereof.
3. I have all the required skills and the ability to devote the appropriate amount of time to perform the role of a director of the Company, considering its special needs and size.
4. I have the education, qualification and work experience, as detailed and specified in the CV hereby attached as **Appendix B** to this declaration as an integral part thereof. Documents indicating my academic education are hereby attached as **Appendix C** to this declaration as an integral part thereof.
5. My other roles and occupations do not and may not form a conflict of interest with my office as a director and will not undermine my ability to serve as a director.
6. I undertake to meet all the legal requirements applicable to directors as shall be set from time to time, and that I shall fulfill my duties in the best possible way and for the benefit of the Company. In addition, I undertake that should a concern arise of which I will be aware and/or that shall be brought to my attention, according to which I shall cease to meet any of the above conditions and/or declarations, or should there be a concern to the breach of my fiduciary duty towards the Company (as defined in Section 254 of the Law), I shall immediately notify the chairman of the board and the Company.
7. I am aware that my declaration herein shall be brought upon before the Company, and that it will be used by the Company to examine whether I am qualified to serve as a director of the Company, and especially whether I meet the regulatory conditions for such office. I am also aware that my declaration herein shall be kept at the registered office of the Company for the inspection of any person and shall be published under the public reports of the Company to the Securities Authority and the Tel Aviv Stock Exchange.
8. **Please mark X in the applicable box:**
  - I possess accounting and financial expertise in accordance with the Companies Regulations (Conditions and Tests for a Director having Accounting and Financial

Expertise and a Director having Professional Qualifications), 5766-2005 (the "**Companies Regulations**"), attached hereto as **Appendix D**.

- I possess professional expertise in accordance with the Companies Regulations.
9. I am aware of my duties under Section 227A of the Law, and I undertake to comply with it. The provision of the above section, in its wording on the date of signing hereof, is specified in **Appendix A**.
10. This is my name, this is my signature and the facts stated in this declaration above are true.

Evan Renov  
Name

567227928  
P.N.

*Evan J Renov*  
Signature

## Appendix A

### Sections 225-227A of the Companies Law, 5759-1999

<b>Duty of disclosure</b>	225 .	<p>(a) A person who is a candidate to hold office as a director shall disclose to the person appointing him:</p> <ol style="list-style-type: none"><li>(1) whether he has been convicted by an offence as stated in section 226(a), where the period during which he is precluded from serving as a director pursuant to section 226 has not yet elapsed;</li><li>(2) whether he has been convicted by a judgment of an offence as stated in section 226(a1), where the period set by the court pursuant to said sub-section has not yet elapsed;</li><li>(3) whether the Administrative Enforcement Committee imposed on him any enforcement means precluding him from serving as a director in a public company, where the period set by the Administrative Enforcement Committee in its decision as aforesaid has not yet elapsed.</li></ol> <p>(b) In this section - "Enforcement means" - enforcement means as stated in Section 52(56) of the Securities Law, imposed pursuant to Chapter H4 of the Securities Law, Chapter G2 of the Regulating Engagement in Investment Advice, Investment Marketing and Investments Portfolio Management Law, 5755-1995, or Chapter J1 of the Joint Investment Trust Law, 5754-1994, as applicable; "Administrative Enforcement Committee" – the committee appointed pursuant to Section 52(32)(a) of the Securities Law; "Judgment" – a judgment at the first instance.</p>
<b>Restriction on appointment due to conviction</b>	226 .	<p>(a) A person convicted by a judgment of one of the following offenses shall not hold office as a director in a public company unless five years have passed since the date on which the judgment by which he was convicted was given:</p> <ol style="list-style-type: none"><li>(1) offenses under sections 290 to 297, 392, 415, 418 to 420 and 422 to 428 of the Penal Law, 5737-1977, and under sections 52C, 52D, 53(a) and 54 of the Securities Law;</li><li>(2) conviction by a court outside Israel of the offenses of bribery, deceit, offenses by managers of a corporate body or offenses involving misuse of inside information;</li><li>(3) (Deleted)</li></ol>

- (a1) A person convicted by a judgment, as stated in section 225(b) of an offense not listed in sub-section (a) shall not be appointed to an office of a director in a public company, if the court determined that due to the nature, severity or circumstances of the offense, he is not adequate to serve as a director in a public company, for the period set by the court which shall not exceed five years from the date the judgment was given.
- (b) The court may determine, at the date of the conviction or thereafter, on the application of a person interested in being appointed as a director, that despite his conviction of offenses as laid down in sub-section (a), and taking into account, *inter alia*, the circumstances in which the offense took place, such person is not precluded from holding office as director of a public company, or that the period during which he is precluded from holding office as director of a public company shall be shorter than five years.
- (c) The Minister may prescribe additional offenses to those laid down in sub-section (a)(1).
- (d) The court, and if an appeal was filed – an appellant court, may order to delay the execution of the appointment limitations or of the office expiration under this section to such date and under such conditions as it shall see fit.

<b>Limitation on appointment due to a decision of the Administrative Enforcement Committee</b>	226 A	Where the Administrative Enforcement Committee imposes on a person an enforcement means precluding him from holding office as a director of a public company, said person shall not be appointed as a director in a public company in which he is precluded from holding office as a director pursuant to said decision; in this section, "enforcement means" and "the Administrative Enforcement Committee" – as defined in section 225(B).
<b>Limitation on appointment</b>	227 .	<ul style="list-style-type: none"> <li>(a) A person who is minor, legally incompetent, or who has been declared bankrupt shall not be appointed as a director for so long as such person remains undischarged, nor shall a corporation that has resolved to enter into voluntary liquidation or in respect of which a winding up order has been issued.</li> <li>(b) A candidate to an office of a director who meets the content of sub-section (a) shall disclose that to the person appointing him.</li> </ul>
<b>Duty of notice</b>	227 A.	A director in respect of whom any term required for his office as a director pursuant to the law ceased to be met or who meets grounds for the expiry of his office as a director, shall immediately notify the Company accordingly and his office shall expire on the time the notice is given.

## **Appendix B**

### **CV**

<b>Education:</b>	<ul style="list-style-type: none"><li>- B.Sc. in finance from Yeshiva University (cum laude)</li><li>- MBA from Tel Aviv University and the J.L. Kellogg Graduate School of Management.</li></ul>
<b>Activities for the past 5 years:</b>	<p>Evan Renov is the Co-Founder and Managing Partner of Arieli Capital, a global investment firm (2016- present) and the Managing Partner of Arieli EL LTD. Evan has extensive transactional experience licensing and commercializing technologies, particularly in the high-tech, life sciences and healthcare sectors. Evan's robust professional background includes healthcare investment banking and global business development, complemented by strong academic credentials and professional qualifications. Evan is also a Partner at Beechwood Ventures (2003 - present). Additionally, he is the President of Beechwood Entertainment LLC (2010-present), where he is a Tony Award-nominated producer, Managing Member of Global Paramount BioFund (2008 - present) and Co-Founder of Frontier RNG (2021 - present). Evan currently serves as a member or observer on the board of directors of multiple companies, including POWERFUL MEDICAL s. r. o. (2022 - present), Moonbow Ventures (2016-present), Velvet AI (Decheque Inc. DBA Velvet) (2024-present), Diamante Societa (2022-present), Wander (2023 -present), Breath of Health LTD (2021 - present) ShareNett (2018 - present) and the Company (September 2024 – present).</p>

**Appendix C**

**Documentation evidencing Academic Degrees**

## Appendix D

### **Regulations 1-3 of the Companies Regulations (Conditions and Tests for a Director having Accounting and Financial Expertise and a Director having Professional Qualifications), 5766- 2005**

**Director who has Accounting and Financial Expertise**

1. A Director who has accounting and financial expertise is a director who due to his/her education, his/her experience and his/her qualifications, has a high level of skill and understanding in business - accounting manners and financial reports in such a manner which allows him/her to fully understand the financial reports of the company, and to commence discussions in connection with the presentation of the financial data; the assessment of the financial and accounting expertise of a Director shall be made by the Board of Directors which will take into account, *inter alia*, all considerations, including, his/her education, his/her experience and knowledge in the following areas:
  - (1) generally accepted accounting principles and audit principles which are typical in the field in which the Company and companies of size and complexity similar to the Company operate;
  - (2) The duties and the responsibilities of an accountant;
  - (3) Preparation of financial reports and their approval pursuant to the Law and the Securities Law.

**Director who has Professional Qualifications**

2. (a) A Director who has professional qualifications must comply with one of the following:
  - (1) Holds an academic degree in one of the following fields: Economics, Business Administration, Accounting, Law, Public Administration;
  - (2) Holds a different academic degree or has completed other higher education all in the area of the Company's business or another relevant field.

(3) Has at least five years of experience in one of the following, or has aggregate experience of at least five years in two of the following:

(i) a senior business management position in a company with significant business activity;

(ii) a senior public position or a senior position in the public service;

(iii) a senior position in the primary business of the company.

(b) The assessments of the professional qualification of the nominee to serve as a director as stated in the aforementioned subsection (a) shall be made by the Board of Directors.

**Declaration**

3. (a) The declaration of the nominee pursuant to Section 241 of the Law shall include the nominee's education and experience, as they are relevant, in order to review whether the conditions and criterions according to these regulations apply and shall attach the documentation and certifications which support his/her declaration.

(b) A Director that the Board of Directors is required to assess his accounting and financial expertise, in order to comply with the minimum amount set forth in Section 92(a)(12) of the Law, shall declare as set forth in subsection (a).

Date: November 25, 2024

To

**Elron Ventures Ltd (hereinafter: "the Company")**

**Re: Declaration of a nominee for an office of a director in a public company traded in Israel pursuant to the Companies Law, 5759-1999 (hereinafter: "the Law")**

I, the undersigned, Eric Bentov, bearer of passport number, 34278765 whose address is David Hamelech 12, Herzliya, after being warned that I must tell the truth and that if I do not do so, I shall be subject to punishment set by statute, hereby declare and commit as follows:

1. I hereby give my consent to serve as a director of the Company, which is a public company incorporated in Israel and whose shares are traded on the Tel Aviv Stock Exchange Ltd.
2. I am qualified to be appointed as a director of your Company pursuant to the provisions of Sections 225 – 227 of the Law. The provisions of the sections, in their wording on the date of signing hereof, are specified in **Appendix A**, attached to this declaration and constituting an integral part thereof.
3. I have all the required skills and the ability to devote the appropriate amount of time to perform the role of a director of the Company, considering its special needs and size.
4. I have the education, qualification and work experience, as detailed and specified in the CV hereby attached as **Appendix B** to this declaration as an integral part thereof. Documents indicating my academic education are hereby attached as **Appendix C** to this declaration as an integral part thereof.
5. My other roles and occupations do not and may not form a conflict of interest with my office as a director and will not undermine my ability to serve as a director.
6. I undertake to meet all the legal requirements applicable to directors as shall be set from time to time, and that I shall fulfill my duties in the best possible way and for the benefit of the Company. In addition, I undertake that should a concern arise of which I will be aware and/or that shall be brought to my attention, according to which I shall cease to meet any of the above conditions and/or declarations, or should there be a concern to the breach of my fiduciary duty towards the Company (as defined in Section 254 of the Law), I shall immediately notify the chairman of the board and the Company.
7. I am aware that my declaration herein shall be brought upon before the Company, and that it will be used by the Company to examine whether I am qualified to serve as a director of the Company, and especially whether I meet the regulatory conditions for such office. I am also aware that my declaration herein shall be kept at the registered office of the Company for the inspection of any person and shall be published under the public reports of the Company to the Securities Authority and the Tel Aviv Stock Exchange.
8. Please mark X in the applicable box:
  - I possess accounting and financial expertise in accordance with the Companies Regulations (Conditions and Tests for a Director having Accounting and Financial

Expertise and a Director having Professional Qualifications), 5766-2005 (the "**Companies Regulations**"), attached hereto as **Appendix D**.

I possess professional expertise in accordance with the Companies Regulations.

9. I am aware of my duties under Section 227A of the Law, and I undertake to comply with it. The provision of the above section, in its wording on the date of signing hereof, is specified in **Appendix A**.

10. This is my name, this is my signature and the facts stated in this declaration above are true.

Eric Bentov

**Name**

34278765

**P.N.**

A handwritten signature in black ink, consisting of a stylized, cursive 'E' followed by a horizontal line and a flourish.

**Signature**

## Appendix A

### Sections 225-227A of the Companies Law, 5759-1999

<b>Duty of disclosure</b>	225 .	<p>(a) A person who is a candidate to hold office as a director shall disclose to the person appointing him:</p> <ol style="list-style-type: none"><li>(1) whether he has been convicted by an offence as stated in section 226(a), where the period during which he is precluded from serving as a director pursuant to section 226 has not yet elapsed;</li><li>(2) whether he has been convicted by a judgment of an offence as stated in section 226(a1), where the period set by the court pursuant to said sub-section has not yet elapsed;</li><li>(3) whether the Administrative Enforcement Committee imposed on him any enforcement means precluding him from serving as a director in a public company, where the period set by the Administrative Enforcement Committee in its decision as aforesaid has not yet elapsed.</li></ol> <p>(b) In this section - "Enforcement means" - enforcement means as stated in Section 52(56) of the Securities Law, imposed pursuant to Chapter H4 of the Securities Law, Chapter G2 of the Regulating Engagement in Investment Advice, Investment Marketing and Investments Portfolio Management Law, 5755-1995, or Chapter J1 of the Joint Investment Trust Law, 5754-1994, as applicable; "Administrative Enforcement Committee" – the committee appointed pursuant to Section 52(32)(a) of the Securities Law; "Judgment" – a judgment at the first instance.</p>
<b>Restriction on appointment due to conviction</b>	226 .	<p>(a) A person convicted by a judgment of one of the following offenses shall not hold office as a director in a public company unless five years have passed since the date on which the judgment by which he was convicted was given:</p> <ol style="list-style-type: none"><li>(1) offenses under sections 290 to 297, 392, 415, 418 to 420 and 422 to 428 of the Penal Law, 5737-1977, and under sections 52C, 52D, 53(a) and 54 of the Securities Law;</li><li>(2) conviction by a court outside Israel of the offenses of bribery, deceit, offenses by managers of a corporate body or offenses involving misuse of inside information;</li><li>(3) (Deleted)</li></ol>

- (a1) A person convicted by a judgment, as stated in section 225(b) of an offense not listed in sub-section (a) shall not be appointed to an office of a director in a public company, if the court determined that due to the nature, severity or circumstances of the offense, he is not adequate to serve as a director in a public company, for the period set by the court which shall not exceed five years from the date the judgment was given.
- (b) The court may determine, at the date of the conviction or thereafter, on the application of a person interested in being appointed as a director, that despite his conviction of offenses as laid down in sub-section (a), and taking into account, *inter alia*, the circumstances in which the offense took place, such person is not precluded from holding office as director of a public company, or that the period during which he is precluded from holding office as director of a public company shall be shorter than five years.
- (c) The Minister may prescribe additional offenses to those laid down in sub-section (a)(1).
- (d) The court, and if an appeal was filed – an appellant court, may order to delay the execution of the appointment limitations or of the office expiration under this section to such date and under such conditions as it shall see fit.

<b>Limitation on appointment due to a decision of the Administrative Enforcement Committee</b>	226 A	Where the Administrative Enforcement Committee imposes on a person an enforcement means precluding him from holding office as a director of a public company, said person shall not be appointed as a director in a public company in which he is precluded from holding office as a director pursuant to said decision; in this section, "enforcement means" and "the Administrative Enforcement Committee" – as defined in section 225(B).
<b>Limitation on appointment</b>	227 .	<ul style="list-style-type: none"> <li>(a) A person who is minor, legally incompetent, or who has been declared bankrupt shall not be appointed as a director for so long as such person remains undischarged, nor shall a corporation that has resolved to enter into voluntary liquidation or in respect of which a winding up order has been issued.</li> <li>(b) A candidate to an office of a director who meets the content of sub-section (a) shall disclose that to the person appointing him.</li> </ul>
<b>Duty of notice</b>	227 A.	A director in respect of whom any term required for his office as a director pursuant to the law ceased to be met or who meets grounds for the expiry of his office as a director, shall immediately notify the Company accordingly and his office shall expire on the time the notice is given.

## **Appendix B**

### **CV**

<b>Education:</b>	- LLB from Sheffield University Law School, England
<b>Activities for the past 5 years:</b>	<p>Eric Bentov is the Co-Founder and Managing Partner of Arieli Capital LLC, a US based investment firm with a global presence (2016 – Present) and the Managing Partner of Arieli EL LTD. As a serial entrepreneur and seasoned investor, he has a long track record of establishing global innovation centers and tech programs, and managing an investment portfolio with an opportunistic investment approach, focusing on both governmental and private markets. Bentov brings a unique skill set and leadership to Arieli's partners and entrepreneurs, with a strong emphasis on impact investing and value addition. He serves as a board member in multiple companies, including Frontier RNG (2021 – Present), Breath of Health (2021 – Present), Terrific (2023 – Present), Velvet AI (2022 – Present), Maya Fertility (2023 – Present), and Jama (2023 – Present) and the Company (September 2024 – present). Additionally, he is a Board Observer at ShareNett (2021 – Present), the Co-Founder and Managing Partner of OrbitalIQ (2022 – Present), and the Founder and CEO of Eilat Tech Center (2015 – Present).</p>

**Appendix C**

**Documentation evidencing Academic Degrees**

## Appendix D

### **Regulations 1-3 of the Companies Regulations (Conditions and Tests for a Director having Accounting and Financial Expertise and a Director having Professional Qualifications), 5766- 2005**

**Director who has Accounting and Financial Expertise**

1. A Director who has accounting and financial expertise is a director who due to his/her education, his/her experience and his/her qualifications, has a high level of skill and understanding in business - accounting manners and financial reports in such a manner which allows him/her to fully understand the financial reports of the company, and to commence discussions in connection with the presentation of the financial data; the assessment of the financial and accounting expertise of a Director shall be made by the Board of Directors which will take into account, *inter alia*, all considerations, including, his/her education, his/her experience and knowledge in the following areas:
  - (1) generally accepted accounting principles and audit principles which are typical in the field in which the Company and companies of size and complexity similar to the Company operate;
  - (2) The duties and the responsibilities of an accountant;
  - (3) Preparation of financial reports and their approval pursuant to the Law and the Securities Law.

**Director who has Professional Qualifications**

2. (a) A Director who has professional qualifications must comply with one of the following:
  - (1) Holds an academic degree in one of the following fields: Economics, Business Administration, Accounting, Law, Public Administration;
  - (2) Holds a different academic degree or has completed other higher education all in the area of the Company's business or another relevant field.

(3) Has at least five years of experience in one of the following, or has aggregate experience of at least five years in two of the following:

(i) a senior business management position in a company with significant business activity;

(ii) a senior public position or a senior position in the public service;

(iii) a senior position in the primary business of the company.

(b) The assessments of the professional qualification of the nominee to serve as a director as stated in the aforementioned subsection (a) shall be made by the Board of Directors.

