

Voting Slip – Part 1

In Accordance with the Companies Regulations (Voting Slips and Position Notices), 2005
(“the Regulations”)

1. **Company Name:**

Delek Group Ltd;

2. **Type of meeting, date and place:**

Special Annual General Meeting of the Company's shareholders, which will convene on Monday, February 24, 2020, at 3:00pm at the Company's offices, 19 Abba Eban Street, Herzliya, and any deferred meeting.

3. **Details of the item on the agenda that can be voted on using the voting slip:**

Approval of terms of tenure and employment of Mr. Idan Wallace, the Company's CEO:

It is proposed to approve terms of tenure and employment of the Company's CEO, Mr. Idan Wallace, as stated in section 2 of the Notice of Convening the Meeting, to which this Voting Slip is attached as an appendix (“Notice of Convening the Meeting”), effective from January 1, 2020.

The proposed resolution: “To approve terms of tenure and employment of Mr. Idan Wallace in the position of the Company's CEO, as stated in the Notice of Convening the Meeting”.

4. **Background and details related to the proposed resolution**

4.1. General Background

4.1.1. On November 27, 2019 the Company reported the appointment of Mr. Idan Wallace (“the CEO”) to the position of CEO of the Company, from January 1, 2020, and the termination of tenure of Mr. Asi Bartfeld, who had previously served as the Company's CEO. In this matter, see the Company's reports dated November 27, 2019 (ref. No. 2019-01-103317 and 2019-01-103311).

4.1.2. Mr. Wallace served as the Company's Deputy CEO from August 2015. Prior to his appointment as the Company's Deputy CEO, Mr. Wallace served during 2015 as a director of the Company, and 2010-2015 Mr. Wallace served as a consultant.

From 2006 until the date of his appointment as the Company's CEO, Mr. Wallace served as CEO and representative of the owner of companies in the Group of Mr. Yitzhak (Sharon) Tshuva,

controlling shareholder of the Company (through El-Ad US Holdings and Tashluz Investments and Properties). Upon commencing his tenure as the Company's CEO, Mr. Wallace terminated his positions in the companies under the control of the Company's controlling shareholder.

Mr. Wallace holds a law degree (LLB) from Tel-Aviv University.

4.1.3. On December 31, 2019 and January 1, 2020 the Company's Compensation Committee and Board, respectively, approved the contractual relationship with Mr. Wallace in an employment agreement that stipulates the terms of Mr. Wallace's tenure and employment as the Company's CEO, effective from January 1, 2020 ("the Agreement").

As part of their above decisions, the Compensation Committee and the Board approved, in accordance with Regulation 1B4 of the Companies Regulations (Dispensations in Dealings with Interested Parties), 2000, that until the approval of the terms of tenure and employment of Mr. Wallace by the General Meeting, Mr. Wallace would be entitled to the terms of tenure and employment as had been approved for Mr. Asi Bartfeld, who served previously in this position.

4.1.4. The terms of tenure and employment of Mr. Wallace stipulated in the Agreement are in line with the Company's updated Compensation Policy, as approved by the General Meeting of shareholders ("the Compensation Policy").

The text of the Compensation Policy is attached as Appendix A to the Notice of Convening the General Meeting dated August 7, 2019 (ref. no. 2019-01-077251).

4.2. Summary of terms of tenure and employment of the CEO

Below is a summary description of the main terms of tenure and employment of the CEO, as stipulated in the Agreement:

4.2.1. **Scope of position:** Mr. Wallace will serve as full-time CEO of the Company.

4.2.2. **Period of the contractual relationship:** Under the Agreement, the contractual relationship will be for an undetermined period that will commence on January 1, 2020. Each of the parties will be able to

terminate the working relationship at any time, by prior, written notice of 6 months. In any event of termination of the working relationship, the CEO will be entitled to an adaptation grant of 6 months' salaries (gross). If notice is given by the Company, it will be entitled to waive the CEO's actual work during the notice period (in whole or in part), and to terminate the working relationship immediately, on condition that it will pay the CEO the consideration to which he was entitled for the notice period. If the CEO announces the termination of his work and does not provide the Company with prior notice as stated above, he will have to pay the Company agreed compensation: of his salary for the balance of the notice period. In special circumstances stipulated in the Agreement, the Company will be entitled to terminate the agreement without being obliged to pay the employee the consideration for the notice period or any other payment.

4.2.3. **Basic salary:** Under the Agreement the gross monthly salary of the CEO will be NIS 160,000 for a month of full-time work, retroactive to January 1, 2020. The basic salary will be linked (only upwards) to the index for December 2019 and will be updated every three months.

4.2.4. **Associated terms:** Under the Agreement the CEO is entitled to social terms, benefits and associated terms to the salary, as is usual for managers in the Company and companies under its control and in accordance with the Compensation Policy, including provisions for an executive insurance plan and/or a pension fund, provisions to an education Fund, provision of a car commensurate with his position (fully rounded up for tax) and all the expenses involved in its use, communications expenses (mobile telephone, Internet, newspapers), 22 days of annual vacation, convalescence pay of 21 days and reimbursement of costs as part of and in order to carry out his position, including daily expenses (and including travel abroad).

4.2.5. **Measurable annual bonus:** Under the Agreement, the CEO is entitled to receive an annual bonus in cash that will be determined each year based on measurable indices ("the Measurable Annual Bonus"), in accordance with the provisions of the Compensation Policy, and for the CEO there will be a measurable mechanism detailed in section 9 of the Compensation Policy, including definition of the indices, details of the weighting of each index and the amount of entitlement for performance ranges ("Bonus Mechanism").

The amount of the Measurable Annual Bonus that the CEO will be

entitled to receive each year will be calculated according to the Bonus Mechanism, subject to approval of the calculation by the Compensation Committee and the Board.

It is stipulated that approval of the terms of tenure and employment of the CEO will also be deemed approval that the Bonus Mechanism applies to Mr. Wallace.

It is also stipulated that if there is an update of the Compensation Policy that creates a change in the Bonus Mechanism, Mr. Wallace will be entitled to the Measurable Annual Bonus according to the updated rules of the Bonus Mechanism, as will be stipulated in the updated Compensation Policy.

In respect of the Measurable Annual Bonus, it is noted that had Mr. Wallace served as CEO of the Company in 2017 and 2018, the level of the Measurable Annual Bonus he would have been entitled to receive, based on the current Bonus Mechanism, would have come to NIS 1,500 thousand and NIS 1,800 thousand respectively.

4.2.6. **Equity compensation:** If the equity compensation program in the Company will be approved, the CEO will be entitled to equity compensation in accordance with the Company's valid Compensation Policy and subject to the law.

4.2.7. **Additional bonuses:** As stated in section 4.2.2 above, under the Agreement, in the event of termination of his employment, the CEO will be entitled to an adaptation bonus of the last 6 monthly salaries (gross). The CEO will be entitled to additional bonuses under the Company's valid Compensation Policy and subject to the law (including a discretionary bonus (not based on indices), a special bonus, a signing / retention, departures bonus and/or other bonus).

4.2.8. **Exemption, indemnification and insurance:** Under the Agreement, the CEO is entitled to Statements of Exemption from Liability and an Undertaking of Indemnification as is customary in the Company, based on the Compensation Policy and subject to the provisions of the Company's Articles of Association and the provisions of the law, which are not conditional. In addition, the CEO is entitled to be included in the insurance arrangements usual for the Company's officers.

In this matter it is clarified that the Statements of Exemption from Liability and an Undertaking of Indemnification granted to Mr. Wallace in the past, when he served in another position in the Company, are valid and will also continue to apply to Mr. Wallace in his present position as the Company's CEO.

4.2.9. **Confidentiality and non-competition:** The Agreement includes a non-disclosure undertaking of the CEO that is unlimited in time, and an undertaking of non-competition to the Company's business for a period of six months from the date of termination of his employment in the Company.

5. **Examination of the text of the proposed resolution:**

The full text of the proposed resolution can be examined, subject to the law, at the Company's offices, 19 Abba Eban Street, Herzliya, by prior appointment with the Company's Secretariat on tel: 09-8638582, Sunday - Thursday (excluding Festival eves and Festivals), in normal office hours, up until the date of the General Meeting.