**Declaration**

3. (a) The declaration of the nominee pursuant to Section 241 of the Law shall include the nominee's education and experience, as they are relevant, in order to review whether the conditions and criterions according to these regulations apply and shall attach the documentation and certifications which support his/her declaration.

(b) A Director that the Board of Directors is required to assess his accounting and financial expertise, in order to comply with the minimum amount set forth in Section 92(a)(12) of the Law, shall declare as set forth in subsection (a).

**הנדון: הצהרת מועמד/ת לכהונה כדירקטור/ית בחברה ציבורית, על פי חוק החברות, התשנ"ט - 1999 (להלן: "החוק")**

אני, הח"מ, דן הוז, נושא/ת ת.027860824, תושב/ת ישראל, מצהיר/ה ומאשר/ת בזה כדלקמן:

1. אני נותן/ת בזאת את הסכמתי לכהן כדירקטור/ית בחברה שהנה חברה ציבורית, שהתאגדה בישראל, וניירות הערך שלה נסחרים בבורסה לניירות ערך בתל אביב בע"מ.
2. אני מודע לכל הוראות החוק החלות ביחס למינויו וכהונתו של דירקטור לרבות, משך הכהונה, הפסקתה, השתתפות בוועדות החברה וכיוצ"ב.
3. אני כשיר/ה להתמנות כדירקטור/ית בחברה לפי הוראות סעיפים 225 עד 227 לחוק. הוראות הסעיפים בנוסחם במועד החתימה על הצהרה זו, מפורטות בנספח א' המצורף להצהרה זו ומהווה חלק בלתי נפרד הימנה.
4. יש לי את הכישורים הדרושים והיכולת להקדיש את הזמן הראוי לשם ביצוע תפקיד של דירקטור/ית בחברה, בשים לב לצרכיה המיוחדים של החברה ולגודלה. יש לי את היכולת לקרוא ולהבין דוחות כספיים.
5. הנני בעל/ת השכלה אקדמית, כישורים וניסיון תעסוקתי, כמפורט בקורות החיים המצורפים בנספח ב' להצהרה זו כחלק בלתי נפרד הימנה.
6. תפקידי ועיסוקיי האחרים אינם יוצרים או עלולים ליצור ניגוד עניינים עם תפקידי כדירקטור/ית בחברה, ולא יפגעו ביכולתי לכהן כדירקטור/ית.
7. אני מתחייב/ת לעמוד בכל דרישות הדיון המצופות מדירקטור/ית, וכי אמלא את תפקידי בצורה הטובה ביותר ולטובת החברה. במידה ויתעורר חשש, שיהיה בידיעתי ו/או שיובא לידיעתי, לפיו אחדל לקיים תנאי מהתנאים ו/או מההצהרות לעיל או אם יתעורר חשש שהפרתי את חובת האמונים לחברה (כהגדרתה בסעיף 254 לחוק), אודיע על כך מיידית לדירקטוריון החברה.
8. ידועות לי חובות ההודעות החלות עליי מכוח סעיף 227 לחוק והנני מתחייב/ת למלא אותן כנדרש. הוראות הסעיפים הנ"ל, בנוסחם במועד החתימה על הצהרה זו, מפורטות בנספח א'.
9. ידוע לי כי הצהרתי זו תשמש את החברה לשם בחינה האם אני כשיר/ה לכהן כדירקטור/ית בחברה, ובמיוחד האם מתקיימים בי התנאים והמבחנים לפי החוק. כמו כן, הנני מודעת/לכך שהצהרתי זו תמצא במשרדה הרשום של החברה לעיונו של כל אדם ותפורסם במסגרת דיווחיה הפומביים של החברה.
10. יש לסמן אחת משתי האפשרויות שלהלן, ככל שהיא רלוונטית, ולסמן X ליד האפשרות שנבחרה:  
 הנני בעל/ת "כשירות מקצועית", בהתאם לאמור בתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו - 2005 (להלן: "תקנות החברות"). הוראות תקנות החברות, בנוסחן במועד החתימה על הצהרה זו, מצורפות בנספח ג' להצהרתי זו.  
 הנני בעל/ת "מומחיות חשבונאית ופיננסית", בהתאם לאמור בתקנות החברות. הוראות תקנות החברות, בנוסחן במועד החתימה על הצהרה זו, מצורפות בנספח ג' להצהרתי זו.
11. איני עובד/ת של רשות ניירות ערך או של בורסה בישראל.
12. זהו שמי, זו חתימתי והעובדות המפורטות בהצהרתי זו לעיל, אמת הן.

  
חתימה

027860824  
ת.ז.

דן הוז  
שם

**נספח א'**

**סעיפים 225 - 227 ו-245 לחוק החברות, התשנ"ט-1999**

<b>חובת גילוי</b>	225. (א)	<p>מי שמועמד לכהן כדירקטור יגלה לממנה:</p> <p>(1) אם הורשע בפסק דין בעבירה כאמור בסעיף 226(א), וטרם חלפה התקופה שבה אסור לו לכהן כדירקטור לפי סעיף 226;</p> <p>(2) אם הורשע בפסק דין בעבירה כאמור בסעיף 226(א1), וטרם חלפה התקופה שקבע בית המשפט לפי אותו סעיף קטן;</p> <p>(3) אם ועדת האכיפה המינהלית הטילה עליו אמצעי אכיפה האוסר עליו לכהן כדירקטור בכל חברה ציבורית או בכל חברה פרטית שהיא חברת איגרות חוב, וטרם חלפה התקופה שקבעה ועדת האכיפה המינהלית בהחלטתה כאמור.</p>
	(ב)	<p>בסימן זה –</p> <p>"אמצעי אכיפה" – אמצעי אכיפה כאמור בסעיף 252 לחוק ניירות ערך, שהוטל לפי פרק ח'4 לחוק ניירות ערך, לפי פרק ז'2 לחוק הסדרת העיסוק בייעוץ השקעות ובניהול תיקי השקעות, התשנ"ה-1995, או לפי פרק י'1 לחוק השקעות משותפות בנאמנות, התשנ"ד-1994, לפי העניין;</p> <p>"ועדת האכיפה המינהלית" – הוועדה שמונתה לפי סעיף 52(א) לחוק ניירות ערך;</p> <p>"פסק דין" – פסק דין בערכאה ראשונה.</p>
<b>הגבלת מינוי עקב הרשעה</b>	226. (א)	<p>לא ימונה לכהונת דירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב אדם שהורשע בפסק דין בעבירה מהמפורטות להלן, אלא אם כן חלפו חמש שנים מיום מתן פסק הדין שבו הורשע:</p> <p>(1) עבירות לפי סעיפים 290 עד 297, 392, 415, 418 עד 420 ו-422 עד 428 לחוק העונשין, תשל"ז-1977, ולפי סעיפים 52, 53, 54(א) ו-54 לחוק ניירות ערך;</p> <p>(2) הרשעה בבית משפט מחוץ לישראל בעבירות שונות, מרמה, עבירות מנהלים בתאגיד או עבירות של ניצול מידע פנים;</p> <p>(3) (נמחקה).</p>
	(א1)	<p>לא ימונה לכהונת דירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב אדם שהורשע בפסק דין בעבירה שאינה מנויה בסעיף קטן (א), אם בית המשפט קבע כי מפאת מהותה, חומרתה או נסיבותיה אין הוא ראוי לשמש דירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב, למשך התקופה שקבע בית המשפט אשר לא תעלה על חמש שנים מיום מתן פסק הדין.</p>
	(ב)	<p>בית משפט רשאי לקבוע, במועד הרשעה או לאחריה, לבקשתו של אדם המעוניין להתמנות לדירקטור, כי על אף הרשעתו בעבירות כאמור בסעיף קטן (א), ובשים לב בין היתר, לנסיבות שבהן נעברה העבירה, אין הוא מנוע מלכהן כדירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב, או כי התקופה שבה הוא מנוע מלכהן כדירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב תהיה קצרה מחמש שנים.</p>
	(ג)	<p>השר רשאי לקבוע עבירות נוספות על אלה הקבועות בסעיף קטן (א1).</p>
	(ד)	<p>בית משפט, ואם הוגש ערעור – בית משפט של ערעור, רשאי להורות על עיכוב ביצוע של מגבלות המינוי או של פקיעת הכהונה לפי סעיף זה למועד שיקבע ובתנאים שיראה לנכון.</p>
<b>הגבלת מינוי עקב החלטה של ועדת האכיפה המינהלית</b>	226. א.	<p>הטילה ועדת האכיפה המינהלית על אדם אמצעי אכיפה האוסר עליו לכהן כדירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב, לא ימונה אותו אדם לדירקטור בחברה שבה אסור לו לכהן כדירקטור על פי אותה החלטה.</p>
<b>הגבלת מינוי</b>	227. (א)	<p>לא ימונה לדירקטור קטין, פסול דין, מי שהוכרז פושט רגל כל עוד לא הופטר, וכן תאגיד שהחליט על פירוקו מרצון או שניתן לגביו צו פירוק.</p>
	(ב)	<p>מועמד לכהונת דירקטור שמתקיים בו האמור בסעיף קטן (א) יגלה זאת לממנה.</p>
<b>חובת הודעה</b>	227. א.	<p>דירקטור שחדל להתקיים לגביו תנאי הדרוש לפי חוק זה לכהונתו כדירקטור או שמתקיימת לגביו עילה לפקיעת כהונתו כדירקטור יודיע על כך מיד לחברה, וכהונתו תפקע במועד מתן ההודעה.</p>
<b>חובת הודעה</b>	245. א.	<p>דירקטור חיצוני שחדל להתקיים בו תנאי הדרוש לפי חוק זה לכהונתו כדירקטור חיצוני יודיע על כך מיד לחברה, וכהונתו תפקע במועד מתן ההודעה.</p>

**נספח ב'**

קורות חיים, מסמכים המעידים על ניסיון תעסוקתי ומסמכים המעידים על תארים אקדמאים

השכלה:	בוגר חשבונאות וכלכלה, אוניברסיטת בן גוריון מוסמך מנהל עסקים, אוניברסיטת בן גוריון
עיסוק ב-5 השנים האחרונות:	מנכ"ל מנטור גרפיקס ישראל בע"מ (החל משנת 2017); סמנכ"ל Siemens Digital Industries Software (החל משנת 2017) יו"ר החברה מנובמבר 2021 עד ספטמבר 2024. דירקטור בחברה מיוני 2021

### נספח ג'

## תקנות 1 - 3 לתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), תשס"ו-2005

### דירקטור בעל מומחיות חשבונאית ופיננסית

1. דירקטור בעל מומחיות חשבונאית ופיננסית הוא מי שבשל השכלתו, ניסיונו וכישוריו הוא בעל מיומנות גבוהה והבנה בנושאים עסקיים – חשבונאיים ודוחות כספיים באופן המאפשר לו להבין לעומק את הדוחות הכספיים של החברה ולעורר דיון בקשר לאופן הצגתם של הנתונים הכספיים; הערכת מיומנותו החשבונאית והפיננסית של דירקטור תיעשה בידי הדירקטוריון, ויבאו במכלול השיקולים, בין השאר, השכלתו, ניסיונו, וידעיותו בנושאים אלה:

- (1) סוגיות חשבונאיות וסוגיות בקרה חשבונאית האופייניות לענף שבו פועלת החברה ולחברות בסדר הגודל והמורכבות של החברה;
- (2) תפקידיו של רואה החשבון המבקר והחובות המוטלות עליו;
- (3) הכנת דוחות כספיים ואישורם לפי החוק ולפי חוק ניירות ערך.

### דירקטור בעל כשירות מקצועית

2. (א) דירקטור בעל כשירות מקצועית הוא מי שמתקיים בו אחד מהתנאים האלה:

- (1) בעל תואר אקדמאי באחד מן המקצועות האלה: כלכלה, מינהל עסקים, ראיית חשבון, משפטים, מינהל ציבורי;
- (2) בעל תואר אקדמאי אחר או שהוא השלים לימודי השכלה גבוהה אחרת, הכל בתחום עיסוקה העיקרי של החברה או בתחום הרלוונטי לתפקיד;
- (3) הוא בעל ניסיון של חמש שנים לפחות באחד מאלה, או שהוא בעל ניסיון מצטבר של חמש שנים לפחות בשניים או יותר מאלה:

- (א) בתפקיד בכיר בתחום הניהול העסקי של תאגיד בעל היקף עסקים משמעותי;
- (ב) בכהונה ציבורית בכירה או בתפקיד בכיר בשירות הציבורי;
- (ג) בתפקיד בכיר בתחום עיסוקה העיקריים של החברה.

(ב) הערכת הכשירות המקצועית של מועמד לכהן כדירקטור כאמור בתקנה משנה (א), תיעשה בידי הדירקטוריון.

### הצהרה

3. (א) בהצהרה לפי סעיף 241 לחוק יצהיר המועמד גם לגבי השכלתו וניסיונו, ככל שהם רלוונטיים, לשם בחינה האם מתקיימים בו התנאים והמבחנים לפי תקנות אלה וכן יצרף מסמכים ותעודות התומכים בהצהרתו.

(ב) דירקטור שהדירקטוריון נדרש להעריך את מומחיותו החשבונאית והפיננסית לצורך עמידה במספר המזערי שנקבע לפי סעיף 92(א)(12) לחוק, יצהיר כמפורט בתקנת משנה (א).

הנדון: הצהרה שנתית לדירקטור בלתי תלוי  
על פי חוק החברות, התשנ"ט-1999 (להלן: "החוק")

ינוצ'רס האלון 114 תל אביב

- אני, הח"מ, שלום תורג'מן, נושא ת.ז. 059214452, תושב ישראל, שמענו מגדל ToHa, ינאל אלון 114, תל אביב, לאחר שהוזהרתי כי עלי לומר את האמת וכי אהיה צפוי לעונשים הקבועים בחוק אם לא אעשה כן, מצהיר ומתחייב בזה כדלקמן:
1. אני נותן בזה את הסכמתי לכהן כדירקטור בלתי תלוי בחברתכם כדירקטור בלתי תלוי בחברתכם שהינה חברה ציבורית, שהתאגדה בישראל, ומנייתיה נסחרות בבורסה לניירות ערך בתל אביב בע"מ.
  2. אני כשיר להתמנות כדירקטור בחברתכם לפי הוראות סעיפים 225-227 לחוק בנוסחם במועד החתימה על הצהרה זו. הוראות הסעיפים בנוסחם במועד החתימה על הצהרה זו, מפורטות בנספח א' המצורף להצהרה זו ומהווה חלק בלתי נפרד הימנה.
  3. הנני מחזיק בכישורים הדרושים ולרשותי עומד הזמן הנדרש לשם ביצוע תפקיד של דירקטור בחברה, בשים לב לצרכי המיוחדים של החברה ולגודלה.
  4. תפקידי ועיסוקי האחרים אינם יוצרים או עלולים ליצור ניגוד עניינים עם תפקידי כדירקטור בלתי תלוי בחברה, ולא יפגעו ביכולתי לכהן כדירקטור.
  5. ידועות לי חובות ההודעה החלות עליי מכוח סעיפים 227א ו-245א לחוק והנני מתחייב למלא אותן כנדרש. הוראות הסעיפים הנ"ל, בנוסחם במועד החתימה על הצהרה זו, מפורטות בנספח א'.
  6. אני מודע לכל הוראות החוק החלות ביחס למינוי וכהונתו של דירקטור בלתי תלוי לרבות, משך הכהונה, הפסקתה, השתתפות בועדות הדירקטוריון של החברה וכיוצ"ב.
  7. אני מודע לכל הוראות תקנות החברות (הוראות ותנאים לעניין הליך אישור הדוחות הכספיים), התש"ע-2010 (להלן: "תקנות אישור דוחות כספיים"), לרבות ההוראות ביחס להליך אישור הדוחות הכספיים בחברה וביחס לכשירותו של חבר בועדת מאזן. הוראות תקנות אישור דוחות כספיים, בנוסחן נכון למועד החתימה על הצהרה, מצורפות בנספח ב' להצהרה זו.
  8. הנני מצהיר כי יש לי היכולת לקרוא ולהבין דוחות כספיים.
  9. יש לבחור אחת משתי האפשרויות שלהלן ולסמן X ליד האפשרות שנבחרה:  
 הנני בעל "כשירות מקצועית", בהתאם לאמור בתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו - 2005 (להלן: "תקנות החברות"). הוראות תקנות החברות, בנוסחם במועד החתימה על הצהרה זו, מצורפות בנספח ג' להצהרתי זו.  
 הנני בעל "מומחיות חשבונאית ופיננסית", בהתאם לאמור בתקנות החברות. הוראות תקנות החברות, בנוסחם במועד החתימה על הצהרה זו, מצורפות בנספח ג' להצהרתי זו.
  10. הנני בעל ההשכלה, ההכשרה והניסיון התעסוקתי, כמפורט בקורות החיים המצורפים בנספח ד' להצהרה זו כחלק בלתי נפרד הימנה. מסמכים המעידים על מילוי תפקידים אלה מצורפים בנספח ה' להצהרה זו כחלק בלתי נפרד הימנה.
  11. הנני בעלת התארים האקדמאים הבאים (התואר, המוסד שהעניק, התאריך):  
בוגר במדעי החברה, אוניברסיטת העברית, משנת 1992  
מוסמך במנהל עסקים, אוניברסיטת תל אביב, משנת 2011
  12. מסמכים המעידים על תארי אלו מצורפים בנספח ו' להצהרה זו כחלק בלתי נפרד הימנה.  
יש לבחור אחת משתי האפשרויות שלהלן ולסמן X ליד האפשרות שנבחרה:  
 אין לי, לקרובי, לשותפי, למעבידי, למי שאני כפוף לו במשרתי או בעקיפין, או לתאגיד שאני בעל שליטה בו, במועד המינוי או בשנתיים שקדמו לו וכן במהלך כהונתי כדירקטור בלתי תלוי בחברה ונכון למועד הצהרתי זו, זיקה לחברה, לבעלי השליטה בחברה, או לקרוב של בעלי השליטה, ליו"ר הדירקטוריון, למנהל הכללי, לבעל מניות מהותי או נושא המשרה הבכיר ביותר בתחום הכספים של החברה ולקרוביהם, במועד המינוי, או לתאגיד אחר. כמו כן, אין לי, לקרובי, לשותפי, למעבידי, למי שאני כפוף לו במשרתי או בעקיפין, או לתאגיד שאני בעל שליטה בו, קשרים עסקיים או מקצועיים למי שאסורה זיקה אליו כאמור לעיל, גם לא קשרים כאמור אשר אינם דרך כלל, למעט קשרים זניחים.  
לעניין הצהרה זו -  
"זיקה" - קיום יחסי עבודה, קיום קשרים עסקיים או מקצועיים דרך כלל או שליטה, וכן כהונה כנושא משרה, למעט כהונה של דירקטור שמונה כדי לכהן כדירקטור חיצוני בחברה שעומדת להציע לראשונה מניות לציבור.  
"תאגיד אחר" - תאגיד שבעל השליטה בו, במועד המינוי או בשנתיים שקדמו למועד המינוי, הוא החברה, בעל השליטה בה, יו"ר הדירקטוריון המנהל הכללי, בעל מניות מהותי או נושא המשרה הבכיר ביותר בתחום הכספים של החברה.  
"מועד המינוי" - המועד בו תמנה/מינתה אותי האסיפה הכללית כדירקטור בלתי תלוי.  
"קרוב" - בן זוג, אח או אחות, הורה, הורי הורה, צאצא, וכן צאצא, אח, אחות או הורה של בן הזוג או בן זוגו של כל אחד מאלה.