Similarly, the Notice of Convening of the Meeting, the voting slip and position notices in their meanings in section 88 of the Companies Law, 1999 ("Position Notices" and "Companies Law", respectively), can be viewed, if there are any, on the website of the Tel-Aviv Stock Exchange Ltd www.maya.tase.co.il ("TASE website") and on the website of the Securities Authority at the address www.magna.isa.gov.il ("Distribution Website").

6. **Majority required for passing the resolution:**

The majority required to approve the resolution on the agenda is a regular majority of all votes of shareholders participating in the General Meeting, subject to one of these being fulfilled: (1) In the majority of votes at the General Meeting there shall be a majority of all shareholders who are not controlling shareholders of the Company or who have no personal interest in approval of the resolution, taking part in the vote (the vote count shall not take abstentions into account), or (2) the number of votes opposed among the shareholders specified in subsection (1) shall not exceed two percent (2%) of all voting rights in the Company.

7. **Note relationship and additional characteristics:**

As required under the provisions of the Companies Law, in Part 2 of this voting slip there is a place to mark if there is a personal interest in the proposed resolution, or another characteristic of the shareholder as stated in Part 2 of the voting slip and a description of the nature of the relationship. It is stipulated that **if the shareholder does**

not mark as stated or marks "Yes" without a description of the nature of the relationship, their vote will not be counted. In addition, in respect of a vote by interested parties, senior officers and institutional investors (in their meaning in Part 2 of the voting slip), there is a space to mark as applicable in the second part of the voting slip.

8. **Validity of voting slip:**

8.1. This voting slip will be valid for a shareholder who holds shares through a member of TASE (in accordance with section 177(1) of the Companies Law) (“Unregistered Shareholder”) - only if confirmation of ownership (in its meaning in the Notice of Convening the Meeting) is attached or confirmation of ownership is sent to the Company using the electronic voting system (in its meaning in the Notice of Convening the Meeting).

8.2. For a shareholder registered as a shareholder on the Company's register of shareholders, if a copy of the identity card, passport or certificate of incorporation is sent to the Company.

8.3. The final date for submission of the voting slip is 4 hours prior to the date and time of the vote, namely Monday, February 24, 2020, at 9:00am. In this respect, the date of submission is the date a voting slip and accompanying documents arrive at the Company's offices.

9. **Voting using the electronic voting system:**

An Unregistered Shareholder is entitled to vote using the electronic voting slip that will be sent to the Company using the electronic voting system.

The electronic voting system will be closed 6 hours before the time of the Meeting, namely Monday, February 24, 2020, at 7:00am (“Closing Time”). The voting slip and/or the confirmation of ownership must be provided using the electronic system by that time.

It is clarified that voting using the electronic voting system can be changed or canceled up until the Closing Time and it will not be possible to change it using the system after this time.

10. **Company's address for delivering voting slips and position notices:**

The Company's offices, 19 Abba Eban Street, Herzliya

11. **The date of record for entitlement of shareholders to participate in the Meeting and vote in it and the latest date to submit position notices:**

11.1. The date of record to establish the entitlement of a shareholder to participate and vote in the Meeting and a deferred Meeting is Sunday, January 26, 2020.