לחלופין,

□ קיימים ביני לבין החברה, במועד המינורי או בשנתיים שקדמו לו ו/או במהלך כהונתי כדירקטור בלתי תלוי בחברה ו/או נכון למועד הצהרתי זו, קשרים עסקיים או מקצועיים זניחים אשר תחילתם במועד שיקדם למועד מינורי כדירקטור בלתי תלוי ואשר אינם מהווים "זיקה" כאמור בתקנות החברות (עניינים שאינם מהווים זיקה), התשס"ז-2006 (להלן: "תקנות הזיקה"). הוראות התקנות הרלוונטיות מתוך תקנות הזיקה בנוסחם במועד החתימה על הצהרה זו, מפורטות בנספח א' המצורף להצהרה זו. קשרים אלו הם כמפורט להלן<sup>1</sup>:

13. אינני קרוב של בעלי השליטה, יו"ר הדירקטוריון, המנהל הכללי, בעל מניות מהותי או נושא המשרה הבכיר ביותר בתחום הכספים של החברה.
14. בכל חברה אחרת בה אני מכהן כיום כדירקטור, לא מכהן כדירקטור חיצוני אדם המכהן כדירקטור בחברתכם.
15. איני עובד של רשות ניירות ערך או של בורסה בישראל.
16. לא קיבלתי כל תמורה, במישרין או בעקיפין בשל כהונתי כדירקטור בחברה, נוסף על הגמול ועל החזר ההוצאות שלהם אני זכאי, בשל כהונתי כדירקטור בלתי תלוי בחברה. לעניין זה לא יראו כתמורה מתן פטור, התחייבות לשיפוי, שיפוי או ביטוח.
17. אני מתחייב לעמוד בכל דרישות הדין החלות על דירקטורים ודירקטורים חיצוניים או בלתי תלויים וכן על דירקטורים החברים בוועדה, וכי אמלא את תפקידי בצורה הטובה ביותר ולטובת החברה. במידה ויתעורר חשש, שיהיה בידיעתי ו/או שיובא לידיעתי, לפיו אחדל לקיים תנאי מהתנאים ו/או מההצהרות לעיל או יתקיים חשש להפרת חובת האמונים בה אני חב לחברה (כהגדרתה בסעיף 254 לחוק), אודיע על כך מיידית ליו"ר הדירקטוריון ולחברה בהתאם להוראות סעיף 245 לחוק כמפורט בנספח א' להצהרה זו.
18. ידוע לי כי על פי החוק, החברה, בעלי השליטה בה, יו"ר הדירקטוריון, המנהל הכללי, בעל מניות מהותי או נושא המשרה הבכיר ביותר בתחום הכספים של החברה ותאגיד בשליטתם לא יוכלו להעניק לי, לבן זוגי/בת זוגתי או לילדי טובת הנאה, במישרין או בעקיפין, ובכלל זה לא ימנו אותי, את בן זוגי/בת זוגתי או את ילדי, לכהונה כנושא משרה בחברה או בתאגיד בשליטתם, לא יעסיקו אותי כעובד, ולא יקבלו ממני שירותים מקצועיים בתמורה, בין במישרין ובין בעקיפין, לרבות באמצעות תאגיד בשליטתי, אלא אם כן חלפו שנתיים מתום כהונתי כדירקטור בלתי תלוי בחברה, ולעניין קרוב שלי שאינו בן זוגי/בת זוגתי או ילדי- שנה מתום כהונתי כדירקטור בלתי תלוי. כן, הנני מצהיר כי נכון למועד הצהרתי זו ובמהלך כהונתי כדירקטור בלתי תלוי בחברה לא ניתנו לי, לבן זוגי/בת זוגתי או לילדי טובת הנאה כאמור בסעיף זה.
19. הנני בעל ידע וניסיון בתחום פעילותה של החברה כמפורט להלן:

ניהול קרן הון סיכון והשקעות

20. אינני מועסק על ידי החברה, בעלי השליטה בחברה, יו"ר הדירקטוריון, המנהל הכללי, בעל מניות מהותי או נושא המשרה הבכיר ביותר בתחום הכספים של החברה או תאגיד אחר בשליטתם.
21. אינני נותן שירותים, דרך קבע, לחברה, לבעלי השליטה בה, ליו"ר הדירקטוריון, למנהל הכללי, לבעל מניות מהותי או לנושא המשרה הבכיר ביותר בתחום הכספים של החברה או תאגיד אחר בשליטתם וכן עיקר פרנסתי איננה על בעלי השליטה בחברה, יו"ר הדירקטוריון, המנהל הכללי, בעל מניות מהותי או נושא המשרה הבכיר ביותר בתחום הכספים של החברה.

<sup>1</sup> יובא פירוט של הקשרים העסקיים או המקצועיים של המועמד עם החברה ותימוכין לכך שקשרים אלו מהווים קשרים זניחים.

22. ידוע לי כי הצהרתי זו תשמש את החברה לשם בחינה האם אני כשיר לכהן כדירקטור בלתי תלוי בחברה, ובמיוחד האם מתקיימים בי התנאים והמבחנים לפי החוק ותקנות החברות לעניין היותי בעל כשירות מקצועית. כן הנני מודע לכך שהצהרתי זו תמצא במשרדה הרשום של החברה לעיונו של כל אדם ותפורסם במסגרת דיווחיה הפומביים של החברה.
23. ידוע לי כי הצהרתי זו, תובא בפני הגורם הממנה עובר למינוי כדירקטור בלתי תלוי ולזימון האסיפה הכללית שעל סדר יומה המינוי, וכי היא תשמש את הגורם הממנה לשם בחינת כשירותי לכהונה כדירקטור בלתי תלוי בחברה.
24. ידוע ומוסכם עלי, כי הגמול אשר ישולם לי בגין כהונתי כדירקטור בלתי תלוי בחברה יהיה כמפורט בנספח ז', ולא אהיה זכאי לכל גמול נוסף מהחברה בגין כהונתי כדירקטור בלתי תלוי.
25. זהו שמי, זו חתימתי והעובדות המפורטות בהצהרתי זו לעיל, אמת הן.



059214452

ת.ז.

שלום תורגימן

שם

**נספח א'**  
**סעיפים 225-227 א ו-245 לחוק החברות, התשנ"ט-1999**

**חובת גילוי**

225. (א)

מי שמועמד לכהן כדירקטור יגלה לממנה:

- (1) אם הורשע בפסק דין בעבירה כאמור בסעיף 226(א), וטרם חלפה התקופה שבה אסור לו לכהן כדירקטור לפי סעיף 226;
- (2) אם הורשע בפסק דין בעבירה כאמור בסעיף 226(א1), וטרם חלפה התקופה שקבע בית המשפט לפי אותו סעיף קטן;
- (3) אם ועדת האכיפה המינהלית הטילה עליו אמצעי אכיפה האוסר עליו לכהן כדירקטור בכל חברה ציבורית או בכל חברה פרטית שהיא חברת איגרות חוב, וטרם חלפה התקופה שקבעה ועדת האכיפה המינהלית בהחלטתה כאמור.

(ב) בסימן זה –

"אמצעי אכיפה" – אמצעי אכיפה כאמור בסעיף 52 לחוק ניירות ערך, שהוטל לפי פרק ח' לחוק ניירות ערך, לפי פרק ז' לחוק הסדרת העיסוק בייעוץ השקעות ובניהול תיקי השקעות, התשנ"ה-1995, או לפי פרק י' לחוק השקעות משותפות בנאמנות, התשנ"ד-1994, לפי העניין;  
 "ועדת האכיפה המינהלית" – הוועדה שמונתה לפי סעיף 52(א) לחוק ניירות ערך;  
 "פסק דין" – פסק דין בערכאה ראשונה.

**הגבלת מינוי עקב הרשעה**

226. (א)

לא ימונה לכהונת דירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב אדם שהורשע בפסק דין בעבירה מהמפורטות להלן, אלא אם כן חלפו חמש שנים מיום מתן פסק הדין שבו הורשע:

- (1) עבירות לפי סעיפים 290 עד 297, 392, 415, 418 עד 420 ו-422 עד 428 לחוק העונשין, תשל"ז-1977, ולפי סעיפים 52, 53(א) ו-54 לחוק ניירות ערך;
- (2) הרשעה בבית משפט מחוץ לישראל בעבירות שוחד, מרמה, עבירות מנהלים בתאגיד או עבירות של ניצול מידע פנים;
- (3) (נמחקה).

(1א) לא ימונה לכהונת דירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב אדם שהורשע בפסק דין בעבירה שאינה מנויה בסעיף קטן (א), אם בית המשפט קבע כי מפאת מהותה, חומרתה או נסיבותיה אין הוא ראוי לשמש דירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב, למשך התקופה שקבע בית המשפט אשר לא תעלה על חמש שנים מיום מתן פסק הדין.

(ב) בית משפט רשאי לקבוע, במועד ההרשעה או לאחריה, לבקשתו של אדם המעוניין להתמנות לדירקטור, כי על אף הרשעתו בעבירות כאמור בסעיף קטן (א), ובשים לב בין היתר, לנסיבות שבהן נעברה העבירה, אין הוא מנוע מלכהן כדירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב, או כי התקופה שבה הוא מנוע מלכהן כדירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב תהיה קצרה מחמש שנים.

(ג) השר רשאי לקבוע עבירות נוספות על אלה הקבועות בסעיף קטן (א1).

(ד) בית משפט, ואם הוגש ערעור – בית משפט של ערעור, רשאי להורות על עיכוב ביצוע של מגבלות המינוי או של פקיעת הכהונה לפי סעיף זה למועד שיקבע ובתנאים שיראה לנכון.

226א. הטילה ועדת האכיפה המינהלית על אדם אמצעי אכיפה האוסר עליו לכהן כדירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב, לא ימונה אותו אדם לדירקטור בחברה שבה אסור לו לכהן כדירקטור על פי אותה החלטה.

**הגבלת מינוי עקב החלטה של ועדת האכיפה המינהלית**

227. (א)

לא ימונה לדירקטור קטין, פסול דין, יחיד שניתן לגביו צו לפתיחת הליכים כל עוד לא הופטר, וכן תאגיד שהחליט על פירוקו מרצון או שניתן לגביו צו פירוק או צו לפתיחת הליכים.  
 (ב) מועמד לכהונת דירקטור שמתקיים בו האמור בסעיף קטן (א) יגלה זאת לממנה.

**הגבלת מינוי**

**חובת הודעה**

227א. דירקטור שחדל להתקיים לגביו תנאי הדרוש לפי חוק זה לכהונתו כדירקטור או שמתקיימת לגביו עילה לפקיעת כהונתו כדירקטור יודיע על כך מיד לחברה, וכהונתו תפקע במועד מתן ההודעה.

**חובת הודעה**

245א. דירקטור חיצוני שחדל להתקיים בו תנאי הדרוש לפי חוק זה לכהונתו כדירקטור חיצוני יודיע על כך מיד לחברה, וכהונתו תפקע במועד מתן ההודעה.

## נספח ב'

### תקנות החברות (הוראות ותנאים לעניין אישור הדוחות הכספיים), התש"ע-2010

בתוקף סמכותי לפי סעיפים 171(ה) ו-366 לחוק החברות, התשנ"ט-1999 (להלן – החוק), לאחר התייעצות עם רשות ניירות ערך ובאישור ועדת החוקה חוק ומשפט של הכנסת, אני מתקין תקנות אלה:

1. בתקנות אלה –  
"הצהרה" – אחת מאלה:  
(1) הצהרת מועמד לחברות בוועדה כי יש לו היכולת לקרוא ולהבין דוחות כספיים;  
(2) לגבי מועמד לשמש דירקטור בעל מומחיות חשבונאית ופיננסית בוועדה, הצהרה לפי תקנה 3 לתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו-2005 (להלן – תקנות מומחיות חשבונאית ופיננסית);  
"ועדה לבחינת הדוחות הכספיים" או "הוועדה" – ועדה שמתקיים בה האמור בתקנה 3;  
"חברה" – חברה שהיא תאגיד מדווח, למעט תאגיד שהוראות פרק ה' לחוק ניירות ערך חלות עליו;  
"מומחיות חשבונאית ופיננסית" – כמשמעותה בתקנה 1 לתקנות מומחיות חשבונאית ופיננסית.  
דוחות כספיים של חברה יובאו לדיון ואישור הדירקטוריון לאחר שהתקיימו כל אלה:  
(1) הוועדה לבחינת הדוחות הכספיים דנה בישיבותיה וגיבשה המלצה לדירקטוריון בכל אלה:  
(א) ההערכות והאומדנים שנעשו בקשר עם הדוחות הכספיים;  
(ב) הבקורות הפנימיים הקשורות בדיווח הכספי;  
(ג) שלמות ונאותות הגילוי בדוחות הכספיים;  
(ד) המדיניות החשבונאית שאומצה והטיפול החשבונאי שיושם בעניינים המהותיים של התאגיד;  
(ה) הערכות שווי, לרבות ההנחות והאומדנים שבבסיסן, שעליהן נסמכים נתונים בדוחות הכספיים;  
(2) רואה החשבון המבקר יוזמן לכל ישיבות הוועדה לבחינת הדוחות הכספיים והמבקר הפנימי יקבל הודעות על קיום ישיבות הוועדה ויהיה רשאי להשתתף בהן;  
(3) הוועדה לבחינת הדוחות הכספיים העבירה לדירקטוריון את המלצותיה לעניין אישור הדוחות הכספיים זמן סביר לפני הדיון בדירקטוריון ודיווחה לו על כל ליקוי או בעיה שהתגלו במהלך הבחינה;  
(4) הדירקטוריון דן בהמלצות הוועדה לבחינת הדוחות הכספיים.  
(א) בוועדה לבחינת הדוחות הכספיים יתקיימו כל אלה:  
(1) מספר חבריה לא יפחת משלושה ומתקיימים בהם כל התנאים הקבועים בסעיף 115(ב) ו-(ג) לחוק;  
(2) יושב ראש הוועדה יהיה דירקטור חיצוני;  
(3) כל חבריה דירקטורים ורוב חבריה דירקטורים בלתי תלויים;  
(4) לכל חבריה היכולת לקרוא ולהבין דוחות כספיים ולפחות אחד מהדירקטורים הבלתי תלויים הוא בעל מומחיות חשבונאית ופיננסית;  
(5) חברי הוועדה נתנו הצהרה עובר למינויים;  
(6) המניין החוקי לדיון ולקבלת החלטות בוועדה יהיה רוב חברה ובלבד שרוב הנוכחים הם דירקטורים בלתי תלויים ובהם דירקטור חיצוני אחד לפחות.  
(ב) ועדת ביקורת שמתקיימים בה התנאים שבתקנת משנה (א) יכולה לשמש גם ועדה לבחינת הדוחות הכספיים.  
3. תקנות אלה לא יחולו על חברת הנפקה של תאגיד בנקאי או מבטח כהגדרתה בתקנות החברות (הקלות לסוגים מסוימים של חברות איגרות חוב), התשע"ב-2012, וכן על מנפיק מוצרים מובנים כהגדרתו בתקנות האמורות, שמתקיים בו האמור בתקנה 5(א) לתקנות האמורות, ולא מתקיים בו האמור בתקנה 6 בהן.  
3. על אף האמור בתקנות 2 ו-3, חברה הנחשבת תאגיד קטן לפי תקנה 5 לתקנות ניירות ערך (דוחות תקופתיים ומיידיים), התש"ל-1970 (בתקנה זו – חברה קטנה), או חברה שטרם חלפו 5 שנים מהמועד שבו הציעה לראשונה ניירות ערך שלה לציבור, רשאית שלא למנות ועדה לבחינת הדוחות הכספיים, כך שדוחותיה הכספיים יובאו לדיון ולאישור הדירקטוריון בלבד, זאת אם התקיימו כל אלה:  
(1) בדירקטוריון החברה מכהנים עד שבעה דירקטורים, ובחברה קטנה שחלפו 5 שנים מהמועד שבו הציעה לראשונה ניירות ערך שלה לציבור – עד שישה דירקטורים;  
(2) הרכב הדירקטוריון כולל שלושה דירקטורים שמתקיימים בהם התנאים הקבועים בסעיף 115(ב) ו-(ג) לחוק ושמתיקיים בהם האמור בתקנה 3(א) ו-5(1), ורוב הדירקטורים כאמור הם דירקטורים בלתי תלויים;  
(3) הדירקטוריון קיים דיון בעניינים המנויים בתקנה 1(2);

הגדרות

תנאים  
הליך  
אישור  
הדוחות  
הכספיים

הוועדה לבחינת  
הדוחות  
הכספיים

אי-תחולה  
על חברות  
איגרות חוב  
מסוימות

הקלה לחברה  
שהציעה  
לראשונה  
ניירות  
לציבור  
ולחברה

- (4) המבקר הפנימי קיבל הודעה על קיום ישיבת הדירקטוריון ורשאי להשתתף בה ;
- (5) המניין החוקי לדיון ולקבלת החלטות יכלול רוב מבין הדירקטורים המנויים בפסקה (2), ובלבד שלא תתקבל החלטה אלא אם כן תמכו בה גם רוב הדירקטורים כאמור בפסקה (2) ובהם דירקטור חיצוני אחד לפחות.
4. הדוחות הכספיים הערוכים ליום כ"ד בטבת התשע"א (31 בדצמבר 2010) ואילך, יאושרו בהתאם לתקנות אלה.

תחולה

### נספח ג'

## תקנות 1-3 לתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו-2005

### דירקטור בעל מומחיות חשבונאית ופיננסית

1. דירקטור בעל מומחיות חשבונאית ופיננסית הוא מי שבשל השכלתו, ניסיונו וכישוריו הוא בעל מיומנות גבוהה והבנה בנושאים עסקיים – חשבונאיים ודוחות כספיים באופן המאפשר לו להבין לעומק את הדוחות הכספיים של החברה ולעורר דיון בקשר לאופן הצגתם של הנתונים הכספיים; הערכת מיומנותו החשבונאית והפיננסית של דירקטור תיעשה בידי הדירקטוריון, ויובאו במכלול השיקולים, בין השאר, השכלתו, ניסיונו, וידיעותיו בנושאים אלה:

- (1) סוגיות חשבונאיות וסוגיות בקרה חשבונאית האופייניות לענף שבו פועלת החברה ולחברות בסדר הגודל והמורכבות של החברה;
- (2) תפקידיו של רואה החשבון המבקר והחובות המוטלות עליו;
- (3) הכנת דוחות כספיים ואישורם לפי החוק ולפי חוק ניירות ערך.

### דירקטור בעל כשירות מקצועית

2. (א) דירקטור בעל כשירות מקצועית הוא מי שמתקיים בו אחד מהתנאים האלה:

- (1) בעל תואר אקדמאי באחד מן המקצועות האלה: כלכלה, מינהל עסקים, ראיית חשבון, משפטים, מינהל ציבורי;
- (2) בעל תואר אקדמאי אחר או שהוא השלים לימודי השכלה גבוהה אחרת, הכל בתחום עיסוקה העיקרי של החברה או בתחום הרלוונטי לתפקיד;
- (3) הוא בעל ניסיון של חמש שנים לפחות באחד מאלה, או שהוא בעל ניסיון מצטבר של חמש שנים לפחות בשניים או יותר מאלה:

(א) בתפקיד בכיר בתחום הניהול העסקי של תאגיד בעל היקף עסקים משמעותי;

(ב) בכהונה ציבורית בכירה או בתפקיד בכיר בשירות הציבורי;

(ג) בתפקיד בכיר בתחום עיסוקיה העיקריים של החברה.

(ב) הערכת הכשירות המקצועית של מועמד לכהן כדירקטור כאמור בתקנה משנה (א), תיעשה בידי הדירקטוריון.

### הצהרה

3. (א) בהצהרה לפי סעיף 241 לחוק יצהיר המועמד גם לגבי השכלתו וניסיונו, ככל שהם רלוונטיים, לשם בחינה האם מתקיימים בו התנאים והמבחנים לפי תקנות אלה וכן יצרף מסמכים ותעודות התומכים בהצהרתו.

(ב) דירקטור שהדירקטוריון נדרש להעריך את מומחיותו החשבונאית והפיננסית לצורך עמידה במספר המזערי שנקבע לפי סעיף 92(א)(12) לחוק, יצהיר כמפורט בתקנת משנה (א).

**נספח ד'  
קורות חיים**

<p>מוסמך במנהל עסקים (EMBA), אוניברסיטת תל אביב; בוגר במדע המדינה ובלימודי האסלאם ומזרח תיכון, האוניברסיטה העברית</p>	<p><b>השכלה:</b></p>
<p>שותף-מנהל בקרן השקעות ישראלית – סינית GEOC (מ-2013 ועד היום); יועץ בחברת ייעוץ ישראלית EOC (מ-2009 ועד היום) משרד החוץ במשרה חלקית החל משנת 2018 דירקטור בחברה דצמבר 2020</p>	<p><b>עיסוק ב-5 השנים האחרונות:</b></p>

נספח ה'  
מסמכים המעידים על ניסיון תעסוקתי

נספח ו'  
מסמכים המעידים על תארים אקדמאים

### נספח ז'

#### תקנות 4-5 לתקנות החברות (ענינים שאינם מהווים זיקה), התשס"ז-2006

**זיקה לתאגיד  
אחר בעת שהיה  
בשליטתו של  
אדם אחר  
קשרים זניחים**

4. מי שהיתה לו זיקה לתאגיד בשליטת בעל שליטה בחברה, רק בתקופה שבה בעל השליטה בתאגיד לא היה בעל השליטה הנוכחי, לא יראו בשל כך כמי שיש לו זיקה בשנתיים שקדמו למועד המינורי; בתקנה זו, "תאגיד בשליטת בעל השליטה" – למעט החברה או תאגיד בשליטתה.
5. (א) קיום קשרים עסקיים או מקצועיים, לא יהווה זיקה אם התקיימו כל אלה:
- (1) הקשרים זניחים הן מבחינת המועמד והן מבחינת החברה;
  - (2) הקשרים החלו לפני מועד המינורי;
  - (3) ועדת הביקורת אישרה קודם למינורי, בהתבסס על עובדות שהוצגו לפנייה, כי מתקיים התנאי שבפסקה (1);
  - (4) בחברה ציבורית – קיומם של קשרים עסקיים או מקצועיים כאמור וכן אישורה של ועדת הביקורת הובאו לפני האסיפה הכללית קודם לאישור המינורי.
- (ב) קיום קשרים עסקיים או מקצועיים שהחלו לאחר שהדירקטור החיצוני מונה, לא יהווה זיקה אם התקיימו כל אלה:
- (1) בקשרים מתקיים האמור בתקנת משנה (א)(1);
  - (2) הדירקטור החיצוני הצהיר כי לא ידע ולא יכול היה לדעת באופן סביר על היווצרותם של הקשרים או הכוונה ליצירתם וכי אין לו שליטה על קיומם או על סיומם; על הצהרה לפי פסקה זו יחולו הוראות סעיף 241(ב)-ו(ג) לחוק;
  - (3) ועדת הביקורת אישרה, בהתבסס על עובדות שהוצגו לפנייה, כי מתקיים התנאי שבפסקה (1).

### נספח ח'

ידוע ומוסכם עלי כי הגמול שישולם לי בגין כהונתי כדירקטור בלתי תלוי בחברה, הינו הגמול, כמפורט להלן, ולא אהיה זכאי לכל גמול נוסף מהחברה בגין כהונתי כדירקטור בלתי תלוי בחברה:

הגמול הקבוע לדירקטורים בחברה יהיה גמול שנתי וגמול לפי ישיבה (לרבות במקרה של החלטה בכתב או שיחה טלפונית) וכן החזר הוצאות, אשר ייקבעו בהתאם להוראות הקבועות בתקנות החברות (כללים בדבר גמול והוצאות לדירקטור חיצוני, תש"ס-2000 (להלן: "תקנות הגמול"). לגמול השנתי ולגמול לפי ישיבה יצורף מע"מ כדיון, ככל שנדרש.

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Dear. \_\_\_\_\_

## English Translation of Indemnification Letter

Whereas on December 25, 2011 the Company's board of directors resolved, after approval therefor had been received from the Company's audit committee, to approve the grant of this letter to all of the directors serving and who will serve from time to time at the Company, in respect of any acts carried out by them in their capacity as officers of the Company, as well as in respect of any acts carried out by them in their capacity, at the Company's request, as officers of another company, of which the Company is a shareholder, either directly or indirectly, or in which the Company has any interest whatsoever ("**Another/Other Company**") in accordance with the provisions of the Companies Law and other laws and the terms of indemnification specified in this Letter; and

Whereas, on February 1, 2012, the general meeting of the Company also approved the said resolution; and

Whereas on March 13, 2012 the Company's board of directors resolved, after approval therefor had been received from the Company's audit committee, to approve the grant of this Letter to the officers of the Company as well, for which the general meeting approval is not required, according to the provisions of the Companies Law and other laws and the terms of indemnification specified in this Letter.

Whereas on \_\_\_\_\_ the Company's board of directors resolved, after approval therefor had been received from the Company's compensation committee, to approve the grant of this Letter to directors and officers serving and who will serve from time to time at the Company, who are or whose relatives are controlling shareholders in the Company and/or in the granting of which the controlling shareholders of the Company may have a personal interest and \_\_\_\_\_, the Company's shareholders approved the said matter.

We hereby notify you as follows:

Without derogating from the Company's right to indemnify you retroactively, as permitted in the Company's articles of association, the Company hereby undertakes as follows:

- 1.1. To indemnify you for any liability or expense, as specified below, imposed upon you or expended by you as a result of acts carried out by

you (including acts carried out prior to the date of this Letter) and/or to be carried out by you, in your capacity as an officer at the Company.

- 1.1.1. A monetary liability that shall be imposed upon you in favor of a third party pursuant to a judgment, including a judgment by way of compromise or a judgment of an arbitrator approved by a court, provided that such liability will be connected directly or indirectly, to one or more of the events specified in the Addendum hereto, or any part thereof or related thereto, directly or indirectly, provided that the maximum amount of the indemnification for such liability shall not exceed the amount specified in Section 2 below;
- 1.1.2. Reasonable expenses of the proceedings, including lawyers' fees, to be expended by you due to an investigation or proceeding that was conducted against you by an authority which is authorized to conduct an investigation or proceeding, and which has ended without the filing of an indictment against you and without a monetary liability being imposed upon you in lieu of criminal proceeding, or which has ended without the filing of an indictment against you but with the imposition of a monetary liability in lieu of a criminal proceeding in an offense which requires no proof of a criminal intention or in respect of a monetary sanction;

In this paragraph – **“A proceeding ending without the filing of an indictment in a matter on which a criminal investigation has been instituted”** and **“Monetary liability in lieu of a criminal proceeding”** – including in their meaning in Section 260 (a)(1a) of the Companies Law as shall be amended from time to time.

- 1.1.3. Reasonable expenses of the proceedings, including lawyers' fees, to be expended by you or imposed upon you by a court, in proceedings issued against you by the Company or on its behalf or by a third party, or in criminal proceedings from which you shall be acquitted, or in criminal proceedings in which you shall be convicted of an offense which do not require proof of criminal intention;
- 1.1.4. Payment to a party injured by a breach, which will be imposed upon you in connection with an administrative proceeding;
- 1.1.5. Expenses that you shall incur in connection with an administrative proceeding that was conducted in your case,

including reasonable expenses of the proceedings, including lawyers' fees.

In this Section, “**A Third Party**” – including in case of a claim filed against you by way of a derivative claim.

2. The aggregate indemnification amount that the Company shall pay its officers, including officers serving or who will serve upon the Company’s request as officers in Other Companies, pursuant to all the letters of indemnification that shall be issued by the Company, pursuant to the indemnification decision, for liability as stated in Section 1.1.1 above, shall not exceed 25% (twenty five percent) of the shareholders equity (in U.S. dollars) of the Company according to the Company's last (annual or quarterly) financial statements known before the actual indemnification payment (the “**Maximum Indemnification Amount**”) in addition to sums that may be received, if any, from insurance companies in connection to insurance policies that the Company has purchased.

2.1. If and insofar as the sum of all of the indemnification amounts that the Company shall be required to pay to officers thereof, as stated in Section 1.1.1 above, shall exceed the Maximum Indemnification Amount or the balance of the Maximum Indemnification Amount (as being at that time) according to Section 2 above, the Maximum Indemnification Amount, or the balance thereof, as the case may be, shall be divided among the officers who shall be entitled to such indemnification, which they have requested but not yet received, such that the indemnification amount that each one of the officers shall receive, in practice, shall be calculated according to the ratio between the sum of the indemnifiable liability of each of the officers and the total sum of the indemnifiable liability of all of such officers, in the aggregate.

2.2. Upon the occurrence of an event for which you may be entitled to indemnification in accordance with the aforesaid, the Company shall make available to you, from time to time, such funds as are required to cover the expenses and other various payments involved in the handling of such legal and/or administrative proceeding, including in inquiry and investigation proceedings, such that you will not be required to pay or finance the same yourself, and all subject to the conditions and provisions of this letter of indemnification.

Without derogating from the aforesaid, the indemnification .3  
undertaking pursuant to this Letter is subject to the  
provisions of this Section:

3.1. You shall notify the Company of any legal and/or administrative proceeding (including inquiry/investigation proceedings) to be

instituted against you in connection with any event for which the indemnification may apply and of any threat that shall be delivered to you in writing according to which such proceeding is to be instituted against you, with the appropriate promptness after first learning thereof, and you shall forward to the Company, or to whomever it shall instruct you, any document in connection with such proceeding. The aforesaid is subject to any bar to do so pertaining to any proceeding, applicable to you according to law.

- 3.2. Subject to the same not contradicting the terms and conditions of the officer liability insurance policy of the Company – the Company shall be entitled to assume the handling of your defense against such legal and/or administrative proceeding (including inquiry/investigation proceedings) and/or to entrust such handling to any attorney whom the Company shall choose for this purpose (other than an attorney who shall be unacceptable to you, on reasonable grounds), provided that all of the following cumulative conditions shall be fulfilled: (a) The Company shall have given notice, within 45 days from the date of receipt of the notice as stated in Section 3.1 above (or a shorter period if required for the purpose of filing your statement of defense or your response to the proceeding), that it shall indemnify you in accordance with the provisions of this Letter; (b) The legal and/or administrative proceeding (including inquiry/investigation proceedings) against you shall include only a claim for financial compensation. In handling the proceedings, the Company and/or such attorney will be entitled to act according to their sole discretion to conclude such proceeding; the attorney so appointed will act and will owe a duty of trust to the Company and to you. Where a conflict of interests between you and the Company and/or the Other Company shall arise, the attorney shall notify thereof, and you will be entitled to appoint an attorney on your behalf and the provisions of this Letter of Indemnification shall apply to the expenses that you shall incur in respect of such appointment. In case that the Company shall elect to settle in respect of a monetary charge or decide a dispute by way of arbitration in respect of a monetary charge, it may do so, insofar as the claim against you and/or the threatened claim against you as aforesaid in Section 3.1 above shall be fully removed. Upon the Company's request, you shall sign any document which will authorize it and/or any such attorney, to handle in your name your defense in the same proceeding, and represent you in all matters related thereto, according to the aforesaid.
- 3.3. You shall cooperate with the Company and/or with any attorney as aforesaid in any reasonable manner as shall be required of you by any of them in handling such legal and/or administrative proceeding (including inquiry/investigation proceedings), provided that the

Company shall arrange to cover all of the expenses entailed therein, in a manner that you shall not be required to pay or finance them yourself, all subject to the provisions of this Indemnification Letter.

- 3.4. Whether the Company shall act according to the provisions of Section 3.2 above or not, it shall ensure the coverage of all of the expenses and various other payments stipulated in Section 1.1 above in a manner that you shall not be required to pay them or finance them yourself, without such derogating from the indemnification secured to you according to the provisions of this Letter, all subject to the provisions of Section 2 above.
  - 3.5. Your indemnification in connection with any legal and/or administrative proceeding (including inquiry/investigation proceedings) against you, as stated in this letter, will not apply with respect to any amount that shall be due from you following a settlement, arbitration or arrangement for abstention from institution of proceedings or cessation of proceedings in an administrative proceeding (“**Arrangement**”), unless the Company shall consent in writing to such settlement to such arbitration being conducted, or to engaging in such Arrangement, as the case may be. Notwithstanding the aforesaid, in an administrative proceeding, the Company’s consent as aforesaid shall only be required if the Arrangement imposes or is expected to impose on the Company financial liabilities (except for expenses of the proceedings). The Company shall not withhold its consent to such settlement, to such arbitration being conducted or to engaging in such Arrangement, as the case may be, for unreasonable grounds.
  - 3.6. The Company will not be required to pay, pursuant to this Letter, funds actually paid to you, or in your name or in your stead in any manner, in connection with an insurance policy or indemnification commitment of any party other than the Company. For avoidance of doubt, it shall be clarified that the indemnification according to this Letter shall apply in respect of all other amounts that may be due to you beyond (and in addition to) an amount to be paid (if any) in connection with such insurance and/or indemnification.
  - 3.7. Upon your request for a payment in respect of any case, pursuant to this letter, the Company shall employ all of the necessary actions according to law for payment thereof, and will act for the arrangement of any approval required therefor, if any, including a court approval, if and insofar as it shall be required.
4. The Company’s undertakings according to this Letter are subject to the provisions of any law, as shall exist from time to time, including the

provisions of the Companies Law, especially the provisions of Chapter 5 of Part VI of the Companies Law, addressing transactions with interested parties.

5. The Company's undertakings according to this letter shall be available to you and/or your estate, also after expiration of your term of office as an officer of the Company and/or Another Company, provided that the acts in respect of which the indemnification undertaking pursuant to this Letter is being granted were and/or shall be carried out during the period of your term of office as an officer of the Company and/or Another Company. It is further clarified that subject to the provisions of Section 12 of this Indemnification Letter, the Company's undertakings according to this Indemnification Letter will apply also in respect of events which occurred prior to the signing of this Indemnification Letter.
6. In the event that the Company shall pay you or in your stead any amounts in the context of this Letter in connection with proceedings as aforesaid, and it shall subsequently transpire that you are not entitled to indemnification from the Company for such amounts, such amounts shall be deemed as a loan given to you by the Company, which shall bear interest at the minimal rate required from time to time according to law, to avoid causing a taxable benefit, and you shall be required to repay such amounts to the Company, when you shall be requested to do so thereby in writing and according to a payment schedule to be determined by the Company, of which final repayment date shall not exceed 24 months.
7. In this Indemnification Letter –

The “ <b>Companies Law</b> ” -	The Israel Companies Law, 5759-1999;
“ <b>Securities Law</b> ” -	The Israel Securities Law, 5728-1968;
The “ <b>Joint Investments Law</b> ”	The Israel Joint Investments in Trust Law, 5754-1994;
The “ <b>Advice Law</b> ” -	Israel Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management Law, 5755-1995;
The “ <b>Insurance Supervision Law</b> ” -	The Israel Financial Services (Insurance) Supervision Law, 5741-1981;
The “ <b>Pension Funds Law</b> ” -	The Israel Financial Services (Pension Funds) Supervision Law, 5765-2005;
“ <b>Officer</b> ” -	In its meaning in the Companies Law and including an employee of the Company;
“ <b>Act</b> ” or any derivative thereof -	Including a resolution and/or omission (or any derivative thereof) implicitly, and including your acts prior to the date of this Indemnification Letter during the term of your office as an officer at the Company and/or Another Company;
“ <b>Administrative Proceeding</b> ” -	A proceeding pursuant to Chapter H3 (imposition of a monetary sanction by the authority), Chapter H4 (imposition of administrative

enforcement measures by the administrative enforcement committee) or Chapter II (Arrangement for avoidance of institution of proceedings or cessation of proceedings, contingent upon conditions) of the Securities Law; Proceeding pursuant to Chapters J, J1 and K1 of the Joint Investments Law; Proceeding according to Chapters G1, G2 and H1 of the Advice Law; Proceeding according to Chapter II of the Insurance Supervision Law and according to Chapter H of the Pension Funds Law; Proceeding for imposition of a monetary sanction according to Article D of Chapter 4 of Part IX in the Companies Law, as shall be amended from time to time; and also any other administrative proceeding which according to law, indemnification may be granted for payments related thereto or expenses incurred in relation thereto;

**“Payment to a Party Injured by Breach” -**

Payment to a party injured by breach as stated in Section 52(54)(a)(1)(a) of the Securities Law (including as applied in the Joint Investments Law and in the Advice Law); as well as payment to a party injured by breach imposed by the Commissioner of the Capital Market according to Section 92L of the Insurance Supervision Law or Section 47 of the Pension Funds Law.

All statements in the masculine, include feminine implicitly.

Any place where the name of a law or a section of law is referred to in this Indemnification Letter, the intention is to the form thereof as shall be amended from time to time (directly or through another law) and including regulations promulgated thereunder and provisions given according thereto.