- 11.2. The latest date for submission of position notices to the Company by the Company's shareholders is ten (10) days before the date of convening the Meeting, namely Friday, February 14, 2020.
- 11.3. The latest date to submit responses of the Board of Directors to the position notices shall be up to five (5) days prior to the date of convening of the Meeting, namely by Wednesday, February 19, 2020.
12. **The distribution website and the TASE website on which the voting slips and position notices can be found:**
- The text of the voting slip and position notices, if there are any, can be found on the TASE website at www.maya.tase.co.il and on the Distribution Website www.magna.isa.gov.il.
13. **Additional notes in accordance with the Regulations:**
- 13.1. An Unregistered Shareholder is entitled to receive confirmation of ownership from the stock exchange member, through whom his/her shares are held, at a branch of the stock exchange member or by post to his/her own address after payment of postal charges only, if so requested, on condition that this request is made in advance for a specific securities account. An Unregistered Shareholder is entitled to give instructions that its confirmation of ownership shall be transferred to the Company using the electronic voting system.
- 13.2. An Unregistered Shareholder is entitled to receive free of charge by e-mail a link to the text of the voting slip and position notices (if there will be any) on the website, from a stock exchange member through whom his/her shares are held, unless he/she informed the member of the stock exchange that they are not interested to receive the said link, or that they are interested to receive the voting slips and position notices by mail for the cost of sending. The notification in respect of voting slip shall also apply to receiving the position notices.
- One or more shareholders who hold shares representing five (5) percent or more of the Company's total voting rights (namely, 576,641 shares), and similarly someone holding the said amount from the total voting rights not held by the controlling shareholder in the Company as defined in section 268 of the Companies Law (namely 211,019 shares), is entitled after convening of the General Meeting to examine the voting slips and the voting records using the electronic voting system as received at the Company, as stipulated in Regulation 10 of the Voting Regulations.

- 13.3. A shareholder shall indicate his/her vote on the item on the agenda on the form that is Part 2 of this voting slip.
14. Following publication of the voting slip it is possible that there will be changes to the agenda, including the addition of an item to the agenda, and position notices that might be published. It will be possible to examine the updated agenda and position notices that will be published in the Company's reports on the Distribution Website.
15. In the event that there will be changes in the agenda including the addition of an item to the agenda, the Company will issue an amended voting slip on the date of publication of a notice concerning the convening of the Meeting and the amended agenda.
16. A shareholder is entitled, up to 24 hours prior to convening of the Meeting, to contact the Company's registered offices and after having proven their identity to the satisfaction of the Company's Corporate Secretary, or another employee appointed for the purpose, to withdraw their voting slip and its proof of ownership.

Voting Slip – Part 2

Part 1:

Company Name: Delek Group Ltd

Company's address (for submitting and sending voting slips): 19 Abba Eban Street, Herzliya

Company No.: 520044322.

Date of Meeting: Monday, February 24, 2020, at 3:00pm.

Type of meeting: Special General Meeting.

Date of Record: Sunday, January 26, 2020.

Part 2 (To be completed by the shareholders):

Details of shareholder:

1. Name of shareholder: _____
2. ID No.: _____
3. If the shareholder does not have an Israeli ID No: _____
4. Passport No.: _____
5. Country of issue: _____
6. Valid until: _____
7. If the shareholder is a company: _____
8. Company No.: _____
9. Country of incorporation: _____

Manner of vote:

| Resolution on the agenda | Manner of vote ¹ | | | Do you have a personal interest in the resolution? ² | |
|---|-----------------------------|---------|---------|---|----|
| | In favor | Against | Abstain | Yes* | No |
| Approval of the terms of the tenure and employment of Mr. Idan Wallace as the Company's CEO | | | | | |

¹ Not marking an answer in this part is deemed abstention from voting on this item.

² If a shareholder does not complete this column or marks "Yes" and does not specify, their vote will not be counted.

* Detail nature of personal interest:

Nature of shareholder (interested party, senior officer or institutional investor):

Are you an interested party, senior officer or institutional investor (mark in table)?

| | |
|--|-------------|
| "Interested party" in the meaning of the term in section 1 of the Securities Law, 1968 ("Securities Law"). | Yes / No |
| "Institutional Investor" in the meaning of the term in Regulation 1 of the Supervision of Financial Services Regulations (Provident Funds) (Participation of Management Company in General Meeting), 2009 or "Manager of a joint investment trust fund", in its meaning in the Joint Investment Trust Funds Law, 1994. | Yes / No |
| "Senior officer" in the meaning of the term in section 37(d) of the Securities Law. | Yes / No |

Notes in accordance with the Voting Regulations:

1. For Unregistered Shareholders – this voting slip is only valid if accompanied by confirmation of ownership except in cases where voting is over the Internet.
2. For shareholders registered in the Company's register of shareholders – this voting slip is valid if accompanied by a photocopy of the identity card / passport / certificate of incorporation.

Date: _____ Shareholder's signature _____