8. The Company's undertakings pursuant to this Indemnification Letter shall be construed broadly and in a manner designed to fulfill the same, as far as is permissible by law, for the object for which they were intended. In any case of discrepancy between any provision of this Indemnification Letter and any provisions of mandatory law, which cannot be modified or supplemented, the said legal provision shall prevail, although this shall not prejudice or derogate from the validity of the remaining provisions in this Indemnification Letter.
9. The Addendum to this Indemnification Letter constitutes an integral part hereof.
10. The indemnification undertaking pursuant to this Indemnification Letter does not constitute a contract in favor of any third party, including any insurer, and no insurer shall have any right to demand the Company's participation in a payment for which the insurer is liable according to the policy executed therewith (except for the deductible amount).
11. This Indemnification Letter shall be governed by Israeli law, and sole jurisdiction is conferred upon the court in Tel Aviv-Jaffa to hear disputes that shall derive from this Indemnification Letter. However, in case that a legal proceeding be instituted against you in another court by any third party, for which you are entitled to indemnification or any other right according to this Letter from the Company, the said court shall also be authorized to hear the disputes deriving from this Indemnification Letter, in respect of such proceeding.
12. The provisions of this Indemnification Letter prevail any prior undertaking or agreement (prior to the signing of this Indemnification Letter), whether written or oral, between the Company and the officer on the matters specified in the Indemnification Letter, also in respect of events that occurred prior to the signing of this Indemnification Letter and prior to any indemnification being requested from the Company in respect thereof. The aforesaid is contingent upon a prior indemnification letter provided to the officer, if any, continuing to apply and remaining in effect in respect of any event that had occurred prior to the signing of this Indemnification Letter (even if indemnification in respect thereof was requested from the Company after the signing of the amended indemnification letter), if the terms of this Indemnification Letter worsen the indemnification terms for the officer in respect of such event, subject to any law.

In witness the Company has signed, through its signatories, who have been duly authorized.

**Elron Electronic Industries Ltd**

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I confirm receipt of this Letter and confirm my agreement to all terms herein.

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Date:

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## The Addendum

Subject to the provisions of law, these are the kinds of events:

1. An offering, issue and self-purchase of securities by the Company or by a subsidiary, a corporation controlled by the Company or another company, in which the Company is a shareholder, directly or indirectly, or that the Company has any interest in whatsoever (the “**Company**”) or by a shareholder of the Company, including, but without derogating from the generality of the aforesaid, an offering of securities to the public pursuant to a prospectus or otherwise, a private placement or a securities offering in any other manner, or the issuance of bonus shares, or the performance of a tender offer or sale offer (including the offering of securities which was not ultimately executed), in or outside Israel, as well as other actions in respect of securities.
2. An event deriving from the Company being a public company or a reporting corporation, as such terms are defined in the Companies Law, or deriving from the fact that its shares or other securities shall have been offered to the public or deriving from the fact that its shares or securities are traded on a stock exchange in or outside of Israel or are held by the public in Israel or abroad.
3. Sale, purchase or holding of investments by or for or in the name of the Company.
4. Events associated with the execution of investments by the Company in any corporations, before, during and after the investment is executed, during the engagement, the signing, development and monitoring, including actions performed in the name of the Company as a director, officer, employee or observer on the board of directors of the corporation in which the investment is being executed.
5. Events related to consultation to the Company, performance and management of investments by the Company in any corporations.
6. Transactions and acts of the Company in their meaning in Section 1 of the Companies Law, including the execution, cancellation thereof and/or actions or transactions that the Company shall refrain from implementing, negotiations for engagement in a transaction, due diligence inquiry (including the non-performance thereof), transfer, sale, lease, renting, pledge or purchase of assets or liabilities, including securities, or rights or grant or receipt of a right in any of them including a tender offer of any type or merger of the Company with another entity, receipt of credit and grant of securities, cooperation agreements, ventures and management agreements, as well as another transaction in securities issued and/or to be issued by the Company, all whether the Company

is a party thereto or not, and whether the transactions and/or act as aforesaid be concluded or not for any reason.

7. An act in respect of the issuance of licenses and permits, including, but without derogating from the generality of the aforesaid, approvals and/or exemptions related to antitrust, the Chief Scientist and the Commissioner of the Capital Market, Insurance and Savings at the Israel Ministry of Finance.
8. An act or decision as well as any claim or demand either directly or indirectly connected with employment relations at the Company or held companies, employees' rights, including, without derogating from the generality of the aforesaid, negotiations, engagement and implementation of personal or collective employment agreements, employee benefits, allocation of options and other securities, loans to employees, employment and engagement terms, compensation, admission to work, employment and non-employment, promotion of employees, handling pension arrangements, insurance and saving funds and other benefits, hygiene and safety at work and injuries at work and so forth.
9. An act or omission related to information, representations, estimates, opinions, financial statements, reports or notices and applications for approval (as well as the actions underlying the same), filed with judicial and administrative authorities by the Company and/or in relation with the Company and its operations (even if not filed by the Company itself)(including the refraining from filing such report or notice) according to any law, including but without derogating from the generality of the aforesaid, the Companies Law or the Securities Law, including regulations promulgated thereunder, or according to rules or directives prevailing in the stock exchange in or outside Israel, or according to the directives of a qualified authority, including, without derogating from the generality of the aforesaid, the securities authority (in Israel and in the USA – SEC), the Antitrust Authority, Income Tax, the Databases Registrar, the Companies Registrar, the Trademarks Registrar, the Pledges Registrar, the Land Registrar, the Tel Aviv Stock Exchange Ltd., the Commissioner of the Capital Market, Insurance and Saving at the Ministry of Finance, the Supervisor of the Banks, local authorities, other qualified authorities in the field of communication, energy, planning and construction and so forth, whether in Israel or in other countries around the world, or according to the provisions of the tax laws applicable to the Company, as well as a claim or demand in respect of non-disclosure or failure to provide any type of information on the date required by law.
10. Transferring information required or permitted for transfer according to law to companies who are interested parties in the Company.
11. An act or omission in respect of voting rights in the Company or in held companies and the operation thereof.
12. Any proceeding (including a claim) or demand in respect of intellectual property rights of the Company or of held companies, the registration thereof,

enforcement and protection thereof, and/or in respect of a violation carried out or claimed to have been carried out of an intellectual property right and/or in respect of abuse through an act and/or omission in third party intellectual property by the Company or anyone on its behalf.

13. An act or omission in respect of the taking out and/or activation and/or handling of insurance arrangements and/or risk management, as well as any matter in respect of negotiations in respect of insurance agreements, engagement in insurance agreements, terms of insurance policies and the activation of insurance policies.
14. Any claim or demand filed by a lender or creditor of the Company in respect of funds loaned thereto thereby, and/or debts and/or undertakings of the Company and/or of a company held by the Company thereto.
15. Any claim or demand filed by the purchasers, owners, lessors, tenants or other holders of assets or products of the Company, for damage or losses related to the use of the said assets or products.
16. An act or omission in respect of issues in the field of environmental quality and/or in the field of planning and building, including any legal or administrative proceeding, whether in or outside Israel, in matters related, directly or indirectly, to environmental quality or the provisions of law, procedures or standards, as applicable in or outside Israel, in respect of environmental quality, and related, *inter alia*, to contamination, protection of health, production proceedings, distribution, use, handling, storage and transportation of hazardous materials including for bodily, property and environmental damage.
17. Any act or omission related to the distribution, as defined in the Companies Law, including the purchase of the Company's shares, provided that the indemnification for any such act or omission does not constitute breach of any law.
18. Claim or demand addressing any act or omission performed for the change of the Company's structure and/or reorganization thereof or any decision pertaining thereto, as well as any act, omission, claim or demand in respect of: merger, split, arrangement pursuant to the Companies Law, allotment or distribution as defined in the Companies Law.
19. Expression, statement including a position or opinion expressed in good faith by the officer while in office and in his capacity as officer, including in negotiations and engagements with suppliers or customers, and including within the context of meetings of the management, board of directors or any committee thereof.

20. Any claim or demand filed in respect of an appointment or motion for the appointment of a receiver for the Company or in respect of a motion for dissolution against the Company or in respect of any proceeding for settlement or arrangement with creditors of the Company.
21. Class actions or derivative actions in connection with the Company and its operations.
22. Acts and/or omissions in respect of the application for and/or receipt and/or renewal of licenses and/or approvals and/or permits required for the operations and business of the Company or that led to the non-renewal or revocation and/or non-compliance of the Company therewith or with standards and/or directives and/or requirements and/or procedures of a qualified authority by virtue of laws and/or orders and/or regulations that are relevant to the operations and business of the Company.
23. Proceedings, in or outside Israel, on matters related directly or indirectly, to the Israel Antitrust Law, 5748-1988 and/or to orders and/or regulations and/or rules promulgated thereunder, and/or approvals and/or permits issued by virtue thereof, including binding arrangements, mergers and monopolies.
24. All matters related to the preparation and/or approval of financial statements including acts or omissions related to the adoption of financial reporting standards (including international financial reporting standards – IFRS), preparation and signature on the Company’s financial statements, consolidated or separate, as applicable as well as in connection with the preparation and/or approval of the Board of Directors report and/or business plans and projections and/or the provision of an estimate in respect of the effectiveness of the internal auditing in the Company and in respect of other issues included in the financial statements and the Board of Directors report, as well as provision of certifications referring to the financial statements – all, whether pursuant to the reporting requirements according to Israeli law or according to foreign law.
25. All matters related to the preparation and/or filing of any reporting and disclosure document pursuant to securities laws in or outside Israel, including periodic reports according to the securities laws in Israel and the filing of periodic reports according to securities laws in the USA.
26. An act or omission in respect of the formulation of a business plan, formulation of a work plan, including in respect of pricing, marketing, distribution, instructions to employees, customers, agents, marketers and suppliers and any cooperation, the Company’s policy and procedures thereof; execution of actions following or in accordance with the Company’s policy, procedures and proceedings prevailing therein, whether published or not.

27. All matters related, directly or indirectly to the management of the Company's investment portfolio and/or the bank accounts, including foreign currency deposits, securities, loans and credit facilities, charge cards, bank guarantees, letters of credit, investment consulting agreements, including with portfolio managers, hedging transactions, options, future contracts and so forth.
28. Acts related to the filing of bids for tenders and/or franchises and/or licenses, of any type whatsoever.
29. An act contrary to the incorporation documents of the Company.
30. An act pertaining to a tax liability of the Company and/or of its shareholders.
31. Breach of the provisions of any agreement to which the Company is party, whether actually performed or is claimed to have been performed.
32. An act or decision, related directly or indirectly to the Company's trade relations and/or the Company's business, including with employees, external contractors, customers, suppliers, franchisers, consultants, tenants and service providers, or any third party conducting any type of business, directly or indirectly, with the Company, including negotiations, the execution and performance and/or non-performance of contracts with all of the aforesaid.
33. Any claim or demand that are filed, by a third party suffering a bodily injury or damage to an asset, resulting from an act or omission which are attributed to the Company and/or employees, managers and/or officers thereof and/or anyone on behalf thereof.
34. Any action, act and/or omission which caused bodily harm, sickness, death and/or damage to property, including loss of use thereof.
35. Decisions and/or acts pertaining to the Israel Consumer Protection Law, 5741-1981 and/or orders and/or regulations by virtue thereof, as well as decisions and/or acts pertaining to laws and/or regulations and/or orders and/or rules and/or directives of qualified authorities in matters of product liability, including without derogating from the generality of the aforesaid, the Israel Liability for Defective Products Law, 5740-1980, as well as legislation and regulation in the field of consumer health, as well as decisions and/or actions pertaining to the Israel Law for Supervision of Commodities and Services, 5756-1996 and/or orders and/or regulations promulgated thereunder.
36. Decisions and/or acts related to the Israel Protection of Privacy Law, 5741- 1981 and/or orders and/or regulations promulgated thereunder.
37. Acts within the context of a legal proceeding or an administrative proceeding by the Company and/or against it or against an officer.

38. Any of the events specified above, in connection with any Other Company (as defined in the beginning of this Indemnification Letter) as well as any of the events specified above, in connection with the capacity as a director or an officer on behalf of the Company or upon the request thereof in Another Company as stated above.
39. Events related to recruitment and representation of potential investors in the Company.
40. Involvement in a receivership or dissolution proceeding of held companies in which you served/are serving as a director.
41. Any provision in this Addendum pertaining to the execution of a certain act, will be construed as referring also to the non-execution or refraining from execution of such act, unless the context of matters in a certain provision requires otherwise.

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**Elron ~~Electronic Industries~~  
Ventures Ltd. (the “Company”)**

**Compensation Policy**

**Definitions**

The definitions and terms in this Compensation Policy shall bear the meaning determined therefor in the Companies Law, unless defined otherwise in the Compensation Policy.

The following terms in the Compensation Policy shall bear the following meaning, unless explicitly stated otherwise:

- |  |  |
|--|--|
| <b>“Company”</b>   | - Elron <del>Electronic Industries</del> Ventures Ltd.;  |
| <b>“Board of Directors” or “Board”</b>                     | - The Company’s board of directors;  |
| <b>“Committee” or “Compensation Committee”</b>             | - The Company’s compensation committee;  |
| <b>“Companies Law”</b>                                     | - The Companies Law, 5759-1999, and the regulations thereunder;  |
| <b>“Compensation Policy”</b>                               | - A policy regarding Terms of Office and Employment of Officers;   |
| <b>“Control”</b>   | As defined in the Companies Law, unless determined otherwise   |
| <b>“Officer”</b>   | - A director, CEO, Deputy CEO, Vice-President, and any and all other officers as defined in the Companies Law, insofar as will be appointed in the Company, and/or a manager who will be appointed and defined as an Officer with regard to the Compensation Policy by the Company’s Board of Directors; |
| <b>“Monthly Salary” or “Monthly Pay” or “Gross Salary”</b> | - The monthly salary is the monthly salary for the purpose of social benefits (i.e. excluding ancillary benefits, social benefits on the part of the Company, bonuses, equity compensation and additional benefits);   |
| <b>“Monthly Cost of Salary”</b>                            | - The cost to the Company in respect of any payment for the employment of an Officer per month which includes the Monthly Salary, social   |

benefits, car and expenses of use thereof, fixed benefits and payments according to law, and any other benefit or payment, with the exception of bonuses and other variable compensation;

- “Group” or “Company Group”** - The Company and/or subsidiaries and/or affiliated companies and/or group companies and/or a controlling shareholder of the Company and/or partnerships which are held and/or managed by the Company, including dedicated investment fund/s which the Company and/or corporations from the Company Group will hold at least 40% of the issued and outstanding capital of its/their general partner and/or will manage it/them.
- “Success Fee”** - Compensation for success/yield to which corporations in the Group will be entitled for providing management services and/or for yield on investment.
- “Bonus Year”** - The calendar year in respect of which the bonus is paid;
- “Terms of Office and Employment”** - According to the definition of the term in the Companies Law.

### **General**

- 2.1. The purpose of this document is to describe and specify the Company’s policy with respect to compensation of the Company’s Officers, the components thereof and the manner of determination thereof, *inter alia* in accordance with the provisions of the Companies Law. The proposed compensation policy is intended to assist with achievement of goals and the work plans of the Company, in the short- term, the mid-term and the long-term. Although the Company is not obligated to apply the Compensation Policy to the entire Group, since the Company’s Officers may hold office as officers also of other entities in the Group which are not the Company (including in a dedicated investment fund or in its general partner or in its management company), the Company is applying the Compensation Policy as aforesaid to officers of other corporations in the Group, provided that such officers hold office as Officers also of the Company. For the avoidance of doubt, the terms of this Compensation Policy shall not apply to persons who are not the Officers of the Company who shall hold office (insofar as shall hold office) as officers of other corporations in the Group which are not the Company (including in a dedicated investment fund or in its general partner or in its management company), *inter alia* since among the private corporations of the Company Group there are also startup

companies, the compensation structure of which is relevant to corporations of this type. The Company may approve that the Officers be employed also at corporations in the Company Group and receive the compensation in whole and/or in part also from the corporation in which they will be employed and/or from a different corporation in the Group, including from RDC Rafael Development Corporation Ltd. (“**RDC**”)

- 2.2. The Company is an operating holding company which focuses on the building of technology corporations and companies that are in various stages of development. Consequently, the Company’s financial results may vary significantly from one year to the next and are significantly dependent on its investments in the group corporations and on the disposition of its holdings. In view of the fact that the Company’s investments are in corporations which are generally at the research and development stage and consequently record current losses due to R&D expenses, the Company recognizes its share in the losses of the group corporations, in many cases irrespective of the success at the development stages and of the business and clinical progress of the group corporations, and will therefore usually record losses in the years in which no significant disposition transactions are performed.
- 2.3. The principles of the policy were intended to determine rational, proper and fair compensation for the Company’s Officers, which will ensure that the Officers’ compensation is consistent with the best interests of the Company and its organization-wide strategy, and simultaneously will lead to enhancement of the Officers’ sense of identification with the Company and its activity, strengthen the correlation between the scope of compensation for the Officer and maximizing profits from the Company’s operations including operations through corporations from the Company Group, will encourage the Officers to maximize the Group’s performance (and as a result the Company’s performance) and will enhance their satisfaction and motivation and lead to long-term retention of the high-quality Officers of the Company. The Compensation Policy is designed to reinforce patterns of behavior that the Company is interested in cultivating; to shape the desired organizational culture in the eyes of the Company; and to maintain the proper balance between the Company’s overall organizational strategy, objectives and work plans, as determined from time to time, and the creation of an appropriate incentive system for recruiting and retaining quality managerial personnel in senior management positions for the long-term, required for the Company’s further development and business success.
- 2.4. The considerations that guided the Compensation Committee and the Board of Directors of the Company upon determining the policy are promotion of the Company’s goals, its work plan and its policy from a long-term perspective;

creating proper incentives for the Company's Officers, considering *inter alia* the Company's risk management policy and its dynamic character as a company that invests in the research and development stage; the Company's size (considering, *inter alia*, its equity, the amount of its assets and the amount of an average annual investment in Company Group); the character of the Company as a holding company as specified above and the complexity of its activity; reinforcement of the identity of the interests of the Company's Officers and its shareholders; the possibility that the Company will also deal in management of dedicated investment funds within its areas of activity and the desire that employees and Officers will play a role in such funds if they are established and will contribute to their success; and with regard to Terms of Office and Employment which include variable components, providing discretion to consider the Officer's contribution to achievement of the Company's targets and to maximization of its profits over time, all with a long-term view and according to the Officer's position. The variable component is designed to reward the Officer for his achievements and for his contribution to the achievement of the Company's goals in the grant year and it also helps to retain officials in the Company.

- 2.5. Equity and/or performance-based compensation shall be granted in a manner that reflects the Officer's contribution to achievement of the Company's targets and to maximization of its profits, from a long-term perspective. The variable component shall be determined in conformance with the Company's performance and the personal performance of the Officer versus the targets that were defined for him in the framework of fulfillment of his duties according to his responsibilities, and in accordance with the Company's discretion. In this framework, an equity bonus instead of a performance-based bonus, and a grant that is not based on meeting measurable qualitative targets or quantitative targets may be granted. The main purpose of the equity compensation component is to increase the alignment of interests between the Officers and the Company's shareholders, and to strengthen the compensations grounding on a long-term component. Grant of an equity compensation serves the Company's interest, and the combination of equity compensation components constitutes a management tool for the Company to recruit and retain its Officers over time, to create a link between the compensation of Officers and the creation
- 2.6. The Company's of value for the shareholders of the Company and to incentivize the Officers to promote the interests of the Company and its shareholders

## **The Officer Compensation Concept**

### 3.1. General –

Upon determining and examining the compensation terms and conditions of the Company's Officers, the parameters listed below will, *inter alia*, be taken into account:

- 3.1.1 The Officer's education, qualifications, expertise, professional experience, and achievements.
- 3.1.2 The nature of the position and the level of responsibility and the authorities imposed on the Officer due to his position.
- 3.1.3 The Officer's contribution to the Company's performance, profits and stability, and promotion of the Company's goals, its work plan and its policy from a long-term perspective.
- 3.1.4 The Company's need to achieve long-term retention of the Officer in view of his skill, knowledge and/or unique expertise.
- 3.1.5 Previous agreements that were signed with the Officer (if any), and the terms of employment of the Officer who preceded him in the position.
- 3.1.6 The terms of employment that are customary at the Company for other Officers, considering their rank and responsibilities.

3.2 When the Company comes to recruit or appoint a new Officer, preference will be given to the fact that each Officer has achievements and professional experience in the field of the intended position.

3.3 As detailed below, the customary compensation for Officers of the Company can be composed of a fixed component, yearly compensation with a measurable component and a discretionary component, a special compensation at the discretion of the Board of Directors for one-off events, and an equity component (~~whether~~ by Equity Instruments (as the meaning of such term in section 7.1 below) ~~or by a cash compensation which will derive from the performance of the Company's stock~~). The overall compensation structure for the Officer, which includes Monthly Salary, social and related benefits and variable components, will be determined, *inter alia*, within the compensation ranges specified below, based on the parameters specified above, and while considering the existing compensation conditions of other Officers of the group, and the accepted compensation conditions for officers in similar positions at public (and private) companies with a similar market value and/or characteristics and size of operations, which engage in sectors that are

as close as possible to the operating sectors of the Company. Such a comparison will be made based on data that are publicly released and/or based on an external research study on the issue, as needed, insofar as the information is available and in the opinion of the Company, is relevant in the circumstances.

- 3.4 It is clarified that wherever ceilings are specified in this policy, the meaning is maximum potential value which may be granted, but the ceilings do not obligate the Company and/or the Board of Directors to any equity compensation component at all and/or of the ceiling amount.

### **The Fixed Component**

This component is intended to compensate the Officer for performance of the position at the Company and for performance of the position's ongoing tasks on a daily basis. In addition, this component is intended to give fair compensation to the Officers and to retain high-quality Officers who are suited to the Company's goals.

- 4.1. Monthly Pay (Gross Salary) – the Monthly Pay shall not deviate from the caps specified below:

<b>Rank</b>	<b>Monthly Pay cap (gross)</b>
CEO of the Company	ILS <del>120</del> <u>95</u> thousand
Another Officer subject to to the CEO	ILS <del>90</del> <u>75</u> thousand

- 4.2. The maximum fixed salary for the CEO and for another Officer of the Company is based on a full-time position. In a case where the Officer is employed on a part-time basis, the maximum salary component stated in the table will be adjusted to the actual scope of the position.
- 4.3. The Company shall be entitled to link the Officer's fixed component to the consumer price index (including linkage of the said cap amounts). The Company may determine that the fixed component shall not be reduced due to a decrease in the index, but a decrease in the index shall be deducted from any future increase.
- 4.4. A deviation of up to 10% above the gross salary cap as aforesaid (net of the linkage component) shall not be deemed as a deviation from the provisions of the Compensation Policy.
- 4.5. **Reimbursement of Expenses:**

The Officers shall be entitled to reimbursement of expenses that shall actually be incurred in the context of their position, including expenses for participation in meetings, travel expenses in Israel and overseas, per diem expenses (in and outside of Israel, including payment for housing and accommodation), newspapers, hospitality expenses, fees for membership of professional organizations, professional literature,

against presentation of receipts, all according to the Company's procedures.

4.6. **Social and Related Benefits:**

The Company shall be entitled to grant the Officers social conditions and benefits as determined in the law and, in addition thereto, as is customary at the Company, including:

- 4.6.1. Provisions for provident payments and severance pay<sup>1</sup>; work disability insurance; a study fund; leave and redemption thereof; sick leave; recreation pay.
- 4.6.2. Benefits that are ancillary to the salary as is customary for Officers in similar positions, including through payment of reimbursement of their expenses (such as: car, landline phone and mobile phone, laptop computer, internet connection, subscription to a daily newspaper, comprehensive medical assessment, etc. (including gross-up of benefit attribution value for tax purposes of these components, insofar as required and according to the Company's determination)) in accordance with the Company's procedures.

**Variable Compensation – Annual Bonus**

- 5.1. The Company shall be entitled to grant variable compensation to the Officer, in accordance with the principles specified in Sections 2 and 3 above.
- 5.2. The goal of the performance-dependent cash variable compensation is to encourage the Officers to act for the achievement of the Company's goals and targets, while creating an identity of interests between the Officers, the Company and its shareholders. Accordingly, the Officers of the Company will be entitled to an annual bonus according to measurable criteria ("**Measurable Component**"), and non-measurable qualitative criteria ("**Qualitative Component**" or "**Discretionary Component**"), all in accordance with the principles specified below (collectively: the "**Annual Bonus**").
- 5.3. Threshold conditions – the Company shall be entitled to grant an Annual Bonus to Officers in respect of the Measurable Component, as specified in Section 5.4 below, for a Bonus Year, subject to the following threshold conditions:

- ~~5.3.1.~~ The Company met its financial liabilities in the Bonus Year.

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<sup>1</sup> In accordance with the provisions of the law, including the possibility of release of money accrued in severance pay funds in any case of conclusion of employment, or pursuant to Section 14 of the Severance Pay Law, in accordance with an agreement with the employee, and in accordance with the accepted practice in the Company.

~~5.3.2.~~ The Company's financial statements do not include a "going concern" qualification for the Company.

5.4. The measurable component – measurable goals related to the Group's performance

5.4.1. Bonus cap – the entitlement of the Company's Officers to the Annual Bonus in cash for the measurable component will be subject to the following caps:

<b>Rank</b>	<b>Annual cap (in terms of number of salaries, gross)</b>
CEO	<u>64.5</u>
Another Officer who reports to the CEO	<u>4.5 2.5</u>

~~5.4.2~~ This component of the Annual Bonus for each Officer shall be calculated according to the Group or Officer achieving a target or targets which are measurable, such as: increase in the value of the Group's corporations, meeting the budget, turnover, gross profit, operating profit, EBITDA or net profit, obtaining resources for the Company, performance of investments for disposition of the Company's investments, completion of development milestones, obtaining regulatory approvals, submission or receipt of FDA approval by one of the companies, recruitment of a given number of patients for a trial, etc.

~~5.4.3~~ The targets for each Officer or for all of the Officers as a whole (except with respect to the CEO) shall be recommended by the CEO and approved by the Compensation Committee and the Board of Directors. The targets with respect to the CEO shall be approved by the Compensation Committee and the Board of Directors close in time to the beginning of the Bonus Year, and may be similar to those determined with respect to the other Officers.

5.4.4. Subject to the aforementioned, the Company's Board of Directors, after receiving the Compensation Committee's recommendation, is entitled to determine annually, close in time to the Bonus Year, the components of the targets, their weight in the formula of the bonus out of the bonus cap, the

range of percentage compliance with the targets, including the possibility of determining a minimum and a maximum standard, and the scope of eligibility for the bonus in relation to the percentage range of compliance with the targets and the time required to comply with the various targets. Partial compliance with a particular target may result in the granting of a partial bonus for such target, subject to the minimum standard determined, to the extent determined, while results reflecting excessive performance for a particular target, as applicable, may result in a bonus that exceeds the component attributed to the aforementioned target (subject to the total bonus cap in section 5.4). To the extent weights are not determined for each target, each target shall carry an equal weight.

5.4.5 The Board of Directors of the Company, after receiving the Compensation Committee's recommendation, is entitled to determine near the beginning of the compensation year that yearly cash compensation for the measurable component will not be granted for such year to an Officer or to all Officers in general, that goals will not be determined for an Officer or for all Officers in general, and that instead of a cash compensation for the measurable component the Officer may be able to receive an additional equity compensation as detailed in section 7.1 below.

#### 5.5 Discretionary bonus component

This component of the Annual Bonus shall be based on an evaluation in respect of performance of the Officer's duties and his performance in the Bonus Year, and shall be granted to an Officer of the Company based on the recommendation of the CEO and with the approval of the Compensation Committee and the Board of Directors of the Company, and with respect to the CEO – with the approval of the Compensation Committee and the Board of Directors of the Company. In any event, the discretionary component of the Annual Bonus shall not exceed ~~3~~1.5 Monthly Salaries for each Officer.

- 5.5. Timing of payment of the Annual Bonus – During a compensation year where the Annual Bonus is paid, it shall be paid to the Officers entitled to a bonus from the Company with respect to each calendar year of their employment period, no later than the date of the first salary due following the date of approval of the Company's consolidated financial statements for the same calendar year. Notwithstanding the aforesaid, for the component of the bonus that depends on measurable objectives relating to the performance of the Group, if determined for a certain compensation year, the Compensation Committee is entitled to determine that 70% of the bonus

eligibility for this component will be paid at the same time (i.e., the first paycheck payment after the approval of the Company's consolidated financial statements for the same Calendar year) and the remaining 30% will be paid after the Company's distributed consolidated financial statements for the year following the relevant calendar year and only if the Company meets the specified threshold conditions, in the relevant calendar year and the successor calendar year, listed in Section 5.3 above.

- 5.6. Denial of bonuses – If the office of any of the Officers shall end in circumstances in which his right to severance pay may be denied in the case of dismissal, his entitlement to an Annual Bonus and to any parts of an Annual Bonus not yet paid to him, shall be denied. In addition, the Company's Board of Directors will be authorized to cancel payment of the bonus or part thereof to a certain Officer in cases of the Officer's involvement in embezzlement, fraud and/or improper governance.
- 5.7. Reduction of bonuses – The Company's Board of Directors, upon the recommendation of the Compensation Committee, may reduce the bonus amount by up to 30%, considering the examination of the reasonableness of the bonus that was received as a result of the meeting of the targets, the Officer's contribution to the achievement thereof and the Company's financial and business condition.
- 5.8. Calculation of bonuses in the case of partial employment during the Bonus Year – In a case where the employment relationship between the Officer and the Company ends in the course of the Bonus Year after March 31, or in a case where an Officer began his employment in the course of the Bonus Year and shall have completed at least three months of employment, the Annual Bonus amount shall be calculated according to this Compensation Policy at the end of the calendar year, while it is possible to determine that the targets that were fixed will be amended and calculated proportionately according to the period of the Officer's employment in part of such year, as such may be relevant, and the Officer shall be entitled to the portion of the Annual Bonus proportionately to the period of his employment out of the year.
- 5.9. Publication in the Annual Report – Each year (if and insofar as in such year an Annual Bonus was granted to the Company's CEO according to this section) the Company shall publish in the annual report the measurable targets that were set by the Board of Directors for the CEO for the previous Bonus Year.

### **Special Bonus**

- 6.1. The Company's Board of Directors, upon the recommendation of the Compensation Committee, may approve payment of a one-time bonus to an Officer due to his considerable contribution to the leading and closing of a significant transaction for the Company ("**Special Event**"). The amount of the special bonus upon the occurrence of a special event as aforesaid shall not exceed ~~6-2~~ Gross Salaries. For this purpose, the

following shall be deemed as a special event: (1) a sale and/or disposition and/or merger of holdings of the Company and/or RDC in a group company (or its operations, as the case may be) at a value that is at least 3 times the total and nominal aggregate investment that was made in the group company by the Company and/or by RDC and a minimum gross transaction amount (the Company's or RDC's portion of at least \$10 million, or (2) special instances of transactions which the Compensation Committee and the Board of Directors determined that there was an extraordinary contribution by an Officer.

### **Variable Equity Component**

- 7.1. In the period of the Compensation Policy, the Company will be entitled to approve or act according to plans for the granting of equity compensation to Officers. The granting of equity compensation will take into account the Officer's contribution to the Group, his position, his importance to the Group and the period for which he has been working in the Group. The equity compensation may be granted in restricted stock units (RSU) and/or restricted stock and/or a share-based instrument and/or phantom options or options exercisable for shares of the Company/or for rights to success fee (whereas with respect to rights to success fee, if granted – the grant will be in accordance with a mechanism that will be determined and approved from time to time by the Board of Directors or the Compensation Committee, as applicable, and the value of such rights will be calculated upon their grant by an external valuator who will be determined by the Compensation Committee), or a combination thereof (the "Equity Instruments"). The allotment and vesting of the Equity Instruments will be contingent on the provisions specified below and/or in any other arrangement, in the context of a plan pursuant to Section 102 of the Income Tax Ordinance or any provision that shall substitute or modify it (on a capital or ordinary track) or in any other plan (whether with or without a trustee). The Compensation Committee and the Board of Directors are entitled to determine the minimum conditions for the release of the restrictions of restricted stock units (RSU) and/or restricted stock including at least the minimum conditions set forth in Section 5.3

The principles stated in this policy relating to the variable equity component reflect the main terms of the equity compensation of the Company's Officers. The other provisions pertaining to the allotment of the equity compensation will be determined in the compensation terms and conditions or in the equity compensation plan, including provisions regarding conditions with respect to entitlement to dividends and the vote of shares that are included in the equity compensation; accepted adjustments (including by way of changing the allotted quantity, changing the exercise price, as the case may be, compensation in cash, etc.), which include adjustments in respect of a dividend, stock dividends, changes in capital (consolidation, split, etc.), a rights offering, a restructuring of the Company (such as: split, merger, etc.); a

right of first refusal in the transfer of securities; the rights of the Officer in connection with restricted stock units and/or restricted stock and/or phantom and/or stock options; taxation matters; manner of exercise of the options; acceleration of the equity compensation upon conclusion of office, change of control, ceasing trading etc. The Compensation Committee and the Board of Directors may determine additional provisions in connection with the equity compensation, and update, from time to time, the conditions and provisions thereof.

~~7.2.1~~7.1.1 Vesting period – The total vesting period of the equity compensation shall be spread out over a period which shall be no less than three years from the date of grant of the Equity Instrument. It will be possible to determine that the equity compensation will vest in installments in the framework of the said total vesting period, provided that the first installment shall vest no earlier than the lapse of one year from the date of the grant. The vesting of the equity compensation shall be contingent on the continued employment or office of the Officer at the Company and/or at a corporation of the Company Group at the time of the vesting of each installment.

7.1.2. Cap on the value of the benefit – In general, the ceiling economic value of the equity compensation that shall be granted, insofar as granted, on the date of the grant, for a bonus year (which will be calculated on a linear basis and not on an accounting basis);, -

7.1.2.1. In a year in which the Board of Directors decided that an annual cash compensation for the measurable component will be granted for such year to a certain Officer or to all Officers in general as set forth in section 5.4.4 above such shall not exceed an amount equal to 9 times the Monthly Pay (Gross Salary) for the CEO and 6 times the Monthly Pay (Gross Salary) for an Officer to which a cash compensation is granted for such year.

~~7.2.2~~7.1.2.3. In a year in which the Board of Directors decided that an annual cash compensation for the measurable component will not be granted for such year to a certain Officer or to all Officers in general as set forth in section 5.4.4 above, the ceiling value of the equity compensation will increase accordingly, such that it will be 9 times the Monthly Pay (Gross Salary) for the CEO and 6 times the Monthly Pay (Gross Salary) for another Officer subject to the CEO plus the ceiling value of the annual cash compensation for the measurable component (as set forth in section 5.4.1 above) for such Officer.

7.2.3.7.1.3.Exercise price – Upon the granting of options, the exercise price of each option shall be no less than the average price of the Company’s stock on the stock exchange in the 30 trading days preceding the date of the grant, or than the price of the Company’s stock on the date of the option grant, as shall be determined on the date of the grant.

7.2.4.7.1.4.Duration - Any installment of the equity compensation in an exercise dependent Equity Instrument, shall be exercisable within a period to be determined on the date of the grant and which shall not exceed 8 years from the date of the grant.

7.2.5.7.1.5.Exercise according to the value of the benefit – The Compensation Committee and the Board of Directors of the Company shall be entitled to determine, in the framework of the granting of Equity Instruments, that the exercise thereof shall be performed according to the value of the benefit therein (“Cashless”), such that at the time of exercise of the options, the Officer will be entitled to a number of underlying shares that reflects the benefit component only.

7.2.6.7.1.6.Exercise value – The Compensation Committee and the Board of Directors of the Company will be entitled to determine a cap on the exercise value of the Equity Instruments or not to determine such a cap in the compensation plan and/or in a specific grant.

7.2.7.7.1.7.The Company will be entitled to determine, in plans for the granting of compensation as aforesaid, provisions regarding its right to purchase the shares from the Company’s employees.

### 7.3.7.2.The Company’s stock yield index

7.3.1.7.2.1. ~~In the event that in respect of a calendar year, the Company shall choose not to allot equity components according to Section 7.1 above<sup>2</sup>, then in lieu of the grant of equity compensation through equity components, a cash bonus will be paid for the same calendar year (or for the part of the year with respect to which the aforementioned equity components were not granted, as applicable and mutatis mutandis) which is subject to the cap specified in Section 7.1.2 above, which shall be derived from~~

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<sup>2</sup> Excluding an equity component which is instead of annual cash compensation for the measurable component only.

~~the performance of the Company's stock yield, as specified below.~~

~~7.3.2.7.2.2. \_\_\_\_\_ The rationale in using the test of the Company's stock yield is that the Company's management has key influence over the Company's results and performance, and consequently over the capital market's confidence in the Company.~~

~~7.3.3.7.2.3. \_\_\_\_\_ This component of the Annual Bonus for each Officer shall be calculated based on the ILS yield of the Company's stock during the Bonus Year, while the minimum yield in respect of which 40% of the bonus cap will be granted for this component is 10% ("Minimum Threshold") and for a 20% stock yield, the Officer shall be granted 100% of the bonus cap which is attributed to this bonus component (the "Maximum Threshold"). The bonus for this component for performance levels between the Minimum Threshold and the Maximum Threshold shall be calculated in a linear manner.~~

~~7.3.4.7.2.4. \_\_\_\_\_ The stock yield shall be calculated as follows: at the beginning of each Bonus Year, the average price of the Company's stock in the 30 trading days preceding January 1 of such year shall be calculated, and at the end of each Bonus Year, the average price of the Company's stock in the last 30 trading days of such year shall be calculated. The calculation of the yield shall include adjustments as is accepted, such as yield to the shareholders for dividend distributions and adjustments to changes in the share capital such as stock combinations, a stock split, the granting of stock dividends, etc.~~

~~7.3.5.7.2.5. \_\_\_\_\_ Calculation of the stock yield index component in the case of partial employment during the Bonus Year — in a case where the employment relationship between the Officer and the Company ends in the course of the Bonus Year after March 31, or in a case where an Officer began his employment in the course of the Bonus Year and shall have completed at least three months of employment, the amount to which the Officer is entitled in respect of the stock yield index component shall be calculated according to this Compensation Policy, at the end of the calendar year, and the Officer will be entitled to part of the Annual Bonus proportionately to the period of his employment out of the year.~~

7.4.7.3. Equity compensation in group companies that are not controlled by the Company - The Company's Officers sometimes serve as officers and directors of group companies of the Company which have equity compensation plans. In a case where an Officer of the Company either

serves or shall serve as an officer, including as a director, of a group company that is not controlled by the Company, subject to the approval of the Company's Board of Directors, the Officer may be compensated according to the compensation policy of the group company (with respect to the equity compensation), independently of the Company's other compensation components, all in accordance with the compensation policy and the compensation plans of the group company, and the same shall not be deemed as compensation which is granted by the Company.

~~7.5.7.4.~~ Equity compensation in group companies controlled by the Company - The Company's Officers who serve or will serve officers and directors of group companies controlled by the Company may be entitled to equity compensation under an equity compensation plan of such controlled company, subject to the approval of the Compensation Committee and the Board of Directors of the Company, provided that the amount of the equity compensation officers on behalf of the Company as aforesaid shall not exceed 5% of the said controlled company.

#### **Ratio Between a Fixed Component and a Variable Component**

8.1. The maximum variable component paid by the Company according to this Compensation Policy to any Officer shall not exceed 60% of the total annual compensation cost of the Terms of Office and Employment of the Officer<sup>3</sup>. For the avoidance of doubt, for this purpose, equity compensation as stated in Sections ~~7.23~~ and ~~7.34~~ above shall not be counted.

#### **Compensation for Directors**

9.1. The fixed compensation for directors of the Company shall be annual compensation and per-meeting compensation (including in the case of a written resolution or a telephone conversation) and reimbursement of expenses, to be determined in accordance with the provisions set forth in the Companies Regulations (Rules on Compensation and Expenses of an Outside Director), 5760-2000 (the "**Compensation Regulations**"). Lawful VAT shall be added to the annual compensation and to the per-meeting compensation, insofar as required.

9.2. Considering the nature and size of the Company, as being from time to time, the roles and duties of a director of the Company, the Company may determine that the payments to the directors shall also be according to the provisions that apply to proportionate compensation pursuant to

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<sup>3</sup> For this purpose, "variable component" includes annual bonus, special bonus compensation in the form of an equity component. For the purpose of calculating the equity compensation, it shall be clarified that it is the economic value of the equity compensation on the date of the grant, as estimated by accepted economic models, and spread out in a linear manner over the vesting period of the equity compensation.

the Compensation Regulations, including with respect to compensation in securities which will comply with Section 7 above.

- 9.3. The aforesaid notwithstanding, in the event that an active Chairman or an active acting Chairman of the Board shall be appointed for the Company, all of the provisions set forth in this document with respect to the rank of CEO shall apply to him, *mutatis mutandis*, in accordance with the approvals required pursuant to law, and as the case may be<sup>4</sup>.

9.4 The Chairperson of the Board of Directors, who is a controlling shareholder in the Company, will not receive compensation through the Company's capital instruments (as described in Section 7.1 above), but will be able to receive the value of the capital compensation as stated in Section 7.1 with a fixed compensation and/or an annual bonus and/or a special bonus, as determined by the Company and subject to approvals by law. In addition, in lieu of discretionary bonus, with respect to a chairperson who is a controlling shareholder, the Company will be able to convert the amount of the discretionary bonus component that could have been granted to the CEO, with the measurable component of the annual bonus or the special bonus. The determination of the measurable component of the annual bonus will be made with the necessary adjustments required by the provisions of the law and the Securities Authority's guidelines regarding compensation to a controlling shareholder.

### **Conclusion of Employment Arrangements**

- 10.1. Each one of the Company's Officers shall have a specific severance and retirement package determined for them, which takes into account the terms of the Officer's employment upon his retirement, the Officer's seniority at the Company, his contribution thereto and the circumstances of his retirement. With respect to new employees and Officers, the conditions shall be determined according to the Company's common practice and under similar terms and conditions.
- 10.2. Payment for prior notice – The Company will be entitled to grant the CEO of the Company Officer prior notice for a period not exceeding 4 months and any Other Officer subject to the CEO, not exceeding 3 months, during which the Officer shall undertake to provide the Company with services in practice, in the course of which the employee will be entitled to all of the conditions and benefits and to the bonuses and to the equity component for the period in which he actually worked. The Company shall be entitled to waive the Officer's employment at the Company during the prior notice period and to pay the consideration that is due to him in lieu of the prior notice, plus all of the conditions and benefits or the value thereof, also in the case of immediate termination of employment.
- 10.3. Adjustment/Retirement bonus
- 10.3.1. The Compensation Committee shall have the option of approving an adjustment bonus/retirement bonus for an Officer<sup>5</sup> according to the following provisions:

<b>Position/Bonus</b>	<b>Worked in the Company for more than 3 years and up to 5 years</b>	<b>Worked in the Company 5 years or more</b>
CEO	Up to 4 times Gross Salary	Up to 8 times Gross Salary

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<sup>4</sup> It is clarified that as of the date of approval of this Compensation Policy, the Chairman of the Board receives directors' compensation in accordance with the provisions of Section 9.1 of the policy.

<sup>5</sup> Over and above the Officer's rights to severance and prior notice as detailed in the policy

Other Officer subject to the CEO	Up to 3 times Gross Salary	Up to 6 times Gross Salary
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- 10.3.2. The Company may condition payment of the adjustment or re retirement bonus on the Officer's non-compete undertaking during the adjustment period.
- 10.3.3. The considerations for granting an adjustment or retirement bonus may include, *inter alia*, and insofar as they are known at the time of the making of the decision, the period of the Officer's employment, the terms of his employment in such period, the Company's performance in the said period, the Officer's contribution to achievement of the Company's targets and to maximization of its profits, a special non-competition undertaking, and the circumstances of the retirement.
- 10.3.4. The Company may approve an adjustment or retirement bonus as aforesaid for an Officer during the term of his office or upon conclusion of his office, which shall be paid at the time of conclusion of the Officer's office.

### **Insurance, Indemnity and Exemption**

- 11.1. Insurance policy – The Company shall be entitled to acquire each year, including in accordance with Regulation 1B1 of the Companies Regulations (Reliefs for Interested Parties' Transactions), 5760-2000 (the "**Relief Regulations**") and subject to the approval of the compensation committee only, an insurance policy for directors and officers liability, including a run-off policy or an insurance covering a relevant event or action, applying to the Company's and/or its subsidiaries' directors and officers, as will serve from time to time, which insurance shall cover their liability subject to applicable approvals and limitations under law. The Company's compensation committee shall determine the total annual insurance premiums (for these policies) and the deductibles in accordance with the market terms in effect at the time of purchase of the policies.
- 11.2. Advance indemnity – The Company shall be entitled to give an advance indemnity undertaking to each Officer of the Company in his capacity as an officer of the Company or by virtue of his position at other companies in which he was appointed on behalf or at the request of the Company, subject to the restrictions and approvals set forth in the law. The indemnity amount that the Company shall pay to all of the Officers, in the aggregate, including Officers who serve or shall serve, at the

request of the Company, as officers of other companies, under all of the letters of indemnity that shall be issued to them by the Company pursuant to the indemnity resolution, in respect of a monetary liability, shall not exceed, in the aggregate, 25% (twenty five percent) of the Company's equity (in U.S. dollars), according to the Company's last (annual or quarterly) financial statements that are known before actual payment of the indemnity plus amounts that shall be received, if any, from an insurance company in the framework of insurance in which the Company engaged. The aforesaid does not derogate from an indemnity undertaking if and insofar as shall have been approved and/or given in the past by the Company to Officers, and which is valid.

- 11.3. Retroactive indemnity – The Company shall be entitled to indemnify any Officer retroactively in the broadest possible manner according to the Companies Law.
- 11.4. Exemption – The Company shall be entitled to grant the Officers, subject to the provisions of any law, exemption from liability due to any damage caused thereto due to a breach of the Officer's duty of care thereto by his actions in his capacity as an Officer, subject to the provisions of the law and the Company's articles of association. The said exemption shall not apply in relation to an act or omission of an Officer with respect to a resolution or transaction in which the controlling shareholder or any Officer has a personal interest. The said qualification does not apply to Officers who were first appointed prior to approval of the compensation policy that was approved at the general meeting of February 27, 2017 (see the notice of meeting report of February 16, 2017, Ref. No.: 2017-01-016902) and who are entitled to exemption according to resolutions that were adopted in the past at the Company.
- 11.5. This Compensation Policy does not derogate from resolutions of the Company which were adopted in the past with respect to the giving of advance indemnity and/or an indemnity undertaking and/or an advance exemption from liability, to Officers, as permitted under the Companies Law.

**The ratio between the Terms of Office and Employment of the Officers and the salary of the Company's employees**

- 12.1. Upon determining the compensation conditions of the Company's Officers, an examination shall be made, *inter alia*, of the ratio between the terms of office of each one of the Company's Officers and the salary cost of the Company's other employees and of contract workers retained by the Company, and in particular the ratio to the average and median salary of such employees, considering the nature of the Officer's role, his seniority, the level of responsibility imposed on him and the number of employees at the Company. The Compensation Committee and the Board of Directors of the Company shall examine, from time to time, the reasonableness of this ratio, considering, *inter alia*, the nature of the Company's activity, its size and the manpower mix employed thereby.

In the process of formulating the Compensation Policy specified above and below, the Compensation Committee and the Board of Directors examined the ratio between the present terms of office of the Officers versus the average and median salary of the Company's employees. The Compensation Committee and the Board of Directors determined that the ratio is reasonable and does not adversely affect the working relations at the Company.

### **Repayment of Amounts Granted to Officers, to the Company**

- 13.1. In a case where, within 3 years from the date of approval of the Company's consolidated and audited financial statements for the Bonus Year, its financial statements are amended due to data that transpired to be erroneous and were restated in the Company's financial statements, such that, had the bonus amount that was due to the Officer for such year been calculated according to the amended data, the Officer would have received a lower bonus than that which he received in practice, the Officer shall repay the Company the difference between the bonus amount that he received and that to which he was entitled due to the said amendment. The said amounts shall be repaid without linkage. The manner of repayment of the amounts to the Company, including in installments, shall be determined by the Compensation Committee and the Board of Directors of the Company, provided that they are performed within a reasonable time, considering the circumstances.
- 13.2. In a case where the Company's consolidated and audited financial statements for any year are amended due to data that transpired to be erroneous and were restated in the Company's financial statements, such that had the bonus amount which was due to the Officer for such year been calculated according to the amended data, the Officer would have received a higher bonus, the Company shall pay the Officer the difference between the bonus amount to which he was entitled and that which he received due to the said amendment. The said amounts shall be paid without linkage. The amounts to be repaid (whether to the Company or to the Officer) shall be calculated considering mandatory payments according to law that were met by the Officer in respect of the amount that was initially paid to him, and any reimbursement of such mandatory payments that the Officer shall receive in respect of the amount that he repays.
- 13.3. The provisions of this section shall not apply in the event that an amendment to the Company's financial statements is made due to changes in the accounting standards or in legislation, the application of which shall commence after the date on which the Company's Board of Directors shall approve, for the first time, the Company's financial statements for such year.
- 13.4. The Compensation Committee and the Board of Directors will be entitled to determine the repayment dates, such that they shall be

performed within a reasonable period, considering the size of the amount that the Officer is required to repay.

### **An Immaterial Modification of the Employment Terms**

14.1. Pursuant to the provisions of the law, the Compensation Committee (with respect to the CEO) or the Compensation Committee and/or the Company's CEO (with respect to Officers who report to the Company's CEO), as the case may be, shall be entitled to approve an immaterial modification of the employment terms that were approved according to this policy as stated in Section 272(d) of the Companies Law or Section 1B3 of the Relief Regulations. For this purpose, "immaterial modification" – a modification of up to 10% per year versus the total compensation cost of the Officer that was originally approved by the Compensation Committee and the Board of Directors, and with respect to the CEO, by the general meeting, all subject to the compensation caps set forth in this policy, provided that the modification throughout the period of the Compensation Policy does not exceed 15%.

### **Period of the Compensation Policy**

The Compensation Policy shall be in effect for a period of three years commencing from the date of receipt of the general meeting's approval of the Compensation Policy and/or approval of the Board of Directors, insofar as the Compensation Committee and the Board of Directors shall have approved the policy despite the meeting's objection. For the avoidance of doubt, it is clarified that the provisions of this Compensation Policy with respect to the Annual Bonus shall apply commencing from the Annual Bonus for 202~~2~~5 and thereafter.

### **Miscellaneous**

- 16.1. The provisions of this Compensation Policy apply only to the Officers of the Company.
- 16.2. The Compensation Policy is drafted in the masculine gender for the sake of convenience only, but its provisions shall apply to both women and men, with no difference and with no change.
- 16.3. The Company may pay compensation to the Officer as an independent service provider (including through a company under his control) and not as a salaried employee, in which case, the payment cap for him shall be calculated according to the cost-of-salary cap for a salaried employee of the Company in his position (with the necessary adjustments), and the principles of the Compensation Policy shall apply with respect to him, *mutatis mutandis*.
- 16.4. This document establishes no right (including a right to receive compensation of any type whatsoever) for Officers to whom this Compensation Policy applies and/or any other third party. Insofar as an

Officer is granted lower compensation than the compensation described in this policy with respect to the same kind of officer, the same shall not constitute a deviation from the provisions of this policy.

- 16.5. The Compensation Committee and the Board of Directors shall examine, from time to time, the Compensation Policy and the need for adjustment thereof, and in particular whether a material change has occurred in the circumstances that existed at the time of determination hereof or for other reasons, and the need to determine a compensation plan for Officers of the Company, in consideration of the Compensation Policy.
- 16.6. Subject to the provisions of any law, the Compensation Policy does not derogate from existing agreements, or from Terms of Office and Employment or compensation that were approved prior to the determination of the Compensation Policy.

\* \* \*

**Elron Ventures Ltd. (the "Company")**

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

1. **Name of Company:** Elron Ventures Ltd.
2. **Type of General Meeting, Time and Location for the Convening thereof:**  
Special and Annual General Meeting of the Company's shareholders to be convened on **January 2, 2025, at 15:00 (Israel time)**, at the Company's offices at ToHa Tower, 114 Yigal Alon St., 22<sup>nd</sup> Floor, Tel Aviv, Israel.
3. **The Items on the Agenda that May Be Voted on with This Ballot:**

A summary of the items on the meeting agenda that may be voted on with this ballot is set forth below. For additional details regarding the issues on the agenda see the immediate report published by the Company on **November 27, 2024**, on the distribution website of the Israel Securities Authority at [www.magna.isa.gov.il](http://www.magna.isa.gov.il) and on the website of the Tel Aviv Stock Exchange Ltd. at [maya.tase.co.il](http://maya.tase.co.il), to which this ballot is attached (the "**Immediate Report**").

The following items are on the agenda of the meeting:

- 3.1. **Items 1-5 - reappointment of the Company's incumbent directors (excluding the external directors):** Ms. Lisyah Bahar Manoah (Chairperson of the Board), Mr. Evan Yonatan Renov, Mr. Ariel Bentov, Mr. Dan Hoz and Mr. Shalom Tourgeman (independent director), as directors of the Company for an additional term of office commencing from the date of approval of their appointment by the general meeting that is called according to the report convening the meeting until the next annual general meeting of the Company

Each nominee shall be voted for separately.

The nominees to serve as directors of the Company, as stated above, have provided the Company with declarations in accordance with Section 224B of the Companies Law, copies of which are attached as **Exhibit A** to the report convening the meeting.

For further details regarding the Directors from among the Controlling Shareholder, Ms. Lisyah Bahar Manoah (Chairperson of the Board), Mr. Evan Yonatan Renov and Mr. Ariel Bentov (the "**Directors from Among the Controlling Shareholder**"), see the Company's reports of 4 September 2024 (Ref. no.: 2024-01-600931, 2024-01-600924 and 2024-01-600928), which are incorporated herein by reference (the "**Reports**"); for further details regarding the directors Mr. Dan Hoz and Mr. Shalom Tourgeman (independent director), see Section 13 of Part D of the Company's annual report as of 31 December 2023, as released by the Company on 20 February 2024 (Ref. no.: 2024-01-015187), incorporated herein by reference (the "**2023 Report**").

Pursuant to Section 7(a)(5)(b) of the Voting Regulations, presented below are the required details regarding the Candidates for Office as Directors and any of the details required by Section 26 of the Reports Regulations, if changed since the 2023 Report, to the best of the Company's knowledge:

<b>Name:</b>	<b>Ms. Lisya Bahar Manoah (Chairperson of the Board)</b>
<b>Membership of board committees</b>	No
<b>Year in which his/her office as a director began</b>	4 September 2024
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the Reports</b>	Unchanged

<b>Name:</b>	<b>Mr. Evan Yonatan Renov</b>
<b>Membership of board committees</b>	No
<b>Year in which his/her office as a director began</b>	4 September 2024
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the Reports</b>	Unchanged

<b>Name:</b>	<b>Mr. Ariel Bentov</b>
<b>Membership of board committees</b>	No

<b>Year in which his/her office as a director began</b>	4 September 2024
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the Reports</b>	Unchanged

<b>Name:</b>	<b>Mr. Dan Hoz</b>
<b>Membership of board committees</b>	No
<b>Year in which his/her office as a director began</b>	8 June 2021 (office as chairman of the Board: 14 November 2021 to 4 September 2024)
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the filing of the 2023 Report</b>	Unchanged

<b>Name:</b>	<b>Mr. Shalom Tourgeman (independent director)</b>
<b>Membership of board committees</b>	Audit Committee and Compensation Committee
<b>Year in which his/her office as a director began</b>	7 December 2020
<b>Any of the details required by Section 26 of the Reports Regulations, if changed since the filing of the 2023 Report</b>	Unchanged

The nominees to be directors at the Company, as listed above, have provided the Company with declarations in accordance with Section 224B of the Companies Law, of which copies are attached as Annex A to this immediate report.

For additional details regarding compensation, insurance arrangement and exemption and indemnification arrangements for nominees to be re-appointed as directors of the Company see section 8.1 of Part D of the Company's annual report for 31.12.2023 and note 18d of the consolidated financial statements attached to the periodic report for 2022, the details of which are incorporated herein by reference. For additional details regarding the terms of service of Directors from Among the Controlling Shareholder, see immediate report dated September 4, 2024 (reference no. 2024-01-601027) the details of which are incorporated herein by reference. For additional details regarding the proposed terms of service of Lisya Bahar Manoah (the Chairperson), see Section 3.3 of the Immediate Report.

For additional details regarding the subjects in Items 1-5 on the agenda, see Section 1.1 of the report convening the annual general meeting of shareholders of the Company.

**3.2 Item No. 6 – Approval of Grant of letters of indemnification to Directors from Among the Controlling Shareholders.**

Proposed Resolution: To approve the granting of the letters of indemnity to Directors from Among the Controlling Shareholder as specified in Part B and Part F of the report convening the meeting, under terms and conditions identical to the current letter of indemnity existing at the Company, which is attached hereto as Annex B, for three years commencing on the date of the general meeting's approval according to the report convening the meeting

For additional details regarding Item 6 on the agenda, see Part B and Part F of the report convening the meeting.

**3.3 Item No.7 – Approval of terms of service of the Chairperson of the Board of Directors.**

Proposed resolution: To approve the terms of office of Ms. Lisya Bahar Manoah as Chairperson of the Company's Board (as a service provider with no employment relationship), in effect from 1 January 2025, as specified in Part C and Part F of the report convening the meeting.

For additional details regarding Item 7 on the agenda, see Part C and Part F of the report convening the meeting.

**3.4 Item No. 8 – Approval of a discretionary bonus to Mr. Dan Hoz., former chairman of the Board of the Company for 2023 and 2024.**

Proposed resolution To approve a discretionary bonus in the sum of ILS 99,517 for Mr. Dan Hoz, former chairman of the Company's Board, for 2023, and a discretionary bonus in the sum of ILS 68,487 for 2024, as specified in Part D of the

report convening the meeting.

For additional details regarding this Item, see Part D of the report convening the meeting.

**3.5 Item No.9 - Reappointment of the Company's auditor and authorizing the Company's Board of Directors and Audit Committee, insofar required, to determine their fees as auditors and report on their fees for 2023.**

The proposed Resolution: To approve the re-appointment of the accounting firm Kesselman & Kesselman (PwC) as the Company's auditor for an additional term until the Company's next annual general meeting, and to authorize the Company's Board of Directors and Audit Committee, insofar required, to determine their fees as auditor.

For additional details regarding this Item 9, see Section 1.5 of the report convening the meeting.

**3.6 Item No.10 - Report to the annual meeting on the fees of the auditors for 2023 published on February 20,2024.**

Discussion (without decision) in the financial statements of the Company for December 31, 2023 and the Board of Director's report on the Company's affairs for the period of twelve months ending on December 31, 2023 as published by the Company in its immediate report from February 20, 2024 (ref. Number 2024-01-015187).

**3.7 Item No. 11 - Approval of the Company's officers' compensation policy, in accordance with Section 267A to the Companies Law.**

The proposed Resolution: To approve the Company's officers' compensation policy, as detailed in **Exhibit C** to the report summoning the meeting, in accordance with Section 267A to the Companies Law, for a period of 3 years.

For additional details, see Part E to the report summoning the meeting.

**4. Location and Hours for Inspecting the Proposed Resolutions in Full:**

Copies of the Immediate Report, declarations of director nominees, and proposed resolutions on the meeting's agenda are available for inspection at the Company's offices in ToHa Tower, 114 Yigal Alon St., 22nd Floor, Tel-Aviv, Israel, after prior coordination with the Company's secretariat, at 972-3-6075555, Sunday through Thursday (excluding holidays and the eves of holidays) between 09:00 and 16:00, until the date of the meeting, as well as on the website of the Israel Securities Authority at <https://www.magna.isa.gov.il> and on the website of the Tel Aviv Stock Exchange Ltd. at <https://maya.tase.co.il>. In addition, this English translation of this Report will appear on the Company's website at <https://www.elronventures.com>.

5. **The Required Majority for Approval of the Resolutions on the Agenda:**

- 5.1. The required majority for the approval of the proposed resolutions set forth in Sections 3.1, 3.4 and 3.5 above is a majority of the shareholders who are entitled to vote and who voted at the meeting, in person or by proxy (including via ballot) or through the internet voting system.

To the best of the Company's knowledge, as of the date of this summoning report, the Company's controlling shareholder, Arieli EL Ltd., holds approximately 59.02% of the Company's outstanding share capital and voting rights, a holding percentage that confers the controlling shareholder the required majority for approval of the issues set forth in Sections 3.1 and 3.4 and 3.5 above.

- 5.2. The majority required for adoption of the proposed resolution set forth in Section 3.2 and Section 3.3 above, is a majority of the shareholders entitled to vote and participating in the vote, in person or by proxy (including via ballot) provided that one of the following is fulfilled:

5.2.1. The majority vote count at the general meeting will include a majority of all votes of shareholders participating in the vote who are not controlling shareholders in the Company or have personal interest in approving the appointment, except for a personal interest that is not a result of a relationship with the controlling shareholder. The vote count of such shareholders shall not take into account abstaining votes. Regarding shareholders with a personal interest, the provisions of Section 276 shall apply mutatis mutandis.

5.2.2. The total dissenting votes among the shareholders specified in Section 5.2.1 above, does not exceed two percent (2%) of the total voting rights in the Company.

- 5.3. The majority required for adoption of the proposed resolution set forth in Section 3.7 above, is a simple majority of the shareholders entitled to vote and participating in the vote, in person or by proxy (including via ballot), without taking into account the abstaining votes, provided that one of the following is fulfilled:

5.3.1. The majority vote count at the general meeting will include a majority of all votes of shareholders who are not the controlling shareholders of the Company or have personal interest in approval of the resolution, participating in the vote; the vote count of such shareholders shall not take into account abstaining votes. Regarding shareholders with a personal interest, the provisions of Section 276 shall apply mutatis mutandis.

5.3.2. The total dissenting votes among the shareholders specified in Section 5.3.1 does not exceed two percent (2%) of the total voting rights in the Company.

It shall be noted in accordance with Section 267A(c) of the Companies Law, that the Company's board of directors shall be entitled to approve the

resolution in Section 3.7 above even if the general meeting of shareholders shall oppose to its approval, insofar as the compensation committee followed by the board of directors shall resolve, based on detailed grounds and following re-discussions regarding the compensation policy, that their approval, notwithstanding the general meeting's objection, is for the best interests of the Company.

- 5.4. A shareholder participating in the vote for resolutions set forth in Sections 3.2, 3.3 and 3.7 on the agenda shall notify the Company, prior to the vote at the meeting, or if the vote is via ballot – on the ballot, in respect of each resolution in which he votes, if he is a controlling shareholder in the Company or if he has a personal interest in approving the resolution or not; If a shareholder fails to so notify, he shall not vote and his vote shall not be counted.

6. **Legal Quorum and Adjourned Meeting:**

A legal quorum shall be constituted when at least two shareholders, holding collectively more than 33.3% of the issued shares conferring voting rights in the Company, are present in person or by proxy, within half an hour from the time set for the meeting to begin. If a quorum is not present in the general meeting within half an hour from the time set for the meeting to begin, the meeting shall stand adjourned to next week on the same day at the same time and place namely January 9, at the Company's offices, TOHA, Yigal Alon 114, 22nd Floor, Tel Aviv at 15:00 ("Adjourned Meeting") If a legal quorum is not present at the Adjourned Meeting within half an hour from the time set for the meeting, then one shareholder, holding at least 25% of the issued share capital of the Company, present in person or by proxy, shall constitute a legal quorum.

7. **Record Date:**

The record date entitling a shareholder to participate in and vote at the general meeting, in accordance with Section 182 of the Companies Law, is the close of trading on the Tel Aviv Stock Exchange Ltd. (TASE) on **December 5, 2024** (henceforth: the "**Record Date**"). If there is no trading on the Record Date, the record date will be the last trading day preceding such date.

8. **Manner of Voting and Validity of Ballot:**

- 8.1. A shareholder whose shares are registered with a TASE member (henceforth: "**Non-registered Shareholder**") is entitled to receive confirmation of ownership from such TASE member, at the TASE member's branch or via post to his or her address for the cost of postage only, upon request, provided such request was made in advance for a specific securities account. A Non-registered Shareholder may request to have the ownership confirmation sent to the Company via the internet voting system.
- 8.2. Regarding a Non-registered Shareholder, the ballot (if non-electronic) will be valid only if such confirmation of ownership is provided along with it or if a confirmation of ownership was sent to the Company via the internet voting system. The ballot of a Non-registered Shareholder should be

delivered to the Company along with the confirmation of ownership, such that the ballot will arrive at the Company's registered offices **no later than four hours prior to the time set for the meeting** (i.e., no later than **January 2, 2025 at 11:00**).

- 8.3. Regarding a shareholder that is registered in the Company's register of shareholders, the ballot will be valid only if a photocopy of his identity card or passport or in case of a corporation - certificate of incorporation, is provided along with it. A registered shareholder's ballot shall be delivered to the Company, along with a photocopy of his identity card or passport or certificate of incorporation, **up to six hours prior to the time set for the general meeting** (i.e., by **January 2, 2025 at 09:00**).
- 8.4. A ballot in which a shareholder has indicated his manner of voting, which has reached the Company by the deadline set for this as stated above, will be considered present at the meeting regarding the existence of the legal quorum.
- 8.5. Written voting will be done through the second part of this ballot, in which the shareholder will indicate the manner in which he votes on the resolutions on the agenda and will deliver it to the Company or send it by registered mail. In this regard, the "date of service" is the date on which the written ballot and the documents attached to it were received at the Company's offices as detailed below.

9. **Voting via Internet Voting System:**

- 9.1. A Non-registered Shareholder may vote on a resolution that is on the agenda as described above, by submitting a ballot via the internet voting system (henceforth: "**Electronic Ballot**").
- 9.2. The Electronic Ballot will open for voting at the end of the Record Date. Voting via the internet voting system will close **6 hours prior to the time set for the meeting** (i.e., by **January 2, 2025 at 09:00**), at which time the internet voting system will be closed.
- 9.3. The internet voting may be amended or cancelled up until the internet voting system is closed, after which it will not be possible to change it via the internet voting system. Should a shareholder vote via more than one method, the later vote will be counted. In this regard, a vote cast in person or by proxy will be considered to have been cast later than a vote cast by Electronic Ballot

10. **Address for Delivering Ballots and Position Statements:**

The Company's offices at ToHa Tower, 114 Yigal Alon St., 22nd Floor, Tel-Aviv, Israel.

11. **Deadlines for Submitting Position Statements and the Board of Directors' Response:**

- 11.1. The deadline for submitting position statements to the Company is **up to ten days prior to the date set for the meeting**.

11.2. The deadline for submitting the board of directors' response to position statements, insofar as shareholders have submitted position statements to the board of directors and the board of directors has elected to submit a response to such position statements, is **no later than five days prior to the time set for the meeting.**

12. **Distribution Website and TASE Website Addresses for Accessing Ballots and Position Statements:**

The addresses of the Israel Securities Authority and TASE websites on which the ballot and position statements may be accessed are as follows: Israel Securities Authority distribution website:

<https://www.magna.isa.gov.il>; TASE website: <https://maya.tase.co.il>.

13. **Receipt of Ballot and Position Statements:**

A Non-registered Shareholder is entitled to receive via email (to the email address in the TASE member's possession), free of charge, a link to copies of the ballot and position statements on the distribution website from the TASE member with whom his shares are registered, unless such shareholder notified the TASE member that he does not wish to receive the link, or wishes to receive ballots by post for a fee. The notification regarding ballots will apply to position statements as well.

14. **Inspection of Ballots:**

One or more shareholders, who on the Record Date hold at least five percent (5%) of all voting rights in the Company, and who hold at least five percent (5%) of the voting rights in the Company that are not held by a controlling shareholder of the Company as defined in Section 268 of the Companies Law ("**Controlling Shareholder**"), is entitled following the general meeting, in person or by proxy, to inspect the ballots at the Company's offices (whose address appears in Section 4 above) during regular business hours, as detailed in Regulation 10(A) of the Regulations.

The number of shares constituting 5% of all voting rights in the Company is 2,642,667 ordinary shares of the Company.

The number of shares constituting 5% of all voting rights in the Company that are not held by a Controlling Shareholder, including through institutional parties under the control thereof, is 1,082,918 ordinary shares of the Company.

15. **Changes in Meeting Agenda:**

After the ballot is published, there may be changes in the agenda, including the addition of an item to the agenda, position statements may be released; the updated agenda and the position statements released in the Company's filings will be available on the distribution website, whose address appears in Section 12 above.

16. **Deadline for Submitting Amended Ballot:**

A shareholder's request under section 66(b) of the Companies Law to include an

issue in the agenda of the general meeting shall be furnished to the Company **up to seven (7) days after the general meeting is summoned**. If such a request is made, the issue may be added to the agenda and its details will appear on the distribution website. In such a case, the Company will publish a revised summon **no later than seven days after the deadline for the submission of a shareholder's request to include an issue on the agenda**, as stated above. The Company will publish an amended ballot on the day the amended summon is published.

**Shareholders should mark their votes on the items on the agenda in Part Two of the ballot.**

**Ballot – Part Two**

**Company name:** Elron Electronic Industries Ltd., Corporation Number 520028036.

**Company address (for submitting and delivering ballots):** The Company's offices in ToHa Tower, 114 Yigal Alon St., 22nd Floor, Tel-Aviv, Israel.

**Time of meeting:** January 2, 2025 at 15:00.

**Type of meeting:** Annual General Meeting.

**Record date for entitling a shareholder to vote at the general meeting:** December 5, 2024 (henceforth: the "**Record Date**"). If there is no trading on the Record Date, the record date will be the last trading day preceding such date.

**Shareholder Information**

- 1. Name of shareholder: \_\_\_\_\_
- 2. I.D. No.: \_\_\_\_\_
- 3. If the shareholder does not have an Israeli identity card –  
Passport No.: \_\_\_\_\_  
Country of issue: \_\_\_\_\_  
Valid until: \_\_\_\_\_
- 4. If the shareholder is a corporation –  
Corporation No.: \_\_\_\_\_  
Country of incorporation: \_\_\_\_\_
- 5. Related Party, Senior Officer and Institutional Investor: Please indicate if you are:

	Yes*	No
Related Party (as defined in section 1 of the Securities Law, 5728-1968)		
Senior Officer (as defined in section 1 of the Securities Law, 5728-1968)		
Institutional Investor (as defined in regulation 1 of the Companies Regulations (voting in writing and positions statements, 5766-2005)		

\*If the answer is positive – please specify any relationship between the voter (who does not have personal interest) or his proxy and the Company or any of the controlling shareholders or a senior official, including employer-employee relations, business relations, etc. and details of their nature:

\_\_\_\_\_  
\_\_\_\_\_

**Mark Vote:**

	<b>Issues on the Agenda</b>	<b>Mark vote<sup>1</sup></b>			Regarding the appointment of an external director (section 239 (b) of the Companies Law) - are you a controlling shareholder, a related party, have a personal interest in approving the appointment, a senior official or an institutional investor <sup>2</sup>		Regarding remuneration policy under section 267A – are you a controlling shareholder, have a personal interest in the resolution, a senior official or an institutional investor <sup>3</sup>	
		<b>FOR</b>	<b>ABSTAIN</b>	<b>AGAINST</b>	<b>Yes**</b>	<b>No</b>	<b>Yes**</b>	<b>No</b>
1.	Re-appointment of Ms. Lisya Bahar Manoah (Chairperson) as a director of the Company for an additional term of office until the next Annual General Meeting of the Company, as specified in Section 3.1 above.							
2.	Re-appointment of Mr. Evan Yonatan Renov as a director of the Company for an additional term of office until the next Annual General Meeting of the Company, as specified in Section 3.1 above.							
3.	Re-appointment of Mr. Ariel Bentov as a director of the Company for an additional term of office until the next Annual General Meeting of the Company, as specified in Section 3.1 above.							

<sup>1</sup> No mark will be considered to have been voted ABSTAIN on the applicable issue.

<sup>2</sup> A shareholder who does not complete this column or who marks "yes" and does not specify, his vote will not be counted. There is no need to specify a personal interest in approving the appointment that is not the result of a relationship with the controlling shareholder.

<sup>3</sup> A shareholder who does not complete this column or who marks "yes" and does not specify, his vote will not be counted.

	<b>Issues on the Agenda</b>	<b>Mark vote<sup>1</sup></b>			Regarding the appointment of an external director (section 239 (b) of the Companies Law) - are you a controlling shareholder, a related party, have a personal interest in approving the appointment, a senior official or an institutional investor <sup>2</sup>		Regarding remuneration policy under section 267A – are you a controlling shareholder, have a personal interest in the resolution, a senior official or an institutional investor <sup>3</sup>	
		<b>FOR</b>	<b>ABSTAIN</b>	<b>AGAINST</b>	<b>Yes**</b>	<b>No</b>	<b>Yes**</b>	<b>No</b>
4.	Re-appointment of Mr. Dan Hoz as a director of the Company for an additional term of office until the next Annual General Meeting of the Company, as specified in Section 3.1 above.							
5.	Re-appointment of Mr. Shalom Turgeman as a director of the Company for an additional term of office until the next Annual General Meeting of the Company, as specified in Section 3.1 above.							
6.	Approval of the granting of letters of indemnity to directors from among the controlling shareholder, on identical terms to the letter of indemnity currently existing in the Company, for 3 years, as specified in Section 3.2 above.							
7.	Approval of the terms of service of the Chairperson of the Board of Directors of the Company for three years commencing from January 1, 2025, as specified in Section 3.3 above.							
8.	Approval of discretionary bonuses to Mr. Dan Hoz, former chairman of the Board of Directors for 2023 and 2024 as specified in Section 3.4 above.							

	Issues on the Agenda	Mark vote <sup>1</sup>			Regarding the appointment of an external director (section 239 (b) of the Companies Law) - are you a controlling shareholder, a related party, have a personal interest in approving the appointment, a senior official or an institutional investor <sup>2</sup>		Regarding remuneration policy under section 267A – are you a controlling shareholder, have a personal interest in the resolution, a senior official or an institutional investor <sup>3</sup>	
		FOR	ABSTAIN	AGAINST	Yes**	No	Yes**	No
9.	Re-appointment of the accounting firm Kesselman & Kesselman (PwC) as the Company's auditors for an additional term until the Company's next annual general meeting, and to authorize the Company's Board of Directors and Audit Committee, insofar required, to determine their fees as auditors, as specified in Section 3.5 above.							
10.	Approval of the Company's officers' compensation policy as specified in Section 3.7 above.							

\*\* If the answer is positive – please specify why you are considered a controlling shareholder or someone on his behalf or why you have a personal interest in the decision:

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**For shareholders who hold shares through a TASE member in accordance with Section 177(1) of the Companies Law – this ballot is valid only if confirmation of ownership is attached or if a confirmation was sent to the Company via the internet voting system.**

**For shareholders registered in the Company's shareholders register – this ballot is valid only if a photocopy of identity card / passport / certificate of incorporation, as applicable, is attached.**

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**Date**

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**Signature**

